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*SIGNIFICANCE OF BRANDING FOR INCREASING TOURIST
DESTINATION COMPETITIVENESS*

In the article the main definitions of countries branding, components of brand and factors influencing its formation have been considered.

Keywords: brand, unique country brand, service brand, country image.

В статті розглянуто основні поняття брендингу міст, складові бренду та фактори, що впливають на його формування.

Ключевые слова: бренд, унікальний бренд країни, бренд послуги, імідж країни.

В статье рассмотрены основные понятия брендинга городов, составляющие бренда и факторы, влияющие на его формирование.

Ключевые слова: бренд, уникальный бренд страны, бренд услуги, имидж страны.

Country brand strength is a nation's ultimate intangible asset and goes beyond its geographic size, financial performance or levels of awareness. Managed properly across every measure, it can be a lasting vehicle for goodwill, encouraging forgiveness in difficult times and disproportionately boosting the value of exports, from people to products to entire corporations. Arguably, a strong country brand is a driver of brand strength in other contexts – when a product, service or corporation is identified with a strong country brand, it has a better chance of premium pricing, longevity and preference in emerging markets. A weak country brand, like a weak product brand, leads to poor differentiation, ambiguous meaning and low recall in the minds of people who travel, invest and do business outside their borders. All of this affects a nation's ability to stand out regionally and globally and to realize future ambitions beyond its natural resources [1]. Country branding as specific tourist destination is a process of forming a country image has a significant influence on increasing tourist flows and as a result on increasing tourist income to economy of the country. In 2010, international tourist arrivals were up by almost 7% to 935 million, following the 4% decline in 2009 – the year hardest hit by the global economic crisis. The vast majority of destinations worldwide posted positive figures, sufficient to offset recent losses or bring them close to this target (fig.1) [2].

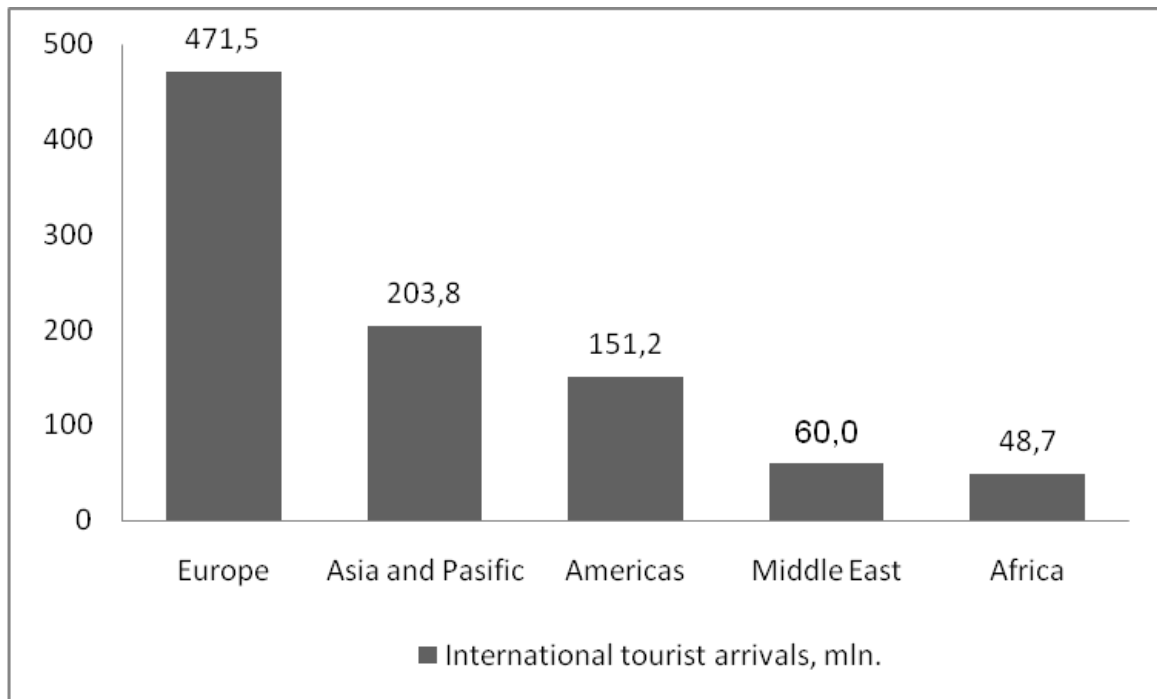


Fig.1. International tourist arrivals for regions, 2010

The recovery in international tourism is good news, especially for those developing countries that rely on the sector for much-needed revenue and jobs. International tourism demand held up well in 2010, despite persistent economic uncertainty in some major markets, the natural disasters suffered in some countries, political and social unrest in others, the serious disruption of air travel following a volcanic eruption in Iceland last April and the problematic weather conditions in parts of Europe and the USA in December. Tourism has once again proven to be a highly resilient sector. Nevertheless, it is necessary to work closer and better towards increased integration and cooperation between all players involved in the tourism value chain to increase competitiveness and respond more effectively to challenges. 2010 also saw the rise in importance of mega-events – sport, culture and exhibitions – in terms of their extraordinary ability to attract visitors and position host countries as attractive tourism destinations. Notable examples include the Winter Olympics in Canada, the Shanghai Expo in China, the FIFA World Cup in South Africa and the Commonwealth Games in India [2]. For such kind of event a unique country brand was created or existing brand was reinforced. It can help to identify country among other and extract the strengths, advantages and attractiveness for travel.

To have the strongest country brand, it is necessary for country to be democratic, progressive, relatively politically and economically stable, and doing business in English, also the value systems and the freedom of communications: a major factor in world perception of a country and its culture, people, businesses and brands are important. The economic crisis is also a powerful factor in country brand strength, but mainly for those that avoided it.

Countries which managed to escape the worst of the banking collapse and maintain relatively strong economies throughout 2010 are Australia, New Zealand and Canada, which countries brands were defined as top three brands in the world in accordance with Country Brand Index [1]. A significant influence on a strong country brand forming has brand of some product or company which headquarter is situated there. Despite crisis, economic downturn, political upheaval and public relations problems, countries with a clear identity, consistent values and a lasting heritage continue to perform at the highest level. For example, according to Country Brand Index brand China's position has actually dropped in the 2010 ranking while simultaneously displacing Japan as the world's second-largest economy, showing that economic strength alone is not enough to build a strong brand. Japan, on the other hand, has risen one position in the ranking, amid high-profile national PR problems such as the Toyota recall, economic slowdown and a weakened yen. Similarly, the BP crisis – widely feared to impact brand UK – seems not to have significantly damaged perceptions of the brand. Its continued high performance in heritage and culture as well as consideration and visitation show that legacy value and a strong identity as a nation can overcome austerity drives and corporate disasters. Similarly, while France has fallen this year, its biggest strength remains in Heritage and Culture, and it makes great use of that in exporting some of the world's most famous brands – from Chanel to LVMH Group – all of which continually reinforce its authentic history, culture and style. It is no coincidence, for example, that the emerging super-rich in China choose French luxury brands over others as emblems of their newly found economic and social status. French brands such as Carrefour, Danone, L'Oreal, Evian and Renault also carry great appeal to the mass market, which reinforces a more populist aspect to French culture and specialization in retail, cosmetics and dairy products. France also continues to be a very strong tourist destination for the same reasons, remaining at number one in awareness and decision/visitation, and jumping to first place in familiarity this year. Undoubtedly, French music and cinema continue to influence global culture for the Francophone world, and France 24 and Canal+ are major vehicles for French culture [1].

Like company, product or service brands, country brands create strong and positive impressions that generate desire and demand. The consistency of impressions and messages across media and channels keeps them top of mind and promotes them across audiences and categories of relevance, from business to travel and tourism. The leading country brands should have a healthy mixture of public and commercial broadcast networks with multiple stations, some international reach and a relatively free press. They also should have excellent communications infrastructure with high levels of Internet and mobile phone penetration. In a world defined by user-generated content, borderless communication through social networks, and unprecedented access to news, information and rich media, a country brand is now partly built by aggregated sentiments and content arising from people's personal experience. The more open a country, and the better its technological infrastructure, the more likely

good (and bad) experiences will permeate and impact awareness and preference for its brand [1].

Every city has specific landmarks which are their city brand and thanks to means of communication make it famous for. Some of these cities were included in the list of the top cities for 2011 by experts from Lonely Planet international journal [3]. For listed cities new tourist destinations were developed or they were disclosed from other side. First place took New York. This year it is expecting the opening to the public at the former the World Trade Center's twin towers place of the National September 11 Memorial, a 6-acre, tree-filled plaza with 30ft-deep waterfalls at the footprint of the former towers, rimmed by the name of each victim and illuminated at night (its museum will follow in 2012). The second place took Tangier (Morocco). From its extraordinary position perched on the northwestern-most tip of Africa, Tangier looks in two directions: one face towards Spain and Europe, and the other into Africa. It announces a culture excitingly different from that of its close cousins across the water. A stylish new Tangier is being created with a dynamic arts community, renovated buildings, great shopping and chic new restaurants. Tel Aviv (Israel) is the total flipside of Jerusalem, is a modern city on the sea. Thanks to its universities and museums, it is also the good place for Israel's growing art, film and music scenes. Wellington (New Zealand) is a city with more bars, cafes and restaurants per capita than New York. There are a lot of arts and cultural events. Likewise, its film industry, «Wellywood», centred on the Miramar Peninsula, is booming thanks in large part to the success of Wellingtonian Sir Peter Jackson (executive producer of the 2011 and 2012 Hobbit movies currently being made here). This little capital will be front-and-centre on the world stage in 2011 when New Zealand hosts the Rugby World Cup. Next city is Valencia (Spain). For centuries, it was overshadowed by larger Spanish cities – hard-nosed, commercially-minded Barcelona and Madrid, the nation's capital. But now, while retaining its provincial charm, Spain's third city now mixes with the international crowd. Host of a couple of America's Cup yachting jamborees and an annual street circuit Formula 1 motor race, it's also European Capital of Sport for 2011 and a favourite destination for conferences and congresses. Iquitos (Peru) is a mighty megalopolis of the Peruvian Amazon. Pulsating with life, the city's latest boom is tourism: the rainforest attract visitors from the world, also it is a cultural hub. Ghent (Belgium) might just be the best European city. Ghent hides away in the middle of Belgium's big three – Brussels, Bruges and Antwerp. Here hides one of Europe's finest panoramas of water, spires and centuries-old grand houses. Ghent has one of Europe's most dynamic festival scenes, which vies for visitors' attention. This year the entire center will emerge from a major program of rebuilding designed to show off the huge pedestrianized squares. Delhi (India) was also included in the list. Huge preparations for the Commonwealth Games, which took place in October 2010, improved the city's infrastructure, cleaned up its streets and added to its accommodation options. Also was built new or improved sporting facilities. This year will be 100 years since New Delhi was founded in 1911. The

commemoration of this anniversary is sure to be a colorful and lively affair. Newcastle (The Great Britain) is famous for its surf beaches, a sun-drenched subtropical climate, and diverse dining, nightlife and arts. Chiang Mai is a culture capital of Thailand. There are dozens of well-preserved temples here. Many new ecotours and adventure trips are appearing and with a choice of river rafting [3].

Country image as complex of emotional and rational conceptions, which based on specific country identification, own experience and private information, its social, political, economic and financial standing, a level and kind of tourism development can form a strong country perception as tourism destination. Such kind of criteria allowed the defining the top 10 best value destination for 2011 which can cost a little [3, 4]. Among these destination at the first place is Bangladesh, as the country where the cheapest price for meal is – getting one meals a day can cost less than \$1, hotel room - \$10 per night, excursion to the National park to watch for tigers - \$150, it is expensive, but cheaper than in India. The Rocket is Bangladesh's most famous ferry, running daily between the capital Dhaka and Khulna. First-class river cruising for 27 hours will cost \$15. At the second place is Nicaragua. For this country is typical a price for hotel room - \$30, the biggest expenditure is tax for flight from country - \$32, which is included in the ticket price. At the third place is Washington, DC (USA). It can be explained by great amount of unique places which are free of charge – Lincoln Memorial, National Air and Space Museum, Capitol, Library of Congress, excursion to White house and State Department. At the fourth place is Paris. The French capital is never going to win any awards for cheapness, but here's a winning formula that anyone can afford. This title was given to the city in terms of its price for meal; it is possible to buy a freshly baked baguette, a fist-sized hunk of cheese and a bottle of wine for \$13.5 here. The next is Namibia – expenditures for meal, accommodation and transport per day are \$50. Admission to the Cape Cross Seal Reserve on the Skeleton Coast costs \$3 per person. The Philippines – meals cost \$20 per day, excursion by ferry - \$5 for each hour. Next country is Argentina. A standard hotel room in Buenos Aires or on Patagonia costs \$46 per night, supper in restaurant - \$30. Terrace tickets for Boca Juniors, River Plate and others cost from \$3.60. Naples (Italy) – Italy isn't cheap country, but Naples is one Italian city that prefers food that is fresh, simple and good value. It is possible to find accommodation with meal for \$100 per night, here is cheap street meal. The ferry from Naples to the idyllic island of Capri, one of Italy's classic journeys costs \$14. At the ninth place of the best destinations which are cost a little is Ukraine. A good budget options it is possible to find in Lviv and Odesa are available for less than \$50. Public transport is fantastic value, with a train between Kyiv and the Lviv costing less than \$10, and a tram ride from the station into town a hundredth of that. Food and beverage are very cheap. One of Ukraine's top sights is the immense and moving Lychakiv Cemetery in Lviv; it includes the final resting place of national poet Ivan Franko and thousands of dramatic tombstones. It is possible to get hours of fascinating wandering for less than \$1. At the last place

is Syria. Syria remains an excellent-value place to travel. There are superb street shwarma (sandwiches), felafel and eye-tightening qahwa (coffee) available for small change. A daily budget is \$50. The Crusader Castle of Crac des Chevaliers, one of the world's great castles, charges around \$3.50 entry [3, 4].

Some kind of budget tours can combine throughout Caribbean [5]. For example, Carriacou, Grenada. North of the main island of Grenada is the laid-back island of Carriacou. There are some great beaches on the island. A fantastically budget-friendly place to stay is the Green Roof Inn. It can cost from \$40 for one and from \$70 for two. Havana, Cuba. Day-to-day expenses in the Cuban capital can be quite cheap. Casas particulares (owner-occupied bed-and-breakfast establishments) can be found for about \$30 for two. Cultural events are astoundingly cheap, and reasonable taxi rates can be negotiated. Big Corn Island, Nicaragua. Big Corn Island has some beautiful territory and some unbelievably cheap hotels - Princesa de la Isla – from \$60, with excellent Italian meals on offer and Martha's Bed and Breakfast – from \$50. Saba. Referred to by locals as the «Unspoiled Queen», Saba is one of the most beautiful and least well-known corners of the Caribbean. A mountain jutting out of the sea, it has no beaches and few obvious tourist draws beyond diving. Visitors discover cute villages full of houses with gingerbread trim, hiking trails, and outstanding views. Ecolodge Rendez-Vous hotel costs from \$75 and El Momo from \$50 for one; \$65 for two. Anegada, British Virgin Islands. The limestone island boasts some of the loveliest beaches in the entire region, yet has seen surprisingly little tourist development. Neptune's Treasure offers double rooms starting at \$110 in high season. Montserrat. Hit in 1995 by a major volcanic eruption, Montserrat saw most of its inhabitants decamping to the UK and elsewhere. Though many Montserratians have returned since then, the island's tourism numbers have not. This fact translates into all sorts of great deals for visitors, who can busy themselves on the verdant island with beachcombing, hiking, rum shop tours, and visits to the Montserrat Volcano Observatory. Lodging at relaxed Gingerbread Hill begins at \$45 for two. Dominica. This very green island is no typical beach destination. It sees few typical Caribbean tourists, drawing instead eco-minded sorts who come to bask in its physical beauty. Highlights include hiking activities, national parks, striking waterfalls, hot springs, and all sorts of fascinating geological oddities, including the island's awe-inspiring Boiling Lake. Stay at the remarkable Papillote Wilderness Retreat cost from \$100 or go fully rustic at the impressively eco-minded 3 Rivers cost from \$70; camping plots from \$15. Bonaire. It is a stock of inexpensive bungalows and inns. Among other Lagoen Hill is situated here, which costs from \$72, Lizard Inn - from \$70, and Ocean View Villas - from \$100. Tobago, Trinidad & Tobago. This southern Caribbean island has seen considerable tourist development at its southwestern end. Journey to the island's opposite extremity and find jungle-encircled beaches that never get packed and cute fishing towns like Charlotteville where inns and house rentals are inexpensive. Cottages at beachside Man-O-War Bay Cottages begin at \$60 for two [5]. Hereby, the set of specific characteristics, emotional and rational impressions, national

peculiarities, social, economic and political environment can form a strong country image and as a result it can lead to promoting a city or country as tourist destination by means of such brand on the international scale oriented on specific target group.

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