Place Branding as a Development Factor of Tourist Regions

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Abstract: The relevancy of exploring the concept of place branding as one of the main tendencies in modern strategies aimed at developing and enhancing competitive advantages of territorial productive and economic formations, such as tourist-recreational clusters, is justified with current development of tourism territories. Place branding is based on integrated approach, unification of communicative technologies and management of economic, political, technologic, sociocultural elements of a resort territory as a system, that is its tangible and intangible property. The paper analyses the concept of place branding as a system underlying brand building for the tourism regions of Russia and boosting their economic viability. The target of the research is building a region’s identity which is appealing for the tourists (including foreign ones), local inhabitants, and investors, as well as enhancing the attractiveness of a region. The authors offer the analysis of the definitions «place branding», «region’s identity», «regional brand». Based on comparison of the terms application and their content, the authors suggest various stages of building up a positive identity of a resort area, taking into consideration the influence of tourist-recreational clusters on the regional economy. The structure of a regional brand is developed, which allows step-by-step shaping of main constituents for place branding. In addition, the principal factors of creating a positive identity of a region are formulated. The role of tourist-recreational clusters in efficient tourism regions branding received its evaluation as well. Besides, the authors offer their vision of the structure of a regional brand. As part of the study the authors used such methods as comparative analysis, classification, synthesis and grouping, as well as a comprehensive approach to region’s branding.

Key words: Place branding • Tourist-recreational cluster • Region’s identity • Brand of tourism regions

INTRODUCTION

Place branding is one of the latest tendencies in modern strategies aimed at developing and enhancing competitive advantages of territorial productive and economic formations, such as tourist-recreational clusters. Place branding is based on integrated approach, unification of communicative technologies and management of economic, political, technologic, sociocultural elements of a resort territory as a system, that is its tangible and intangible property. Its target is building a regional identity which is appealing for the tourists (including foreign ones), local inhabitants, investors, and enhancing the attractiveness of a region. At the modern stage of development it is fair to say that place branding has become a trend. The practices of territory branding owe their popularity to the desire to build up the identity and appeal of the region for other subjects, countries, for their economic operators and other social institutions, as well as for the population and international organizations [1]. The identity is influenced by all entities engaged in foreign economic activities (financial institutions, tourism industry, transport, hotel industry, and so on), as well as inhabitants, engaged in business. Therefore, the identity and brand of the regions and a country as a whole is in a sense a common cause of
the state, its citizens and corporate sector, which indirectly demonstrates a sense of belonging and consolidation existing within the country, its willingness to act under the conditions of intense international competition.

Place branding or place marketing as an area of scientific and practical work emerged and started its rapid development in Europe in the sixties. Among the reasons for its appearance one may single out the specific character of sociodemographic processes in Europe in the prior period, in particular, in the fifties, when the reduction in the relative share of young people, outflow of labor pool to large cities together with other social processes which influenced the economy in the negative way were reported [2]. It was necessary, in the first place, to draft the measures aimed at increase in the birth-rate, and, in the second place, to ensure the drift of work force and redistribute the population. Place branding became a part of the action framework which ensured the solution for the second item of these most important tasks of national economies at the given period of time [3].

**Main Part:** At that stage the concept of region’s identity was more journalistic than scientific. However, there is no doubt that the “region’s identity” is the intangible asset that can make significant adjustments in the evaluation of economic risks for the enterprises and organizations engaged in travel industry, as well as influence building up of the capital-raising potential of the infrastructure facilities and improve capitalization of the companies.

Without endeavoring to provide an accurate definition for this complex concept, we would like to mention that region’s identity is a comprehensive phenomenon, consisting of many components, which more and more defines socioeconomic, political and functional development prospects of the territories.

As can be seen from the above, the elaboration of technologies aimed at shaping positive region’s identity is becoming a compelling need not only for the government agencies, which grow increasingly aware of the necessity to ensure positive incentivization of socioeconomic development, but also for the companies which experience growing influence of intangible assets on financial and economic performance indices.

**RESULTS**

The factors contributing to shaping a region’s identity may be as follows:

- Historical, natural, ethnocultural specifics of the territory;
- Political and socioeconomic living conditions of the population;
- Quality of information environment;
- Availability of innovative capacity;
- Development of comfortable and accessible urban environment;
- Creativity and personal touch in elaboration of new approaches to staging public events;
- Personality of representatives of the administration.

A logo may act as a visual representation of the brand not only for a city, but also for the whole region [4] Integration of territorial units into a unified system under one brand, with a logo acting as a marker for the brand under the circumstances, will allow boosting the cost of the brand, as soon as it increases the number of goods and services which compose its «associative periphery» and contribute to the buildup of the territorial identity.

**CONCLUSIONS**

While making its contribution into addressing the problems of attracting tourists to central and peripheral destinations, place branding implies not only building up a recognizable, credible image, but also activity aimed at development of the entire tourism infrastructure.

Building up a strong brand for a specific tourism region will stimulate the following processes: creation of clusters, growth in exports of locally manufactured products, additional flows of public and private investments. All together these processes will result in qualitative and quantitative increase of available resources, including human resources, and cost reduction (for example, for personnel training). Besides, it is worth mentioning, that a reverse effect occurs as well: the above processes represent the factors, which influence the creation of a strong brand.

**REFERENCES**