

# Destination Branding: A Snapshot

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## ABSTRACT

This paper is a review of literature and important case studies on the topic of destination branding. Destination branding is a relatively new marketing concept for the tourism industry, as well as a topic of academic research. Much of the research that has been done so far focuses on comparing destination branding to the branding of a consumer product and distinguishing whether the two practices are different enough to merit separate strategies. The consensus is that destination branding is sufficiently different from singular product branding, however the lines are still blurry on what the most relevant and distinctive brand dimensions are for a destination. The goal of this paper is to put the destination branding research developed thus far (which are complex and highly theoretical) into clearer context by tying them more closely together with the unique challenges facing destination marketers, and providing a snapshot of if and how these theories are currently being put into practice

## INTRODUCTION

While most people think of tourism as simply a leisure activity, the tourism industry in the United States is actually an important business sector to our economy. The industry generated \$1.8 trillion in economic impact to the US economy with \$759 billion spent directly by domestic and international travelers in 2010 (US Travel Association). In some countries, tourism is the economy's largest industry! The industry provides billions of dollars to our economy as well as millions of jobs. Buyers of tourism products include leisure travelers, tour operators and travel agents, meeting and convention planners, sports organizers, and more. Suppliers and facilitators of tourism again include tour operators and travel agents, specific attractions, along with destination marketing organizations, or DMOs, such as convention & visitors' bureaus and state tourism organizations. The DMOs promote travel to the destination under their jurisdiction in a number of ways and work to assist their hotels and other tourism attractions in earning visitors. Their main activity is to achieve coordination from stakeholder groups in order to create brand equity (Garcia 2012). These organizations are often not-for-profit or government run, which means they operate on tax revenues. Despite the industry's significant economic impact, tourism promotion organizations nationwide work with extremely low budgets that make it hard to realize their full potential.

Research shows that consumers these days perceive the world to be a smaller place, with international travel more accessible than ever (Morgan 2002). As global tourism competition rises, it is important that the US invest in this industry and make focused marketing efforts in order to compete with other destinations worldwide. A startling fact is that 70% of all tourists are visitors to only 10 major countries, which leaves over 90 countries competing for only 30 percent of the global tourism market (Morgan 2002). This makes conducting effective tourism marketing extremely important, especially if you are not one of the lucky 10 countries who are graced with a large number of tourists year after year. Furthermore, many destinations receive most of their business from repeat visitors than new customers. For instance, it is estimated that 90 percent of the visitors to Sydney, Australia during the Olympic games will return for another visit (Morgan 2002). Thus, creating customer loyalty is a key function of destination marketers.

The economic impact of tourism coupled with increasing competition makes effective destination marketing essential. The purpose of this paper is to explore one particular marketing strategy, destination branding. The phenomenon of branding a place as if it were a consumer product has taken off in recent years (Murphy 2007). This paper conducts a literature review on the theoretical research that has already been done on the concept of destination branding and attempts to relate it back to everyday marketing practice. It outlines key steps a destination marketer should take if they wish to brand themselves, and then analyzes the marketing strategy of select real-world destinations (at the country, state, and city level) on the basis of the current destination brand research. The goal of this paper is to put the destination branding research developed thus far (which are complex and highly theoretical) into clearer context by tying them more closely together with the unique challenges facing destination marketers,

and providing a snapshot of if and how these theories are currently being put into practice. This should give destination marketers a clearer, more concise idea of whether or not destination branding is a desired strategy for them.

### *Product Characteristics of the Destination*

Before discussing marketing strategy in-depth, it is first important to understand the unique characteristics of a tourism product and the challenges these pose for tourism marketers. The good news is that tourists were found to perceive a destination as if it was a product and they evaluate its attributes on both a cognitive and an affective basis (Boo 2009). However, marketing a destination is quite different than marketing a consumer product. First, a tourist destination is much more multi-dimensional than a consumer good; it is actually a composite of many different products (Boo 2009, Morgan 2002). As a traveler, you stay at a hotel, eat at different restaurants, visit certain attractions and participate in certain activities. You will interact with local people and observe the appearance, geography, and cleanliness of the area around you. All of these components together make up the destination product and will contribute to a tourist's overall experience with the destination. The tourism product is highly experiential in nature, and the experience will most likely be different for each customer because of all the variables in play. It can be challenging for a tourism marketer to deliver on a destination brand's promise and achieve consistency, from customer to customer or visit to visit, since each of the destination's product elements are separate entities outside of their direct control that have their own goals and motivations (Gartner 2011).

In fact, many of the tourism product's attributes are outside of a marketer's control. A place has a given set of assets such as the geography, climate, and social/ demographic makeup of the destination's residents that cannot be changed in response to consumer demand. However, in normal marketing situations, products and services are created specifically to try to meet some unmet demand as perceived by the business. The product's features are developed with the consumers in mind, and then the marketer tries to connect their organization's supply with the existing demand. Destination marketers do not have this luxury; they are stuck with whatever already exists. They must accept and work within these constraints, and focus promotional efforts on the groups most likely to be interested in what they are able to offer. However, over time the destination's attributes could change or be affected by unpredictable environmental factors, making product stability a potential issue for destination marketers as well (Gartner 2011).

Tourist destinations are made up of both tangible and intangible assets (Qu 2011). Tangible assets could include geographical features such as beaches or mountains, historical sites, and attractions; intangible assets might include culture, customs, and history. Consumers going to a destination are looking to experience tangible or intangible features that are different from those they can experience at home. Travelers have varying motivations for visiting a destination but increasingly, they are looking more for discovery than escape on their vacations (Morgan 2002). This tendency influences the types of tangible and intangible assets a particular traveler seeks out. In conjunction with the preference for discovery over escape, Morgan (2002) also states that today's consumers are 'aspirational' in that they seek self-actualization in their travel choices. However, it is important to note that travel is a discretionary purchase for most, so consumers may not travel as much when money is tight (Gartner 2011).

As alluded to earlier in the discussion of the composite nature of a tourism product, a destination has many stakeholder groups. The most important stakeholders include a destination's local residents, entrepreneurs (aka the local businesses), and of course, the visitors (Garcia 2012). These groups have various needs and getting them to work together can be another challenge for destination marketing organizations (DMOs). It is especially important to gain the cooperation of the two resident groups, locals and entrepreneurs, in order to present a unified brand message to the visitors. The government is also a stakeholder in tourism because of the economic impact the industry brings, as well as the tax revenue it brings. On the state and national levels, DMOs are often housed within the government. The government's stake in tourism affects the destinations and the destination marketers in the form of government regulations and policies regarding visas, border control, taxes, and funding (Morgan 2002).

### *What is a Brand?*

Next, let us discuss what exactly a brand is and does before we get into the topic of destination branding. "A brand can be defined as 'a name, term, sign, symbol, or design, or combination of them, which is intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors'" (Keller 1993). More than an identifier, a brand also represents the organization itself, its reputation and core values (Gilmore 2002). Basically, a brand is a visual representation of an organization's unique product characteristics, those both functional and non-functional, which has taken on a relevant meaning to the consumer (Morgan 2002).

From a consumer standpoint, a brand could be considered a holder for all the information, feelings, and experience they have with a product (Keller 1993). Seeing or hearing the brand brings to mind certain associations

about the product or organization for the consumer. It can also act as a heuristic for consumer decision-making. Thus, “a brand’s underlying goal is to suggest feelings of trust, confidence, status and exclusivity” that would make a consumer favor it over others (Garcia 2012). Consumer brand knowledge is made up of different dimensions that affect the extent to which associations about the brand are created. The first is brand awareness, which is the ease of brand recognition and brand recall. Brand awareness is important because it increases the likelihood that the brand will be part of a consumer’s consideration set for a particular product category when making a purchase decision (Keller 1993). Brand awareness is also necessary for the formation of a brand image, which is the next dimension of brand knowledge.

Marketers create a brand identity for their product, and brand image is what the consumer perceives of it (Qu 2011). Brand image is made up of three types of interconnected associations that consumers hold perceptions on: product attributes, benefits, and attitudes (Keller 1993). Attributes are the descriptive characteristics that a consumer believes the product has. Attributes include physical characteristics of a product, price and packaging information, and perceptions of typical users and usage situations. “Benefits are the personal value consumers attach to the product attributes” (Keller 1993). It is the worth they derive from the product functionally, emotionally, and socially. Finally, attitudes are how the consumers evaluate a brand (favorably or unfavorably) and often are the basis for consumer behavior (Keller 1993). Attitudes are a function of the first two associations: attributes and benefits.

Marketing activities can affect which associations are held about a product and how strongly they are held. Another important characteristic of brand image is how unique the associations are to a particular brand compared to competitors. A brand is a more valuable asset to a company if it creates strong, favorable and unique associations for a consumer (Keller 1993). A brand that does these three tasks effectively will be more likely to come to mind in a purchase situation and better differentiate itself from competitors. A product that successfully differentiates itself reduces its substitutability and thus, a brand can be a powerful tool in establishing customer loyalty.

#### *Why Destination Branding?*

The concept of branding does not only apply to consumer products: it can also be applied to services and more recently, destinations. As discussed previously, a tourism destination is a multi-faceted composite of many individual products and services that can be difficult to unify. Why would a product as complex as this attempt to brand itself as if it were a consumer good? Because a strong brand insulates itself from the threat of competition by reducing substitutability, and in a marketplace saturated with many similar destinations differentiation becomes the only way to survive. Morgan (2002) says, “the battle for customers in tomorrow’s destination marketplace will be fought not over price but over hearts and mind.” What persuades tourists to visit one similar place over another is the emotional connection they feel towards the destination. As discussed, a brand elicits emotions and feelings about a product, therefore a branding strategy would make sense for a destination to use to create these desired emotional associations. The most cited reasons DMOs listed for creating a destination brand include image, recognition, differentiation, consistency, brand messages, emotional response, and expectations (Blain 2005). Destination brands give visitors an assurance of quality experiences, reduce visitor search costs and offer a way for destinations to establish a unique selling proposition (Konecnik, 2007).

## **METHOD**

#### *Destination Branding Literature Review*

For a destination, a brand bridges the gap between its given assets and the perceptions of potential visitors (Morgan, 2002). Qu (2011) states that destination brands serve two main functions: identification and differentiation. As with singular product brands, a destination brand is also made up of the components of awareness and image. Like before, brand awareness is considered a pre-requisite to any other brand dimensions (Konecnik 2007). Without some level of awareness, the consumer cannot have perceptions on the destination’s image, quality, etc. A destination brand image could be defined as “perceptions about the place as reflected by the associations held in tourist memory” (Cai, 2002). Many of the previous studies on destination branding rank the dimension of brand image of highest importance in a tourism brand’s evaluation. According to Prebensen (2007), a destination’s image can be influenced by three sources of information, organic image, induced image, and modified-induced image. The first, organic image, is what you learn about a place in school, in books, hear about on the news, through word of mouth etc. Places are much more than just tourism products, so people generally have knowledge and perceptions of a destination independent of exposure to its marketing. This information is not necessarily conveyed with the intent of persuading anyone to a certain image, but these organic sources could still influence whether a person views a place as a suitable travel destination or not. For instance, a country such as Afghanistan has high awareness among Americans these days, but most of our knowledge about it is due to news coverage on the war, giving the country a

negative image as a travel destination. Induced image is the next source, and this is the result of promotional material and destination marketing efforts. Finally, there is modified-induced image, which is the result of personal experience with the destination.

Because of these different information sources, “destination image should be regarded as a pre-existing concept” for destination branders (Qu 2011). In developing a brand identity, marketers cannot ignore the fact that most consumers may already have an image about the destination and they must incorporate this knowledge into the identity they wish to project. With the brand identity, which is influenced by current consumer perceptions, marketers hope to further influence a person’s perception of the destination. Thus, the relationship between brand image and brand identity is reciprocal (Qu 2011). The concepts of destination image and destination brand are so closely tied together that there has been disagreement and confusion among researchers as to the difference between the two. The concepts of destination brand and image used to be considered one and the same, however more and more researchers are acknowledging that image is just a piece of the overall puzzle and that there are other notable dimensions as well for destination brands (Konecnik 2007). Konecnik argues that for a destination, brand quality and brand loyalty are two more brand dimensions that are distinct and important enough to be measured separately from brand image.

Functionally, brand loyalty is the main source of customer-based brand equity; it is the most measureable source of a brand’s value (Boo 2009, Garcia 2012). Gaining loyalty in the tourism industry is key since so much of a destination or attraction’s business comes from repeat visitors, not first-timers. Previous experience with a brand will be the most key factor in determining a destination image and thus intent to return (Konecnik 2007). However it is important to note that “tourists who have a positive experience at the destination are not necessarily loyal” (Boo 2009). Some tourists prefer to travel to different destinations and experience more of the world, rather than return to the same destination even if they enjoyed it. They may still display attitudinal loyalty and recommend the destination to friends though.

On the ‘quality’ dimension, Boo (2009) conducted further research and found that it was too hard to distinguish quality factors from image factors. They were too highly correlated. This makes it difficult to use quality a distinctive brand dimension, even though the study confirmed the significance of quality in a consumer’s evaluation of the brand. Furthermore, quality is a subjective matter. A traveler’s judgment of a destination’s quality is established in relation to previous experience or perhaps the standard of living they are accustomed to at home, factors that vary from person to person. Experience with the brand is not necessary to judge its quality (Gartner 2011). So while quality of the destination is obviously an essential consideration for a tourist, it may be better to measure it simply as a component of overall image.

In 2011, Qu argued that there is an additional brand knowledge dimension that should also be considered for destinations; ‘unique image.’ In his study, the perceived uniqueness of the destination was found to be key. Some would argue that a product’s uniqueness could be considered just a part of the cognitive associations of brand image, i.e. a component of image, like quality. However, the uniqueness dimension deserves its own consideration for a couple of reasons. It is inherently a relative evaluation of one brand’s image compared to another, and therefore somewhat different than how a destination’s overall image is perceived. In addition, given the tough competition in the tourism market and the discretionary nature of travel purchases, differentiation is the answer.

Despite the increasing world tourism competition destinations are still positioning themselves around the same key features. Too often, they are marketed on points of parity such as ‘good restaurants,’ or ‘excellent accommodations,’ rather than on unique points of difference that would make the brand more valuable (Morgan 2002; Qu 2011). What is more, every destination claims they are different: it is one of the most common features embedded in a destination’s slogan or tagline (Gartner 2011). So much for ‘different’ being different. All of the studies iterate that it is not enough for a destination to simply be different, especially given the high levels of competition and small market share. This is why the uniqueness dimension is important for destination marketers to consider for their brand.

Another finding surrounding branding is that the credibility of the destination brand is important too. Gilmore (2002) stresses that a destination’s brand message should be “an amplification of what is already there and not a fabrication.” Not delivering on what is promised by the brand would be detrimental to gaining a return visit and could harm its reputation.

One challenge of destination branding is tying together all the different aspects of the place, especially if it is a place as large and diverse as an entire country. Gilmore (2002) states that brand identities for a vast area such as a country should be broad and inclusive. Obviously, certain facets of the destination will be promoted more heavily than others to certain target groups, but they should be able to be tied back to the country’s brand. Gilmore (2007) also says that a brand needs to be “aspirational, inspirational, challenging, differentiated, and translatable to different audiences.” A brand identity needs to be translatable because destinations have so many different stakeholders that

should be able to relate to the brand. A translatable brand also makes it more conducive to sub-positioning and more focused targeting. A brand should be inspirational to create that emotional attachment, and aspirational to appeal to consumers' self-actualization needs. One point of caution to make about how inspirational a brand should be is there is a trade-off between an inspirational and credible brand promises (Lodge, 2002). An inspirational offer is exciting, it appeals to a tourists aspirations and emotions. A credible offer is more familiar and believable. The more a brand identity is based around a factual attribute the less emotionally appealing it will be. However, a brand message that appeals to a tourist's wildest dreams could set the consumer up for disappointment and the brand up for failure because it would be hard to deliver on a promise that big. Lodge (2002) argues that a destination marketer should know which strategy to take with their brand, more inspirational or more credible. In his analysis of a branding campaign for New Zealand, he discusses how many of the country's positives were being overshadowed by negative perceptions such as being too distant, dull, and cold. To combat this, marketers decided to take an inspirational approach in order to achieve some shock value among potential travelers.

In Usakli's (2011) study, it was found that tourists attribute personality traits to destinations, just as they do to consumer products. Brand personality is "the set of human characteristics associated with a brand" (Aaker 1997). It is a relevant concept because people are more likely to do things and purchase or recommend brands (or visit destinations) whose personality traits match their own self-concept (Usakli 2011). This phenomenon is called self-congruity theory. In the study, the author surveyed respondents both about their own personality and self-concept and then about their perceptions of the personality traits of places such as Las Vegas. Like with consumer brands, it was found that intention to return and intention to recommend a destination were higher if the place agreed with the respondent's personality. The strategy implications of these findings are that brand personality provides another potential angle for marketers to appeal to travelers with, because as stated, the functional attributes of a destination are no longer good enough to attract visitors. An interesting thing note about brand personality however is that in one study, although respondents associated personality traits to destinations, open-ended responses showed that people more often associated attribute-based descriptors. Even when describing a typical visitor to the destination, the descriptors were non-personality based more often than not (Murphy 2007).

In relation to self-congruity theory, consumers use brands to make lifestyle statements (Morgan 2002). Like discussed, people purchase items that they believe reflect who they are or who they want to be. For example, a consumer who buys a Ford Mustang is not doing so solely because of functional attributes. A Mustang has four wheels and engine, as does a Volkswagen Beetle, as does a Honda Civic. Each of these cars will get a person from point A to point B, so therefore the ultimate purchase decision must be based on other non-functional attributes. Consumption today is a form of expression and this is spilling over into experiential purchases such as travel as well. Tourism destinations are emerging as 'fashion accessories' for consumers (Caldwell 2004, Morgan 2002). Besides a person's actual self-concept, they also possess a social-self concept and an ideal social self-concept, which are how they think other see them and how they would like others to see them (Usakli 2011). Tourists purchase souvenirs and take photos and videos from their trip not only to commemorate to themselves, but also to show it off to everyone else. They are aware that the places they chose to travel to say something about who they are, and that they will be perceived in a certain way for visiting a place. This trend reinforces the need for marketers to promote the aspirational or emotional benefits of a destination.

## RESULTS

### *Key Steps for Creating a Destination Brand*

Now that we understand the theoretical framework behind destination branding we can begin realize how marketers might put this strategy into practice. In agreement with the theories discussed above, Boo (2009) states that "marketers should develop campaigns that emphasize the distinctive characteristics and attractive elements of tourism destinations, based on the components of visitors' self-image." A destination's brand value is derived from the experience a customer has there and leads to customer loyalty and the best way to leverage this is to figure out what consumers perceive to be valuable then promote that feature (Boo 2009). A marketer needs to focus on the visitor experience as a whole as well, not just the experience with one particular service or product at your location. What the brand offers should not only be valuable to consumers, it should be unique. Marketers should put into effect programs that emphasize their destination's unique personality (Usakli 2011). However, one major pit fall to avoid is emphasizing too many attributes simultaneously in a marketing campaign. The presence of too many attributes being promoted may deteriorate the maximum level of implementation of the brand's core identity (Qu 2011). One or at most two main attributes should be focused on for brand positioning.

The first step for destination marketing organizations in successfully rebranding themselves is to conduct market research. The importance of this step cannot be stressed enough. In order to create a unique and effective

destination brand it is necessary to discover what consumers already know about your destination and then from there select the right mix of brand elements to promote a positive image (Prebensen 2007). Qualitative research is the most effective type of research to conduct in this situation and was used in the majority of the destination branding studies and cases previously done (Lodge, 2002). Examples include focus groups, in depth interviews, and use of word association techniques for a destination. These are good ways to figure out what people know and feel about your destinations, can uncover both positive and negative associations that are commonly held, and can help marketers figure out which positive associations they can promote. As discussed earlier, destination image is tied very closely with the destination brand and consumers get information on a place from a variety of sources, so it is important to know what perceptions are already held about the destination.

It is also important for a marketer to gain insights into the importance target markets place on the various components of a brand's identity because it will allow managers to increase the salience of those attributes that are most relevant to consumers. Market research hones in on which aspects of the destination should be focused on in marketing communications (Boo 2009). In a study done by Qu (2011) some important discoveries were made about the significance of each of the destination brand image dimensions are to consumers. It was found that cognitive associations, aka attributes, had the strongest effect on overall image, followed by the 'unique image' dimension and then by the affective component. Additionally, marketers should attempt to gather hard visitor data such as the number of repeat and first time visitors because Gartner (2011) shows that each group evaluates the destination brand somewhat differently. With the information on first time versus repeat visitation rates, a marketer could adjust their marketing strategy accordingly to focus on reaching a particular group.

The next key step in creating a strong, unified destination brand is gaining the cooperation and collaboration from the different stakeholder groups and DMOs. Understanding the relationships among these stakeholder groups and the value each contributes to the brand will help in creating and achieving consent on a brand strategy (Prebensen 2007). Along with the visitors, local people and business owners are key features of the core brand (Garcia 2012). In coming up with a destination's brand, it is highly important to keep these stakeholder's values in mind, especially the locals, as they embody the brand. Gilmore (2002) says that a brand must "capture the spirit of its people."

Prebensen (2007) states that gaining agreement and supportive attitudes from the individual tourism suppliers (hotels, attractions, etc) of a destination is essential. It is in the suppliers' best interest to work with the destination marketers. Oftentimes, individual attractions or destinations do not have the resources to create strong marketing campaigns (Morgan 2002). The pooling of resources with each other is a beneficial practice employed in some destinations to create a 'critical mass' that would be strong enough for a tourist to associate with a brand name. Prebensen (2007) talks about the necessity of coming up with unified goals that are actionable and measurable for the success of the brand. Goals such as these make it more likely that the brand will actually be implemented and monitored.

With the research conducted and agreement achieved between stakeholder groups, a destination can implement a branding strategy. Garcia (2012) suggests that DMOs develop a two-stage branding strategy, first focusing on the stakeholders closest to the destination and *secondly* visitors. The reason being is that the locals need to buy into the brand otherwise no one else will either (Morgan 2002, Garcia 2012, Lodge 2002). Like mentioned, this stakeholder group is the face of the brand, they are the product component that visitors actually interact with. "If the image that is chosen for a country fails to represent the people, how can they believe it themselves? How can it then be believed elsewhere? (Gilmore 2002). Citizens who are disillusioned to their homeland can damage the brand, so it is important also to appeal to them and to make them proud of where they come from. In fact, stage one is a necessary condition for stage two.

Within this larger guideline, Gilmore (2002) suggests a marketing strategy that destination branders can utilize called the Positioning Diamond. At each corner of the positioning diamond are four key factors that should be considered for a destination: macrotrends, stakeholders, competitors, and core competencies. Macrotrends are the environmental factors, examining them puts the destination's current situation into a wider context. Stakeholders include both target audiences and the groups just discussed above. Apart from current business owners and locals, this theory also considers future investors, potential residents, as well as governments. A competitor analysis of similar destinations will help a marketer realize which sub-positioning to use for their target audience. Finally, a destination should consider their core competencies. These can be divided into two broad types: geographic and cultural (aka physical and human assets). For example, in Australia the Great Barrier Reef would be considered a geographic core competency: this is an advantage that cannot be copied by any other destination. Cultural competencies could include traditions, festivals, celebrities, history, or other intangible factors that make a country distinctive. The positioning diamond is essentially an environmental scan and SWOT analysis, but it is a more deliberate way of looking at, a way that allows you to see how these factors mix together.

Coming up with the 'right' brand name or slogan for a destination is one of the hardest steps in the process of rebranding for a destination marketer. Prebensen (2007) discusses two paths a marketer could take with their branding decision. The first option is a meaningful (functional) brand name, one that conveys specific attributes or information about the destination. Oftentimes, the brand/ brand name is just based on the geographic location. The other way a marketer could go is with a non-meaningful or inspirational brand name, one that is more abstract and not necessarily meant to convey concrete information (think Nike as an example from the consumer product world). The inspirational approach may appeal more to consumers' emotions and ideal self-concept than a functional brand. It could apply to the brand's tagline or logo, or even the brand name itself. There is some logic behind which one a destination might use, depending on its circumstances. For a destination with a lower budget, a meaningful brand name is preferable. However, for distant and unknown destinations, the question is whether their geographical names are actually meaningful to people who do not live there (Prebensen 2007).

Once a destination has developed a brand concept, it is extremely important to test it in the market to see how consumers respond to the concept. From there, aspects can be tweaked and the brand can be launched. However, the work is not done once the brand has been launched. A good marketer knows that they should put measures in place to track the effect of the brand on future success. However, in a survey by Blain (2005), almost half of the DMOs said that they do not measure visitor perceptions. This survey of DMOs also revealed that many do not quantitatively measure whether their branding efforts are working. Improving the organizations' strategy control is an area of opportunity for destination marketing organizations.

#### *Differences between Branding a Country, Region, and City*

Unsurprisingly, branding a destination is different based on the size of the place. Branding a country is a slightly different task than branding a region such as a state and also different than branding a smaller area such as a city. Two related studies (Caldwell 2004 and Herstein 2012) are the most applicable to a destination marketer trying to determine the basis on which to market their destination. These two studies give perspectives on the differences between countries, regions, and cities. First, it was found that people perceive countries, regions, and cities in different ways, which calls for an adjusted marketing strategy for each. However, regardless of the location, most travelers are looking for a destination with either diverse topical geography or rich culture (Caldwell 2004). Countries tend to be very functionally diverse, so they are usually perceived in terms of the representational attributes (those linked to an individual's self-expression) of their brand identity because it is too hard to pick just one functional attribute to associate with as a consumer. Regions and cities on the other hand tend to be perceived on the basis of their functional parts because they are smaller in scale.

From a marketer's perspective, Herstein (2012) says that regions are easier to brand than countries, and that cities are the most difficult to brand because oftentimes their core competencies are not well known. In the first paper written on the subject, the Brand Box model is applied to destination branding (Caldwell 2004). The brand box is a matrix that has functionality on its horizontal continuum and representationality on the vertical continuum. A brand has some degree of both characteristics and can be placed accordingly in the matrix. Functionality is the extent to which the brand is associated with having functional attributes, which for a destination could be a certain topography or attraction. Representationality on the other hand refers to the extent to which the destination somehow defines the people who travel there. It might indicate how 'fashionable' a destination is. It was found in Caldwell's (2004) study that regions and cities scored higher in the representational dimension and countries in the functional dimension. Basically, people tend to picture countries in terms of its functional or geographic assets, whereas when they think of a smaller place such as a city or region, they tend to put more consideration into the types of people that travel there and what it says about themselves if they travel there. Therefore Caldwell (2004) argues that people travel to cities or regions to fulfill self-expression needs more so than when they travel to a country. The author suggests that this is because visits to cities more often coincide with specific events, promotions, and market trends compared to countries, and that countries have a "more stable and enduring image." Marketing implications of this study are that since countries are seen as so functionally diverse, country marketers should focus on leveraging their emotive or representational parts of the brand identity to outwardly give a more unified brand, while regions and cities, which are viewed from a representational standpoint and are more subject to being in or out of 'fashion', should focus their brand on the functional offerings of their destination.

Herstein (2012) suggests a somewhat different approach. The author of this study argues that the branding strategy should not automatically be different based on whether the destination is a country, region, city. It should depend on the mix of geography and culture your country has. For instance, if the destination brand has a heterogeneous geography and a multi-nationality culture, the entire country should be marketed over any particular region or city. Going along with the first study, this means basing the marketing on representational components. If the destination has a homogeneous geography and a multi-nationality culture, you would market a few select regions

over the country as a whole brand. The different culture in these regions would be the selling point. The main point this author makes is that the three destination types are actually interrelated.

### *Case Studies*

#### ***New Zealand.***

Next, let us see how actual tourism destinations apply the theories just discussed. The first successful destination brand we will look at is the country of New Zealand. For New Zealand, tourism is the largest industry and employer, and the country operates the world's oldest tourism board. The tourism board was reorganized in the late 1990's in conjunction with the country's first-ever global branding effort. The board wanted to create a concise brand message across all markets that they hoped would double their tourism receipts within five years (Morgan 2002). The campaign stemmed from concerns about remaining competitive in the global tourism market due to changing external environments such as technology and accessibility of international travel, and market trends such as the emergence of destination branding and increased consumer desire for travel. In analyzing the competitive landscape, New Zealand realized that they did not have the budget of many of their competitors who were currently increasing their spending on tourism promotion. Moreover, they knew they were going to be competing for only a small share of the market (Morgan 2002). Like previously stated, over 90 countries are forced to compete for only 30 percent of the tourism market.

As suggested by destination branding research, many of the smaller organizations that had stake in the future success of the tourism industry worked together and pooled resources to make this rebrand a reality and a success (Morgan 2002). The tagline and brand identity that they created was "100 Percent Pure New Zealand." Going into the rebrand, New Zealand marketers understood the need to differentiate themselves in a real way and thought that taking a focused, niche strategy was the best option based on the constraints they were working with. The main obstacle they had was their small share of voice (Morgan 2002). This necessitated an extremely focused marketing strategy because they would be afforded limited audiences with whom to share their message.

The first thing they did was conduct extensive market research, which was one of the key steps outlined in the cases and studies done on destination branding (Prebensen 2007, Boo 2009, Lodge 2002). They first surveyed community members, business people and prominent tourism figures to discover what the core values of their destination were. Next, they conducted focus groups on potential tourists in other countries such as the UK (Morgan 2002). Thus, their brand positioning would first be in agreement with the local stakeholders and then they would try to find their niche in the market of consumers who agreed with their values, a strategy reinforced by Garcia's (2012) study. The New Zealand marketers found that travelers in the so called 'special interest' and 'real travel' (adventure travel, or once in a lifetime trips) categories were the consumer segments most aligned with the core values of what the country has to offer so they decided to target these groups with their marketing messages (Morgan 2002). The tourism board was smart about their marketing strategy: they realized that they were not going to be able to appeal to segments that were looking for relaxing vacations in the sun. They understood the need to live up to the projected brand promise (Gartner 2011) and that the brand message should be "rooted in reality" (Gilmore 2002). Furthermore, New Zealand planned to leverage the experiential factor of tourism by hosting special events or sporting events as a way to draw in tourists. The brand identity itself, "100 Percent Pure New Zealand" was carefully crafted to draw up associations with the natural beauty and landscapes New Zealand offers, as well as the values of the people there. While tourism expenditures did not actually double for New Zealand from 2000 to 2005 (New Zealand's Tourism Sector Outlook, 2012), tourism increased and this is still considered a successful rebranding campaign. This case is an example of how many of the destination branding theories discussed have been implemented.

#### ***Minnesota.***

The next case we will look at is of the state of Minnesota. Their strategic plan for 2012 is available online, and by examining it, readers can see they have a good understanding of effective destination marketing practices and work well despite having one of the smallest state tourism budgets in the country. Their yearly budget is \$8.4 million, which is ranked 30<sup>th</sup> out of 50 states in the US (2012 Explore Minnesota Strategic Plan). The state does not have one comprehensive, statewide destination brand yet, but they are working on collaborating with other DMO's on achieving this consistency and unified message. The brand identity "Explore Minnesota" is the tagline that comes out of the Minnesota state tourism office and is the brand they want all state tourism agencies to adopt. The strategy outlined in this document proves that the state of Minnesota understands key destination branding concepts such as the intrinsic, aspirational value that consumers derive from tourism purchases (Gilmore 2007). Their messages convey a destination that is recreational, outdoorsy, and family oriented. Their strategy also follows Gilmore's (2007) point that a brand should be translatable to multiple audiences. In 2012, that state hoped to use regional



marketing initiatives on specific target groups and developed sub-positionings for new segments they hope to enter (2012 Explore Minnesota Strategic Plan). Their 'Meet in Minnesota' tagline will be incorporated into the overall Explore Minnesota brand to reach out to the Meetings & Conventions market.

The Explore Minnesota state tourism office uses an effective organizational structure, has identified key target markets, conducts frequent research and environmental scans, and is a very beneficial resource to the local destination marketers and tourism suppliers. Their organization is divided into three main functional areas: Marketing & Communications, Industry Relations & Travel Information Centers, and Operations & Technology. The key thing here is that they have an entire division dedicated to fostering industry relations (Garcia 2012). Some of the things they do to foster partnership among industry partners statewide are offer database services, provide educational opportunities and grants, act as tourism advocates in the government, and organize group media buys. They believe that "Leveraging each partner's assets broadens reach and increases the impact of marketing activities and promotions among key audiences" (2012 Explore Minnesota Strategic Plan). This collaboration is how the state is successful at drawing tourists despite their small budget. Most of Minnesota's tourism comes from the Midwest region and is heavy on repeat customers. The strategic plan also outlines objectives for the key summer season, showing an understanding that they are a seasonal product, and rather than ignore this fact they adapt to it. This ties into the importance of conveying a credible brand in order to achieve the brand loyalty that the state tourism industry depends on.

## CONCLUSION

Overall, the goal of this paper was to give tourism marketers a snapshot of the concept of destination branding in a context relatable to everyday marketing operations. Destination marketers can use a brand as a quick and cohesive way to convey key messages to potential tourists. The research emphasizes the importance of emotional and inspirational appeals in brand messages, as travel choices are a form of self-expression and self-actualization for a consumer. Destination image is the most important component to a destination brand's success, however marketers are stuck working within the constraints of their destination's uncontrollable factors and must be aware of the fact that consumers may already have images formed from things they have learned from school, work, etc. To run a successful rebranding campaign, a destination marketing organization must work closely with tourism suppliers of their location, consider the values of the local stakeholders who need to be in agreement with the brand message conveyed, conduct extensive research on what perceptions are already held and base positioning off of current image and what image the destination would like people have. It is important to select target markets that are likely to value things your destination is able to offer because remember, destination marketers have little control over the location's assets. Finally, the branding situation will be somewhat different depending on if you are a city, a region, or a country; and different if your destination attracts more repeat or first time visitors. Examining a couple cases of real destinations, it is clear that some of these destination-branding theories have merit and that successful tourist locations are implementing strategies outlined here.

It would be interesting to do further research or case studies on actual destination's marketing strategies to see how many places are implementing branding strategies, if they are more successful than destinations that do not have a comprehensive brand, and to evaluate and make suggestions to these organizations based on the destination branding studies done thus far.

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