BRANDING OF THE COUNTRY AND CITY FOR PURPOSE OF ECONOMICAL AND POLITICAL PROMOTION

Assistant professor Mladen Miroslavljević PhD
Mirjana Milovanović MA
Banja Luka College

Abstract: In the world of marketing nowadays, a city or a country is spoken of in the sense of brand, a trade mark. The popularity of country branding, regional and city branding is directly influenced by the process of globalization with the aim of their unique positioning and differentiation. The practice of branding has stated significantly outside the field of product and services, and the trend of branding cities, regions and countries is becoming more popular. In the currently active process of connecting the world and creating one giant global village, it is quite a challenge to brand a city or a country and introduce the world with its unique characteristics and promote its values. In order to accomplish the previously mentioned aim it is necessary to shape all marketing activities in the function of social-economical interests of the city and country. The prime goals of the city or the country promotion should be: economy development, increasing of investments and improvement of its image.

Key Words: brand, branding, image, state

INTRODUCTION

Popularity of branding countries, cities and regions are directly stimulated by the process of globalization with a goal to their unique differentiation and positioning. Clearly defining the image of one place, better positioning, popularization in the international market terms, allows closer learning about different destinations, cultures and peoples.

The focus moves from the local to the global level, from the branding of products and services to the branding of cities, regions and countries. Creating a positive image of the country and the city became one of the priorities of the foreign policy strategy of all serious countries in the world. It used a wide range of organized institutional, cultural, sporting, diplomatic, marketing and media activities to achieve this goal. In the current process of connecting the world and creating one big global village, it is a challenge to brand the city, meet the world with its unique characteristics, promote the true

1 Mladen Miroslavljević PhD Banja Luka College-
2 Mirjana Milovanović MA, asistent Banja Luka College-a
values and still allow the city development in the desired direction. In order to achieve these goals it is necessary to design all marketing activities to serve the socio-economic interests of the city, destination and region. The main objectives of promoting the city or region should be: the development of tourism, economy, and increase of investment, improvement of the city or destination image.

The practice of branding is spread well beyond the area of products and services, and the increasingly popular trend becomes branding of cities, regions and countries. From the standpoint of cities, the brand represents a sort of labeling the town: in the perception of individuals it is about a town seek to generate a certain set of expectations, thoughts, thinking, knowledge, feelings and associations. Modern technology, which is the result of - among other things - and easier transport, allows incredible connectivity around the world. Today almost every place could be assessable within twenty-four hours. That is why competition among tourist destinations has never been greater, and hence this sudden need for branding. Branded cities easier attract tourists, and residents, and therefore it is the right step towards their own sustainable development. Cities - brands are much more attractive and companies, ensuring the inflow of capital and contributions account development of the economy.

The trends of globalization, technology development and traffic condition has resulted in intensification and expansion of potential competitors out of the cities local and regional frameworks, to a large part of the world. Consequently, numerous Italian cities have lost its raison d'etre, as part of their cluster's furniture industry, and were unable to resist the surge of Chinese cities where such production is much cheaper. At the same time Alicante in Spain is struggling with "3S" ("sun, sea, sand") destinations such as Antalya (Antalya), Turkey or Pattaya (Pattaya) in Thailand. Bordeaux (Bordeaux) wine region, now has a sharp competition in South Australia and the South African Cape (Cape) region, and traditional automotive regions like Detroit, Stuttgart (Stuttgart) and Nagoya (Nagoya), feel threatened of Bratislava and Shanghai (Shanghai).

So far, popular destinations compete on the basis of cheap land, lower taxes or infrastructure investments (to attract investors) or advertising (mostly to attract tourists). It is no longer sufficient to keep and attract the desired consumers and thus ensure long-term development of the city and improving the standard of its key consumers - citizens. The reason for this lies in the fact that for choosing a business location, tourist destination, place to study or live in, all the more with the usual (i.e. the "hard") factors such as the strength of the local market, costs, prices or climate, the so-called "soft" factors are taken into account such as lifestyle, cultural heritage and especially the image of the city. In the area of these "soft" factors branding provides opportunities for exploitation of cities qualities and to represent the values of the city and often use it little or not at all to attract the majority of consumer groups.

Branding cities means finding or intentionally creating, developing and presenting these values of the city through appropriate action in accordance with the brand ("on-brand" action), which consist of investments,
physical and economic plans, program attractions, events, and other promotional communication. Because of the width of the "on-brand" action, branding of cities in the 21st century is not viewed as an alternative variant of promotion at the end of the city development strategic planning, but the brand strategy is used to guide the future development of the city and offer its values to the consumers.

1. BRAND AND BRANDING

The word brand (trademark) is an English word and its first application was by the cowboys in the American Old West who branded their cattle in order to distinguish them from other cattle on the prairie. From a business point of view, market branding is very similar to branding on a ranch. The goal of branding is to differentiate your product in the market from other products. Successful branding program is based on the principle of singularity. The goal is to get into the minds of consumers and create a perception that there is no product like your product on the market, that it is unique and that it should be remembered as something completely new and special. However, it is important to remember that the process of branding (branding) is not happening at the market of products and services, but exclusively in the minds and images of consumers. Brand name (trademark) is not nothing but a word (term) in the consciousness of consumers, however, the brand is a noun, and that is a proper noun. Any proper noun is also a brand. You are a brand. And if you want to be successful in life you have to obey the laws of branding.

Elements of the brand, which are sometimes called identity (or even personality) brand, are considered to be elements that can be legally registered and protected, and they include:

- Brand name - Part of the brand, which can be spoken, and contains words, letters and numbers.
- The brand - Brand mark - Visual identity of the brand. It is unspeakable, but noticeable part of the brand. E.g. symbol, design, color combinations and the like.
- Trade mark - Legitimate label indicating that the owner has the exclusive right to use the brand or part thereof. Tags in use are such as ® © ™. By selecting elements of the brand, the company has a direct impact on the construction of its value.

It is believed that today the most important function of the marketing is just to build the brand. Moreover, many of the world's leading marketing experts believe that the main and only function of the marketing is to build a brand. What accelerates this trend is the steady decline of the classic vision of sales, or the ways to perform the exchange of goods and money in the market. Today, most products on the market are not selling, but buying. Large supermarkets, department stores and shops no longer have the seller who will come to you and sell you products. You, as a consumer, are directly confronted with the products (brands), and the decision to buy is up to you.

Branding, or more commonly known as brand development, is one of the most important aspects of any business, both for large companies and small entrepreneurial ventures, whether clients are persons or legal entities. "Just like
generals lose battle in modern battles by using outdated tactics, the companies lose as well when they do not conform to current imperatives of branding. The most generous funding, combined strategies or innovations like "set the platform" will strengthen or save the brand if the efforts are based on false brand imperatives. Not only it will be a similar effort to pushing the rock up the hill, but it would be pushing at the wrong hill as well. "A clear and well-articulated strategy of branding increases the value of the business and its competitive advantage.

What exactly does "branding" of business means and how to "brand" the impact on the development of small business? In a simplest way, your brand is contained in the promises that you give to your clients and customers. It tells them what they can expect from your products and services and your offer apart from your competitors' bids. Brand points out what is your business now, what do you want to become and how you want customers to see you.

The basic element of each brand is logo. Wherever logo occurs (website, product packaging, promotional materials, and similar) it communicates with the brand.

Brand elements can be grouped into five categories that represents the core values of the brand:

- brand loyalty
- awareness of the name
- perceived quality
- associations linked to the brand in relation to the perceived quality
- other protected values (elements) of the brand

Brand value is reduced, if it is selected wrongly, or it is not managed properly, and this reduces the value of the product or service for the consumers/users.  

Branding strategy is: how, what, where, when and to whom you want to send a specific message. The decision of where you will be promoted, as well as visual and verbal content of any communication that comes out of your company is part of the branding strategy. Deciding which distribution channels you will use is also part of the branding strategy. The key to success is consistency and coherence in the development of the brand. Only in this way it is possible to build a strong brand.

Developed brand is something that adds value to products and services, for which consumers are willing to set aside and pay a large sum of money to use specific products and services. Also, the brand means that customers develop a certain emotion to the specific products and services and that they are perceived as high quality and you set aside for them valuable amount of money.

However, the development of the brand is a kind of exploration and a journey that is difficult and requires a lot of time and patience. At the outset it is necessary to answer several important questions:

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4 http://hr.wikipedia.org/wiki/Brand
• What is the mission of your business, that is, reason for being?
• What are the main benefits of the product/service to customers?
• What your customers think about your business?
• What are the major associations you want customers to develop in relation to your business?

Answers to the above questions are defined by the content of your umbrella of brand name, which still needs to be communicated as follows:
• placing the logo wherever possible,
• defining the desired message that will know and repeat every employee in your company,
• integrating the brand into every element of your business, starting with what your employee in sales say and wear, to the ways of answering a phone call and signatures in emails,
• defining brand standards for promotional materials regarding: color, position of logos, fonts, text size, etc.,
• fulfillment of their words,
• consistency which ensures that customers always feel safe with you because everyone knows where they stand.

The key activity in the brand development is advertising, which is also one of the important elements of the marketing strategy of any business entity. The purpose of advertising is business advertising and transfer of information you want to the target audience, all in order to inform potential customers about products and services and increase sales of the same. This means that the advertising is equally used in order to create the first impression about your products and services, and in order to attract new customers, but also to retain existing ones. By advertising it’s meant: affixing the sign to your store, setting the internet presentations, newspaper ad, and 30 seconds of time on the selected radio stations.

The goals of advertising may be:
• sending information of contact details and website address to inform customers about new products or certain operational changes,
• an increase in sales as well as a short-term increase in sales by informing customers about single special offer,
• remind existing customers of you and your products and services,
• impact on people’s behavior and their perception,
• brand development and diversity in relation to competition,
• make sure your business is customers first choice,
• development of recognition.

If you decide to advertise it is necessary to define following:
• target of advertising: increase of sales, informing customers, attract new customers, etc.,
• the amount of funds you are willing to spend,
• content of the message that has to respond to a pre-defined target advertising,
• medium in accordance with the purpose of advertising and defined content and messages
• the way of measuring the effects of advertising.5

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5 http://www.preduzetnickiservis.rs/st/prodaja-i-marketing/reklamiranje-brendiranje-i-dizajn/
2. CITY BRANDING

The practice of branding spread well beyond the area of products and services, and the increasingly popular trend becomes branding of cities, regions and countries. From the standpoint of cities, the brand represents a sort of labeling the town: in the perception of individuals a certain set of expectations, thoughts, thinking, knowledge, feelings and associations are tried to generate about the certain town. Modern technology, which is the result of - among other things - easier transport, allows incredible connectivity around the world. Today you can reach almost every place in 24 hours, so that competition among tourist destinations has never been greater and hence this sudden need for branding. Branded cities easier attract tourists, and residents, and therefore it is the right step towards their own sustainable development. Cities - brands are much more attractive and companies ensure the inflow of capital and contribute to the development of the economy.

It is not easy to brand the city. The city is extremely complex unit and this complexity is one of the key problems of successful branding. The city can be seen from several aspects: cultural, historical, administrative, organizational... In order for a city to gain preconditions for successful branding, all these aspects must be coordinated and equally in high quality. For successful branding of the city it’s not enough, let’s say, only architectural curiosities, but excellent cultural events are necessary as well, fast and efficient administration, well-organized and strategic public transport (subway stations and trams in Vienna and Paris, for example, are exactly next to the most important cultural and historical monuments) and so on.

It is important to mention that every town, beside popular and famous parts, also have those completely unattractive - not only for tourists but also for residents and investors. The real challenge is to brand the city and introduce the world to its most important features, while making the city development in the desired direction. The Organizing Committee of the Olympic Games in 2012 made an extremely bold step. Olympic Village and outbuildings were built in the poorest part of London, so that it becomes a tourist attraction, and in order to ensure the future development of the neighborhood. It seems, therefore, that this major sporting event is the perfect opportunity to initiate change and investment in the part of town where it was most needed. Olympics has provided the basis for the construction of the area image. So, in order for branding to be successful, it is necessary to create a certain predisposition, which first means to invest enormous amounts of money, and involve great number of residents.

3. THE EXAMPLE OF BANJA LUKA

It is often, in the media, forums, and even among the common people, heard the question: What could be the ideal brand of Banja Luka? The question was whether it can be Banja Luka kebab or Nektar beer? Let's imagine that it is Nektar beer and kebabs. Would you like the whole world see us as beer drinkers in the national costume with a red nose cheerfully toasting at the barbecue? If the brand is a feeling, idea, concept in consciousness of people, how to measure one so abstract psychological category? It is possibly the
reaction that will cause in our consciousness. What kind of reaction we want from the brand of Banja Luka? Of course, we would like that this reaction is all the best. But what reaction we would like the world around us to have, and that world to wish to work with us, operate with us, and invest in us?

Let's imagine that our next-door neighbor asks if you would invest in his business, would we become his partner in business? We would think about this idea, but most likely that unique feeling we have about it, would be the key point for making the decision. The strength of his brand would be crucial. What should be the brand of our neighbor so that we give him our hardly earned money?

Well, first he should be a man of trust. It could be expected from him to appreciate our mutual agreement. He should possess such moral and ethical principles that guarantee afore mentioned. He should have his own internal laws and to honor them. There is a saying in our people, and not without causeless: ‘An ox binds to the horns, and people to the word’, I would add the state to the law.

Does Banja Luka (Bosnia and Herzegovina, the Republic of Srpska) have the right laws and whether they are respected? Does business people in the world believe that we have laws that will guarantee their stake and do we respect our word (law)? Unfortunately, in this combination politics interferes. Justifiably, foreign investors are wondering what will happen to their money if the Radicals win or someone similar.

Prior to successful branding many of the world famous tourist destinations and capitals had their problems and faced with obstacles they had to solve. In order for branding to eventually have successful results, considerable investments were required and involvement of a large number of people. However, what about Banja Luka? Since we are already recognizable to the world, but this recognition comes down to war and destruction, does the city on the Vrbas River have the potential to become a globally recognized brand in a positive way? What problems must be faced and what obstacles to overcome that Banja Luka becomes successful brand? Is it possible to brand Banja Luka, and, ultimately, is this necessary to our capital city?

As some sort of evidence to this hypothesis, give us the further answers of young people from some countries to the question: "What are the first words that you think of at the mention of Banja Luka?" The answers are not exactly encouraging: war, disagreement, lack of organization ... what’s worse, some did not even know the word that would connect with Banja Luka. However, young people from neighboring countries did not lack positive or potentially positive associations: meatballs, rafting, Demo Fest...

Replies of young people from some distant countries clearly show the desperate situation in which we find ourselves. The first problem we face is the fact that Banja Luka is the capital of one of the entities in a divided country. This division prevents branding at the state level, because there is no option to send a consistent message and image, which is extremely negative impact on Banja Luka image as a tourist destination. People are afraid of this division and find it difficult to understand the current economic and socio-political situation.
Furthermore, successfully branded city must be appealing to several different categories: tourists, investors, students ... The main type of tourism in Banja Luka is still so called transit tourism - sightseeing tourists and stay only for a few hours, because we still do not offer enough relevant content. But it is necessary to invest in transit tourism as well and work to provide better services to tourists who are already here. Even that, is not done sufficiently. Tourists have hard time finding their ways in the town, primarily due to lack of proper marking of the most important tourist attractions, but also because of insufficient adaptation of public transport. Education of tourist information staff is also crucial. Another big problem, not only for people visiting Banja Luka, but also for its inhabitants, is the lack of adaptation for the people in wheelchairs.

So, it is not enough to say that we have the resources and that we will sooner or later become a popular tourist destination. To begin with, we do not have a strategy for tourism development, even at the state level, nor at the level of Banja Luka.

4. COUNTRY BRANDING

From the aspect of cities and states the branding represents a sort of labeling of cities and countries: in the perception of individualist it is tried to generate a certain set of expectations, thinking, knowledge, feelings and associations about a town or country. Branded cities and states attract tourists easier, as well as residents, and therefore it is the right step towards their own sustainable development. Cities and countries - brands are much more attractive and companies are ensuring the inflow of capital and contributes to the development of the economy.

Branding city or state is not easy and in this paper we will try to find an answer to the question whether is it possible to carry out state branding without redefining diplomacy and without establishing a domestic consensus on how to brand a country.

"The image of the state plays a more significant role in contemporary international relations, since it directly reflects its status in the political and economic stage, primarily through the number of foreign tourists, the level of foreign investment, the placement of its products to foreign markets and the impact of the international forums and associations. That is why states enter the systematic management of their own identity and image, or branding processes in order to gain attraction, due to their own identity in the international public and to point out their strengths and values. Promotion and branding of the country used to be a luxury or an additional value, however this process in recent years has become a necessity for two reasons. On the one hand, people, capital and companies are becoming more selective when choosing a destination for investment, vacation or visit, so individual states must fight for their attention. On the other hand, if the state does not enforce its own branding there is a danger that it could be "described" by someone else, without following its own will."6

6 Božo Škoko (2015), Strateške smjernice za brendiranje Bosne i Hercegovine, FES, Sarajevo
5. BRANDING OF BIH

In the end, all things considered, the question is: how branding is important for Bosnia and Herzegovina, whether the institutions that could contribute to it recognize the importance of BiH branding and whether it is even possible with the constitution of Bosnia and Herzegovina as a complex, and still, incomplete, state. There is a perception that the image of BiH in the world is not compatible with the situation in the country which is very easily explained considering that the country went through a period of war and the period of the media war as well, so the created image is not easy to change.

In Bosnia, it is finally understood that the process of fixing the image of the government is not at all a spontaneous process, and that serious countries and many cities devote a great deal of money, time and include a large number of institutions and the best experts in this process. Countries from our region such as Slovenia and Croatia learned this as well. They have been working on improvement of their image for a while.

Ministry of Foreign Affairs, within Diplomatic Forum 2006, launched a review of the various aspects and factors affecting our image abroad and has done an analysis on "The image of BiH in the world". This analysis led to several major conclusions:

- The image of BiH outside has the dominant influence on its overall development process and position in international relations.
- The image of BiH is much worse than the real situation in the country.
- The role of the Ministry for foreign affairs and BiH diplomacy in creating the image of the country abroad is of great importance.

Through various discussions and forums it is concluded that raising awareness that image of the country is not a static category, but it can be changed, and that the positive changes require organized and coordinated approach to government institutions and other relevant entities in the country. Participants and activity holders are institutions in BiH which have the task and the interest of creating a positive image of the country: the Council of Ministers, Ministry of Foreign Affairs, FIPA, Trade Chamber, Chamber of Commerce of the Republic of Srpska, tourist boards, major economic organizations, representatives of the international community, NGOs and the media.

However as it was concluded then, so it is now, in the meantime a few things changed both in the state of BiH and in the perception of foreigners about it. Why is it so, and how to change the situation? Still BiH has the image of the country in which the war left enormous consequences and of countries still under international protectorate, where civil rights are broken, with the high degree of corruption and crime, and very profound ethnic divisions and where political divisions are expressed with inefficient government, in which the largest part of the budget goes to salaries of public administration employees, in which public state does not work, with the undeveloped economy and poverty, with potential risk of terrorism, etc. BiH did not nearly use all its capacities and resources to promote and create a positive image in the world.
The activity of creating and promoting a positive image of the country is a very sophisticated activity that is strategically planned, organized and implemented by professional media experts and organizations. "It is better to be the state with the bad image that can be repaired than the state without image," says former owner of CNN's Ted Turner. Therefore, we should distinguish between the branding of the country that usually refers to those states that just want to build their brand as a recognizable image and those, which also includes BiH, requires a re-branding with the aim of repairing and cleaning "damaged" or bad image. Can BiH do that?

The key question to be answered, and it is a political issue, is BiH our country, and whose country is it? Is it possible to create affirmative, positive and successful promotional campaign of BiH and to attract anyone to BiH, if we do not do internal consensus, meaning whether it is the state of those who live in it, or is it just make-believe country, a temporary country under the protectorate of the international community. While we do not create a positive atmosphere in BiH as a common land which bind together the interests of all its citizens, such as banded in Switzerland, Belgium, Spain, etc. which must be created by politicians, leaders of public opinion and the citizens, BiH will not be able to build any kind of positive image and there is no such institutions, agencies, strategies and campaigns that can fix it.

CONCLUSION

All over the world, countries compete among themselves to attract attention, foreign investments and capital. To which country will most of the people go on vacation, which will visit the cities where large companies maintain their large conferences and attract enormous media attention, where to invest their capital position and their regional headquarters; all these decisions affect both the image and the prosperity of the country? And these decisions are made primarily on the basis of the image that was created for a particular country. Creating a positive image is the process that ensures that the image of the country is not superficial, negatively instructed, and based on the events of the past, but corresponds to the reality of the present and turn to the future.

Products on the market of a country or products originating from a country are important factor of competitive advantage because they have become synonym of quality and are directly linked to the country. It is enough to mention Swiss cheese, watches and chocolate, not to mention banks; German cars, Japanese and South Korean technology; French wines, cheese and perfumes, etc. Products are increasingly becoming identified with the image of the country and the role of the country's image increases decision-making process of purchase, greatly. This is painstaking process is best seen on the examples of developing countries, as well as on the most populous country and the fast-growing economy in the world, China, which still has major problems with its image and the image of its products.

Branding has proven to be very successful in the commercial sector and made it very powerful. Given the topicality of globalization, branding is
being increasingly applied in the area of destination, states and cities. Consequently, the significant benefits of an effective brand strategy of the city include all social areas: health, education, art, culture, tourism. Branding city and state is a modern way of its development or help if it is threatened. It can contribute to help the poor population across the world (e.g. the recent floods in BiH and the region), but also to preserve the cultural and historical characteristics and identity.

Promotion of the city and the country, gives the possibility for their positioning in the world based on real values. Cities, economy and cultural wealth of the nation are increasingly becoming the focus of competition on the global market. In order to reach the desired position, it is necessary that politicians and business leaders understand the brand of the city and observe its perception by visitors, investors, consumers and potential residents. If the image does not correspond to reality, they need to look at what needs to be done to reduce this gap and to remove it.

Only in this way cities and states will be able to make sense of their mission - to meet the expectations of its citizens, tourists, investors, temporary visitors or residents. At the same time cities need to grow and develop. Branding as a significant occurrence of globalization should be supported, but with some limitations, given that brands are not good or bad as themselves, but the consequences they carry.

**BRENDIRANJE DRŽAVE I GRADA U CILJU EKONOMSKE I POLITIČKE PROMOCIJE**

Doc. dr Mladen Miroslavjević, mr Mirjana Milovanović

**Apstrakt:** U svijetu marketinga danas se o nekom gradu ili državi govori kao o brendu, o robnoj marki. Popularnost brendiranja država, regiona i gradova direktno je podstaknuta procesom globalizacije u cilju njihovog jedinstvenog diferenciranja i pozicioniranja. Praksa brendiranja se raširila i znatno izvan područja proizvoda i usluga, a sve popularniji trend postaje brendiranje gradova, regiona i država. U aktuelnom procesu povezivanja svijeta i stvaranja jednog velikog globalnog sela, pravi je izazov brendirati grad ili državu i upoznati svijet sa njihovim jedinstvenim obilježjima i promovisati njihove vrijednosti. Da bi se ostvarili pomenuti ciljevi potrebno je sve marketing aktivnosti oblikovati tako da budu u funkciji društveno – ekonomskih interesa grada i države. Osnovni ciljevi promovisanja grada ili države treba da budu: razvoj ekonomije, povećanje investicija i poboljšanje njihovog imidža.

Sa aspekta gradova i država brend predstavlja svojevrsnonjihovo označavanje: u percepciji pojedinaca se o nekom gradu ili državi nastoji generisati određeni skup očekivanja, razmišljanja, saznanja, osjećaja i asocijacija. Brendirani gradovi i države lakše privlače turiste, ali i stanovnike, pa samim time prave iskorak ka sopstvenom održivom razvoju. Gradovi i države – brendovi su mnogo privlačniji i kompanijama, čime se osigurava priliv kapitala i doprinosi razvoju ekonomije.

Brendirati grad ili državu nije lako a u ovom ćemo radu nastojati naći odgovor na pitanje da li je moguće vršiti brendiranje države bez redefinisanja diplomatiije i bez uspostavljanja unutrašnjeg konsenzusa o tome kako brendirati državu.

**Ključne riječi:** brand, branding, imidž, država
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