



**Comparative analysis
of russian and foreign
territorial brands**

COMPARATIVE ANALYSIS OF RUSSIAN AND FOREIGN TERRITORIAL BRANDS

ANÁLISIS COMPARATIVO DE MARCAS TERRITORIALES RUSAS Y EXTRANJERAS

ABSTRACT

The article provides a comparative analysis of territorial brands development and promotion both in the Russian Federation and abroad on the level of countries, provinces and cities. The authors consider foreign territorial brands of such states, as Australia and Germany, the Austrian Land Tyrol and the Chinese city of Hong Kong, showing their strengths and opportunities for promoting the respective territorial entities. Russian territorial brands under discussion include Saint Petersburg, Omsk and Kaluga regions, Perm, Ulyanovsk and Kazan.

Much attention is paid to comparing the strengths and weaknesses of domestic and foreign territorial brands. In the conclusion the authors state that every region of the Russian Federation should create its own original brand, which should complement and develop each other. The researchers emphasize the necessity of creating a national Russian brand.

KEYWORDS: territorial brand, regional branding, investment appeal of the region, tourist and recreational attractiveness of the region.

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RESUMEN

El artículo proporciona un análisis comparativo del desarrollo y la promoción de marcas territoriales tanto en la Federación de Rusia como en el extranjero a nivel de países, provincias y ciudades. Los autores consideran las marcas territoriales extranjeras de dichos estados, como Australia y Alemania, el Land Tyrol austriaco y la ciudad china de Hong Kong, que muestran sus fortalezas y oportunidades para promover las entidades territoriales respectivas. Las marcas territoriales rusas en discusión incluyen las regiones de San Petersburgo, Omsk y Kaluga, Perm, Ulyanovsk y Kazan.

Se presta mucha atención a la comparación de las fortalezas y debilidades de las marcas territoriales nacionales y extranjeras. En la conclusión, los autores afirman que cada región de la Federación Rusa debe crear su propia marca original, que se complemente y desarrolle entre sí. Los investigadores enfatizan la necesidad de crear una marca nacional rusa.

PALABRAS CLAVE: marca territorial, marca regional, atractivo de inversión de la región, atractivo turístico y recreativo de la región.

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BORIS MOJSHEVICH EIDELMAN



Kazan Federal University, Russian Federation



nz99nz@yandex.ru



YULIYA NICKOLAEVNA GORELOVA

Kazan Federal University, Russian Federation



LILIYA RAISOVNA FAKHRUTDINOVA



Kazan Federal University, Russian Federation



OLEG ALEKSANDROVICH BUNAKOV



Kazan Federal University, Russian Federation



NIYAZ KAMILEVICH GABDRAKHMANOV



Kazan Federal University, Russian Federation

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Russia and, particularly, to Moscow, as well as to foreign countries, etc.

2. RESULTS AND DISCUSSION

Under modern conditions, the number of countries engaged in territorial branding is constantly growing. They include such developed countries as Germany or Australia and some developing countries, such as Turkey and Kazakhstan. However, in many countries the territorial branding is at the early stage of its development. As a result, some territorial brands are still difficult to identify, and in the future these countries will need to take great efforts for deeper development and implementation of the branding strategy.

In recent years special attention has been paid to territorial brands development in Russia. The brands of regions, cities and even rural settlements were created. This paper describes an attempt to compare brands created abroad and domestically, as well as to identify their strengths and weaknesses.

FOREIGN TERRITORIAL BRANDS



Fig.1. The brand of Australia.

The brand of Australia, created in 2009, could serve as an example of an effective country brand (Fig. 1).

The brand creation is based on the idea of the Australian infinity. This is the country which is, on the one hand, located very far from other countries, and on the other, occupying the whole continent and possessing huge natural and economic potential, which is not currently used to its full capacity and which has great reserves for accelerated growth. In this case, the arrows of the discussed brand are presented in the form of a boomerang, which is one of the most famous Australian symbols. The lower part of the right arrow is reminiscent of the island of Tasmania, which also acts as a symbol and an integral part of this country.

1. INTRODUCTION

Currently the idea of territorial branding is undergoing major development all over the world. It constitutes an important and topical trend in the modern marketing of territories. The category of territorial branding is wildly discussed in the scientific literature with a large number of definitions provided [3,4,5,7,10]. In our opinion, the territorial brand characterizes a set of ideas emerging in the people minds about a certain region, supported by the value characteristics of a region in various fields: administrative, recreational, sport, innovative, and some others. [8, p.40]. The territorial brand, in the long run, represents a stable visual image of the region for a long time, remaining in the minds of everyone who has noticed it.

The increasing vitality of territorial branding is attributable to a number of circumstances, the most important of which are the following:

- increased regional competition for strengthening their investment appeal and the consequent urgent need to increase their competitiveness;
- establishment of the region's tourist-recreational attractiveness with the purpose to develop domestic tourism;
- the importance of timely solutions to the regional socio-economic problems (low economic growth rates, high unemployment, weak development of small businesses, improvement of the population living standards and many others) and the development of the region's investment appeal;
- the need to increase the residents' pride and patriotism for their region with the view to overcome the negative consequences of population migration to the central part of

It should be noted that more than \$ 20 million was invested in the creation of this brand, supported by the government. It derives from the need to raise funds and further increase the tourist and recreational attractiveness of this country. Its positioning as a country of "unlimited opportunities" allows not only to enhance the world reputation, but also to identify the investment image of Australia, making it clear and understandable to a huge number of people in all countries. At the same time, the brand acts as one of the conditions for the country's long term financial, economic and socio-cultural development.

It is worth mentioning that territorial brands are created not only by countries that are remote from historically formed world economic and cultural centers with the aim of popularizing them in modern conditions. The world leading economically developed countries are also engaged in brand building with the view to change their image or to introduce some new features.

In this respect one should particularly mention the brand of Germany, which has more recently been developed and promoted at the highest level by the government of this country (Fig. 2).



Fig.2. The brand of Germany

The image of Germany urgently needs some repositioning and enrichment of its concept, which is caused by the significant recent changes taking place in the world. Well-known around the world, Germany appears in this case in a new role of the "Country of Ideas".

If Germany was traditionally perceived as a recognized center of automotive, machine-building, chemical and processing industries, energy, etc., then the current brand radically changes these stereotypes. This is a new, largely unknown and mysterious country. The developed brand concept emphasizes

the propensity for innovation, the constant search for something new and advanced in line with modern world realities.

Meanwhile, the innovative attractiveness of Germany as a country aimed at achieving the highest world quality standards for all types of manufactured goods and services has significantly increased. There is a tendency to constantly generate new ideas and projects. It is very interesting to show the country as the world's leading center for innovative technologies, creativity and ingenuity.

Germany as the "country of ideas" demonstrates to other countries its effectiveness and inspiration in various types of production. It can serve as a rather illustrative example of a properly developed marketing concept for creation and promotion of territorial brands on a global scale.

The creation of a brand for the Austrian land of Tyrol could serve as an example of successful regional brand development. This economically prosperous region urgently requires further "advancement" in the market as well as strengthening its competitive position in relation to other Austrian regions and neighboring countries (Fig. 3).



Fig.3. Austrian land of Tyrol brand

The province of Tyrol, with its capital Innsbruck, is on the one hand the recognized center of alpine skiing, which is visited annually by millions of tourists from all over the world, and on the other hand - the largest social, economic and cultural center of the European continent. Currently, this brand is widely used in goods of various firms, representing the region in many industries.

One of the world's most famous urban brands is undoubtedly the Hong Kong brand. It is one of the largest financial, economic and socio-cultural centers in the world, which was under British control for a long time. Only in 2000 it gained independence and became the part of the People's Republic of China.

The past and present of Hong Kong demonstrate the deep historical ties between Asia and Europe, and this heritage best provides for this metropolis positive development prospects in the foreseeable future.

The Hong Kong brand (Fig. 4) was developed immediately after the departure of the British in 2001 and its purpose was to preserve and multiply the multicultural and multi-national values accumulated over many years. Meanwhile, the dragon looking to the bright future, is the main character of the brand of Hong Kong, like the whole of China.



Fig.4. Brand of Hong Kong

RUSSIAN TERRITORIAL BRANDS

In recent years, a fairly large number of territorial brands for regional entities of varying size (regions, cities and even rural settlements) have been developed and promoted in the Russian Federation. Unfortunately, it can be stated that until present moment there is no national brand in Russia, which, in our opinion, is an unacceptable situation requiring to exert maximum efforts to develop a scientifically based concept of brand building and promotion.

Among the most significant brands, in our opinion, are the following:

1. ST. PETERSBURG



Cost: 10 000 000 rubles
Designer: Artem Tamazov, Volga-Volga
Logotype: Peter and Paul Fortress and the raised bridges + the head of the lion

The St. Petersburg brand was among the first to be developed in Russia in 2006. The main purpose of brand creation, as stated, was to increase the tourist and recreational attractiveness of the city and the surrounding areas. The city authorities spent about 10 million rubles to achieve this purpose. However, the project lacked integrity and consistency, which was due to the lack of preliminary marketing research and a constant change of project executors. Initially, the work was done by the artist A. Tamazov and the agency Volga-Volga, but then the project was assigned to a foreign (German) company that tried to use a different logo and as a result the project has not been completed.

2. OMSK REGION



Cost: 10 000 000 rubles
Designer: Stanislav Ivanchenko
Logotype: Bear paw

The Omsk region brand, symbolized by the bear's paw, caused a rather ambiguous public resonance and interpretation among the population and the society. The reasons for this include the significant for the region sum of money spent on the brand creation, identification of the brand with the ongoing political processes in the country, and not entirely successful artistic solutions.

3. KALUGA REGION



**Калужская
область**

Cost: €40 000
Artist: Artem Lebedev
Logotype: K, encircled O

The creation of Kaluga region brand cost much less than the development of two previous brands. The logo designer A. Lebedev originally and uncomplicatedly introduced the abbreviation of the Kaluga region, which currently has a sufficiently high investment appeal for domestic and foreign financial organizations.

4. PERM



*Cost: withheld
Artist: Artemy Lebedev
Logotype: Red letter «П»
Slogan: Simply, clearly, repeatably*

A large red letter "П" became the Perm brand. In this case, a rather simple and accessible slogan was chosen: "simply, clearly, repeatably".

The brand was designed by A. Lebedev, who also took an active part in creating the brand of Kaluga region. In general, the population of the region liked the brand, as it was quite recognizable, although it could be associated with other cities, whose name begins with the letter "П".

5. ULYANOVSK



*Cost: 3 000 000 rubles
Artist: Stas Marketing Partners
Logotype: Slogan with airplane
Slogan: «Ulyanovsk - ready to take off»*

Ulyanovsk brand creation is associated with the aircraft industry development in the city. This is indicated by the brand logo - the sketch of the aircraft and the slogan "Ready to take-off". In other words, Ulyanovsk in this case is represented as the aviation capital of Russia, although this thesis is rather controversial, given the presence of aviation enter-

prises in many other Russian cities, including the neighboring regions: Kazan, Samara, Saratov and some others.

6.KAZAN

A tourist brand of Kazan was designed immediately after the events dedicated to the celebration of the 1000th anniversary of Kazan foundation. Its logo included the word KAZAN, executed in the Renaissance style, which was complemented by the "eastern ornament and the stylized image of the dragon Zilant." The slogan ran: "Kazan is where Europe meets Asia."

However, it was decided to continue the brand improvement, and in 2009 the capital of Tatarstan patented the title of "The Third Capital of Russia". A new territorial brand with the slogan "Kazan is the third capital of Russia" was developed.



*Cost: withheld
Logotype: word KAZAN
Slogan: Kazan is the third capital of Russia*

Kazan brand concept was based on 4 values: friendship, the fusion of two cultures, kind relation to each other; love, symbol of which was the registry office on the bank of Kazanka river; family, the natural continuation of love, the birth of children, growth; traditions, the preservation of cultural values and respect for the values of other cultures. The same principles provided the basis for developing Kazan brand visual solutions.

Simultaneously, billboards with the symbols of the Kazan brand, booklets with various sightseeing tours around Kazan and souvenirs were created as examples.

3. SUMMARY

Thus, when comparing foreign and domestic territorial brands, the following conclusions can be drawn:

- Development and promotion of territorial brands abroad began earlier than in Russia, since in the 80's - 90's of the XX century many countries have fully recognized

the significant role of territorial branding in increasing the competitiveness of the states, their parts and even individual settlements.

- Foreign brands are currently being promoted at the highest level: by the state governments or by the authorities of individual provinces or cities.

- To date there has been no nationwide brand of the Russian Federation; there are only brands of individual regions and cities seeking to increase their recognition and appeal in the current conditions.

- Many regions and cities of the Russian Federation either do not have their own territorial brands at all or have not yet fully defined their identity to develop their attractive and positive image.

- Some economically developed countries, such as Germany, "reposition" their image, creating new brands.

- In recent years many Russian regions have been actively involved in territorial brands development. This entails the attraction of significant financial and material resources. Consequently, the recognition increases together with positive sentiments of domestic and foreign tourists towards many Russian regions. The attitude of local people, government and various public organizations improves as well.

4. CONCLUSIONS

In conclusion, it is worth mentioning that each region of the Russian Federation should create its own original brand. These brands should complement and develop each other. Meanwhile, the development of territorial brands modern architecture can ultimately provide a greater return contributing to the establishment of effective tourist destinations in various regions of the Russian Federation.

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