# TOURIST

# The Fine Art of Destination Branding: Strategies, Stakeholders, Communication

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# INTRODUCTION

- Two business cards— two functions

- This double-function is the basis for the structure of today's presentation



HEALTH MANAGEMENT IN TOURISM

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# What awaits you:

- a theoretical framework, wearing my university professor hat

- a practical example (case study)wearing my tourism association chairman hat

- a chance to get to know the case in an interactive way—by tasting examples of place branding

# Defining terms

- **DESTINATION BRANDING**: "the essence of the destination from the perspective of potential visitors" (UNWTO, 2009, p. 8).

- **PLACE BRANDING**: "an even wider perspective that would include all interactions of a place with its environment, including political, outside investment, trade, immigration and media issues (Govers & Go, 2009, p. 14).

- I will start with destination branding, but then shift to the wider perspective of place branding when I get to the place used as a case study
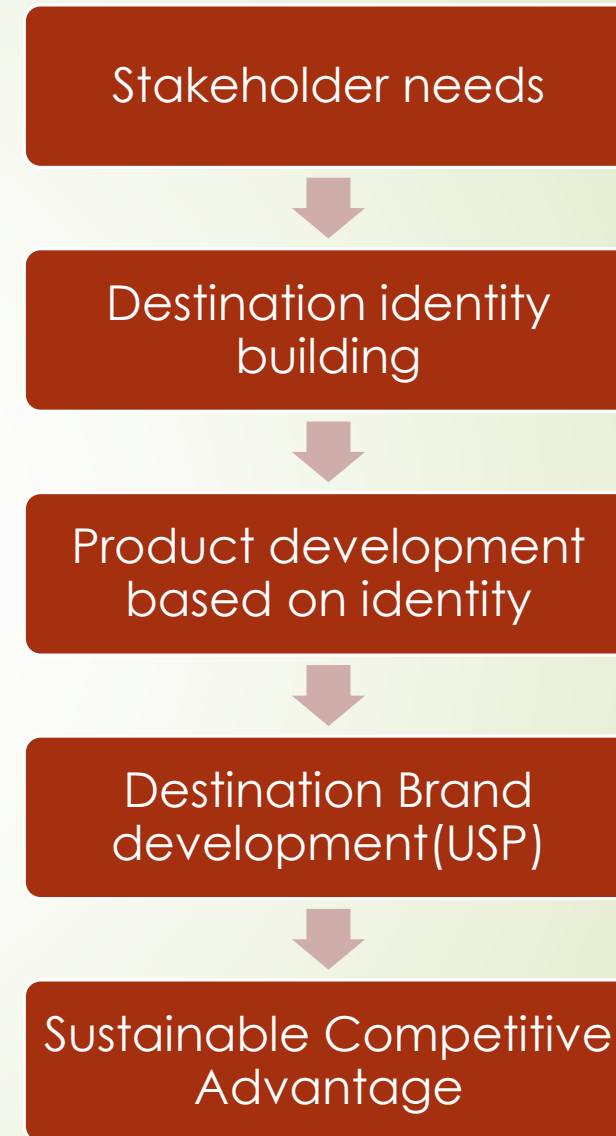
# Destination branding—the 6 C's

COOPERATION

COMMON MARKETING STRATEGY

STAKEHOLDER COMMUNICATION

COMMON VALUES

COMMON OFFERS

COMMON VISION

Based in part on: .Cai, 2002; Prebersen, 2007; Govers & Go, 2009; Morrison, 2013.

# Destination branding: The key to success

▶ Stakeholder orientation comes before product orientation*

▶ Start with stakeholder needs and interests (especially the local ones) , then develop products to match

▶ USP as a guide

* Though not everyone agrees: Kolb, 2006, p. 223

Stakeholder needs

↓

Destination identity building

↓

Product development based on identity

↓

Destination Brand development(USP)

↓

Sustainable Competitive Advantage

Based in part on: . Govers & Go, 2009, pp. 49-70.

# Austrian Examples of Destination Branding



**NATURAL**



**GEOGRAPHICAL**



Imperial Vienna

**HISTORICAL**



**CULTURAL**

**Tourists**
- Indirect Demand
- Direct Demand

**Community Entities**
- Local Government
- Community Leaders
- Local Residents

**Local Industry**
- Lodging
- Retail
- Restaurants
- Attractions
- Transportation companies

**DMO Multi-stakeholder Market Orientation**

**Intermediaries**
- Travel Agency
- Tour Operators
- Search Engines
- Research Agencies

**Competitors**
- Direct Competitors
- Indirect Competitors
- Non-traditional Competitors

Community collaboration · Value creation · Identifying need · Creating image · Rallying for support · Forming coalition · Seeking recognition · Managing engagement · Communicating brand · Informing understanding · Stakeholder management · Network administration · Build demand · Establishing differentiation · Identity building

Souce: Line & Wang, 2017, p. 90.

# TOURISTS

Indirect (through intermediaries)

Direct (independent tourists)

**OFTEN THE PRIMARY FOCUS IN DESTINATION BRAND DEVELOPMENT**

COMPETITORS

Direct

Indirect

GENERALLY CONSIDERED IN DESTINATION BRAND DEVELOPMENT

Nontraditional Competitors

# EXTERNAL STAKEHOLDER GROUPS

## INTERMEDIARIES

Travel Search Engines

Tour Research Agencies

OFTEN TREATED PASSIVELY IN DESTINATION BRAND DEVELOPMENT

# LOCAL STAKEHOLDER GROUPS

## COMMUNITY ENTITIES

Local Residents

**SOMETIMES INSUFFICIENTLY CONSULTED IN DESTINATION BRAND DEVELOPMENT**

# LOCAL STAKEHOLDER GROUPS

## LOCAL INDUSTRY

Lodging

Retail

**OFTEN UNDERREPRESENTED IN DESTINATION BRAND DEVELOPMENT**

Transportation Companies

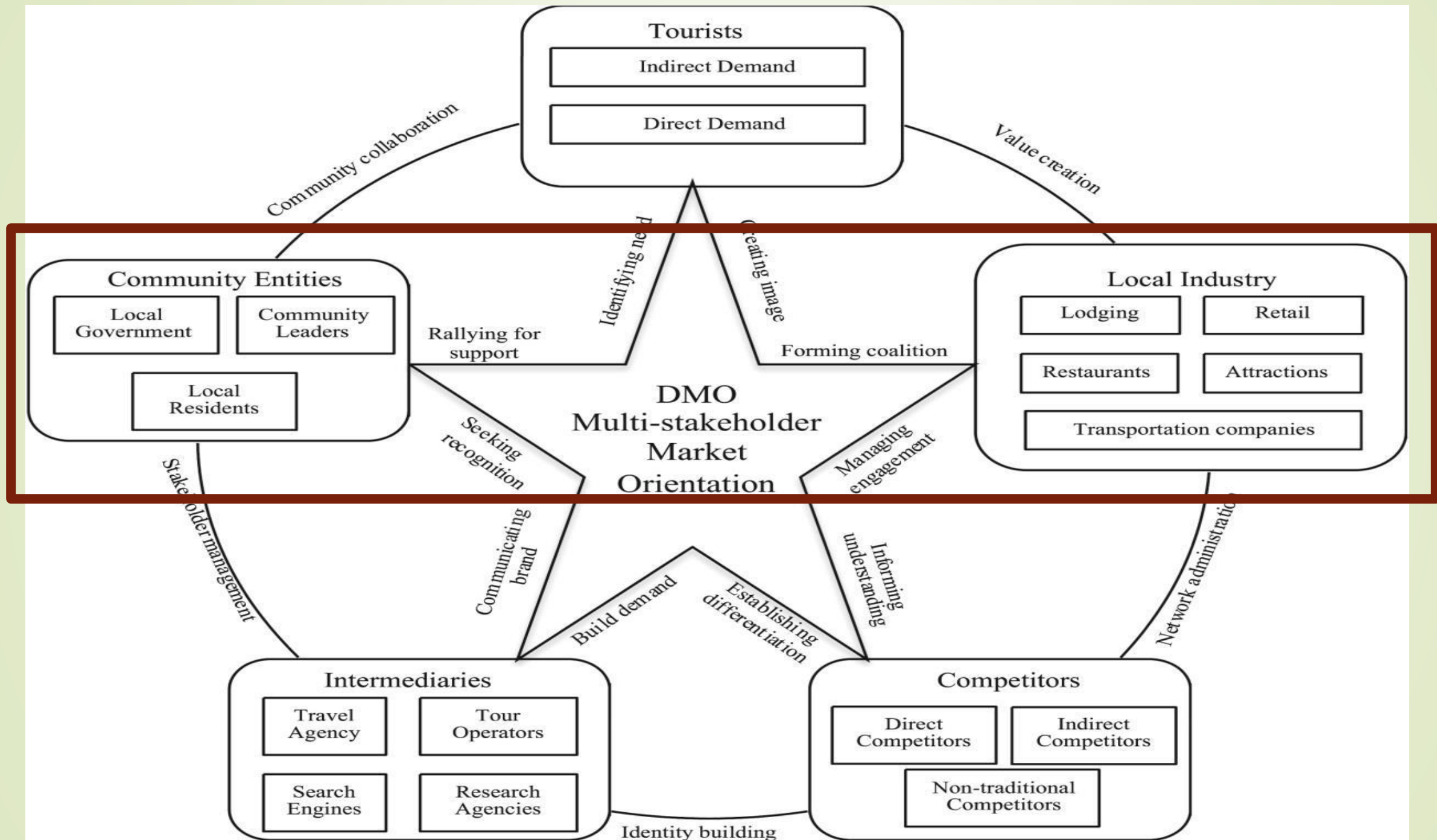# Why take a multi-stakeholder approach to destination branding?

- Not because it is easier (it is not—communication takes time)
- Increased competition, in part due to a more transparent market
- Increased substitution effect
- In some countries a decreased willingness on the part of governments to invest in destination marketing (Clode, 2017)—so the need to do more with less money

**IN SHORT—THE PRESSURE TO BE MORE COMPETITIVE**

# Another reason to take a multi-stakeholder approach?

➤ IF SUCCESSFUL, A MULTI-STAKEHOLDER APPROACH TO DESTINATION BRANDING CAN CREATE A LOCAL IDENTITY WITH A HIGH LEVEL OF ACCEPTANCE

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- Indirect Demand
- Direct Demand

**Community Entities**
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# THE CASE: EDELSBACH AND THE TULIP FESTIVAL

## Some key facts:

▶ Located in SE Austria—rolling hills, no mountains

▶ 1382 inhabitants

▶ 16 km$^2$

▶ Very stable government (mayor in office since 1993

VIENNA

EDELSBACH

Only 4 km from Vulcano Ham, which you visited when at the project meeting in Graz

# THE CASE: EDELSBACH AND THE TULIP FESTIVAL

## Some key facts:

- Economy based on SMEs
- Mainly day tourism in summer
- Only one small accommodation (7 beds)
- Edelsbach Tourism Association since 1998
- TA financed by the Styrian Tourism Law

# EDELSBACH'S TOURISM ATTRACTIONS



Austrian Bridge-Building Museum

World Machine

Bee Garden

Artists' Stations of the Cross

Wollgenuss (association of women wool-felters)

Heterogenous: No centralizing theme to tie them together

# Event Branding:
# Place Branding through an event (Tulip Festival)

- In the case of Edelsbach, place branding is more appropriate a term for what developed than destination branding, because it as become at least as important for internal  stakeholders as external ones

- Has become a significant identity-building factor for residents

# Building on a tradition of flower-based events in Austria

- Daffodil Festival in Bad Aussee (since 1959)
- Tulln Flower Show (largest in Europe)
- Apple Blossom Festival in Puch
- Cherry Blossom Festival in St. Veit



Float at the Daffodil Festival

# Idea (early 2007):
## Tulip Festival as the Focus of Place Branding

➡ USP—no other village in Austria had done anything with tulips

➡ One of the SMEs in the village is owned by a Dutch landscape gardner

➡ 100,000 tulip bulbs planted in fall 2007

# Idea (early 2007):
## Tulip Festival as the Focus of Place Branding

- Tulip earliest blossoming flower—so the first event of the season

- Attention-getter right when the tourist season begins in our region

- Raise awareness of the village to attract tourists throughout the year

# External Stakeholder (Non)-Involvement

- No initial assessment of potential visitorship

- No extensive competitor analysis (except to determine that there was no other Tulip Festival in Austria)

- No initial involvement of intermediaries

- Media partnerships **were** established

**DESPITE MISTAKES WITH EXTERNAL STAKEHOLDERS
ca. 7000 visitors to the first Tulip Festival in April 2008**

# The Main Reason for Success:
## <u>Local Stakeholder Involvement</u>

➤ Joint project of Tourism Association and village government—very broad basis

➤ All local tourism-related companies involved in planning



Tourism Chair Fritz Hummel (1998-2011) & Mayor Alfred Buchgraber

# Local Stakeholder Involvement

➡ Local clubs invited to serve food to help finance their activities (local band, volunteer fire brigade, seniors' club, tennis club, etc.)

➡ Local farmers invited to supply food



Seniors' Club making "Spagatkrapfen"

# Local Stakeholder Involvement

➡ Parish priest involved (mass before the festival starts on Sunday)—this year a special "blessing of the tulips" is planned

➡ Local cultural organizations invited to perform (choirs, dance groups, band)

# COMMON VALUES

**High level of communication among local stakeholders led to a clear set of values and vision**

➡ Participatory approach

➡ Sustainability as a guiding principle

➡ As little leakage as possible (regional sourcing)

➡ Focus on local culture

Bed planted by the village school children with individually designed name tags

# COMMON VALUES: SUSTAINABILITY

- Goal of zero-waste is not entirely met, but almost

- 2 garbage bins (240 L each) of residual waste in 2018—for a festival with ca. 6000 visitors

# COMMON VALUES: SUSTAINABILITY

Minimal waste made possible by:

- mobile dishwashing trailors

- Local sourcing, so packaging can be returned (eg. cardboard boxes for baked goods)

- All beverages in returnables (again—local)



- Unusual commitment **not to grow**—because otherwise values es could not be upheld

# COMMON VALUES: MINIMAL LEAKAGE

Made possible by:

➡ Buying local

➡ No commercial softdrinks—all beverages from local sources

➡ Juices, wine and spirits all from village farmers

➡ Draft beer from a local brewery (also supplies the glasses for free)

# COMMON VISION AND IMAGE

- Authentic, down-to-earth local culture
- Consistency of the offer—the vendors agree in advance what they will offer
- Many vendors—but the same prices

# COMMON VISION AND IMAGE

➡️ Value for money (we are not in this to make a fortune at the visitors' expense)

➡️ Warm, inviting hospitality (so the guest will want to come back)

➡️ Laid-back, relaxing atmosphere (Gemütlichkeit)

# BRANDING

➡ Local graphic designer developed the logo



Current logo

# PRODUCT DEVELOPMENT

- Tulip Hiking Path—tulips planted along the path
- Connects all the tourism attractions in the village
- An additional attraction to bring tourists to the village at other times
- Information boards about tulips in preparation

# BRAND MERCHANDISE

▶ A spontaneous development, based on local stakeholder commitment to the brand

▶ Always with a local connection, also regarding production

▶ Not always consistent use of the logo, however

# BRAND AMBASSADORS

➡ Tulip royalty since the 2nd Tulip Festival

➡ The Tulip Royals attend events elsewhere throughout the year to promote Edelsbach

## BRAND MERCHANDISE

➡ Local tailor produced the special traditional clothing for the royals (sponsoring)

➡ A "Tulip Festival line" now available for "non-royals"

# Learning from missed opportunites

**External Stakeholders**

➥ Competing attractions now included

➥ Cross-marketing as a way to increase mutual visitorship

# Learning from missed opportunites

## External Stakeholders

- Bus companies and travel agencies are now included, also abroad



Dance group from our partner village in Hungary

Largest number of busses now come from Hungary, because of cooperation with some Hungarian travel agencies

# Learning from missed opportunites

## External Stakeholders

➡Periodic visitor surveys

# Bottom Line:

- Stakeholder Involvement is the key to successful place branding

- Successful place branding can go hand in hand with the development of sustainable place identity

COME VISIT THE TULIPS—13th & 14th of April 2019

Or if you do not have the money for the airfare to Austria:
Vinpearl Nha Trang Tulip Festival during Tet

The event is expected to be the largest tulip festival in Vietnam, covering an area of more than 1,000 square metres.

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