

PLACE BRANDING: A CHALLENGING PROCESS FOR ROMANIA

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Abstract: In a world of globalization, the marketing of places has grown in importance as countries, regions and individual destinations such as cities compete with one another to attract investment and visitors. With Romania becoming a European Union country since 2007, marketing itself as a country with identity and personality is of crucial importance when considering competition. In order to compete effectively, it is essential to identify the critical success factors and ensure these are incorporated into one's strategic planning. Place and destination marketing indicate that image and identity play an important role in differentiating between similar alternatives. This paper is focussing on action undertaken so far by both Romania and Bucharest, presenting experts opinion and comments on results, assessing the stage and situation as it is at present.

Key words: *Nation Branding, Place/Destination Branding, Image, Identity.*

Introduction

The status of a member state inside the European Union, along with the values, rights and duties of membership seemed to have diminished competition among nations. Places have always felt a need to differentiate themselves from each other, to signal out their individuality in pursuit of various economic, political or socio-psychological objectives.

The increasing globalization of trade, investment, and labour markets is increasing transport and communication and reduces distance. Therefore competition between cities is also increasing, but fiercer. One aspect of this competition is the image of places held by residents, investors or visitors, and one instrument of public place management authorities is the creation or manipulation of such images.

Recently almost every government is more or less attempting to shape a specifically-designed place identity and promote it through images to targeted markets, whether external or internal, intended to attract investors or visitors. This

practice is almost as old as the government itself. In this context, Romanian Government and authorities can be regarded as a special case study concerning their attitude and actions related to both national identity and the image of the country's capital. This paper is largely focusing on country marketing and country brand image. Marketing therefore cannot be considered other than 'the conscious and planned practice of signification and representation' (Firat & Venkatesh 1993, p. 246), which in turn is the starting point for examining place branding.

According to Crang (1998) and Holloway & Hubbard (2001), people make sense of places or construct places in their minds through three processes. First, through planned interventions such as planning, urban design; second, through the way in which they or others use specific places; and third, through various forms of place representations such as films, novels, paintings, news reports and so on. It is generally acknowledged that people encounter places through perceptions and images. As Holloway & Hubbard (2001, p. 48) describe this, interactions with places

may be ‘through direct experience of the environment or indirectly through media representations’. However, what is critical is how this information is processed, via mental processes of cognition, to form stable and learned images of place, which are the basis for our everyday interactions with the environment. It is the mental maps and images that individuals create to allow them to navigate through complex reality, because ‘our surroundings are often more complex than the sense we make of them’. Branding deals specifically with such mental images. Place branding centres on people’s perceptions and images and puts them at the heart of constructed, orchestrated activities, designed to shape the place and its future. Managing the place brand becomes an attempt to influence and treat those mental maps in a way that is favorable to the present circumstances and future needs of the place.

Place branding and place marketing

According to Ashworth (Ashworth and Voogd, 1988), selling places is a recently new idea which caught the attention of public planners in the 1980’s. Since then, a considerable amount of literature on both marketing and branding places has been produced on aspects starting with defining place marketing and place branding, explaining how they work, and structuring their expertise. One of the most debated aspects is the one concerning the fact that places (countries, nations, regions, cities) are not simple products which can be marketed and branded as commodities. As a result, marketing and branding a place is not a simple application of product marketing and branding to places. Currently there is a general agreement in the marketing literature that the place brand is more than an

identified name given to a product, it is also not only a synonym for a slogan issued by authorities. According to Kavartzis and Ashworth (2005), “places do not suddenly acquire a new identity thanks to a slogan or a memorable logo”. The same aspect is argued and discussed by Anholt (2005), according to whom simple communications are no substitute for policies, while constructing and altering the image of a country or a city requires more substantial efforts than graphic design, advertising or PR campaigns. Flashy slogans and logos, pretty or picturesque images may be useful as instruments for marketing and branding a place in both cases, nation and cities, but they cannot substitute the existence of a coherent strategy.

According to Kotler (Kotler et al., 1999) place marketing is defined as “a place planning procedure concerning the satisfaction of the needs of target markets”. This is seen as successful if and when the two main parameters are satisfied: the enterprises’ and the residents’ satisfaction during the purchase of goods and services that the place provides and, secondly, the satisfaction of the expectations of potential target markets. In conclusion, according to the same author, successful place marketing involves the satisfaction of both internal and external stakeholders.

On the other hand, branding as defined by Keller (2003) is “a product, but one that adds other dimensions that differentiate it in some way from other products designed to satisfy the same need”. Generally speaking, branding has all to do with basically creating an emotional connection with consumers through developing and emphasizing a unique personality characteristics or image. When geographic locations and/or organizations (countries, nations, regions, and cities) require

branding, the goal is to simply make people aware of the location and then produce desirable associations to construct a favourable image to attract either visits or businesses or both.

Literature abounds in defining, explaining, discussing and arguing place marketing and place branding, its importance and the existing experiences. As a result, branding seems to be one particular chapter in place marketing. The same literature is also raising the case of the importance of place marketing and place branding in the modern competition when it comes to places selling themselves. However, there are voices warning of a variety of dangers among which: treating place brands like commercial brands, as there are fundamental differences between the two (Fan, 2005); place branding is based on places being not quite what they are, introducing the discussion about what places can appear to be in the grip of a permanent identity crisis (Anholt, 2008). Hence there are authors starting with Anholt, who replaced brand with competitive identity. However, to keep this simple, the point is that place marketing and place branding is a distinctive sort of action involving distinctive methodology and techniques.

A brand as the core element of the process of branding embodies a whole set of physical, social, psychological, traditional attributes, perceptions and beliefs associated with the place – country, nation, region, city. In other words, a brand is something distinctive through its positioning in the competition through its personality comprising a unique combination of functional attributes and symbolic values. Constructing a place brand is evidently a deliberate process, selecting the above mentioned attributes and associating them with the assumed features in order to add a certain value. As far as the

evolution of place branding is concerned, city/destination branding precedes country branding as this normally requires a more holistic and creative approach.

According to the same Anholt (2008), place branding is based on five essential aspects. Places need to communicate with the outside world in a clear coordinated way; use an image in order to make reputation understood; use equity with the idea that reputation is a value of an asset which needs management; have a purpose, implying a powerful dynamic brand management; use innovation in influencing international public opinion. These aspects are normally seen by experts around the world as a starting point for policy makers in their attempts of constructing place branding of substance as strategy.

As far as Romania is concerned, after 20 years of economic transition from a highly centralised communist economy towards a free, capitalist market-oriented one, it is still at a very early stage of developing a coherent brand strategy. This situation seems not to have changed or become more dynamic even after Romania joining the EU in 2007. The country brand, similarly to most of the other former communist countries in Central Eastern Europe, seems to emerge rather than be constructed, created, shaped, promoted and controlled in any organised manner. Interestingly enough, the country doesn't seem to completely lack intention or action. Searching the literature and the history of the undertaken events over the past 20 years, one can draw the conclusion that the process (conferences, debates, workshops, discussions and limited public surveys) in itself is rather more important than the result. A variety of authorities, institutions and bodies starting with the Government

itself and the Ministry of Foreign Affairs, National Board for Strategic Development, Ministry of Regional Development and Housing, Ministry of Communication and Information Society, Ministry for SMEs, Trade and Business Environment, Ministry of Transportation and Infrastructure, Ministry of Tourism, followed by the National Chamber of Commerce and Investment Promotion Agencies - all in all, these can be regarded as a variety of uncoordinated efforts with very little impact and even less results both externally and internally.

Place branding is a common aim for either attracting investors or visitors being aware that simple promotional campaigns aiming to increase investors' and visitors' awareness of a country and its localities proved to have limited impact: having a country and city brand is still crucially necessary to attract both investors and visitors. Even so, branding is not enough - and in Romania's case, modern infrastructure is more than a must in addition to skilled force, favourable tax policies and returns on investment. Romania is evidently a special case with a medium to large amount of money spent on developing a country brand, a significant large number of emigrants working abroad and very low label costs compared to almost every other European Union country except Bulgaria. Up until now, out of the uncoordinated and various attempts to construct a country brand, there are three basic promotion techniques that investment promotion agencies applied: erratic investment generation, erratic investors services and inconsistent image building. Theoretically, the image building action and the investment service activities have had, as an ultimate aim, the attraction of more investment. Unfortunately the results have

been of little impact, mainly due to political and economical instability. In terms of image building this reality meant that the investment agencies shifted their focus and almost every other attempt, campaign and action have been abandoned, and replaced by a completely new one.

In both cases of attracting investors and visitors, Romania has managed to generate some in its early years of transition without even being concerned of any general image building. Romanian government and authorities have recently started to be concerned about image building and image techniques. As far as attracting investors is concerned, according to the *Ernst & Young Attractiveness Survey 2006* (which is ranking the European countries based on investors' perception and their relevance to branding) Romania, along with the Czech Republic and Poland, have a better image than reality and is facing the challenge to put its image into reality. This survey is basically outlining the major findings and compares image (perception) with reality. Out of 15 countries Romania scores 10 in the section of ranking image compared to 12 in the section of reality (ranking of Foreign Direct Investment). In conclusion, Romania is relying on a better image than reality.

The place image

The most important role in place branding is played by the place image and the way this is "manipulated" (Ashworth, 1994). The author considers that "places can only be sold through rigorous selection of its features in a place image" (Ashworth 1994: 128). In more detail, the place image is a construct of beliefs, impressions, ideas, perceptions of individuals of different components of the nation, parts of a country, areas of a city.

Almost all place images are constructed using a large pre-existing store of information, feelings, expectations, of individuals who have physically visited the place or not. Consequently, a place image is very much a projected image.

Experts on place images largely indicate two types of such projected images: a) the intentional image (result of a promotional activity); b) the unintentional image (result of the information from other sources). When it comes to place image, Romania as a country, it becomes rapidly evident that the case is of some sort of particularity. At the moment the country it is not the holder of particularly positive image. The most interesting result, at least in Romania's case and of its capital, is the relationship between the lack of a coherent existence of an intentional image and the restricted and occasional unintentional image.

If *Nation Brands Index* is considered to be able to understand campaigns of place branding, Romania's and Bucharest's situation clears up with not very encouraging news in terms of image. *The Anholt-GfK Roper Nation Brands Index* measures the power and quality of each country's 'brand image' by combining the following six dimensions: exports, governance, culture and heritage, people, tourism and investment, and immigration. (<http://www.gfkamerica.com/>). Romania managed to make it on the list with other surveyed nations during one of the waves of the *NBI* analysis, but does not score high enough to be included among the 50 most powerful branded nations.

Projected place images/brands of Romania

Romania, one of the most recent European member states, has a relatively large population and a considerable surface. As a matter of fact, Romania is the 7th largest populated European country, after Germany, France, UK, Italy, Spain and Poland (21528000 inhabitants); and the 9th largest European country by surface. Over the past 20 years Romania has been trying to pass from a 50-year experience of a communist highly centralized economy to a capitalist market-oriented economy with a controversial and disputed success. Romanian economy is becoming more and more oriented towards the tertiary and quaternary sectors which are also dominating the employment. This economy is recognized not to be among the most successful ones in Europe, experiencing some particular problems. However, since 2000, Romania has experienced a period of constant but modestly moderate economic growth. Its best known problems are concerning the poor infrastructure (access and administrative) and a certain degree of political instability.

As stated above, Romania hasn't particularly made a priority or a coherent strategy out of branding itself for both attracting investors and visitors. However, there is clear evidence of a history of disparate attempts with more coordinated actions undertaken into developing a tourist brand. As a matter of fact, the early stages of this history, particularly the communist period one, have a lot to do with the actual reality. Recently, Romania has managed to attract 7.120.000 tourists out of which 5.654.000 domestic and 1.466.000 foreign. (Table 1).

Table 1

Tourist arrivals in Romania (thousands)

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Tourist Arrivals	4920	4875	4847	5057	5639	5805	6216	6971	7120
Tourist Arrivals	4920	4875	4847	5057	5639	5805	6216	6971	7120
Foreign Tourist Arrivals	867	915	999	1105	1359	1430	1380	1391	1466

Presently there is a choir of expert voices rightly stating that Romania is either the owner of a negative brand image or its brand is unidentified. Romania did and still does very little to tailor its brand image benefiting of full consequences. Further statements and qualified comments vary from Romanian brand image “is one of the most negative, dull and unfair image of all civilised present countries” (Anholt, 2006)¹, to “Romania is changing but the general perception of it remains.”... The matter is rather that more things have been done for the country than the country has done anything for itself (Olins, 2007)², continuing with more radical ones: “Why we do not own a country brand? Stereotypes and ignorance are still predominant and Romania is not identified as a brand. (Paverman, 2009)³, or “Romania doesn’t exist on their (n.b. American academic community) perceptual map. This is not good, but not bad either. We simply do not exist as a country. There is no interest as a potential tourist destination...” (Ghika, 2009)⁴. Most of the international, mostly European, expert voices are agreeing that Romania is slightly negatively perceived from outside with significant

differences. There are certain states where Romania has very negative scores in terms of image, areas that should at least be abandoned for the time being when considering branding efforts. In addition, there are states where Romania scores much better, such as Great Britain and France or states where Romania is simply unknown. Romanian voices, expert or not, seem to be more radical and express a certain degree of frustration in assessing the lack of a decent country brand especially when it comes to tourism brand. As a matter of fact tourism is the most active sector in trying to brand Romania.

Romania – the independent new European monarchy. The beginning of getting known as a possibly branded nation, could be considered the period of 1930’s – 1940’s. At a European scale, Romania was regarded as a new nation attracting some sort of attention specifically in diplomacy with Nicolae Titulescu as a main promoter, along with its monarchy, European by birth. This very empirical sort of image had a very stable internal support. It was the very first period in Romania’s history with profound actions and structured elements of nation building and nation assertion starting from inside. That was the time when Romania became an European country rather than a space peripherally located somewhere at the oriental edge of the continent.

¹ <http://www.money.ro/news/simon-anholt-romania-are-imaginea-unui-cadavru.html>, 06 12 2006

² http://www.cotidianul.ro/interviu_wally_olins_romania_devine_brand_fara_stirea_ei-22131.html, 14 02 2007

³ Paverman, I (2009) De ce nu avem un brand de tara, Observator cultural, 482, 09 07 09

⁴ http://www.cotidianul.ro/interviu_ghika, 06 07 2009

'Picturesque Romania' – Ceausescu's communist state. The very first proper country branding took place all through the years of communist propaganda portraying Romania as a happy prosperous developing socialist country. 20 years later Romania is still associated or remembered for its dictator Ceausescu and for being one of the member states behind the Iron Curtain. During this period, especially in the 1970's, the country started to brand itself internally for tourism, almost exclusively concentrating on mass tourism and social tourism. Soon after branding itself internally with three main modern tourist areas (the Black Sea Coast and the Danube Delta, the Prahova Valley and the picturesque rural north-eastern areas of Maramures and Bucovina) Romania branded itself as a competitive tourist destination for the neighbouring communist countries and not only. During the same period, Romania also managed to attract a considerable large number of independent tourists from Czechoslovakia and Poland. Branding itself as a tourist destination for capitalist countries wasn't necessary a priority on the agenda of the communist government, but it wasn't neglected either. This period is known as the period of the 'Picturesque Romania' tourist brand.

Spotlight on Dracula. The very first professional programme of attracting capitalist tourists with the Ministry of Tourism and Ministry of External Affairs involved is the very famous by now, 'Spotlight on Dracula'. The campaign in itself is an interesting case study which managed to put Romania on the map of attractive destinations for capitalist countries, mainly for the USA. This campaign's main success was to have made the connection between the only 'bells-ringing' element

for the other states and Romania, namely Transylvania. 'Spotlight on Dracula' linked what foreign Western European and American people have always known of and associated the space of Transylvania with count Dracula. To discover Romania as a country, its people and its history was a bonus. In reality the aim of this campaign was more ambitious than simply advertising a tourist destination. It was doubled by a foreign affairs agenda of singling out Romania inside communist Europe, differentiating Romania/Transylvania from Hungary for the American public, in addition to planned political image construction (interviews of the author with members of former communist government members and heads of former national and regional tourist boards). In its very short life the campaign was very successful and if it wouldn't have been too short it could still be considered the most professional and efficient tourist destination branding Romania has ever undertaken.

Revolutionary and Transition Romania. For a short period of time after the collapse of communism in 1989 and embarking on the road of economic transition, Romania managed to develop a controversial image, mostly negative, of a country of economic and political instability, poverty, orphans, swan eaters, troubled gipsy community, racism and extremism. This was a rather media-created image with the help of no action from inside the country itself or its authorities. However, during this period, Romania managed to attract a modest but steadily increasing number of foreign visitors, although it is difficult to conclude whether their visits were motivated by tourism. Troubled or not, poor or not, patted with orphans or not, Dracula's country was open. Starting with late 1990's and

especially during the 2000's, the economic and social situation improved. During this period, Romania did very little from inside to wipe out the very negative image.

In terms of tourist destination branding, the situation of tourist image building during

Revolutionary and Transition Romania is better, Romania launching isolated, unstructured and uncoordinated campaigns (Fig. 1) such as:

Eternal and Fascinating Romania (1994-1996);
Romania – come as a guest, leave as a friend (1996-1998).



1a Romania simply surprising (2000-2004)



1d Dracula Park (2001-2006)



1b Made in Romania (2000-2005)



1c Romania – Total Solar Eclipse 1999



Romania – Fabulospirit 2006-2007



Romania – The Land of Choice (part of Branding Romania) 2009-2013

Figure 1 Campaign logos

EU Member Romania. According to Van Ham⁵, having a bad reputation or not having a reputation at all is a severe handicap which affects competitiveness and performance of a state in the international arena. Without a brand it would be

very difficult for Romania to attract political and economic attention as well as visitors. History seems to have contradicted van Ham, with Romania managing to become a member of the European Union in 2007 without improving very much its brand or undertaking a rebranding action. Interestingly enough, if somehow things happened for this country so far, the lack of an image of a

⁵ Van Ham,P (2001) The Rise of the Brand State. The Post Modern Politics of Image and Reputation, Foreign Affaires, **80**, 5, 2 – 6 .

brand might be a more serious threat in an economically global world experiencing a severe crisis. Being a simple member in a group of member states identity is a danger regarding attracting investors and visitors. The EU Romania, even though enjoying this status for a short period of time, doesn't seem to have changed attitude towards taking sustained structured action for branding itself as a nation. The most important event took place in 2005 once the National Board for Strategic Development was established. This governmental body is aimed to deal with promoting and branding Romania. As a result, at least in theory and in the media, there has been an inflation of talks, conferences and workshops on nation branding, under the umbrella of its most acclaimed programme called 'Branding Romania'. Action is again of little impact and efficiency. As far as tourist destination branding is concerned, two campaigns are to be noticed, among which the second has been recently highly contested and controversial.

The budgets and costs of these either independent campaigns or components of aggregate ones, varies significantly and have been initiated,

organised or conducted by either the Ministry of Tourism or the Ministry of Foreign Affairs. All of these attempts of branding Romania as a tourist destination ended rather soon after been launched, either abandoned by their commissioner, or stopped by the followers in office of the original commissioners, in addition to cases of uninspired choices. They had a limited impact and modest degrees of success. There are some voices coming from the media sector qualifying Dracula Park and Fabulospirit as being expensive disaster ideas.

In conclusion, Romania is seen by international experts as a country with a poor branded image or lacking a brand image, but doing better in being remembered or recognised. Romanian experts seem to be more radical and consider that the country owns a disaster image as far as nation branding is concerned. But both international and domestic experts seems to agree on the fact that the country doesn't deserve this situation and that its image builds itself chaotically mainly from outside rather than inside. They are also agreeing starting with Olins, Anholt and Asworth, that the sooner national and local authorities start doing something about it the better - especially now, almost two years after becoming an EU member.

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