A destination-branding model: An empirical analysis based on stakeholders

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ABSTRACT

The purpose of this study is to develop a destination-branding model based on stakeholders' interests. It is subsequently applied to a tourist destination, namely Castilla-La Mancha (CLM), thereby creating an index that measures destination branding's success based on similarities and differences among the different stakeholders. The index, called *Success Index of Triple-Diamonds (SITD)*, provides an empirical evaluation of the destination brand's degree of success and confirms the existence of differences among stakeholders. The current study offers useful information for developing strategy on the part of Destination Management Organizations (DMOs) and reveals the risks of a traditional strategy focused only on visitors that ignores the objectives of local people and entrepreneurs.

1. Introduction

In the current tourist scene, place marketing and the development of destination brands have become strategic tools all over the world due to a growing competition among destinations. The number of destinations adopting the concept of destination-brand-building is larger and larger, being Australia, Brazil, Colombia and Spain some examples of the application of a place branding strategy. Regarding Spain, Joan Miró's design (a sun, a star and trembling red, yellow and black letters) represents since 1983 the national tourism's promotional graphic composition. This Country constantly relaunches new promotional campaigns, as 'Smile! You Are in Spain', to keep the brand image alive. In 2004, in order to change its image, Colombia carried out the campaign 'Colombia is passion!', almost doubling in 2006 the volume of foreign tourism. The destination-brand-building concept has not only been limited to the countries; it has also taken place in the different regions and cities. In 2009, fourteen out of the seventeen regions in Spain had their own destination brand. Moreover, among the cities, the popular 'I Love NY', designed by Milton Glaser in 1977, tried to promote tourism.

Due to the proliferation of promotional symbols without a defined strategy of place branding and consequently with no brand equity (BE), destination management plays an important role. It has to turn them into tourist brands positioned in a differential way in the tourists' minds (Peralba, 2007), always considering that local people and entrepreneurs are key features of the core brand. In

this respect, solid relationships among stakeholders are essential to place branding's success, although, their necessities can come into conflict, what has not been sufficiently taken into account (Hankinson, 2004).

This author indicates that place branding received considerable attention over the past two decades in both marketing press and academic literature. An indicator of the presence of place marketing and place branding in academic literature is that *Google Scholar* (http://scholar.google.com/) has indexed 4530 references related to 'place marketing' and 2270 to 'place branding' in all subject areas. Since 2004, the academic interest in this field has multiplied, as revealed by the fact that 51.2% (2320 out of 4530) references on place marketing and 73.1% (1660 out of 2270) on place branding are recent (from 2004 to June 2010).

The conceptual models and the practical applications of place branding are developing at different speeds so far. A more general theoretical framework approach underpinning place branding is due to researchers such as Kotler and Gertner (2002) and Hankinson (2004, 2007, 2009), among others, and to the attempts of establishing relationships between literature on place marketing and branding with classical branding theory and new marketing paradigms (relational and emerging Service Dominant Logic). However, most available empirical studies are exploratory (Freire, 2009; Morgan, Pritchard, & Piggott, 2003; Risitano, 2006) or based on case studies − Pike (2009) identified 33 out of 74 destination-branding publications focused on case studies between 1998 and 2007 − showing a shortage of empirical studies involved with the reality of place branding among different stakeholders.

For these reasons, this research is innovative, focussing on the development of a destination-branding model based on stakeholders' interests, thereby creating an index that measures destination

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branding's success concentrating on similarities and differences that exist in the presented brand (PB): brand awareness (BA), brand meaning (BM) and BE among stakeholders. This objective is directly related to the present literary approach that takes the brand's role into account from a wider point of view, connecting not only the visitors to the destination but also the local people and entrepreneurs.

The paper is divided into seven parts. The concepts of destination branding and destination image in academic literature are analyzed in Section 2. The third part deals with the principle of the service-branding model suggested by Berry (2000) and with the comparison of destination brands regarding products and services; a conceptual adaptation of this model to destination branding is also developed. Sections 4–6 are focused on the study methods' description and the empirical analysis for Castilla-La Mancha (CLM), a specific tourist region of Spain. Finally, the last section introduces the conclusions and discussion, as well as the implications for Destination Management Organizations (DMOs).

2. Destination branding and destination image

2.1. Destination-brand concept and customer-based brand equity

Destination branding is vital in the current destination management practice, as broadening tourist opportunities and travel locations have resulted in increased substitutability and lack of differentiation amongst some destinations (Pike, 2005). Nevertheless, most researches have been only focused on destination image (Boo, Busser, & Baloglu, 2009), leading to the need of establishing the framework and the concept of the destination brand from the elements of branding theory and other concepts found in marketing literature (Blain, Levy, & Ritchie, 2005). In this way, starting from the analysis of the classical branding theory, Aaker's (1991, p. 7) definition of branding is one of the most widely accepted, indicating that 'a brand is a distinguishing name and/or symbol (such as a logo, trademark, or package design) intended to identify the goods or services of either one seller or a group of sellers, and to differentiate those goods or services from those of competitors'.

Place marketing literature review reveals different conceptions to define a destination brand, although the richest view establishes a separation between two approaches: urban planning and tourism and vacation marketing (Hankinson, 2004). The first one focuses on the place product's nature, its historical development and distinctive features' marketing implications; the second one deals with the destination brand's conceptual field by means of the brand networks concept, where place branding performs four-main functions (brands as communicators, brands as perceptual entities, brands as value enhancers and brands as relationships).

For tourism destinations, Blain et al. (2005) state that the concept of the visitor experience needs to be incorporated into the process of branding, because the destination-brand experience has a positive effect on the value's one (Boo et al., 2009). Ritchie and Ritchie (1998, p. 103) have defined a destination brand as 'a name, symbol, logo, word mark or other graphic that both identifies and differentiates the destination; furthermore, it conveys the promise of a memorable travel experience that is uniquely associated with the destination; it also serves to consolidate and reinforce the recollection of pleasurable memories of the destination experience'. Blain et al. (2005) indicate that effective destination branding gives visitors an assurance of quality experiences, reduces visitor search costs, and offers a way for destinations to establish a unique selling proposition.

On the other hand, in terms of the destination-brand management, research has been poor and only exploratory, whereas consumer's perspectives may be used to measure destination branding's efficiency (Blain et al., 2005; Ritchie & Ritchie, 1998). Even though, some primary studies have emerged in this field, focussing on customer-based BE (Boo et al., 2009; Konecnik & Gartner, 2007), and defining it as 'the differential effect that brand knowledge has on consumer response to the marketing of the brand' (Keller, 1993, p. 2). Customer-based BE occurs when the consumer is familiar with the brand and holds some favourable, strong, and unique brand associations in the memory (Kamakura & Russell, 1991).

Furthermore, the emergence of BE has raised the importance of marketing strategies, attracting managers' and researchers' attention (Keller, 2003). BE is accepted as the overall utility that customers place in a brand compared to its competitors (de Chernatony & McDonald, 2003) and the main element of brand management, leading to an analysis from different perspectives. Thereby, the destination BE analysis does not only have to consider the tourist perspective but also to include other factors or individuals providing value to the brand (e.g. entrepreneurs and local people).

2.2. Destination image

Nowadays, due to the strong competition among destinations, creating a positive image of the destination to achieve a competitive advantage is important (Baloglu & McCleary, 1999). Although destination image is a relevant concept for academics and practitioners, the conceptualization of this construct is dispersed (White, 2004), being a common definition this by Crompton (1979, p. 18): 'the sum of beliefs, ideas and impressions that a person has of a destination'. Moreover, most researchers agree with the importance of destination image as a decisive factor in a visitor' destination choice (Mayo, 1975).

Tourism marketing experts (Baloglu & McCleary, 1999; Beerli & Martín, 2004) consider that destination image is a concept made up of two components, tangible and intangible. Nevertheless, the last dimension, affectivity, is not a correct measurement for certain studies (Echtner & Ritchie, 1991), since many only contemplate the cognitive component, as it is summarized in Pike's (2002) study, where just six of the 142 researches analyzed include the affective element.

Moreover, a lack of homogeneity, reliability and validity in the scales used for measuring the destination image is observed, except for Baloglu and McCleary (1999), Beerli and Martín (2004), and Echtner and Ritchie (1993), since most of them are the result of exploratory studies on the identification of important and determined attributes for the destination image formation (Beerli & Martín, 2004).

2.3. Stakeholders and destination-brand-building

Freeman (1984) defines a stakeholder as any group or individual who can affect, or is affected by, the achievement of a corporation's purpose. Many authors suggest the usefulness of distinguishing between primary and secondary stakeholders, depending on their potential to cooperate with or to be a threat to DMOs (Sheehan & Ritchie, 2005). Primary stakeholders have a regular interaction and strategic significance with the brand equity while secondary stakeholders become important for specific issues (Jones, 2005).

Until recently, most researches on brand-building were focused on consumer products (Keller, 1993). However, the new stream of research on service branding, directly linked to the Service Dominant Logic (Vargo & Lusch, 2004), is based on the processes of added value enabling the creation of consumers' experiences (Berry, 2000). The brand then plays a broader role, connecting not only the customers to the company but also the employees and