



## Destination Branding Identity from the Stakeholders' Perspectives

Mohd Fadil Mohd Yusof<sup>1</sup>, Hairul Nizam Ismail<sup>2</sup>

<sup>1</sup>Faculty of Business and Entrepreneurship, Universiti Malaysia Kelantan (UMK)

<sup>2</sup>Faculty of Built Environment, Universiti Teknologi Malaysia (UTM)

Email: fadil@umk.edu.my

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### ABSTRACT

In order to establish a strong destination branding, understanding the process of image in positioning the destination is crucial. Arguably, a brand identity for a tourist destination that makes up a name is often captured from the user point of view. However, little was understood as to how the stakeholders perceived image-making, and later, the branding of destination and their influence. In this context, brand identity through projection of Destination Management Organizations (DMOs), significantly contribute towards existing image. In other words, they are forcing the creation of branding using the vision of how the market and segmentation should perceive a brand. The question that may rise is how this branding process is truly acting as a catalyst of a production towards desirable destination. This paper addresses the following issues; (1) Stakeholders' involvement particularly local community in tourism development and planning (2) previous studies in destination branding (3) the relationships between destination identity and destination brand. This paper also highlights the existing gaps in understanding destination identity from the stakeholders' perspectives to the branding strategy. It also suggests the future studies.

## 1. Introduction

The growth of the tourism industry is tremendous and it has been recognized as one of the fastest growing economic sectors in the world. Many developing countries are engaging in the tourism industry due to its contribution to the countries' economic growth. Destinations such as Malaysia, Thailand and Singapore are competing against each other in attracting tourists by putting a lot of investments in enhancing tourism products and services. The expansion of the world tourism industry has created fierce competitions among destinations. As a result, many destinations are adopting destination-brand building concept to differentiate and improve destination perceived images (García et al., 2012). For example, Malaysia has launched a new promotional campaign 'Malaysia Truly Asia' since 1999 and the campaign has proven successful as indicated by the number of tourists' arrivals and tourist receipts.

Malaysia Truly Asia campaign promotes Malaysia's unique cultural heritage, ecotourism and international events. Currently, the tourism industry is recognized as one of the significant contributors to the country's economic growth and employment opportunities. Singapore is also continuously improving its branding campaign from *Uniquely Singapore* (2004 to 2009) to *Your Singapore*, a new destination brand launched in year 2010 to showcase its tourism products that focusing on shopping, cultural and theme park attractions. All these branding strategies are implemented for the purpose of being different and recognized in the tourists' minds or target market (García et al., 2012;

Qu, Kim, & Im, 2011).

This paper explains the concept of destination brand by looking at supply and demand perspectives. In this paper, the concept of brand identity is best described from the internal stakeholders' views (supply-side) and the concept brand image is from the tourists' views (demand side) (Aaker, 1991; Konecnik & Go, 2008; Pike, 2012). It also highlights the previous studies on stakeholders' involvement in destination branding process and suggests area of further research.

It is important to clearly understand what a destination brand is, before explaining why and how it is done. In the literature, there are no single definition of destination brand is yet being accepted. For example, Qu et al. (2011) simply define destination branding as 'a way to communicate a destination's unique identity by differentiating a destination from its competitors'. Marzano & Scott (2009) attempt to define destination brand as a multi-stakeholder decision making process by describing the effect of stakeholder power on destination branding process. The researchers go on by explaining how power of stakeholders in the form of authority and persuasion may influence the destination branding process despite the absent of collaboration and agreement among various stakeholders. Nevertheless, due to lack of definition of destination brand available in the literature, Aaker (1991) defined the brand that is widely accepted by the researchers in describing about destination brand. According to him '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'. Such definition is mostly used for branding tangible products amid the necessity to revise it to suit the tourism intangible products and services. Kim & Lehto (2012) support the notion of on branding definition by Blain et al., (2005) and argue that the definition is the broadest and most widely accepted one. Blain et al. (2005) stated that:

*'Destination branding is the set of marketing activities that (1) support the creation of a name, symbol, logo, word mark or other graphic that readily identifies and differentiates a destination; that (2) consistently convey the expectation of a memorable travel experience that is uniquely associated with the destination; that (3) serve to consolidate and reinforce the emotional connection between the visitor and the destination; and that (4) reduce consumer search costs and perceived risk. Collectively, these activities serve to create a destination image that positively influences consumer destination choice.'*

However, branding a destination is not simply developing brand slogans and logos as most of the destinations are currently doing. A brand must represent something unique and different of a destination (Campelo, Aitken, Thyne, & Gnoth, 2013). A current problem indicate that in practice, branding a place or a destination is limited to the design of new logos and the developments of catchy slogans (Kavaratzis & Hatch, 2013) and followed by a new marketing campaign to promote a destination. Such creativity-driven branding applies few creative ideas such as catchy slogans and interesting logos. The branding is important but it is still limited in terms of understanding the branding process. Destination branding process should go beyond promotional and advertising activities by recognizing the actual value or identity of the destination and delivering consistent brand message and theme (Tasci & Gartner, 2009). This can only be done by engaging various stakeholders in the branding process especially the internal stakeholders. Looking specifically at the important of the internal stakeholders' involvement in the branding process within a destination, Wheeler et al., (2011) claim that:

*'What appears to be missing is a process of developing and implementing the brand by engaging the values and identity of the host communities and operators. These are the brand owners charged with delivering the brand, either by contributing funds to cooperative marketing campaigns or, more explicitly, through their interactions with visitors, thereby facilitating the brand experience and the formation of a subjective sense of place for the visitor.'*

In relation to this statement, the concept of destination brand and destination image is widely arguable in terms of their differences and similarities (Tasci & Kozac, 2006). In destination image literature, Tasci & Gartner (2007) stated that there are three sources of image formation agents: (1) supply-side or destination, (2) independent or autonomous, and (3) demand-side or image receivers. Thus, image may be defined from either supply side, which is brand identity, or from the demand side which is perceived image. Destination image in particularly image formation is not branding but it is a step closer to it (Cai, 2002). Therefore, understanding the image is very important in order to create a successful brand. The confusion between image and brand warrants further empirical investigation to clarify how those two concepts are interrelated (Tasci & Kozac, 2006).

In order to establish a strong destination branding, understanding the process of image perception by the demand-side and projection by the supply-side is crucial in positioning the destination and competitiveness (Cai, 2002; Lin, Pearson, & Cai, 2010; Mak, 2011). Image making and the creation of brand identity is as the important destination branding components that emerge from various involvement and participation in

branding process (Saraniemi, 2011). Arguably, assessment of image and identity for a destination that makes up the brand is often captured from the user point of view, namely the visitor or tourist (Mak, 2011) and little was understood as to how the image making, and later the branding of destination, is projected by the stakeholders and their influence in doing so. This projection includes collective views of stakeholders such as host community and business operators in determining the projection of unique image in terms of existing social, cultural, historic and geographic values. However, Tasci & Gartner (2007) argue that in reality the projection image is always incongruence with tourists' perceived image.

In this context, brand identity through projection of Destination Management Organizations, including host community and business operators, significantly contribute towards existing image. In other words, they are forcing a creation of branding using the vision of how the target market and segmentation should perceive a brand. The question that may rise is how this branding process truly acts as a catalyst of a creation towards desirable destination image. Another question to be addressed is how does image formation or image building associate with destination branding particularly destination brand identity, which according to the literature, is lacking a critical link (Cai, 2002; Konecnik & Go, 2008).

Understanding destination identity development from internal stakeholders' perspectives may help marketers to project unique images of destination that really powerful. The images are based on collective views of the local community and business operators. Identifying the important identities of a destination may create a sense of belonging to the people who live and work there. Projecting such images may contribute to a very strong destination brand due to the full support from the stakeholders. Zouganeli et al. (2012) assert that only if internal stakeholders agree with the image projected of their place should they be expected to support and live the brand. They further note that the gap between reality and projected image can create conflict among visitors or tourists when they observe that the projected image is incongruence to reality. However, collecting the information or opinions from those stakeholders about destination identity may not be an easy process. There will be conflicting views and disagreements among them what actually the identities of the destination. Destination brand identity which goes against the values of the destination and stakeholders' aspirations may not last long because it will not get full support from those stakeholders (Bregoli, 2012).

## 2. Brand identity as an important component of destination branding process

Based on Aaker's branding concept, Pike (2012) claims that destination branding process has three important core constructs which are brand identity, brand positioning and brand image. That core concepts of destination branding process is depicted in figure 1.

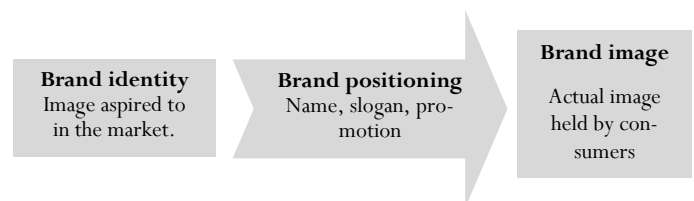


Figure 1 Destination branding elements (Pike, 2012)

Brand identity development is basically activities performed by destination marketers or the supply side in identifying the desired image to be projected in the market. The second element, brand positioning, is the next step of destination branding process where activities performed to position the brand as what has been intended in the brand identity. The third component, brand image is the actual image held by consumers which is normally influenced by the brand positioning process and other sources such as social media, independent blogs, reports, documentaries and films.

From a consumer's branding theoretical perspective, the success or failure of a brand is not easily been identified (Burmam et al., 2009). Most studies are focusing on the brand image (how the consumer made purchase decision based on brand) and neglecting the other part of brand dimension. Brand identity is as conceptualized by the owner or manager of the brand (Burmam et al., 2009). Similarly, in the context of destination branding, according to Lin et al. (2010), brand identity is different than brand image despite their strong relation. Brand identity comes from an organization and basically it is an image wanted by the marketers to be projected to the tourists or supply-side image (Kneesel et al., 2009; Lin et al., 2010; Pike, 2007). Brand image, however, is an individual perception of a particular brand. It is an actual image of a destination held in customers' mind or demand-side image (Kneesel et al., 2009; Lin et al., 2010; Pike, 2007). Therefore, it is crucial for destination marketers to understand both brand identity and brand image in developing a destination brand.

The purpose of having an identity is for a destination to identify and position itself or its products and services to the tourists (Wheeler et al., 2011b). They argued that the source of the destination identity or desired image is relied upon the destination stakeholders. Brand identity refers to self-image desired by the marketers, whereas brand image is the actual image held by consumers (Pike, 2009). In short, brand identity for a destination communicates about how a destination to be perceived as what the brand owners – the supply side (i.e. DMOs, host community, tourism operators) wish for. On the other hand, brand image relates to the consumer's perceptions of the brand – demand side (Kozak & Baloglu, 2011). Tasci & Gartner (2007) affirm that there are three sources of image formation agents: (1) supply-side or destination, (2) independent or autonomous, and (3) demand-side or image receivers. Destination image in particularly image formation is not branding but it is a step closer to it (Cai, 2002). Therefore, understanding image is very important in order to create a successful brand. This include a collective view of stakeholders such as host community and business operators in determining the projection of unique image in terms of existing values of social, cultural, historic and geographic. However, Tasci & Gartner (2007) argue that in reality the projection image is always incongruence with tourists' perceived image.

### **3. Stakeholders' involvement in destination branding process**

The participation of various stakeholders in the destination branding process is very critical to ensure the success of the strategy (Campelo et al., 2013; Konecnik & Go, 2008). A brand identity for a destination represents a collective view from different stakeholders such business operators and host community of a destination that they reside in. The brand identity may assist Destination Management Organizations (DMOs) or tourism authorities in creating a very strong brand and provide a vision how a brand should be perceived by its target market. Literatures in destination branding indicate that the roles of stakeholders are very important in communicating the brand message and projecting

positive images to the visitors. Thus, the involvement and participation of internal stakeholders in the branding process is very important to ensure the destination brand may be sustained in the long run.

According to Wheeler et al. (2011), destination branding process and brand implementation tend to neglect the engagement from host community and tourism business operators. These particular groups are among the brand owners who need to deliver the brand promise by interacting with the visitors. Instead, destination management organizations depend on the potential visitors and other related customers by focusing on their perception towards the destination. As a result, a destination brand is developed without the inclusion of stakeholders' interest which represents the destination brand identity. Local tourism community is responsible for delivering brand promises and they have to get the feeling or sense of the identity towards the brand being associated with a destination (Steve Pike, 2005).

Stakeholders' involvement in the creating of brand identity development and image projection to the visitors are critical in branding a destination. At the same time, investigating destination identity or images from their perspective may create a brand that they are committed to it such as being more hospitable and friendlier towards visitors (Choo et al., 2011). However, it seems that the roles played by these various stakeholders in destination branding process are not fairly established. The process is particularly valid in developing destination brand identity and investigating whether it is congruent or not with the brand image. Most published research to date is related to the development of destination brand identities and the important involvement of the stakeholders. These stakeholders, in enhancing the success of destination brand, include host community, tourism operators, DMOs and local authorities (Bregoli, 2012; Campelo et al., 2013; Choo et al., 2011; Konecnik & Go, 2008; Mak, 2011; Wheeler et al., 2011b).

Mak (2011) investigated the identification of brand identity and brand image among tourism operators in destination Iowa, USA and the finding pointed that the image projected by destination marketer is in agreement with what have been perceived by the operators. The researcher suggested that more research is needed to get the views from the tourists regarding the destination brand image in order to counterbalance with operators' perspectives. However, Lin et al. (2010) examined food as one of the importance identities for a destination Taiwan and found out that there are discrepancies between the identity projected in the promotional materials with what been understood by various stakeholders. They further note that brand identity which is weak and inconsistent may create confusion among visitors in terms of destination perceived image.

Morgan et al. (2003) investigated the process of destination branding from the stakeholders' perspectives namely the destination management organizations. By exploring branding activities undertaken by New Zealand, they conclude that the roles of stakeholders are of paramount important in ensuring the success of a powerful destination brand. Destination branding is highly complex due to the influence of political interest in projecting certain images and creating reputation among other competing destinations. Branding destination is a very challenging process since it involves different stakeholders. DMOs have a little control on these stakeholders that include different components of local businesses, attractions, natural resources and cultural of the host community. Creating a destination brand needs strong political will since it has to please different stakeholders such as host community, local businesses and regional authorities. DMOs also have small budget in developing a brand for a destination but yet it is important to ensure the success of branding campaign. It is suggested that for a destination to build a strong brand to utilize a web driven marketing strategy. The web

is very cost effective and at the same time it provides a wide coverage of different target market.

Similarly, Konecnik and Go (2008) explored the concept of destination brand identity from the supply side perspective specifically the destination marketing organizations. The researchers investigated the strategic analysis of branding of Slovenia, the brand identity and how to position the brand using proper marketing tools from the destination marketers' point of view. The authors argue that most of the studies about destination branding focus heavily on the demand-side perspective such as the tourists perceived image of a destination. Therefore, research on supply side destination brand identity's perspective may provide an alternative view on the image side of a destination. Wheeler et al. (2011a) suggested that brand identity, which is one of the important components of destination branding process, should reflect values and meanings expressed by wider local communities of that particular destination. Those values and meanings are derived from the elements of social, cultural, historic, geographic and economic and therefore may enhance tourist positive experiences delivered best by these local communities who live and work in that area (Wheeler et al., 2011a)

#### 4. Conclusion

A literature survey indicates that more works to be done in getting the internal stakeholders to participate in the destination branding process. Branding a destination is not about displaying symbols, developing catchy slogans and positioning the brand through selected media sources alone. Rather, the branding process is very complicated indeed and it requires a lot of investments. There are many stakeholders supposed to get involved in that process ranging from local community, tourism operators, destination marketers to visitors of that particular destination. These stakeholders' involvement directly or indirectly on that process may determine the success of destination branding strategy. However, as mentioned by Pike (2007) and supported by Wheeler et al. (2011a), branding a destination is very challenging due to the fragmented nature of tourism destinations that provide intangible products and services. Furthermore, destination branding also may involve politic and governing process as many stakeholders need to be identified and consulted.

This paper strongly suggests that more research is needed to determine the extent of internal stakeholders' involvement in destination branding and, at the same time, to investigate the image projection by destination marketer is congruent with what they aspired for. To measure the effectiveness of destination brand, research is also needed to examine the brand image from the demand perspectives and to make comparison with the intended brand identity. Thus, these studies are expected to contribute to a more holistic approach to our understanding of destination branding process.

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