

Features of modern territory brand

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Abstract. Creation and maintaining of successful business requires the attraction of new customers. To do this more and more marketing managers use branding. It is particularly prevalent in the field of cities development, especially if unique events are held there. The city of Sochi is vivid example. The Olympic Games 2014 associatively are identified with our city. This is a great chance for the development of the city and attraction huge number of tourists.

Keywords: city-branding; world experience; Sochi; Olympic Games 2014; interest; implementation; legacy.

Introduction. Creation and maintaining of successful business requires the attraction of new customers. There are a lot of different methods and tricks, but all of them are based on psychological influence on customers. For this reason more and more marketing experts use branding. Brand is the name, term, design, symbol, or any other features that identifies one seller's product distinct from those of other sellers. Brand is more than advertising or marketing. This is all that comes to mind when you see the logo or hear the name of the product.

Materials and Methods. The methodological basis of this paper is dialectical method. Also used to the following general scientific methods of analysis, observation.

Discussion. What associations appear in our minds when we face the term "brand"?

May be famous names such as Coca-Cola, Mercedes-Benz, P&G or Apple? These are examples of the most successful creation and promotion of company's brand. But not only the company but also the city can has its own brand.

Rome, Paris, Oxford, Los Angeles, Mecca, Jerusalem, Venice, Florence, Istanbul, Tokyo and many other cities have vivid brands. But these are not results of special brand-making activities. They have been naturally forming during the centuries. This process makes the very strong reputation of the city and don't allows external factors to influence it.

Also brand could be created artificially. New York branding is one of the most representative examples. Brand creation process began in the 1980s with a small advertising campaign. Gradually it has turned into a serious strategy. In 1977 Milton Glaser the designer of Wells Rich Greene (BDDP) agency got the order from the Department of Commerce of the State of New York. He created a free city logo. Unexpectedly, this graphic sign became a symbol of the city. And we have to admit that this simple sign – the heart, surrounded by letters INY - indeed became successful, particularly associatively. (Figure 1)



Fig. 1. Logo of the City of New York.

The image shows the 'I amsterdam.' logo. It features the text 'I amsterdam.' in a bold, black, sans-serif font. The 'I' is significantly larger than the other letters. The text is set against a white background with a subtle drop shadow effect.

Fig. 2. Logo of Amsterdam.

Amsterdam picked up the New York's idea and created the similar combination "I AmSterdam". You can find this sign on T-shirts, caps and many other souvenirs. It is created even in the sculptures. (Figure 2)

Hong Kong is one of the main economic centers of Asia. Its logo is Dragon. It was really expectable, because everyone has ideas about the country or the city. This is the same like to make a "brown bear" the logo of Russia. Designers just refined and improved the idea. Hong Kong's logo emphasize its cultural heritage and its aspiration for the future. (Fig. 3).



Fig. 3. Logo of Hong Kong.



Fig. 4. Logo of Copenhagen.

Copenhagen is open for everything and everybody. That is why the button "Open" is the part of word "Copenhagen" in logo, just like "I am" in Amsterdam's logo. It must attract more tourists, business and implementations in the city. (Fig. 4)

Vancouver and London. If the city wins the right to host the Olympic Games, we can confidently say that for a few years before and after the major world sporting event Olympic Committee is engaged in city branding. (Fig. 5)



Fig. 5. City of Vancouver Olympic logo.



Fig. 6. Olympic logo of London.

In 2007 the organizing committee of the Olympic Games 2012 presented "brand manifesto" of all the Olympic Games in general, and its graphic design in particular. The logo was designed by the Wolff Olins company. Creation works took a year and cost 800,000 dollars. In just 3 days the media world was filled with public outrage. Presented logo was mostly disliked. In two days was collected about 50,000 signatures on a protest against the logo. The Organizing Committee of the 2012 Olympics had to remove the clip with animations from the web-site because bright colored flashes had caused the ten epileptic seizures.

Such negative events produced the positive effect. It captured the attention of public to London. In addition, there were also a lot of advocates of the new logo. (Fig. 6). [3.]

The examples show the importance of psychological perception of the city brand. It includes visual effects, catchy symbols, associativity, formation of a unique positive image. Potential tourists get acquaintance with the city by means of these components. Created image should match with reality. Sometimes it becomes a complex task for the development and reorganization of the entire infrastructure.

The whole complex of brand creation processes could be witnessed here in Sochi. After recognizing the capital of Winter Olympic Games 2014 the city began to form its own unique brand. (Fig. 7). Measures for inner reorganization and mass popularization of the city are implemented simultaneously.



Fig. 7. Olympic logo Sochi.

Sochi is an illustration of the transformation from the city-resort into the center of business processes. It attracts not only Russian but also international investors. Olympic Games 2014 has really become the brand of Sochi. Olympics are a major world sporting event. Audience of the Games is more than 4.5 billion people all over the world. Companies become partners of event in order to raise awareness of their brand and get an emotional connection with consumers. It is an opportunity to expand their presence in the region not only during the Olympic Games but also in the future. The chance to be associated with the five Olympic rings gives tremendous possibilities for business development.

The Organizing Committee of the Games in Sochi has consistently emphasized the importance of partner support and an incredible amount of raised funds. In addition to the 10 worldwide Olympic partners (some of them work with the IOC for decades. For example, the Coca-Cola Company has sponsored the Olympics for the first time in 1932 in Los Angeles) the Organizing Committee of the Sochi Olympics signed partnership agreements with 14 companies. 8 of them have become partners, 2 - national partners and 4 - suppliers. At the same time 5 of 8 national partners are Russian state companies ("Aeroflot", "Russian Railways", "Rosneft", "Rostelecom", "Sberbank of Russia"). So this partnership is one of the channels of state financing of Games.

Worldwide Olympic Partners: Coca-Cola, Atos SA, Dow Chemical, General Electric, McDonald's, Omega, Panasonic, Procter & Gamble, Samsung, VISA

National partners: Aeroflot, Bosco, Megafon, Russian Railways, Rosneft, Rostelecom, Sberbank of Russia, Volkswagen Group Rus

Partners: Ingosstrah, PricewaterhouseCoopers

Official suppliers: Education First, publishing house "Kommersant", Baltika, Avaya [2].

Head of the Organizing Committee "Sochi-2014", said: "The majority of funds are received from proper capitalization of temporary usage of the Olympic symbols. Partners of the Games sign contracts and pay for their association with the International Olympic Committee project. The total budget of the organizing committee is about \$ 2 billion. 80 % earned by the sale of tickets, goods with Olympic symbols, licensing and other business activities. Also 20 % is a state subsidy. [5]. The Sochi Games are already the most successful in the history of the Winter Olympics in terms of marketing. Moreover it has a chance to get ahead of the Beijing Games collected the \$ 1.2 billion [4].

City branding creates image of the city in people minds. They acquire certain ideas about inner processes. It is a conscious pressure on public opinion. Olympic Games like all large-scale events have many both supporters and opponents. Marketing experts create an ideal reputation of the event and the city as a whole to mitigate the possible negative perception of processes. Special section "About the Brand" at the official website "Sochi 2014" became a vivid illustration to the aforesaid.

The across country advertisement invites volunteers to prepare\ and host the Olympic Games. 25 000 people must be involved. All aware that work of volunteers is not paid. So this essential component of the Games is a huge saving on salaries of employees. This is a very profitable part for Organizers. To date 75 000 potential volunteers' applications are accepted from all over the country. This is a confirmation of the marketing strategy success which is also a part of the city's brand.

Due to advertisement the city has got the title of the only year-round resort in Russia. Sochi offers a beach vacations in the summer and the international level ski resorts in the winter. This marketing trick is provided by specific climatic areas. However, the tourists flow greatly affected by the Olympic construction works. The city is full of inconveniences such as construction equipment, fences, dust and noise. Sochi ceased to be a quiet resort with a unique environment like it was during the Soviet period. Also about 30 accommodation facilities are closed for reconstruction. Moreover, the price level remains the highest in the Black Sea Coast.

Contrary to predictions of Tourism Administration of Sochi, the number of tourists in the city is not growing. But also it does not decrease: every year it receives the same number of guests. 2.5 million visitors came to Sochi during the three summer months of 2012. It corresponds to data of the previous year. Most tourists come to see the "famous Sochi with grandiose Olympic venues on the subtropical Black Sea coast." But even so, tour operators don't give the name of tourists to all coming guests. According to them, the majority are the builders of Olympic facilities.

According to statistics 9 % of Russians have been going to rest at the resorts of Krasnodar Territory, but in reality there is 8 % those who did it. Considering the population of the country 1 % is 1,5 million people who have changed decision about vacation spot. [6].

Such a trend was quite predictable. The quality of the rest could not avoid the deleterious influence of large-scale reorganization of the city. But these are temporary inconveniences. It is expected the huge flow of tourists when the renewed infrastructure starts work. There will be offered different types of recreation: beach vacations, sports and eco-tourism.

Conclusion. After the end of great events the city could become uninteresting for tourists. However, Sochi will not suffer so sad fate. The global events are scheduled for years to come. For example, the World Cup 2018, the Stage of Formula-1 and many other important events will be hosted. The required conditions have already created. Now it is necessary to qualitatively realize everything that is conceived. It will be a great impetus for the further development of the entire city.

In 2002 Simon Anholt firstly used the term "territory branding." Anholt has become one of the gurus in the field of branding, the developer of a new approach to branding. According to the theory of Anholt, there are six elements of a modern brand territory: tourism, export brands, politics, business and investment, culture and people. [3.] The theory was implemented into practice in Sochi. Residents of the city should love and develop the place where they live.

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Особенности современного бренда территории

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Аннотация. Для организации и успешной работы любого бизнеса необходимо привлечение клиентов. Для этих целей все чаще как основной маркетинговый ход используется брендинг. Особое распространение это явление получило в сфере развития городов, особенно, если дополнительное внимание приковывается к происходящим в нем уникальным событиям. Сочи – яркая тому иллюстрация. Олимпийские игры 2014 уже на ассоциативном уровне идентифицируются с нашим городом. Это отличный шанс для развития и привлечения колоссального потока туристов.

Ключевые слова: бренд города; мировой опыт; Сочи; Олимпийские игры 2014; инвестиции; внедрение; наследие.