

## BRANDING IN ARCHITECTURE OF RECREATION

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### ABSTRACT

The goal of this work of formation of architectural frame of recreation mechanisms analysis instrumentarium from positions of problems of brand's identification of created services and manufactured good, i.e. branding. At this stage the research anticipates:

- review of branding structural components;
- structuring of branding constituents in recreation.

" Brand" as an integral constituent of economic reality is in course of its growth, establishment and realization of need of its application by participants of economic activity. At present stage there is no unified approach in interpretation of "brand" and "trademark" definitions. In our and many other researchers' opinion, brand is a trademark with formed, real image, forming value indexes of economic structures activity. Many researchers agree in opinion that "brand" as economic definition, is a new paradigm in the development of contemporary management and marketing. The conception, initially created for promotion of FCG (fast moving consumer goods), consumer foods with high liquidity, today is successfully used in regard of corporate level of organization (we mean branding of companies, institutions, recreational complexes etc.) too. Process of formation and consequential intellectualization of human capital as the most important condition of economic transformation are obviously supposing the existence of reproduction factors system. One of the basics in such system, in our view, is recreation. Recreational sphere, being one of dynamically developing constituent of national economic. s conditions of contemporary geopolitical realities makes a multiplicative impact practically on all economic complex, acting in a range of cases as catalyst of the following development of its structural units. The key problem of recreational sphere, independently of level of its structure hierarchy, is the availability (in a wide sense) of its services consumption. Namely the availability has to become a major indicator of effectiveness and competitive ability of recreational destinations of RF regions. And the target landmark, forming major constituents of such availability, can be and has to be the brand.

**Keywords:** *regional economic, brand, mark, vision, identity, comparison, positioning, recreation, competition, stable development*

### 1.INTRODUCTION

Structural analysis of the most widespread conceptions of branding (J-N. Kapferer, P. Temporal, E. Rice, D. Traut, V. Pertsia, V. Domnin) allows to make a conclusion about the fact that researchers pay a significant attention to such its aspects as "the essence (core) of mark", "development of mark identity", "brand positioning", "brand extension", "sanitation / liquidation of brand". Some of them, J-M. Drew, J.-N. Kapferer, P. Temporal count necessary to consider in context of branding strategy one more element too - "mark vision". Analysis of diverse concepts of brands formation allowed us to structure major constituents of their architecture:

1. Mark vision.
2. Mark identity.
3. Mark's behavior.

In frames of this article the object of our research mostly would be problems of mark vision and, briefly, of mark identity.

## **2.MARK VISION**

The basis of functioning of any active mark is its vision, forecast condition of achievement of maximum effect. Vision is "some guiding philosophy, grounding of mark's existence, not the goal itself but rather a sense of major goal" [1]. It determines the level of claims in course of strategic brand-planning and is an intuitive understanding of what be useful for mark and what would be harmful [2, 3].

Therefore, mark vision in branding conducts the following specific functions:

1. Identifies position of mark today.
2. Determines the vector of mark's development in future .
3. Forms understanding of mark's essence and defines the limits of mark extensions.

At this the mark vision should be clear, consequential and integral [4, 5].

The development of mark vision of recreational complex requires, first of all, the determination of competition area. Under the competition area we understand those markets and market niches that complex is serving now, and those that it would be able to effectively serve in future. It includes: positioning of brand, definition of brand's essence (core) and determination of brand's mission. In our view, methodologically correct and logical would be to forestall the creation of identity and the brand itself by the development of mark concept and its major composition elements: positioning, essence and mission of brand. In practice far from everyone business entity adheres this approach; moreover, branding theoretics has no unified point of view on this issue .

A range of foreign authors (G, Hamel and K. Prahalad, K.A. Nordstrom and J. Ridderstrale) think that the selection of new competition fields is necessary to start from revision of major abilities and capabilities of the company [4]. Particularly, G. Hamel and K. Prahalad introduce definitions "base functionalities of product" and "key competences of company". The first one means potential abilities of development and horizons of created product use, the second one – unique knowledge and abilities of people working in organization [6, 7].

Application of these two definitions to regional recreation complexes stipulates the need of analysis of region's recreational specialization. Basic functionalities of regional recreation complexes' product are continuously connected to tourist-recreational region's potential. Components of tourist-recreation product of region are based on ideas about elementary recreation activity, at this basic functionalities of tourist-recreational region product can be equaled to target types of recreational activities acting as basis for complementing of recreational activities cycles. For example, the recreational specialization of region of Caucasian Mineral Waters (CMW) is balneology, which is namely acts as basic functionality of tourist-recreational region's product. Specialization of region also determines the set of key competences necessary for most complete satisfaction of recreational needs of visitors. In our example it is a large experience of mineral waters and muds application in treatment of recreants in combination with general knowledge in field of medicine.

Dialectic of base functionalities of tourist-recreational product and key competences allows to make a decision about in what branches and spheres of economic recreational complexes would be able to decently compete, and, on the other side to designate branches and spheres, entrance in which would be a false diversification, ineffective action.

The competence field of recreational complex mark includes the issue of determination of subject of its economic activity, circle of customers and specificity of needs that it is striving to satisfy. The field of competence is a multi-dimensional concept. Horizontal (branch) direction is formed by aggregation of spheres and branches of recreational infrastructure, in which the mark of recreational complex is going to operate. Vertical direction establishes the degree of participation and responsibility of brand in production of initial recreational goods / services, possible complement and distribution of final product. Consumption direction of competition field determines the list of consumers groups that would be served by the brand. Finally, geographic direction gives the ability to make a conclusion of will the brand extend beyond the frames of its region / country, or would prefer to work in clearly outlines geographic niche [8, 9, 10]. The field of competition is not the position of mark today and those zones, in which the mark can extend in future. That's why the determination of competition field does not mean the immediate diversification. Understanding of competitions fields, in our view, is necessary for setting for mark a sufficient potential for extensions. At the same time, the proper selection of today and tomorrow fields of competition prevents from mistakes of excessive generalization. The mark should not try to be too wide, or else there is a probability of its blurring.

Acceptance of decision about specific directions of competition is necessary to be grounded by their accordance to basic functionalities of tourist-recreational product and key competencies of the complex. Horizontal direction of selection of competition fields for recreational complex is related to studying of forming industry of recreation in a wide sense. Extension of mark in branches, absolutely unrelated to recreation, is a false diversification, that's why here in focus of research have to be the additional and "near-border" industrial forms of recreation (see Table 1) [11].

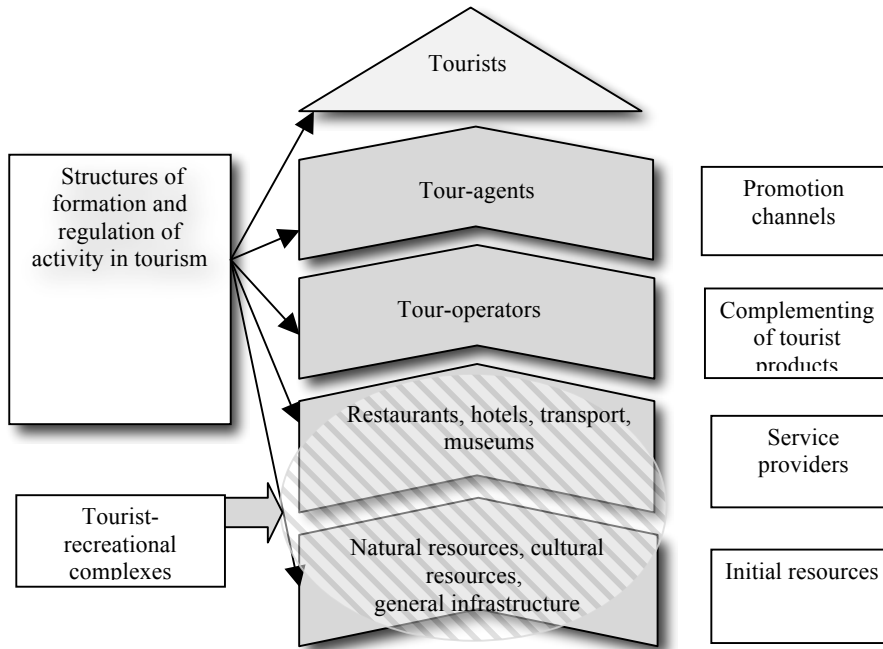
It should be noted that the exit in any one of considered branches or spheres does not mean the creation of specialized business structure, we are speaking about extension of mark only. These goods or services can be provided by another entity on rights of sub-contractor, but recreational complex would offer all this under its brand. For stated above example with Caucasian Mineral Waters, the basic functionality and key competencies of which brand is balneotherapy, a completely justified can be the exit into related branches, pharmacy and cosmetology, sale of cosmetic and medicine preparations on basis of mineral waters and muds under the KMW mark and, to a lesser degree, in sphere of medical services. Unjustified would be, for example, an effort of exit into sphere of photo products or communication services sale. This situation is explained by absence of necessary competencies in recreational complex; from the point of view of both manufacturer and consumer the balneotherapy is simply too far from communications and photo products. However, in perspective, everything is possible.

**Table 1**

Directions of selection of competition field for tourist-recreational complexes ("horizontal")

<i>Business structures of tourist-recreational sphere</i>	<i>Accompanying branches of tourist-recreational sphere</i>	<i>"Multiplicative" branches of tourist-recreational sphere</i>
<ul style="list-style-type: none"> <li>• operators, agencies</li> <li>• accommodation structures</li> <li>• food enterprises (dining facilities, restaurants, bars, cafes etc.)</li> <li>• transport (auto-, avia-, railway, sea)</li> <li>• excursion service, organization of entertainment</li> <li>• resorts</li> <li>• unions, associations and state bodies on regulation of recreation development</li> <li>• structures organizing conduction of exhibitions, fairs, congresses</li> </ul>	<p><b>Goods:</b></p> <ul style="list-style-type: none"> <li>• souvenir production</li> <li>• leisure products</li> <li>• issuing of specialized literature on tourism: catalogues, maps, leaflets, magazines, newspapers etc.</li> </ul> <p><b>Services:</b></p> <ul style="list-style-type: none"> <li>• services of financial-credit institutes (credit-exchange, plastic operations)</li> <li>• insurance companies' services</li> <li>• lease and sale of tourist equipment, poma lifts, cable railways</li> <li>• services of educational institutions on preparation of staff for recreational structures</li> <li>• research services of institutional structures for recreation</li> </ul>	<p><b>Goods:</b></p> <ul style="list-style-type: none"> <li>• sport products</li> <li>• photo products</li> <li>• medicine preparations and cosmetic means</li> <li>• exotic food products</li> </ul> <p><b>Services:</b></p> <ul style="list-style-type: none"> <li>• services of cultural-educational institutions (theaters, movie theaters, museums)</li> <li>• trainer services</li> <li>• barber services</li> <li>• medicine services</li> <li>• communication services</li> </ul>

Consideration of vertical direction of competition field for tourist-recreational destinations require the study of chain of "values in tourism" creation, or, in terms of manufacturer "tourist6 activity" in a narrow sense (Fig. 1).



**Figure 1.** Model "values in tourism."

Vertical direction of competition field to a lesser degree depends on basic functionalities of tourist-recreation product. Here at the front plan are advancing key competencies. For example, when recreational complex has a preferable competencies in field of sales, the possibility of creation of own agent network should be considered. On the other side, the brand of recreation complex can be extended by cost of vertical integration with other participants of the chain too, tour-operators, tour-agents. The result can be creation of integrated networks consisting of diverse-profile tourist companies, which emergence is becoming the tendency on modern Russian tourist market [12, 13 14]. But in this case is economically irrational to promote tour-product of all network under the brand of recreational complex.

Consumer direction of competition fields is connected to formation of consumers groups, for which is needed a determination of those segments of market, at which the brand is intended to function. Here, in our view, is necessary a clear understanding of the fact if the brand of recreational complex will interact only with designated groups of consumers, extending tour-offer by cost of integrated solutions (for example. not only means of accommodations, but also transport, souvenirs etc. under the same mark for same groups of consumers) or is intended to occupy other adjacent market segments (for example, while previously serving only individual consumers, to develop tour-offers for families too). Finally, the complex can try to enter absolutely new market segments under its mark (for example, recreational complex, specializing in balneotherapy, can sell mineral water and mud to medical institutions under its mark).

One of the most important constituent of politics of customers' groups formations is a clear understanding of their priorities. Consumers have two types of needs: those they are speaking about and those they are not expressing in clear manner. Most branch participants are trying to satisfy the first type. It is much harder to detect and satisfy unexpressed, "silent" needs. One of the methods of more complete picture receiving is the analysis of system economics, allowing to present the general economic picture of particular product (in this case, tour-offers) by cost of modeling of all consumers costs and incomings related to it. Business is not completely effective in case when consumers are ready to pay costs made for creation of the product only. In this situation for question: "What specific benefits of complex tourist offers would made consumers to pay an additional price markup?", the answer should be convincing arguments in favor of the way in which the complex can satisfy priorities of consumers better than its competitors,

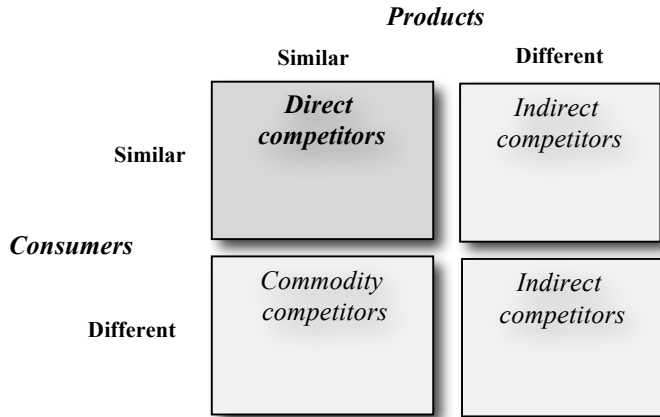
But at this should be taken into account that customers' priorities are not remaining static. New needs are constantly emerging and, therefore, are emerging new abilities for brand in their satisfaction. Therefore is necessary to consider customers needs in dynamic and trace all changes emerging in selected segments. Understanding of the fact that customers priorities are dynamic value and should be operatively reacted for, can provide a significant money flows growth .

The last direction of competition field selection is geographical. The entrance at new geographical markets is usually related to depletion of growth resources or their over-saturation. At this, for recreational complex, due to its service specifics, there is no ability to open new structures in places of the maximum customers' localization. That's why the major way of impact at new geographic niches are marketing communications, conducted via mass-media, Internet and agents networks .

The next logical step in branding construction is the development of mark conception. The mark conception in major researchers is a rather laconic construction consisting of two elements: mark positioning and essence of brand. However, this construction plays the key role in brand's further development: determination of its identity, market launch and acceptance of tactical and strategic decisions related to development/liquidation of mark. The basic element of mark conception is positioning .

According to author's definition, under the positioning should be understood "the self-differentiation of mark in consciousness of the customer" [15, 16]. The development of mark positioning anticipates the study of target markets selected as competition fields for presence of "empty" niches. At this, the search for vacant niches should be conducted on the basis of segmentation by consumer priorities .

Mark positioning development is a rather standard procedure independently of market's type. The first step in determination of mark's position is a determination of competitors in selected market's segments. At this is important to understand that the mark has at least three other types of competitors beside the direct ones (fig. 2) [17].



**Figure 2.** Matrix of competitors' types

The second step in mark's positioning development is the detection of competitors' positions. The most accessible is the information about the price segment where they are positioning (economic, mass or premium). The further studying of competitors' positions require the conduction of consumers' questioning. At this, in spite of the fact that owners are claiming their brand to be "very clearly" positioned, the situation when representatives of target auditorium are not able to tell, for which purpose is this mark intended and what is its difference from many similar ones, is rather frequent .

And finally, the last step is a selection of mark position of recreational complex itself and the development of positioning approval .

One of the authors of positioning conception, E. Rice, proposes not just search of vacant niches at the market, but also try to create new categories by means of more creative than traditional segmentation. In this case the brand becomes a leader in new category [17]. Consumers' segments or markets, where mark is intended to be positioned, have to meet a range of standard requirements. Selected segments have to be sufficiently large, available for service, measurable, have a distinctive characteristics, distinguishing them by comparison to other consumers, and finally they have to perceive diverse programs of manufacturer aimed at them with a certain degree of activity [18, 19].

The final stage of positioning is the development of positioning approval as some formal grounding of mark positioning strategy. The major function of this document is a clear structuring of mark position. It is necessary to assure that there will be no problem of wrong interpretation of ideas, distortion of strategy and unclear expression of key addressing of the Brand and, as consequence, a confusion in customers' consciousness .

The writing of positioning approval requires complete understanding of the following aspects of the brand's activity:

- Target auditorium.
- Position of competitors and their competitive advantages.
- Position of mark and its competitive advantages.
- Mark's key offer.

One of the most simple and understandable methods of positioning approval development is the "4B" method, based on consequential description of four blocks :

1. Business. In what business, from the consumer's point of view, the mark operates? Who are the major mark's competitors?
2. Benefit. What first-grade benefits, from the consumer's point of view, the mark provides ?
3. Better. In which this mark is better in comparison to offers of competitors?
4. Brand. To what degree the mark's positioning accords to the mark's essence? [20]

The positioning approval, same as other brand's constituents should be stated in short and clear manner. At this is necessary to be involved in constant clarification (focusing) of mark's position .

The second element of brand's conception is the essence of mark or its core (in works of J-N. Kapferer and P. Doyle) or DNA (in works of J. Ellwood). While the positioning of brand determines the direction of all communications, issuing from mark, and also the selection of marketing tools and communication channels, capable to complete this task, than the brand's essence is a sense core of all messages, the major idea that goes through all elements of brand's marketing mix as a red thread .

Under the brand's essence we understand "the major dominating characteristics determining the brand" [21]. At this, the brand's essence should be "the quintessence of all brand's characteristics that are determining unique differences of brand and can be communicated to consumer" [22].

Independently of essence laid in the brand are distinguished 3 types of marks:

1. Mark-attribute (or mark-product) Marks-attributes instill confidence in functional properties (attributes) of product. Usually it is difficult for buyer to estimate quality and abilities of product objectively in massive of offers. That's why he chooses marks that, in his opinion, had already confirmed qualities claimed by the seller. All these are convictions in product's attributes. The problem of marks-attributes is in the fact that they are not connected to product, and modern technologies do not allow to maintain the uniqueness of properties and characteristics of products for long time. Besides, objective information sources (mass-media, Internet) frequently doubt the exclusiveness of product's functional properties claimed by the seller .
2. Mark-intention (or status mark). Many products are purchased not just for satisfaction of functional needs, but for acquisition of status, acknowledgment and respect. Marks-intentions carry in themselves the information not so much about products as about achievements desired by their buyers. Individuals that purchase them are thinking that they are buying not so much a product as a

pass into the world of "reach and famous". In developed markets marks-intentions are threatened by the growth of population's well-being, decrease of social classes influence and growth of individualistic life style's popularity. In such markets consumers prefer to buy things that bring joy to them and not those things that impress neighbors, colleagues and relatives .

3. Mark-experience (mark-philosophy). Mark-experience concentrates in itself associations and emotions, stands higher than intentions and is rather related to some general philosophy. Successful marks express the individuality, orientations at personal growth and ideas, with which a man lives. Marks based on experience are not depending on product or image. Such marks are sufficiently easy expanding, because they are related to personal values. They can be extended for any product category in limits of individual philosophy of the consumer .

Selection of one or another mark type depends on tasks set for brand and market in which it operates or would be operating ,

The second aspect of our research is the mark identity.

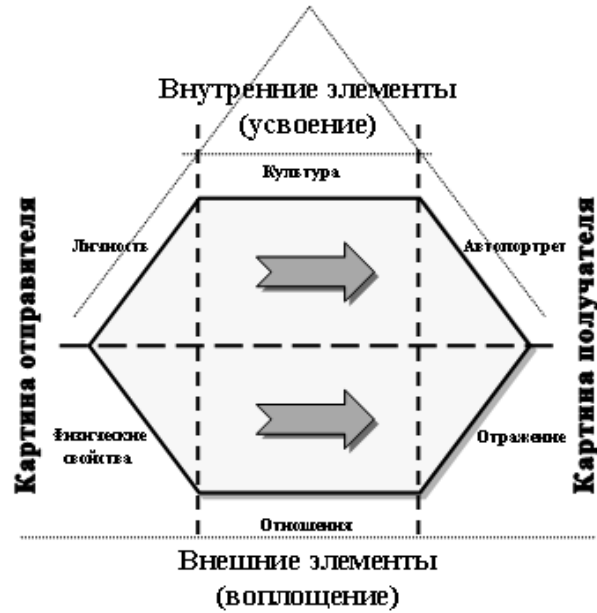
### **3. MARK IDENTITY**

Mark identity, along with essence brand's characteristics is a basis aspect of mark. We are basing on definition of mark identity, given by D. Haaker: "Brand identity is a unique set of associations that point at the claim to brand's existence and includes a promise of manufacturer to consumer". In direct interpretations the identity of brand is not anything other than unique set of signs, by which the consumer detects (identifies) the mark [22]. V. Domnin divide this signs into two groups: to the first are related empiric properties of mark ("brand's attributes"), something that can be touches, see, hear (brand's name, it's logo, personages-symbols of brand, color combinations etc.) The other group of signs V. Domnin calls content "characteristics" of brand [19]. They belong, first of all, to consumer himself. to mark culture and interrelations between mark and consumer. These are joint experience and associations, senses and estimation opinions that both separate consumer and collective consumer consciousness are relating to the mark. Mechanism of consumption starts from a man projecting his own content at external subject. Is the brand's content (promises, associations, opinions, deeds etc.) is reflecting the internal content of a man (needs, desires), the image of mark replaces (represents) these needs and desires in consumer's consciousness. The brand becomes a symbol designating these needs and desires ,

Brand's identity represents the perfect content as which, from the point of view of brand's owner, has the brand's content to be perceived by consumers. That's why the target of brand's owner is an embodiment of mark in form of the perfect content that would be conveyed to potential consumers and accepted by them with minimal distortions. At the same time. the perception of these messages by consumers always differs from image developed by the company. Therefore, the major task of branding at this stage is to achieve a maximum shortening of the distance between planned and perceived.

All designated aspects is rather accurately illustrated by previously considered by us brand's models of J-N. Kapferer (fig. 3) [21]. Kapferer considers the mark identity in two planes: by vertical and by horizontal one. In first case he separates the sender's picture (company) and receiver's picture (customer). According to model, the sender, while creating of brand, lays in it a certain configuration of specific characteristic peculiarities (in Kapferer "the mark personality", in other authors "individuality") and physical properties (in original author's text "the body structure of mark"). namely this set of properties and features determined the perception of the mark by sender .





**Figure 3.** Model "Prism of brand's identity" by J-N. Kapferer

Internal elements (adsorption)

Culture

Sender's picture

Logistic

Self-portrait

Physical properties

Reflection

Receiver's picture

Relations

External elements (embodiment)

At the same time, the receiver (customer) perceives the mark differently. For him the mark appears to be, first of all, as a certain prototype of mark's consumer, pictured in mark's communications (advertising, PR etc.). Therefore, the mark makes buyers understand, who it is addressed to (men or women, specialists or mere amateurs). This part of consumer's picture is called "reflection" and its major function is comprised in identification of brand's target auditorium. On the basis of reflection is formed the image of consumer himself in association with mark, i.e. the way the consumer perceived himself in relation to mark ("self-portrait" of consumer, in English editions - "self-image"). For example, while using this mark the consumer can feel himself "a real man" or "serious expert". Here the mark's force is contained in the fact that via relation to the mark the consumer develops a certain type of internal connection with himself .

Horizontal direction of "prism of identity" of Kapferer is represented by two groups of elements: internal, belonging to concept of "adsorption", and external, embodies in advertising and other mark communications. To internal elements belong the personality of mark, culture and self-portrait, everything that forms the brand's style, to external – the body structure, interrelations between the mark and the customer, and also the image of consumer reflected in advertising. External elements in aggregation form the thematics of mark .

#### 4.CONCLUSIONS

On th basis of stated above can be made a conclusion that in multi-aspect process of brand's creation, structured by us, the methodically represented model "Vision – Identity – Brand" anticipated the construction of mark in frames of three stages:

1. Development of mark's vision theoretic basics.
2. Mark identity formation.
3. Mark's development on market.

First two, to a different degree, on basis of objective reasons, were the subject of this article. The research of the third, by the same reasons, is a subject to separate publications.

#### 5.SUNMMARY

Considered theoretical and methodological aspects of such rather multi-plane phenomenon as "band" at this stage of research allows to state .

1. Determiation of brand's essence should be based on designation and positioning of mark's competitive field. In practice the essence of the brand is determined after development of its identity, via "folding" of mark itself and separation of structural characteristics of object. At this researchers underline that the essential brand's characteristic, formulated on basis of its identity, usually does not exceed five key words [19].
2. Each one of considered elements plays its role in creation of mark identity, that's why the ignoring of any one of them at construction of mark is an unpermitted luxury.

#### CONFLICT OF INTERESTS

Authors confirm that above provided data do not contain conflict of interests.

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