

## NEW SOCIO-ECONOMIC BRAND «CARPATHIANS» IN THE CONTEXT OF TOURISM INDUSTRY DEVELOPMENT IN COUNTRIES OF CENTRAL AND EAST EUROPE

Brand in terms of strategy is a way of relationships between the organization and its target groups, aimed at removing a priori existing conflict. Therefore, formation of a new socio-economic brand «Carpathians», which joins a mountain system in the eastern part of Central Europe, Ukraine, Hungary, Poland, Slovakia, Romania, Serbia and Austria, will help create a new image of Carpathians and implementation of programs aimed at increase of investment activities, building confidence to domestic producers and creating programs to attract tourists to the most profitable tourist areas, in particular.

**Keywords:** brands, traditional products, famous brand, successful export.

У статті розкривається така важлива проблема становлення та розвитку в Україні соціального інституту туризму, як брендінг регіонів. Підкреслюється, що, з точки зору стратегів, бренд – це засіб управління взаємовідносинами між організаціями та їхніми цільовими групами, спрямований на усунення априорі існуючого конфлікту. Акцентується та тому, що формування нового соціально-економічного бренду Карпат як гірської системи на сході Центральної Європи, зокрема на території України, Угорщини, Чехії, Польщі, Словаччини, Румунії, Сербії та Австрії, сприятиме створенню нового іміджу цього регіону та реалізації програм, спрямованих на підвищення інвестиційної діяльності, в тому числі формування довіри до національних виробників товарів та послуг, зокрема туристичних, та розробку програм залучення різноманітних соціальних груп до найбільш прибуткових регіональних напрямків.

Особлива увага приділяється питанню створення бренду Карпат, який повинен відображати всі елементи унікальності цієї території. Як приклад, автором пропонується такий перелік цільових груп брендінгу карпатських територій: 1) відвідувачі територій; 2) підприємства; 3) місцеві жителі та особи, що працюють на території; 4) зовнішні ринки.

Підкреслюється, що проблема бренду регіону потребує більш глибокого наукового, зокрема соціологічного, аналізу.

**Ключові слова:** бренд, традиційні продукти, відомий бренд, успішний експорт.

В статье раскрывается такая важная проблема становления и развития в Украине социального института туризма, как брендинг регионов. Подчеркивается, что, с точки зрения стратегов, бренд – это средство управления взаимоотношениями между организациями и их целевыми группами, направленное на устранение априори существующего конфликта. Акцентируется внимание на том, что формирование нового социально-экономического бренда Карпат как горной системы на востоке Центральной Европы, в частности на территории Украины, Венгрии, Чехии, Польши, Словакии, Румынии, Сербии и Австрии, будет способствовать созданию нового имиджа этого региона и реализации программ, направленных на повышение инвестиционной деятельности, в том числе формирования доверия к национальным производителям товаров и услуг, в частности туристических, и разработке программ привлечения различных социальных групп к наиболее прибыльным региональным направлениям.

Особое внимание уделяется вопросу создания бренда Карпат, который должен отражать все элементы уникальности этой территории. В качестве

примера, автором предлагается такой перечень целевых групп брендинга карпатских территорий: 1) посетители территорий; 2) предприятия; 3) местные жители и лица, работающие на территории; 4) внешние рынки.

Подчеркивается, что проблема бренда региона требует более глубокого научного, в частности социологического, анализа.

**Ключевые слова:** бренд, традиционные продукты, известный бренд, успешный экспорт.

Problem of the institutionalization of tourism activities in modern Ukrainian society's conditions is becoming increasingly urgent. Formation of social tourism institute requires, from our point of view, some sociological support of this process. In this context we note that Ukrainian sociology has some (but not huge) experience in analysis of tourism practices of Ukrainian citizens, of tourism, of social tourism base, of its functions, infrastructure and so on. Despite the existence of a textbook on the sociology of tourism [1], and several thesis works (see, for example: [2]), there is no theoretical-methodological and empirical basis in Ukrainian sociology, which could provide a basis for well-developed middle-range theory. Numerous issues of tourism as a social institution and individual practice still expect their research.

In addition to studies of macro- and micro-social level, issues related to analysis of tourism on mezosocial level are actualizing. So, there is an urgent problem of the study of such an important factor in the development of tourism industry in Ukraine, as a brand of country and brands of its different regions.

That is why (in the framework of this bigger task) the purpose of proposed publication is to define the specific ways and mechanisms of creation of Carpathian region's new image by developing an attractive brand in the region.

In this design of research we plan to define brand in context of sociology of tourism and then provide sociological analysis of Carpathian region's brand from its methodological and theoretical positions.

Introduction. *Brand* is a set of concepts generalizing people's ideas about certain product, service, company or person. It is widely used in marketing and advertising, but nevertheless it is a financial concern. Brand could have own name, symbol or graphic image, which represents an economic object and is uniquely associated with it in the minds of consumers. There are several major interpretations of the brand:

– *in terms of linguists* – brand is a way to identify graphically the specific manufacturer's products;

– *in terms of advertising* – it is a name, term, sign, symbol or any other characteristic, which

clearly identifies products, service as different from other goods and services;

– *in terms of strategy* – it is a means of relationship between the organization and its target groups, aimed at removing a priori existing conflict.

**Presentation of the main material.** Actually, brand is a unique combination of brand values a consumer pays an additional cost for, or just prefers to buy, often causes unique emotions. The difference between a trademark and a brand: a trademark may have a high sales turnover, and brand – has a high income. Brand or trade mark is a commodity that can be bought and sold. The Business Week magazine together with the Interbrand company regularly evaluate brands. At the moment the most expensive brands are Coca-Cola, Microsoft and IBM.

There are two concepts «brand valuation» and «brand evaluation», which are translated identically – «brand value», but they have fundamental differences: brand valuation means «value of brand» and brand evaluation represents «cost of brand» [5].

Note this symbol: this is a traditional international symbol of the registered mark for goods and services. The Latin letter R means that the mark has been registered. Labels for goods and services (English trademark) are a symbol, under which goods and services of one person are different from goods and services of others. These symbols can be words, numerals, figurative elements, combinations of colors. In the Civil Code of Ukraine concerning the mark for goods and services the term «trademark» is used. The term «trademark» is a direct borrowing from English. In fact, the term «mark for goods and services» and «brand» have the same meaning and can be used as equivalents.

In Ukraine, as in most legislative systems of the former Soviet Union, the rights for the trademark come in after it has been registered in the appropriate public department. In Ukraine, the State Department of Intellectual Property (SDIP) has this right. Formally, SDIP is responsible for the entire process of mark registration. However, in practice, most of the executive functions of SDIP in Ukraine are performed by the State Enterprise «Ukrainian Industrial Property Institute» more known as the Ukrpatent. This institution examines the appli-



Picture 1. Traditional international symbol of the registered mark for goods and services

cations to register objects of intellectual property. Brand is the subject of intellectual property, legally protected by the Civil Code and law of Ukraine «About protection of rights for goods and services marks», and also on international agreements signed by Ukraine, including the Madrid Agreement [1].

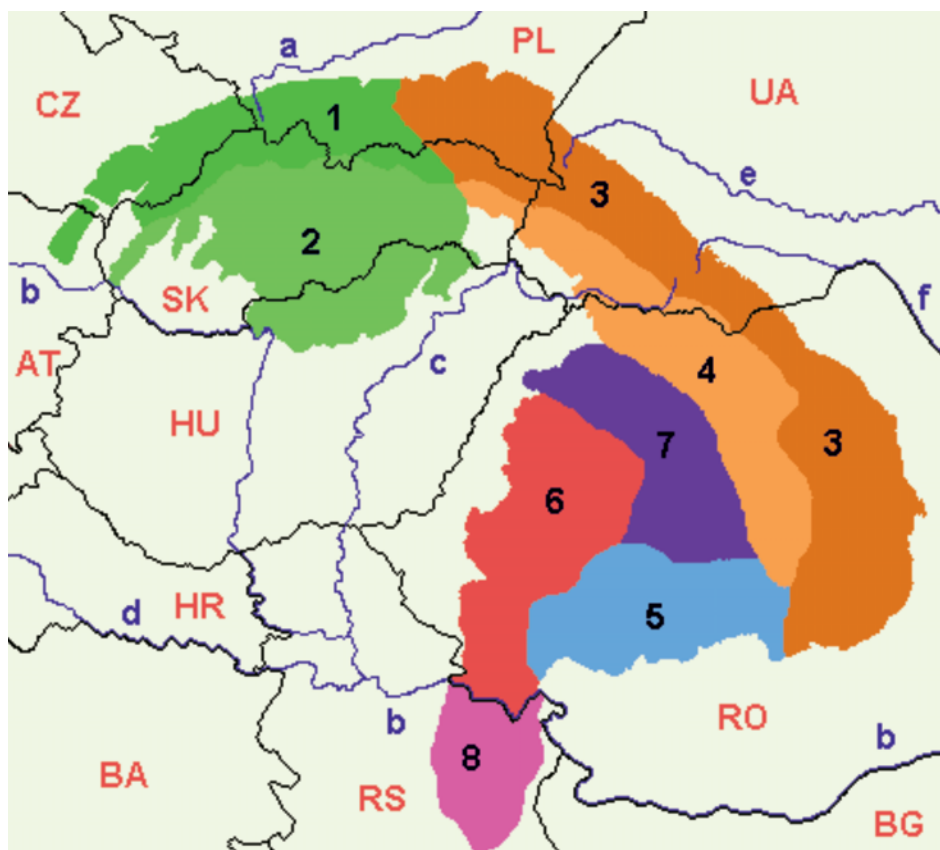
Juridical and physical persons of the signatories to the Madrid Agreement or Protocol, may provide in all other member states of the Madrid system protection of their trademarks through the filing of applications for these marks at the International Bureau of World Intellectual Property Organization, which carries out such registration. The International trademark registration has the same effect as its registration statement, submitted to each of these countries following national procedures. In case there is a need to increase the number of countries, where the mark protection is provided, the applicant may make a statement on territorial expansion.

Nowadays, Europe promotes the brands like «Alps», «The Balkans», «Pyrenees».

Therefore the headway of the trademark «Carpathians» is in the direct economic and social-political interest of every Carpathian country. To reach the goal there should be a tight constant cooperation between state authorities, science and business. Scientists have to analyze, propose new ideas, concepts, plans, strategies, and develop them. Accordingly, State organs should provide with legislative acts, permissions, certification and standardization, and business should invest resources and to get benefits. Then the evolutionary cycle starts to operate: business investing money pays taxes, from which state authorities finance science, which again produces innovation, and so the movement, improvement goes on [4].

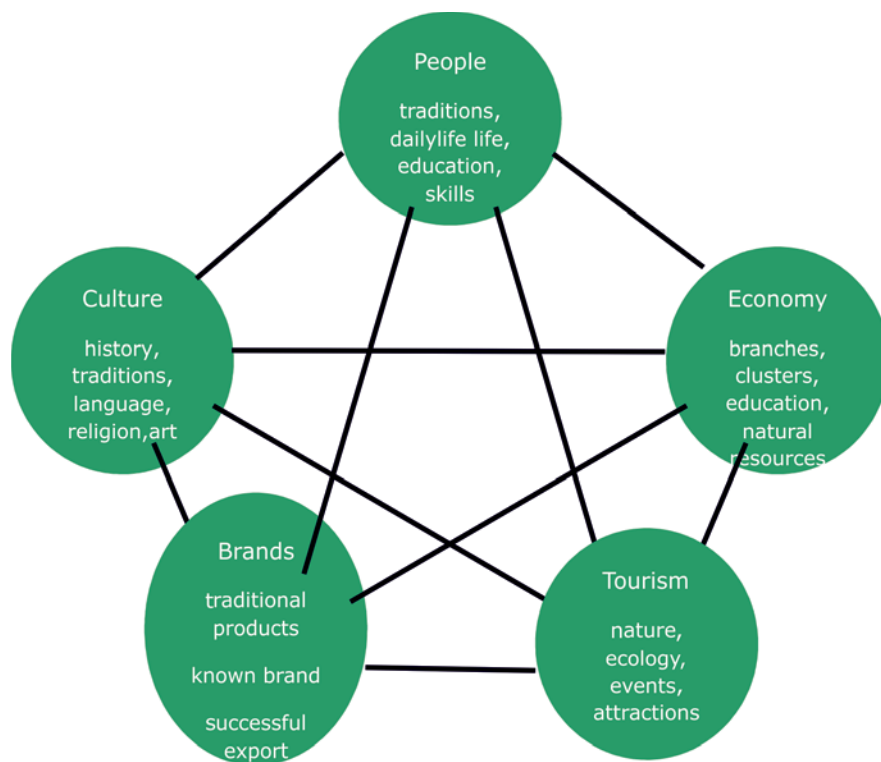
Have a look at the geographical location of Carpathians (the Carpathian Mountains). This mountain system is situated on the East of Central Europe, on the territory of Ukraine, Hungary, Poland, Slovakia, Romania, Serbia and Austria. It is stretched out on 1500 km, forming a convex arc that closes the Mid Danube plain. The biggest width – 430 km. Carpathians are one of the main Europe's watersheds between the Baltic and the Black Sea. Orographically, the Carpathian chain is divided into West Carpathians, East Carpathians (a part of which are the so-called Ukrainian Carpathians), the Beskids, Southern Carpathians, Romanian Western Mountains and Transylvanian plateau. Prevailing height of the Carpathians is 800-1200 m, the highest point is Herlach in Tatras (2 655 m), in Ukraine it is Hoverla (2061 m).

In the next years the tourist industry in the Carpathian Mountains can expect a considerable stir because people's income decreased, and there will be a need to move from tourism for rich and upper-middle class to the middle and lower middle class. This class is a new eco-



Picture 2. The geographical location of Carpathians

nomical base of the new European tourist brand «Carpathians»: living in rural households, hostels, econom-class motels, which can provide relaxation on the principle of «decent quality – low prices» [3]. New tourist routes are actively



Picture 3. Brand of the region

created in neighboring Carpathian countries with Ukraine. Nowadays, Slovakia, Czech Republic, Poland, Romania, Serbia, Hungary are convinced on their own unsuccessful example, that they have to care not only of their own tourist areas (owners of facilities in these areas not

only of their objects), but cooperate together on the united brand – Carpathians (the Carpathian Mountains). Otherwise, we will have a replay of disappointing tourist facts in the Carpathians, when the tourists of tourism industry predicted that the Slovakian Tatras could lose 40% of tourists during the winter season of 2008-2009, but the reality has proved a decrease of the tourist flow to about 76%. From 20<sup>th</sup> of December to 12<sup>th</sup> of January, every day loss of this area made about 520 thousand euros. They have been dumped by the other brand «Alps» that has long ago united countries like France, Switzerland, Italy, Slovenia and Austria. Today the seasonal tourist potential of the brand «Carpathians» in the context of tourism development in Central and Eastern Europe makes about 10 million people [2]. If the united brand «Carpathians» wouldn't popularized, Carpathian countries would constantly lose marketing battles with such professionals as Alps, Mediterranean, Pyrenees and Scandinavia.

**Conclusion**

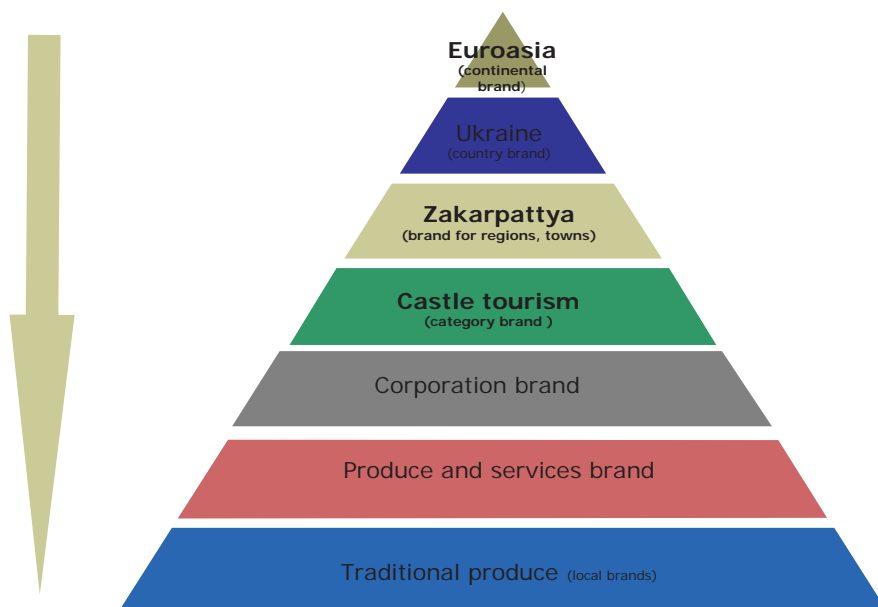
Brand of the region should reflect all elements of uniqueness. The following scheme is provided as an example.

Target groups of branding of the Carpathian territories are:

- visitors of the area;
- companies, enterprises;
- residents and employees on the territory;
- external markets.

Territorial tourism brand «Carpathians»

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Picture 4. The place of a regional brand in the brand system on example of Transcarpathia / Zakarpattya

have to form a clear regional idea: uniting of tourist business representatives, state authorities, educational institutions, professional associations from 8 countries of the Carpathian region, which set up the following objectives:

- differentiate the Carpathian region in the total world tourist flow;
- create conditions to improve competitiveness of the Carpathian region on the tourist market;
- combine common tourist products and services into one network.

General information about forming of a socio-economic tourist brand «Carpathians» in the context of tourism industry development in Central and Eastern Europe positioned four basic directions of the brand development in the Carpathian area:

1. Creating an image and implementing programs aimed at increasing of investment activities.

2. Building trust to national producers, comprehensive programs for promotion of national products abroad.

3. Creating an image of an attractive tourist destination and creating programs to attract tourists to the most profitable tourist areas.

4. Creating a program of an attractive image area.

All these events need sociological accompaniment in order to regulate resource allocation, time management and space administrating, and normalize state policy and needs of local communities in short-term and long-term outlook.

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