

## Applying of the Territorial Marketing Tecnologies in Organizations of Socio-Culture Service and Tourism

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**Abstract:** In study actual problems of usage of technologies of territorial marketing in the activities of the organizations socio-culture service and tourism. Investigated the use of various means of advertising to promote products and services in the field of tourism and hospitality. Shows the main functional objectives of territorial marketing in the context of solving current regional problems. Much attention is paid to the creation of territorial brands as an important element of territorial marketing.

**Key words:** Territorial marketing, place branding, city brand functional tasks of territorial marketing, perfomance branding, advertisingin tourism

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### INTRODUCTION

One of the most important challenges in the field of hospitality and tourism management is an inadequate attention to the appliace of marketing technologies in socio-culture service and tourism (Shabalina *et al.*, 2014). For the timely solution of tasks that appears in the process of marketing activity, it is necessary to carry out comprehensive diagnosis of tourism and hospitality organization, to develop scientifically based statements on the use of instruments of territorial marketing in practical work of relevant organizations (Mingaleva and Bunakov, 2014).

Place marketing (marketing of the territories (places) or regional marketing) is a social-economic and business activity that grounded in marketing principles. It is focused on the promotion of the image of respective territory, performance improvement of its business and also contributes to a positive investment climate and realization of social programs in the region (Zhang *et al.*, 2009).

All of this, eventually, has essential influence over the development of tourist and recreational potential of investigative territory (Wedel and Pieters, 2008).

### MATERIALS AND METHODS

Place marketing has various functional tasks which is convenient to represent in graphic form in the following manner (Table 1). Therefore, place marketing is the marketing that sees territory in whole as an object of regard and promotion and aims to design, to develop and

effectively promote and use competitive information about this territory on its behalf. Underestimation of marketing factors in competitive growth of hotels may cause extensive negative implications for each organization. The latter includes decrease in the number of customers including loyal customers, weakening of attention from the media to the hotel, the transfer of a number of important social and cultural activities to the competitive hotel organizations (Rosenholtz *et al.*, 2007).

By contrast, effectively implemented marketing policy will help this hotel to develop flexible pricing policy, to promptly notify the population about its accommodations (and through this process to attract new clients), to perform extensive PR-events, etc. All of this will bring along substantial increase of competitive ability of existing hotel enterprise, it's magnitude to broad strata of customers.

Wherein much attention should be paid to the advertising of services provided by tourist, hotel and restaurant businesses. This requires the development of comprehensive plan of publicity measures organization to the relevant organization in tourism and hospitality. In this document must be specified time limits, territorial limits, executives, distribution vehicles, funds allocated to the events, scripts and other elements of advertizing campaign, without which this campaign couldn't be successfully performed (Gabdrakhmanov *et al.*, 2014a).

The enhancement of tourist and recreational potential is impossible without realization of different promotional events. The most important component of competitive strategy of the touristic company is advertising which functions in modern economic system are presented in

Table 1: Functional tasks of place marketing

Investigative	Strategical	Performing
Investigation of natural and climatic characteristics of a region	Development of regional product stewardship	Promotion of infrastructure project
Study of region's economy	Development of regional price strategy	Branding of a region
Study of population on the region	Development of regional marketing policy	Public relations
Analysis of region-wide tendencies	Development of regional advertising strategy	Event-based marketing
Analysis of a new regional products and services	Development of regional marketing strategy	Advertising of infrastructure project
Investigation of competing regions		
Study of regional environment		

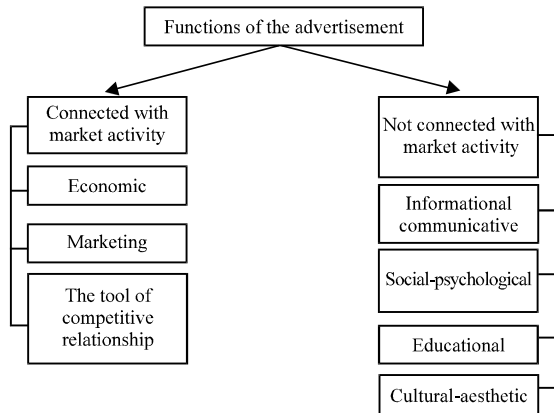


Fig. 1: The main functions of the advertisement

Fig. 1. Since the firm's activity in the market is carried out under conditions of competition, advertising is the essential tool for competitive relations. Reasonable use of advertising means and methods allows us to solve the problems of informing the potential consumers about the competitive advantages of the company or product, secure preferences, increasing the share of the enterprise market (Andrews and Withey, 1976). In addition, the analysis of the information the advertisement contains makes it possible to explore the strategy and tactics of the competitors, their pricing, methods of goods sale. The promotional product itself, creative solutions and quality of advertising, the frequency of its use also characterize the specifics of the competitive relationship.

The multiplicity of advertising tasks creates significant diversity of its species, means of distribution, options for its creation and other elements of which advertising is shaped up as a system. Accordingly, there are grounds for the advertising classification which is reflected in Table 2.

Organizations in social-culture service and tourism under current conditions widely use outdoor and printed advertisement (usually in designated magazines). Occasionally advertisements of tourism and hospitality industry appear on television (Gabbrakhmanov *et al.*, 2014b).

At the same time advertisements of tourism and hospitality gather greater strength in Internet. Most of not only large but also medium and small travel agencies

created their own web-sites in Internet (Gabbrakhmanov *et al.*, 2014a). Many travel agencies place banner advertisings in Internet. In such a case, formula of impact of advertising of goods and services, connected to a brand, on its potential clients will be as follows:

$$VIPS = \text{Visibility} + \text{Identity} + \text{Promise} + \text{Simple Mindedness}$$

Where:

Visibility = A clear visibility of advertisement message

Identity = Identification of an advertisement with a territorial brand

Promise = Reading of advertisement's promise

Simple mindedness = Purposefulness and desire to make a purchase

Organization and carrying out of marketing researches in sociocultural service and tourism is an important part of the use of marketing technologies in the tourism and hospitality. The target of research could be the situation in the market of tourist and hotel services in the country, in the region, in the city or in the country, specific organizations in tourism and hospitality, content and types of tourist, hotel and restaurant services and also its customers.

Instrumentarium that is used while performing this research is quite traditional. While gathering secondary source data, apart from the usual sources (periodical literature, primary and secondary legislation, internal reportings of organizations of service and tourism) increasingly frequently is used Internet which greatly accelerates the process of collecting baseline information. By virtue of visiting sites of interest, the researches could rather quickly gather information on objects of interest, for example about new tourist scenes, exotic leisure areas, recently opened hotel and restaurant businesses (Gabbrakhmanov *et al.*, 2014b).

At the moment one of the main areas of application of territorial marketing in organizations of sociocultural service and tourism is the development of territorial brands. In recent scientific literature there is a large number of definitions of concepts "brand" that could be

Table 2: Advertising classification as a systemic formation

Classification criteria	Types of advertisement
According to the object	Advertising goods, means of its individualization, the manufacturer or seller of the goods, the results of intellectual activities, events
According to the aims	Commercial, social, political advertising
According to the stages of the life cycle	Of advertising at the implementation stage, growth, saturation, recession
According to the breadth	Local, regional, national, international advertising
According to the customer	Advertising of the manufacturer, wholesalers or retailers, individual and public institutions
According to the means of dissemination	Film advertising, video advertising, print, television, outdoor advertising, radio advertising, press advertising, Internet advertising, point of sale advertising, direct mail advertising, exhibitions and fairs, etc.
According to the source of funding	Advertising, paid by the manufacturer or retailer, manufacturer and seller together
According to the time of exposure	Single, continuous, seasonal advertising
According to the way of exposure	Rational (objective), emotional (associative) advertising
According to the intensive periods	Abrupt, intermittent, continuous advertising
According to the number of distribution channels	Single-channel and complex (integrated) advertising
According to the communication problems	Informative, persuasive, comparative resembling underpinning advertising
According to the degree of openness	Direct, indirect, hidden advertising
According to the degree of conscientiousness	Fair and unfair advertising
According to the degree of reliability	Reliable and misleading advertising

Table 3: Performance framework of territory branding

Types of effectiveness	Indexes of effectiveness
Social performance of city branding	Quality of life; cost of living; number of manpower in tourism; population movement dynamics of population change; number of newborn
Communicative effectiveness of brand	Number of tourists; recognizability of the city; rating of the territory (The Anholt City Brands Index) Territorial behavior on the part of its consumers (enquiries)
Economic effectiveness of city branding	Total wages of people involved in tourism; cumulative taxes from tourism; Average savings per household on taxes due to the tourism development Value of city brand; earnings from brand (from trade of licenses transmission of rights to use city brand)

divided in two groups. First group define brand as “name, term, mark, symbol or design or combination of all this which is designed to identify goods or services from one vendor or group of vendors and also to differentiate goods or services from goods or services of competitors” (this definition of brand was invented by American Marketing Association).

According to the second group of definitions brand is perceived as the character, image or goodwill of the company, product or service in the eyes of clients, partners, community and administration. From now forward when considering definition of brand we will proceed from second approach to the formulation of brand (Chrysochou and Grunert, 2014).

Establishment of territorial brands became one of the priority missions in relation of necessity of domestic travel development in Russian Federation. In this case territorial brand should be regarded as the character, image or impression that this region develops in the minds of real or potential clients.

Also it should be remembered that while establishing effective territorial brand new real or constructed unique treasure should be found which distinguish considerably “branding” region from similar regions.

Among the indexes of effectiveness of territorial brand, most crucial are indexes of social performance

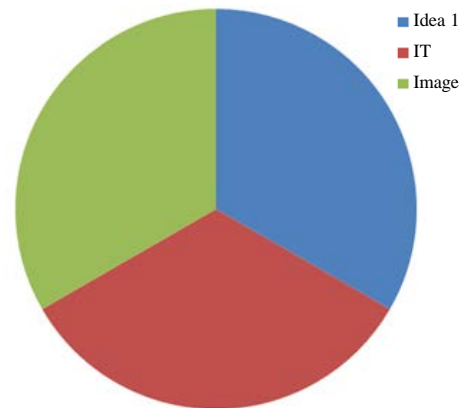


Fig. 2: Nature of city brand

(Lu *et al.*, 2014). The essence of territorial brand on a city level could be specified with the help of Three “I” conception:

- Idea
- Image
- IT (Fig. 2 and Table 3)

Let us closely examine all three components of city brand.

**Idea:** Of city brand, it is what corresponding urban unit is like at the present, main tendencies and directions of its development, both today and for the short-term.

**Image:** Of city brand, it is a perception that formed among the citizens, tourists, public members and administration about corresponding urban unit on the ground of full-time residence or short period staying in it.

**IT:** Of city brand, it is what distinguish corresponding urban unit from other similar cities, outstanding highlights of this region, something which cannot be met, see or capture while visiting other cities and rural communities.

### RESULTS AND DISCUSSION

While developing and promoting city brands it is necessary to remember that its conception in no case must contradict brand of the region, where this urban unit is located. The point is that in a perspective it could lead to the negative reputational consequences and, as a result, to loss of trust and to decrease of interest to the tourist scenes presented as throughout the region and in particular city. Therefore inference should be drawn that developing of territorial brand is a laborious creative process that have goal to enhance the visibility of the region, to improve its reputation and to attract numerous tourists. Furthermore essential strengthening of tourist and recreational attraction of corresponding region and considerable increase of tourist flow as a consequence could appear to be a self-contained independent mission of territorial branding.

### CONCLUSION

Therefore, in the light of specific features of tourist, hotel and restaurant organizations at the moment could be used different marketing technologies. The effectiveness of its utilizing to a large extent is contingent on the level of personnel training and first and foremost, from the activities of management of tourism and hospitality organizations. Extensive use in the work of these organizations of elements of strategic management system will also help to timely analyze processes that take place

at the regional, federal and world tourism and hospitality markets, react swiftly on environmental changes. All of this to the fullest extent will act to raise the service quality, provided by tourism and hospitality organizations in order to fully meet the growing demands of their customers.

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