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TERRITORIAL BRANDING AS AN INSTRUMENT FOR THE DEVELOPMENT OF RURAL TOURISM (ON THE EXAMPLE OF THE STAVROPOL REGION)

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Abstract

Stavropol Region has the potential for the development of rural tourism. Rural tourism offers a unique solution that will provide jobs, consistently high incomes of the population and preserve the nature of the region intact. An analysis of the state of rural development in the Stavropol Territory showed that the region has enormous resources for rural tourism, but they are used with a low degree of efficiency. The study was completed by making proposals for the formation of the region's brand through the realization of recreational potential and the development of rural tourism. The article justifiably proves that this sphere, along with agriculture, is a backbone for the economy of the Stavropol Territory, and the strengthening of economic activity in tourism will have a noticeable positive impact on other sectors of the regional economy.

Key Words: rural tourism, tourist resources, rural branding, regional brand

JEL classification: Q01, Z32

Introduction

In today's market, especially in the context of the economic recession and the crisis in the field of international tourism caused by the pandemic, not only countries, but also individual territories are forced to compete for resources. That is why the direction of branding territories is actively

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developing as a tool to increase the attractiveness of a country, region or city. The relevance of this research is connected with the active development of branding of territories and the need for its deep, systematic and scientific understanding as a tool to increase the attractiveness of the region. The need to take into account a large number of conditions and factors when developing a certain image of the territory requires a clear understanding of the goals, a unique strategy in each case, a correct assessment of the effectiveness of the tools used, which also determines the relevance of this topic and brings it to constant discussion in the expert community.

The use of territorial branding in Russia is becoming an increasingly frequent practice due to the development of communication processes and growing competition for attracting residents, labor and, first of all, tourist and investment inflows. In contrast to the Western experience, where the branding of territories is given increased attention not just as a trend, but also as an effective and efficient way of developing territories, the Russian practice of using this phenomenon, due to some peculiarities, faces a number of problems that prevent this phenomenon from fully developing (Lagman, 2019). The definition of branding of territories as an integrated approach to the development of territories and the analysis of cases of Russian regional brands allow us to highlight these features and problems.

Firstly, it is a large territorial space and regional disunity. This feature is connected with the federal structure of Russia and its division into a large number of subjects. The supreme centralized authority does not directly participate in the development of image and branding of regional and urban companies, which affects the low quality and fragmentation of the developed strategies. This leads to a problem, which, as mentioned above, was noted by Simon Anholt, and which consists in a misunderstanding that the image of a country consists of the image of its regions. As a result, neither the country as a whole nor its regions individually possess powerful effective brands.

Secondly, if we talk directly about the process of developing a regional brand, then several negative points can be identified at once, which occur due to non-compliance with the sequence of stages or insufficient attention paid to each of them.

Customers and developers of regional brands are not able to consider the territory as a "commodity" that needs to be sold. The territory development

strategy, consideration of crisis situations, long-term planning are not reflected in the brand development strategy in any way (Lebedeva & Kopylova, 2017). Setting goals based on the analyzed cases is not what the region can offer to the public, what it wants to achieve, what level of development it wants to achieve, but immediately what target audiences need to be attracted. Misunderstanding of the relationship between the existing situation and the possibilities of its use in the branding strategy leads to incorrect goal setting, not focused on the future.

Identifying target audiences and understanding their needs is one of their first and most important steps in developing a territorial brand. It is obvious that with high competition for resources, highly skilled labor and business development, it is investors who are the desired audience to attract. Also, some regions focus on tourists, and almost no one seeks to attract residents or improve the conditions of the existing population (Navolokina & Ryazantsev, 2019). Most residents of the regions do not identify themselves with them and do not see in the positioning of the brand qualities that would affect the improvement of social conditions. Attracting investors is also impossible without providing them with preferential and favorable conditions, and if you want to build a tourist brand, you should pay more attention to the opinion of residents of other cities and countries than to conduct surveys among the population.

Conducting research and analyzing the situation is an important stage in the process of which the strengths and weaknesses of the territory are understood, competitive advantages and those key features that could be used in further development are highlighted. The result of this stage should be the choice of positioning and key strategy. Brand developers of Russian regions are engaged in conducting research, but they misinterpret their results from the point of view of the choice of positioning. The main problem in this case is ignoring the negative aspects, which does not lead to building plans for analyzing and correcting the existing situation (Shakhramanian, 2019). It is important to understand that the correction of the existing reality itself will gradually lead to the correction of the image. Often, research is conducted not with respect to the entire region, but only in certain areas of its life, while the complexity and multidimensionality of elements require detailed study.

The development of visual identity is one of the most vulnerable points of existing regional brands, which is a significant problem, given that the brand logo is responsible for the recognition of the region and for creating

a positive associative series. Poor-quality and uninteresting logos express conservatism and skepticism about visual identifiers as auxiliary tools, which, in fact, are the "face" of the brand. In addition to several unsuccessful logos in the cases that were analyzed above, there are a sufficient number of ugly design solutions in Russian practice. Misunderstanding of the role of graphic design in creating a high-quality corporate identity leads to the fact that it is perceived as a decorative element, and not as a real attribute of the brand. In addition, unsuccessful logos do not even reflect a properly developed brand positioning, which leads to a mismatch between the brand and its carrier.

The formation of the brand image and the choice of channels for its distribution is also a problem point of Russian regional brands. Few existing brands resonate with the population, but the acceptance of its residents by the territory is the main goal of introducing brand attributes into the urban environment. It is the population that is one of the main carriers of the brand and distributors of its image, which should be emphasized in their formation (Shakhramanian & Trukhachev, 2021). Standard communication channels should also be used wisely and with an understanding of who the message is aimed at, and at what choice of place and time most representatives of the target audience will pay attention to it. If there is confidence in the quality of the brand, then it is worth using the approach of holding an event inside and outside the region to fully demonstrate territorial capabilities. Only those regions that really have interesting competitive advantages and methods of their promotion can have an attractive image.

Thirdly, regional branding in Russia faces the problem of the lack of well-established systems of interaction between state structures and the private sector, which is why the region is developing in parallel in two directions, one of which is determined by state and administrative policy, and the second comes from how private business adjusts its production cycles. Such an approach to territorial development leads to negative ambiguity and cannot contribute to the creation of a brand whose development would be determined by consensus in the strategic planning of both sides.

Fourth, another feature of creating brands of Russian territories is an attempt to copy Western brands, which fundamentally contradicts the main idea of the uniqueness of the approach in each case. Each territory has its own unique characteristics, a special geographical location, culture, history and legislative and administrative base, which a priori makes it different

from other territories, which means that the approach to brand formation should be different in each case. It is also worth considering the uniqueness of approaches to each specific target group.

Russia, and in particular its regions, is just beginning to master the global practices of influencing its image. You can find regions and cities with a strong image that was formed in the Soviet period or in the 90s, and there are examples of modern rebranding. More attention is paid to regional branding than in foreign science and practice. At the same time, it should be noted that in some regions there are extremely promising opportunities for the formation and development of branding in certain sectors of the economy, in particular, in the field of agricultural tourism (Stroeva et al., 2021).

Methods of the research

Theoretic and methodological background is modern economics, academic papers of national and foreign scientist on the formation of the brand of rural areas for the development of rural tourism.

Results

The research was carried out by us on the materials of the Stavropol Territory – one of the leading regions in Russia in terms of the level of provision of tourist and recreational, sanatorium-resort, balneological resources. Stavropol Krai is an intensively developing tourist and recreational region located between the basins of the Black, Azov and Caspian Seas, at the crossroads of the ancient trade routes "North-South", "Europe-Asia".

In terms of tourist and recreational potential, Stavropol is positioned in fourth place in Russia, second only to Moscow, St. Petersburg and Krasnodar Region. Stavropol Region is a region in which there are prerequisites for the development of many types of tourism, both traditional for the Caucasian Mineral Waters region of therapeutic and recreational, and less common types of tourism now, such as hiking, archaeological, educational, equestrian, ecological, extreme (Sukhovskaya, 2013a).

In order to create an attractive branding of the territory for a wide audience, it is necessary to clearly define priority directions of regional development, identify peculiar "points of growth", optimal organizational and economic

solutions that would play the role of a locomotive in putting the economy of the regions on the path of stable and sustainable development. By influencing these "poles of growth", it is possible to control the formation and development of both individual industries, and to ensure a multiplicative positive effect in the economy of the regions as a whole (Trukhachev, 2016).

The development of rural tourism should be considered as one of the promising areas of economic growth in rural areas of the Stavropol Territory. This sector of the tourism industry will be focused on the use of natural, cultural, historical and other resources of rural areas to create a comprehensive tourist product.

Stavropol Region has all the necessary resources for the development of rural tourism: a variety of natural conditions, a lot of forests, rivers, fields attract lovers of hunting, fishing, hiking, horseback riding. Historically significant places, original culture and way of life of the local population allow combining active recreation with cultural and educational tourism (Sukhovskaya, 2013b). In addition, the business in the field of rural tourism is relatively low-cost. After all, the most important infrastructure was created by nature itself, and in order to extract income, you should make almost a minimum of effort.

Unlike other areas of the tourism sector, rural tourism has its own specifics, which is expressed in minimizing costs, primarily for food and accommodation. Naturally, food in rural areas costs 2-2.5 times cheaper than in the city (Trukhachev et al., 2018). Accommodation here is also cheaper, especially in the summer. This at least halves the cost of vouchers. At the same time, the development of rural tourism should be organically combined with environmental issues, and the economy should not develop to the detriment of nature.

The reasons for the need for the development of rural tourism in the rural areas of the Stavropol Territory can be divided into two groups. The main ones are related to the low efficiency or even unprofitability of direct agricultural production, which do not allow to properly compensate for the losses of rural residents and ensure an adequate level of income for the reproduction of the rural population. For rural residents, rural tourism is an additional opportunity to receive income that can be used both for direct consumption by members of a rural family and for the development of agricultural production. The development of rural tourism can contribute

to the development of agricultural production as a source of additional cash receipts that can be used in agricultural production, and, in addition, rural tourism itself creates an additional market for agricultural food products – fruits, vegetables, milk, meat, organic products.

On the other hand, there is a significant and growing interest among urban residents in a better knowledge of the village, its inhabitants, traditions, processes of obtaining food, in direct communication with nature. This is especially true for people who practically have no relatives in the village. In this sense, rural tourism organically and advantageously combines its relative cheapness, naturalness of the environment and wellness character.

To a large extent, this is facilitated by climatic conditions, the nature of the terrain, the presence of remnants of the farm settlement system in rural areas, possible centers of water recreation, fishing and hunting, areas of specialization of agricultural production, the presence of historical and architectural monuments in rural areas and the preservation of traditional crafts (Trukhachev, 2015).

In addition, the development of rural tourism has a potentially positive impact on the improvement of local infrastructure, the rise of the general cultural and educational level of the rural population.

The main integral factor of increasing the level of efficiency of tourism activities in rural areas is to improve the overall climate of hospitality, which will attract more tourists. The overall level of hospitality in agrotouristic farms is influenced by various factors that can be divided into two groups:

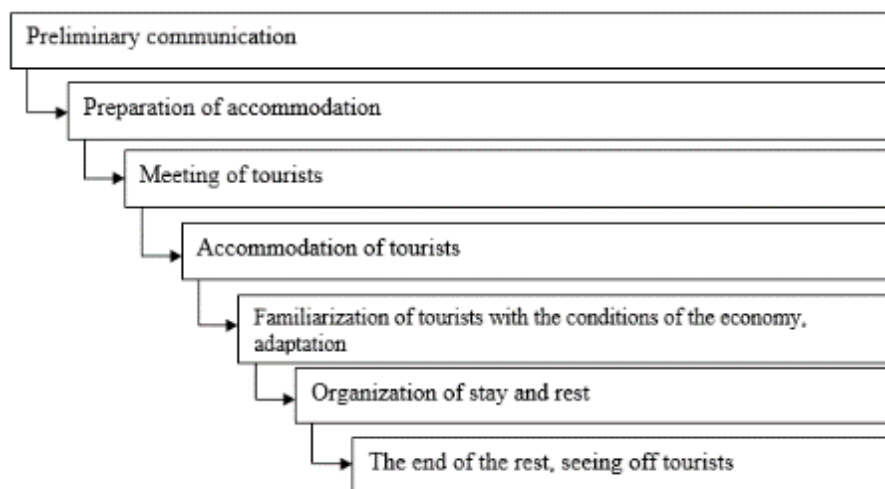
- the material and technical base of the agro-tourism economy (its quality, spatiality, placement, orderliness, complexity, ease of use, functionality, originality – everything that together can be defined as the level of its organization);
- the ability of the owners of the agrotouristic economy to effectively use the existing material and technical base and create an atmosphere of ease, informality and family rural comfort in the house.

The specificity of rural tourism determines the specifics of its material and technical base. Since agrotouristic farms are the direct embodiment of tourist activity in rural areas, the material and technical base of rural tourism belongs to these cells of tourist activity. The main element is the

house itself or the corresponding buildings for receiving guests. In addition, the material and technical base should include the land resources of the farm necessary for the production of agricultural products, technical means for cultivating the land, caring for animals and plants, for obtaining agricultural products and finished products for food, farm animals, vehicles, energy power units and equipment, communications, tele- and radio equipment, storage facilities, refrigeration equipment, cooking equipment, premises and playgrounds for sports, games and entertainment. Depending on the conditions of placement of an agro-tourism farm and their specifics, the composition of its material and technical base may change in accordance with the needs.

With any combination of available material and technical resources for the agrotourist economy, the most important factors in attracting tourists are cleanliness, neatness, orderliness of the territory, as well as cordiality, hospitality and unobtrusive sociability of the hosts. At the same time, the general level of hospitality can be ensured by observing a certain scheme that covers several successive phases (Figure 1).

Figure 1: *The main phases of the process of forming hospitality in the agrotourist economy*



Source: *Picture compiled by the authors*

The phase of preliminary communication begins from the moment when a potential tourist has an intention to relax in the countryside and receives initial information about possible options for such a holiday. This phase, along with obtaining information, may include pre-ordering a holiday,

determining related services, booking seats, if there is a high level of demand in certain periods of the year - advance payment or advance payment, as well as coordination of the main aspects of the future holiday. The formation of the general level of hospitality for agrotourists in this farm largely depends on how unobtrusive and tolerant this phase will be on the part of the owners.

The second phase provides for the preparation of the accommodation and the territory of the farm for the reception of vacationers in accordance with their expectations agreed during the first phase. It is advisable to remind guests of their arrival, clarify the specific time and individual details of their journey, and provide the necessary landmarks on the ground.

The third phase is one of the most responsible, since it forms the first impression of the guests from their place of rest.

The fourth phase provides for the necessary actions to provide rooms for living, familiarization with housing in general, ensuring the hygienic needs of guests.

The adaptation phase involves either the necessary first rest of the guests, or a more detailed acquaintance with the farm, the surroundings, and opportunities for recreation and leisure activities.

The sixth phase is the longest, since it covers almost the entire period of guests' stay in the household. It provides for the establishment of appropriate relations between the host's family and vacationers, the definition and establishment of the level of contact and formality of these relations, the creation of an atmosphere of comfort and coziness and the organization of providing the necessary services to guests related to their vacation.

The final phase involves the organization of a farewell treat for guests, the most correct conduct of the final calculation. Certain souvenirs, keepsakes, and other elaborate special farewell ceremonies may be provided here.

Since the main costs of the agro-tourism economy associated with improving the organization of its material and technical base in the sense of its modernization and expansion require appropriate financial resources, such farms objectively need the support of the state and the creation of appropriate conditions for the external economic environment. It is

necessary to develop a favorable credit, tax and investment climate for agro-tourism farms, following the example of most developed countries of the world. The role of the state should also provide for monitoring compliance with established standards of service and the material and technical base of agro-tourism farms, compliance of tourist and recreational services provided with sanitary, environmental and other requirements.

The material and technical component is only one of the factors that attract tourists to the countryside. Marketing factors, such as, are also of crucial importance for the effective functioning of agro-tourism farms:

- the level of validity of the price of a tourist product in rural areas;
- its distribution system;
- the level of marketing development in rural tourism.

Let us consider these aspects consistently in relation to the conditions of the Stavropol Territory and the prospects for the development of rural tourism in the region.

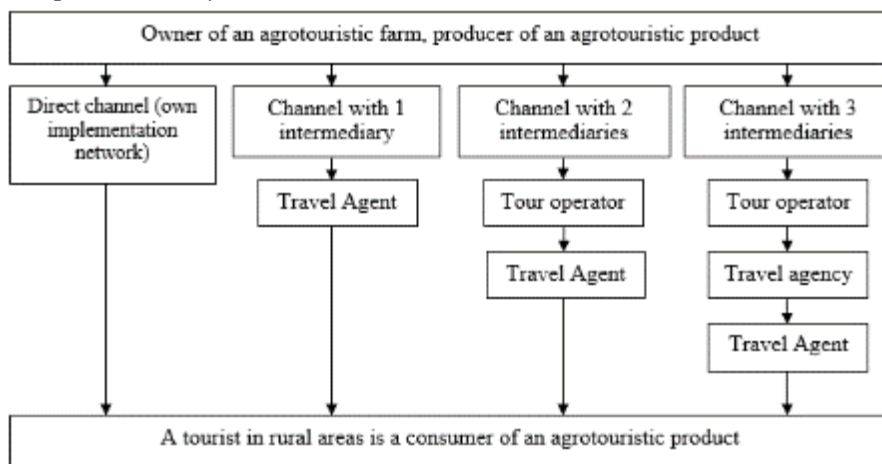
The business of rural tourism can be profitable with the use of an optimal and understandable pricing system for tourist services for customers. The use of the low price strategy by the owner of the farm significantly increases the return on investment and the achievement of the break-even point. It is necessary to increase the level of use of the object. The owner may also consider the possibility of reducing the cost of services, which will also contribute to a faster return on investment, but such a strategy has the risk of reducing the quality of the services offered.

The second factor highlighted by us for the effective development of rural tourism in the Stavropol Territory is the construction of a distribution system for a tourist product. Distribution consists in the cost-effective movement of products and services from the sphere of production to the sphere of their consumption. However, the tourist product is consumed directly at the place of its offer and, thus, is not subject to movement. Therefore, the distribution of a tourist product in rural areas also has a slightly different character. Its essence lies in the offer of tourist services through certain channels, and the effectiveness of distribution depends on the correct choice of these channels.

Currently, the owners of agrotourist farms themselves are mainly engaged in the sale of a rural tourist product in the Stavropol Territory. Given the

growing interest in rural tourism with an undeveloped network of agrotourist farms in the region, their low financial potential and lack of necessary professional training, there was a need for additional links in the distribution channels of this product. Such channels can be both direct and indirect. Travel operators, travel agencies and agencies can act as intermediaries (Figure 2).

Figure 2: *Possible distribution channels of the agrotouristic product in the Stavropol Territory*



Source: *Picture compiled by the authors*

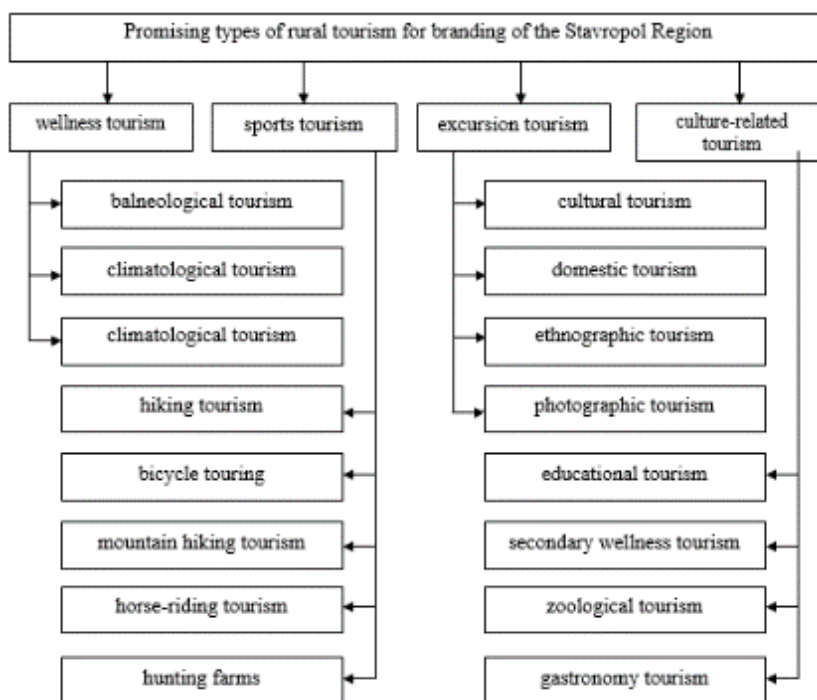
Intermediary services can also be provided by other organizations – local self-government bodies, counseling centers, etc. In any case, the tourist product remains the property of the owner of the agro-tourism farm, intermediaries only develop it by expanding the sales network. Under the influence of economic, social and technical factors, specialized organizations may also arise in the future that will expand distribution channels in rural tourism. Such organizations can become tourist enterprises of the Stavropol Territory, which in their offer of mass tourist movement will include recreation in rural areas in agro-tourism farms.

The third factor we have identified for effective branding of rural tourism in the Stavropol Territory is the improvement of marketing activities in rural tourism and the promotion of this tourist destination on the local, federal and international markets. It is necessary to place relevant advertising information in the catalog of agro-tourism farms of the region, regularly participate in tourist exhibitions held in the Stavropol Territory and neighboring regions. In parallel, you can advertise your services on

stands in rural areas (at the entrance to rural settlements), in regional and central mass media, and subsequently on your own Internet sites. It is not expensive, but an effective step can be the organization of the reception of journalists of a local or national publication in the form of a free one-day press tour in an agro–tourism farm - if it is successful, the funds spent will pay off.

The tourism sector, along with agriculture, is a backbone for the economy of the Stavropol Territory, and increased economic activity in tourism will have a noticeable positive impact on other sectors of the regional economy.

Figure 3: *Promising types of rural tourism for the development of branding of the Stavropol Territory*



Source: *Picture compiled by the authors*

The construction and development of the Stavropol Territory branding based on the effective and comprehensive implementation of the tourism and recreational potential available in the region is implied through the following types of tourism (Figure 3):

- health rural tourism (climatic and ecological);

- rural sports tourism (hiking, cycling, mountain, equestrian tourism, animal farms and hunting farms);
- sightseeing tourism (cultural, national, ethnographic, photographic);
- educational and event tourism (educational and recreational agrotourism, gastronomic tourism).

Before starting to form and develop the branding of rural tourism in the region, it is advisable to carry out the necessary calculations of its possible effectiveness. The main positive effects and possible threats should be assessed both for the region as a whole and for individual subjects of the tourist market. It is necessary to calculate how many tourists in rural areas can be counted on during the year in order to have an idea of the possibility of returning the funds invested in this activity. Such calculations may be important for an investor from the outside, and for a bank or other credit institution, if there is a need and an opportunity to obtain a loan for the development of this area of economic activity.

Conclusion

The creation of agrotourist farms on the territory of the Stavropol Territory brings benefits in various fields of activity. Let's summarize the main conclusions and expected effects of rural tourism branding development in the region.

The expected positive effects of the formation and development of rural tourism branding in the Stavropol Territory include:

1. In the field of project activities applicable both to the territories of the Stavropol Territory and the territories of the Russian Federation:

- development of projects of agrotourist farms and tourist service programs;
- development of concepts of environmental management, production of environmentally friendly agricultural products;
- development of concepts and projects of ethnic villages;
- development of scenarios of military sports games for children and adults.

2. In the field of innovation-forming project activities:

- development and participation in the implementation of commercial and non-commercial environmental programs of regions and enterprises;
 - performance of contractual works for institutions and organizations on tourism and sports and recreation topics;
 - work on the introduction of resource-saving technologies;
 - creation of a rural tourism data bank;
 - publication and implementation of educational and methodological, scientific literature and textbooks in the field of rural tourism.
3. In the field of scientific and industrial practice-oriented activities:
- organization of rural tourism according to various thematic programs;
 - organization of children's recreation, including for children from orphanages and boarding schools with the involvement of students of higher educational institutions of the Stavropol Territory;
 - conducting educational agroexcourses;
 - organization of production of souvenirs on the basis of folk crafts;
 - provision of information services based on the created database of tourist activities in rural areas;
 - provision of employment services.
4. In the field of training activities:
- creation of experimental production facilities, experimental sites for the development of new technologies, promising projects, "know-how" in the field of tourism and sports and recreation activities;
 - provision of all types of consulting services related to the creation of agrotourist farms, including representation of the customer's interests in other organizations;
 - organization of students' practical training;
 - organization and holding of seminars, conferences on the subject of rural tourism and organization of agrotourist farms;
 - teaching the rural population the basics of tourism, conducting trainings, advanced training courses.
5. In the field of sports and recreational activities:
- organization and holding of health-improving events, sports competitions, training camps;
 - organization and holding of military sports games.

6. In the field of marketing activities:

- carrying out works in the field of marketing, advertising and promotion of tourist and sports and wellness products in rural areas;
- holding exhibitions, presentations, fairs, auctions;
- production and sale of informational, advertising and commercial literature, scientific and methodological publications.

The development of rural tourism for the Stavropol Territory is extremely important. On the one hand, the Stavropol Territory is a region with a sufficiently high agricultural potential, which forms the material base for rural tourism, and on the other hand, it is already a well-known recreational region, which allows using this fact as an advertisement in attracting recreants not only for treatment in the resorts of Caucasian Mineral Waters, but also for recreation in the countryside.

To achieve these effects, it is necessary, firstly, to diversify tourist products and intensify their promotion both abroad and, no less importantly, to other regions of Russia. Secondly, it is necessary to accelerate the development of recreational tourism and related infrastructure of the region, its modernization and innovative orientation in order to make a tourist's stay in the region comfortable, interesting and safe.

The development of rural tourism in the Stavropol Territory can and should become an important point of economic, social, cultural and spiritual growth of the region. The most important result of the development of rural tourism in the Stavropol Territory should be a socio-cultural and spiritual effect as a result of the activation of local creative resources, the preservation and development of the national natural, historical, cultural and spiritual heritage, increasing the self-esteem of local communities, the emergence of a positive social perspective.

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