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AGRICULTURAL PRODUCE OF ISTRIA USED IN REGIONAL BRANDING – STRATEGIC CONCEPT

Regional branding is a manner in which regions can withstand the increasingly omnipresent process of globalisation and preserve their local identity and tradition. Marketing regions should be focused on the systematic creation of the brand of a particular region. The aim of this paper is to prove that the creation of a brand of autochthonous products of a particular region strengthens its identity and contributes to the creation of a recognisable regional brand. In addition to being one of the main elements of regional branding, autochthonous products also contribute to regional recognition. Global trends indicate a surge in the number of regional brands and the corresponding importance they have in creating a recognisable regional brand. The paper is focused on a preliminary research of the role of autochthonous agricultural produce in branding some notable European regions. It provides an insight into the overall brand establishment process and a model of creating the regional brand of Istria that could be based on well-known Istrian autochthonous products that are also a part of the Istrian tradition.

Key words: brand and regional branding, brand and autochthonous products, marketing regions, regional identity, regional recognition, agricultural produce

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1. INTRODUCTION

Processes of globalisation have managed to connect and unify most parts of the world. Consequently, people and companies are less related to a particular place, city, region or country. A certain “uniformity” poses a threat to regional identity and traditional cultural values it is rooted in, which eventually leads to uncertainty caused by weakening or disappearing original traditional values and products. The insecurity in defining their own cultural identity and loss of touch with tradition in developed globalised societies makes people search for their own recognisable attraction and products in their immediate surroundings. On one hand, they want to keep their own cultural identity and customs, while on the other hand they want to be competitive and recognisable in the increasingly more aggressive globalism. This leads to the conclusion that today's regions have to focus on their own localisation and global presence. In this day and age, developed regions are exposed to global “territorial” competition. Although most today's developed places offer almost identical “products” – territory, infrastructure, educated workforce and almost similar political establishment, fierce and competitive struggle of places and regions takes place at the level of attracting investments, tourism, attracting residents and encouraging one's own exports. Regions decide to undertake their own branding to become distinctive among their equals. Conventional wisdom aside, brand (trademark) does not equal logotype. Ideally, the logotype may be a visual presentation of a particular brand (trademark). Brand or trademark means much more than logotype and a resounding name. For most people, the term “branding” is still synonymous with advertising, graphic design and overall promotion (Anholt, 2007). Brands or trademarks are the link between the customer and the manufacturer (Damjanović, Kracić, Razek, 2011). When interpreting a trademark or a brand of products, services or regions, we are also using our brain (referential–rational function) and our heart (emotional function). The role of branding process is helping companies differentiate from competitors (Jobber, 2004). Regions, countries, products and services may also be branded, which emphasises their distinctive features with the objective of survival in the global market. In this case, strength of branding locations (regions, places, cities or countries) lies in making people aware of a particular region (location) and the corresponding attractions that differentiate it from numerous others. Globalisation and increasing mobility of people, capital and information caused a growing need for branding regions, cities and countries and place marketing (Keller, 2004).

A region may be defined as a unique place, a more or less clearly demarcated geographical area or surface of a given country or continent defined by its geographic characteristics, culture or history. Regional branding is based on emphasising one's own quality and distinctiveness, unique natural sights, cultural heritage, regional products, gastronomy and traditional autochthonous products (de Bruin, 2008).

In this regards, it is focused on developing a recognisable image and reputation geared at boosting global competitiveness (Messely, Dessin, Lauwers, 2009). It stimulates regional economy, creates added value for all local and regional services and products and contributes to the overall development of economy (Hegger, 2007).

Strategy of branding a particular region calls for a realistic, competitive and unique (irresistible) vision of a region that has to be supported, strengthened and continuously enriched by all relevant factors constantly using all aspects of communication between the location and the rest of the world.

A certain region may be internationally renowned, which means that it has some attraction (products, services, sights, natural assets, etc.) recognised by people. This means that the region has a strong reputation. If the mention of a region means little or nothing, if it is associated with attraction of too broad a context, the reputation of the region is weak and unrecognisable. If a region is well-known by most people, the place is famous. Obviously, there are exceptions to the rule. In fact, having a strong reputation and being well-known does not always have to be positive. For instance, North Korea or Iraq are currently well-known, but not in a positive way.

Products or services of a region are attractions by which people recognise places worldwide. A good product, a product with market reputation and influence may serve as a basis for the creation of a strong and well-known regional brand. There are numerous examples of associating products, particularly autochthonous ones, to the name of the region or place. Some regions are internationally renowned owing to their preserved autochthonous and traditional values and products. Therefore, regional branding may be founded on both natural, infrastructure or cultural attraction and on original, unique, distinctive products that constitute regional identity, which is the subject matter of the following sections of this paper.

2. AUTOCHTHONOUS PRODUCTS

Van Ittersum (2001) defined regional products as products whose quality and/or fame may be ascribed to their region of origin and products that are sold using the name of the region of their origin. Owing to its geography and climate spanning from continental, mountainous and Mediterranean and to its rich tradition, Croatia has a large number of autochthonous products that will become important export brands, particularly through tourist offer, once they receive trademarks and indications of geographic origin, tradition or authenticity after the establishment of quality monitoring system following the EU model (Bukvić, Kralik, Milaković, 2007). Agricultural autochthonous products are hereinafter synonymous with regional products with a long tradition of production in a particular area. In this period of intense globalisation and European integration processes, autochthonous products are likely to have an increasingly more important role in preserving distinctive features, tradition and identity, both at the level of countries and at the level of regions. Autochthonous products may represent the basis of protection of the area where they are produced. Such products command higher prices as they comprise added value and contribute to higher incomes for their manufacturers. Their protection adds to the creation of identity and recognition of a region or country of their origin. A close link between a product and a particular geographical area creates added value and recognition to the area and boosts agricultural development, especially for distant and dislocated areas. Moreover, their higher price category is a result of more expensive production that requires special raw materials and processing. For this reason, they are characterised by extraordinary quality and they provide their manufacturers with security and added value. There are numerous reasons why autochthonous agricultural products are protected - they produce numerous benefits for their buyers and their manufacturers. The process of protecting autochthonous products is implemented mainly with the objective of reaching higher price categories, creating identity and recognition, establishing a direct relation between a product and a geographic area, which endows the area with added value and recognition and contributes to rural development and establishment of interest groups. Likewise, introduction of geographic indicators or registered appellations of origin has stimulated the use of the area of origin as a branding tool (Rasmussen 1999).

Under the Food Act, nine products have so far been officially protected in the Republic of Croatia. These autochthonous products are protected at the national level and they are labelled "Product of Croatia." The following products are protected: the Dingač wine, Slavonian homemade kulen, the old Slavonian "šljivovica" (plum brandy), the Pag cheese, cured ham from Drniš, olive oil Torkul, the Cetina cheese, aromatised crisp bread Paški baškotin and the Prošek wine. At the European

Union level, 772 names of agricultural produce have been registered since 1992, and these products have a label of authenticity, geographic origin or traditional reputation.

Although there is no official classification of types of autochthonous agricultural products, according to data of the European Commission for Agriculture and Rural Development, we can identify the following types or categories of autochthonous protected products, namely fresh meat, meat products, cheese, oil, olives, fruit, vegetables, cereals, seafood, beer, vegetable extract beverages, bread, cakes, spices, pasta, wine and vine sorts. In Croatia, protection of autochthonous agricultural products is guided by Rules of Protection of Geographical Indication and Authenticity, regulations on awarding traditional reputation label for agricultural and foodstuff products and the Wine Act.

3. AUTOCHTHONOUS PRODUCTS AS PART OF REGIONAL IDENTITY

Each region has its own comparative advantages, natural assets, cultural heritage, history and manufacturing tradition, which makes it distinctive in relation to other regions. All these assets make up the identity of a region. Identity comprises all values making something unique and recognisable. For instance, the identity of city brand encompasses all values that make the city recognisable, unique and different from other competitors (Paliaga 2007). Regional brands should also be based on all values that make it unique and recognisable. For this purpose, regions need to build strong regional trademarks such as unique and typical wines or oils. The origin of wine may exercise a decisive influence on customers' choice (Batt & Dean 2000). Many Australian wine manufacturers label their wines with a regional designation of origin (Lockshin 1997). French wine industry introduced wine labelling at its very beginnings, using labels named after the respective wine manufacturing region, such as Bordeaux, Chardonnay and Chablis (Faith 1992). These products may be industrial, labelled with trademarks of large companies. They can be artisanal, labelled with a collective trademark, or they can have the designation of origin or controlled origin (Durrieu 2008). Connection between a brand and a region or country of origin is a tactical option used for strengthening brand identity (Aacker, 1996). In his research of Australian wine regions, Easingwood (2006) identified fourteen drivers of regionality reduced to seven most important, namely 1. Specialisation – production of one type of product , 2. Volume production – satisfying critical mass, 3. Opinion formation – press releases, publications, awards, 4. Quality – high and consistent , 5. Heritage – reputation of the region which takes time to develop, 6. Distinctive – a style of product easily recognised as belonging to a region, and 7. Terroir¹ - climate, prescribed varietal, wine manufacturers, and human factor making the wines characteristic and typical of the

¹ Terroir (franc. Terroir) – denotes a group of vineyards or vines from the same region, belonging to a particular label, sharing the same type of soil, climate and grapes imparting a unique quality to wine

region (Moran, 2001; Van Leeuwen & Seguin 2006). It follows that autochthonous products are extremely important elements of regional identity that can also be used as a basis for creating the concept of regional brand. Autochthonous products, as stated earlier in the paper, are traditional products with a firm link to the region of their origin. The link lies in geographical origin, tradition of production and culture. Tradition of production is reflected in traditional values and technology specific to the region. Geographical distinctiveness of autochthonous products is reflected in the unbreakable link with the region, since the distinctiveness of the product is exclusively the result of geographical position of the region. There are no geographically identical regions, and hence their geographical location affects the uniqueness of raw products used in production and the respective uniqueness of the end product. Culture is the last element that comprises values, norms and lifestyle or regional identity of people and the sociology of rural areas. It brings together social protagonists and processes active in creating autochthonous products through a specific dynamics of social relations. Therefore, we may conclude that autochthonous products and the region of their origin share a part of identity, that is, they have a common identity. The common identity of autochthonous products and regions is the basis of development of the strategic concept of regional brand based on autochthonous products. We can conclude that branded autochthonous products may serve as a basis for creation and strengthening of the existing regional brand with the objective of creating higher recognition in various markets through synergistic activity. A brand of autochthonous products may have a role in creating new or strengthening the existing brands because the precondition to build a successful brand is the corresponding brand identity (Vranešević, 2007).

4. AUTOCHTHONIOUS PRODUCT AS ELEMENT OF REGIONAL BRAND

Agricultural produce and foodstuffs have a firm relation with the area of their origin. Autochthonous products encompass inbuilt tradition, culture and history of a geographical area they come from. The country of region of origin is an important element of product evaluation and the respective evaluation of their country or region of origin. Schäfer (1997) argues that the country of origin has a great influence on product evaluation. A large number of studies indicate that consumers value products according to their origin (Niss, 1995). The country of origin is often the basis of product evaluation, and some authors maintain that the perception of the country of origin is a result of preference of brands coming from that particular country (Paswan and Sharma, 2004). Past studies of Bilkey (1982), Papadopoulos (1986), Ettenson (1988), Hausrueckinger (1993) et al. researched the role of the country of origin in Western Europe, America, Australia and Japan and found out that domestic products are more favourably valued than foreign products. Al-Sulaiti and Baker (1998) proposed that the country of origin should be the fifth element of marketing mix after price, promotion, product and distribution. Web and Po (2000) explain the effect of using the information about the country of origin. Globalisation increasingly encourages customers to be careful about buying foodstuffs. For this reason, customers are more likely to buy products labelled with the country of origin because they receive additional information about the product. Country or region of origin is an indicator of quality for customers. Lockshin (2005) proposes the implementation of regional brand as this will have a higher impact on consumer response and potential expansion of target market since a larger brand is more salient. The use of regional branding is a supplement “to add texture and richness to the industry's existing marketing and branding tiers” (Bruwer & House, 2003). Schamel (2006) shows a trend towards greater regional differentiation, which may be the consequence of increased labelling of regional authorities recognised products with geographical indicators in conformity with the trend. The use of regional indicators may involve specific quality characteristics associated with a particular location or image based on history, tradition and folklore of a region (Agarwal & Barone, 2005). Regional branding offers a new meaning of product differentiation by providing a place of connection for the consumer through the creation of brand recognition and the ultimate added value (Van Ittersum, 2001). In terms of image, there is a strong association of the image of autochthonous product to the image of the region where it is produced. Aacker (1996) points out that the region or country of origin endows a brand of product with credibility and implies quality of the product. Therefore, the image of product brand may be used in the global definition of the image of a region as a place (Kapferer 1992). Likewise, Kapferer (1992) states that the image is a synthesis of all associations the consumers have to the brand. According to Bruwer & House (2003), the image of the region of origin may be

used as a point of differentiation in the process of branding and as a marketing strategy if marketers take advantage of positive associations consumers have to that region.

5. EXPERIENCES OF BRANDED AUTOCHTHONOUS PRODUCTS WORLDWIDE, IN CROATIA AND ISTRIA AND THEIR INFLUENCE ON REGIONAL RECOGNITION

Many a region loses recognition in the whirlwind of globalisation. Nevertheless, there are some examples of successful preservation and creation of recognition of a region through autochthonous products. Cases in which autochthonous products have the role of creating or strengthening the existing regional brand are not numerous. However, there are still some best practice examples whose marketing success adds up to recognition of both the region and the autochthonous products. The creation of a brand is extremely complex and demanding. It is very important to create a clear story and message and have a quality product reflected in the brand. To provide a better understanding of the influence and role of autochthonous products in the creation or strengthening of regional brand, we can take the following best practice examples, namely Champagne wine, Arancia rossa di Sicilia, Pecorino Siciliano cheese, Istrian prosciutto, Istrian Malvasia, Bavarian beer, Chianti Classico wine, Chianti Classico olive oil, Bordeaux, Chardonnay and Chablis wines.

Champagne is a famous autochthonous product with Protected Designation of Origin (PDO) awarded by the EU and manufactured using the classic *champenoise* method. This world renowned autochthonous product comes from the French Region of Champagne Ardenne. Champagne denotes sparkling wine originating only and solely from this particular region. As a branded autochthonous product, it benefitted the region and France in numerous ways. Champagne is undoubtedly the most important autochthonous product of the region and part of its identity, culture and tradition based on which the region strengthened its identity, created its image and recognition and set up foundations for branding process. Today's Region of Champagne Ardenne has around 5.000 champagne manufacturers and 14.000 grape manufacturers. If we take into consideration all manufacturers, the annual turnover reaches over 300.000.000 bottles of wine of which approximately 40% are exported. Although the first mention of champagne goes back to the medieval period, the method used in champagne manufacturing was first used only in the nineteenth century. The association of champagne manufacturers (UMC) was established in 1882 with the task of running rural, economical and marketing aspects of champagne manufacturing. The association gathers more than one hundred

Champagne Houses and their brands, various types, styles and champagne tastes. Although there are numerous manufacturers making various types of champagne, they all have to abide by the same manufacturing rules. Each Champagne House has its brand or more brands working under the umbrella brand “Champagne.” One of the most famous brands is Dom Perignon manufactured by Champagne house Moët & Chandon.

“Arancia rossa di Sicilia” or “Blood orange of Sicily” is one of the best known Sicilian regional products with PGI label (Protected Geographical Indication). Blood oranges of Sicily are well-recognised citrus fruits with exceptional quality and benefits for human health. The Association of manufacturers of Sicilian blood oranges was set up in 1994. Following the establishment of the association, blood orange of Sicily received the status of protected geographical indication from the EU. The label guarantees that the product is made in Sicily and it also guarantees its quality. The objectives of the Association of manufacturers of blood oranges of Sicily are promotion, preservation and supervision of the product while it is positioned in the market under the new brand “Blood orange of Sicily.” In addition to preserving regional identity and strengthening recognition and image of the region in the market, the brand “Arancia rossa di Sicilia” and its PGI label are extra guarantees of authenticity and quality for customers.

Bordeaux is the most important wine region in France that makes prestigious red wines, renowned worldwide as Bordeaux wines or simply as “Bordeaux.” The surface covered by vineyards in this region amounts to approximately 120.000 hectares, with the annual production of over 850.000.000 bottles of wine. Wines from the Bordeaux Region are special for the climate where the grapes are grown. Around the city, in the wine growing area, there are approximately 14.000 wine producers and 400 wine brokers with a total turnover of EUR 14.5 billion. French wine industry in the nineteenth and twentieth centuries almost collapsed, partly because of phylloxera and partly because of economic crisis caused by the First and Second World War. As a consequence, the country lost its dominant wine manufacturing position, its production fell, along with the fall of quality and an assortment reduction. So that France could regain its leading wine-making position in the world market, several measures were undertaken. They introduced a system of stimulations for the production of wine with PDO, passed laws protecting the production and quality of wine and adopted guidelines regulating wine manufacturing regions. The system of all these measures is called A.O.C. - Appellation d'Origine Contrôlée, and it proved extremely successful resulting in registration of 350 wines with a denomination of controlled origin. The Bordeaux Region today produces 25% of the total number of A.O.C. wines, and the region boasts the title of the largest wine manufacturer with a denomination of controlled origin.

The Istrian prosciutto is an autochthonous product made in the Region of Istria in Croatia. It has been protected and awarded an authenticity label. The Istrian prosciutto is an autochthonous Istrian

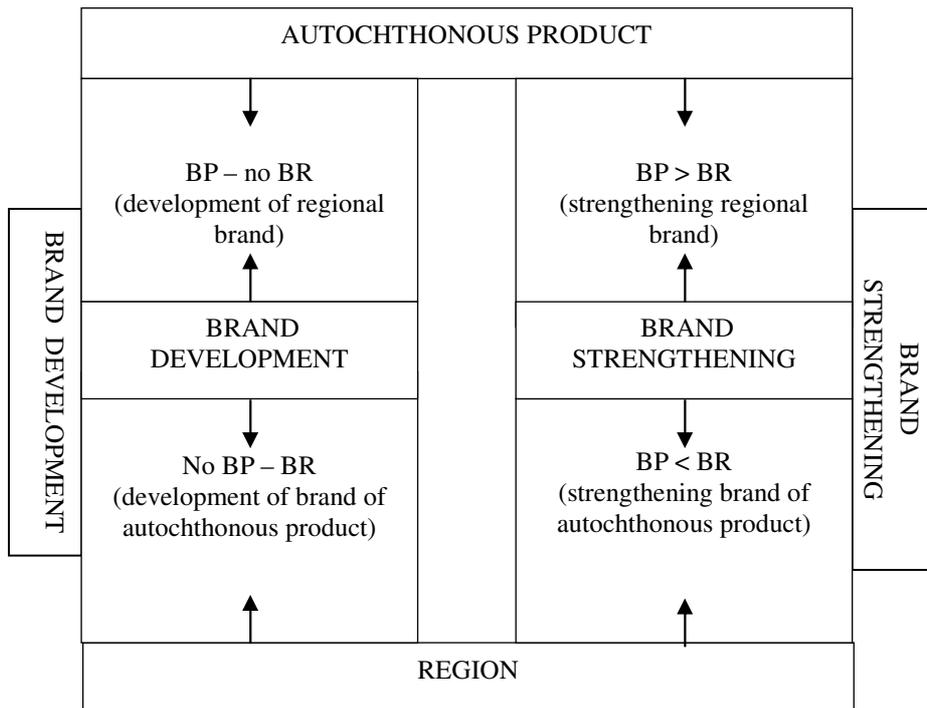
product of greatest value and pride for Istria, and as such, it clearly differs from other types of dry-cured ham types manufactured worldwide. It is particular in terms of being organic and healthy, without any artificial and harmful additives and because it is produced according to traditional recipes. Its distinctive features lie primarily in cultural heritage of the Istrian rural community and the overall natural assets of the Istrian Peninsula for production and processing agricultural products and foodstuffs. The Istrian prosciutto is a top quality Istrian autochthonous product and the best promotor of Istrian gastronomy, tourism and the region itself. Approximately 100.000 prosciuttos are annually sold in Istria, mostly for tourist and gastronomy purposes. The “Istrian Prosciutto” brand designates dry-cured meat product manufactured in conformity with strict rules of traditional production used for centuries in this particular geographical area. There are five manufacturers of the Istrian prosciutto in Istria, and they had to comply with strict regulations to obtain the manufacturing permit. Owing to “The Association of Manufacturers of the Istrian Prosciutto,” the Istrian prosciutto has its recognisable brand, its visual identity with manufacturer's declaration and other data required under the Food Act. In addition to information prescribed by law, the Istrian prosciutto label must state “Istrian Prosciutto” that has to be legible and more exposed than any other writing, including the common seal, number of production series, trademark, images and writings of the producer.

The Istrian Malvasia wine has been designated through the Istrian Quality - IQ brand as a high-quality wine made exclusively from autochthonous Istrian Malvasia grapes. IQ is a unique and active Istrian system of wine monitoring that continuously controls the quality of wine production, from the vineyard to the bottle. The strict wine supervision system is regulated by the Rules about Using the Label “Istrian Quality.” In 2008, there were 23 Istrian Malvasia wines with the IQ label. The “Istrian Quality” label for the Istrian Malvasia wine is primarily intended for designating high-quality wines made from Istrian Malvasia grapes, promoting further development of production of this autochthonous wine, improving its quality and production technology and promoting and selling the Istrian Malvasia nationally and worldwide. The “IQ” label enables the customer to recognise the Istrian Malvasia whose quality is superior to quality required by the law covering quality wines with geographic indication and higher than quality usually required and expected by the customer. It is a unique and active system of wine supervision in Croatia whereby winemakers gradually lift the threshold for wines labelled IQ – Istrian Quality for the purpose of increasing the quality of the product and making it uniform. The IQ label guarantees an active wine supervising system, from production conditions and methods and wine quality to the awarding and supervising procedures for label use. The project gathered numerous winemakers who, despite being regional competitors, nevertheless understand they have to place their product in the global market, which they do supported by the regional brand taking advantage of joint action and promotion.

Encouraged by more intense struggle in the global and domestic markets and the forthcoming accession of Croatia into the EU, the Vinistra Association decided to launch a strategic project to help its members respond to new challenges, threats and opportunities appearing over next few years. One of the basic development guidelines is increasing the competitiveness of the Istrian Malvasia by creating a special brand or trademark. The solution was found in the possibility of using the label “IQ” (Istrian Quality) which emphasises quality and simultaneously attracts attention by communicating the global abbreviation for intelligence, whereas the product and its customers receive additional exclusivity.

Branding autochthonous products leads to differentiation, strengthened identity, unification of promotional activities and creation of recognition for the identity of the region. This creates the basis for establishing the regional brand. Generally, at the beginning of regional branding process, we encounter four possible market situations, namely 1. There is a brand of autochthonous product, but there is no regional brand, 2. There is a strong brand of autochthonous product and a weak regional brand, 3. There is no brand of autochthonous product and the regional brand has already been created, 4. There is a weak brand of autochthonous product and a strong regional brand. The below matrix represents the four market situations.

Figure 1- Representation of brand development based on autochthonous products



Source: authors, 2011

The above matrix shows that the relationship between the autochthonous product and the region or its brands is two-way. Based on the matrix and the previously described examples for the development of brand based on affirmation and development of local autochthonous agricultural products, the situation when the brand of autochthonous product assumes the role and function of development or strengthening the regional brand is significant for purposes of the present paper. The below figure shows such situation.

Figure 2 -

It has been started earlier in the paper that branding a particular region requires realistic, competitive and unique (irresistible) vision of a region that has to be supported, strengthened and continuously enriched by all relevant factors constantly using all aspects of communication between the location and the rest of the world. In this paper, we assume that branded autochthonous products may be the foundation for the development of a very differentiated and recognisable regional brand. Only in such a case should the brand of autochthonous product become a constituent part of regional branding strategy, which is illustrated through the following proposal of regional branding model based on agricultural products.

PROPOSAL OF THE REGIONAL BRANDING MODEL (CONCEPT) BASED ON AGRICULTURAL PRODUCTS

Scheme 1

STAGE 1 – CREATING THE VISION (ANALYSIS AND PREPARATION)

1.1. Forming a small group of people in charge of developing regional brand with clear authorities and budgets (members should be representatives of the Tourist Board of the Istrian Region, agricultural manufacturers based in the Istrian Region, tourist workers, export agency, Agency for Rural Development of the Istrian Region, the Istrian Region, up to 8 persons)

1.2. Current situation analysis – analysis of current market situation, definition of number and type of autochthonous products (Istrian prosciutto, Istrian olives, Istrian Malvasia, Istrian ox), SWOT analysis, creating database of potentials

1.3. Defining a clear vision – Where do we want to be? What do we want to become? How do we see ourselves in the future?

1.4. Defining basic quantified objectives based on a clear vision – What exactly do we want to achieve? Over what period of time? What are the necessary resources?

1.5. Identification and elaboration of differentiated (distinctive) features of autochthonous products

- geographically conditioned (raw materials, terroir, processing, climate)
- conditioned by cultural heritage (manufacturing tradition, processing, packaging and authenticity)
- conditioned by market (price, design, competitiveness, uniqueness, quality, protection)

- generic features (added value)

1.6. Identification and elaboration of distinctive regional features based on which the region may differentiate

- geographically conditioned (position, nature, climate)
- conditioned by cultural heritage (culture, traditions, history)
- conditioned by market (tourism, competitive advantages)
- generic features (added value)

1.7. Creating key list of common features of autochthonous products and the region

STAGE 2 – IDENTIFYING KEY DIFFERENTIATING POINTS OF THE REGION AND CREATING THE BRAND

2.1. Choice of key differentiating point for the region differentiating it from other regions, or point that makes the region special (The list of products? What are the products like? What features will be crucial for differentiation? - list from Stage 1, Item 5, is the most important key)

2.2. Reexamining key differentiating points- ecologically acceptable features, culture, tradition, heritage, location, autochthonous products have an advantage

2.3. Selection of one or more key products - Selection of Hero Product (main purpose is to choose one or to products that really can do the difference)

STAGE 3 – IDENTIFYING KEY TARGET MARKETS

3.1. Analysis of market of customers – what target groups will be offered the regional product

3.2. Analysis of market of suppliers – detailed list of potential suppliers with clearly established quality control criteria

3.3. Defining the logistics system and physical distribution of products – key distributors, manipulation, warehouses and distribution centres, delivery, priorities and similar

STAGE 4 – BRAND DEVELOPMENT

4.1. Development and design of label of autochthonous products (design, logotype, name, colour, shape, associations)

4.2. Implementation of the brand of autochthonous products as part of regional brand

4.3. Development of regional brand (forming a joint brand, emphasised competitive advantage of autochthonous products, ecological region and similar)

STAGE 5 - IMPLEMENTATION

5.1. Development of desired image of the brand of autochthonous products – through a strong promotion of brand at the level of the region, communicating the importance and advantages of regional brand, communicating with the local community and authorities, creating general public support for the brand

5.2. Establishment of the centre for education and support of regional agricultural manufacturers with the objective of education and promotion of regional brand, improvement of the brand and development of new products

5.3. Communication and education of key subjects in charge of distribution and placement of products

5.4. Building relations with all relevant subjects – tourist subjects with the objective of promoting the regional brand and its emphasis as the key feature

STAGE 6 – CONTROL AND FEEDBACK

6.1. Measuring success of regional brand and autochthonous products – realised quantity of sales, realised sales income, realised new workplaces, brand equity-measuring the value of the brand, measuring brand recognition and its connection with the region

6.2. Feedback and corrections in the model

Source: authors, 2011

6. CONCLUSION

Regional branding based on agricultural produce requires the existence of a shared identity that represents the basis for the development of shared brand. We have shown that the existence of branded autochthonous product does not necessarily imply the existence of regional brand. In such a case, branded autochthonous product may serve as a basis for the development of highly differentiated and recognisable regional brand. Autochthonous product is a part of tradition, culture, heritage and identity of the region where it is manufactured. In addition to being a part of regional identity, it also has a positive influence on the image of the region and customers' perception of the region. Designations of authenticity, geographical indication, controlled origin or "traditional reputation" label are additional guarantees of quality and authenticity, which meets customers' requirements and earns their loyalty. In this way, customers create the relationship with the region of origin. In other words, in order for autochthonous products to serve as the basis for establishing the regional brand, the following requirements have to be fulfilled, namely 1. Having a regional autochthonous product, 2. The product has to be protected with the label of authenticity, geographic indication or strictly controlled origin, 3. The product has to be part of regional identity (history, culture, heritage), 4. The name of the product should contain the name of the region (Istrian Malvasia, Champagne, Arancia di Sicilia). Every autochthonous product that meets these requirements may be used in branding the region, which strengthens regional identity and emphasises its competitive advantages. The model or concept of regional branding based on autochthonous products proposed in this paper is an attempt to develop a systematic concept that could help various regions, particularly Croatian regions, to emphasise and valorise their autochthonous products and to promote, develop and brand their region to the benefit of more vigorous development of economy and better tourist valorisation. The model is based on authors' preliminary research and it has not yet been practically tested.

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