Marketing strategies in the EU macro-regions:
Cultural Routes and marketing of the macro-regional strategies

Routes4U Project

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Council of Europe

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Introduction

Routes4U manual series

The Routes4U manual series is an undertaking by the joint programme Routes4U of the Council of Europe (Directorate General of Democracy, Enlarged Partial Agreement on Cultural Routes) and the European Union (European Commission, Directorate General for Regional and Urban Policy). Routes4U aims at strengthening the Cultural Routes of the Council of Europe in the Adriatic and Ionian Region, the Alpine Region, the Baltic Sea Region and the Danube Region in line with the objectives of the respective macro-regional strategies.

To date, four macro-regional strategies have been adopted so far by the European Union: the EU Strategies for the Baltic Sea Region (EUSBSR, 2009), the Danube Region (EUSDR, 2010), the Adriatic and Ionian Region (EUSAIR, 2014) and the Alpine Region (EUSALP, 2015). The four EU macro-regions encompass 27 countries with more than 340 million inhabitants. They provide a policy framework to address common challenges facing the countries in a defined geographical area. They also strengthen co-operation and thus contribute to economic, social and territorial cohesion.

In the macro-regional context, Cultural Routes of the Council of Europe can play a role to promote and protect heritage, to strengthen sustainable cultural tourism and to increase transnational co-operation. The Council of Europe developed the Cultural Routes in 1987. Cultural Routes invite the traveller to discover Europe's rich and diverse heritage. They promote cultural diversity, intercultural dialogue and mutual exchanges across borders. They combine tangible and intangible resources, natural and cultural heritage, the past with the present.

A critical need for guidance for Cultural Routes professionals on the macro-regional strategies – and for the professionals working on the macro-regional strategies on the Cultural Routes – was identified in the framework of Routes4U. Various Routes4U expert meetings have revealed the need for more focused training and capacity development for the implementation and management of Cultural Routes and for the objectives and struc-tures of the macro-regional strategies EUSAIR, EUSALP, EUSBSR and EUSDR.

The development of an e-learning training and this series of manuals is a response to this need.

The manuals are intended to provide focused guidance to Cultural Routes managers, professionals working on the macro-regional strategies, cultural and tourism professionals and local and regional governments in the macro-regions. They aim to provide knowledge and assistance in effectively managing Cultural Routes that contribute to the objectives of the macro-regional strategies.

The manuals are user-friendly tools for capacity building on themes related to the Cultural Routes of the Council of Europe as well as the macro-regional strategies of the European Commission. They can be used independently for self-guided learning and as material at training workshops and should complement the basic provisions for understanding the basics of cultural tourism for regional development.

The manuals are published as online PDF documents which can be freely downloaded. They accompany an e-learning training programme that is freely available. The modules of the training programme are the following.

1. Cultural Routes in the EU macro-regions. Step-by-step guidance on certification and implementation.
2. Cultural tourism in the EU macro-regions. Cultural Routes to increase attractiveness of remote destinations.
3. Social participation and social cohesion in the EU macro-regions. Cultural Routes and community engagement.
4. Local and regional development in the EU macro-regions. Cultural Routes and SMEs.
5. Marketing strategies in the EU macro-regions. Cultural Routes and marketing of the macro-regional strategies.

Manual 5: Marketing strategies in the EU macro-regions

Marketing is an activity aimed at achieving the goals of enterprises, institutions and organisations by generating demand and maximising customers' satisfaction. The term "marketing" appeared in the 19th century and since then the methods have changed, been added to and widened.

From the outset, marketing was based on the "inside-out" approach (the production of a product and offering it to the market afterwards). By the 1960s, a new approach to the marketing field had arrived – the "outside-in"

approach – which focused on the demands, needs, wants and behaviour of future potential customers. This was a crucial period for marketing, in particular for the way it was used, and academics and professionals started exploring its use in other sectors of the economy outside industrial production and business.

A new stage of marketing – relationship marketing – appeared in the 1990s and marked the most important concept of modern marketing known to date. Further developments in the field included such types of marketing as digital marketing, experiential marketing and omni-channel marketing.

Marketing is a multilevel and complex field, the main goal being to find the right specialisations of marketing to use. Thus, the objective of Cultural Routes marketing within European macro-regional strategies is to establish an enduring relationship between the Cultural Routes and different types of audiences and to maximise their mutual satisfaction, while also considering the specifics of heritage marketing, arts marketing, destination marketing, tourism marketing and services marketing.

Strategy in marketing stands for a long-term vision of measures which have to be adopted in order to reach objectives related to the marketing performance of an organisation. Within marketing of the Cultural Routes, several types of strategies in line with the mission of a Cultural Route project shall be considered:

- ► Audience development strategy – related to the ambition of the project to address different kinds of publics;
- ► Marketing mix strategies – related to product development, pricing, place, marketing communication, people, programming, packaging and partnerships;
- ► Branding strategy – related to the necessity of building a strong brand.

1. The first step lies mainly in identifying a suitable audience for an existing product (the Cultural Routes, a destination, a heritage site) and in preparing a marketing programme in order to increase the visibility and value of heritage with the aim to attract selected publics. The audience, therefore, stands at the core of any marketing action of the Cultural Routes, and shall be equally considered within the EU macro-regional strategies.

In order to identify the audience, the marketing research needs to consist of planning, collecting and analysing data relevant to a marketing decision (including decisions related to competitors, providers, industry trends, etc.).

Source: Pexels © Kaboompics.com

Marketing research can be classified into three different perspectives:

- ▶ by objectives (exploratory, descriptive and causal);
- ▶ by source (primary or secondary);
- ▶ by methodology (qualitative – interviewing methods, observational and experimental research, or quantitative – survey).

As soon as the audience of the Cultural Route has been identified, marketers have to decide about further marketing actions in respect to its publics. These actions include an STPD approach based on segmentation, targeting, differentiation and positioning.

The audience development process is aimed at increasing the range of audiences. It is focused on both already existing and potential audiences, and related to such areas as marketing, educational activities, relationship building, social inclusion and programming.

2. The marketing mix (a set of controllable tactical marketing tools) of the Cultural Routes within the EU macro-regional strategies includes the basic elements – product, price, place, promotion, and extended variables – people, packaging, programming and partnership.

The specifics of the marketing mix for the Cultural Routes, except the use of the extended variables, lie in the adjustment of price, place and promotion to

the product (the cultural product). Therefore, the product (a Cultural Route and its heritage) stands outside the traditional commercial marketing approach characterised by the "outside-in" perspective. As a result, the product is not modified due to consumer preferences, but consumers are rather attracted to the already existing product. This is the logic of the "inside-out" approach.

The Cultural Routes constitute a unique category of cultural goods (product) which generate a connection between a heritage site in need of protection and development, and the cultural or regional context to which it must be linked in order to be fully understood and appreciated. In addition, the Cultural Routes represent a thematic tourism product. It appeals to the emotions, intellect and senses of a consumer. Thus, the creators of tourism should provide a visitor with experience: not just places to go and see, but feelings, sensations and activities to be experienced.

Cultural Routes marketing relates to non-profit marketing strategies (price), since the mission of the Cultural Routes lie in being "tangible illustrations, through European trans-border itineraries, of the pluralism and diversity of European culture based on shared values, and as means for intercultural dialogue and understanding" (CM/Res(2013)66) and not in generating a profit.

While having a non-profit goal, the Cultural Routes can still use pricing in a beneficial way, for example in order to reduce congestion, motivate and control staff and visitors' behaviour, and so on. However, when charging a price, non-profit making organisations have to consider the needs of those who cannot afford a proposed price. In this case, price differentiation can be used (segmented pricing). Cultural Routes marketing can involve customer-segment pricing, product-form pricing, location pricing, time pricing, etc.

The development of the tourism industry led to the appearance of a new structure of tourism value networks which replaced traditional vertical distribution channels. The new structure involves ICT, local culture and society, education, and so on. A destination (place) becomes an integral part of the value creation process in tourism. Moreover, the physical visit to a heritage place can be considered as only one possible option, since a remote visit via the internet becomes more and more popular as much as feasible these days.

Promotion as a marketing mix tool is used in order to create an awareness of a product in a market or to promote an idea. In relation to the marketing communication of the Cultural Routes, it refers to the means adopted for transmitting messages about the brand and products of the Cultural Routes to customers, with the intention of involving them in the Cultural Route offer.

Basic tools are used to accomplish communication objectives, which are often referred to as the communication mix (promotional mix), and traditionally they include five elements: advertising; sales promotion; public relations; direct marketing; personal selling.

The first of the extended marketing mix variables is people. It includes tourists, service personnel as well as local communities. This marketing variable is significant for creating an impression of a heritage site, since there are many elements which can affect the level of satisfaction of a visitor (number and behaviour of tourists, attitude of local people towards visitors, personnel involvement in a process of creating an enjoyable experience for tourists, etc.).

The Cultural Routes product is made up of a complex set of goods and services which are important in understanding that it is never just about a site. The overall product consists of heritage site/s, travel agents, airlines, car rental, hotels, restaurants, taxis, etc. Therefore, Packaging refers to the combination of two or more elements of the tourism experience in one product. Tour operators provide packages with transportation, accommodation, transfers, visits to attractions, travel insurance and other tourism components. Each packaging offer may vary depending on heritage site, destination, number of visitors, season and so on.

Programming includes events and attractions related to a main product of a particular Cultural Route. Cultural Routes' managers can retain interested audiences by offering new cultural experiences. For example, various festivals, exhibitions, concerts, conferences and forums can introduce a cultural product from a different perspective, thus people will become more eager to discover the history and culture of a site. The latter may lead to visitors deciding to stay on a site longer than intended and, therefore, this will increase customer spending, thereby creating small businesses in the future.

The success of a Cultural Routes project depends on the ability of the project to co-operate with local and international stakeholders. Partnership plays an important role from the very beginning of the project creation, since in order to receive the Cultural Routes certification, the project and its cultural heritage have to be represented in at least three countries of the Council of Europe.

3. Branding is a strategic tool used by marketers to create a meaning for a product. Thus, in recognising a brand, customers are also aware of the quality of the products and/or services they are offered. This facilitates consumers' decision making in relation to the well-known brands as well as the creation of customer loyalty.

The basic brand elements in terms of marketing are:

- ▶ brand visual identity (logo, colours, type, imagery);
- ▶ brand awareness;
- ▶ brand image (associations with the brand);
- ▶ customer-based brand equity.

Strong customer-based brand equity occurs when the consumer recognises a brand (brand visual identity), has a high level of awareness and familiarity with the brand (brand awareness) and holds in memory some strong, favourable and unique brand associations (brand image).

In order to implement all the strategies (audience development strategy, marketing mix strategies, branding strategy), a marketing plan is needed. It acts as a guide to putting into practice the above-mentioned strategies in relation to the marketing performance of a Cultural Route and/or a macro-region.

In this e-learning manual, we will explain the marketing strategies and their possible uses by the Cultural Routes, as well as within the EU macro-regions, and answer such questions as: what is a marketing strategy and how can it be applied to the fields of cultural heritage, regional development and tourism destinations? What are the differences between "traditional" marketing in business and marketing of cultural experiences? Which marketing tools should be used to address diverse audiences (target markets)? And what is the role of marketing and branding of the EU macro-regional strategies through the Cultural Routes of the Council of Europe?

The manual also presents best practices of already certified or candidate Cultural Routes; includes links, figures, suggested reading for further studying; and summaries that recapitulate the most important points at the end of each section.

I. Marketing and Cultural Routes

1. Marketing and its evolution from business to non-business sectors

Marketing has been defined as "the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return" (Kotler and Armstrong 2008: 5). Nowadays, marketing has become a significant dimension of any field, offering a value in order to get another value in return. The fields of cultural heritage, natural heritage, regions and tourism destinations are no exception.

Let us now look at how the separation from the business arena towards non-business sectors has evolved. Although the practice of marketing has been known for millennia, the term "marketing" only started to be used for describing the commercial activities of buying and selling products in the late 19th century. In the first half of the 20th century, marketing was implemented mainly within the industrial production of tangible goods. It gradually passed through three consecutive stages:

- ► the production concept focused on manufacturing, efficiency and economy of scale;
- ► the product concept centred on product quality, performance and innovative features;
- ► the selling concept was characterised by an increased sales effort often involving aggressive selling techniques.
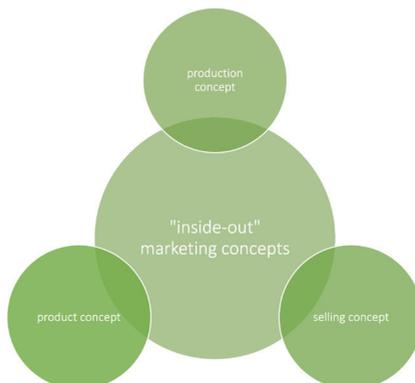
These three stages represent the so-called "inside-out" marketing approach (product – market), in which the marketing effort started inside the company with the product, and only afterwards the offering was placed out on the market.

In the 1960s, hand in hand with growing market saturation, the marketing optic shifted towards the "outside-in" orientation (market – product), from which the marketing concept was born. Marketing was started on the market by exploring customers' needs, wants and behaviours, while the product was designed only afterwards based on the market analysis. Marketing research techniques were developed and used to anticipate consumer behaviour before the product was even produced. Moreover, in this period academics and professionals also began to explore the role of marketing in other sectors of the economy outside industrial production and business. A pioneer paper by Philip Kotler and Sidney J. Levy entitled "Broadening the concept of marketing", and published in the *Journal of Marketing* (1969), highlighted the need for a broader consideration of marketing functions in non-business sectors. The authors defended this proposal on several grounds (Kotler 2015).

▶ Marketing helps practitioners in non-commercial sectors become more successful in pursuing their goals.

▶ The marketing field can benefit by recognising new issues and developing new concepts that can be brought back to and can offer insight into commercial marketing practice.

▶ By expanding its territory, marketing can gain more attention and respect for what it can produce.

In the 1970s, the societal marketing concept emerged with the ambition to deliver value to consumers in a way that maintains or improves both consumers and society's well-being. Societal marketing later embraced the sustainable marketing perspective with important consumerism and environmental concerns. The environmental branch has evolved into the green marketing of today.

Starting in the 1990s, a new stage of marketing – relationship marketing – emerged, and has been considered the most important modern marketing concept to date. The concept was further labelled as customer relationship management (CRM) and characterised as the overall process of building and maintaining profitable customer relationships by delivering superior customer value and satisfaction. This period also witnessed a boom in applied marketing specialisations for diverse sectors. Kotler (2015) lists the following areas in order of their appearance:

1. Social marketing
2. Educational marketing
3. Health marketing
4. Celebrity marketing
5. Cultural marketing (museums and performing arts)
6. Church marketing
7. Place marketing

Source: Pexels

The turn of the millennium was marked by the development of the internet, the emergence of a virtual market and the birth of digital marketing.

Technological advances enabling the mass expansion of accessible communication devices among consumers and the emergence of diverse e-commerce platforms moved marketing into a new digital age. In addition, consumers were increasingly interested in consumption experiences rather than just simple products or services. This gave rise to experiential marketing. In the first decade of the 2000s, social media entered the game, bringing new opportunities for easy access to diverse audiences worldwide. The co-existence of the physical and virtual markets enabled the parallel use of several marketing channels (physical retail store, website, mobile application, etc.) and has led to omni-channel marketing. This new phenomenon together with the boom of social media marketing and the development of new immersive shopping experiences (augmented reality/virtual reality) have been changing the nature of consumer behaviour more than in any other comparable period of history.

Further reading

▶ Kotler P. (2015), "The role played by the broadening of marketing movement in the history of marketing thought", *Journal of Public Policy & Marketing* Vol. 24, No. 1, Spring 2015, pp. 114-16.

▶ Kotler P. and Armstrong G. (2008), *Principles of marketing* (12th edn), Pearson Prentice Hall, Pearson International Edition, London.

▶ Kotler P. and Levy S. J. (1969), "Broadening the concept of marketing", *Journal of Marketing* Vol. 33, No. 1, pp. 10-15.

2. Marketing in the context of the Cultural Routes

Having understood current marketing trends, we can now analyse the subject matter and specifics of Cultural Routes' marketing.

Cultural Routes marketing involves several applied marketing specialisations:

a. Heritage marketing
b. Arts marketing
c. Destination marketing
d. Tourism marketing
e. Services marketing

a. Heritage marketing

The heritage, which involves cultural, natural, industrial, tangible and intangible assets, represents the core element of the Cultural Routes. The Cultural Routes programme aims at "raising awareness of the shared European heritage as a cornerstone of European citizenship, a means of improving the quality of life and a source of social, economic and cultural development" (Resolution CM/ Res(2013)66 confirming the establishment of the Enlarged Partial Agreement on Cultural Routes (EPA).

In addition, the "Enhancement of memory, history and European heritage" is one of the five priority fields of action specified in Rules II.2. Resolution CM/Res(2013)67 revising the rules for the award of the "Cultural Route of the Council of Europe" certification.

Marketing in this area relates specifically to these priorities:

► enhance physical and intangible heritages, explain their historical significance and highlight their similarities in the different regions of Europe;

► identify and enhance European heritage sites and areas other than the monuments and sites generally exploited by tourism, in particular in rural areas, but also in industrial areas in the process of economic restructuring;

► contribute through appropriate training to raising awareness among decision makers, practitioners and the general public of the complex concept of heritage, the necessity to protect, interpret and communicate it as a means for sustainable development, and the challenges and opportunities it represents for the future of Europe.

Heritage marketing is concerned to identify suitable target markets or audiences for a product or service (which may be developed or enhanced, once the needs of the market have been understood) by using the process of market segmentation (Misiura 2006).

Further reading

► Misiura S. (2006), *Heritage marketing: principles and practice*, Routledge, London.

ATRIUM Architecture of Totalitarian Regimes of the 20th Century In Europe's Urban Memory: Torviscosa, Italy © ATRIUM

b. Arts marketing

"Contemporary cultural and artistic practice" is another of the five priority fields of action specified in Rules II.4. Resolution CM/Res(2013)67.

In this field of action, the projects must:

► encourage activities and artistic projects which explore the links between heritage and contemporary culture;

► highlight, in contemporary cultural and artistic practice, the most innovative practices in terms of creativity, and link them with the history of skills development, whether they belong to the field of the visual arts, the performing arts, creative crafts, architecture, music, literature or any other form of cultural expression.

Each work of art seeks its audience; and this is where arts marketing comes into play. In contrast to the business sector, arts marketing applies the inside-out marketing perspective, which means that the work of art is first created and only afterwards placed on the market to attract its audience. This marketing model was described by François Colbert et al. (1994) as the "product-to-client" approach and has been considered typical for the arts sector. This approach also applies to heritage marketing, regardless of whether it is a cultural or natural heritage.

Accordingly, the aim of arts marketing has been formulated as bringing "an appropriate number of people, drawn from the widest possible range of social background, economic condition and age, into an appropriate form of a contact with the artist and, in so doing, to arrive at the best financial outcome that is compatible with the achievement of that aim" (Diggle 1994: 25).
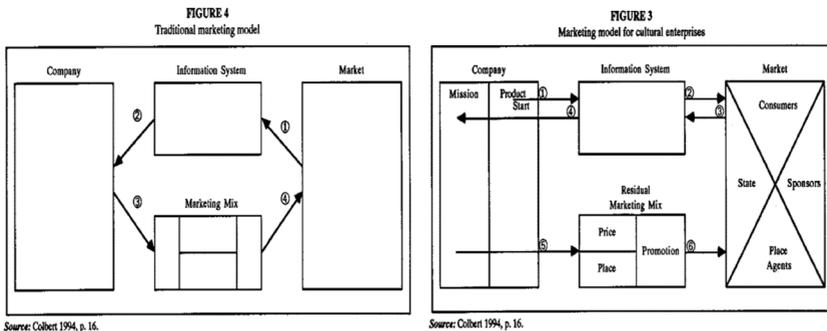
Source: Colbert F. et al. (1994) in Cox S., Radbourne J. and Tidwell P. M. (1998).

Figure 1. Traditional marketing model vs. Marketing model for cultural enterprises.

Further reading

► Colbert F. and Ravanas P. (2018), *Marketing culture and the arts* (5th edn), HEC, Montreal.
► Colbert F. et al. (1994), *Marketing culture and the arts*, Morin, Montreal.

► Cox S., Radbourne J. and Tidwell P. M. (1998), "Museum marketing: implications for extending the current literature", *AP – Asia Pacific Advances in Consumer Research* Vol. 3, www.acrwebsite.org/volumes/11572/volumes/ap03/AP-03.

► Diggle K. (1994), *Arts marketing*, Rhinegold, London.

c. Destination marketing

The Cultural Routes project aims to "promote Europe – including lesser-known regions – as a destination offering a unique cultural experience" (CM/Res(2013)66). From a marketing perspective, it is the destination itself that performs the role of an offer to be placed on the market. The goal of destination marketing, which is also referred to as "place marketing", is to create awareness and interest in destinations. Kotler and Armstrong (2008: 223) define place marketing as "activities undertaken to create, maintain, or change attitudes or behaviour towards particular places". Several destination levels with respect to the Cultural Routes can be considered for the purpose of marketing places. We can promote Europe, a macro-region, a cluster of regions connected within the Cultural Route, the Cultural Route itself, or even individual heritage sites and attractions on the Cultural Route. Destination marketing is particularly important within EU macro-regional strategies.

Learn from best practices: European macro-regional strategies

In 2009, a new type of European policy framework was initiated at the governing bodies level – the EU strategies for the macro-regions. A "macro-regional strategy" is an integrated framework endorsed by the European Council to address common challenges faced by a defined geographical area relating to member states and third countries located in the same geographical area. Regions or territories integrated in a macro-regional strategy principally share a common functional context, such as mountains or sea and river basins, as well as features or challenges; and they co-operate on common issues contributing to economic, social and territorial cohesion. Today, 19 EU countries and eight non-EU countries participate in one or more macro-regional strategies. To date, four EU macro-regional strategies have been adopted:

► EU Strategy for the Baltic Sea Region (EUSBSR, adopted in 2009);

► EU Strategy for the Danube Region (EUSDR, adopted in 2010);

► EU Strategy for the Adriatic and Ionian Region (EUSAIR, adopted in 2014);

► EU Strategy for the Alpine Region (EUSALP, adopted in 2015).

In addition, the Routes4U project has been launched in the framework of the joint programme between the Council of Europe (Directorate General of Democracy) and the European Union (European Commission – DG REGIO). The 30-month project (2017-20) enhances regional development through the Cultural Routes of the Council of Europe in the Baltic Sea, the Danube, the Adriatic and Ionian and the Alpine regions. These EU macro-regions encompass 27 countries with more than 340 million people. Routes4U contributes to cultural co-operation and provides a platform for regional, transnational and international stakeholders.

In line with the Faro Convention, the Routes4U project promotes the importance of local citizens and their affinity with their region as essential to understanding and rediscovering the cultural identity of the sites. It stimulates new activities, encouraging the cultural heritage and tourism sector in a sustainable way and ensuring that economic use does not threaten the cultural heritage itself.

Specific objectives of Routes4U include:

1. fostering sustainable growth for creative industries and the tourism sector in the EU macro-regions;

2. strengthening the cultural tourism sector and developing Cultural Routes projects in the EU macro-regions;

3. improving the visibility of the Cultural Routes of the Council of Europe in the EU macro-regions.

To learn more

► Council of Europe/European Union (n.d.), Fostering regional development through Cultural Routes – Routes4U project, https://pjp-eu.coe.int/en/web/cultural-routes-and-regional-development/home.

► European Commission (n.d.), Macro-regional strategies, https://ec.europa.eu/regional_policy/en/policy/cooperation/macro-regional-strategies.

Although the local community plays an important role in destination marketing management, the most important market for destinations is formed by tourists. According to Ashworth and Goodall (2013) the distinction on the supply side between the tourism industry and the tourism destination is an important one: the product of the industry and that of the destination overlap but are not necessarily identical. As pointed out by Edgell (2015), the tourism industry has the capacity to either enrich a destination through effective planning and efficient management of the natural and built environment, or destroy the destination due to the negative impact on the place arising from unplanned and poorly managed tourism development. Therefore, destination marketing has a particular responsibility with respect to the sustainable development of regions, places and sites.

Further reading

- ► Ashworth G. J. and Goodall B. (2013), *Marketing tourism places*, Routledge, London.
- ► Edgell D. L. (2015), "International sustainable tourism policy", *The Brown Journal of World Affairs* Vol. 22, No. 1, pp. 25-36.
- ► Kotler P. and Armstrong G. (2008), *Principles of marketing* (12th edn), Pearson Prentice Hall, Pearson International Edition, London.
- ► Pike S. (2015), *Destination marketing essentials* (2nd edn), Routledge, New York.

d. Tourism marketing

Given the fact that the Cultural Routes concept aims to "raise awareness globally of Europe as a tourism destination of a unique value and quality" (Article 1.1 CM/Res(2013)66), tourism marketing plays a significant role in the Cultural Routes marketing perspective.

The tasks of the Enlarged Partial Agreement on Cultural Routes (EPA) specified in Article 1.2 of Resolution CM/Res(2013)66 include support to networking and exchange between Cultural Routes operators and other partners in the field of cultural tourism, in particular for:

- ► the development of a common vision and strategy for the Cultural Routes as tourism products;
- ► the development of partnerships to increase the resources available for cultural tourism in Europe;
- ► the identification and dissemination of good practices.

Source: Unsplash © Jacek Dylag

Tourism marketing is understood as a systematic process by which an organisation tries to maximise the satisfaction of tourists' demand through research, forecasting and the selection of tourism products and services to meet that demand (Kotler et al. 2016). However, tourism marketing has typically been seen as exploitative and fuelling hedonistic consumerism (Font and McCabe 2017: 869). Therefore, adopting the perspective of sustainable tourism appears to be the most relevant approach towards Cultural Routes marketing strategy development within EU macro-regional strategies.

Further reading

▶ Font X. and McCabe S. (2017), "Sustainability and marketing in tourism: its contexts, paradoxes, approaches, challenges and potential", *Journal of Sustainable Tourism* Vol. 25, No. 7, pp. 869-83, https://doi.org/10.1080/09669582.2017.1301721.

▶ Kotler P., Bowen J., Makens J. and Baloglu S. (2016), *Marketing for hospitality and tourism* (7th edn), Pearson Prentice Hall, London.

e. Services marketing

Services marketing is a broad category of marketing strategies focused on selling anything that is not a physical product. Tourism is a service – an intangible

experience is being sold, not a physical good that can be inspected before it is bought. The service provided is usually composed of several components such as transport, accommodation, gastronomy, attractions, activities, events, etc. The degree of success of any component determines the success of the service as a whole and influences overall consumer satisfaction.

However, services have several particular characteristics which differentiate them from physical products, and which also affect their marketing strategy. Jönsson (2005) summarises the specific features of tourism services as perishability, inseparability, variability and intangibility.

▶ **Perishability**: Tourism products have a high level of perishability, meaning that the products cannot be produced and stored today for future consumption. The flip side of perishability is the sustainability of the tourism product – it can be sold over and over again. A tourist is granted the use of the product bought but not the right to own it.

▶ **Inseparability**: The service aspect of the tourism product makes it inseparable, as production and consumption happen simultaneously and in the same place. The buyer must be present to experience or consume the service provided by the seller. The entire product (service and good) is consumed on the premises with the seller on hand and the customer never knows what is being bought until it has been consumed. Because of the frequent contact between consumer and producer, this leads not only to inconsistencies in the quality of the product but also customer satisfaction levels are very much affected. As a result, every time a service is being purchased, a new risk is being assumed.

▶ **Variability**: Each interaction between producer and consumer is a unique experience affected by the human element. The mood and expectations of each individual involved in the service encounter leads to variability in product. These human elements lead to inconsistency in the service and can result in unsatisfying encounters.

▶ **Intangibility**: Services are experienced and therefore cannot be inspected prior to purchase or consumption. Because of its intangible nature, once consumed the product itself cannot be returned if the purchase is unsatisfactory. This requires a considerable effort in marketing and distribution of these products. Also, the product cannot be sampled before purchasing, which makes the tourism product a high-risk product. Because the customer cannot see, compare or try out tourist products before deciding to purchase, the need for reliable pre-purchase information is very important. "Word of mouth" is therefore an important source of product information.

► **Other characteristics**: Simultaneous consumption is another characteristic of the tourism product. This means that since a tourist does not always buy exclusive rights to use a product, the tourism product may be consumed by more than one tourist or group at a time. Moreover, the tourism product is not a single product but a package of goods and services which cannot survive without each other. The customer has to travel to the product, rather than the product being delivered to the customer. Consequently, the demand for tourism products can fluctuate and changes may be affected, for example, by foreign exchange rates and political instability. Finally, the seasonal demand for tourism is another factor which is part of the tourism product. The bulk of demand is in July and August. Tourism marketing is therefore concerned with trying to stimulate off-peak demand to improve visitor numbers at the destination at quieter times.

Further reading

► Jönsson C. (2005), "Tourism marketing basics", in Blawatt K. R. *Marketing basics for the Caribbean*, Ian Randle Publishing, Kingston, pp. 417-43, www. researchgate.net/publication/229428573_Tourism_Marketing_Basics.

► Wirtz J. and Lovelock C. (2016), *Services marketing: people, technology, strategy* (8th edn), World Scientific Publishing Company, London.

Source: Unsplash © Markusspiske

The objective of Cultural Routes marketing within European macro-regional strategies is to optimise the relationship between the Cultural Routes and different types of audiences and maximise their mutual satisfaction, while considering the specifics of heritage marketing, arts marketing, destination marketing, tourism marketing and services marketing.

The *Handbook on marketing transnational tourism themes and routes* (2017) aims at helping the reader acquire a deeper understanding of transnational tourism themes and routes that are already proposed to travellers. Through illustrative case studies it provides practical guidance – especially for national tourism organisations and administrations (NTOs and NTAs) – on the creation and implementation of tourism routes and on marketing thematic tourism, including its development, management and promotion. The handbook enriches UNWTO's tools for innovation, and feeds into the European Travel Commission's (ETC) "Destination Europe 2020" strategy, contributing also to the development and promotion of its VisitEurope.com internet portal (UNWTO 2017).

Further reading

▶ World Tourism Organization and European Travel Commission (2017), *Handbook on marketing transnational tourism themes and routes*, UNWTO, Madrid, www.e-unwto.org/doi/book/10.18111/9789284419166.

First summary

1. Marketing has become a significant dimension of any field offering a value in order to get another value in return. Marketing implies the process of creating value for customers and building strong customer relationships in order to capture value from customers within many different fields.

2. There are two marketing approaches: "inside-out" and "outside-in". The inside-out approach (product – market) is based on the product first being created inside a company and only afterwards placed out on the market. The marketing optic shifted towards the outside-in orientation (market – product) in the 1960s, by which time the marketing concept was born. The outside-in approach is focused on the analysis of customers' needs, wants and behaviours, while the product design is based on the result of received data.

3. The most important features that characterise current marketing practice are:

▶ co-existence of physical and virtual market;

▶ predominant market orientation (outside-in);

- ► applied marketing (different sectors);
- ► societal, sustainable and green marketing;
- ► customer relationship management (CRM);
- ► digital marketing;
- ► experiential marketing;
- ► social media marketing;
- ► omni-channel marketing.

4. Marketing of the Cultural Routes is applicable to several different marketing specialisations. It relates to:

- ► heritage marketing;
- ► arts marketing;
- ► destination marketing;
- ► tourism marketing;
- ► services marketing.

5. The inside-out marketing perspective, also labelled as "product-market" or "product-to-client" approach, is considered typical for heritage marketing, as well as for arts marketing. Both heritage and arts marketing are concerned with identifying suitable audiences for an existing product or service.

6. Tourism services have some unique features that differentiate them from physical products. These features are:

- ► perishability;
- ► inseparability;
- ► variability;
- ► intangibility.

II. Audience development and Cultural Routes

1. Defining audiences of Cultural Routes

Audience (public) in marketing stands for a group of consumers identified as the targets or recipients for a particular offer and related marketing message. As explained in Chapter I, the main responsibility of marketing is to create value for customers and build strong customer relationships. In the case of heritage marketing, the effort lies mainly in identifying a suitable audience for an existing product (the Cultural Routes, destination, heritage site), and in preparing a marketing programme to increase the visibility and value of heritage with the aim to attract selected publics. The audience, therefore, stands at the core of any marketing action of the Cultural Routes, and shall be equally considered within the EU macro-regional strategies.

An effective marketing strategy has to be built on the sufficient knowledge of audiences, and their appropriate selection, addressing, retention and growth. Thus, before developing a marketing strategy the Cultural Routes managers have to answer several questions.

- ► Who are cultural tourists and what do they seek?
- ► Who are the audiences of Cultural Routes and visitors of the EU macro-regions?
- ► How do we group, select and address selected publics of the Cultural Routes and EU macro-regions?
- ► How do we retain and build audiences of the Cultural Routes and visitors of EU macro-regions?

What do we know about cultural tourists in Europe?

Florence, Italy. Source: Unsplash © Joshua Earle

In total, 393 million people travelled around the world for a tourism purpose between 2008 and 2017 (UNWTO 2018a). Moreover, the trend of international tourist travels is growing. It is estimated that cultural tourism accounts for around 40% of all international tourist arrivals (UNWTO 2018b). The main qualitative trends in tourism identified by the European Association for Tourism and Leisure Education (ATLAS) include the increased number of "cultural holidays"; and more visits to cultural events and festivals, driven by increased supply and a desire for co-presence (Council of Europe/European Commission 2011). Up to one third of EU travellers indicate that cultural heritage is a key factor in choosing a travel destination (European Commission 2014b). Europe is one of the world's regions with the largest concentration of cultural heritage, and it has been recognised as the world's No. 1 tourist destination (European Commission 2010b). Cultural tourism is also seen as a desirable market by many countries and regions because it is generally high-spending tourism, usually undertaken by highly educated individuals who stimulate cultural activity in the destination. Local residents also seem to appreciate the potential benefits of cultural tourism as it is a form of quality tourism (Council of Europe/European Commission 2011).

To learn more

▶ Council of Europe/European Commission (2011), *Impact of European Cultural Routes on SMEs' innovation and competitivenes*s, https://rm.coe.int/1680706995.

▶ European Commission (2010b), *Europe, the world's No 1 tourist destination – a new political framework for tourism in Europe*. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, COM(2010) 352 final, Brussels, 30.6.2010, https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0352:FIN:EN:PDF.

▶ European Commission (2014b), *Towards an integrated approach to cultural heritage for Europe*. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, COM(2014) 477 final, Brussels, 22.7.2014, https://ec.europa.eu/assets/eac/culture/library/publications/2014-heritage-communication_en.pdf.

▶ World Tourism Organization (2018a), *Annual Report 2017 World Tourism Organization*, www.turob.com/Files/Dosyalar/pdf/UNWTO2017.pdf.

▶ World Tourism Organization (2018b), *Tourism and Culture Synergies*, UNWTO, Madrid, www.e-unwto.org/doi/pdf/10.18111/9789284418978.

These are general trends in the cultural tourism sector. However, when it comes to the visitors of a particular Cultural Route or specific EU macro-region we need to go into more detail in order to understand the socio-demographic structure, motivations, visit intentions, expectations, behaviours, barriers and satisfactions of people visiting each Cultural Route or the whole macro-region. Also, when attracting tourists to any heritage site or cultural offering we always have to consider sustainable tourism development alternatives.

Learn from best practices: sustainable tourism development within the EU Strategy for the Adriatic and Ionian Region

One of the four pillars of the EU Strategy for the Adriatic and Ionian Region (European Commission 2014a) is sustainable tourism. The pillar focuses on developing the sustainable and responsible tourism potential of the Adriatic and Ionian Region through innovative and quality tourism products and services. It also aims at promoting responsible tourism behaviour on

Sustainable Tourism
EUSAIR

the part of all stakeholders (wider public, local, regional and national private and public actors, tourists/visitors) across the region. Facilitating the socio-economic perspectives, removing bureaucratic obstacles, creating business opportunities and enhancing the competitiveness of SMEs are essential for the development of tourism.

The specific objectives of this pillar are:

▶ diversification of the macro-region's tourism products and services along with tackling seasonality of inland, coastal and maritime tourism demand.

▶ improving the quality and innovation of the tourism offer and enhancing the sustainable and responsible tourism capacities of the tourism actors across the macro-region.

To achieve the above-mentioned objectives the pillar focuses on two topics:

▶ Topic 1 – Diversified tourism offer (products and services)

▶ Topic 2 – Sustainable and responsible tourism management (innovation and quality)

Brtonigla, Croatia © Tim Ertl

In addition, the *Analysis of the EUSAIR national tourism strategies for identifying common priorities and actions in relation to the EUSAIR action plan* (European Commission 2017) was presented as a basis for the common tourism strategy of the Adriatic and Ionian Region. The list of joint proposals/actions, with a

macro-regional dimension, was prepared including proposals directly connected with cultural tourism marketing and the Cultural Routes.

► Development of a package of EUSAIR tourist products, to be promoted in China, in view of 2018 being EU–China Tourism Year;

► Establishment of the EUSAIR tourism agency, composed of staff from the eight participating countries for the marketing promotion of the Adriatic and Ionian macro-region, to be considered as a sustainable and responsible tourism destination;

► Development of a unique EUSAIR brand in consideration of the proposal made by the Forum of the Adriatic and Ionian Chambers of Commerce (AIC), regarding the ADRION logo, which has been already registered at international level, the copyright belonging to the AIC Forum;

► Exploring the possibility to establish within the Adriatic and Ionian macro-region, the INSTO (International Network of Sustainable Tourism Observatories) endorsed by UNWTO. INSTO was recently established in Croatia and could also become a model and driver for the other EUSAIR countries; capitalising on the successful experience of some ETIS (European Tourism Indicator System) awarded Croatian, Slovenian, Italian and Montenegro destinations, in order to share the good practices for measuring the impact and collecting data on sustainable tourism and to expand the number of ETIS destinations within the EUSAIR;

► Involvement in the European Parliament Preparatory Action on cultural heritage, which aims at developing a large-scale project that integrates cultural heritage recognised as outstanding by UNESCO into a consumer friendly platform and a series of thematic routes for sustainable tourism development across Europe;

► Mapping of the existing Cultural Routes certified by the Council of Europe, as well as the exploration of new thematic projects relevant for EUSAIR. The project focuses on the development of four European Cultural Routes. These routes combine world heritage sites, underwater sites and/or intangible heritage;

► Establishment of networks based on thematic tourism already existing in the countries;

► Creation of a "digital ecosystem of culture and tourism", with the participation of all stakeholders;

► Development of a standardised ICT platform digitalisation of the tourist services;

► Development of a EUSAIR smart specialisation network for tourism and cultural issues.

To learn more

► European Commission (2014a), *Action Plan concerning the European Union Strategy for the Adriatic and Ionian Region*. Commission Staff Working Document, COM(2014) 357, SWD(2014) 191 final, Brussels, 17.6.2014, https://ec.europa.eu/regional_policy/sources/cooperate/adriat_ionian/pdf/actionplan_190_en.pdf.

► European Commission (2017a), *EU Strategy for the Adriatic and Ionian Region – pillar IV, report/analysis of the EUSAIR national tourism strategies for identifying common priorities and actions in relation to the EUSAIR action plan-pillar IV: "sustainable tourism". Defining relevant EUSAIR macro-regional mid-term tourism result indicators and targets*, www.adriatic-ionian.eu/wp-content/uploads/2018/04/Report-of-the-EUSAIR-national-tourism-strategies-for-identifying-common-priorities-and-actions-in-relation-to-the-EUSAIR-action-plan-pillar-IV-sustainable-tourism.pdf.

► The Adriatic and Ionian Region website, www.adriatic-ionian.eu.

2. Marketing research

Marketing research consists of planning, collecting, and analysing data relevant to a marketing decision. Marketing research can focus on various areas where a marketing decision is needed (audiences, competitors, providers, industry trends, etc.). It is also the right tool for the identification and understanding of Cultural Routes' and macro-regions' audiences.

Process of marketing research

The marketing research is a process that comprises five steps during which marketers of the Cultural Routes or of the macro-regions do the following.

Step 1: Define a problem and set research objectives

Step 2: Develop a research plan

Step 3: Collect relevant information

Step 4: Develop findings

Source: Pexels © Juhasz Imre

Step 5: Take marketing actions

Step 1: Define a problem and set research objectives

Problem: We want to know who visitors of the Cultural Route are and how they feel about their experience.

Research questions and objectives

- ► What is the socio-demographic structure of our audiences?
- ► What is their main motivation for selecting this particular Cultural Route to visit?
- ► Where do they come from?
- ► Is this their first visit?
- ► Were they satisfied with their experience? Did the programme of the Cultural Route satisfy their expectations?
- ► What would enhance their cultural experience in future?

Step 2: Develop a research plan

Planning the process of marketing research

- ► What kind of marketing research shall we conduct?
- ► What kind of data do we need for answering research questions?
- ► Where can we get the data for answering our research questions?
- ► When does the research have to be carried out and how long shall it take?
- ► What are the constraints of the research?

Step 3: Collect relevant information

Decisions about the methods of data collection:

- ► How shall we gather data which already exists?
- ► If new data is needed, how shall we collect them?
- ► What kind and size of sample shall we consider for the research?

Step 4: Develop findings

- ► Analyse data and answer the research questions.
- ► Did the market research meet its objectives?

- ▶ Did we get the information we were looking for?
- ▶ Summarise the marketing research findings.

Step 5: Take marketing actions

- ▶ Based on the research findings, identify recommendations and decide how to approach the audiences of Cultural Routes and with what kind of marketing offerings.

Learn from best practices: audience research of TRANSROMANICA (certified Cultural Route of the Council of Europe, since 2007)

TRANSROMANICA – The Romanesque Routes of European Heritage guides visitors back into medieval times and provides them with an opportunity to meet architectural Romanesque heritage – castles, monasteries and cathedrals built between the 10th and 13th centuries. In co-operation with CrossCulTour platform (Cross-Marketing Strategies for Culture and Tourism) the Cultural Route TRANSROMANICA conducted visitor research at 25 Romanesque sites in four different European countries: Germany, Austria, Italy and Slovenia. A total of 2 446 visitors were interviewed, 47% of whom came from Germany, almost 25% from Italy, 10% from Austria and almost 10% from Slovenia.

The majority of respondents were highly educated, with almost 40% having some form of higher education qualification. Most of the respondents had also visited other Romanesque sites in the past. Around 30% had visited Romanesque sites in the survey country, while 47% had also visited sites in other countries. Over 80% of the total sample had visited more than five Romanesque sites in total. Over a quarter of respondents indicated that the selected Romanesque site was the main motive for travel. Just over 20% of respondents visited the Romanesque site by chance, because it was on their way. The average expenditure per person was €12.70, reflecting the relatively large number of day trippers. If people who reported no expenditure are excluded from the calculations, the average spend rises to almost €40 per person (but this figure may tend to exaggerate the relatively low spend of most visitors).

However, the marketing research revealed that visitors were not generally interested in transnational tours linking different countries in the network. This reduces the possibility of working with tour operators and other tourism providers on a transnational basis.

To learn more

► Council of Europe/European Commission (2011), *Impact of European Cultural Routes on SMEs' innovation and competitivenes*s, https://rm.coe. int/1680706995.

► Council of Europe (n.d.), TRANSROMANICA – The Romanesque Routes of European Heritage, www.coe.int/en/web/cultural-routes/transromanica-the-romanesque-routes-of-european-heritage.

Marketing research typology and tools

Having explained the basic steps in marketing research, let us now look at the main research tools and possibilities for their implementation within the field of Cultural Routes and within the context of the macro-regions.

Marketing research can be classified from three different perspectives:

► by objectives (exploratory, descriptive and causal);

► by source (primary or secondary);

► by methodology (qualitative or quantitative).

a. Marketing research by objectives

A marketing research project might have one of three types of objectives.

► Exploratory research – the objective is to gather preliminary information that will help define a problem. This type of research is very convenient for understanding the audiences, their behaviours, attitudes and motivations.

► Descriptive research – helps to describe things such as market potential for a product or demographics of consumers who buy a product. This type of research may be useful for identifying a structure of audiences.

► Causal research – serves to test hypotheses about causal relationships. This research can be used for testing effects of particular marketing decisions.

Destination Napoleon: Mantua, Italy © Massimo Telò

b. Marketing research by source

One of the first decisions regarding market research is about the type of data that needs to be gathered in order to answer research questions. We distinguish here between primary and secondary data, and accordingly, a decision can be made.

► Secondary research is based on collecting facts and figures that have already been gathered for some other purpose than the research at hand (secondary data). They comprise published information like reports, reviews, research and studies of other organisations, papers, statistics, internet sources and others. Always use this first. Advantages of secondary data include time savings, low cost and a greater level of detail. Disadvantages are that the data may be out of date, the definitions or categories may not be right or not specific enough for the project. Besides statistics on tourists' arrivals and overnight stays in given regions and destinations there are several publicly available studies published on the Cultural Routes and issues related to their marketing. They can serve as an inspiration.

► Primary research involves collecting new data gathered specifically for the purpose at hand. The primary data is collected for the first time. Although secondary data provides a good starting point for each research and often helps to define research problems, in most cases it is also necessary to collect primary data. Nevertheless, it is recommended to consider a situation carefully and conduct primary research only in a situation where the secondary data is not sufficient to answer the research questions. In any event, always use this last.

c. Marketing research by methodology

Within the methodology of marketing research we can rely on quantitative methods (research that uses mathematical analysis) and/or qualitative methods (findings are not subject to quantification or quantitative analysis).

Quantitative research

Survey

The most popular technique of quantitative research is survey. Survey research is used for collecting primary data by asking people questions about their knowledge, attitudes, preferences and behaviours. The questions can be asked face to face, by telephone, in a written form or online.

This approach is best suited for gathering descriptive information. It is also the most frequent research technique used by the Cultural Routes due to its simple use and cost effectiveness. The major advantage of survey research is its flexibility, since it can be used in many different situations. However, survey research also presents some problems: people are unable to answer survey questions, they are unwilling to participate in a survey, or they give pleasing answers instead of their true opinions or knowledge.

The main research instrument used within a survey research is questionnaire. Questionnaires are very flexible, since there are many ways to ask questions. They can include closed-end, semi-closed-end, open-end or scale questions.

Be aware of the most frequent mistakes committed in the questionnaire design:

Source: Pixabay

- ► too long questionnaire;
- ► too long questions;
- ► using vocabulary unfamiliar to a respondent;
- ► ambiguous words;
- ► combined questions.

When appropriately designed and managed the survey research can be very useful for Cultural Routes managers in order to recognise and understand their audiences. Each heritage site or attraction on the Cultural Route can be involved in the survey. Using simple motivational techniques (small souvenir

gifts, photos, raffles, etc.) marketers can reduce barriers to participation in the survey. Moreover, well-designed survey can serve also as a sign to visitors of the Cultural Routes that their opinions count and that management cares about their overall experience.

Qualitative research

This type of research involves personal interviewing methods – individual interview or group interview (focus group) on the one hand, and observational and experimental research on the other.

Personal interviewing methods
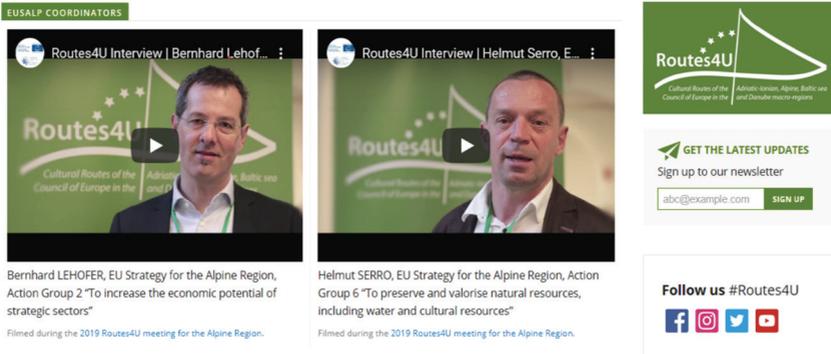
Personal interviewing methods have become major marketing research tools for gaining insights into consumer thoughts and feelings. However, these methods of collecting primary data also present some challenges. They require trained interviewers who can guide interviews, explain difficult questions and explore issues as a situation requires. Only open-end questions (integrated within an interview framework) are used in personal interviews (in contrast to a standardised questionnaire used in the case of a survey). Obtained results are rather not structured. Therefore, the findings are hard to evaluate and they require interpretations. Disadvantages of personal interviewing methods reside in higher cost and the need of specialists to carry out research.

The implementation of personal interviewing methods within Cultural Routes projects is recommended, however it is more convenient to carry out this type

of research in co-operation with professionals or organisations experienced in conducting qualitative studies.

Observational research

Observational research gathering primary data by observing people, actions and situations. This method is best suited for exploratory research. Observational research can obtain the information people are unable or unwilling to provide. In some cases, observation may be the only way to obtain needed information. In contrast, some things simply cannot be observed, such as feelings, attitudes, motives or private behaviour.

In the case of Cultural Routes we can observe, for instance, the behaviour of people at heritage sites and focus on the following questions.

- ► Which features attract visitors the most?
- ► Are they interested in information materials?
- ► Do they ask for additional information from the staff?
- ► How much time do they spend at each attraction?
- ► Which additional services do they use?

Experimental research

Experimental research is an effective method for gathering causal information. Experiments involve selecting matched groups of subjects, giving them different treatments, controlling unrelated factors and checking for differences in group responses. Thus, experimental research tries to explain causal effect relationships.

In the case of Cultural Routes, we can examine, for instance, the following:

- ► Will changes in the programming of a Cultural Route's events affect the structure of the audience interested in that particular Cultural Route?

Sampling

A sample is a group of people selected for marketing research to represent the population as a whole or a particular target group. When deciding about a sample for marketing research we have to answer several questions.

- ► Who are the people to be studied?
- ► How many people should be studied?
- ► How should people be chosen?

The size and structure of a sample depends on the type of research. The size can be small in the case of qualitative research (up to 20 respondents), or larger in the case of quantitative research (at least 100 for the pre-test, from several hundred up to several thousand depending on the research questions). This gives a hint on calculating sample size. The structure of a sample depends on having fully researched the marketing problem.

Frequent technical pitfalls of the marketing research mainly involve:

- ► poor definition of a problem;
- ► inadequate data collection;
- ► wrong questionnaire design;
- ► small sample size.

Further reading

- ► Burns A. C. and Veeck A. F. (2019), *Marketing research* (9th edn), Pearson, Edinburgh.

3. STPD marketing

After identifying and understanding the audience of the Cultural Route, marketing managers then have to decide about further marketing actions in respect to its current and potential publics.

An STPD marketing approach involves strategic decisions about Segmentation, Targeting, Differentiation and Positioning.

Segmentation

Market segmentation has been described as a process of dividing the market into internally homogeneous groups which appear distinct from the other groups. In essence, the market segmentation approach recognises that the total market demand is essentially heterogeneous and, therefore, it can be disaggregated into different segments with similar needs and preferences.

Since Cultural Routes projects tend to apply a product-centred marketing approach (inside-out), the aim of the segmentation is to identify those market segments which would be most susceptible to Cultural Routes offerings and distinguish them from those which might be reached only by using more challenging marketing techniques.

In order to divide the market, first we have to decide about criteria. There are four basic segmentation criteria used in marketing:

- ▶ geographic variables;
- ▶ socio-demographic variables;
- ▶ psychographic variables;
- ▶ behavioural variables.

In addition to the four standard segmentation criteria some authors have proposed the implementation of additional segmentation variables within the behavioural approach. With respect to the cultural offering, the most relevant additional behavioural criterion appears to be "benefit segmentation".

Geographic segmentation

Provided that Cultural Routes are mostly bound to a particular geographical area, the geographic segmentation may be seen as a fairly natural segmentation approach. Hence, audiences may be grouped according to their geographical proximity and access to the heritage sites within the Cultural Route or to the EU macro-region. However, with the development of economically accessible transport options (e.g. low-cost airlines), and new technology enabling online booking or even virtual visits of heritage sites, the so-called geographical catchment area for the Cultural Routes has been considerably enlarged.

Socio-demographic segmentation

Within the socio-demographic segmentation, audiences are divided in terms of different ages, genders, incomes, family size, education, religions, races, professions, social class, etc. One reason why socio-demographic variables are so popular with marketers is that they are often associated with customers' needs and wants. Another is that they are easy to measure. Heritage sites within the Cultural Routes very frequently collect socio-demographic data about their visitors. Although socio-demographic segmentation may be useful, when used alone it is not usually sufficient to effectively segment the Cultural Routes market. Therefore, it is suggested applying the socio-demographic variables alongside the attitudes and behavioural characteristics of audiences.

Psychographic segmentation

The psychographic segmentation method implies audience groupings based on personality lines and lifestyles. It involves the analysis of the psychological characteristics of audiences, their attitudes, values and opinions. One of the

first psychographic market segmentation models intended for the market of cultural offerings is the Audience Development Arts Marketing (A.D.A.M. model) designed by Diggle. It divides people in terms of their behaviour and attitudes towards a cultural offering into "available audience" and "unavailable audience". The available audience is defined as being ready to make a physical commitment to obtain the cultural experience that an organisation (in our case the Cultural Routes) has for them. These consumers can be labelled as "soft targets". They comprise "attendees", those who are presently experiencing the offering, and "intenders" whose attitude towards the offering is favourable but they have not been persuaded yet to make a commitment. The "unavailable audience" encompasses those who are "indifferent" or "hostile" and who cannot be reached, motivated and/or turned into customers until they have changed their attitude towards the offering. They represent "hard targets". Specific methods, in particular "educational PR", are suggested in order to reach the unavailable audience.
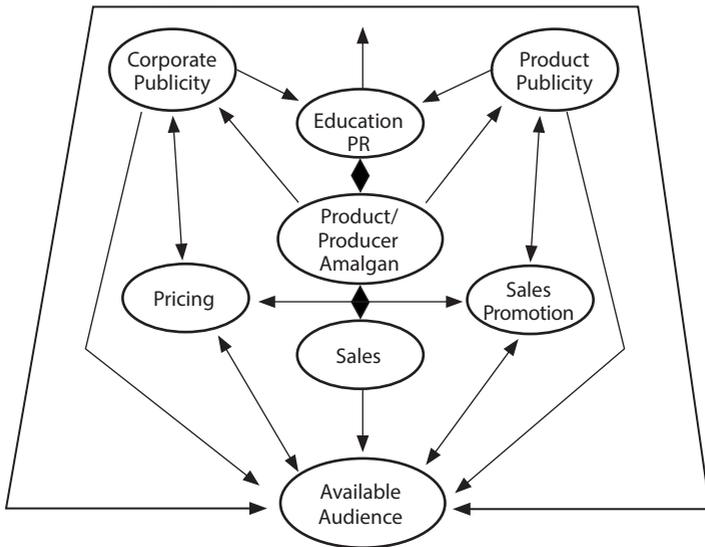
Source: Diggle K. (n.d.) in Taormina I. (2016: 93).

Figure 2. A.D.A.M. model.

Further reading

▶ Taormina I. (2016), "Giovani e performing arts: strategie per attrarre e fidelizzare il pubblico dai 16 ai 30 anni" (Master's thesis), http://dspace.unive.it/bitstream/handle/10579/9938/828832-1203137.pdf?sequence=2.

Behavioural segmentation

The behavioural approach focuses on consumption habits, answering the following questions: when, why, under what circumstances, with what knowledge, how and how often do people visit the Cultural Routes? According to the study by the European Commission and Council of Europe, *European Cultural Routes impact on SMEs' innovation and competitiveness* (2011), 20% of European visits have an exclusively cultural motivation, while 60% of tourists are genuinely interested in discovering the cultural values of the places they visit. In addition, the study by World Tourism Organization and European Travel Commission (2005) revealed that heritage and the arts represent "primary elements" in cultural offerings due to their superior status in visitor interests. Lifestyles and the creative industries are regarded as "secondary elements", since they usually provide supplementary rather than central cultural experiences in visitors' intentions.

To learn more

► Council of Europe/European Commission (2011), *Impact of European Cultural Routes on SMEs' innovation and competitivenes*s, https://rm.coe.int/1680706995.

► World Tourism Organization and European Travel Commission (2005), *City tourism & culture – The European experience*, ETC Research Report No. 2005/1, UNWTO, Madrid, http://81.47.175.201/stodomingo/attachments/article/122/CityTourismCulture.pdf.

Benefit segmentation

Benefit segmentation divides the market not on the a priori notions of different groups, but rather in relation to various benefits that a consumer may be seeking from a particular product. Benefit segmentation is closely related to the behavioural approach, so in reconsidering the question "Why do people visit the Cultural Routes?", marketing practitioners would focus on the anticipated benefits as

Source: Pexels

perceived by consumers rather than on their declared motivation. In essence, the benefit segmentation approach attempts to group consumers who seek the same benefits from the same product.

The benefit segmentation model suggested by Kotler and Scheff (1997) distinguishes between:

► "quality buyers" who seek out the best reputed offerings;
► "service buyers" who are sensitive to services provided together with a core product;
► "economy buyers" who favour the least expensive offers.

A different approach was advocated by Botti (2000) who summarised the benefits related to cultural consumption as:

► functional (cultural) benefits;
► symbolic benefits;
► social benefits;
► emotional benefits.

However, Colbert (2003) emphasises that these categories are not exclusive and an individual's main motivation may put him or her in one category while some of the benefits that he or she seeks may be associated with another category.

Further reading

► Botti S. (2000), "What role for marketing in the arts? An analysis of arts consumption and artistic value", *International Journal of Arts Management* Vol. 2, No. 3, pp. 14-27.
► Colbert F. (2003), "Entrepreneurship and leadership in marketing the arts", *International Journal of Arts Management* Vol. 6, No. 1, pp. 30-39.
► Kotler P. and Scheff J. (1997), *Standing room only: strategies for marketing the performing arts*, Harvard Business School Press, Boston, MA.

Examples: benefit segmentation of Cultural Routes' audiences

In the case of the certified Cultural Routes of the Council of Europe we consider consumers to be "quality buyers" from the first group of benefit criteria. The certification process involves compliance with demanding eligibility criteria from each Cultural Route candidate. Once the certification

is awarded, the label "Cultural Route of the Council of Europe" represents a quality mark which may appeal to a significant part of the market. This phenomenon has been widely observed, for example with UNESCO heritage sites: the label itself serves as an incentive for visits regardless of the prestige of a particular heritage site.

From among the second group of benefits, each benefit can be appealing to a different type of visitor depending on the specific Cultural Route theme (functional/cultural, symbolic, social or emotional). The Cultural Routes can obviously be cross-cutting in terms of the benefits they prompt, so one Cultural Route may combine several benefits. The following are some examples of how we can relate different kinds of benefits to the Cultural Routes of the Council of Europe. Note that they are possible examples and several other options are available for each particular Cultural Route.

Functional (cultural) benefits – related to knowledge enhancement

MOZART WAYS
VIE DI MOZART
VOIES DE MOZART
MOZART WEGE

European Mozart Ways (certified Cultural Route of the Council of Europe, since 2004) retrace Wolfgang Amadeus Mozart's footsteps through Europe. This Cultural Route offers tourists an opportunity to learn about the life and work of one of the greatest classical composers by visiting concert halls and opera houses, churches, palaces, gardens, piazzas, inns, hotels, landscapes, etc.

More information on the European Mozart Ways: www.coe.int/en/web/cultural-routes/european-mozart-ways

The Réseau Art Nouveau Network (certified Cultural Route of the Council of Europe, since 2014) represents a style of architecture and decorative arts which appeared in the late 19th century and spread rapidly throughout Europe. From the beginning, Art Nouveau was strongly criticised and it was not until the latter half of the 20th century that it began to be met with general approval and appreciation.

RÉSEAU
ART
NOUVEAU
NETWORK

More information on the Réseau Art Nouveau Network: www.coe.int/en/web/cultural-routes/reseau-art-nouveau-network

Symbolic benefits – related to spirituality and humanity

The Santiago de Compostela Pilgrim Routes (certified Cultural Route of the Council of Europe, since 1987) is the oldest Cultural Route of the Council of Europe and is one of the most renowned. The Saint James Way recreates the ancient pilgrimage in Spain to the Cathedral of Santiago de Compostela. Focusing both on their religious and secular aspects, the Cultural Route has linked many cathedrals, churches, monuments, areas, vineyards, and also architecture, art workshops, a network of free hostels for the pilgrims, bridges, myths, legends and songs. This Cultural Route is 800 kilometres long. The number of tourists and pilgrims reaches about 4 million annually.

More information on the Santiago de Compostela Pilgrim Routes: www.coe.int/en/web/cultural-routes/the-santiago-de-compostela-pilgrim-routes

The Iron Curtain Trail (certified Cultural Route of the Council of Europe, since 2019) retraces the physical border stretching from the Barents Sea to the Black Sea which divided eastern and western Europe for almost half a century following the end of the Second World War. It covers 20 European countries giving a living lesson in European history of the 20th century. The Cultural Route is a symbol of a newly shared pan-European experience, focusing on Europe's democratic values and permanent intercultural dialogue across European borders.

More information on the Iron Curtain Trail: www.coe.int/en/web/cultural-routes/iron-curtain-trail

Social benefits – related to people's lifestyles and habits

The Routes of the Olive Tree (certified Cultural Route of the Council of Europe, since 2005) are itineraries based on the theme of the olive tree as a symbol of peace. They comprise many olive oil-producing regions and landscapes, various cultural events, depicting everyday lives of the Mediterranean peoples, myths about the olive as a sacred tree and an ancient civilization, the "olive tree civilization".

More information in the Routes of the Olive Tree: www.coe.int/en/web/cultural-routes/the-routes-of-the-olive-tree

The Iter Vitis Route (certified Cultural Route of the Council of Europe, since 2009) represents the agricultural, wine-growing landscape and wine production in Europe. It tells the story about wine, local history and the lives of the people that live there.

More information on the Iter Vitis Route: www.coe.int/en/web/cultural-routes/the-iter-vitis-route

Emotional benefits – **related to suppressed and persecuted groups of people**

The European Route of Jewish Heritage (certified Cultural Route of the Council of Europe, since 2004) includes Jewish quarters, old synagogues, monuments, ritual baths, museums, archives, libraries, and many stories, providing an insight into the lives of Jewish people.

More information on the European Route of Jewish Heritage: www.coe.int/en/web/cultural-routes/the-european-route-of-jewish-heritage

The Huguenot and Waldensian Trail (certified Cultural Route of the Council of Europe, since 2013) has elucidated the historical exile of the Huguenots and Waldensians. The revocation of the Edict of Nantes by Louis XIV in 1685 caused about 250 000 religious refugees to leave France. This Cultural Route focuses on the respect for human rights, freedom, solidarity and tolerance.

More information on the Huguenot and Waldensian Trail: www.coe.int/en/web/cultural-routes/the-huguenot-and-waldensian-trail

Targeting

After the Cultural Route management has defined existing market segments, it can enter one or many of these segments. Market targeting involves evaluating each market segment's attractiveness and selecting one or more segments to enter. Although it is recommended to target segments which can generate the greatest customer value and sustain it over time, the Cultural Routes programme also defines specific objectives in terms of reaching particular audiences.

Resolution CM/Res(2013)67 suggests targeting "all potential publics"/"different publics", and explicitly mentions several target groups:

- ► general public;
- ► tourists;
- ► decision makers;
- ► practitioners;
- ► school groups;
- ► young Europeans from different social backgrounds and regions of Europe
- ► ethnic and social minorities in Europe.

Differentiation

After the Cultural Route has decided which market segment (selected audience) it wants to address, it must decide how it will differentiate its market offering from other Cultural Routes and also for each targeted segment. A part of the differentiation is already given by the theme of the Cultural Route. However, several Cultural Routes can emphasise similar themes. For instance, the Santiago de Compostela Pilgrim Routes (since 1987), the Via Francigena (since 1994), the Saint Martin of Tours Route (since 2005), the European Route of Cistercian Abbeys (since 2010), the Route of Saint Olav Ways (since 2010) and the Routes of Reformation (since 2019) are all focused on spirituality. So, what makes each of them unique? What are their points-of-difference?

The points-of-difference are attributes or benefits consumers strongly associate with a product or brand. They represent positive and unique features of the product which cannot be found to the same extent with a competitive product or brand. Creating associations that are strong, able and unique is a real challenge, but essential in terms of competitive brand positioning.

Learn from best practices: differentiation of the Routes of the Olive Tree through experiential marketing (certified Cultural Route of the Council of Europe, since 2005)

Cultural route
of the Council of Europe
Itinéraire culturel
du Conseil de l'Europe

COUNCIL OF EUROPE

CONSEIL DE L'EUROPE

The Routes of the Olive Tree involve itineraries based on the theme of the olive tree as a symbol of peace. They comprise many olive oil-producing regions and landscapes, various cultural events, depicting everyday lives of the Mediterranean peoples, myths about the olive as a sacred tree and an ancient civilization, the "olive tree civilization".

The Routes of the Olive Tree

The Routes of the Olive Tree have identified their strategic point-of-difference and decided to focus on experiential marketing as a highly recommended approach to marketing the Cultural Route. In the framework of the project Well-O-live: The Road to Wellness, the Cultural Route built a transnational network linking together private and public actors from seven European countries (Bulgaria, Croatia, Finland, France, Greece, Italy and Spain). Together, they have developed rural tourism products focused on wellness and well-being activities.

To learn more

▶ Council of Europe/European Commission (2011), *Impact of European Cultural Routes on SMEs' innovation and competitivenes*s, https://rm.coe.int/1680706995.

▶ Council of Europe (n.d.), The Routes of the Olive Tree, www.coe.int/en/web/cultural-routes/the-routes-of-the-olive-tree.

▶ Well-O-live: The Road to Wellness website, www.wellolive.eu.

Positioning

Positioning is an act of designing an offer and image to occupy a distinctive place in the minds of target audiences. Through positioning, the Cultural Route

tries to occupy a certain place in consumers' minds, and accordingly, aims to influence what they think about the Cultural Route. It explains what kind of position the Cultural Route wants to achieve through concrete attributes (e.g. adventurous, spiritual, discovering, historical, intercultural, high quality, one of its kind, a must-have experience). The goal is to establish a product/brand in the minds of consumers in order to maximise the potential benefits to the Cultural Route.

A desired position is usually formulated within a positioning statement. The positioning statement is a summary of the product or brand positioning. It includes a value proposition and explains what benefits the Cultural Route provides, to whom and how it does it uniquely well.

The positioning statement can be incorporated into a slogan and spread within a communication campaign. Ideally, by being repeatedly exposed to a particular communication message and value proposition, consumers eventually adopt the idea of the positioning statement. Positioning is a great tool for increasing visibility of the Cultural Routes while highlighting specific points-of-difference of each of them. Both differentiation and positioning are closely related to the branding of the Cultural Routes, which will be discussed further.

4. Audience development

"Audience development can be defined as a proactive process of cultivation and growth of long-term relationships through engaging, educating and motivating diverse communities to participate in a creative entertaining experience" (Walker-Kuhne 2001 in Tajtáková et al. 2012). Audience development is considered to be an essential function of marketing within the field of cultural experiences.

The audience development strategy implies:
- ► encouraging current visitors to participate more frequently;
- ► enhancing audience diversification by targeting new market segments.

The overall aim of audience development is to change the structure and composition of audiences. Hence, audience development is as much about increasing the range of audiences as it is about the size of audiences. Sustainable audience development can be achieved only by focusing on both – existing and potential audiences. Nevertheless, audience development strategies go beyond the marketing effort and also encompass other activities depending on the target public they want to address. The following

five areas are suggested to be employed within the audience development framework in the field of culture (Tajtáková 2007):

a. marketing;

b. educational activities;

c. relationship building;

d. social inclusion;

e. programming.

These partial areas of audience development are particularly important for the marketing strategies of the Cultural Routes because they are in line with the Cultural Routes mission and goals, as defined in Resolutions CM/Res(2013)66 and CM/Res(2013)67:

► promotion of Europe as a destination of a unique cultural experience;

► education;

► awareness raising about heritage;

► intercultural dialogue and understanding;

► dialogue between majority and minority, native and immigrant cultures;

► European cultural co-operation.

a. Marketing

Marketing effort within audience development projects encompasses the use of standard marketing tools, in particular the marketing mix. Since the product itself is given (a Cultural Route), we shall concentrate on adjusting the remaining variables (price, place and promotion) so that the product is efficiently presented and delivered to its public. Marketing tools work best with an available audience (see the A.D.A.M. model, Figure 2), which does not encounter particular barriers to making a commitment to the Cultural Routes offering.

b. Educational activities

The aim of educational activities is to give consumers the tools and codes they need to evaluate the specific features of a product (European heritage, its importance, history, impact on European development, etc.). Therefore, the expansion of audiences for the Cultural Routes requires the development of a level of understanding, appreciation, and enjoyment sufficient to arouse a desire to visit the Cultural Routes. Educational activities are

particularly important in reaching unavailable audiences (see the A.D.A.M. model, Figure 2), since they help to overcome personal and/or psychological barriers (lack of knowledge, interest, attitude, appreciation, etc.) perceived by consumers.

Routes4U meeting, Aarau, Switzerland ©Joel-Schweizer

c. Relationship building

Relationship building represents the CRM approach, which aims to develop long-term relationships with existing audiences for the purpose of their retention. However, the retention of audiences is only possible by providing constant value to customers. This value can be ensured, for instance, by an attractive programme of events, which is communicated directly to existing customers.

d. Social inclusion

The importance of culture as a tool for achieving wider social inclusion of diverse social groups has been emphasised by many researchers. The goals of social inclusion involve, for instance, providing community access, removing

economic, physical and cultural barriers to participation, promoting diversity and intercultural dialogue. As a result, audience development strategies are often focused on those at the margins of society, such as the physically and mentally challenged, minority and ethnic groups, unemployed people, and so on. In fact, the effort to achieve social inclusion has become a moral imperative of current audience development projects.

e. Programming

Programming concerns the way in which the product (a Cultural Route) is presented for its audiences (exhibitions, events, co-operation projects, etc.). Even lesser-known heritage sites and destinations can gain their competitive advantage by a creative and attractive programming.

Further reading

- ▶ Tajtáková M. (2007), *Stratégie rozvíjania publika v interpretačných umeniach* [Audience development strategies in the performing arts], Ekonóm, Bratislava.
- ▶ Tajtáková M. (2010), *Marketing kultúry: ako osloviť a udržať si publikum* [Marketing of culture: how to reach and retain an audience], Vyd. EUROKÓDEX, Bratislava.
- ▶ Tajtáková M., Žák S. and Filo P. (2012), "Shifts in audience development strategies in the times of economic crisis", *Megatrend Review* Vol. 9, No. 1, pp. 125-40.

Second summary

1. The audience of Cultural Routes is at the core of any marketing action. The main responsibility of marketing lies in identifying suitable audiences for an existing product, and in preparing a marketing programme to attract selected public.

There are several marketing methods to consider when dealing with audiences of the Cultural Routes. At the outset, market (audience) research is highly recommended. The market research is a tool that assists marketing managers in their decision making. However, it is not a replacement for managerial judgment.

2. Marketing research – consisting of planning, collecting and analysing data relevant to a marketing decision – is a tool for the identification and understanding of Cultural Routes' audiences.

It includes several different steps:

> Step 1: define a problem and set objectives;

> Step 2: develop a research plan;

> Step 3: collect relevant information;

> Step 4: develop findings;

> Step 5: take marketing actions.

3. Marketing research can be classified from three different perspectives:

► by objectives (exploratory, descriptive and causal);

► by source (primary or secondary). It is recommended to focus on gathering secondary sources first and start working on primary ones when needed;

► by methodology (qualitative or quantitative). While a quantitative approach can be represented by a survey or questionnaire, a qualitative approach might include personal/group interviewing methods, observational and/or experimental research.

4. Managerial decisions about segmentation, targeting, differentiation and positioning have to follow the marketing research. By doing this, marketers recognise differences in needs, wants and behaviours between diverse publics of the Cultural Routes. It is important to emphasise that different publics also require different marketing actions in order to be addressed, satisfied and retained. Some of the publics may represent "soft targets" (available audience), which are easier to approach, while others may be seen as "hard targets" (unavailable audience) that require more sophisticated methods, implying a change in the public's knowledge and attitudes towards the Cultural Routes.

5. Market segmentation is a process of dividing the market into internally homogeneous groups that differ from each other in relation to other groups.

The following segmentation criteria are suitable to segment audiences of the Cultural Routes:

► geographic variables;

► socio-demographic variables;

► psychographic variables;

► behavioural variables plus benefit variables (additional within behavioural approach).

"Quality buyers" seeking out the best reputed segment of offers within the benefit segmentation might be most attracted to the Cultural Routes of the

Council of Europe, due to the awarded label, which represents a quality mark, which may appeal to a significant part of the market.

6. Targeting involves evaluating each market segment's attractiveness and selecting one or more segments to enter.

7. Differentiation is focused on points-of-difference of the Cultural Routes. They represent unique features of each Cultural Route which cannot be found to the same extent elsewhere. The points-of-difference are attributes or benefits which consumers strongly associate with a product or brand that differs from its competitors.

8. Positioning is used by the Cultural Route in order to occupy a certain position in consumers' minds.

9. Audience development strategies comprise several tools (marketing, education, relationship building, social inclusion and programming) suitable for addressing each kind of target market of the Cultural Routes. Educational activities are one of the audience development tools best suited to reaching unavailable audiences of the Cultural Routes.

Réseau Art Nouveau Network: Riga, Latvia

III. Marketing mix of the Cultural Routes

1. What is the marketing mix?

A marketing mix has been defined as a set of controllable tactical marketing tools: product, price, place and promotion (referred to as the 4Ps) that the organisation blends to produce the response it wants in the target market. The marketing mix consists of everything the organisation can do to influence the demand for its product. An effective marketing programme combines all the marketing mix elements into an integrated marketing programme designed to achieve marketing objectives by delivering value to consumers.

Specifics of the cultural heritage marketing mix

With respect to the marketing mix in the field of cultural experiences Colbert and Ravanas (2018) suggest adjusting the commercial variables – price, place and promotion – to the cultural product. Thus, the product (a Cultural Route and its heritage) stands outside the traditional commercial marketing approach characterised by the outside-in perspective. As a result, the product is not modified according to consumer preferences but rather consumers are attracted to the existing product. This is the logic of the inside-out approach.

Specifics of the tourism marketing mix

The conventional 4Ps have been extended to fit better with diverse sectors of applied marketing. In the case of tourism marketing it is suggested to extend the basic marketing mix by four supplementary variables – people, packaging, programming and partnership. The extended 8Ps marketing mix model appears to be particularly relevant to the cultural tourism sector.

2. Elements of the marketing mix

Since the Cultural Routes combine both heritage and tourism elements, the marketing mix involves both perspectives: the four basic elements – **product, price, place, promotion**, and the four extended variables – **people, packaging,**

programming and partnership. It is important to emphasise that, in contrast to commercial marketing based on the outside-in approach, Cultural Routes marketing employs inside-out logic. Hence, the product of Cultural Routes (the heritage itself) stands outside the traditional commercial marketing mix; it is not adjusted to consumer preferences, but the remaining marketing mix variables are adjusted to the product.

Further reading

▶ Colbert F. and Ravanas P. (2018), *Marketing culture and the arts* (5th edn), HEC, Montreal.

3. Basic marketing mix variables

Product

A product in marketing terms is anything we can offer to a market for attention, acquisition, use or consumption that might satisfy a need or want (Kotler and Armstrong 2008). It can be a physical good, service, person, organisation, idea, place or tourism destination. Thus, when we want to offer a Cultural Route to the market (attract an audience to it) we have to consider it as a product. However, as already mentioned, the product of the Cultural Routes is not adjusted to consumer preferences due to its cultural and social value and its preservation needs, but rather, consumers are attracted to the existing product.

Defining the product of Cultural Routes

The Huguenots and Waldesian Trail

A Cultural Route is defined as "a cultural, educational heritage and tourism co-operation project aiming at the development and promotion of an itinerary or a series of itineraries based on a historic route, a cultural concept, figure or phenomenon with a transnational importance and significance for the understanding and respect of common European values" (CM/Res(2013)66, Article 1.1).

Specific product features of the Cultural Routes are:

► cultural heritage;
► educational purpose;
► tourism development;
► European value;
► co-operation;
► transnational importance.

The Cultural Routes constitute "a new category of cultural goods which generate an interaction between a monument in need of protection and development, and the cultural or regional context to which it must be linked in order to be fully understood and appreciated" (Khovanova-Rubicondo 2012: 88). In addition, the Cultural Routes represent a thematic tourism product. As specified in Resolution CM/Res(2013)66, Article 1.1., they shall "contribute to the preservation of a diverse heritage through theme-based and alternative tourist itineraries and cultural projects". Route-based tourism is a heritage and tourism development method serving not only tourism but also social and economic improvements (Piskóti and Nagy 2013).

According to the *Handbook on marketing transnational tourism themes and routes* (2017) thematic tourism is generally driven by one of two complementary threads: culture and nature. Thematic tourism appeals to the emotions, intellect and senses of the consumer, and can be successfully developed through techniques such as storytelling. The creators of a tourism theme may link the tourism assets through reference to food, landscape or other cultural realities. However, first they need to provide a visitor with experiences: not just places to go and see, but feelings, sensations and activities. Events can be an important part of the experience, as well as authentic contact with the local inhabitants. Experience-based tourism involving personal engagement with the theme adds value for the consumer, but also reinforces the identity of the territory, both internally and to the outside world.

Basic requirements on the themes of Cultural Routes are specified in the list of eligibility criteria for themes (CM/Res(2013)67, Rules I). Complying

with the eligibility criteria, the thematic categories of the Cultural Routes may include:

- ► **spirituality**: focus on important religious personalities or on cultural and religious identity;
- ► **arts**: various forms of artistic expression such as architecture, crafts, theatre, music and literature;
- ► **history**: European personalities and events;
- ► **agriculture**: agricultural production and products including gastronomy;
- ► **industrial heritage**: industrialisation of Europe is an essential part of European heritage;
- ► **society**: living together, migration, nomadism, routes and systems of transportation;
- ► **geography**: geographical features such as maritime, mountain or fluvial heritage.

From the tourism marketing perspective Ciriković (2014: 113) suggests considering three principal product characteristics:

- ► **destination attractiveness** – consists of a whole range of cultural, natural and social characteristics of a destination (here the characteristics of a particular EU macro-region should be considered);
- ► **destination accessibility** – refers to the distance expressed through travel costs between the Cultural Route/EU macro-region and tourists' domiciles;
- ► **the condition to stay on a site** – includes a set of additional assumptions whose presence and quality determine a stay quality in a tourism destination.

Cultural Routes as experiential products

Destination Napoleon: Ile D'Aix, France © Christine Lacaud

The Cultural Routes should not be considered by developers only as cultural consumption and tourism products, but also as a form of multifaceted experience. The experiential marketing approach has been explained as: "when a person buys a service, he purchases a set of intangible activities carried out on his behalf. But when he buys an experience, he pays to spend time enjoying a series of memorable events that a company stages … to engage him in a personal way" (Pine and Gilmore 1999: 2). This approach seems to be particularly suited to Cultural Routes marketing. Therefore, a major challenge for the Cultural Routes in future is not only to implement effective marketing and branding strategies as critical factors for the success of each Cultural Route, but to implement strategies that efficiently convey the experience to its visitors (Schmitt 1999).

Further reading

▶ Ciriković E. (2014), "Marketing mix in tourism", *Academic Journal of Interdisciplinary Studies* Vol. 3, No. 2, pp. 111-15.

▶ Khovanova-Rubicondo K. M. (2012), "Cultural routes as a source for new kind of tourism development: evidence from the Council of Europe's programme", *International Journal of Heritage in the Digital Era* Vol. 1, No. 1, pp. 83-88.

▶ Kotler P. and Armstrong G. (2008), *Principles of marketing* (12th edn), Pearson Prentice Hall, Pearson International Edition, London.

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▶ Piskóti I. and Nagy K. (2013), "Individual and social marketing in Cultural Routes operation", in Ferreira P. and Vieira A. (eds), ICMC2013 International Conference on Marketing and Consumer Behaviour, Porto, Portugal, 16-17 May 2013, Proceedings, Vol. 57, p. 4-15.

▶ Schmitt B. (1999), "Experiential marketing", *Journal of Marketing Management* Vol. 15, Nos. 1-3, pp. 53-67.

▶ World Tourism Organization and European Travel Commission (2017), *Handbook on marketing transnational tourism themes and routes*, UNWTO, Madrid, www.e-unwto.org/doi/book/10.18111/9789284419166.

Price

Price is the amount of money consumers have to pay to obtain a product. Price is the only tool of the marketing mix that generates profit, while the

remaining tools represent costs. However, profit generation is not a principal ambition of the Cultural Routes. Their mission lies in being "tangible illustrations, through European trans-border itineraries, of the pluralism and diversity of European culture based on shared values, and as means for intercultural dialogue and understanding" (CM/Res(2013)66). Therefore, when it comes to pricing, non-profit marketing strategies seem to be more suited to Cultural Routes marketing.

According to Yong and Weinber (2009), non-profit pricing decisions differ significantly from those of for-profit businesses due to the unique features of non-profit organisations. First, they have a social rather than a for-profit objective. Second, they face certain constraints in potentially making a loss. Oster et al. (2003) suggest several situations that are conducive to charging by non-profit organisations:

► demand is relatively inelastic;

► collecting fees is practical;

► such fees do not violate organisational norms.

Further, there are several situations, in which charging may have positive effects on the non-profit organisation in addition to providing financial revenue. For instance, a fee may help to reduce congestion, can motivate staff and client behaviour and can yield positive behavioural effects on the clients.

However, when charging a price, non-profit organisations need to consider how to serve those who cannot afford to pay at all. Two solutions can be considered to ensure the affordability of Cultural Routes products:

► offering free events, programmes or services;

► price differentiation.

Price differentiation

Price differentiation means adjusting basic prices to allow for differences in customers, products and locations. This type of pricing strategy is also named "segmented pricing" and involves selling a product or service at two or more prices, even though the difference in price is not based on differences in costs (Kotler and Armstrong 2008).

Segmented pricing may take several forms within Cultural Routes marketing.

► **Customer-segment pricing**: Different consumers pay different prices for the same product or service (e.g. lower prices for children, students, seniors, disabled groups);

► **Product-form pricing**: Different versions of the product are priced differently but not according to differences in their costs (e.g. Cultural Routes can offer reduced circuits or visits);

► **Location pricing**: Cultural Routes charge different prices to different locations on each Cultural Route, even though the cost of offering each location is the same (using this tool Cultural Routes can manage the flow of visitors from very exposed heritage sites to lesser-known attractions on the Cultural Route by attractive pricing);

► **Time pricing**: Cultural Route attractions may vary their price by the season, the month, the day, and even the hour (very useful tool to control visitors' demand in peak periods by encouraging visits at less crowded times at lower prices).

Further reading

► Kotler P. and Armstrong G. (2008), *Principles of marketing* (12th edn), Pearson Prentice Hall, Pearson International Edition, London.

► Oster S., Gray C. and Weinberg C. (2003), "Pricing in the non-profit sector", in Young D. (ed.), *Effective economic decision-making for non-profit organizations*, Foundation Center, New York.

► Yong L. and Weinber C. (2009), "Pricing for non-profit organizations", in Vithala R. R. (ed.), *Handbook of pricing research in marketing*, Edward Elgar, Cheltenham.

Place

Place includes all activities that make a product available to target consumers. The "place" as a marketing mix variable has usually been described in terms of distribution channels consisting of several intermediaries (tourism destination – tourism agents – target markets). However, nowadays, the rhetoric has changed to "supply chain networks". Effective supply chains are one of the most critical factors for the competitiveness of heritage destinations and tourism organisations. They represent links between different organisations through which tourism products are described, sold or confirmed as travel arrangements to the consumer.

Source: Pixabay

According to the study *Impact of European Cultural Routes on SMEs' innovation and competitiveness* (Council of Europe/European Commission 2011), traditional vertical distribution channels in the tourism industry have been transformed into new tourism value networks involving a wide range of different suppliers from within and beyond the travel sector. The new structure involves ICT, local culture and society, education, etc. In the new tourism value network, the destination, rather than being a simple supplier of inputs to the tourism value chain, becomes an integral part of the value creation process in tourism. The narratives and images attached to the destination become an important determinant of the value of places to the consumer and therefore their decision making in terms of destinations and willingness to pay.

Learn from best practices: mobility and connectivity within the EU Strategy for the Alpine Region

The EU Strategy for the Alpine Region (European Commission 2015b), under the second thematic policy area Mobility and Connectivity, highlights the significant impact of transport infrastructures on landscape and the environment as the core resources of the Alpine Region. The search

for a balance between transport infrastructures and the preservation of the territory has been identified for decades as a major challenge and an objective of the international community of states and regions sharing the Alpine Region. To this end, an international treaty (the Alpine Convention), which was adopted in 2000 and ratified by the EU in 2013, has been equipped with a specific protocol on transport as a significant contribution to the greening of transport policy in the core of the Alpine Region. This protocol aims at reducing the negative effects of and risks posed by intra-Alpine and transalpine transport to a level which is not harmful to people and the environment, *inter alia*, by transferring an increasing amount of transport, especially freight transport, to railways. It also aims at ensuring the movement of intra-Alpine and transalpine transport at economically bearable costs, by increasing the efficiency of transport systems and promoting modes of transport which are more environmentally friendly and more economic in terms of natural resources.

To learn more

▶ European Commission (2015b), *Action Plan concerning the European Union Strategy for the Alpine Region*. Commission Staff Working Document, COM(2015) 366 final, SWD(2015) 147 final, Brussels, 28.7.2015, https://ec.europa.eu/regional_policy/sources/cooperate/alpine/eusalp_action_plan.pdf.

▶ EUSALP (n.d.), EUSALP – EU Strategy for the Alpine Region, www.alpine-region.eu/eusalp-eu-strategy-alpine-region.

Place and the virtual market

The internet and ICTs have to be highlighted in providing access to European cultural heritage via a digital market and for reinforcing cultural tourism development. The European Union acknowledged the significance of digitisation by adopting *A Digital Agenda for Europe* in 2010 as an integral part of the Europe 2020 strategy. One of its aims is to address societal challenges through ICT and help EU citizens and businesses to profit from digital technologies from the perspective of intelligent, sustainable and inclusive growth. It also highlights the effective use of digital technologies in enabling new media opportunities and easier access to cultural content. In addition, with the Digital Single Market Strategy adopted in 2015, the European Union has taken a major step forward in making its single market fit for the digital age. This has entailed a number of legislative and other policy initiatives in three key areas – improving access to goods, services and digital content; fostering

an environment supporting innovation and infrastructure development and making digital a driver for Europe's growth – which are particularly relevant for culture and tourism.

When considering digital challenges for the Cultural Routes related to distribution functions, we have to first mention digitised cultural content. As digitised content, cultural heritage can be easily mediated towards diverse audiences worldwide, thus enhancing off-site participation (remote visiting) via the internet. The concept of the virtual destination as a strategic marketing tool has become increasingly popular, especially among younger generations. With respect to *in situ* participation (physical visit to a heritage place), immersive experiential applications and multimedia tools enabling interactive engagement of visitors have been enhancing the uses of experiential marketing.

To learn more

- ► Council of Europe/European Commission (2011), *Impact of European Cultural Routes on SMEs' innovation and competitivenes*s, https://rm.coe.int/1680706995.

- ► European Commission (2010a), *A Digital Agenda for Europe*. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, COM(2010) 245, Brussels, 19.05.2010, https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0245:FIN:EN:PDF.

- ► European Commission (2015a), *A Digital Single Market Strategy for Europe*. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, COM(2015) 192 final, Brussels, 06.05.2015, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2015%3A192%3AFIN.

- ► Kotler P. and Armstrong G. (2008), *Principles of marketing* (12th edn), Pearson Prentice Hall, Pearson International Edition, London.

Promotion

Promotion (also referred to as marketing communication) involves the co-ordination of all activities that communicate the merits of a product to the market or promote an idea. Accordingly, the marketing communication of the Cultural Routes refers to the means adopted in order to convey messages about the Cultural Route brand and products, either directly or indirectly to customers, with the intention of attracting them to the Cultural Route' offering.

A communication objective of the Cultural Routes is formulated as "raising awareness" and is specified in Resolution CM/Res(2013)67, Rules II.5 as: "actively involve print and broadcast media and make full use of the potential of electronic media in order to raise awareness of the cultural objectives of the projects".

Source: Pexels © Jeremy Levin

Communication mix

Basic tools used to accomplish communication objectives are often referred to as the communication mix (promotional mix). The communication mix traditionally includes five elements:

► advertising;

► sales promotion;

► public relations;

► direct marketing;

► personal selling.

a. **Advertising** – is any paid form of non-personal communication about an organisation, product, service or idea by an identified sponsor (Kotler and Armstrong 2008). The non- personal component means that advertising involves mass media (e.g. TV, radio, magazines, newspapers). Advertising is one of the most widely used communication mixes, wherein the complete information about the product can be communicated easily with huge target audience coverage. However, due to its cost it is rarely used by the Cultural Routes.

b. **Sales promotion** – includes short-term incentives to persuade customers to initiate the purchase of goods and services. This promotion technique not only helps in retaining existing customers but also attracts new ones with the additional benefits. Rebates, discounts, paybacks, coupons, POS (point-of-sale)/POP (point-of-purchase) materials, etc. are some of the sales promotion tools. Sales promotion methods can be used, for

instance, for promoting lesser-known destinations along the Cultural Routes by giving discount vouchers or other direct incentives for their visits. In addition, the POP/POS materials in the form of leaflets or programme brochures are the most widely used communication materials of the Cultural Routes.

c. **Public relations** (often referred to as PR) – comprise activities focused on creating a positive image of an organisation through third parties. They include press reviews, PR articles, conferences, public events, etc. Public relations is one of the major tools of Cultural Routes communication due to its cost effectiveness, as well as public interest in social and cultural functions performed by Cultural Routes.

d. **Direct marketing** – involves direct communication (through mailing, e-mailing, telephone, social media, etc.) with target customers to generate a response and/or transaction. By using direct marketing methods, the Cultural Routes may communicate with existing or potential visitors without intermediaries. However, legal constraints apply in the European Union, so that any direct communication requires consumer consent prior to the contact. Therefore, this tool is suggested mainly for the communication with current customers based on their approval.

e. **Personal selling** – is the oldest method of marketing communication wherein sales people approach prospective customers directly and inform them about goods and services they are dealing in. It is considered one of the most reliable modes of communication because it is done personally, and allows for arguing and other persuasion techniques. The Cultural Routes may apply personal selling especially in communication with tourism partners.

Push and pull techniques

The push strategy aims to provide "push" – to push the product through distribution channels (supply network) to consumers. In the case of Cultural Routes, the push technique may be used mainly in co-operation with partners (travel agencies, information centres, tourism fairs, etc.), providing complex offerings or by targeting consumers in a direct and personalised way (direct mailing). On the other hand, the pull strategy aims to attract "pull" – to pull consumers to the product by (predominantly) massive advertising and other appealing techniques (print and online media, outdoor communication, etc.). The aim of the pull techniques is to stimulate interest in the product so that

consumers themselves are looking for the product. When approaching push and pull techniques, in view of the communication mix, we can distinguish between communication methods that enable the pulling of customers towards an offer (advertising and public relations) and techniques which are rather pushing an offer towards customers (sales promotion, personal selling and direct marketing).

Integrated marketing communication

The integrated marketing communication approach implies the co-ordination of all communication mix tools in order to accomplish communication objectives in the most effective way. One of the main reasons for the growing importance of integrated marketing communication over the past decade is that it plays a major role in the process of branding.

Further reading

► Belch G. E. and Belch M. A. (2004), *Advertising and promotion: an integrated marketing communications perspective* (6th edn), McGraw-Hill/Irwin, New York.

► Kotler P. and Armstrong G. (2008), *Principles of marketing* (12th edn), Pearson Prentice Hall, Pearson International Edition, London.

Source: Pixabay

Learn from best practices: promoting and presenting the Baltic Sea Region culture

The EU Strategy for the Baltic Sea Region (EUSBSR, 2009), under the policy area Culture and Creative sectors, identifies the outstanding diversity and attractiveness of cultural life and a cultural heritage of great importance in the Baltic Sea Region. Therefore, the promotion of this innovative culture for societal development has been set as one of the priority actions in the field of culture. The objective is to present the diversity, quality and attractiveness of the culture and arts of the Baltic Sea Region in its variety and complexity. Fostering cultural exchange and co-operation serves the cultural sector in itself and at the same time helps to promote the Baltic Sea Region as a rich and attractive cultural region. Joint presentations of cultural highlights like festivals and other events with a supra-regional appeal are envisaged to improve international awareness of the Baltic Sea Region's creative and cultural profile and offerings. Another objective of the action is to trigger spill-over effects and innovation in economy and society through cultural interventions. Activities promoting culture as a driver for social innovation and sustainable living aim to strengthen civil society and its institutions. Mapping, building up, spreading and developing knowledge on how to accelerate the positive spill-over effects of culture in the region will contribute to societies' innovation capacity.

To learn more

▶ European Commission (2017b), *European Union Strategy for the Baltic Sea Region.* Action Plan, Commission Staff Working Document, COM(2009) 248, SWD(2017) 118 final, Brussels, 20.3.2017, https://ec.europa.eu/regional_policy/sources/docoffic/official/communic/baltic/action_20032017_en.pdf.

Social media marketing

In the last decade, social media marketing (using platforms such as Facebook, Twitter, YouTube, blogs, etc.) has been increasingly included in the integrated communication approach. And with this internet penetration, new marketing instruments are emerging. Previously, personal communication channels

were of high importance for consumers. Information from trusted sources such as recommendations of family members or colleagues, effected a lot consumers' behaviour. Nowadays, thanks to social media tools, word of mouth is complemented by word-of-mouse. Consumers actively use online sources of information – from video blogs to online ratings – to make a decision on goods and services.

Both word of mouth and word-of-mouse should be taken into account, especially within the context of experiential products which cannot be tested before purchase. These tools can help entrepreneurs to quickly spread information about their products and attract potential consumers. At the same time, these marketing instruments should be properly managed since this "buzz" around a product can be positive but also negative. The main advantage of social media is that it allows not only for the message to be conveyed but also for interaction with consumers. Thus, undesirable for a company effects of word of mouth and word-of-mouse can be minimised through a broad online dialogue between consumers and businesses. In such a way a company can create (or re-create) a competitive advantage.

Learn from best practices: social media communication of TRANSROMANICA (certified Cultural Route of the Council of Europe, since 2007) – "Walkin 'n Talking"

A project called Walkin 'n Talking was established within TRANSROMANICA – the Romanesque Routes of European Heritage. Using its own blog, Facebook and YouTube to serve a new audience, a group of Italian girls travelled from Modena along the Cultural Route of Romanesque monuments and held several interviews with local experts. Other regions have been interested in copying this concept, and several similar projects have already been accomplished.

To learn more

▶ Council of Europe/European Commission (2011), *Impact of European Cultural Routes on SMEs' innovation and competitivenes*s, https://rm.coe.int/1680706995.

▶ Council of Europe (n.d.), TRANSROMANICA – The Romanesque Routes of European Heritage, www.coe.int/en/web/cultural-routes/transromanica-the-romanesque-routes-of-european-heritage.

Marketing communication is the only variable from among the basic 4Ps that does not require any substantial strategic modifications when applied within the sector of the Cultural Routes and EU macro-regions. The only specific requirement lies in the type of communication message, which has to be compatible with the communicated offering of the Cultural Routes and also with the overall communication strategy of the related EU macro-region. Also, the communication materials of the certified Cultural Routes should be available either in English or French in addition to the language used throughout a network. However, it should be noted that in any other sector, the compatibility of the message and the product has to be achieved where marketing is applied.

4. Extended marketing mix variables

People

Tourism is to a large extent about people. This marketing mix variable involves service personnel, tourists and a local population. The personnel who attend to the needs of tourists (sales representatives, transport crews, hotel staff, tourist guides, etc.) represent an essential element in tourism marketing. Behaviour, mood, stress and other personal factors can affect the perceived quality of a product. Therefore, staff knowledge, appearance, commitment and communication skills are very important to focus on. Similarly, the amount and behaviour of tourists may influence an overall impression from Cultural Routes visits. Major heritage destinations are often challenged by crowding issues. However, there are managerial tools for how to treat these, like pricing strategies or tourist flow management. It is also essential to keep in mind that the local people, and the way that they treat tourists, are part of the product/destination. When establishing a Cultural Route, it is therefore necessary to achieve a wide acceptance of a project by the local community.

Packaging

Within the marketing of the Cultural Routes, it is important to understand that the overall product is made up of a complex set of goods and services (heritage sites, museums, other attractions and events, travel agents, airlines, car rentals, hotels, restaurants, taxis, etc.). Packaging refers to combining two or more elements of the tourism experience into one product. Tour

operators provide packages with transportation, accommodation, transfers, visits to attractions, travel insurance and other tourism components. Destination packages offer the tourism product as composed of different activities, attractions and events. Regional tourism organisations market a region as integrated packages of attractions, events, activities and other tourism-related services. This approach is particularly convenient for the marketing of EU macro-regions through the Cultural Routes of the Council of Europe.

Programming

Routes4U meeting, Helsinki, Finland

Programming involves events (festivals, exhibitions, concerts, conferences, discussion forums, etc.) and diverse attractions that accompany a core product (heritage sites and trails) of the Cultural Routes. It aims at adding to the appeal of a destination and increasing customer spending. A number of attractions can be linked together in order to have a mix of products and experiences. They can even be grouped into tourism packages together with a core product. An attractive programming can help the Cultural Route to retain its audience by continuously offering new cultural experiences.

Learn from best practices: programming of Cultural Routes – The Hansa Days

The Hansa: Tartu, Estonia Source: Wikimedia Commons HendrixEesti

The Hansa (certified Cultural Route of the Council of Europe, since 1991) is a revitalised medieval seafaring merchants' route mainly related to the Baltic Sea. The network links more than 180 member cities from 16 countries. The Hansa Days illustrate how festivals can be an excellent means of programming to achieve many of the aims and objectives of the European Cultural Routes programme. They can encourage widespread community participation in cultural activities, and raise awareness of a common cultural heritage. From an economic point of view, they can also provide markets for small business products and contribute to increasing the profile and tourism revenues of a town – particularly where the tourism offer is limited. Where festivals are organised as a transnational event, as in the case of annual Hansa Days, they can also foster transnational collaboration and innovation. High profile international events such as this also encourage towns to invest in major cultural products.

To learn more

► Council of Europe/European Commission (2011), *Impact of European Cultural Routes on SMEs' innovation and competitivenes*s, https://rm.coe.int/1680706995.

► Council of Europe (n.d.), The Hansa, www.coe.int/en/web/cultural-routes/the-hansa.

Partnership

The dimension of partnership is embedded within the very purpose of the Cultural Routes, which are defined as "co-operation projects" (CM/Res(2013)67, Article 1.1). In particular, the Cultural Routes projects shall:

► open up possibilities for co-operation between Europe and other continents through the special affinities between certain regions (Rules II.5);

► seek partnerships with public and private organisations active in the field of tourism in order to develop tourist products and tools targeting all potential publics (Part II.5);

► project initiators shall form multidisciplinary networks located in several Council of Europe member States (Part III).

Given the high degree of interdependency among different stakeholders of the Cultural Routes there is a strong need for co-operation to make the Cultural Routes project succeed. Generally, the partnerships in tourism are formed as cross-border, international or even global platforms and/or strategic alliances that join different stakeholders working together across regions, countries or even continents. In this respect, we can distinguish between top-down and bottom-up co-operation initiatives.

Learn from best practices: partnership and networking platforms in the Baltic Sea Region

Developing an efficient framework for cultural co-operation is one of the four proposed actions within the policy area, Culture and Creative sectors of the EU Strategy for the Baltic Sea Region (EUSBSR, 2009). The objective is integration and co-operation between Baltic Sea Region cultural policy bodies with a view to developing co-operative working, joining forces and avoiding duplication of activities. The combined forces of the main Baltic Sea Region cultural actors will strengthen cultural co-operation, foster regional development and contribute to social cohesion. Within the Baltic Sea Region a wide range of inter-governmental and non-governmental bodies are addressing culture in the region, for example the cultural network ARS BALTICA, the Monitoring Group on Cultural Heritage in the Baltic Sea States (MG), the CBSS Senior Officials Group on Culture (SOGC), and the Northern Dimension Partnership on Culture (NDPC). Moreover, there are several regional organisations which touch upon cultural issues, for example the Nordic Council of Ministers (NCM), the Baltic Sea States Subregional Co-operation (BSSSC), the Baltic Development Forum (BDF)

and the Union of the Baltic Cities (UBC). Another objective of the policy area "Culture" is to contribute to the effectiveness of Baltic Sea Region cultural co-operation and coherence between these networks in order to facilitate successful interaction, joint activities and a co-ordinated and strategic common approach.

To learn more

► European Commission (2017b), *European Union Strategy for the Baltic Sea Region.* Action Plan, Commission Staff Working Document, COM(2009) 248, SWD(2017) 118 final, Brussels, 20.3.2017, https://ec.europa.eu/regional_policy/sources/docoffic/official/communic/baltic/action_20032017_en.pdf.

► EUSBSR website, www.balticsea-region-strategy.eu.

Learn from best practices: CrossCulTour partnership platform of TRANSROMANICA Cultural Route within the Alpine Region

CrossCulTour is a European bottom-up project constituting a co-operation platform that

TRANSROMANICA
The Romanesque Routes of European Heritage

includes members of TRANSROMANICA – the Romanesque Routes of European Heritage (certified Cultural Route of the Council of Europe, since 2007) from four countries of the Alpine Region – Austria, Germany, Italy and Slovenia. TRANSROMANICA acts as a financing partner of CrossCulTour. CrossCulTour stands for Cross-Marketing Strategies for Culture and Tourism, which means that the project aims to identify new partners, develop new marketing strategies and create cross-sector co-operation, in order to promote Romanesque heritage in central European regions. By doing so, both TRANSROMANICA and CrossCulTour aim to strengthen the position of the European regions involved. As a result, local communities should gain more income and SMEs can take advantage of an increasing number of activities and visitors alike. Conserving Romanesque heritage and creating a Cultural Route is not only a purpose in itself, but the project should also empower member regions.

To learn more

► Council of Europe/European Commission (2011), *Impact of European Cultural Routes on SMEs' innovation and competitiveness*, https://rm.coe.int/1680706995.

Third summary

1. The marketing mix of the Cultural Routes represents a set of controllable tactical marketing tools containing four basic elements – product, price, place and promotion (4Ps), and four extended variables – people, packaging, programming and partnership (8Ps). The extended 8Ps marketing mix model appears to be particularly relevant to the cultural tourism sector.

2. In line with the inside-out marketing approach applied to the field of cultural heritage, the product of Cultural Routes (the heritage itself) stands outside the traditional commercial outside-in marketing mix, since it is not adjusted to consumer preferences due to its cultural and social value, and preservation needs, but consumers are rather attracted to the existing product, while the remaining marketing mix variables are adjusted to the product.

3. The most important criterion for pricing strategies is the accessibility of cultural heritage to diverse target groups; therefore, segmented pricing (customer-segment pricing, product-form pricing, location pricing, time pricing) is commonly used.

4. The place variable encompasses a physical venue (heritage site), its accessibility, transport options and also the possibilities of virtual visits.

5. The promotion variable consists of a wide variety of communication mix tools – advertising, sales promotion, public relations, direct marketing, personal selling – while considering the necessary adjustments of the communication message to the nature of the Cultural Routes product.

6. People, packaging, programming and partnership are the marketing mix variables which represent the extended marketing mix of the Cultural Routes.

7. People involve service personnel, tourists and the local population. Tourism is about people. Since all three groups influence visitors' impressions of the Cultural Routes or macro-regions, they shall be considered within the marketing perspective.

8. The packaging variable highlights that a final tourism product is made up of a complex set of goods and services (not only heritage), combining several elements of the tourism experience into one product (package) offered to visitors.

9. Programming involves events (festivals, exhibitions, concerts, conferences, discussion forums, etc.) and diverse attractions that accompany the core product (heritage sites and trails) of the Cultural Routes.

10. The partnership dimension is embedded within the very purpose of Cultural Routes projects which are defined as "co-operation projects" (CM/Res(2013)67, Article 1.1). In addition, the establishment of a multidisciplinary network from several Council of Europe member states is one of the eligibility criteria for the certification "Cultural Route of the Council of Europe" (CM/Res(2013)67, Part III). Partnership and networking are useful tools in cultural tourism marketing which open up possibilities for co-operation between different actors within EU macro-regions, different European countries and between Europe and other continents through the special affinities between certain regions.

IV. Branding the Cultural Routes

1. The concept of branding

The creation of a brand (branding) is a process by which marketers give consumers a label for a product and provide meaning for the brand. It is a sustained effort to encourage people to see the brand in the light in which an owner of the brand portrays it. A key to branding is that consumers perceive differences between brands in a product category, and they attribute positive values to those differences. Branding is a marketing function and it is a strategic tool.

How branding works:

- ► it creates mental structures;
- ► it helps consumers to organise their knowledge about products and services;
- ► it facilitates consumers' decision making;
- ► it provides value in return.

Product v. brand

What is the difference between a product and a brand? A brand is a name that is given to a particular product or service or range of products or services. Essentially it exists to distinguish a particular product or service from that of its competitors. A brand is also the embodiment of customer goodwill accumulated during the lifetime of a service or product. The power of the brand is what resides in the minds of consumers (Kotler et al. 2009); likewise the brand is an identifiable product with a reputation.

So, for example:

> Product = a Cultural Route
>
> Brand = the Cultural Route of the Council of Europe

Both can be excellent, however the label "Cultural Route of the Council of Europe" is, a priori, a guarantee of that excellence, a quality mark which may appeal to a significant part of the market.

Source: pxhere. CC0

Learn from best practices: Cultural Route of the Council of Europe – the quality trademark

A candidate Cultural Route applying for the certification "Cultural Route of the Council of Europe" has to comply with the eligibility criteria as specified in Resolution CM/Res(2013)67.

In addition, even after the title has been awarded the Cultural Route must submit a report every three years enabling an evaluation of their activities in order to ascertain whether they continue to satisfy the criteria. The Cultural Routes therefore are guided towards the attainment of the highest quality-standards. The evaluation of each Cultural Route guarantees the assessment of the compliance with the principles and standards of the certification by the Council of Europe. The assessment mainly relates to:

► the interpretation and promotion of heritage elements along the Cultural Routes;

► the actions implemented in the priority fields of action by the Cultural Routes;

► the organisation and management of the association in charge of the Cultural Route.

2. The brand strategy within marketing

The brand strategy (branding) is a marketing function related to:

► **differentiation** – highlighting unique features of a particular Cultural Route within a particular macro-region;

► **positioning** – effort to occupy a certain position in consumers' minds;

- **market research** – understanding the current position of a brand in consumers' minds;
- **marketing communication** – achieving brand awareness (brand recognition) among potential customers, and forming a concrete brand image (including brand visual identity) in the minds of consumers.

Four pillars of branding

- **Label**: Cultural Route of the Council of Europe (since 1987).
- **Meaning**: What do consumers understand by the label Cultural Routes of the Council of Europe? (Positioning).
- **Differences**: What makes the Cultural Route of the Council of Europe different from other cultural routes? (Differentiation).
- **Awareness**: Do consumers recognise the label Cultural Route of the Council of Europe? (Market research)

Learn from best practices: The Hansa Cultural Route – An established brand

The Hansa (certified Cultural Route of the Council of Europe, since 1991) is a well-established brand, which has been in widespread use long before the revival of the Hanseatic League. It used to be an impressive league of up to 200 towns, which for four centuries played a major role in shaping trade and markets in the area. Thanks to the Hanseatic trade, luxurious merchandise from the east and north came to central and western Europe. The Hansa Route is a modern-day revival of a powerful medieval league of cities, which for 300 years controlled trade and shipping routes in and around the Baltic Sea. The Hansa Cultural Route formed a network of cities based on a historic and heritage "brand" rather than a linear route or single "product". Long established prior to Cultural Route designation, it has evolved and grown as member cities have rediscovered their Hansa "roots", particularly as barriers between eastern and western Europe have disappeared. New opportunities for cultural and economic trade and exchange have more recently been recognised using the Hansa brand as a mark of quality and reliability, with important (but still underutilised) symbolic value.

Roles of brands

Kotler et al. (2009) summarise multiple roles of brands as follows:

- ► signal a certain level of quality so that satisfied consumers can easily choose the product or service again;
- ► facilitate purchase so that customers do not have high levels of indecision as to what to buy;
- ► reduce the perceived risk in the purchase situation and reduce the time needed for a purchase;
- ► offer legal protection for unique features or aspects of a product or service;
- ► create greater customer loyalty, which provides predictability and security of demand for a company;
- ► can be a powerful means to secure a competitive advantage or strategic differentiation;
- ► increase marketing communication efficiencies;
- ► attract higher-quality buyers and employees;
- ► elicit stronger support from channel and supply chain partners;
- ► create growth opportunities through brand extensions and licensing;
- ► help to segment markets and have different products or services within the same market but aimed at different target publics.

Further reading

- ► Kotler P., Keller K. L., Brady M., Goodman M. and Hansen T. (2009), *Marketing management* (1st edn), Pearson, Edinburgh.

3. Brand elements

The basic brand elements in marketing, according to Keller (2013), are:

- ► brand visual identity;
- ► brand awareness;
- ► brand image;
- ► customer-based brand equity.
- a. **Brand visual identity** – is given by brand visual ingredients: logo, colours, type and imagery. The visual identity aims to create an

emotional connection with a customer. All graphic elements have to be consistent with the brand values and personality, otherwise consumers might be confused by mixed messages and the positioning of the brand might be challenged. The best logos are simple, consistent and easy to remember. Nevertheless, a logo can also evolve as the identity of a brand evolves.

Visual identity should:

► amplify the intended message of the brand;

► convey values and personality of the brand;

► ensure an easy identification of the brand.

Routes4U meeting, Venice, Italy

b. **Brand awareness** – is related to the strength of the brand node or trace in the memory, which can be measured as consumer's ability to identify the brand under certain conditions.

► If tourists are asked to name heritage labels they are aware of, will they also mention the label Cultural Routes of the Council of Europe?

▶ If not, will they recognise the Cultural Routes of the Council of Europe label when it is presented among other heritage labels?

c. Brand image – has long been recognised as an important concept in marketing. Although marketers have not always agreed about how to measure it, one generally accepted view is that brand image is consumers' perceptions about a brand reflected by the brand associations held in consumer memory.

What are the main associations connected with the Cultural Routes of the Council of Europe label?

▶ Association testing within marketing research appears to be the right tool for answering this question.

▶ There are certain associations which the Cultural Route may wish to achieve.

▶ Positioning strategy will help in reaching a desired brand image.

d. Customer-based brand equity – is one of the most important indicators of brand performance. It is defined as the differential effect that brand knowledge has on consumer response to the marketing of the brand. A brand has positive customer-based brand equity when consumers react favourably to a product and the way it is marketed when the brand is identified than when it is not.

▶ Are tourists more attracted to the Cultural Routes of the Council of Europe than to other cultural routes?

▶ If the answer is yes, then we could assume that the label Cultural Routes of the Council of Europe (brand) has positive customer-based brand equity.

Strong customer-based brand equity occurs when the consumer has a high level of awareness and familiarity with the brand (brand awareness) and holds some strong, favourable, and unique brand associations in memory (brand image). The brand equity concept reinforces how important the brand is in marketing strategies.

Further reading

▶ Keller K. L. (2013), *Strategic brand management: building, measuring, and managing brand equity* (4th edn), Pearson International, New Jersey.

4. Different brand levels within Cultural Routes and the EU macro-regional strategies

The label Cultural Route of the Council of Europe represents a so-called umbrella brand which covers various product brands – the certified Cultural Routes. We therefore need to distinguish between the different levels of brands. A unifying element of all Cultural Routes belonging under the label "Cultural Route of the Council of Europe" is compliance with the eligibility criteria specified in Resolution CM/Res(2013)67, Rules I–III. These criteria constitute the umbrella-brand standards:

▶ theme of the Cultural Route;

▶ priority field of actions:

— co-operation in research and development;

— enhancement of memory, history and European heritage;

— cultural and educational exchanges for young Europeans;

— contemporary cultural and artistic practice;

— cultural tourism and sustainable cultural development;

▶ networks management and functioning.

Each of the certified Cultural Routes of the Council of Europe needs to build its own product brand under the umbrella brand of the Council of Europe Cultural Route label, for example:

► umbrella brand = the Cultural Route of the Council of Europe;

► product brands = each of the Cultural Routes of the Council of Europe.

Motivation for becoming a certified "Cultural Route of the Council of Europe"

Why should a Cultural Route aspire to become a certified Cultural Route of the Council of Europe? There are several reasons in favour of the certification, one of which is related to customer-based brand equity as an important indicator of the brand impact on consumer behaviour.

The brand "Cultural Route of the Council of Europe" serves as:

► an incentive for visitors regardless of the prestige of a particular Cultural Route;

► a guide for consumers to help them chose among different cultural tourism products;

► a guarantee of quality (given by the eligibility criteria that all Cultural Routes of the Council of Europe have to comply with – Resolution CM/Res(2013)67).

Although the brand creation involves several elements – brand visual identity, brand awareness, brand image and customer-based brand equity – only one of them is explicitly required prior to the certification process. Each Cultural Route project presenting its candidature for becoming "the Cultural Route of the Council of Europe" should create its own visual identity. The most visible part of the visual identity – the logo – is one of the criteria assessed during the evaluation process (the Cultural Routes evaluation checklist – Part 3.4 Communication tools). The Cultural Route logo has to be delivered to all network partners (for example via a logotype graphics manual specifying standards for its use). All partners in the network should use the Cultural Route logo on their communication materials. In addition, following the award of the certification, the entire mention "Cultural Route of the Council of Europe" and the logo of the Council of Europe must be placed on all communication material, including press releases (CM/Res(2013)67, Rules IV.2). By adopting these measures all certified Cultural Routes of the Council of Europe shall ensure a consistent and easily recognisable brand, which can be used as a competitive advantage on the cultural tourism market. For example, The Cyril and Methodious Route, which applied for certification in 2019, developed a logotype graphic manual.

Branding EU macro-regions through the Cultural Routes

At the higher territorial level, we can brand a region, a country or even a continent and promote all heritage labels as its product brands. Accordingly, we can brand EU macro-regions as umbrella brands and highlight the Council of Europe Cultural Routes as its product brands. Each macro-region can select one or several Cultural Routes to serve as its flagship heritage products. Further, it can brand the macro-region through the selected product brands, for example:

▶ Umbrella brand = Danube macro-region

▶ Product brand = Roman Emperors and Danube Wine Route (2015)

Learn from best practices: branding European macro-regions – Danube brand

The EU Strategy for the Danube Region (EUSDR, 2010) focuses on four pillars – connecting the region, protecting the environment, building prosperity and strengthening the region. Concrete co-operation actions are specified within each pillar, highlighting 12 priority areas. Priority Area 3: "To promote culture and tourism, people to people contacts" aims at:

▶ developing a Danube Brand and green tourist products along the Danube Region;

▶ developing new and support existing Cultural Routes relevant in the Danube Region;

▶ ensuring the sustainable preservation of cultural heritage and natural values by developing relevant clusters, and networks of museums, interpretation and visitor centres within the Danube Region.

Orşova, Romania.© Nathasha Amar

The action – "To develop the Danube Region as a European brand" as a branding strategy for the Danube Region – should instil positive perceptions of the region. The regional and local events celebrating Danube Day on 29 June are demonstrations of this potential. For many of these events an overall framework, as well as a focus for mobilising resources in the tourism sector, is needed. A suggested example includes the project: "To develop a quality label for Danube tourism". The project will support the competitiveness and sustainability of Danube tourism (destinations, accommodation, tour operators, services such as cruises, excursions, etc.) and define the criteria for high-quality tourism. For specific destinations, the new Sustainable Tourism Criteria of DG Enterprise and Industry could be used. Accommodation establishments could use the EU eco-label (flower). Special communication instruments, for example a web-based booking platform or image campaigns, should highlight quality tourism products. A part of the Danube brand strategy is a selection of several Cultural Routes of the Council of Europe to be promoted as Danube Region flagship cultural tourism products.

To learn more

► Council of Europe (2018), Cultural Routes for the Danube regional development, Routes4U Project, 6 November, https://pjp-eu.coe.int/en/web/cultural-routes-and-regional-development/newsroom/-/asset_publisher/4UCJbST1sElO/content/cultural-routes-for-the-regional-development-of-the-danube-region?_101_INSTANCE_4UCJbST1sElO_viewMode=view/.

► The Danube Region website, https://danube-region.eu/.

► European Commission (2010c), *European Union Strategy for the Danube Region*. Action Plan, Commission Staff Working Document, COM(2010) 715 final, SEC(2010) 1490 final, SEC(2010) 1491 final, SEC(2010) 1489 final, Brussels, 8.12.2010, https://ec.europa.eu/regional_policy/sources/docoffic/official/communic/danube/action_plan_danube.pdf.

Learn from best practices: The Roman Emperors and Danube Wine Route – product brand of the Danube Region

The Roman Emperors and Danube Wine Route (certified Cultural Route of the Council of Europe, since 2015) runs through four countries of the Middle and Lower Danube

Region – Croatia, Serbia, Bulgaria and Romania – encompassing 20 archaeological sites and 12 wine regions. It highlights the tradition of wine production and consumption which began in Roman times. The Cultural Route links the archaeological sites with their individual (unique) histories which are monuments to the leadership of the Roman emperors in the introduction of Roman culture along the northern frontier of the Empire. Wine, as the key sub-theme, blends conceptually with the introduction of Roman culture and social mores into the Danube Region.

To learn more

▶ Council of Europe (n.d.), The Roman Emperors and Danube Wine Route, www.coe.int/en/web/cultural-routes/the-roman-emperors-and-danube-wine-route.

5. Key factors in macro-regional brand development

According to *Cultural Routes management: from theory to practice* (Council of Europe 2015), there are some key factors that are common for the creation of a successful brand and should be considered in the context of a cultural tourism brand:

▶ consistency;

▶ authenticity and brand values;

▶ uniqueness and differentiation;

▶ recognisable visual identity.

Consistency

Consistency and coherence are aspects that characterise every successful brand. Not only does a brand need to have a consistent visual identity (including typeface, colours and logos), but it also needs to be coherent in the way in which it is communicated to its customers. This also means sticking to the previously identified and established branding guidelines. The more consistent a brand is, the more trustworthy it will be to its customers.

Authenticity and brand values

Authenticity is especially important when developing a destination brand such as a macro-regional brand or a Cultural Routes brand. Tourists and visitors are drawn in by authentic experiences and people, the "human aspect" or side of a brand: authenticity which needs to be reflected in the brand values. Those are the core values that are going to define the brand – the key aspects that can be seen as qualities or strengths of the brand. They span across every activity and aspect of the brand as they are essentially the core definition of the brand. Those values will also be what customers will connect to.

Uniqueness and differentiation

Uniqueness is essentially what sets a brand apart from its competitors. What makes a brand unique is one of the fundamental questions that has to be addressed when attempting to create a branding strategy. There needs to be an awareness and willingness to position one's brand among its competitors. Successful brands do so by creating something new and unique, something which will attract customers and make them want to stay loyal to the brand.

Recognisable visual identity

A strong visual identity is another key factor that needs to be considered when creating a brand. In order to ensure the success of a brand, it should be consistent in its style choices so that customers will recognise it even without seeing the logo. Special attention also needs to be paid to the use of colours, which need to be in line with the brand values because different colours can have a significance or connotation of their own.

Further reading

► Council of Europe (2015), *Cultural Routes management: from theory to practice. Step-by-step guide to the Council of Europe Cultural Routes,* Council of Europe Publishing, Strasbourg.

Branding Europe

Source: Pexels

Europe is one of the world's regions with the largest concentration of cultural heritage and is also the top tourist destination in the world. In addition, cultural heritage has been recognised as a strategic resource for a sustainable Europe highlighting cultural heritage resources as long-term assets to be promoted via tourism development. It calls for a Europe-wide dialogue involving all stakeholders; stresses the importance of the Cultural Routes and UNESCO sites; underlines macro-regional strategies; new technologies; and addresses sustainability questions by developing less invasive and higher value-added forms of tourism (Council of the European Union 2014). Therefore, the promotion of cultural heritage and heritage tourism is a significant factor in current economic and social policies. In 2013, the European Heritage Label was established. The label is given to sites selected for their symbolic value, the role they have played in European history and the activities they offer that bring the EU and its citizens closer together. In addition, the year 2018 was designated European Cultural Heritage Year. It aimed at increasing and diversifying cultural tourism by mapping out shared paths, axes and swathes, melting pots, interfaces and border regions.

- ▶ Umbrella brand = Destination Europe
- ▶ Product brands = EU macro-regions, Cultural Routes of the Council of Europe, European Heritage sites, UNESCO World Heritage sites

To learn more

► Council of the European Union (2014), *Council conclusions of 21 May 2014 on cultural heritage as a strategic resource for a sustainable Europe*, 2014/C 183/08, Brussels, 21 May, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52014XG0614%2808%29.

► European Commission (2016), European Year of Cultural Heritage proposed for 2018, 30 August, https://ec.europa.eu/culture/news/20160830-commission-proposal-cultural-heritage-2018_en.

► European Commission (n.d.), European Heritage Label, https://ec.europa.eu/programmes/creative-europe/actions/heritage-label_en.

Learn from best practices: branding Europe – "Destination Europe"

Rome, Italy. Source: Pexels © Anastasia Dav

Since 2012, the European Travel Commission (ETC) has been promoting the brand "Destination Europe" through the first ad-hoc grant from the European Commission for the development of a long-term promotion strategy for Europe as a tourist destination. The principal objective of the Destination Europe programme is to position Europe as the worldwide number one tourist destination in key overseas markets on behalf of its member organisations. The ETC undertakes a number of regional trade and global consumer marketing campaigns that highlight the diverse and unique travel experiences Destination Europe has to offer. These campaigns

To learn more

► European Travel Commission (n.d.), Marketing. Destination Europe,
https://etc-corporate.org/marketing/.

In 2016, the European Commission launched a tourism communication
campaign "Europe. Wonder is all around" targeted on the internal market.
The campaign aimed to entice European citizens to discover the hidden
wonders of Europe. This initiative asked European citizens to take the lead:
share their favourite destinations and in this way make others more aware
of and motivate them to travel to the diverse, sustainable and high-quality
tourist destinations in Europe. The campaign's website featured a Wonder
map application through which Europeans were able to share their hidden
wonders, flavours and stories.

To learn more

► Europe. Wonder is all around (2016), European Commission campaign
to take Europeans off the beaten track and promote tourism in Europe,
9 June, https://europe-wonder-is-all-around.prezly.com/european-
commission-campaign-to-take-europeans-off-the-beaten-track-and-
promote-tourism-in-europe.

6. Brand management

The process of building and managing a strong brand is mainly about creating
differences and communicating them to target markets. There are several
basic principles of branding and brand equity, summarised by Keller (2013):

► differences in outcomes arise from the "added value" endowed to a
product as a result of past marketing activity for the brand;

- ▶ this value can be created for a brand in many different ways;
- ▶ brand equity provides a common denominator for interpreting strategies and assessing the value of a brand;
- ▶ there are many different ways in which the value of a brand can be manifested or exploited.

Brand management of the Cultural Routes of the Council of Europe

As highlighted by the report *Impact of European Cultural Routes on SMEs' innovation and competitiveness* (Council of Europe/European Commission 2011), the brand identity and values of each Cultural Route need to be studied sensitively in respect of their vast differences in thematic, historical and geographical values, when coming together as part of a single European brand for cultural tourism. The scope of any consumer brand for the Cultural Routes of the Council of Europe needs to include the following aspects:

- ▶ the meaning behind the brand;
- ▶ to whom the brand is targeted;
- ▶ how the brand will be used.

To learn more

- ▶ Council of Europe/European Commission (2011), *Impact of European Cultural Routes on SMEs' innovation and competitiveness*, https://rm.coe.int/1680706995.

7. How to clarify the meaning behind the brand

In creating a brand that depicts the true strengths and essence of the destination, it is advisable to look at widely adopted brand-building models for destinations like the five-stage brand pyramid shown below. The pyramid combines the attributes, positioning and brand values commonly used in destination branding. The principles used by the Cultural Routes in destination branding would remain the same given the importance of tourism in the promotion of the Cultural Routes (Council of Europe/European Commission 2011).

Source: adapted from European Travel Commission and World Tourism Organization (2009: 45).

Figure 4. The five-stage brand pyramid of tourism destinations.

As highlighted by the *Handbook on tourism destination branding* (2009) the development of a strong product offer comes from the work of local industry leaders and stakeholders who have a passion to collaborate and promote intercultural dialogue and understanding. Many Cultural Routes have made good progress in this field but they lack connectivity, particularly in cross-border product development, transnational governance and collaboration. Strong development at grass-roots level is ultimately the foundation for any promotional action designed to bring visitors to discover European destinations based on a given thematic route or cultural itinerary.

To learn more

► European Travel Commission and World Tourism Organization (2009), *Handbook on tourism destination branding*, UNWTO, Madrid.

8. How to build a strong brand for a Cultural Route

The customer-based brand equity (CBBE) model has been suggested for the brand management (Keller 2013). The model suggests that in order to build a strong brand, we must shape how customers think and feel about the product. We have to build the right type of experiences around the brand, so that

customers have specific, positive thoughts, feelings, beliefs, opinions and perceptions about it. The model provides a unique point of view as to what brand equity is and how it should best be built, measured and managed. It involves four steps, where each step is contingent upon successfully achieving the previous step. All steps involve accomplishing certain objectives with customers – both existing and potential customers. Four steps also represent four fundamental questions that customers ask – often subconsciously – about the brand. We have to reach the top of the ladder in order to develop a successful brand.

Step 1: Brand identity – Who are you?

Step 2: Brand meaning – What are you?

Step 3: Brand response – What do I think, or feel, about you?

Step 4: Brand resonance/relationship – What kind of association and how much of a connection would I like to have with you?

Source: Pixabay © MorganK

Step 1: Brand identity – Ensuring identification of the brand with customers and an association of the brand in customers' minds with a specific product class or customer need.

► What does the label Cultural Routes of the Council of Europe stand for?

Step 2: Brand meaning – Establishing the totality of brand meaning in the minds of customers – that is, by strategically linking a host of tangible and intangible brand associations.

► Which diverse characteristics are related to the label Cultural Routes of the Council of Europe in the context of a particular macro-region?

Step 3: Brand response – Eliciting the proper customer responses to this brand identity and brand meaning.

► What are consumers' opinions, attitudes and feelings about the characteristics related to the label Cultural Routes of the Council of Europe?

► Do they relate the Cultural Route to a particular macro-regional context?

Step 4: Brand resonance/relationship – Converting brand response to create an intense, active loyalty relationship between customers and the brand.

▶ What is consumer behaviour with respect to the Cultural Route of the Council of Europe?

To learn more

▶ Keller K. L. (2013), *Strategic brand management: building, measuring, and managing brand equity* (4th edn), Pearson International, New Jersey.

Once the label Cultural Routes of the Council of Europe achieves strong brand equity, visitors will be committed to its products, they will recommend the experience to other people, be more loyal, and more likely to prioritise certified Cultural Routes over other cultural routes.

Source: Council of Europe/European Commission (2011: 90).

Figure 5. The process of increasing visibility and commitment through marketing and branding.

9. Marketing planning

Strategy in marketing stands for a long-term vision of measures which have to be adopted in order to reach objectives related to the marketing performance of an organisation. Within marketing of the Cultural Routes we shall consider several types of strategies in line with the mission of a Cultural Routes project:

▶ audience development strategy – related to the ambition of the project to address different kinds of publics;

- ▶ marketing mix strategies – related to product development, pricing, place, marketing communication, people, programming, packaging and partnerships;
- ▶ branding strategy – related to the necessity of building a strong brand.

However, in order to put these strategies into practice, we need a marketing plan. A marketing plan is like a road map which guides an organisation to reach its objectives related to the market performance. A marketing plan contains information about an organisation and its products or services; marketing objectives and strategies, as well as how the success of the marketing activities will be measured. It describes all the marketing activities an organisation will perform during a specified time period (usually one year). It also assesses what is going on in the marketplace and how it affects the sector in which an organisation operates. This in turn helps to understand who our customers are and how we can best meet their needs. A marketing plan also includes any background information and research results used to select concrete marketing activities. Finally, the marketing plan documents the costs associated with planned marketing activities and the measurements that will be used.

Marketing plan structure

1. **Executive summary** (brief description of main goals, findings and recommendations of the marketing plan).

2. Current **marketing situation** – analyses:
- **a.** industry trends and market analysis;
- **b.** competition analysis;
- **c.** consumer analysis;
- **d.** SWOT analysis (strengths, weaknesses, opportunities, threats).

3. **Marketing objectives** (what we want to achieve with respect to our marketing performance).

4. **Marketing strategies** (proposal of marketing tools to achieve marketing objectives):
- **a.** audience development strategies;
- **b.** marketing mix strategies;
  - i. product strategy
  - ii. pricing strategy
  - iii. distribution strategy

iv. communication strategy

v. other marketing mix strategy (if applicable)

c. branding strategies.

5. Implementation plan (specifies the time frame for marketing actions suggested in the marketing plan).

6. Marketing budget (specifies the cost of suggested marketing actions).

7. Marketing controlling (specifies how the achievement of results will be controlled).

Marketing implementation

Source: Pexels

Marketing implementation is the process that turns marketing plans into marketing actions in order to accomplish strategic marketing objectives. Whereas marketing planning addresses the what and why of marketing activities, implementation addresses who, where, when and how (Kotler and Armstrong 2008). However, the process of marketing implementation of Cultural Routes projects often faces staff limitations. It involves too many tasks, but too few people to implement them.

Marketing controlling

Marketing controlling involves measuring and evaluating the results of marketing strategies and plans, and taking corrective actions to ensure

that objectives are attained (Kotler and Armstrong 2008). Control mechanisms involve:

- ▶ quantitative indicators – increased number of visitors, growing income from ticket sales, etc.;
- ▶ qualitative indicators – changes in visitors' attitudes, increased brand awareness, improved image, etc.

In addition, marketers can perform a strategic control – a market audit. The marketing audit is a comprehensive, systematic, independent and periodic examination of an organisation's environment, objectives, strategies and activities to determine problem areas and opportunities (Kotler and Armstrong 2008). So, overall the market audit is a complex control of everything that concerns marketing performance and a good basis for further planning in order to improve discovered insufficiencies.

To learn more

- ▶ Kotler P. and Armstrong G. (2008), *Principles of marketing* (12th edn), Pearson Prentice Hall, Pearson International Edition, London.

Fourth summary

1. A brand is a name given to a particular product or service or range of products or services in order to distinguish the product or service from that of its competitors.

2. Branding is a process by which marketers give consumers a label for a product and provide meaning for the brand. Branding strategy is related to such marketing categories as differentiation (highlighting unique features), positioning (effort to occupy a certain position in consumers' minds), market research and marketing communication.

3. The basic brand elements in terms of marketing are:

- ▶ brand visual identity;
- ▶ brand awareness;
- ▶ brand image;
- ▶ customer-based brand equity.

The tools of marketing communication are used to create brand awareness by using the brand visual identity among the potential customers, and to form a concrete brand image in the minds of consumers. This will help consumers to make the purchase decision, thus positively influencing the customer-based brand equity.

4. Each of the Cultural Routes of the Council of Europe needs to build its own product brand under the umbrella brand of the Council of Europe Cultural Routes label as well as design their brand visual identity (logo). In addition, each macro-region can select one or several Cultural Routes to serve as its flagship heritage products, and brand the macro-region through the selected Cultural Routes brands.

5. There are some key factors that are common for the creation of a successful brand and should be considered in the context of a cultural tourism brand:

- ► consistency;
- ► authenticity and brand values;
- ► uniqueness and differentiation;
- ► recognisable visual identity.

6. The process of building and managing a strong brand is mainly about creating differences and communicating them to a target market. The key to branding is that consumers perceive differences among brands in a product category, and they attribute positive values to these differences.

7. In creating a brand that depicts the true strengths and essence of the destination, it is advisable to look at widely adopted brand-building models for destinations, like a five-stage brand pyramid.

Step 1	Rational attributes	What are tangible, verifiable, objective, measurable characteristics of a destination? What do tourists think?
Step 2	Emotional benefits	What psychological rewards or emotional benefits do tourists receive by visiting a destination? How do tourists feel?
Step 3	Brand personality	What key traits and characteristics of a destination should be communicated by the brand?
Step 4	Positioning statement	What position in consumers' minds does a destination aspire to achieve? What kind of communication message within the positioning statement is used for this purpose?
Step 5	Brand essence	What is the essential nature and character of a destination?

8. The concept of the customer-based brand equity model implies that in order to build a strong brand, it should be shaped according to how customers think and feel about the product. It involves four steps, where each step is contingent upon successfully achieving the previous one:

Step 1: Brand identity – Who are you?

Step 2: Brand meaning – What are you?

Step 3: Brand response – What do I think, or feel, about you?

Step 4: Brand resonance/relationship – What kind of association and how much of a connection would I like to have with you?

9. The marketing plan is a guide for putting into practice different strategies (audience development strategy, marketing mix strategies and branding strategy) related to the marketing performance of a Cultural Route and/or macro-region.

Via Francigena: Monteriggioni, Italy. Source Shutterstock Roberta Ristori

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Glossary

Audience – is a group of consumers identified as the targets or recipients for a particular offer and related marketing message.

Audience development – is a process aimed at the customer retention as well as the attraction of new clients. Regarding culture and cultural tourism, such tools as engagement, education and motivation of diverse communities to actively participate in an entertaining experience contribute to co-creation of tourism and cultural products and help thus to build strong long-term relationships with the audience.

Brand awareness – is related to the strength of the brand node or trace in the memory, which can be measured as consumer's ability to identify the brand under certain conditions.

Brand visual identity – is a visual embodiment of the brand and its values through graphic elements that aims to create an emotional connection with a customer.

Branding – is a strategic tool used by marketers to create a meaning for a product and spread this meaning among current and potential consumers. The brand increases the product recognition and customers' awareness of the quality of offered products and services. This facilitates consumers' decision making in relation to the well-known brands as well as the creation of customer loyalty. The basic brand elements in terms of marketing are brand visual identity, brand awareness, brand image and customer-based brand equity.

Brand image – is consumers' perceptions about a brand reflected by the brand associations held in consumer memory.

Certification/Decertification – is a process to check the compliance of a product with the requirements to be met; decertification happens when the requirements are not met and a product cannot be certified.

Certification process of a Cultural Route – is a process of evaluation of a possible future Culture Route. Every year, the certification is awarded to legally constituted networks, working on a European theme and implementing activities in at least three Council of Europe member states. The certification "Cultural Route of the Council of Europe" is a guarantee of excellence. The certification gives visibility to European initiatives which bring to life the Council of Europe values, such as cultural diversity, intercultural dialogue and mutual exchanges across borders.

Community – a social and political network that links a group of people with a common identity who may be involved across a range of related livelihoods. Communities often have customary rights related to an area and its natural resources, and a strong relationship with the area from a cultural, social, economic and spiritual perspective.

Council of Europe – is an international governmental organisation founded in 1949. It is the oldest European organisation as well as the "most European" one since it includes 47 member states and covers the whole European continent. From its origin, the Council of Europe has had the aim of achieving greater unity between its member states and their citizens. Human rights, democracy and rule of law are the three core values, providing the foundations of the Organisation and orienting its work.

Culture – can be defined as the whole complex of distinctive spiritual, material, intellectual and emotional features that characterise a community, society or social group. It includes not only arts and literature, but also modes of life, the fundamental rights of the human being, value systems, traditions and beliefs. Culture encompasses the living or contemporary characteristics and values of a community as well as those that have survived from the past.

Cultural heritage – is the expression of the ways of living developed by a community and passed on from generation to generation, including customs, practices, places, objects, artistic expressions and values. Cultural heritage is often expressed as either intangible or tangible cultural heritage.

Cultural Routes – are transnational networks with legal status certified by the Council of Europe in which at least three entities from different European countries participate. The network partners carry out a vast range of activities in the academic, educational and artistic field.

Cultural tourism – is essentially a forum of tourism that focuses on the culture and cultural environments, including the landscapes of the destination, and the values and lifestyles, heritage, visual and performing arts, industries, traditions and leisure pursuits of the local population and host community. It can include attendance at culture events, visits to museums and heritage places, and mixing with local people. It should not be regarded as a definable niche within the broad range of tourism activities, but encompasses all experiences absorbed by the visitor to a place that is beyond their own usual environment.

Customer-based brand equity – is the differential effect that brand knowledge has on consumer response to the marketing of the brand. A brand has positive customer-based brand equity when consumers react favourably to a product and the way it is marketed when the brand is identified than when it is not.

Customer relationship management (CRM) – refers to the overall process of building and maintaining profitable customer relationships by delivering superior customer value and satisfaction. Nowadays, digital tools play the important role in CRM, since they allow to effectively respond to the existing and emerging market trends and challenges as well as reach the maximum amount of consumers and convince them to experience a product or a service.

Differentiation – is a marketing strategy that aims to increase the attractiveness of products or services and distinguish them from other similar products through developing a unique offer for consumers. Nowadays, differentiation becomes more and more important not only for product manufactures but also for other industries, including tourism and cultural services and product providers, since the increase in supply and related to this increasing competitiveness among destinations and cultural institutions makes clients retention and attraction more difficult than ever.

Enlarged Partial Agreement on Cultural Routes (EPA) – is an agreement among member states and non-members of the Council of Europe. It was established in 2010 and seeks to reinforce the potential of the Organisation for cultural co-operation, sustainable territorial development and social cohesion, with a particular focus on themes of symbolic importance for European unity, history, culture and values and the discovery of less well-known destinations.

European Commission – is the European Union's politically independent executive body. It is responsible for drawing up proposals for new European legislation, and it implements the decisions of the European Parliament and the Council of the EU. The EU Strategies for the Macro-regions were adopted by the European Commission and endorsed by the European Council.

European Institute of Cultural Routes – is the technical agency of the Cultural Routes of the Council of Europe. The EICR was created in 1998 and is located at Neumünster Abbey, in Luxembourg City.

Good/best practice – is a method or a technique which was chosen above others because of its superior effect or result.

Heritage – a broad concept that encompasses our natural, indigenous and historic or cultural inheritance.

Inside-out approach – is a marketing approach based on the product first being created inside a company and only afterwards placed out on the market (product – market). The marketing optic shifted towards the outside-in

orientation *(see below)* in the 1960s, by which time the marketing concept was born.

Intangible heritage – refers to traditions and customs, artistic expressions and values.

Macro-regional strategy – is an integrated framework endorsed by the European Council, which may be supported by the European Structural and Investment Funds among others, to address common challenges faced by a defined geographical area relating to Member States and third countries located in the same geographical area which thereby benefit from strengthened co-operation contributing to achievement of economic, social and territorial cohesion.

Marketing – is a process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return. Nowadays, marketing has become a significant element of management of not only a commercial sector but also a non-profit sector, including cultural heritage field. Within the context of the Cultural Routes, the following types of marketing can be highlighted: heritage marketing, arts marketing, destination marketing, tourism marketing and services marketing.

Marketing controlling – is the measurement and evaluation of the results of marketing strategies and plans. Marketing controlling serves as a basis for further marketing strategy development through proposing corrective actions in the face of new market challenges and trends that were not taken into account by previous plans and actions.

Marketing implementation – is a process that turns marketing plans into marketing actions in order to accomplish strategic marketing objectives. Whereas marketing planning addresses the what and why of marketing activities, implementation addresses who, where, when and how.

Marketing mix – is a set of controllable tactical marketing tools through which a company influences the consumption of its products and services. Marketing mix is often referred to the 4Ps which stands for product, price, place and promotion as the main variables of marketing planning. This conception was expanded to 8Ps through covering additional four variables such as people, packaging, programming and partnership. By controlling and developing these variables, marketers can create effective and consistent marketing strategy for the product promotion.

Marketing plan – is a guide that states organisation's objectives related to its market performance. A marketing plan contains information about an organisation and its products or services and marketing objectives and strategies. A plan describes all the marketing activities an organisation will perform during a specified time period. A plan should also take into account market trends and their impact on the sector in which an organisation operates in order to provide with an appropriate marketing strategy. The marketing plan documents the costs associated with planned marketing activities and the measurements that will be used.

Marketing research – is a process of data collection and analysis aimed at ensuring a basis for making a decision on how to respond to market trends and challenges. Different types of marketing research can be distinguished. They can be classified by objectives (exploratory, descriptive and causal), by source (primary or secondary) and by methodology (qualitative or quantitative). There are many research tools and approaches, however the choice of research methodology depends on various factors – from research goals to specific features of the research subject. Due to that, the research plan development is an essential step that can help to get reliable and accurate findings and contribute to the evidence-based decision making.

Outside-in approach – is a marketing approach focused on the analysis of customers' needs, wants and behaviours, while the product design is based on the result of received data.

Positioning – is a marketing approach that implies an act of designing an offer and image to occupy a distinctive place in the minds of target audiences. The principal aim of positioning is to clearly state the values of products and services and explain benefits that they can bring to consumers.

Routes4U – is a 30-month joint programme between the Council of Europe (Directorate General Democracy) and the European Union (European Commission – DG REGIO). The project aims at fostering regional development through cultural heritage policies.

Segmentation – is a marketing strategy that implies the divisions of the market into internally homogeneous groups which appear distinct from the other groups. In essence, the market segmentation approach recognises that the total market demand is essentially heterogeneous and, therefore, it can be disaggregated into different segments with similar needs and preferences. The organisation of consumers along different criterion – geographic, socio-demographic, psychographic or behavioural ones – allows to distinguish

consumers with similar behavioural patterns and needs and make thus marketing campaigns and their core messages well-targeted.

Stakeholders – are parties which are somehow effective in or affected by a company. They can be its investors, employees, customers or suppliers.

Sustainable regional development – is a principle aimed at creating the state of society, in which living conditions and the use of resources continue to meet human needs without undermining the integrity and stability of the natural system at the regional level.

Sustainable tourism – refers to a level of tourism activity that can be maintained over the long term because it results in a net benefit for the social, economic, natural and cultural environments of the area in which it takes place.

Tangible heritage – is heritage which includes sites, buildings or objects.

Targeting – is a marketing strategy that refers to the evaluation of each market segment's attractiveness and selecting one or several preferable segments to enter. Regarding consumers, targeting implies the selection of specific groups to address. Although targeting means the narrowing of the product or service coverage through reducing the number of potential recipients, it allows to increase the efficiency of marketing campaigns.

List of abbreviations

A.D.A.M.	Audience Development Arts Marketing
AIC Forum	Forum of the Adriatic and Ionian Chambers of Commerce
ATLAS	Association for Tourism and Leisure Education and Research
BDF	Baltic Development Forum
BSSSC	Baltic Sea States Sub-regional Co-operation
CBBE	customer-based brand equity
CBSS	Council of the Baltic Sea States
CRM	customer relationship management
DG REGIO	Directorate-General for Regional and Urban Policy, European Commission
EPA	Enlarged Partial Agreement on Cultural Routes
ETC	European Travel Commission
ETIS	European Tourism Indicator System
EU	European Union
EUSAIR	European Union Strategy for the Adriatic-Ionian Region
EUSALP	European Union Strategy for the Alpine Region
EUSBSR	European Union Strategy for the Baltic Sea Region
EUSDR	European Union Strategy for the Danube Region
ICT	information and communications technologies
INSTO	International Network of Sustainable Tourism Observatories
NCM	Nordic Council of Ministers
NDPC	Northern Dimension Partnership on Culture
NTA	national tourism administration
NTO	national tourism organization
POP	point-of-purchase
POS	point-of-sale
PR	public relations
SMEs	small and medium-sized enterprises

SOGC	Senior Officials Group on Culture, Council of the Baltic Sea States
STPD	segmentation, targeting, positioning and differentiation
UBC	Union of the Baltic Cities
UNESCO	United Nations Education, Scientific and Cultural Organization
UNWTO	United Nations World Tourism Organization

As of today, more than 30 transnational networks certified "Cultural Route of the Council of Europe" cross the four EU macro-regions: the Baltic Sea Region, the Danube Region, the Adriatic and Ionian Region and the Alpine Region, encompassing 27 countries and more than 340 million people.

The European Union developed four macro-regional strategies (EUSAIR, EUSALP, EUSBSR and EUSDR) with a view to strengthening transnational co-operation and addressing common challenges and opportunities within these geographical areas. The Cultural Routes of the Council of Europe contribute to the objectives of the macro-regional strategies: they strengthen transnational cultural co-operation as well as sustainable cultural tourism in the macro-regions.

This Routes4U manual provides relevant information on marketing strategies in the EU macro-regions through the Cultural Routes of the Council of Europe.

– How has marketing gradually evolved?

– How can we define, address and develop audiences through segmentation, targeting, differentiation and positioning?

– What is a "marketing mix"?

– How do we develop and manage brands?

– What are the specifics of marketing within the Cultural Routes in the framework of the EU macro-regions?

This manual illustrates the wide range of activities of Cultural Routes, compiling best practices of certified Cultural Routes. It puts the Cultural Routes of the Council of Europe into the context of the EU macro-regional strategies by explaining their common objectives. Video links, checklists, infographics and various reference materials provide the opportunity for further study.

GBR

The Council of Europe is the continent's leading human rights organisation. It comprises 47 member states, including all members of the European Union. All Council of Europe member states have signed up to the European Convention on Human Rights, a treaty designed to protect human rights, democracy and the rule of law. The European Court of Human Rights oversees the implementation of the Convention in the member states.

www.coe.int

The Member States of the European Union have decided to link together their know-how, resources and destinies. Together, they have built a zone of stability, democracy and sustainable development whilst maintaining cultural diversity, tolerance and individual freedoms. The European Union is committed to sharing its achievements and its values with countries and peoples beyond its borders.

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