

# Country's Branding for More Attractive Image of Georgia

#### Kakhaber DJAKELI \*

### **Abstract**

Does a country need to improve its image? Does a country need to rebrand itself? These questions appeared, when lots of quite well different nations have already began to reposition their countries, in order to get huge importance. Countries having strong image well influence their brands. Some countries having tried to improve their brand established special plans and programs directed to the new desired image of their nation. Branding of Nation is frequently demanded activity, really increasing equity of country's brand bringing nations to new, more open, friendly, sustainable images, influencing their trade and attracting investors, finding better solution for their problems.

Branding of a country or a nation is the part of Marketing and especially of Place Marketing. Different authors explaining and describing country marketing tools have agreement in one thing – effectively made branding and rebranding is the way to future.

The article was prepared on the basis of literature review and a marketing research of the focus group emphasizing the new role of branding stages, of the country proposed for Georgia.

Keywords: archetypes, branding, country marketing

**JEL: M31** 

# 1. Introduction

Today country marketing plays a great role in the theory and practice of country development. In past history images and attitudes built by colonial governments, occupants and struggling nations are not enough to new type of economic development. New era needs much more interesting and attractive country images than it was possible in the past. Especially developing countries like developed ones use marketing approaches and tools to increase their brand and well attract investors and tourists, researchers and challengers to national economy. The paper prepared to clarify marketing of countries as a way to transform all good things into new image of nation. The special table was established during the working process with some focus groups. Having brainstorming with several focus groups with the idea, how to rebrand Georgian country, this special table established in the form of matrix supported the working process as a tool of planned activities with strategic brand management. The article gives some recommendations to Georgian country marketing targets and objectives and analyzes some country branding issues of the past period of the country.

# 2. The Identity and Approaches of Branding Country

Branding process usually starts with identity building. Before studying the identity in Marketing, it was well explained and described in other fields of scientific studies, especially in Psychology and biology. Breakwell's (1986, 1992, 1993) model of identity has a lot of things from James (1890) and Mead (1934). Breakwell suggested that identity should be conceptualized in terms of biological organism moving through time which develops through accommodation, assimilation and evaluation of the social world but selection of information for the accommodation, assimilation and evaluation is based on three principles: distinctiveness, continuity and self-esteem. The first principle of identity is the desire to maintain personal distinctiveness can be linked to some living place, some resi-

dence, some distinguished area, city and some country. "Overall, there are two ways in which place has been related to identity. The first is what we will call place identifications. This refers to a person's expressed identification with a place, e.g. a person from London may refer to themselves as a Londoner. In this sense place can be considered to be a social category and will be subject to the same rules as a social identification within social identity theory ...The second way in which place has been related identity is through the term place identity, which calls for a more radical re-evaluation of the construct of identity" (Twigger-Ross & Uzzel, 1996).

An identity phenomenon plays a very big role in business too. "In introducing a collection of articles on corporate identity in their book, Balmer and Greyser (2003) offer a useful way of looking at the field of identity studies. They suggest regarding it as inhabiting three different 'worlds', a *triquadriorbis* in their words. It begins with the narrow world of graphic design, and what they call *visual identification*. Graphic presentation is an important consideration in developing as well as an IMC program...The second 'world' of identity is what Balmer & Greyser (2003) called *organizational identity*. As they put it, this reflects the use of corporate identity in answering the question 'who are we.' This aspect of Corporate identity addresses the internal audience of the organization...The third 'world' of identity studies is *corporate identity*. It seeks to answer the questions 'what are we?' As well as 'who are we?' (Percy, 2009).

Usually strong identity builds some incentives and opportunities for branding. A lot of similarities business branding and Country's branding can be found.

"Branding actually does have some relevance to countries and the ways they present themselves to the rest of the world, but it is a humdrum business, which doesn't begin to justify the excitement about "nation branding. Countries, through their many state agencies, have numerous dealings with various professional audiences around the world, and one can certainly argue that it gives a better impression of the country if all those

<sup>\*</sup> Assoc.Prof., Faculty of Business Management, International Black Sea University, Tbilisi, Georgia. Email: kdjakeli@ibsu.edu.ge

IBSU Journal of Business; ISSN 2233-369X

agencies use consistent, well-designed materials when they carry out their transactions. A single logo, a professional "look and feel" on their stationery, business cards, corporate videos, information leaflets, communiqués, press releases, websites, and so forth, undoubtedly reinforces the impression of a well-organized, modern, self-respecting state with effective and efficient structures, processes, and mechanisms" (Anholt, 2006).

Country branding approaches actually are not new. During past time countries were building their image only through some other stimuli. Some countries around the world tried firstly to establish their visual identity and spread some awareness about them around the world. Especially through coins, and other exchanging values, countries, states and their leaders, Pharaohs, Emperors, kings, and ruling princes were establishing their own identity and strengthening countries and their own brand awareness. Because this current work is targeted to Georgian National Identity, we should remember the one of the famous Georgian coins had been working not only as an exchange values but identity, building values with ability to build strong awareness of Georgian Brand with the slogan of king - "King of Kings, Giorgi, son of Dimitri, Sword of the Messiah,". This was really King's identity but king's and country's identity could be the same in this period.



Picture 1: GEORGIA. Giorgi III. 1156-1184. CU Fals (24mm, 5.41 g, 3h). Dated 394 of Orthodox Paschal Cycle (AD 1174). King Giorgi III seated facing cross-legged, wearing crown with pendilia and cross, and cuirass, holding falcon standing right with head left, other hand on knee; [to left. 394 of Paschal cycle in ecclesiastical characters]; to right, GI monogram in Georgian characters above monograms in ecclesiastical characters / "King of Kings, Giorgi, son of Dimitri, Sword of the Messiah," in Arabic in three lines across field. Kapanadze 57; Lang 9. VF, brown patina, minor adjustment marks. Very rare. Source: Classical Numismatic Group at: http://www.cngcoins.com/Coin.aspx?CoinID=98311

Why countries and nations should Brand themselves? Because not all people around the world know well enough about all countries and they don't have enough time to remember huge information about their history and life too. Not to waste their time, people remember only easy information about countries. If countries are branded well even one sound, or color, even one picture can recall and represent all the imagination about information well stored in someone's brain.

As Anholt (2010), says "In this crowded global marketplace, most people and organizations don't have time to learn much about other places. We all navigate through the complexity of the modern world armed with a few simple clichés, and they form the background of our opinions, even if we aren't fully aware of this and don't always admit it to ourselves: Paris is about style; Japan about technology; Switzerland about wealth and precision; Rio de Janeiro about carnival and football; Tuscany about the good life and most African nations about poverty, corruption, war, famine, and disease".

# 3. Activities for Branding or Rebranding of the Country

Brands are potentially "Janus faced", now indexing a figure of the producer, now a figure of the consumer. They are Janusfaced in another way as well, in that they are somewhere between the material world of commodities and an immaterial world of signs, representing an incursion of the material category of "wealth" into the "immaterial" world of signs (Manning, 2006).

The world of symbols, signs and sounds they really influence well humans, recalling their memory, taking our all information stored there.

Larry Percy in his book Strategic Integrated Marketing Communications writes about two types of brand awareness: recognition and recall. The first one appears when person has some brand awareness but this sleeps in her/his mind and appears in the moment of recognition. Meaning that person recognizing some brand among others according some information slept in his mind. In such situation person firstly recognizes the brand and only after that he/she has some category need, or simple need to product.

But in Recall Brand Awareness, person has already category need, for example demands interesting sea journey, and after that recalls about carnival cruise. The recall brand awareness is really better than recognition one. According to this type of Brand awareness, marketers of a country must be very active in identity innovation. Countries and Nations making their legislation, law, public administration, type of rules and court comfortable for citizens' neighbors can increase its brand equity.

"Symbolic actions are particular species of substance that happen to have an intrinsic communicative power: they might be innovations, structures, legislation, reforms, investments, institutions, or policies that are especially suggestive, remarkable, memorable, picturesque, newsworthy, topical, poetic, touching, surprising, or dramatic. Most importantly, they are emblematic of the strategy: they are at the same time a component of the national story and the means of telling it. Some good examples of symbolic actions are the Slovenian government donating "nancial aid to their Balkan neighbors in order to prove that Slovenia wasn't part of the Balkans; Spain legalizing single-sex marriages in order to demonstrate that its values had modernized to a point diametrically opposed to the Franco period; the decision of the Irish government to exempt artists, writers, and poets from income tax in order to prove the state's respect for creative talent; Estonia declaring internet access to be a human right; cultural identity and for the fragility of its environment" (Anholt, 1998).

Countries changing something in their identity can be much successful if they do it as an independent Branding/ Rebranding Project.

The importance and way of rebranding can be shown by the example of rebranding of smallest country of the Europe – Liechtenstein. The monarch of this country hired marketing company and established the priorities of desired identity. They wanted distinct image for their country built on the better tour-



ism, business, educational and cultural opportunities (Nokodemska-Wolowik, 2006).

Previously the marketing research was made. According to the research results 25% of citizens considered improvement of the image of the country as a top priority. The introductory point of this project was following six main features verified in this research: dialogue, finance, industry, home, nature, and principality. According to rebranding project, made by Wolf Olin Company, Liechtenstein moved from country having had some mystical and hermetic image of unclear financial centre to some more friendly, open and reliable imaged country. It was quite distinct new image.

The image being constructed on the identity shows that it should be linked to positive feelings of accommodated persons. For example "this 'city' identity represents a distinctive life style usually coupled with a strong positive affect with regard to that lifestyle. Some people therefore, seem to use a place related self-referent in order to present themselves as distinct from others" (Twigger-Ross & Uzzel, 1996).

Opposite to other European nations, Poland still not created a national brand which would help to build competitive superiority on international markets and positive effect on tourism arrivals. What is clear, Poland should not focus on several categories of consumption products such as ham, vodka, honey and amber jewelry. The Polish national Brand should express much more: it must reflect identity contained in art, science, music, film and sport.

The improvement or rebranding of Poland National Brand was started in 2004. The famous brand professional Wolf Olin, having participated in rebranding of other nations was corespecialist of this project. The project was divided into stages. First stage was about marketing research amounted to 5 Million PLN. Second stage devoted to preparation of the national identity book, marketing communication and training of professionals coasted 8 million PLN. The task of project was to establish genuine, unique, attractive national brand, which would improve the image of country. The seven attributes of polish identity were chosen:

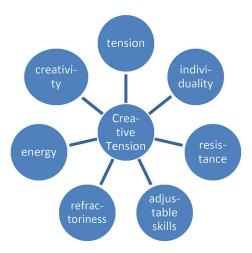


Figure 1: Attributes of Polish identity chosen in brand for Poland project

The slogan "creative tension" was chosen to apply poles incitement and imagination, tempestuous bringing positive results. This project of Polish Rebranding is included in state program of "innovative Economy" should be finished on 2015.

# 4. Country's Branding and its Practical Benefit

Countries with some brand status, attracting more money than without it. For example branding a country for FDI is not a new subject. Besides the factors like; tax incentives, infrastructural investments, etc, branding has a great role in attracting foreign investments. By this way, the benefits of the country also increase (Vicente, 2004:30).

Countries with high brand status export easily and well. Countries with such advantage sell well not only first hand but second hand products. Especially second hand cars and other goods from Germany are much more appreciated in the east and Asian costumers.

"In one sense, despite of the mystique and complexity surrounding the concept of nation branding, the basic principle is actually a very simple one, and it comes from marketing: the consumer wants to know "what's in it for me?" (Anholt, 2007).

"Rapid advance of globalization means that whatever countries try to pull in (investors, aid, tourists, business visitors, students, major events, researchers, travel writers, and talented entrepreneurs) and whatever countries try to push out (products, services, policies, culture, and ideas) is done so with a discount if the country's image is weak or negative and at a premium if it's strong and positive" (Anholt, 2007). Special Nation Brand index was established.Conducted annually, the Anholt-GfK Roper Nation Brand Index examines the image of 50 nations. Each year, more than 15,000 adults aged 18 and up are interviewed online in 20 core panel nations. The Anholt-GfK Roper Nation Brands Index looks at a country's image by studying six dimensions of national competence: Exports, Governance, Culture, People, Tourism, and Investment and Immigration. This gives the picture of the country's reputation.

According to Wells & Wint, the tools of country's branding are:

- 1. To advertise general, financial, industrial or sector media
- 2. To attend fairs
- 3. To improve the information traffic between host country and the country that supplies the sources (Wells & Wint, 2001).
  - 4. To other investment opportunities to lectures

Countries can use any combination of image-building techniques with a view to changing the image of a country as a place to invest and/or generating investment directly. The most common of these techniques include: "1) advertising in general and financial media; 2) participating in investment exhibitions; 3) advertising in industry or sector-specific media; 4) conducting general information missions from host country to source country; 5) conducting general information seminars on investment opportunities (Wells & Wint, 2001).

## 5. Georgian Image Rebranding did it Take Place?

Georgia as we know has some soviet inheritance. "Under socialism, brand was almost by definition an attribute of goods from the "Imaginary West" (Yurchak, 2006). Hence, the category of "indigenous brand" would appear to be a contradiction in terms, unless such goods can be shown to have a dual lineage that is both Georgian and Western." But itself Georgia was not brand as an independent country. Why? Hence first president of Georgia – Mr. Zviad Gamsakhurdia had no time to think about that, second president – Eduard Shevardnadze had also not enough time to think about that, but the third President of Geor-



IBSU Journal of Business; ISSN 2233-369X

gia, has been thinking about New Image of Georgia. According the vision of Mr. Saakashvili, Georgia started to turn into big reforming, reconstruction and renovation place: Georgia had undertaken economic reform program that has transformed the country's economy in the following areas:

- Improved rule of law & property rights
- Minimal state fiscal footprint
- Few, low and flat taxes
- Minimal social security burden on businesses
- Lean and efficient civil service sector providing value for taxpayers' money
  - Limited government
  - Deep de-regulation
  - Dramatically minimized and simplified licensing
  - Aggressive privatization
- Flexible labor market, with minimal state interference in employer employee relations
  - Sound money inflation targeting
  - Means-tested, focused state assistance to the poor
  - Free trade, no customs tariffs or non-tariff barrier
- Health Insurance for poor population financed by government

Reforming stage was encouraged by reconstruction, construction and renovation stages:

New Parliament building was established in Kutaisi. During the reforms the new vision of Saakashvili, to make Georgia as a best resort place in the black sea region appeared. President of Georgia had also some branding visions to some particular Cities. For example he wanted to make Batumi, as a "Las Vegas of the Black Sea". South Georgian cities were rebuilt in Kakhety, and some of them with some use of marketing. Especially little town Signagi, was established as a rest place and a wine center. Signagi, also were repositioned as a "city of love". The auto roads from the west to the east and from the north to the south were constructed and some of them reconstructed. The centre of Tbilisi, capital of Georgia, Mtskheta-oldest capital of Georgian Kingdome, Batumi and a lot of other places were rebuilt. In 2010-2012 The castle of Jakeli Family (in Akhaltsikhe RABATI) was reconstructed and admirably represented as a new brilliant image of Georgia. The vision of President, without special branding project has been implemented as a new objective. What kind of new identity, brand awareness, image, or even reputation the country received from these huge spending for reconstruction and rebuilding?

It is still difficult to answer this question, because not immediate results can be obtained from the reforms, reconstruction and rebuilding in a country. The westernization was started it sure, but in some areas for example in tourism, many weaknesses were discovered, discouraging the image building process about the country. At the end of 2012, in October parliament elections, President Saakashvili and his "United National Movement" were lost against fresh made coalition "Georgian Dream", lead by famous billionaire Bidzina Ivanishvili. For the country branding issue the results of October parliament elections can be persuasive in the hypothesis that:

- Georgian population has not understood repositioning and rebranding activities of their leaders well;
- Georgian population needed some more information about rebranding undertaken by Saakashvili and his political leadership in the way to make people to understand more about

"what is in it for me".

- As it is made by government of other countries, rebranded and repositioned of Georgia needed well planned whole branding plan, adopted as a long term program with special management.

# 6. Table for Country's Branding Established during the Marketing Research

Marketing research, by focus groups were performed while working on propose article. 3 focus groups with eight persons were selected during which we were speaking about past, current and future desired images of Georgia.

A lot of interesting facts appeared in this focus group sessions. We all together once again understood that we are Georgians, the oldest followers of agricultural economy but today we have lost the understanding to relevance to our past archetypes. According the ideas of focus group members, country branding matrix was created: *Table 1: Country branding matrix established.* 

The table above shows the structure and the frame of Georgian brand, what it was and what it can be in future. If future Georgian government undertakes country rebranding activities, they should recognize that the historical frame of Georgian past period positioning and identity can be well used also in future. Some other relevant topics, as recommendations, can be seen from this Matrix of Georgian Rebranding:

- To improve their brand, Georgians must restore their oldest reputation of Strong and trustful agricultural workers and good soldiers, tolerant and good partners, great wine makers. Partly this happens hence Georgian military units, successfully participating in different UN missions in Afghanistan, having reputation of best soldiers. But to agricultural business Georgians are less effective.
- For future archetype of Georgian nation as a big desire can be some mix of Sage and Warrior, hence history shows that "warrior" archetype mixed with Sage brings big chances for peace. If desired archetype is known branding process can be easier.
- In rebranding of Georgia, professionals should be very sensible and attentive to Christian, orthodox values, and also to some values of multinational communities in Georgian landscape, and hence religious and national values are frames what should be respectfully involved into new modernization.
- As a desired positioning country can choose "Strong, sustainable Country of Clean energy, organic agricultural products and great mountain resorts with healing waters" hence Georgia has great ground to be "clean energy" country using hydro resources, Mountain Rivers, energy of winds and some other resources.
- Having mentioned in encyclopedias as a country of "wine motherland" Georgia must well use such a gift of Lord God, to recreate its own importance as a country where the wine was born and establish it as an umbrella brand over other Georgian products, healing mineral waters and great Georgian soil.

Having worked with several focus groups with the idea, how to rebrand Georgian country, the table established in the form of matrix supported the working process as a tool of planned activities with strategic brand management. I hope this direction of brand management will growth, attracting more





Table 1: Country branding matrix established.

	Very old past	Near Soviet past	Current	Transformational	Desired
Positioning	Georgians – followers of agricultural ways of life and oldest Christians.	Soviet republic, resort and wine place, linked with some funny entertainment.	Independent, political unstable, still poor, multicultural country.	Political stable, growing economy, peacefully solver of its problems.	Strong, sustainable Country of Clean energy, organic agricultural products and great mountain resorts with healing water, "wine motherland".
World's Awarenessto Georgia	Awareness to "Golden Flees" country.	Only Recognition awareness.	Recognition awareness.	Recall awareness for some competences: wine making, organic product producing.	Top level awareness for some unique characteristics.
Image	Country of Amiran- Prometheus nailed on Elbrus according mythos.	Rich Families, hospitality Nice people, bribing, mucho style.	Tbilisi worst city – result of CNN's research.	Sustainable economic and social life.	Trustful, hardworking, respectful, improving, Motherland of wine.
Identity	Iberians and Kolkhees, Georgian Kingdome, David IV, Tamar I, Georgian Shrift, writing, Christian Culture, Worriers for independence.	Small proud nation, singing well, dancing well, great football players, "smart old boys", "Stalin was Georgian".	Country paid expensive price for some democratic achievements, "Looser", something between loose and success.	Problem solving country.	Strong and confident.
Reputation	Strong and trustful soldiers, agricultural workers, tolerant and good partners, great wine makers, steel makers. Georgian sword makers.	Almost no reputation.	Reputation of Revolutions and stress.	Hardworking to restore its own economy and social facilities.	Intellectual, Trustful, honest, good neighbor and friend with good organic products.
Archetype	Warrior Archetype.	Jester and Lover Archetype.	Almost no archetype.	Warrior archetype.	Sage, Warrior and a innocent.
Slogans or aphorisms	"Sword of Messiah".	"Who best are, are Georgians".	Almost no slogan what matches to current Georgian situation.	Like polish "creative tension" Georgian can have as a slogan "creativity will save us"	"Creativity will save us"



IBSU Journal of Business; ISSN 2233-369X

marketing scientists and professionals taking into consideration rebranding theories from other nations and countries.

### 7. Conclusion

The reforms undertaken by government of Georgia from 2003-2012 somehow touched Georgian national identity, image and Country's Brand, but to opposite to some other nations, Georgia still has not created a national brand which would help to build competitive strength on international markets and positive effect on economy. Because Georgian government had not established and popularized special Branding Plan agreed by population, some temporary branding efforts were not successful. What is clear from research undertaken for this article, firstly Georgia should focus on its desired image of country, and this can be done through Archetype Concept of Karl Gustav Jung. Also Georgian Brand should not frame itself only by tourism and several categories of consumption products such as wine. Georgian national Brand should express much more: it must reflect identity contained in traditional culture to Ecological Food and beverages and its business, achievements in sport and a culture.

#### **References:**

Anholt, S. (1998). Nation-Brands of the Twenty-First Century. *Journal of Brand Management*, 5 (6), 395-406.

Anholt, S. (2006). Anholt-GMI Nation Brands Index, Q4 General Report. Nation Brands Index. Retrieved from www. nationbrandsindex.com

Anholt, S. (2007). *Competitive Identity: New Brand Management for Nations, Cities and Regions*, London, Palgrave Macmillan.

Anholt, S. (2010). *Places: Identity, Image and Reputation*, London, Palgrave Macmillan.

Balmer, J., & Greyser, S. (2003). Revealing the Corporation: Perspectives on Identity, Image, Reputation, Corporate Branding, and Corporate-level Marketing: an Anthology Selected and Interpreted.

Breakwell, G. M. (1986). *Coping with Threatened Identity*, London, Methuen.

Twigger-Ross, C. L., & UZZELL, D. L. (1996). Place and Identity Processes, *Department of Psychology, University of Surrey, Guildford, GU2 5XH, U.K. Journal of Environmental Psychology*, 16, 205–220, Academic Press Ltd.

Vicente, J. (2004). State Branding in the 21st Century, Master of Arts in Law and Diplomacy Thesis.

Manning, P. (2006). The Epoch of Magna: Brand Totemism and the Imagined Transition/Translation from Socialism to Post-socialism in Georgia.

Nokodemska-Wolowik, A. M. (2006). Flag Brands as a factor and result of a country Identity and Image – Polish Experience, Pechvnia 2, 141-146.

Percy, L. (2009). *Strategic Integrated Marketing Communications*, Amsterdam, London.

Wells, L. T., & Wint, A. G. (2001). *Marketing a Country: Promotion as a Tool for Attracting Foreign Investment*. World Bank.

Yurchak, A. (2006). Everything Was Forever, until It Was No More: The Last Soviet Generation. Princeton, Princeton University Press.

### **Internet Sources:**

Classical Numismatic Group at: http://www.cngcoins.com/Coin.aspx?CoinID=98311