## TOURISM DESTINATION BRANDING – CHALLENGES OF BRANDING BOSNIA AND HERZEGOVINA AS TOURISM DESTINATION

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*Tourist destination branding is the one of key elements influencing battles for competitive advantages on contemporary tourist markets. Holistic approach of destination branding presents big challenge for all participants primarily because of unique characteristics of tourist services, high risk that potential tourist face with in prepurchase phase and finally because of network created by the public and the private tourist organization participating in tourist destination offer. The process of destination branding contents two phases: tourist brand development and brand management i.e. brand maintaining.*
*Basic phases of successful branding include brand values creation, their positioning and communication, while brand management and strengthening are based on consistency and coordination, long-term government commitment, management of destination brand portfolio and brand performance measurement.*
*For Bosnia and Herzegovina as the emerging tourist destination, special challenge is creation of unique identity of tourist destination, creating of vertical and horizontal consistency among subjects of branding and finally adequate organization of brand owners. For this processes implementation destination management organization should apply and implement basic principles of branding adjusted to tourism and service industry and companies.*

*Key words: branding, tourist destination, tourist offer, risks of tourist purchase, challenges of branding*

INTRODUCTION

Contemporary tourism theory and practice is characterized by several key trends and changes: a) the acceptance of an idea that service experience strongly influence visitors and tourists behavior, their perception of the tourist service quality, as well as future decisions and choices about tourist destinations or providers, b) increasing level (intensity) of competition among tourist destinations, and c) growing acceptance of management and marketing principles and models in the development and management of tourist destinations. On the other hand, among the tourists, i.e. users of tourism services, one can easy notice increasing requests for quality, reliability, security, mostly caused by more available alternatives, but higher sensitivity on the value that they receive, independency in decision making process and trends for eliminating traditional tourist intermediaries.

In the context of these changes tourism destinations have to make great efforts to find their own place in the international tourism market and to position on a global or at least regional tourist map. For destinations such as Bosnia and Herzegovina, i.e. emerging destinations the challenges and risks are even greater. Because of that they have to accept basic principles of tourism destination management and branding which will contribute to positive image of their destination among potential tourists. This is the only way to ensure a

sufficient level of familiarity between and acceptance by potential tourists, and consequently
the survival and success on the extremely demanding tourist market.

## TOURISM OFFER CHARACTERISTICS

Key problems that tourist destinations and providers are facing with are determined by
the influence of the tourism services[1] characteristics on tourism sector and goals of tourist
destinations and organizations. The presence and participation of tourists in creating
experiences on tourism attractions and destinations, simultaneous creating and "spending" of
tourism services, together with perishability, heterogeneity, intangibility and absence of
physical dimension are the main characteristics of tourism services which determine
relationships in the modern tourist market.

Service marketing is significantly different in comparison with product marketing and
service companies have to count on number of challenges because of that. When it comes to
marketing of tourism destination those challenges and additional problems increase even
more because of the nature of tourism offer which is an amalgam of service and product
organizations providing different services and products integrated in the tourist destination
offer. This is especially visible in the phases of marketing principles implementation and
competitive advantages creation. The combination of product and service offers must be
integrated into a unique "package" of values, regardless of differences in business strategies
and objectives or differences in the characteristics of the manufacturing and service
marketing.

## RISKS OF TOURISM SERVICES PURCHASING

Previously mentioned service characteristics and inability of testing and verifying the
offer of tourism destination *before purchasing and signing the contract* significantly
increase a level of perceived risk, combined of financial and time risk, as well as risk of
performances, social and psychological risks for customers. Increasing of perceived risk
negatively affects the willingness of potential tourists to visit certain tourist destinations.[2]
Because of that modern tourists and customers require, in advance, different sings whose
role is to help in reducing perceived risk, to guarantee service quality and as a result the
satisfaction of tourists.

In this context, two categories have a dominant importance: a) guarantees (especially
100% satisfaction guarantee) and b) brands of tourist destinations. Their purpose is to give
*unconditional promises* about what potential tourists can expect during the journey and on
arrival at the tourist destination, but those promises have been delivered in the prepurchase
phase, i.e. before the buying process is completed. As a result of these facts, the past few
decades, the process of tourist destinations branding came to the focus of theoretical
discussions and practical application.

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[1] Babić-Hodović, V. (2010). *Marketing usluga*. Ekonomski fakultet u Sarajevu, 45-70.
[2] Laroche, M., Bergeron, J. and Barbaro-Forleo, F. (2001). Targeting Consumers who are Willing to Pay More for
Environmentally Friendly Products. *Journal of Consumer Marketing*. Vol. 18 Iss: 6. 503 – 520.

TOURIST DESTINATION BRAND

According to the World Tourism Organization (WTO)[3] "local tourist destination is a physical area in which a visitor spends at least one night. It includes tourism products such as support services and attractions, and tourism resources within one day's return travel time. It has physical and administrative boundaries defining its management, and image and perception defining its market competitiveness. Local destinations incorporate various stakeholders often including a host community, and can nest and network to form larger destinations."

As the physical area and physical attraction are only some of destination's elements that tourists interpret and combine in their mental world,[4] Bodlender uses this fact to define a tourist destination. Accordingly, by integrating the complexity of different elements that build the destination, Bodlender[5] and others define the destination as "the collection of physical and service features together with symbolic associations which are expected to fulfill the needs of the tourists (customers)."

Growing role and importance of brand and branding in tourism are the consequence of the fact that strong brands, having positive public image, influence on the process of building trust among tourists and customers in the process of purchasing an intangible offer. On the other hand, a positive image of the destination brand influences the tourist experience during a visit to the destination.[6,7] As a prerequisite for building a positive image of destination brand Prideax and Cooper[8] insist on unity and cooperation among *stakeholders*. In addition, branding is also one of the key elements of achieving competitive advantages in the service industry[9] in general and therefore in tourist services.

Due to the specific characteristics of services, customers become actors in the process of service designing and management, as well as service processes and, finally, they impact the way how a brand will be perceived.[10] Since tourism services fall into the category of high-contact services which are characterized by high level of risk[11] it will especially become prominent when it comes to a destination brand building.[12] For customers who are part of tourist experience brand and reputation of tourism destination are important factors

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[3] World Tourism Organization. (2004). *Indicators of Sustainable Development for Tourism Destinations: A Guidebook*, Madrid, p. 8.

[4] Franzen, G. and Bouwman, M. (2001). *The Mental World of Brands: Mind, Memory and Brand Succes*. Heley-on-Thames:World Advertising Research Centre.

[5] Bodlender, J., Jefferson, A., Jenkins, C. and Lickorish, L. (1991). *Developing Tourism Destinations: Policies and Perspectives*. Harlow, England: Longman

[6] Berry, L. L. (2000). Cultivating Service Brand Equity. *Journal of Academy of Marketing Science*. Vol. 28. 128 – 137.

[7] Brodie, R., J. (2009). From Goods to Service Branding: An Integrative Perspective. *Marketing Theory*. Vol. 9 (1). 107 – 111.

[8] Prideaux, B. and Cooper, C. (2002). Marketing and Destination Growth: A Symbiotic Relationship or Simple Coincidence? *Journal of Vacation Marketing*. 9 (1). 35-48.

[9] Kim, W., G., Jin – Sun, B., & Kim, H., J. (2008). Multidimensional Customer Based Brandequity and its Consequences in Mid Priced Hotels. *Journal of Hospitality and Tourism Research*. Vol. 32 (2). 235 – 254.

[10] Grönroos, C. (2000), *Service Management and Marketing: A Customer Relationship Management Approach*. Chichester: John Wiley & Sons.

[11] Babić-Hodović, V. (2010). *Marketing usluga*. Ekonomski fakultet u Sarajevu, 89-92.

[12] Wood, L. (2000). Brands and Brand Equity: Definitions and Management. *Management Decisions*. Vol. 38 (9). 662-669.

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that positively influence on the decision about visiting destination, perception of quality and
visitors satisfaction.

In this context, *Hosani*[13] and others in their work point out that effective branding of
tourist destination has a significant role in reducing risk perception among potential tourists,
while simultaneously increase confidence and satisfaction with the offer of the destination
and different organizations that participate in the creation of that offer. Even more, they
enable development and maintenance of market position and differentiation of a tourist
destination from competitors.

If we look from the perspective of potential tourists, brands allow[14]: a) tourism offer
differentiation from competitive tourism destinations and providers, b) creating of emotional
benefits, c) help in making decisions about visiting a particular destination, d) support in the
process of gathering information, and finally e) reduction of potential risks in prepurchase
phase. Basic values that brands create for tourists are presented in the form of a *pyramid of
benefits* created by destination brand, in Figure 1.
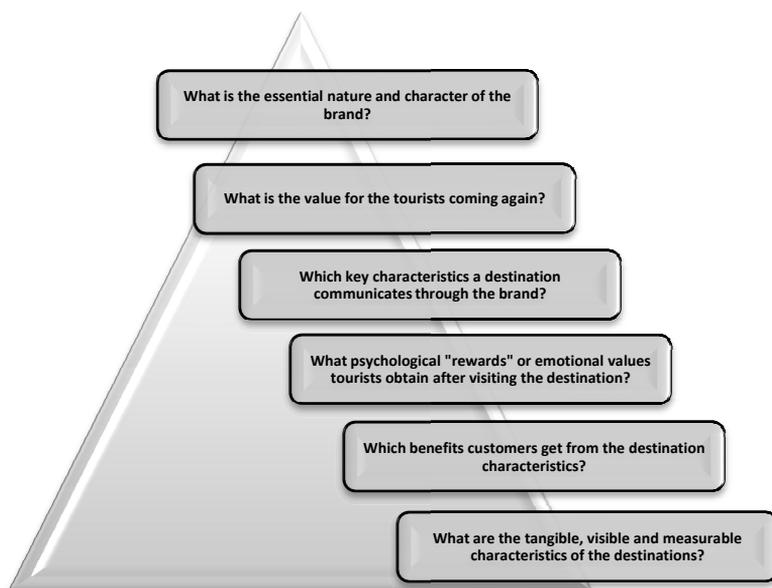


**Fig. 1. Pyramid of  Destination Brand Benefits**

*Source: Kaplanidou, K. and Vogt, C. (2003). Destination Branding: Concept and Measurement.
Michigan State University, http://www.travelmichigannews.org/Research.htm*

Even more, brand of tourist destination has positive effects on tourist services provide-
rs since it ensures: a) strategic benefits, b) increasing of efficiency of marketing operations,
c) better informing about the tourist destination offer and, finally d) it makes destination and

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[13] Hosani, S., Ekinci, Y., & Uysal, M. (2007). Destination Image and Destination Personality. *International Journal
of Culture, Tourism and Hospitality Research.* Vol. 1 (1). 62 – 81.
[14] Ferrari, S. (2014). Branding Strategies and Destinations' Positioning. *Opportunities and Challenges for Tourist
Destination,* FIT'14 IX Forum Internacional De Turismo, Calabria, Italy

its features more tangible. If we take into consideration specific characteristics of tourist services positive effects of destination branding are very important for potential tourists, especially because of the fact that they increase tourists' self-confidence in the process of destination choosing.

Brand value can be evaluated as: a) *organizational-based brand value*[15] that includes financial value of brands and financial effects of branding for companies or destinations and b) *customer-based brand value* which includes customers' perception of values created by the brand, level of brand awareness, knowledge and identity, as well as emotional value of brand and customers' loyalty to brands.[16,17]

Although the organizational based brand value is more precise than customer-based one, it is hardly useful for the customer (tourist) perception of tourism destination (or some other product). That is why marketers today in most cases decide to focus on customer perception of brand value, despite the fact that this instrument is often unpredictable and not precise enough.[18]

In the process of analysis of the role and importance of brands and branding of tourist destination it should take into account the fact that destination brands can be *formal* (registered and protected brands) or *informal* (comprehensive destination image). In the case of a formal brand building there is an agreement among the actors of branding at the state level and government tourist organizations that manage a unique brand of the tourist destination, integrated together at the state level. In this case it is necessary to ensure a coordination of vertical branding policies at different levels and among different subjects of branding, and all on the line of the unique essence of the brand. Consequently it is crucial to ensure consistency of messages sending by different sectors and sub-brands of the destination brand – tourism, export, education services, health services and other public and private brand extension, which are primarily related to different events and tourism attractions.

It is obvious that in the case of Bosnia and Herzegovina, this is one of the major problems and challenges. State political system that affects all other social and business spheres, on the one and the lack of consensus to mitigate these problems by strengthening alternative types of formal and informal bodies with the aim of creating a unique identity of the state, on the other hand, have an extremely negative effect on the possibility of building B&H destination brand despite the existence of natural, built and inherited attraction.

When it comes to the importance that the brand has to "the owner of the brand," Kotler, Bowen and Makens point out that the tourism product and the brand are extremely important for the success of the destination, and that destination have to continuously manage attributes of tourism offer (tangible and intangible attributes of a tourist destination) and the brand, in accordance with the interests and preferences of tourist segments. For emerging tourist destinations attitudes of these authors are very important since they insist on the fact that destinations can achieve significant level of awareness, even in the cases

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[15] Simon, C. J. and Sullivan, M., W. (1993). The Measurement and Determinants of Brand Equity: A Financial Approach. *Marketing Science.* Vol. 12(1). 28-52.
[16] Yoo, B. and Donthu, N. (2001). Developing and Validating Multidimensional Consumer Based Brand Equity Scale. *Journal of Business Research.* Vol. 52 (1). 1 –14.
[17] Blackston, M. (1995). The Qualitative Dimension of Brand Equity. *Journal of Advertising Research.* Vol. 35 (4). RC2 – RC7
[18] Keller, K., L. (1993). Measuring and Managing Customer Based Brand Equity. *The Journal of Marketing.* Vol. 57 (1). 1 – 22.

when they do not have spectacular attractions. Sometimes, they claim, it is enough to have some significant elements or attractions which are different than the ones offered by the competitors and to manage such attractions in the best possible way for attracting the attention of various tourism segments.

Importance of the tourist destination brand, especially in context of the tourism offer complexity, as well as operators on the tourist destination is confirmed by many other authors. They state that the brand has become a key factor for the success of destinations, together with tourism services and price.[19] On the other hand, besides the importance of branding, authors Ritchie and Ritchie[20] emphasize the complexity of marketing and branding of tourist destination, arguing that in tourism "marketing principles are applying for different and complex products, but the offer is created by many companies which are very different in terms of functions and features". As a consequence, destination marketing and accordingly destination branding is much more collective phenomenon than is the case in the generic marketing and branding. That is the reason why destination marketing should be analyzed through the perspective of destination branding effects, but also through a dynamic process of destination positioning or repositioning.

## CHALLENGES OF TOURISM DESTINATION BRANDING

Since destination can be "sold" as tourist service in order to increase revenues[21] for the country, destination branding is an instrument whose potential could result in increasing the value of the economy and the country as a whole.[22] Therefore, the destination branding has become a powerful instrument in achieving competitive advantage; and it is further complicated by growing competition among destinations, similarity of the tourist offer and increasing pressure for achieving sustainability of tourist destinations. According to some authors destination branding can be defined as a way in which unique identity of destination is communicating; that enables differentiation among competitive destinations,[23] in accordance with the basic functions and roles of product, service or destination brands. In this case tourism destination integrates tangible attributes such as historical sites, attractions and natural beauty, as well as intangible attributes which combine culture, customs and history of the place and the people. In order to brand complex nature of destination it is necessary to ensure generalization of destination identity. For branding of emerging tourist destinations such as Bosnia and Herzegovina, this is a major problem. Despite the existence of a large number of tangible and intangible attributes of tourist offer problems occur in creating a unique identity of the destinations, opposite interests of organizations and in the management of tourist destination; meaning in determining the authority and responsibility for tourist destination brand creating.

[19] Morgan, N., Pritchard, A. and Pride, R. (2004). *Destination Branding: Creating the Unique Destination Proposition*. Amsterdam. Elsevier.

[20] Ritchie, J. R. B. and Ritchie, J. R. R. (1998). *The Branding of Tourism Destinations*. Paper presented at the Annuanl Congress of the International Association Experts in Tourism, Marrakech, Morocco.

[21] Coldwell, N., & Freire, J., R. (2004).The Differences Between Branding a Country, a Region and a City: Applying a Brand Box Model. *Journal of Brand Management*. Vol. 12(1). 50 – 61.

[22] Kotler, P., and Gartner, D. (2002). „Country as a Brand, Product, and Beyond: A Placemarketing and Brand Management Perspective, *Journal of Brand Management*. Vol. 9, No. 4/5. 249 – 261.

[23] Morrison, A., & Anderson, D. (2002). Destination branding. Available from:
http://www.macvb.org/intranet/presentation/DestinationBrandingLOzarks6-10-02. ppt

Namely, holistic approach of tourist destination branding includes various types of offer, intersectional cooperation between *stakeholders* who have different understanding of the location and the local population. All of these dimensions, combined in tourism offer, often called *tourist products*. Due to their complexity, networked creation of tourist services and the fact that the tourism product is essentially the service, the process of destination (place) branding is an extremely complex and demanding process.

Key problem in the destination branding represent the complexity of mutual relationship caused by the fact that a large number of different interest groups interact each other on the tourist destination while possibility of management and controlling of public and private organizations, which are creating unique tourist experience, is limited. Additional challenge in a destination brand creating and its management is the fact that individual tourists experience the destination differently and, as the result, have different perception of the tourism offer which can vary considerably. Namely, tourist attractions, especially those that are result of man's impact on the destination, can be perceived positively or negatively, depending on the segment of tourists visiting the destination. Accordingly, except the fact that each individual differently perceived tourist experience, the differences will be multiplied along with the changes in values and offer of the suppliers on the tourist destination. They will also be received and perceived differently, depending on the interests, values and preferences of tourist segments.

On the other hand, objectives and interests of individual participants at the destination are often opposite. As the consequence, insisting on their interests achieving and goals implementing will cause conflicts among institutions and local community.[24] Unfortunately, these problems have extremely negative influence on the perception of the whole tourist destination and on the tourists' satisfaction (dissatisfaction) with the services and service quality which they received. Namely, contrary to the perception of products and services which will result in customer satisfaction or dissatisfaction and positive or negative perception of a particular product (service) or the company, negative experience with one or more tourist operators at the destination will cause negative perception of the whole destination and, as the consequence, tourists' dissatisfaction with the experience on the destination. This fact has to be taking into consideration in the process of destination brand building.

PROCESS OF DESTINATION BRANDING

When they want to stress the importance of destination branding, authors emphasize that tourist providers compete mutually by using emotions and perceptions in customers' mind more than prices; that confirms importance and capacities of destination branding for the future success achieving and market position keeping. Blain's[25] definition derived from the model of destination competitiveness[26] is often the starting point for destination branding. According to Blain, destination branding is a set of marketing activities which are supporting the process of name, symbol, logo, words, signs or other graphical elements

[24] Ritchie, J. R. B. and Crouch, G. I. (2003). *The Competitive Destination: A Sustainable Tourism Perspective*, CABI Publishing, Wallingford, UK.

[25] Blain, C., Levy, S. E. and Ritchie, J. R. B. (2005). Destination Branding: Insights and Practices from Destination Management Organizations. *Journal of Travel Research.* 43(4). 328-338.

[26] Ritchie, J. R. B. and Ritchie, J. R. R. (1998). *The Branding of Tourism Destinations.* Paper presented at the Annuanl Congress of the International Association Experts in Tourism, Marrakech, Morocco.

creating. All of them have to identify and differentiate destination, create expectations about potential tourist experiences connected to the destination. Moreover, they are useful for coordination and strengthening of the emotional relations among individuals and destination, but also for the research costs and customers' perception of risk decreasing. A unique goal of those relationships is to build an image which will impact on the potential visitors' decision about visiting specific tourist destination instead of competitive ones.

Development of the tourist destination pass through the phases taken from the process of building product and service brands; it is based on an objective analysis of the position of the tourist destination on the selected segments of tourists, in relation with other (competitive) destinations as well as analysis of internal possibilities and potentials. In the next phase, brand values, integrated into a unique brand identity, must be positioned in the minds of potential tourists and visitors, and to communicate on the internal and the external market in order to ensure consistency and common action of destination subjects in developing and maintaining a destination brand.
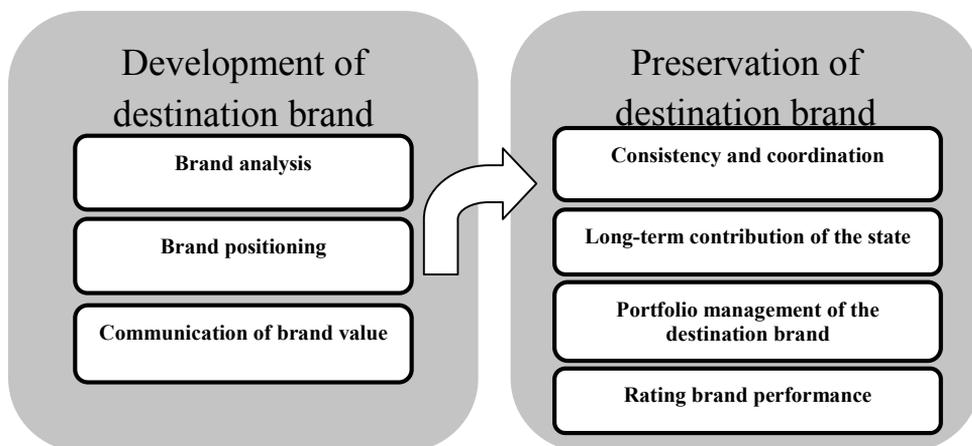


**Figure 2: Destination Branding Framework**
*Source: Giannopoulos, A. A., Piha, P. L. and Avlonitis, J. G. (2011). Desti-nation Branding: What for? From the Notions of Tourism and Nation Branding to an Integrated Framework. The Berlin International Economics Congress 2011: An International Conference on the Future of Nation Branding, Tourism and International Investments in a Globalized World & Cultural Diplomacy in the Global Economy: A Forum for Young Leaders (CDEC), Berlin, Germany, March 09-15.*

*Brand analysis* represents the first phase of the destination brand development and involves a critical evaluation of the brand consistency with the requirements and preferences of tourists, its position regarding brands of competing destinations and internal opportunities for brand development. Last dimension integrates previously described elements of the multi-dimensionality and connections among the large number of subjects in the tourist destination.[27]

*Brand positioning* refers to the creating of the destination brand position in potential tourists' minds, emphasizing a unique brand identity through the values for which the destination brands stands for and to which it can be connected.[28,29] Only positioning which

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[27] Aaker, A. D. and Joachimsthaler, E. (2000). *Brand Leadership*. London: Free Press.
[28] Aaker, D. A. (1996). *Building Strong Brands*. NY: Free Press.
[29] Keller, K., L. (2000). *Building and Managing Corporate Brand Equity*. Oxford University Press.

is based on unique dimensions that are important for tourists,[30] dimensions that tourists appreciate and to which they are familiar[31] with may provide an advantage over its competitors and create conditions for the satisfaction and loyalty of tourists.

*Communication of the brand value* must be primarily directed on the internal market[32], i.e. service employees, if the company want to ensure consistent understanding of the brand value, create confidence and positive attitudes towards the brand,[33] and finally to fulfill promises given to tourists and visitors in prepurchase phase.[34] In line with this, external destination branding is focused on the brand values communicating, including destination attributes, towards external markets. The main task of this process is achieving of the objectives determined by the strategy of destination branding. High level of integration among the participants at the tourist destination can be achieved only if these entities understand the value of destination brand and accept their own roles in creation and enhancement the brand identity.

Brand of tourist destination requires maintenance and reinforcement in accordance with changes on the tourism market and trends of tourist demand. Protecting of the core values, the essence of the brand and its culture is a necessary prerequisite for the preservation of the brand identity and strengthening positive brand image, but should not be an obstacle for adapting to the changes that are inevitable, or a barrier for timely response to the challenges of competing destinations, or emerging of new destinations. Accordingly, in the context of destination brand management it is necessary to provide several issues.

*a) Coordination of marketing activities* in the *moments of truth*[35] have to be focused on consistent fulfillment of the promises given to the customers in prepurchase phase; as well as on proving reliability and commitment to tourists' requests satisfying in the process of interaction among tourists and various participants who provide tourist services. However, this will be possible only if the process of brand internalizing is successfully implemented. This is the only guarantee that the actions of all stakeholders who are involved in the process of tourist attractions creating (or tourist products) will be directed to the unique object – the destination brand image achievement and maintenance.[36]

*b) Long-term contribution of the government* (more precisely government institutions) is required but not sufficient condition for maintaining and strengthening the image of tourism destination brand. However, in the context of supporting the development of tourist organizations, private or public, regulatory mechanisms can be controlled only from the government level. In addition to declarative support, material conditions and incentives for the development of tourism potentials and joint action on foreign markets should be ensured at this level. This is particularly important for the governments and the economies in which tourism can be a significant factor for gross domestic product creating; and those where the

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[30] *Brand Asset Valuator* – Instrument za mjerenje uspješnosti brendova. http://0to5.com/brand-simple-the-brand-asset-valuator-part-2/ ili http://manualofmarketing.blogspot.com/2013/09/establish-and-measure-brand-equity-via.html

[31] Keller, K., L. (2000). *Building and Managing Corporate Brand Equity*. Oxford University Press.

[32] Babić-Hodović, V. (2010). *Marketing usluga*. Ekonomski fakultet u Sarajevu, 359-367.

[33] Vallaster, C. and de Chernatony, L. (2005). Internationalisation of Services Brands: The Role of Leadership During the Internal Brand Building Process. *Journal of Marketing Management*. 21(1/2). 181-203.

[34] Balakrishnan, M. S. (2009). Strategic Branding of Destinations: a Framework. *European Journal of Marketing,* 43 (5/6). 611-629.

[35] Zemke, R. And Albrecht, K. (1985). *Service America! Doing Busines in the New Economy*. Dow Jones-Irwin.

[36] Anholt, S. (2004). Branding Places and Nations. in Clifton, R., Simmons, J. and Ahmad S. (eds). *Brands and Branding* (213-226). NJ: Princeton, London: Bloomberg Press, London.

cooperation of all stakeholders at the destination is a prerequisite for the destination survival and it's positioning at highly competitive tourism market.[37]

*c) Management of the destination brand portfolio* is especially important because of multidimensionality of the tourism offer created within the tourist destinations, and opportunities for achieving a positive synergetic effects from the interrelations at the tourist destination (unfortunately sometimes it could be negative also). The main goal in this phase is to maintain a unique image of destination brand and avoid confusion[38] among tourists which can be caused by inconsistency in tourist suppliers' actions and brand values communicating. The basic assumption for the maintaining of integrated approach lies in compatibility of tourism organizations' brands and the destination brand, and cooperation of all subjects in the process of further developing tourism offer and tourism destination.

*d) Rating and monitoring of the brand performances* are based on the assumption that the success of the brand depend on the customer perception of brand and its value. Regardless of the fact that organizational-based brand value allows measurement of the financial effects which are result of the branding, the final evaluation of the brand success depends on the tourists' experience and perceptions, and their decisions about future behavior. Although different types of researches are using for measurement of tourism service quality and evaluation of customer satisfaction[39,40] after visiting a tourist destination, individual organizations will get the best feed-back from visitors in direct contacts and interactions with tourists. That information can be integrated at the level of destination and use for future plans.

Key problems for implementation of the process of monitoring and measuring tourists' reactions and perception are related to the lack of capacities and knowledge, but on the other hand to the opposite interests of individual subjects. They often mutually compete and are not ready to share information, experiences and knowledge. Consequently, integrated management of tourism destination presents the challenge for keeping long-term brand value.

As we mentioned above, the process of destination brand building requires effective communication of key brand values to internal and external stakeholders in order to achieve mutual understanding of the values on which destination is trying to build a brand, and to reach target segments of tourists and visitors. The most important assumption for animating and attracting tourists is building internal coherency and commitment on the internal market. This process begins with internalizing of tourism brand[41] which is the best way for ensuring tourism providers cooperation and partnership. It is clear that the importance of this process multiplies when it comes to the brand of tourist destinations, although this is a principle that must be also followed in the branding of all tourism and other service vendors.

Process of branding is particularly important for emerging tourist destinations, those which attempt to enter regional or global tourism market. From the perspective of individual tourism service providers and tourist destinations a branding process begins with target groups defining, competitive analysis of destination and SWOT analysis, continues by

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[37] Vallaster, C., and de Chernatony, L. (2005). Internationalization of Services Brands: The Role of Leadership During the Internal Brand Building Process. *Journal of Marketing Management*. 21(1/2). 181-203.

[38] Aaker, D. A. (2004). *Brand Portofolio Strategy: Creating Relevance, Differentiation, Energy, Leverage and Clarity*. NY: Free Press.

[39] Keller, K. L., and Lehmann, D. R. (2006). Brands and Branding: Research Findings and Future Priorities. *Marketing Science*. 25(6). 740-759.

[40] Keller, K.L. (2000). *Building and Managing Corporate Brand Equity*. Oxford University Press.

[41] Babić-Hodović, V. (2010). *Marketing usluga*. Ekonomski fakultet u Sarajevu. 359-367.

vision defining, determination of the destination brand and its integration into the social, tourist, economic and political spheres, and ends with communication of destination brand to the selected target groups.[42,43] It is not hard to conclude where the key problems occur for destinations which are beginning to build a brand. The process of defining target groups often is not precise enough and at the end destination can face with too wide range of tourist segments for which they are trying to create an offer. Even in the cases when destination has attractions for different segments of tourists, resources for all attractions offering on the market and for reaching market segments in most cases are limited. Trying to offer the same service for all customers – to be "something for everyone", destinations often lose the focus on the specific segment needs or whishes; and probably they will fail to sufficiently attract the attention of the majority of potential tourists. This mistake we can see in the case of Bosnia and Herzegovina and the way in which the country creates its promotional campaigns.

As a logical consequence of the failure on the first level, we can't expect successful implementation of the processes of competitive analysis of the destination and its strengths and weaknesses identification; consequently the construction of a brand destination can't be successful also. The integration of brand destination and creating of a unique communication strategy in the case of B&H attracts more and more attention, but it is not logical to expect success in these processes considering inconsistency in the application of previously discussed principles of branding.

CONCLUSION

Marketing theory and practice has confirmed huge importance of brands for the organizations trying to provide superior quality of services and products as well. Brands also have very important role in tourism and the role of the brand can identify at two levels – branding of individual provider that offer different types of tourist services and branding of tourist destination.

Multidimensional nature of tourism branding creates more problems and challenges for tourism subjects of branding. Ultimate goal of branding in tourism is to create positive image of tourist destination which is one of the most important factors for potential tourist attracting; and also creating prerequisites for the visitors' positive experiences and satisfaction with the services they received at the destination.

Applying basic principles of branding for the unique identity of destination building and fulfilling promises given by tourist providers or destination to the potential tourists are especially important for emerging tourist destinations such as Bosnia and Herzegovina. In this context it is necessary to accomplish connection and coherence at all levels of tourist destination management, vertically and horizontally, in order to achieve unique presentation of destination at the regional and global tourist market.

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[42] Kotler, P., Haider, H. D. and Rein, I. (2000). *Marketing Places.* The Free Press
[43] Anholt, S. (2007). *Competitive Identity: The New Brand Management for Nations, Cities and Regions.* London: Palgrave Macmillan

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