RegioMarket

→ Food Products
→ Tourism & Gastronomy
→ Renewable Energy

Guideline for Cooperative Regional Marketing

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Summary and Introduction

Optimising Regional Markets – A Promising Approach for the Alpine Space

Some of the Alpine Region's most important characteristics are a wide variety of high quality products and cultivated and natural landscapes with a high degree of biodiversity. But the difficult topographic situation leads to difficult production conditions for agriculture. The increasing approximation of the agricultural prices within the EU to global market levels and the significant reduction to be expected in EU-funding represent enormous challenges to the agriculture of the Alpine Region.

Tourism is a significant economic factor in the Alpine Space. It is subject to strong competition, however, caused by cheap long-distance travel offers and the development of new tourist destinations. A decline in classic Alpine tourism is to be expected as a result of climate change.

Regarding to renewable energy the Alpine Region enjoys a great potential which needs to be further developed due to economic and ecological considerations. The sector is characterised by a high proportion of small- and medium-sized companies (SMEs). It will be one of the main challenges to optimise the range of products offered and to increase the economic impact.

Regional cooperation of SMEs is seen as one of the most promising approaches to meet these challenges.

One possible response to the challenges represented by the globalised markets and other developments discussed above is the strengthening of the regional economy and its long-term orientation. Through the setting up of regional economic cooperation or the optimisation thereof, small- and medium-sized businesses can be

increasingly interconnected and value-creation chains can be improved.

These ideas bear enormous chances especially for the Alpine Space, which is well-known for its high diversity of products, services and attractive landscapes. Regional "value creation partnerships" contribute to

- □ the development of new products and services,

- □ the extension of existing ranges of products and the creation of new markets, which leads to a diversification of the regional economic structure,

- □ an increase of income for all partners along the regional value chain and at the same time maintenance or even creation of work places,

- □ the maintenance or rise of the competitiveness of the region as a living place, location for enterprises or tourist destination,

- □ the strengthening of a regional identity, i.e. the identification of the inhabitants with their region, thus creating a basis for a successful economy within the region,

- □ the satisfaction of consumer's needs for high quality products, providing at the same time an approach to the consumers for taking over responsibility for their region,

- □ a reduction of traffic volume, with positive effects on climate protection,

- □ the preservation of rural areas and characteristic landscapes as well as the protection of environment.

The RegioMarket Project

The Interreg III B project RegioMarket (Optimizing Regional Marketing and Networking for Development of a Corporate Marketing and Branding Strategy for the Entire Alpine Space) picked up these positive effects of regional "value creation partnerships" and addressed some of the core challenges for the economic and ecological future of the Alpine Space:

- Setting up local and regional energy systems leading to a high supply rate by renewable resources

- Managing regional tourist destinations taking into account regional high-quality products and services which have been produced in a sustainable way

- Producing and marketing top-quality regional agricultural products in a way that sustains the capability of the local natural and economic systems.

This has been facilitated by setting up regional quality and marketing systems in the RegioMarket partner regions. The implementation of these systems demonstrated the feasibility of regional marketing cooperation and they are supposed to serve as germ cells for an increase of attractiveness and competitiveness of the entire Alpine Space.

As an overall objective, the RegioMarket team developed a corporate sustainable branding and marketing strategy focussing on the three core economic sectors mentioned above.

This strategy has been outlined and illustrated by many examples by the RegioMarket partnership in the **Regio-Market Guideline for Cooperative Regional Marketing.** The key contents of this guidebook are summarized in the present paper.

The strategy is supposed to contribute to the promotion of top-quality regional products and services inside and outside the Alpine Space. Environmental protection and sustainable management of the Alpine Space are an essential part of the strategy.

▶ **Main Activities –**
 What Was Done within RegioMarket?

Besides setting up the guidebook, the following working steps were accomplished by the partners in their regions:

- SWOT-Analysis of structures and marketing activities in the partner regions

- Comparison of existing regional brands in Alpine Space

- Identification of legal, customers' and market requirements concerning regional products and regional marketing

- Development and implementation of quality standards and control systems for special product groups and services

- Development and implementation of branding and marketing strategies in regions within the three core sectors

- Establishment of horizontal and vertical networks to strengthen the (marketing) competence of partner regions and the entire Alpine Space

- Organisation of a transnational symposium in February 2008 to support knowledge transfer to existing Alpine Space projects, decision makers, etc.

Moreover, the partnership developed in three product-related working groups (food, renewable energy, tourism and gastronomy) a common understanding of a "good" regional marketing system (see below). The results of this transnational work have been translated into three product-related criteria systems which are also an essential part of the **RegioMarket Guideline for Cooperative Regional Marketing**.

More Information about the RegioMarket project is available on the website *www.regiomarket.org.*

The Following Partners Participated in the RegioMarket Project:

Lead Partner (Germany)

Landesanstalt für Umwelt, Messungen und Naturschutz Baden-Württemberg

www.lubw.baden-wuerttemberg.de

Project Partners from EU Member States:

Austria:

Amt der Kärntner Landes-regierung, Abteilung 10L Land-wirtschaft

www.landwirtschaft.ktn.gv.at

Salzburger Institut für Raumord-nung und Wohnen, Gemeinde-entwicklung

www.salzburg.gv.at/themen/sir_haupt

Weizer Energie-Innovations-Zentrum

www.w-e-i-z.com

France:

Isara-Lyon – Equipe Marketing et Stratégies des Entreprises

www.isara.fr

Germany:

Albstadt-Sigmaringen, University Department of Business Administration and Engineering

www.hs-albsig.de

Unser Land GmbH

www.unserland.info

Italy:

Dipartimento Affari Regionali della Presidenza del Consiglio del Ministri

www.affariregionali.it

Ente Parco Naturale delle Prealpi Giulie

www.parcoprealpigiulie.org
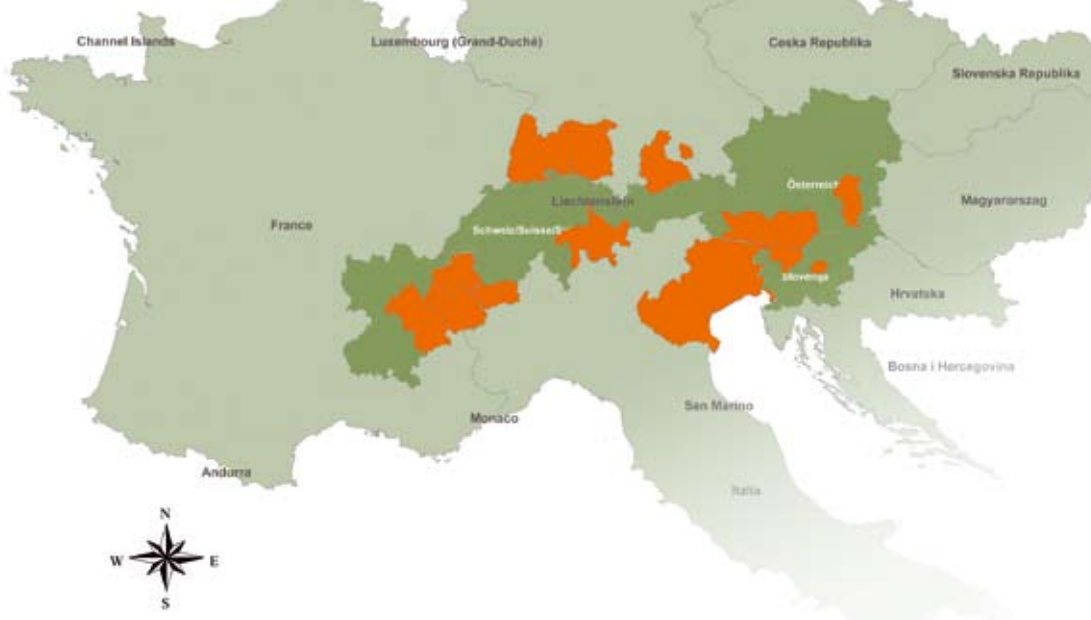
Provincia di Belluno – Servizio attivita economiche

www.provincia.belluno.it

Regione Autonoma Friuli-Venezia Giulia (F.V.G.)

www.regione.fvg.it

Regione Autonoma Valle d'Aosta – Dipartimento Agricoltura – Servizio Sviluppo delle Produzioni Agroalimentari (VDA)

www.regione.vda.it

Regione Veneto – Giunta Regionale – Direzione Promozione Agroalimentare (RV)

www.regione.veneto.it

Slovenia:

Center for sustainable rural development Kranj Development Institute (CSRD)

www.ctrp-kranj.si

Local Development Centre Litija (RCL)

www.razvoj.si

NON-EU PROJECT PARTNERS:

Liechtenstein:

University of Liechtenstein – Institute for Entrepreneurship (HLI)

www.hochschule.li

Switzerland:

LBBZ Plantahof – Landwirtschaftliches Bildungs- und Beratungszentrum Graubünden (Plantahof)

www.plantahof.ch

B.A.U.M. Consult München, GmbH on behalf of the Lead Partner supported the consortium as Administrative und Financial Manager.

Cooperative Regional Marketing –
Process, Structures, Measures, Success Factors

Thanks to the RegioMarket project it has been possible to gather valuable experiences and knowledge on the subject of regional cooperative marketing and value chain management in a transnational cooperation. The RegioMarket results build on the experiences of the 17 RegioMarket project partners and provide those interested with support and tips on how to proceed with their own development work in this field, enriched with examples from everyday practice.

The brochure addresses persons and institutions aiming to build up a regional marketing initiative. They might come from different backgrounds such as:

- □ Regional managers
- □ Employees of local and regional authorities
- □ Institutions for regional and communal business development
- □ Persons and institutions responsible for spatial planning
- □ Representatives of regional trade associations and chambers of commerce
- □ Members of the local and regional units of Agenda-21
- □ Volunteers from other groups who are dealing with the promoting of regional products

This guideline wants to give support to persons and institutions aiming at building up a regional market system. In such a process a variety of questions have to be answered and decisions have to be taken, such as the following:

- □ Which are the most important steps to be taken when setting up a regional marketing initiative?
- □ Who is an important partner?

- □ Who are target groups for our products or services and how do we position ourselves in the market?
- □ Which are our key marketing messages?
- □ Which criteria do we want to implement for the quality of our products and how do we control them?
- □ Which type of logo or brand is the right one in our case?
- □ How do we find the suitable sales channels?
- □ Which are the best financing instruments for the joint marketing system?

This brochure is intended to structure the planning of processes, to help finding suitable partners in the region, to convince them of the concepts and involve them in the structures. Further, the book provides varied suggestions on measures which may facilitate and further boost the structural change in regional marketing.

After an **introduction** the guideline continues with **definitions:** Regional markets and regional marketing are defined and explained. The different levels of regional cooperative marketing are shown: From a single product (one value chain), via a market system (several value chains), up to a brand. A further section deals with terminology and definitions concerning the issues of brands, branding and regional brands. It gives an overview on different types of brands and discusses the function and effectiveness of brands.

The guideline gives a detailed description of the **whole process** of building up a regional marketing cooperation. This comprises different steps from preparation and analysis over the involvement of stakeholders to the point of setting up of a marketing concept or a business plan.

The **preparation phase** of a regional marketing initiative comprises the constitution of a core group by motivating important partners and stakeholders. This group should be enlarged continuously and the partners should agree on a common direction of action or vision. At the same time, it is important to develop first pilot products and services with great marketing effects as early as possible in order to prove feasibility and to create a positive image in the public opinion.

Next to motivating and recovering the right partners and defining common aims, a fundamental part of the set up phase is the **analysis of regional conditions.** The

MARKETING CONCEPT

PREPARATIONS
Motivating important stakeholders
Model, vision, pilot products and services

▼

REGIONAL ANALYSIS Analysis of the regional
situation, potential and social framework

▼

OBJECTIVES Discussion and adoption of objectives

▼

REGIONAL MARKETING STRATEGY
Action plan with measures and a project catalogue

▼

IMPLEMENTATION OF MEASURES AND
PROJECTS (e.g. product development, marketing
measures, setup of logistics)

▼

MONITORING, EVALUATION

SETUP OF STRUCTURES FOR REGIONAL MARKETING PROCESSES
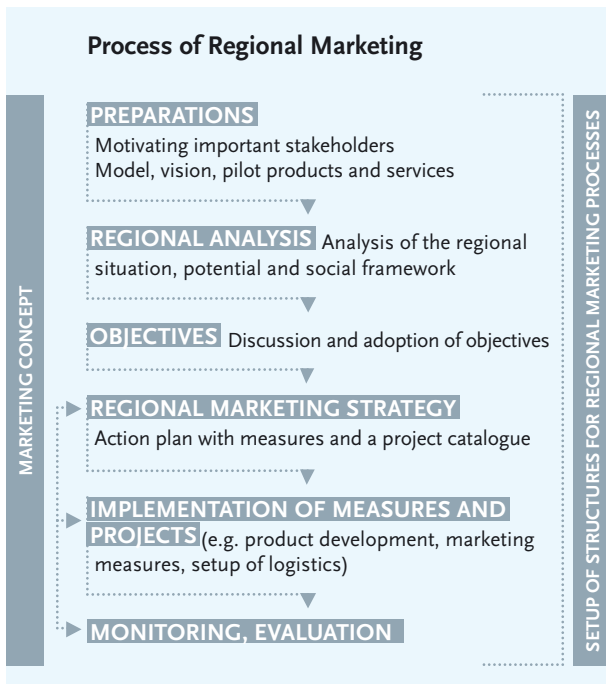
basis for the marketing concept, which has to be worked out, is the knowledge and evaluation of the regional situation. This regional analysis is usually composed of a basic analysis and a more detailed part, which focuses on respective branches and questions of detail. Exhaustive information on methodologies and data to be collected for the analysis of the three core sectors (Food products, Tourism & Gastronomy, Renewable Energy) is given in the guideline, followed by hints for a detailed analysis of the **legal frame** which should also be part of every regional analysis. The section outlines the most important regulations at the European level, presenting the most relevant Regulations and Directives in the field.

Whereas for the development of the vision it is sufficient to involve the core group of the regional marketing cooperation, it is necessary to work with the whole partnership when it comes to the definition of the regional marketing concept. The central strategies, measures and activities fixed in the concept will have to be carried by all partners. The guideline, therefore, gives advice on the **involvement of a broad spectrum of regional stakeholders.**

Also the issue of defining a **marketing concept** and/or a **business plan** is covered extensively by the brochure. The marketing concept of a cooperative regional marketing initiative is the central paper, in which all strategic considerations, results of analyses, joint measures and projects and the financial and working plan should be included. It is not developed at a desk of a single expert but it is the result of discussions and joint considerations of the whole regional partnership.

The main benefit is a common vision of all partners on important elements and measures, which raises the ef-

ficiency and effectiveness of the common work and allows to allocate means efficiently.

A company considering to participate in a regional marketing cooperation needs to analyse costs and benefits of such a collaboration as well. Therefore the guideline additionally provides the methodology for a business concept from the point of view of an enterprise, planning to join a cooperative regional marketing initiative.

The peculiar model of the "short chain" of distribution, as far as the Product Group Tourism approach is concerned, is characterised in a separate section.

A further chapter puts its focus on the **central elements of a model structure** for cooperative regional marketing initiatives based on the experience that regional marketing initiatives are not only business cooperation but have to establish close contacts to potential supporters of the idea of regional marketing and regional sustainable development as multipliers for the initiative (such as chambers of commerce and trade associations, tourist associations, Agenda-21 groups, environmental organisations, etc.) and to consumers and potential customers of the offered goods and services.

This is why the basic outlines of a **dual structure** are presented in the guideline, which is essentially constituted by two elements:

☐ a heterogeneous network (non profit, if possible) providing the idealistic support to the regional marketing initiative. This **idealistic support structure** might be constituted in the form of an association or an advisory board.

☐ an economically oriented enterprise or an association of such enterprises.

Both partial structures (idealistic and economic) are complementary and jointly fulfil the biggest possible part of the tasks, while using, whenever possible, the same or similar names and the same corporate design. Besides the basic dual structure, a closer look at two further elements of a regional marketing structure is taken:

A **central marketing or management unit**, as operational part which, depending on its equipment, fulfil daily tasks with regard to the establishment of the regional marketing initiative: logistics, distribution, bookkeeping, bargaining with producers but also organizing events and PR activities. The organisational set up is dependent on the construction chosen for the economic structure explained above. If there is only a loose cooperation of the partners, the marketing or management unit could e.g. be financed by licence fees or other service related contributions. In the case of a joint company founded by the partners the marketing and management unit will simply be the management of the enterprise.

The evaluation of many regional marketing initiatives, however, has proved a further role within a regional marketing structure. The guideline calls these persons the **"key caretakers"**. They are the key initiators and mentors of the initiative, not so much dedicated to day to day duties as the marketing or management unit, but responsible for the representative and strategic tasks of the initiative. In any successful cooperative regional marketing initiative one can identify one or a handful of individuals playing that role.

Additional to this structural considerations different possibilities of **financing a regional marketing cooperation** – comprising the fields of investment, shareholding, sponsorship, public support as well as revenues from commercial activities of the initiative – are described in the guideline.

Leaving the strategic level of a regional marketing cooperation, a comprehensive section of the brochure addresses the operational level and presents a comprehensive compilation of potential **measures and projects for a cooperative regional marketing.** The first part of this section provides suggestions for cooperative communication measures. Other activities of a cooperative regional marketing are the cooperative optimising of sale or the cooperative development of products and services. A further section is dedicated to the building up of a cooperative distribution, which is followed by a number of remarks on the implementation of a regional brand. Numerous successful examples, mainly from the RegioMarket partner regions, illustrate the measures and projects presented in this section.

RegioMarket Criteria for a Good Regional Market System

It was one of the major goals of the RegioMarket project to enhance the development of cooperative regional marketing initiatives in the fields of food production, tourism and gastronomy and energy.

It was the main question within the RegioMarket working process, if there are factors and criteria by which successful and less successful regional market systems can be characterised.

Thus, the idea came up to elaborate a RegioMarket criteria set for "good" regional market systems relying on the experiences the project partners had gathered within their regional processes and on the evaluation of further best practise examples.

Three sector specific working groups went through an intensive discussion and elaboration process comprising several international workshops and exchange of draft papers.

The partners cooperating in RegioMarket have a consensus on following key success factors for regional marketing systems:

- □ **Transparency and honesty:** If consumers buy a regional product or order a regional dish, they can rely on the regional origin of the majority of the preliminary products. Regional products shall create trust between customers - whether they live in the region or outside – and the producers in the region.

- □ **Quality criteria and controls:** The definition of "regional products" does not only include provenance, i.e. origin from a specific region, but also specified quality and production schemes with respect to this region. Criteria for the quality and the production methods need to be defined objectively and controlled by an external control organism. This will bring credibility to the commercial offer of that region and can be an efficient way to promote, save and develop the region with its natural and cultural heritage.

- □ **Producer and consumer dual approach:** Partners on both the production and the consumption side shall cooperate. Economic and non-economic groups should equally cooperate to gain success of the initiative.

- □ **City-Land-Partnership:** Consumers in cities and towns shall get the opportunity to not only receive goods and services like food or energy

from their countryside but also link to the producers and estimate their efforts. In this sense regional products shall carry a message to the consumer: you are responsible and you can take action to preserve the places you live at or go for weekend or for holidays.

- □ **Regional added value:** Partners of regional marketing systems should create added value in the region as far as possible.

- □ **Sustainability:** Regional market systems should follow the principles of a sustainable regional development taking into account ecological, economic and social aspects in parallel. Sustainable development is therefore reflected also in the respective criteria systems.

On this basis **sector specific sets of criteria and indicators** have been elaborated by the RegioMarket partnership as a proposal for further discussion on product quality and sustainable development in the Alpine Space and the promotion of regional value chains. The criteria are part of the RegioMarket Guideline for Cooperative Regional Marketing. These criteria are not "armchair decisions" but have been worked out on the basis of experiences made by the partners and scientifically accompanied.

They are supposed to be a starting point for the definition of a regional market support or branding system. Regional initiatives are free to adapt the set of criteria as needed. However, the RegioMarket partners agree that only if a certain degree of coherence with the criteria is in place the regional market system shall be called "RegioMarket approved".

Vision for a RegioMarket Quality Seal

The criteria could, in addition to the possible applications described above, also be the starting point for a visionary approach. They could form the basis for the setting up of an alpine-wide RegioMarket quality seal, with which, across all sectors, outstanding product and service offers made by regional cooperatives in the Alpine Space could be identified. This quality stamp would convey messages that fully agree with the current trend in consumer requirements:

- □ Regional origin
- □ High quality
- □ Innovation
- □ Sustainability

The quality seal could be used as a supplement to the own brands of regional cooperatives or individual companies in the brand communication process and thus as a kind of Co-Branding. This could apply both to the communication of the brands themselves as well as for the promoting of individual products or service offers. This would result in a number of advantages:

- □ Alpine-wide uniqueness
- □ The genesis for a high degree of recognition for a broad range of offers from a number of different sectors in the entire economic region of the Alps
- □ A multitude of possibilities for cross-marketing as a result of an approach spread across all sectors
- □ A high financing potential for communication
- □ Support of the penetration of individual brands
- □ Solid promotion of the small and medium-sized companies involved
- □ a combination of various central messages such as regional origin or environmental protection which are today communicated by means of a variety of quality seals.

Due to the short duration of the RegioMarket project it was not possible to undertake any significant steps in this direction beyond the development of the criteria and initial thoughts on the subject of installing up a RegioMarket quality seal. In order to realise this vision of a RegioMarket quality seal in practice it would make sense to undertake the following:

- □ The setting-up of a network of interested cooperatives, companies or interested parties from the fields of politics and marketing
- □ Examination and subsequent drawing up of the present criteria
- □ Elaboration of necessary structures and activity characteristics for an organisation to manage the seal
- □ Development of an initial communication concept
- □ Implementation of a pilot organisation tied in with initial communication measures. In the start-up phase it would be conceivable to do this at first on a regionally limited scale

The future will show whether this vision will take shape and unfold a positive effect for the future of the Alpine region.

1 Definitions: Regional Markets & Regional Marketing

This guidebook addresses the optimisation of regional market systems for products and services. In this chapter we define a number of terms concerning "region" and "marketing" which tend to be used differently in different countries and in different professional discussions.

Regional Marketing:

The promotion of regional markets for products and services has to be distinguished from Regional Marketing in the sense of the promotion of a region being a location for living and industry, as it is done by economic promotion agencies or district administrations, e.g. by brochures, websites or participation in fairs. Tourist destination marketing could be defined as a special case of regional management.

Regional Marketing is seen as a relationship-marketing which aims at setting up long-term relations between "the region" and relevant stakeholders by an effective analysis, selection, management and controlling in order to achieve strategic competitive advantages[1].

However, there is a nexus between the marketing for regional products and services and regional marketing. Marketing for regional products and services can have positive impacts on regional marketing, because it is able to show the capabilities of enterprises in the region, the diversity of the "tastes" and it strengthens the identification of people with their living space[2].

Especially in the field of tourism the supply with regional food products and crafts is getting more and more importance for the marketing of regional destinations and thus the "selling" of the territory. In this sense, the product group tourism and gastronomy within RegioMarket has experienced a peculiar way to use the consumption of regional food products in their own natural habit of production, in a "short chain", as a way to build up comprehensive economic territorial strategies (see chapter 4.7).

Marketing of Regional Products and Services:

There is, until now, no unique definition of the terms "regional product" or "regional service".

In general, a product can be defined as "anything that can be offered to a market to satisfy a want or need"[3]. Thus, products include physical goods, services, per-

sons, places, organizations, and ideas. So if we are talking about "products" in the following chapters in most cases "services" are included.

Closely related to the impact of a product's competitiveness is amongst others the concept of "country of origin". The country of origin effect refers to the fact that "perceptions and attitudes toward particular countries often extend to products and brands known to originate in those countries"[4]. This particularly becomes visible with automobiles, electronics, fashion and beer. Several studies have determined the high relevance of it; specifically, a general home-country selection bias was observed. Al-Sulaiti & Baker (1998)[5] provide a comprehensive review of studies conducted in this field of research. However, the studies have also shown that other elements such as taste, design and performance ought not to be neglected.

Other studies have shown that manufacturers can benefit from linking their products also with its **region** of origin[6], as a certain part of the consumers are willing to pay a price premium for regional products.

Within the established definitions of "regional product" the following aspects play a role:

- ☐ The **location** of the partners along the production chain (within a certain territory – the region)

- ☐ A certain **quality** of the product, caused by either

  - ☐ A traditional way of production of the <u>final product</u>, (in the food sector: recipe), i.e. a typical product of the region

  - ☐ The quality of the raw-products and the final product. This special quality of the product is supposed to lead to an additional value for the regional society as a whole, e.g. ecological effects, diversity of the economic structure, etc. I.e. there is a regional development effect.

Regarding "regional services" the aspect of the location of the partners also plays an important role. The quality aspect, however, is defined slightly different:

- ☐ A certain quality of the service which is linked to specific features of the territory, e.g. specific regional tourism offers. As above, this is supposed to lead to an additional value for the regional society as a whole, e.g. ecologi-

1 See: Robert Nieschlag, Erwin Dichtl, Hans Hörschgen; Marketing; Verlag Duncker & Humblot; 19., überarb. und erg. Aufl. (2002); S. 11
2 See: Björn Seintsch; Dissertation „Wirkungen des Regionalmarketings forst- und holzwirtschaftlicher Akteure zur Aktivierung von regionalen Potentialen"; Albert-Ludwigs-Universität Freiburg im Breisgau; 2004; p. 40
3 Kotler, Philip & Keller, Kevin Lane (2006). Marketing Management. Upper Saddle River: Pearson Prentice Hill, p. 430.

4 Keegan, Warren J. & Green, Mark C. (2005) Global Marketing. 4th ed., Upper Saddle River, NJ: Pearson Prentice Hall. p. 341
5 Al-Sulaiti, Khalid & Baker, Michael, J. (1998) Country of origin effects: a literature review. Marketing Intelligence & Planning, Vol. 16, No. 3, pp. 150-199
6 Henchion, Maeve & McIntyre, Bridín (2000) Regional imagery and quality products: the Irish experience. British Food Journal, Vol. 102, No. 8, pp. 630-644

cal effects, diversity of the economic structure, etc.

There are three important aspects that determine the RegioMarket understanding of regional products and services:

RegioMarket considers regional products and services in **three sectors:** food, renewable energy and energy efficiency as well as tourism and gastronomy. It evaluates the meaning of "regional products and services" in these fields.

RegioMarket draws attention to the issue of **sustainability.** I.e. beyond regional origin and production or the recipe for the final product, it takes into account the production modes of the complete value chain, in terms of quality and sustainability. By that, it creates a direct link between regional products and their contribution to a regional sustainable development. In the tourism sector, for example, this leads to tourism offers which use or include regional products and raw material from the region and which are in general based on regional, natural and cultural identity. In the energy sector one can think about the regional supply of renewable energy facilities or consultant-services by regional companies. Shorter transport distances caused by a regional supply also have positive impact on the issue of climate change.

As a third aspect, RegioMarket tries to go beyond the designation of single products on to the designation of a so called **basket of goods** as a regional one. I.e., the focus is not only on a single, very special and mostly traditional product, but also on a number of production and value chains in the region acting on the basis of a common agreement on partner, structure and product criteria.

Regional Market Systems:

This leads to the concept of "regional market systems". Such a system constitutes the totality of different value chains in a region dedicated to a common agreement on partner, structure and product criteria.

The key-word is **cooperative marketing.** Partners along the whole regional value chain or several value chains

□ develop a common set of rules for the production modes in the whole chain, following the ideas of quality assurance and regional sustainable development and

□ put their resources together for the joint marketing of a sustainable regional economy and their quality products and services.

Using the Synergies of Different Regional Value Chains

possible options for optimisiation by cooperation between several value chains

JOINT LOGISTICS
JOINT MARKETING • CROSS MARKETING

WOOD	BREAD	REGIONAL MENU (MEAT)	RENEWABLE ENERGIES
forester	farmer	farmer	qualifying
saw-mill	mill	slaughter	trade
carpenter	bakery	butcher	mechanics
retailer	supermarket	supplier	
	gastronomy	gastronomy	
consumers	consumers	consumers	consumers
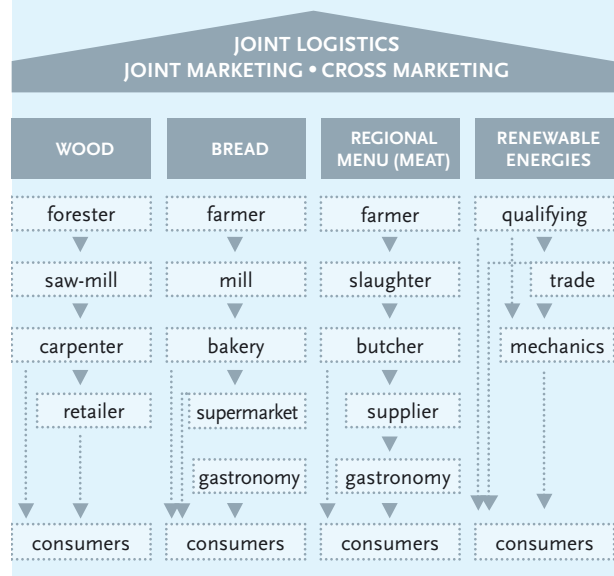
In order to constitute such a system a professional management is needed. The tasks of this management unit are:

□ Closing the gaps within the regional value chains, if there are missing links

□ Gaining partners for the regional production process

□ Coordinating the process of definition of the joint objectives, the working structure and the rules for the cooperation

□ Initiating and coordinating common marketing measures

Chapters 4-7 are dedicated to these tasks. They are supposed to give guidance to the managers of regional value chains and market systems.

2 Definitions: Brands and Regional Branding

This chapter gives a brief introduction into the terminology and definitions concerning brands, branding, region and regional brands. Specifically, the different types of brands as well as the discrimination between regional and region brands are highlighted.

Brand – Definition and Functions

A brand can be defined as a unique name, term, sign, symbol or design as well as a combination of these, aiming at the identification of one seller's goods or services and at the differentiation of them from the competitor's ones. It creates a set of expectations regarding performance etc. in the stakeholder's mind[7]. The term's differentiation and identification already state important functions of a brand. Beside those criteria, brands shall also transport quality, competence and trust. Furthermore, they must provide consumers with a benefit.

A brand comprises a bundle of associations representing the values it stands for as well as promises to the customers. Based on these associations the image of the brand is made (whether positive or negative).

> ▶ **Brands versus Labels**
>
> In contrast to labels real brands have an identity. That means: they dispose of a unique set of brand associations symbolizing what the brands stand for and what they promise to customers. Many brands lack this individuality. In general, labels can be characterised as products that are uniformly marked. It can be observed that labels are mainly applied in the food sector; here this strategy is comparable with branding.

Four main streams of brand conceptualisation are outlined[8]:

- □ **Brands as communicators and orientation guide:** This perspective sees a brand as a means to identify the products/services of a seller and differentiate them from those of the competitors. The brand sends out special visual signals and thereby reduces the effort for the information search. By sending out certain signals to costumers, brands facilitate the categorisation of products.

- □ **Brands as perceptual entities:** This approach assumes that brands appeal to the consumer's senses and feelings. Brands can even donate additional ideal benefits by underlining the profile of their consumers, supporting their self-confidence and profiling, especially with regard to their belonging to a certain social group. Vice versa, a brand can have a prestige function when consumers can identify with the attributes evoked by the brand. The more a brand refers to the ideal of a costumer, the more it is liked.

- □ **Brands as value enhancers:** This approach supports the introduction of the concept of brand equity in which brands are regarded as relevant intangible asset(s) of a company. This value, however, has to be built up and maintained carefully. Costumers expect a constantly or continuously high quality of a brand on which they can trust. Here, the brand has also the function of a certification and thereby stands for the compliance with a quality promise. But brands are more than certifications. The difference is that certifications simply describe the organisational federation of quality promises for products. Thus, they are only recognisable as an additional logo on the retained corporate design.

- □ **Brands as relationships:** This concept assumes that a brand possesses a personality which permits it to shape an affiliation with all the stakeholders. It is further supposed that competition is taking place between these networks rather then between companies. An aspect which is of great importance in destination branding.

> ▶ A brand is a pure intuitionally feeling people do have for a product, a hotel, a destination or a company. It is intuitionally because people are emotional, intuitional creatures – although, in business some try very hard to be rational managers or traders. Managing a brand means equipping a product with a soul, creating an aura, mystifying, conjuring. A brand sells not only a product, but also a world of emotions[9].

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7 based on Wilson & Gilligan, 1997; Hankinson, 2004; Kotler & Keller, 2006

8 based on Hankinson (2004, pp. 110-112) and Popp 2007
9 Popp, D. (2007): Regionale Dachmarke als Nachhaltigkeitskonzept: Erfahrungen mit der Regionalmarke Eifel für eine Dachmarke Rhön, in: Beiträge Region und Nachhaltigkeit 4 (2007), No.4: 115-134

Branding

Branding comprises all activities in order to create differences. Thus, branding equips products with the power of a brand. Branding a product requires the company to teach their consumers "who" the product is by giving it a name and using other brand components to aid to identify it. Additionally, it has to be specified "what" the product does and "why" purchasers should care.

For successful branding consumers must be convinced that there are important differences among brands in the product/service class.

"Branding can be applied virtually anywhere a consumer has a choice"[10] . It is possible to brand a physical good *(shampoo by Nivea)*, a service *(Credit Suisse)*, a store *(Starbucks)*, a person *(Justin Timberlake)*, a place *(Alpine Space, City of New York, country of Spain)*, an organisation *(Doctors without Borders)*, or an idea *(fair trade)*.

Types of Brands

The literature provides different approaches to distinguish types of brands.

Many authors[11] distinguish brands according to branding strategies companies can pursue; with it four approaches are primarily named:

- □ **Individual brand names** are used with individual products/services in a particular market, such as *Nutella*, with no reference to the company's name. This strategy follows the concept: one brand=one product=one promise.

- □ **Range branding.** This type of strategy is used for a range of products with a particular link in a specific market, such as *Weight Watchers* products.

- □ **Family umbrella names** are used to cover a range of products in a variety of markets, e.g. *Milka*. This type of strategy is suitable when individual products can be summed up to homogeneous product lines.

- □ **Corporate umbrella branding.** This strategy is used by firms, such as Siemens, in which the corporate name is the lead name for all their products. If the products offered under this umbrella brand are heterogeneous a more general positioning[12] of the umbrella brand has to be chosen as no clear positioning is possible.

Others classify brands according to their market presence. Consequently, three types of brands are distinguished[13]:

- □ **Local brands.** These products etc. have achieved success in a single national market.

- □ **International brands.** They are offered in several markets in a particular region of the world. E.g. there are many "Euro brands" that are offered in Europe only.

- □ **Global brands:** A global brand has the same name and a similar image and positioning throughout the world, e.g. *BMW*.

A further classification is the distinction with regard to four sponsorship options[14]:

- □ **Manufacturer's brand:** the brand belongs to the producer of the product/service;

- □ **Private brand:** the brand is owned by a reseller of the product/service;

- □ **Licensed brand:** The licensee uses a brand name offered by the brand owner for an agreed fee or royalty;

- □ **Co-brand:** Using an established brand name of two different companies on the same product.

In the context of external brand combinations the terms "co-branding" and "ingredient branding" are distinguished. Co-branding is generally characterised by four critical criteria that are:

- □ a connection of at least two brands (horizontal or vertical)

- □ that cooperate, visible for consumers,

- □ in order to create a joint service bundle

- □ and which are, from the perspective of consumers, before and after the co-branding cooperation independent.

Ingredient branding refers to the marking of materials or parts that go in other products and in which the tar-

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10 Kotler & Keller, 2006, p. 276
11 e.g. Doole et al., 1994; Kotler, 1997; Wilson & Gilligan, 1997; Esch et al., 2006
12 Positioning is the activity of designing the firm's offering and image to fill a distinctive place in the customers´ minds.
13 e.g. Keegan & Green (2005)
14 e.g. Kotler et al. (2005)

get groups perceive the components of those products as isolated brands, e.g. *Nutrasweet* and *Diet-Coke* or *Intel* and *IBM.* Important for such a strategy is that the parts symbolize a critical component within the final product.

Mega-brands, representing a special type of co-branding, are the result of the cooperation of two or more corporate brands, e.g. alliances of airlines such as *Star Alliance.*

Furthermore, store brands can be named. Store brand is also called private brand and with this type the name of the retail store chain and respectively shopping place functions as brand. Examples for store brands are *The Body Shop, IKEA* and *Media Markt.*

So far the types of brands presented follow mainly a product-focus. However, as already stated in the previous section virtually anything can be branded. Recently the branding of regions, cities as well as nations is getting more and more into the focus. Nevertheless, this is not a completely new approach. Branding a location is a traditional way numerous countries have chosen in order to promote business sectors such as tourism, for several decades, already.

Why a Brand?

Due to the increasing globalization and the competition linked to it, companies, regions as well as nations are forced to set up suitable branding activities in order to remain competitive.

"In Europe the ever advancing process of European integration ... has led to growing similarities in the "hardware" and "software" of places. Nearly every urban area has invested over the years in the development of high-tech clusters, physical and knowledge infrastructural facilities and non-work related amenities (e.g. culture and leisure)"[15]. Consequently, the image of a place perceived by people is of increasing significance.

The following reasons for the increasing competition among regions in particular and for increasing branding activities are to be listed[16]:

- **Stronger concentration in many branches and increasing mobility within national economies:** Obviously, large companies have a less strong relation to regions than small and medium sized enterprises (SMEs). Thereby, mobility refers, amongst others, to tax incentives provided by regions in order to strengthen them.

- **Technological developments:** new communication-technologies abolish the condition that the place of residence and the company's location have to fall together.

- **Mobility of workforce:** Companies expect from their workforce flexibility regarding the change of location. On the other hand, the free entrance to labour markets by residents of the European Union facilitates the mobility among persons in order to apply for attractive posts.

- **Open borders imply extended competition:** Since new competitors arise on local markets, local companies have to widen their fields of activity too.

- **Demographic changes:** Young, high-skilled persons leave or have to leave rural regions in order to find a job in larger cities or even abroad.

- **Precarious financial situation of municipalities:** High subsidies cause tensed financial situation in many municipalities resulting in a more market-driven orientation.

- **Increasing complexity in political decision-making:** As a result of raising demands of residents and the increased mutual dependency of politics and economy.

Regional Brands versus Regions Brands

Regions brands are distinguished from regional brands. The latter ones are limited to a specific geographic area and the promotion of the regions' specific products or services, whereas regions brands promote the overall product or service bundle of a region.

Regions brands take on important identification and orientation functions for regions seeking to establish an image. Besides marketing activities of cities, many region logos can be found striving for the establishment of a brand.

15 Hospers (2006, p. 1015)

16 Meyer (1999, pp. 2-4 & 43)

Regional brands are collimated to the regional needs and habits of the target group. Usually these regional brands refer to products that are offered in one specific region only. The actual brand name can have a regional focus or not. Referring to branding strategies, with regional brands all four approaches (i.e. individual brand names, range branding, family umbrella names and corporate umbrella brands) are possible. Over time the development of a regional brand to an international or global brand is feasible too.

On the other hand, region brands stand for the entire service bundle (such as infrastructure, economy, culture, education, and so forth) of one specific region. With that, region brands always have the character of umbrella brands representing a complex performance bundle of a region. Often the focus to the region is signalled in the brand name already. The functions of region brands are orientated to target groups inside and outside the region. In contrast to traditional regional brands, region brands are also communicated outside the region (to tourists and/or investors). Due to the fact that the firms and institutions located in the region normally launch own brands for their services, region brands should be suitable for co-branding.

Regions intending to create a region brand can choose among four fundamental variants of brand architecture[17]:

1. Branded region, i.e. umbrella brand for the entire region

2. Co-branding, with a dominant regional umbrella brand and a joint appearance of the sub-regions' brands.

3. Co-branding, with a dominant brand of the sub-region and the usage of the umbrella brand for supporting issues (e.g. brand of a German Bundesland is jointly used with the brands of the region within the Bundesland).

17 Brand architecture comprises activities representing the basis for the specification of branding strategies and operative branding decisions. Ideally, a systematic brand architecture design results in strong brands.

4. Region of brands, i.e. independent appearance of sub-regions with own brands.

In case of a "region of brands" benefits such as synergies as well as image transfer effects cannot be expected, thus each sub-region has to bear the costs of brand positioning. Particularly with regard to international positioning, a "region of brands" strategy will show its limitation in many times.

Additionally with regard to region brands, the variety of stakeholders involved has to be mentioned. With their activities, the stakeholders shape the services and character of the region, consequently, the institutional anchorage of all activities related to brand positioning requires the involvement of all critical actors.

The differences between these two brand types are summarised in the following table:

CRITERIA	REGIONAL BRANDS	REGION BRANDS
Brand object	Products/services of one manufacturer/provider or a group of manufacturers/providers	Complete service bundle of one region
Objectives	Image creation of some products/services within the region, partly outside the region	Image creation of selected services of the entire region, which are unique compared to other regions
Market	Sales focus often on a regional limited area	No limitation given
Target group	Target group often within a regional limited areasuccessful suppliers	Target group inside and outside the region
Branding strategy	All four approaches possible	Character of an umbrella brand
Institutional anchorage	Normally, private	Normally, public private partnership

Table: Differentiation between regional and region brands (Kirchgeorg, 2005, p. 593)

In practise, it is possible to bring together these two ideal types of region related brands, of course, as the following example from Slovenia shows.

Cross-Border Regions Brands

Although the branding of regions fills an increasing amount of articles published by both scholars as well as practitioners, the activities are mainly focused on regions belonging to one country. However, in times of disappearing borders, e.g. European Union, neighbouring regions increasingly recognise the benefits of cross-border cooperation. Examples for such cross border cooperation are the "Euregios" as the Euregio TriRhena (South Baden, Alsace, North-West Switzerland), the Euregio Bodensee around Lake Constance or the Euregio Salzburg-Berchtesgadener Land-Traunstein.

Compared with physical products regions are different. Paasi[18] argues "that territories in fact are not "real" in the sense of being visible and tangible; instead, they are rather social constructs that are created in political, economic, cultural and administrative practices and discourses". He further distinguishes four forces which are:

18 (1986, in Hospers, 2006, p. 1017)

□ **The territorial shape** describes the extent to which an area is different from other areas in spatial terms. Relevant is whether the territorial borders of the region in focus are clearly defined or identifiable.

□ **The symbolic shape** refers to the development of area-specific symbols, e.g. the region's occurrence on maps, flags etc., representing the visible elements in order to reach a shared feeling.

□ **The institutional shape** comprises the region's institutions responsible to maintain the territorial and symbolic shapes, e.g. development agencies.

□ **The shape related to the socio-cultural identity** deals with the question of how far the region is entrenched in the consciousness and social practices of the residents of an area.

Needless to say the more visible these shapes the more clearly a region can be separated from other places and the more sources for the development of a unique brand are useable.

The Architecture of the *"Srce Slovenije"*/*"Heart of Slovenia"* Brand

For defining the relations among the brand *"Srce Slovenije"* and other existing brands there was a deep debate on products and services in the "basket of goods and services" to be included.

The basket clearly contains products and services of the *"Srce Slovenije"*/*"Heart of Slovenia"* region, thus comprising a number of already existing leading regional brand names:

- □ *"Naravnost z dežele"* (Straight from the Countryside) is a brand name for agricultural products: from healthy food products – fruit, vegetables, dairy and meat products – to countryside services, e.g. preparation of firewood, a ride with a traditional farmers' coach, etc.

- □ The natural and cultural heritage is gathered and promoted under the brand name *"Trkamo na vrata dediščine"* (Knocking on the Heritage Door).

- □ The recreational trails in the Posavsko hills (cycling, equestrian and hiking trails) are joined under the brand name *"Posavsko hribovje"* (Posavsko Hills).

- □ The offer of tourist packages is collected under the brand name *"Srce Slovenije"*/*"Heart of Slovenia"*.

Regija Srce Slovenije

Posavsko hribovje

naravnost z dežele
www.nadezeli.si

TRKAMO NA VRATA DEDIŠČINE

3 The Potentials and Benefits of Cooperative Regional Marketing and Branding

3.1 Why Promoting the Marketing of Regional Products?

In the recent years a number of regional market or branding systems in the fields of food production, tourism as well as renewable energies have been built up in the Alpine Space. Also within RegioMarket the partner regions either started or continued to establish such systems. The reasons and potential benefits of these activities are manifold. Below we compile the most important benefits of regional market systems.

> ► **Regional food and energy supply and sustainable tourism provide substantial economic potentials.**

Food providers see great potentials in the supply of the population with regional products. Around 60 percent of the average food consumption of a household could be covered by regional sources in the Alpine Space. Surveys number the potential of regional food products up to 10 – 20 percent market share in reference to the total sales of the respective products[19].

Bavarian regional marketing programs like "UNSER LAND" and "Von Hier" (Allgäu) have been recording annual double-digit rates of growth for years. Particular big potentials for the development of a regional food supply are in the field of tourism and regional catering.

The regional energy supply provides even bigger potentials. For example, in the Bavarian districts of Bad Tölz, Wolfratshausen und Miesbach the annual expenses for energy (heat, electricity, traffic) are about 467 million Euro. The initiative "Energiewende Oberland" calculated that 291 million Euro of the whole sum could remain in the region, if all renewable energy potentials were used[20].

The potential turnover for local craft only from energy related refurbishment of residential buildings (single-family houses, row houses and semidetached houses) is estimated about 1 billion Euro for the district of Fürstenfeldbruck (Bavaria, Germany). That amount is equivalent to 32 million Euro per year for the next thirty years. Furthermore there is a saving of 50 million litres of oil (which is equal to 35 million Euros according to the actual oil prize). Many different branches of the local craft sectors will have to collaborate in order to explore the potential.

> ► **Regional Market systems are securing and creating jobs in the rural area.**

The domain of renewable energies provides an outstanding high potential of jobs within the region. The example of consistent thermotechnical refurbishment of residential buildings within the district of Fürstenfeldbruck, mentioned above, would add 265 new permanent jobs in the field of craft.

Due to the regional brand Von Hier within the region Allgäu-Schwaben 500 jobs can be safeguarded. The Von Hier – products enable an additional turnover of approximately 1.8 million Euro per year for the regional farmers.

> ► **Regional Market systems keep up product and service quality.**

Besides the regional origin, regional providers in most of the regional marketing systems particularly emphasize the high quality of their products and services. In the RegioMarket project this aspect has been one of the key issues of transnational cooperation of the partners and is further elaborated in chapter 7.

> ► **Regional Market systems support the variety of products offered.**

Variety is an essential feature of the Alpine Space way of life. A great variety especially in the sector of food delicacies is an important factor for the success of tourism in the Alpine Space. In all parts of the Alpine Space, residents and tourists are able to enjoy a big number of typical products, which are often produced by regional partners along the complete value chain.

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19 Bayerisches Staatsministerium für Umwelt, Gesundheit und Verbraucherschutz 2005: Abfallvermeidung durch Regionalvermarktung, p. 10 et seq.

20 www.energiewende-oberland.de

Many of the examples within the RegioMarket project have shown, that companies involved in regional networks strongly plead for an intact social environment. Besides the economic aspects, with their products and services and their communication, they contribute to an increase of identification of regional residents with the region and the strengthening of social coherence within the region.

The motivation of regional market systems is in many cases based on the idea of preserving the own living space, the nature and the environment. Particularly, in the sector of regional food supply these objectives are often covered by production criteria.

An example for connecting nature conservation and economic success is the "Albbüffel" project in the German district of Reutlingen. With the help of the PLE-NUM programme[21] two local farmers set up a flock of special buffalos (in a region used to cattle) which are able to digest inferior pastures than the "normal" cattle. This is an advantage for the use of pasture which has been generated by extensive pasturing. Moreover, the buffalo products such as milk and meat (cheese) can be sold as premium products, which helps to keep up landscape conservation on a economic viable base.

A further positive impact of regional marketing is the reduction of traffic: According to latest prognoses the entire transport of goods will increase by more than 60 percent until 2015. The transport of food is essentially responsible for this strong rise. The traffic volume and the transportation costs could be reduced considerably by efficient regional marketing concepts.

More and more consumers are looking for alternatives within the quality sector. The main concern of these consumers is the origin and reliability of the products. This applies also to the origin of bio-energy. Especially, in the field of bio fuels the regional origin plays an important role for the ecobalance of the fuels.

If consumers are prepared to take over responsibility for a sustainable development of their region, they also need precise offers to act. Regional market systems can meet these demands.

3.2 Why Regional Brands? Benefits of Regional (Cooperative) Brands

The arguments for establishing regional value chains outlined above are very complex. Because of that, regional market systems require a marketing strategy to make them plausible and get them to a point for their target groups. A common brand can help to reach that task.

A brand provides an orientation guide to the consumer and makes his buying decision easier. In the other way it helps for the cooperation of several like-minded producers within a regional market system not to repeat the same message individually and possibly with different focus on the statement. The intention of a brand is to settle "a deep-seated, distinctive of a product or a service within the mind of the consumer"[22]. On the side of providers the common brand enables (after a certain initiation investment) marketing synergies under the headline: achieving a better result together!

For the consumer a brand provides reliability for the buying decision. A certain quality, not only in terms of function but also in an ecological way can be assumed. That reliability has a confidence-building effect. Furthermore a certain image and prestige is devolved to the consumers.

A regional brand, however, has to be planned and implemented professionally. We pick up this aspect in different sections of these guidelines, again.

21 Projekt des Landes zur Erhaltung und Entwicklung von Natur und Umwelt www.plenum-bw.de

22 Meffert H., Burmann C., Koers M. (HRSG): Markenmanagement – Grundfragen der identitätsorientierten Markenführung, Wiesbaden, 2002, p. 9

4 Building a Regional Marketing Cooperation – The Process

4.1 Overview

The development and establishment of regional marketing structures is a long-term process. During the last years manifold experiences were made with such processes, beyond others, by the partners within the RegioMarket project. The process experiences of the latter are basis for this chapter.

The process of building a successful regional marketing can be divided into **four phases**; beginning with the first steps of the process initiation until the implementation of particular projects. The process normally requires more than a year to show first results in the form of products and services which can be marketed. Of course, the process put down here is a blueprint, which has to be adapted to the real regional situation.

```
PREPARATIONS
      ▼
   SETUP
      ▼
IMPLEMENTATION
      ▼
MONITORING AND CONTROL
```
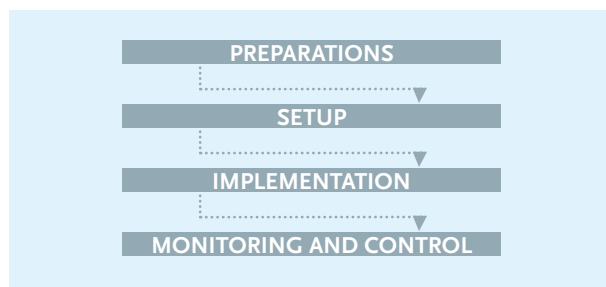
ESSENTIAL STEPS OF SETTING UP A REGIONAL MARKETING COOPERATION

Preparations:
- Defining the spatial range
- Convincing key persons
- Development of a vision
- Pilot projects, products and services

Set up:
- Development of a regional marketing concept
- Analysis
- Definition of objectives
- Determination of projects and measures
- Development of products and services
- Development of structures
- Setup of quality criteria

Implementation:
- Implementation of the concept
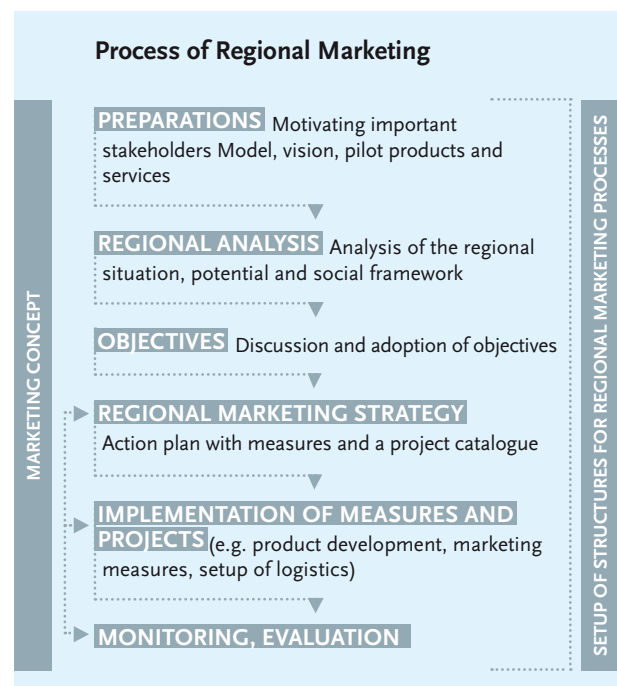- Raising public awareness and public relations/ publicity

Monitoring and control:
- Arrangement of indicators for target achievement
- Continuous monitoring and evaluation

According to experiences made in many cases, the time span until the beginning of the implementation phase appears as too long to many stakeholders which often has a discouraging and de-motivating effect. Therefore, it is important to **pay attention from the beginning to achieving first visible results quickly.** It is advisable

to avoid the impression that the process concentrates only on discussions of objectives and the constitution of structures. The implementation of model projects and the development of pilot products and services parallel to the constitution of a necessary organisational structure can illustrate as example which results should be achieved in the process.

The chart below demonstrates the progression of the phases. The building up of the organisational structure occurs in parallel to the development and implementation of the concept. This enables to satisfy the need of structures and at the same time to achieve quick and visible results.

Process of Regional Marketing

PREPARATIONS Motivating important stakeholders Model, vision, pilot products and services

▼

REGIONAL ANALYSIS Analysis of the regional situation, potential and social framework

▼

OBJECTIVES Discussion and adoption of objectives

▼

REGIONAL MARKETING STRATEGY Action plan with measures and a project catalogue

▼

IMPLEMENTATION OF MEASURES AND PROJECTS (e.g. product development, marketing measures, setup of logistics)

▼

MONITORING, EVALUATION

MARKETING CONCEPT

SETUP OF STRUCTURES FOR REGIONAL MARKETING PROCESSES

In this chapter important steps within this process are characterised. Section 4.2 outlines the most important components of the initial phase. 4.3 is dedicated to the regional analysis and its different aspects. In section 4.4 possible approaches for the extension of the regional network are presented under the headline "Involving and motivating regional stakeholders". Sections 4.5 and 4.6 show two different perspectives on the regional marketing strategy. Whereas in 4.5 we present the main issues that should be addressed in a marketing concept from the point of view of the cooperation as a whole, section 4.6 concentrates on the perspective of a single enterprise being confronted with the question whether it should take part in a cooperation or not. Section 4.7 is dedicated to the peculiar model of the "short chain" of distribution as far as the Product Group Tourism approach is concerned, especially on behalf of the Italian partners.

The issues "set up of a structure" and "implementation" will be addressed in further chapters of this guideline (5 and 6).

4.2 Preparation Phase

Starting point for regional marketing processes is the motivation of regional actors. These stakeholders taking the initiative can come from various social backgrounds and have various experiences.

In the RegioMarket partner regions and other best practice examples of regional marketing initiatives initiators from the following fields have been identified:

- □ Individual companies, or a small group
- □ Networks of committed individuals
- □ Local and regional administration or committed individual members of administration
- □ NGO's and associations, such as local environmental associations or even churches
- □ Universities and schools

The initially small group of stakeholders has to accomplish the following tasks within the first phase:

- □ Continuous **broadening,** professionalising and eventually also formalising the **circle** of stakeholders and committed individuals (establishing a regional marketing organisation)
- □ Defining common overall objectives, a common vision and main issues for the strategy
- □ As soon as possible the feasibility should be proved, for example by first implemented products and services that can be sold.
- □ Definition of the spatial range for the initiative

4.2.1 Motivating Key Stakeholders

The success of a process is depending on the people involved. Therefore, from the very beginning, it is essential to pay attention to the involvement of a reasonable number of influential regional stakeholders. This pertains to the broadening of the core group with further important persons, multipliers and promoters. Furthermore, it is important to broadly disseminate the notion of a sustainable regional economy, and to form a comprehensive support network.

Broadening the Core Group

During the broadening of the core group the following different tasks and roles of the promoters have to be considered:

- □ **Expert promoters:** their task is to bring the necessary expert knowledge into the process and to break the resistance caused by nescience.
- □ **Power Promoters:** the major task is to overcome barriers caused by "non – willingness" or to respond oppositions of the project. According to

the social position the power promoters should be acknowledged as authority of the region by potential stakeholders and beyond.

- □ **Process promoters:** Large projects require extra process promoters. Their major task is to overcome the barrier of "non – allowance" in terms of administrative and organisational barriers for the implementation. The precondition for process promoters are their excellent communication and moderation skills.

The amount of participation in this early stage has to be deliberated. Basically it is assumed that a wide range of stakeholders/actors increases the operation possibilities. A broad participation can create new alternatives, and thus enable new networks and cooperation types. However, many different actors also increase the communication effort.

Some key persons should be found in responsible positions in politics and public administration. Sustainable regional processes depend in many aspects on good cooperation with politics and public administration. Their success is heavily depended on the attitude of responsible persons towards the objectives of the initiative.

Therefore it is advisable to schedule extra time for convincing and involvement of and for discussions with political bodies from the outset. A good relationship should be established with these key persons. It is essential, however, and has been proved in many cases that partners and promoters should be involved across all relevant political parties.

4.2.2 Setting a Joint Common Vision of the Aims, the Stakes, the Needs

Already in an early phase of the regional marketing process the partners should agree on a common direction of action or vision. That vision serves as overall model of conduct and constitutes a common public statement of intention. Later in the process it can be concretised and individual objectives, measures and projects can be developed.

It is useful to develop the vision together with representatives of the most important groups, recognised as a common objective of the partners. Moderated workshops are one possibility for the realisation of developing a vision. This creative process enables its participants to assume responsibility for the future development. The question to be answered in this stage is "Where are we heading?" and not "How do we get there?". The results are developed using suitable moderation techniques. They are documented and shared with the public.

The goals to be developed in the subsequent stages of the process can be integrated into the vision.

4.2.3 Setting up Lighthouse Projects

A regional marketing initiative should aim at the development of first pilot products and services with great marketing effects as early as possible in order to prove feasibility and to create a positive image in the public opinion. At first, it is advisable to promote products and services which are highly visible, and consequently, can yield positive effects on the reception of the overall concept.

The type of products and services which are suitable for such pilot actions depend on the regional conditions. In a region, which is shaped by meadows of fruit trees an apple juice could be the right product.

If you plan to build up a regional "cheese road" the most famous cheese of the area should be the first to be marketed by the regional cooperation.

A regional renewable energy cooperation might choose a photovoltaic plant as first symbolic project to proof feasibility, as photovoltaic plants have a very good image.

4.3 Regional Analysis

4.3.1 Introductory Remarks

What is a Regional Analysis?

Next to motivating and recovering the right partners and defining common aims, a fundamental part of the set up phase is the analysis of regional conditions.

The basis for the marketing concept, which has to be worked out (see chapter 5.5), is the knowledge and evaluation (e.g. in form of a SWOT-Analysis) of the regional situation. This regional analysis is usually composed of a basic analysis and a more detailed part, which focuses on respective branches and questions of detail.

The basic analysis (see section 4.3.2) clarifies questions on (e.g.):

- Which region do we refer at? What are its main characteristics?

- Already existing regional marketing activities (products, sales channels, turnover, costumer groups, ...)

- Experience already achieved (long term, new approach, failures etc.) and conclusions

- Key actors in the region: Who in the region is a potential ally in respect to our marketing goals? Who will likely try to block this process?

The concrete analysis of the market and the elicitation of demand and potentials of production are parts of the detailed analysis. This applies to the three RegioMarket sectors: food, tourism and gastronomy and renewable energy.

Details can be found in sections 4.3.3 to 4.3.5.

Furthermore, the legal framework should be known – therefore, in the same way, some basic enquiries have to be made (see section 4.3.6.)

How Deep Do I Have to Go in my Analysis?

The better the initiators know their region and the more precise the information and data, on which they build, the easier it is to set the right priorities.

Nevertheless, the practice of creation of regional development concepts shows that the analysis phase is always shaped by compromises between the desired and the doable, as the task of analysing becomes a laborious "pleasure" when information and data were not gathered beforehand (in other contexts).

The level of detail in the data gathered is theoretically unrestricted. Thus, taking an example from a regional analysis on renewable energies, one can, for instance, research the potentials of the use of solar energy "exact

to the square metre of the roof surface" through on site surveys and air photographs. However, one can also estimate them based on values stemming from experience or based on average values.

At the end of the day, the respective regional time frame and financial budget will condition the level of detail of the analysis.

Experience shows that a detailed analysis usually finds few supporters in practice. The regional development processes are in many cases conducted by activists who perceive a detailed analysis as unnecessary and would most want to get into the implementation phase right away. In view of a very quick presentation of first results, this is reasonable and should necessarily be supported. However, as soon as a comprehensive concept for a regional marketing initiative is at stake, it should be made clear that without a minimal knowledge of the situation in the region activities do not make much sense, as this would bear the risk of setting wrong priorities and using available resources and forces in an inefficient manner.

A General Procedure for Regional Analyses

If a regional marketing initiative decides to conduct an analysis, there are a number of general rules for analyses that should be followed:

1. *Exact definition of the objective of the analysis*

   The first step of an analysis is setting its objectives. The important questions are: What does one want to know about the regional situation? Does one need a comprehensive overview? Is information missing only in special fields? Is it rather the current situation or the region's potential that is of interest?

2. *Clarifying data and information demand*

   One should first clarify, based on a review of the existing studies and publications, which of the data and information needed may already be available. Frequently, the data necessary for the analysis has already been gathered by somebody else (ask the

statistical departments of your district or regional administration or universities, for example). This data can serve as a basis for regional calculations.

3. *Choice of research methods and division of responsibilities*

   Methods used should be chosen based on the objectives of the analysis and the resulting data and information demand. A broad regional marketing initiative will work more efficiently if responsibilities are divided between many people. However, there has to be one person in charge of compiling and processing all information.

   Besides the assessment of already existing data, it will be necessary to gather specific information on one's own. This can be done economically e.g. by way of commissioning the task of data gathering to projects conducted by university students or by offering students the possibility of writing a degree dissertation based on data necessary for the analysis.

4. *Evaluation of the analysis results*

   The objective of each analysis is to draw conclusions for one's own actions. The conclusions do not result straight from the data gathered; the data needs to be evaluated.

   □ Is an average annual solar radiation of xy good or bad? Is a regional production of xy tons of potatoes much or small? Does it constitute a region's strength or is it rather a weakness?

   □ Does a high number of installation companies in the region that have not offered PV-installations yet constitute a potential or a weakness? Does a high number of traditional restaurants in the region constitute a potential or a weakness? Should one attempt to involve these companies in the process? Or do we leave this for later, as, actually, there exist more beneficial alternatives?

These are the kind of questions which emerge when the analysis results are already on the table. For some of the questions, the answers result from experience or objectively measurable criteria (this solution is useful, the other one is not). For others, the answers are a matter of a purely subjective assessment.

Here, for example, the SWOT analysis has proven helpful for the classification of data and information in the process of assessment.

The SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) belongs to the valuable instruments of a regional development process. By classifying the

Example:
Extract of a SWOT Analysis on Agricultural and Tourism Sector in the Province of Belluno
Source "Antonio Della Lucia" State Professional Institute for Agriculture and the Environment Vellai, Feltra

PRIMARY SECTOR

STRENGHS	WEAKNESSES
□ Presence of recently-created Forestry Associations and Consortia	□ Structural disadvantages for businesses in the agriculture and forestry sector
□ Environment inclined towards quality production	□ Difficulty in safeguarding rural environment and landscape
□ Presence of a consolidated dairy and cheese-making sector with high quality production	□ High production costs, partly due to the morphology of the area
□ Importance of natural resources (protection of the environment and landscape) and of the external effects	□ Need to qualify production
□ Presence of prestige areas	□ Lack of organization in the fruit and vegetable chain
	□ Lack of an integrated approach to territorial strategies
	□ Absence of a technical services system for businesses
	□ Difficulty to set up young businesses

OPPORTUNITIES	THREATS
□ Growing interest from the national and international markets in traditional local farm produce.	□ Reduction in policies designed to support firms in mountain areas
□ Enhancement and promotion of produce through local markets and restaurants	

TOURISM

STRENGHS	WEAKNESSES
□ Natural, historical, artistic and cultural heritage	□ Insufficient diversification of tourist products
□ Existence of a wide network of walking paths which can be exploited to create alternative tourist routes	□ Decline of the urban environment in the smaller towns in the area
□ Presence of a large number of professional hotels and restaurants	□ Lack of an integrated approach to territorial strategies and inadequate communication and promotion activities
□ Presence of a wide network of non-hotel accommodation, also private accommodation, and an agritourist system able to provide both produce and accommodation	□ Lack of professional and entrepreneurial skills in some areas
□ High concentrations of downhill skiing facilities and installations	□ Problems with the road network, parking and public transport
□ Large number of museums and well-structured cultural groups able to organize a wide range of initiatives	□ Lack of variety of restaurants; lack of typical, characteristic local-style restaurants
□ Important historical and cultural sites	□ Existing cultural and environmental resources insufficiently exploited
	□ Lack of an integrated approach to territorial strategies

OPPORTUNITIES	THREATS
□ Growing demand for active, diversified tourism and for environmentally-friendly tourism	□ Change in the type of demand from the tourist industry
□ Very well-known area both in Italy and beyond	□ Reduction in the average amount of time spent in the area by visitors
□ Very attractive destination as a result of the protected areas present	□ Growing competition from other tourist areas
□ Support for collaboration and cultural activities, also trans-national cultural activities	□ Fragmentation of cultural tourism as the initiatives to support it become less effective.
□ Spread of new technologies to enhance and promote local cultural heritage	

collected data and information into the categories of "strengths and weaknesses" or "opportunities and risks", conclusions can easily be drawn from a regional analysis. It provides an overview of which strengths should be made use of and which weaknesses should be eliminated, which opportunities should be used and which risks should be kept in mind.

However, also this method is not entirely objective. It mainly helps to structure the process of thinking concerning the project. In regional development analyses, SWOT analyses are frequently commissioned to experts who provide their assessment of the regional situation. In many cases, so called evaluation workshops, conducted to the point and with the help of suitable presentation methods (e.g. in the circle of regional key partners) can be very effective with regard to the development of an assessment of the situation, shared by many of the regional partners, and thus, influence the development of a common strategy and common aims.

4.3.2 Basic Analysis

At the beginning of the set up of a regional marketing initiative, a set of basic information should be available. Predominantly, this information serves the intention of:

□ getting to know regional conditions in relation to the assembling of the regional marketing initiative,

□ avoiding double work,

□ getting to know and assessing possible partners (or opponents) of the own activities,

□ localisation of the regional marketing initiative as part of the regional "scene", its networks and already well-established interrelations.

□ That is why a first basic analysis answers questions as:

□ Which region do we refer at? What are its main characteristics?

□ Are there already existing regional marketing activities (products, sales channels, turnover, costumer groups,...)?

□ Key actors in the region: Who in the region is a potential ally in respect to our marketing goals? Who will likely try to block this process?

□ Is there experience already achieved (long term, new approach, failures etc.) and respective conclusions?

Example: Analysis of the Regional Key Actors for the Implementation of a Regional Traditional Food Related Tourism Route in the Province of Belluno,
Source: "Antonio Della Lucia" State Professional Institute for Agriculture and the Environment Vellai, Feltra

OPERATORS	INTEREST	CONTRIBUTION TO SUCCESS
Agricultural producers	Finding an outlet for their products on the market.	Guaranteeing the availability of raw materials, naturally limited by the limited quantity, seasonal nature and lack of uniformity of produce.
Food and agriculture industries	Enhancing the image of their trademark by strengthening links with the area.	Providing a strong image outside of the local area, so that those products which are more important from an economic point of view can carry forward also the minor products.
Restaurant sector	Attracting new customers, offering a better service to new and existing customers by rendering them more culturally aware.	Responding to the demands of tourists who want to try local produce in typical local recipes.
Trade	Showing their customers that there are alternatives to the more common products, providing efficient, organized information.	Responding to the demands of tourists who want to purchase food products as a souvenir.
Organisers of promotional events	Finding an existing network of operators.	Stimulating, informing and attracting visitors passing through the area, by organising tasting sessions, exhibitions, opportunities to purchase products and learn more about the local area through them.

As a consequence, such a basic analysis should for instance contain the following sections and answers to the following questions:

1. **Short Characterization of Region**

   □ Size of the region: in sqkm

   □ Number of inhabitants

   □ Density: Number of inhabitants per sqkm

   □ Three most important cities in the region

2. **Short Characterization of Regional Sector in Question**

   In the case of an initiative in the agricultural and food sectors, e.g.:

   □ Three most important agricultural raw products in region

   □ Number, average size and importance (for economic structure) of agricultural enterprises

   □ Development of regional agricultural and food sector within last 20 years

   In the case of an initiative in the Energy sector, e.g:

   □ Regional energy supply structure/main sources of energy supply (e.g. coal, nuclear, hydro)?

   □ Regional renewable energy supply rate (thermal, electrical and transport energy)?

   □ Which renewable energy projects are implemented in your region so far?

   □ Which are the main players in the field of sustainable energy use in the region and which part of the value creation chain do they cover?

In the case of an initiative in the Tourism sector, e.g:

□ Which role does tourism play in the economic structure of the region? (e.g. overnight stays per inhabitant)

□ Which are the main attractions for tourists/ which are the main activities of tourists in the region?

□ Main players concerning tourism in region (e.g. tourism organisations, important enterprises etc.)

3. **Regional Marketing Activities within Region**

Are there already cooperative marketing activities in the respective sector, we should refer at, or collaborate with?

A research on this should characterise these projects and initiatives making use, e.g. of the following questions:

□ Which branch of the respective sector is concerned by these cooperative marketing activities/project?

□ Which products/services are marketed by the cooperative marketing activities/project?

□ Which region is covered by the partners of the regional marketing network and/or cooperative marketing activities?

□ Explain shortly the organisation form in which the partners work together. Which role does the project partners' organisation play in these activities?

□ Who are the most important partners of the organisation?

□ Which channels are used to sell the offers?

□ Which turnover is generated with the offers of the network?

□ Which data is available about the market share of the offers of the network compared to other tourist offers of the region?

□ Is there an established brand for the offers of the network?

   □ If yes, which criteria must be fulfilled by the brand users and the products?

   □ Which control mechanisms are used for the fulfilment of the criteria?

☐ Which key message is used by the brand?

☐ Characterise the structure in which the owners and users of the brand work together.

4. *Conclusions of the Basic Analysis*

The conclusions of the basic analysis are supposed to outline the reasons for the main activities and the selection of regional partners for the set-up of a regional marketing strategy.

☐ Which regional marketing activities and projects have been successful in the region, until now? What has been a success? Which are the main reasons for that?

☐ Which regional marketing activities and projects have been less successful? Which are the main reasons for that?

☐ Which are the potentials and approaches for improvements?

☐ What has to be done? Characterise measures and first steps.

☐ Is there a need for an intensified cooperation? Who has to be involved?

☐ Which products could be included?

On the basis of these results further steps are possible to be implemented, such as detailed sector specific analyses (chapter 5.3.3 – 5.3.5), the involvement and motivation of further regional partners (4.4) and the set up of regional marketing concepts or business plans (4.5. and 4.6).

4.3.3 Detailed Analysis: Assessing the Situation for Regional Food Products

Which central elements does an analysis of the situation for regional food products have?

In general, the whole analysis has to be structured in two main parts: The supply side and the demand side. On both sides the present situation and the existing development potentials have to be considered.

The guidebook „Branding the Landscape – A Guide", which has been developed within the Interreg IIIB North West Europe project "Lifescape Your Landscape", already contains a comprehensive section on a regional analysis for cooperative marketing initiatives in the food sector.

As the RegioMarket partners are convinced that it is not necessary to "reinvent the wheel", basic parts of the respective chapter have been transferred to this guideline. For further and more detailed information in the field of regional analyses for food products we recommend the DVL guideline in addition to this RegioMarket guide.[23]

Analysis of Supply with Regional Food Products

Product safety and delivery are serious challenges for regional initiatives. A fluctuation in quality can put off even the most tolerant consumers. Then again, seasonal availability of products can enhance the attractiveness of the product, but not if it is out of stock within a few days and unavailable again for months. Thus, at the very start of marketing activities, an exact record is necessary of when a product can be brought onto the market and at what price, quality and in which quantities.

Vital questions at the beginning of an analysis are[24]:

☐ Which products/services are there in our region that might be marketable because of their regional origin?

☐ Which products/services is our region traditionally well-known for?

☐ Which products/services have the greatest need for regionally based marketing (from the point of view of the region or the view of producers)?

Seasonal Products

The case that many regional products are available on a seasonal basis is not only justifiable to the consumer, but often it is even assumed to be a subject of product credibility. Furthermore, it can raise the appeal of the offer if it is only on hand from time to time. For that reason, seasonality is not automatically an obstruction, rather it may push commercial success if communicated well.

Dealing with seasonal products, the following questions have to be answered[25]:

☐ Is it a purely seasonally available product?

☐ Is it possible to extend the season and at the same time ensure that quality remains constant?

☐ Are there products in the range that complement each other in seasonal sequence?

23 Deutscher Verband für Landschaftspflege (DVL) e.V. (2006): Branding the Landscape – A Guide. Pp 18-29

24 Deutscher Verband für Landschaftspflege (DVL) e.V. (2006): Branding the Landscape – A Guide. Page 18, modified

25 Deutscher Verband für Landschaftspflege (DVL) e.V. (2006): Branding the Landscape – A Guide. Page 18

Analysis of Product Quality

Traditional or regional food products are generally considered as food associated with a particular area: The climate and geological conditions of that area determining soil type and fertility, therefore giving rise to specific flora and fauna. The usage of indigenous raw materials is vital in giving traditional and regional food products their defining character. Nevertheless the use of locally produced raw materials determines only a part of this definition. The methods used in producing food can be just as important.

For rating quality it is essential to assess the quality available at the time as well as the desired quality. The definition of criteria plays an important role in this.

Looking at the quality of the products the following questions should be dealt with[26]:

□ What qualities differentiate the products from others (freshness, taste and appearance, degree of processing, etc.)?

□ Does the quality of the product comply with the average or rather with that of a premium product?

□ How can consistent quality of the raw product be assured (advice to producers, quality criteria for deliveries)?

□ How can consistent quality of the finished product/service be assured?

□ How can quality assurance be organised cost-effectively (e.g. by using existing systems)?

□ Which ecological, economic, ethical or social sales arguments do the products/services offer?

Analysis of Product Quantity

An analysis of available short- and medium-term quantities gives a further source for decision-making according, for example, marketing issues.

The following aspects should be assessed[27]:

□ What quantities are to be obtained?

□ Are the quantities also available in the years to follow?

□ Do the quantities available justify a public appearance on the market?

□ Are there producers who would, in the event of low supply, switch over production to this product?

□ Is it possible to even out fluctuations in the quantities of products offered?

Analysis of Demand for Regional Food Products

Statistical Analysis of Demand

There are different methods of analysing demand. Experience from the past can be evaluated via statistical sources. Such sources may for instance be studies on consumption or agrarian reports regarding, for example, growth per capita or trends in food consumption. These statistical figures may be converted to a defined target region and an estimated market share of regional products.

Own Surveys

Own surveys are an effective way to complement statistical evaluation.

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26 Deutscher Verband für Landschaftspflege (DVL) e.V. (2006): Branding the Landscape – A Guide. Page 20, modified

27 Deutscher Verband für Landschaftspflege (DVL) e.V. (2006): Branding the Landscape – A Guide. Page 20, modified

Example: Product Tasting for Organic Pickled Vegetables by "UNSER LAND" (Upper Bavaria, Gemany)

In the course of the development of the new product line "organic pickled vegetables" the regional initiative UNSER LAND arranged a number of product tasting events. The new products, such as beetroots, sauerkraut, red cabbage, gherkins and celery, were offered at several regional events and on car parks of supermarkets. After the tasting, the customers were asked to fill in questionnaires about different aspects of taste, packing and their attitudes towards a regional and organic purchase.

www.unserland.info

Example: Results of an Analysis of Target Groups for Products and Services of the Regional Branding System Srce Slovenije/Heart of Slovenia (Extract):

For the purpose of the analysis of the target groups – buyers of the local products and services from the Srce Slovenije/Heart of Slovenia region – a special questionnaire was formed and distributed to different regional and national institutions and individuals. As a result of more than 90 filled in questionnaires the following conclusions were defined:

The target groups with a high affinity to regional or local products are very different with regard to demographic characteristics – they differ in gender, age, status, place of residence and the number of members of the household. Based on our experience, expertise and discussions with key persons in the region, we conclude that the main target groups are as follows:

For tourist packages and souvenirs:

- □ Educational programmes for children aged five and above and children attending primary school,

- □ Day-trips are particularly interesting for specific target groups, such as retired persons, families with children,
  workers (trips organised by trade unions).

For agricultural products and crops:

- □ Regional residents, aware of the importance of healthy food,

- □ Schools and kindergartens in the region,

- □ Visitors of agricultural fairs and events in the region.

The participants express a high interest in home-made bread, "potica" (traditional pastry) and confections, as well as fruit and vegetables. This should be taken into account in promoting of the registration of supplementary activities on farms. Fruit and vegetables, the highest scoring categories, are food products mostly bought in big shopping centres. We can assume that customers do not trust the quality of these products (due to long transport routes, the use of chemical substances, genetic altering, etc.) This also indicates a great prospect for providing information and educating the residents of the region.

The customers expect to pay a slightly higher price for high-quality agricultural products than they would for regular products. This is important for the shaping of the product prices and encouraging as it means that the customers understand the higher value of products of higher quality, controlled origin and produced in accordance with ecological standards.

Methods for this are:

□ Interviews with the representatives of the chosen target groups

□ Interviews with opinion leaders and representatives of associations (landlords, hoteliers, retail, canteen kitchens)

□ Consumer marketing tests, such as sampling sessions with a short questionnaire.

Trends in Demand

The evaluation of emerging trends can also be an approach for analysing demand. Certainly this only allows for more of a qualitative estimation. Nevertheless, suggestions for the choice of products, for the development of new products or for considerations concerning the communication strategy can be derived from this.

Helpful questions can be:

□ Which values are more important to the consumer?

□ What quality and service do they expect?

□ Which solutions to problems should the provider be able to offer?

Different Target Groups

The regional initiative should gather knowledge about the needs and habits of the potential target groups for their products and services.

For an efficient marketing strategy the initiative needs data and information on target groups with a high affinity to regional products and should answer questions like the following:

□ Which of the analysed target groups can be addressed successfully by our regional product(s) and service(s)?

□ What has the product design to be like for successfully addressing the detected target groups?

□ Which are the appropriate distribution channels to reach the detected target groups?

Young families for example could e.g. be addressed with farm shops including petting zoos and cafes. For older people home delivery services or nearby regional farmers' markets could be more pleasant.

There are a number of methodologies and models which help to structure different consumer groups by dividing them into so called milieus.[28] These models can be a basis also for regional target group analyses. It has been proven useful to even conduct the target group analysis in a workshop with the regional partnership, as partners within regional marketing initiatives often neglect the necessity of a concentration on target groups. Undertaking the analysis in a common workshop helps to show the partners that regional products and services will not be sold to "simply everyone" but have to address an exactly specified and well defined target group.

4.3.4 Detailed Analysis: Assessing the Regional Tourism Situation

Introduction

Being able to effectively set up a cooperative regional marketing initiative in the field of tourism, means to have a thorough knowledge of the dynamics regulating the composition of the tourist product and its management; a detailed analysis of the tourist industry, both for supply and demand, is therefore necessary.

In the following paragraphs we outline a possible methodological model, indicating the instruments which could help to carry out the analysis of the tourist product, considering that this is a very complex product, being characterised by interaction and collaboration between the public and private sector on one hand and by a particular market structure on the other, with a very fragmented supply and represented mainly by small and medium-sized enterprises (SME), counteracting a vast and worldwide spread demand.

Subject of the Analysis

28 For example the SINUS-Model, www.sinus-sociovision.de

The preliminary phase of any analysis is the exact specification and definition of which the subject of the analysis itself might be. A particularly appropriate interpretation of "tourist context" has been supplied in the '70s by the French economist Dèfert, pre-eminent researcher of economic sciences applied to tourism. Dèfert defined as tourist a territory with natural elements, human activities or products of the human activity "able to make people moving, without lucrative purposes, motivated by curiosity or by the chance to implement a physical or intellectual faculty of the individual"[29]. With this interpretation of the adjective "tourist" it is evident that the analysis cannot end with the research on the territorial supply aspects (attractions and services), but it also has to investigate the existence or absence of a tourist demand, i.e. a certain number of people moving from their residences because of the interest created by some particular environmental elements, referring to the same territory. In other words, the presence of visitors sustains and justifies the existence and development of a particular tourist context.

Variables of the Tourist Analysis

Once we have defined and identified the subject of the analysis, we have to find the variables through which it is possible to conduct the analysis itself, to enable the evaluation and the assessment in order to generate useful development indications. These variables can be listed as follows:

a) Demand, described through the analysis and the characteristics of the actual and passed tourist flows.
b) Tourist resources, described through the number and grade of uniqueness of the environmental issues;
c) The hospitality model, described mainly through the entity analysis, typology and dimension of the hosting structures.
d) Environment, described through the analysis of the influences and/or alterations (externalities) on all the other elements of the local environment (physical, economical, social).

In the majority of the cases, for the analysis of the different variables, it is possible to get the necessary data

from the official statistic sources, but for the most strictly qualitative elements it is often necessary to have recourse to additional investigations.

a) The Tourist Demand

From a methodological point of view it is important to find the suitable sources and data to explain the numeric value of tourism in a specific territory. Normally, we start with the easiest-to-find data, related to the official statistics and that, regard the number of hosts (arrivals) and the days of stay (presences), registered by hotels and other accommodations (tourist villages, camping, hostels, agri-tourism, etc). In most of the Alpine Space countries you should easily get information about the numeric entity of the phenomenon, the territorial distribution, the implemented accommodation typology, the demand's provenance markets and the period of stay.

For a real knowledge of the tourist phenomenon it is often necessary to proceed to corrections and integrations of the official data, through on-site surveys, for instance through interviews with the visitors or with the so called privileged witnesses (supply and demand operators); this because the official tourist demand could be overestimated. For example in the case of the hotel demand, the customer base could also comprise business travellers. On the other hand it could be underestimated as the official statistics, in fact, do not account for the tourists using small privately owned holiday homes or the black market of rented houses.

We can generally say that the information to be acquired should relate to three typologies of visitors: the tourist within the official tourist structures; the tourist within the non-official accommodation; the excursionist, meaning e.g. one day travellers without overnight stay. Besides the numerical entity of the phenomenon, it is useful to gather some more information on the local demand's characteristics; often this information becomes available by elaborating and correlating the official statistic data, as for instance, the seasonable character and the geographic origin of the tourists, the distribution over the territory and the period of their stay; or, there might be information gathered through specific investigations, e.g. the used means of transport, the socio-demographic parameters, the motivation and organisation of the trip, the total expense in the area, the grade of satisfaction.

Once the parameters, necessary to describe the tourist demand are found, we will be able to get a wider validity and efficacy of the parameters themselves if analysed in a dynamic perspective and compared to the regional and national data.

Demand's identification parameters:

- Arrivals and presences in the official tourist structures;
- Estimated presences in the non-official receptive structures through data related to:
  - Water consumption, waste production;
  - Phone traffic and supply of electric power;
  - Holiday homes;
  - Newspapers sale;
- Average duration of stay
- Presences/inhabitants relation;

b) Tourist Resources

In many regions of the Alpine Space, the environmental issues (landscapes, natural and cultural assets) present in a specific territory have already been censed and listed by the regional institutions and gathered in documents, sometimes really detailed like the Landscape Planning. For a tourist analysis purpose, a real cataloguing of the issues is not necessary. The verification of their capacities to attract tourists is more appropriate, meaning an evaluation of their tourism related value. Expressing the capacities of a tourist issue means to be able to value its uniqueness or rarity (expressed in relation to other similar issues normally by the institution in charge of their safeguard and valorisation), the number of visitors, when is possible to obtain it, and the level of publicity evaluated through the information channels used by the consumer or tourist (media, tourist guide, catalogues, etc.).

Tourist resources' identification parameters:

- Number of tourist resources
- Environmental issues
- Cultural issues
- Other resources
- Annual visitors
- Number of dedicated web sites
- Regional, National and International awarding (Parks, SIC, Unesco, etc.)
- Grade of uniqueness recognised in the specific reference environment

c) The Hospitality Model

Tourism is a complex supply system, because it is based on a block of relations, direct or indirect, between resources and local enterprises. In fact the perception the visitor has of a specific tourist destination is always a unicum, formed by the action of various sectors and various production and service activities (transportation, hotels, restaurants, etc.), as a whole and not of single bits of the supply[30]. The local hospitality model takes into consideration mainly the entity, typology and dimension of the existing tourism industry in a given territory, considering the accommodation sector as the main component of the tourist drawing plate. This component is able to influence the dimension and characteristics of the complete tourist product, comprising as well gastronomy, recreation services, and job provision through professional guides. The accommodation sector itself includes both hotels, private accommodation and, as we've already stated in the demand analysis, also the supply of holiday homes. It is important to know the accommodation maximum capacity the area may supply, its distribution over the territory and the entity and typology of the supplied services. Concerning accommodation, in most regions of the Alpine Space it is possible to state the complete list of the existing enterprises, thanks to the publication of some appropriate annual catalogues by the local tourist organisation bodies. Often, the information details the supplied services, which permits the issuing of qualitative opinions. Also for gastronomy there are sources permitting quantitative and qualitative analysis.

In the supply system, we have to identify all those parameters conveying the identity of the territory such as traditions, folklore and typical products, both in the food and handicraft sector.

To complete the services' analysis it is important to consider also the visitor's information system. That means to verify the existence of such a system and if it does, to evaluate the grade of distribution of the information points for the tourists.

For a higher significance of the supply related data it is necessary to analyse them on time and compare them to the regional and national data.

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30 Montemagno, 1985

Supply identification parameters:

- □ Number and typology of the gastronomy and accommodation structures
- □ Numbers of rooms and beds by accommodation typology

- □ Total number of connected enterprises:
  - □ Gastronomy
  - □ Intermediation and tourist agencies
  - □ Transport
  - □ Commerce
  - □ Rentals
  - □ Recreation facilities
  - □ Spa and wellness
  - □ Congresses
- □ Other linked services and sanitary assistance
- □ Number of tourist information offices, number of events
- □ Number of local products with official awards (e.g. PDO, PGI, TSG)
- □ Distance from the main transportation infrastructures
- □ Number of employees in the tourist enterprises
- □ Total number of employees in the tourist industry

d) The Environment

For this variable the analysis approaches are various and linked to the estimation of many externalities, positive and negative, which tourism generates in the physical, socio-cultural and economic environment. Obviously, for the parameters to detect the influences of tourism on the local environment, it is necessary, also in this case, to know the values for a certain time span.

Identification parameters for the environment variable:

- □ Number of sites, natural and cultural, under protection
- □ Number and typology of the landscape protection interventions and of the physical environment in general
- □ Number and size of:
  - □ Green areas
  - □ Urban areas
  - □ Protected areas
- □ Power consumptions
- □ Water consumption
- □ Waste volume and quality of water
- □ Values of atmospheric, acoustic, etc. pollution
- □ Soil erosion values
- □ Distribution and characteristics of urban areas
- □ Age of population and visitors, distribution
- □ Number of animal and vegetal species
- □ Monthly number of visitors in the sites of tourist relevance
  - □ Number of environmental certified/sensitive enterprises

4.3.5 Detailed Analysis: Assessing the Regional Renewable Energy Market

In practice, the main focus of the analysis within the regional renewable energy marketing concept can be set in very different ways. It depends, of course, on the market the regional initiative wants to target at. In this section an overview on issues that can be analysed is given.

In general, cooperating regional initiatives should have information on

- the current situation of energy supply and consumption as well as energy savings,
- the main stakeholders and key players in this field,
- the market potential.

Analysis of the Energy Situation

Most surveys and concepts for sustainable energy supply of municipalities and regions start with an analysis of the actual situation of energy supply targeting the following objectives:

- Gaining an overview of expended **energy quantities** within the research area according to energy sources and the related financial turnover. This enables first estimations on the scale of measures needed for the transition to a sustainable energy supply in the region.

- Identification of **consumption key points** and therewith of significant target groups as well as potential key stakeholders for the implementation of suitable measures.

- Definition of a **basic level of energy turnover** according to the energy sources, the consumption sectors and the usage of energy, as a basis for measuring the current progress and the regular control of success.

In principle, it is possible to research

- the situation of consumption and, at the same time, to differentiate diverse energy users (for example households, companies, agriculture, public authorities), and/or deployed energy sources (petroleum, natural gasoline, coal, wind, solar energy, etc.), as well as kinds of usage of energy (e.g. heat, electricity, fuels),

- the situation of energy production (What kind of installations generating energy do exist on site? Which are powered by renewable energy sources? Which need modernisation, renovation?),

- the level of emissions related to the current supply situation,

- the offers of energy guidance and other energy related services,

- the state of energy saving measures in the region.

The inclusion of these points into a regional energy concept and the extent of their handling depends on the shape and focus of the energy concept. The following limitations are possible:

- limitation to particular consumer groups (often started with public authorities),

- limitation to particular forms of energy usage (electricity, heat, etc.),

- limitation to a particular sub area – frequently with the assumption that it allows for forecasts applying to the entire area.

The research of the current state can be upgraded to regional energy statistics, independent of the main focus of the original analysis. This needs suitable standardised research instruments to be used in regular intervals. This enables the implementation of a control system for the transition to renewable energy supply in the region and the observation of progress.

Analysis of Environment and Stakeholders

Alongside the more technically oriented data and information, knowledge about the socioeconomic situation is necessary in order to assess the regional situation and the transformation potentials. The focus rests on structures and processes which can influence the sustainable energy supply, e.g.:

- political situation,

- economic situation: renewable energy and energy saving market in the region,

- topics currently discussed in the public, directly or indirectly connected with the energy supply,
- stakeholders or groups of stakeholders who are already committed to actions serving the objectives of a sustainable energy supply,
- forecasts, interests and opinions of key persons concerning the topic of energy/renewable energies,
- supraregional trends and developments with an impact on the region.

In many cases this will consist in gathering and specifying already available information.

Some of the questions arising here will be certainly answered by already existing studies and enquiries. Additionally, it can be assumed that initiators of regional renewable energy processes can assess many of the above issues without necessarily conducting broader analyses.

As a first step, for instance, a moderated and documented meeting of initiators with regard to brainstorming on conducive and hindering framework conditions could prove helpful. Especially in the context of the upcoming expansion of the support network a manageable number of conversations or interviews with regional key persons from the field of energy supply is also worth considering.

Researching the Potential – What Can Be Achieved in the Region?

Also the potential for the implementation of a sustainable energy supply can be viewed from many different perspectives. Beside resource potentials (availability of resources, insolation, appearance of wind, etc.) the application potentials of renewable energies or energy saving measures can be compiled.
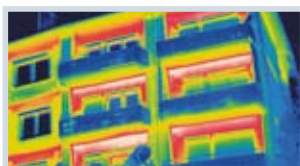
Potentials of available regional renewable energy resources constitute the basis of the upcoming markets. Researching them is essential for a targeted use of the regional resources for generating energy and for a suitable orientation of consulting and educational offers as well as for publicity work.

Assessments of resource potentials are, therefore, an important element of regional markets concept in the field of renewable energy. As a rule, potential analyses have to refer to estimates and assumptions to a greater extent than situational analyses, because precise calculations need a high effort and, further, depend on assumptions concerning the behaviour of people who are meant to use these potentials.

Hence, the density of forestation and amounts of wood chips produced in a region does not allow a conclusion whether investors for the utilisation of these resources can be found. Here, the part of analysis aiming at socio-economic aspects is required. The differentiation between a theoretical, technically feasible and an economic potential is of help.

> ▶ **The theoretical potential includes the energy potential which can be entered within a special region according to physical law.**
>
> ▶ **The technical potential is that part of the theoretical potential which can be entered by the actual technical state of the art considering also law and environmental requirements.**
>
> ▶ **The economical potential consists again of the part of the technical potential, which is, under current socioeconomic basic conditions, competitive to other energy resources. This competitiveness can be considered in a business management way or from public economic point of view.**

The utilisation or market potential of renewable energies results from an adjustment of the available technologies (e.g. hot water production through the use of solar energy) to the regional options for their use (e.g. existing buildings oriented towards south, with a suitable roof pitch, requiring modernisation of the heating installation). Such a modernisation, however, demands great effort and in case of doubt will only be carried out in particular buildings (e.g. buildings of a certain height, or public buildings).

4.3.6 Analysis of Important Legal Aspects

When setting up a regional marketing process, there are numerous legal aspects to be taken into account. Existing regulations, be it at the European, national or regional level are very detailed and may address rather specific aspects.

A detailed analysis of the legal frame should also be part of every regional analysis. Within the framework of this guideline, however, it is not possible to provide a comprehensive overview of existing rules and regulations on all levels. Therefore, this section will concentrate on the most important regulations at the European level only, presenting the most relevant Regulations and Directives in the field. This is supposed to be a basis for regional initiatives for setting up a tailored analysis for their own purposes.

A Regulation is a legislative act of the European Union which is directly applicable and enforceable as law in all Member States. It is binding in its entirety, overrides national laws on the subject and must be complied with by subsequent national legislation. Directives dif-

fer from regulations in two important ways: they can be addressed to any one Member State (but are generally addressed to all), and they are binding as to the end to be achieved while leaving some choice as to form and method open to the Member States. They need to be implemented in national legislation within a certain time.

Where applicable,

- Regulations on trade marks and branding,
- Regulations on product quality,
- Regulations on marketing and advertising,
- Regulations on rural development and other relevant fields (as regulations on renewable energies)

are presented for the RegioMarket product groups food, tourism/gastronomy and energy. Besides regulations aiming directly at the relevant sectors, there are a number of general rules that are also relevant. These non-sector specific regulations are outlined before an overview of food, tourism/gastronomy and energy related rules is provided.

> **Access to all secondary legislation mentioned in this chapter via http://eur-lex.europa.eu/**

Non Sector Specific Regulations

Trade Marks

At the international level, the Madrid Protocol, which has also been joined by the EU, regulates the International Registration of Trade Marks based on a common Trade Mark System and is administered by the World Intellectual Property Organisation.

At the European level, **Council Regulation (EC) No 40/94 on the Community trade mark** creates a new trade mark system allowing a trade mark (trade mark and design) having effect throughout the Community to be obtained on the basis of an application to the Office for Harmonization in the Internal Market, Trade Marks and Designs (OHIM). It contains rules for the registration of the mark as a Community trade mark and the administration of the Community Trade Marks. This regulation is implemented by **Commission Regulation (EC) No 2868/95** of 13 December 1995 which ensures an efficient application process.

After accession of the European Community to the Madrid Protocol, Commission Regulation (EC) No 2868/95 was amended by **Commission Regulation (EC) No 782/2004** of 26 April 2004. Since 1 October 2004, a Community Trade Mark application or a registered Community Trademark can be used as the basic mark for an international application.

For more information on registering trade marks see also chapter 7.5

> **More information:**
> **Office for Harmonisation of the Internal Market, Trade Marks and Designs: http://oami.europa.eu/**

Product Quality

Directive 2001/95/EC of the European Parliament and of the Council on general product safety imposes a general safety requirement on any product put on the market for consumers or likely to be used by them. It is to be applied if there are no specific provisions among the Community regulations governing the safety of products concerned or if sectoral legislation is insufficient.

The manufacturers must put on the market products which comply with the general safety requirement. In addition, they must provide consumers with the necessary information in order to assess a product's inherent threat, particularly when this is not directly obvious, and take the necessary measures to avoid such threats (e.g. withdraw products from the market, inform consumers, recall products which have already been supplied to consumers, etc.).

Distributors are also obliged to supply products that comply with the general safety requirement, to monitor the safety of products on the market and to provide the necessary documents ensuring that the products can be traced.

Marketing and Advertising

Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 on Unfair Commercial Practices, applicable across EU by 12 December 2007, shall boost consumer confidence and make it easier for business (especially small and medium sized) to carry out cross border trading.

The directive outlines "sharp practices" which will be prohibited throughout the EU, such as misleading and aggressive marketing. A general ban on unfair commercial practices will ensure that the Directive will stand the test of time even in fast evolving markets. Specific provisions prevent exploitation of vulnerable consumers, such as children.

Food Sector

Food Sector Relevant Regulations on Trade Marks and Branding

Council Regulation (EC) No Nr. 510/2006 of 20 March 2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs

sets out provisions on agricultural products and food-stuffs (excluding all wine-sector products, except wine vinegar) from a defined geographical area. In case a link may be established between the characteristics of certain products and their geographical origin, they may qualify for either a protected geographical indication (PGI) or a protected designation of origin (PDO). A PDO covers the term used to describe foodstuffs which are produced, processed and prepared in a given geographical area using recognised know-how (such as Prosciutto di Parma), whereas a PGI indicates a link with the area in at least one of the stages of production, processing or preparation (such as Gailtaler Speck from Carinthia).

Council Regulation (EC) No 509/2006, 20 March 2006, Regulation on agricultural products and foodstuffs as traditional specialities guaranteed does not protect the origin of a product but highlights traditional character, either in the composition or means of production.

> **The use of corresponding EU symbols on the labels of such products provides consumers with clear and concise information on the specific character of the product. More information:**
> *http://ec.europa.eu/agriculture/foodqual/ quali1_en.htm*

Food Sector Relevant Regulations on Product Quality

Legislation concerned with food quality and safety is rather numerous. Producers and suppliers, but also caterers and retailers are hold responsible for the quality and safety of their products. In the following, only the regulations concerning the general principles of food safety and organic production are mentioned:

Regulation (EC) No 178/2002 of the European Parliament and of the Council lays down the general principles and requirements of food law, and establishes the European Food Safety Authority as well as procedures in matters of food safety.

Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91 contains the producing regulations of ecological produced products. Eco-products have to be controlled according to special requirements. The Community Eco-Label award scheme is laid down by *Regulation (EC) No 1980/2000* of the European Parliament and of the Council.

> **The European Commission has published a magazine with important information on "Food hygiene and safety". More information:**
> *See:http://ec.europa.eu/food/food/biosafety/ hygienelegislation/dvd/index.html*

Food Sector Relevant Regulations on Marketing and Advertising

Directive 2000/13/EC of the European Parliament and of the Council regulates the approximation of the laws of the Member States relating to the labelling, presentation and advertising of foodstuffs. It is the main piece of EU legislation regarding the labelling of foodstuffs. Its aim is to ensure that the consumer gets all the essential information as regards the composition of the product, the manufacturer, methods of storage and preparation, etc. Producers and manufacturers are free to provide whatever additional information they wish, provided that it is accurate and does not mislead the consumer.

Community Guidelines (2006/C 319/01) for State Aid in the Agriculture and Forestry Sector 2007 TO 2013 gives guidance regarding to all state aid for agriculture and forestry in the EU. In these guidelines the remarks on advertisement using the provenance of food as a marketing argument are of special interest for regional marketing initiatives. In comparison to precedent versions of the Guidelines this new one clearly limits state aid for advertisement to EU-registered and proved regional and local products. Where the advertising campaign is earmarked for Community-recognised denominations, reference may be made to the origin of the products provided that the reference corresponds exactly to those references which have been registered by the Community.

In the case of national or regional quality labels, the origin of the products may be mentioned as a subsidiary message. To assess whether the origin is indeed a subsidiary message, the Commission will take into account the overall importance of the text and/or symbol, including pictures and general presentation, referring to origin and the importance of the text and/or symbol referring to the unique selling point of the advertisement, i.e. the part of the advertising message which does not focus on origin.

Tourism and Gastronomy Sector

Tourism Sector Relevant Regulations on Product Quality

Commission Decision 2003/ 287/EC establishes ecological criteria for the award of the Community eco-label to tourist accommodation service. The European Eco-label for tourist accommodation service was created to reward accommodation services and tourists who respect the environment. It signals good environmental performance and gives an assurance of added quality for consumers choosing a resort.

More information:
http://www.eco-label-tourism.com

Rural Development and Tourism

At the multilateral level, the **Convention for the protection of the Alps** mainly concerns the tourism sector. Tourism industry has to comply with the requirements of a sustainable and environmentally compatible development of the Alps region. For the realisation of these aims the contracting parties have passed nine protocols, among these the tourism protocol. The contracting parties consent to include environmental protection into their concept of tourism promotion and oblige themselves to promote only environmentally sound projects. The aim is to strengthen the competitiveness of sustainable tourism. Innovation and diversification of offers will be promoted.

Energy Sector

Energy Efficiency

Numerous legislative acts exist in the field of energy efficiency, not all relevant for the context of this guideline. In the following, some Directives that might be of interest when setting up a regional marketing system are enumerated:

- □ **Directive 2002/91/EC** of the European Parliament and of the Council of 16 December 2002 on the energy performance of buildings

- □ **Council Directive 93/76/EEC** of 13 September 1993 to limit carbon dioxide emissions by improving energy efficiency (SAVE)

- □ **Directive 2005/32/EC** of the European Parliament and of the Council of 6 July 2005 establishing a framework for the setting of ecode-

sign requirements for energy-using products and amending **Council Directive 92/42/EEC** and **Directives 96/57/EC** and **2000/55/EC** of the European Parliament and of the Council

A more detailed overview on legal instruments regarding energy efficiency is available at:
http://ec.europa.eu/energy/demand/legislation/index_en.htm

Renewable Energies:

In the field of renewable energies, the following Directives may be of interest

- □ **Directive 2001/77/EC** of the European Parliament and of the Council on the promotion of electricity produced from renewable energy sources in the internal electricity market

- □ **Directive 2003/30/EC** of the European Parliament and of the Council on the promotion of the use of biofuels or other renewable fuels for transport

- □ **Directive 2004/8/EC** of the European Parliament and of the Council on the promotion of cogeneration based on a useful heat demand in the internal energy market and amending **Directive 92/42/EEC**

A more detailed overview on legal instruments regarding renewable energy sources is available at:
http://ec.europa.eu/energy/res/legislation/index_en.htm

As already mentioned above, the objective of this section was not to provide an exhaustive overview on regulations to be taken into account when setting up regional marketing processes. Especially at the national and regional level, there are other important rules to be followed. These need to be researched for each particular situation.

4.4 Involving and Motivating Regional Stakeholders

For the regional marketing process, it is important to broadly disseminate the notion of a sustainable supply with regional goods and services and to form a comprehensive supporters network.

As establishing and implementing a regional marketing can take a long time it is challenging to keep up the motivation of the participants during the whole process. That

is why it is fundamental to publish and promote smaller and bigger successes of the initiative continuously.

During the whole process stakeholders should be aware that they are included in important decisions. Their work and results should be taken seriously. Moreover, they should be aware of their concrete benefits of the regional marketing.
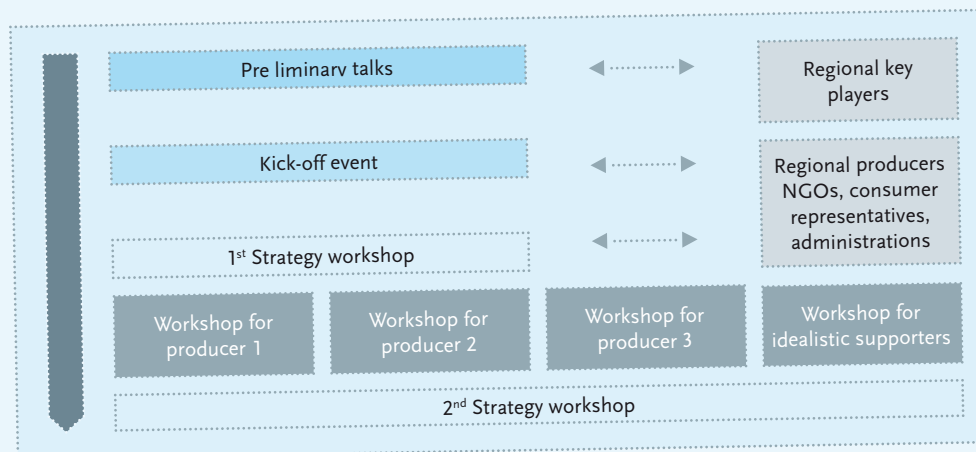
But motivation does not only depend on a satisfying "business connection". In addition, interpersonal relations between the participants play a certain role. It goes without saying that honest and open relations thereby are a basic requirement. Excursions to other successful regional marketing initiatives offer both: On the one hand, stakeholders gain motivation, advice and visions for the marketing of their region, on the other hand, they get to know each other on a more or less informal basis.

Initiation of a Supporters Network

During the regional marketing process, the issue of applying it to a broad basis emerges usually quite early. Initiators of the project should try to win representatives of suppliers, customers and investors as well as disseminators and supporters for cooperation in the project.

Example: Development of a Regional Marketing Cooperation in the "PLENUM Region Reutlingen"

Pre liminary talks	◄┈┈┈►	Regional key players
Kick-off event	◄┈┈┈►	Regional producers NGOs, consumer representatives, administrations
1st Strategy workshop	◄┈┈┈►	
Workshop for producer 1	Workshop for producer 2	Workshop for producer 3	Workshop for idealistic supporters
2nd Strategy workshop			

To elicit what is possible in the 'Reutlingen District' and to get first impressions on regional characteristics, the first steps towards a cooperative regional marketing were preliminary talks with regional key players.

These talks built the basis for the following kick-off event which was mainly aimed at informing and motivating regional producers, representatives of NGOs, consumer representatives and administrations to participate in the regional marketing process.

In the first strategy workshop, the results of the in the meantime arranged SWOT-analysis were discussed. This information

was the background for the set up of cornerstones for the future developments on the regional marketing process.

In three workshops, regional producers agreed on an overall marketing and cooperation strategy, developed cooperative ideas for (further) regional products and services and discussed the structure of their cooperation.

In a separate workshop, no-commercial supporters of the regional marketing cooperation discussed about the contributions of NGOs to the network and the conditions which have to be fulfilled to participate in the regional marketing initiative.

In the second strategy workshop, the cornerstones of the regional marketing concept, which consisted of a compilation of the results of the previous workshops, were presented, the common further proceeding was coordinated and agreements on a work schedule for the implementation phase were made.

The supporters can e.g. be members of non-governmental organisations, such as nature conservation agencies, church representatives or (local) politicians. The promotion of lighthouse projects can be helpful for arising supporters' interest in the marketing initiative.

The more systematic and professional one is in establishing contacts, the bigger the success will be. The following suggestions can prove helpful:

- □ Putting together a clear information brochure: Provide the person you are trying to win for cooperation with essential information about the planned process before the first personal contact.

- □ Supporting letter from an acknowledged institution supporting the process (administration, chamber of crafts, prominent patronage): The support from acknowledged personalities (district administrator, federal state parliament members, regional celebrities) can be of great help. If there already exists some sort of a partnership in this respect, the popular name should be made use of.

- □ Arranging an informational meeting via phone

- □ Informational meetings and interviews: The meetings help to obtain new partners for the project, but also gathering preliminary information on the expectations of potential partners in the process. Beforehand, one should prepare a list of questions which will help to structure such a meeting and to conduct it in a goal-oriented manner.

- □ Creation of a database: For future reference, addresses and outcomes of such meetings should be well documented and an appropriate database should be created.

Defining Common Aims

Already in an early phase of a regional marketing process, the involved stakeholders should agree on a common direction of action, a common vision and common aims which can later become more specific as part of a regional marketing concept (cf. chapter 4.5). Such a vision does not yet serve the description of single objectives, actions or even projects. It does, however, define an overall action plan as well as the first strategic cornerstones and constitutes a common public statement of intention.

Involvement of the Supporters Network in the Development of the Regional Marketing Concept

Whereas for the development of the vision it is sufficient to involve the core group of the regional marketing co-

operation (see chapter 4.2), it is necessary to work with the whole partnership when it comes to the definition of the regional marketing concept (see chapter 4.5).

The central strategies, measures and activities fixed in the concept will have to be carried by all partners:

- □ Companies (producers, processors, trade, gastronomy, crafts, etc.)

- □ Multipliers and supporters (involved NGO's, consumer associations, administrations, etc.)

It is definitely reasonable to charge experienced experts (a single person or a small group) with the coordination of the different project steps and the editorial work. Delegating coordination, structuring and moderation as well as the (final) editing to an (external) expert simplifies the implementation of the regional marketing concept. Furthermore, this expert could also take over the more difficult or extensive parts of the analysis.

Altogether, the process of developing a regional marketing concept – and, especially the decisions to be made and the directions to be determined in the process – should necessarily be a task of the whole partnership.

After all, the concept mainly deals with the integration of single regional marketing activities into one strategic ensemble!

That is why, at central points of the concept developing process, well prepared and moderated workshops should be arranged to involve the whole group of participants:

- □ The evaluation of the results of the analysis, the definition of essential objectives and strategic cornerstones for the initiative are contextually related. They should be carried by all partners during a common event. It is a big challenge to handle these tasks during a single workshop. If possible, carry them out on two separate workshops. This is especially advisable when the meetings also serve for team building and the coalescence of the network. If, however, one decides to conduct one single workshop, it should be very well prepared and moderated by professionals. Schedule at least one complete day for the event!

Example : Set up of a Regional Marketing and Brand System: The Process in the Parco PreAlpi Giulie

Several workshops have been organized in different towns in the area of the Park, in different phases of the working process. All relevant enterprises, such as agricultural producers and transformers, hotels, bed&breakfast, country houses, restaurants, trattorias, tourist shops and service agencies have been directly invited to participate, in some occasions at the presence of regional tourism institutions.

The result was very satisfying, both in terms of quantity and quality of participation.

The first two workshops were conducted in Venzone and Resia in November 2006, in order to inform enterprises about the project and to collect suggestions from them and useful information regarding regulations for the participation in the brand system. Around 50 enterprises of the different categories personally participated in these workshops. A first version of the regulations was presented to operators on February 2007, and a new workshop took place in Venzone in the same period, in order to present the first results to the interested enterprises. These actively participated and contributed to the discussions, giving support to the working team in order to adapt theoretical rules to local realities.

After this step, most of the changes required by operators have been adopted into the regulations, in order to improve the real applicability of the quality system.

Another workshop was held in November 2007. Also this event offered an opportunity to directly involve the enterprises in the decisional process. In this case the objective was a common communication action to start in order to implement and promote the quality brand "Parco delle Prealpi Giulie", giving visibility both to the general Park's brand system and for the single certified operator. The participants seemed to be very interested to learn about new possibilities offered by these communication tools. However, this meeting gave also the possibility to share personal experiences and considerations regarding past promotional activities and to look for a common approach for the future. The result was the definition of a common information strategy for those who already have published a website: in the next future, these sites will reserve a banner to brand activities, addressing the visitor to the contest of the Park's website.

□ The development and compilation of measures can be carried out by working groups, once the strategic cornerstones of the regional marketing concept have been set.

□ Whereas the evaluation of measures and their prioritisation are again the task of the entire initiative. Well prepared (e.g. by sending out project descriptions to the participants in advance), a half-day workshop can suffice!

□ At least, once the concept has been developed and is in the process of implementation, the network should meet once a year for a review workshop, in order to discuss the progress in target achievement and the quality of the cooperation and, where required, to revise them.

4.5   Regional Marketing Concept

4.5.1 Two Perspectives on the Issue of Cooperative Regional Marketing

As a result of the process of joint discussions and reflections on the options of cooperative regional marketing, the partnership as a whole and the partners themselves need to draw conclusions on costs and benefits of the cooperation, on strategic pillars of the collaboration and on key activities.

It is useful to compile these issues into a comprehensive paper giving an overview on the most relevant points. Basically, it is possible to write such a paper from two different points of view. In this chapter we take the perspective of the regional partnership as a whole and demonstrate how a **regional marketing concept** should look like. In chapter 4.6, the perspective

changes and we look at the cooperation from the perspective of a single company considering taking part in a marketing cooperation. Here, a cooperation oriented **business plan** helps to prepare the decision.

4.5.2 Central Elements of a Regional Marketing Concept

The marketing concept of a cooperative regional marketing initiative is the central paper, in which all strategic considerations, results of analyses, joint measures and projects and the financial and working plan should be included. It is not developed at a desk of a single expert but it is the result of discussions and joint considerations of the whole regional partnership.

The main benefit is a common vision of all partners on important elements and measures, which raises the efficiency and effectiveness of the common work and allows allocating means efficiently.

The contents of cooperative marketing concepts are very similar in both cases: if you are aiming at a common brand or not. However, at the end of this section a number of additional elements for concepts aiming at a regional brand are mentioned (chapter 4.5.3).

Contents of a Regional Marketing Concept

A regional marketing concept ideally consists of the following parts:

- □ Characterisation of the region
- □ Overview on regional products and services to be part of the marketing cooperation
- □ Analysis of target groups
- □ Market analysis
- □ Marketing strategy
- □ Planned marketing measures
- □ Rules for the partnership
- □ Marketing organisation

- □ Distribution measures and logistics
- □ Working and finance plan

Of course every regional marketing partnership has to decide on the basis of it's personnel and financial means and the information and knowledge already available, how detailed it wants to develop the concept.

Following, we give a number of hints for compiling a complete ideal concept:

- □ A **short characterisation of the region** helps to define the project and market area and to consider the most important features of the region. This characterisation should cover general issues like the population structure, the predominant landscape, economical issues or the importance of the region seen from a large-scale perspective.

- □ Of course, the spectrum of the **regional products** and services to be in the focus of the regional marketing activities has to be shown at the beginning of the concept.

- □ The results of the **analysis of target groups** for the regional products and services (see chapter 4.3.3) build an important basis for the marketing strategy. The knowledge about diverse target groups with special consumer habits helps the regional initiative to meet the specific demand and to direct the strategy to the needs of the target groups. The concept, therefore, should answer questions like the following:

  - □ How to address the target groups? (preferred newspapers, events, leisure activities)

  - □ What has the product design to be like for successfully addressing the detected target groups?

  - □ Which are the distribution channels to reach the detected target groups?

  - □ Which barriers could eventually prevent the buying decision and how do we tackle them?
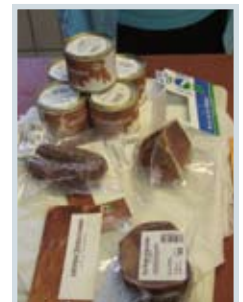
The section **"market analysis"** contains the central results of the detailed regional analysis (see chapter 4.3.3. to 4.3.5).

In the marketing concept the focus should be on the conclusions: production volume or service capacity

and expected sales volume, main competitors, potential further cooperation partners, etc.

- □ The **marketing strategy** can be developed on basis of the market and target group analyses. It will be derived from common visions and objectives which the regional initiative has defined for itself. The marketing strategy is the basis for all marketing measures, the way to proceed and the image which the initiative wants to communicate to consumers.

The marketing strategy addresses issues such as:

- □ common objectives,
- □ objectives according to different products (Product A, Product B,...),
- □ positioning, e.g. determination of targeted consumer segment and targeted price segment,
- □ proposals for different messages taking into account the results of the analysis of the target groups.
- □ The **rules for the partnership** include the criteria for participation and the control system (see chapter 5 and 7). The criteria for participation could be structured in the following way:
  - □ Partner criteria which have to be met by all partners of the marketing system
  - □ Basic criteria for products and services which have to be met by all products and services of the system

- □ Specific criteria for the different products and services offered (in addition to the basic criteria)

The control system for the compliance of the criteria should be fixed in the concept as well.

- □ The operational part of the concept is the description of the marketing measures planned by the regional initiative (see chapter 6 for further information).

A possible structure for this chapter of the concept is the following:

Joint Appearance (Corporate Design, general packaging design, brand)

- □ How are we going to present ourselves as a marketing cooperation?
- □ Explanation of key message
- □ Common claim
- □ Picture of the CD or label, different versions, if applicable. Examples for usage of the CD/label on different products or marketing material (pictures), if applicable. Chapter about the meaning of the CD/label

Communication Measures: Section on the measures the regional marketing initiative is planning in terms of presenting its common product(s)/service(s).

Scheme for the Description of a Marketing Measure:
The Example of a Leaflet

1. Short Description and Objectives	2. Tasks	3. Project Initiator/Partners
• Objectives • Content • Design • Etc.	• Determination of content • Commissioning and briefing of an agency • Distribution to all partners	4. Expenses

	DAYS	COSTS (€)
PROJECT INITIATOR		
PARTNERS		
EXTERN MARKETING-CONSULTANCY		
SERVICES OF AGENCY		
COST OF MATERIALS		
TOTAL		

The measures should be characterized in short outlines comprising e.g. information about the objectives of the measure, the tasks to be fulfilled, the responsible persons and a cost and time plan.

Distribution Measures

This section has to show the essential considerations of the initiative on the following issues:

- □ Where will our product(s)/service(s) be sold, how do they get there?

- □ Description of distribution system and channels

- □ Will there be used existing distribution channels, will there be established new ones?

- □ Organisation of logistics

- □ The next section of the concept addresses the division of responsibilities and the arrangement of cooperation within the cooperation. If there is a joint marketing organisation planned, the major characteristics of it should be laid down here (see also chapter 5). The structure for the organisation has to be outlined, the purpose and the tasks should be specified. An outlook on the possible further development of the marketing organisation is also recommended.

- □ Last but not least a detailed working plan for the implementation of the concept has to be arranged. This plan should also include the cost projection and financing plan.

4.5.3 Additional Elements of a Regional Marketing Concept in Case of a Regional Brand

If the initiative aims at a cooperative regional brand a number of further issues have to be addressed in the regional marketing concept. The main features of the brand, such as

- □ the sign,

- □ the claim,

- □ the key messages

should in any case be fixed in the concept.

The concept should also contain statements on the type of brand the regional marketing initiative is striving for and give a description of the brand architecture (see chapters 2 and 6.5 for further information on this issue).

Moreover, a section on the rules for the use of the brand should be included. Such a chapter comprises the criteria for brand users and their products as well as possible fees for the use of the brand.

The graphical composition of the regional brand should be designed for general acceptance and be accompa-

nied by a corporate design which has to be defined in the concept. To avoid the misuse of the brand and negative effects on the entire initiative the brand should be registered as a trademark. Depending on the design of the brand – if there is just a figure or also text – the elements themselves as well as the entire brand and possible variations should be trademarked. In case of a food product brand the rules of the Community Guidelines (2006/C 319/01) for State Aid in the Agriculture and Forestry should be kept in mind if any state aid for brand development or advertisement is planned. Decisions on this issue can also be part of the concept.

4.6 Business Plan for Companies

In this section, the elements of a comprehensive business concept from the point of view of an enterprise, planning to join a cooperative regional marketing initiative, is presented. The business idea on which this concept is based on deals with cooperative marketing of goods and services. The target market could have a regional focus, but the business plan concept presented below is also applicable to inter-regional initiatives. Each element of the business plan is briefly presented in this chapter.[31]

Element 1: Company

Executive Summary

Description

The summary (Executive Summary) is intended to stimulate the reader's and in particular the capital provider's interest. It contains a short outline of all important aspects of the business plan. Particularly, it should provide information about the product or the service as well as shortly describe the use for the customers, the relevant markets, the competence of the management and the investment needs with possible return.

Company Profile

(A) Business idea

Describe your business idea. Explain clearly how you want to realise this idea and which goals you want to pursue. Give a reason why you have decided to suggest a cooperation.

(B) Form of organisation

Describe the legal form of your planned cooperation and explain the reasons for the selected legal form. The

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31 A more extensive version of this Business Plan guideline can be found on: www.regiomarket.org, www.hs-albsig.de/wiw

distribution of the participations of enterprise/cooperation should be described.

(C) Organisational structure

The basis of the cooperation structure develops through the form of the relationship between individual partners and a web of connections (who fulfils which tasks for whom?). The goal here is to connect the strengths of the individual partner in such a way as to maximise the competitiveness of the entire cooperation. Here, the individual weak points are also to be considered and balanced (if possible).

(D) Operational structuring

Within the scope of the operational structuring, you carry out a process-oriented consideration of the operations in cooperation. This refers to the chronological order of carrying out tasks as well as the organisational units in charge of executing tasks.

(E) Organigram

Clear allocation of areas of responsibility and a logical assignment of tasks are necessary for a successful cooperation. Describe what the organisational structure looks like. Attach an organigram to your business plan.

(F) Legal restraints

If the legal restraints of your cooperation plan are to be considered, please list these obligations here.

Business Objectives

Set the focal point of the presentation on the future positioning of the enterprise – describe the strategy, the success factors and important milestones. Also describe the expansion possibilities for your business, based on an estimation of the market potential.

Element 2: Cooperation

Cooperation Partner/Distribution of Ownerships

Describe here briefly all participated enterprises, elaborate more on your industry as well as on your competencies. Outline briefly all the participated enterprises. From here, you reveal the intersections and/or possible synergy effects which were not yet considered.

Advantage and Utility for the Cooperation Partner

Describe which advantages and uses this cooperation has for the members. The detailed description of the benefits and utilities of the cooperation will help you estimate whether the cooperation is generally worthwhile for the members.

Product/Service

Describe how you develop your products and services in a few short and concise sentences.

Cooperation Areas

Which tasks/areas are taken over by which enterprises/persons? The successful cooperation requires a clear allocation of areas of responsibility and a logical task sharing.

Competitive Advantages

Describe the advantages over competitors which result from your cooperation under one brand. Explain the competitive advantage which you have against your competitor.

Customer Advantages and Customer Value

Explain which benefits your offer brings and which usefulness the customers can derive from these advantages. Selling your idea to a non-expert is the key here.

Current Status of Development

In case the product(-s) or the service(-s) which represent the base of the initiative are currently being developed: what is the status of this process?

Element 3: Environment

Environmental Statement

The environmental statement contains a description of the organisation, a summary of its activities, products and services, as well as the relationship with the parent company (if necessary). The aim is to get a description of environmental commitments of the organisation and the steps planned for the realisation of this engagement in the entire organisation. It is important that the reader understands the relationship between what the organisation does and which important environmental impact this may cause.

Environmental Advantages and Utility

This section contains the environment-related advantages and utility effects the initiative has because of the underlying business idea.

Element 4: Market/Competition Analysis

Environmental Analysis

Describe your strategic situation within the scope of the aspects which matter for the enterprise.

Suppliers

Please provide information about your suppliers.

Current Market Volume (Market Segments/Target Groups)

The entire demand of the environmentally-oriented products within a market is to be understood. It provides you an overview of the demand for the products in the markets which you represent. It should be noted that you have to adapt the volume to the market represented by you. If you offer your products only in a certain region, then you should only indicate the size of the market for this respective region.

Growth Rate of the Market (Market Segments/Target Groups)

Please describe the future prospects of the market and the industry in which you want to create your cooperation. Orient yourself at the empirical values from the past and try to obtain prognoses from experts for the coming years. Formulate your answers to the question of whether lasting profits can be gained in this market and in this industry.

Target Groups (Market Segments/Target Groups)

Describe your current and future customers and the target market.

Competition

The goal of the market and competitor analysis is to recognise the strategic activities of relevant competitors as well as the changes in the surrounding industry with high accuracy, in order to be able to react to it. Besides, you can evaluate the exact market potential of your brand and derive your competitive advantages.

Competition Reaction during Market Launch

Describe the competitors' possible reactions during the launch of your brand into the market.

Element 5: Marketing

Brand Concept

With the determination of the brand's target image, those values and attributes will be defined, which should be mid-term to long-term in the brand perception.

Marketing Goals

First set your quantitative and qualitative goals with your cooperation partners. In order to define the goals, you should include the results of the market and competitor analysis as well as your own enterprise and co-operation goals.

- □ You must keep in mind that your fixed goals should be quantifiable and achievable. They should contain an incentive.

- ☐ Make sure that your marketing goals are in line with the visions or main goals of your enterprise.
- ☐ Your marketing goals must be formulated accurately regarding contents, scale and time.
- ☐ Take the identified strengths and weaknesses as well as chances and risks into consideration for the goal formulation.

Market Entry Strategy

As a second step, define the market entrance strategy in your marketing strategies for the reaching of marketing and co-operation goals.

- ☐ Your marketing strategies should describe how you would want to reach your goals (turnover, market shares, customer satisfaction, brand image, brand awareness.
- ☐ Your marketing strategies are to help define more of your operational marketing measures later on.
- ☐ In order to specify your marketing strategies, you should ask yourself which deviations prevail between your current state and target state. Thus you will recognise which strategies are necessary.
- ☐ Marketing strategies should not contradict themselves.

THE FOLLOWING STRATEGY TYPES ARE AVAILABLE:

- ▶ **Market Field Strategies**
  - **Market penetration strategy**
  - **Market growth strategy**
  - **Product development strategy**
  - **Diversification strategy**
- ▶ **Market Stimulation Strategies**
  - **Preference strategy (quality leadership)**
  - **Price quantity strategy (cost leadership)**
  - **Outpacing strategy (quality leadership/cost leadership)**
  - **Focus strategy (partial market/niche markets)?**
- ▶ **Market Parceling Strategies**
  - **Mass-market strategy**
  - **Market segmenting strategy**
- ▶ **Market area strategy**
- ▶ **Competitive Strategies**
  - **Aggressive**
  - **Cooperative**
  - **Peaceful**

Implementation of the Marketing Concept

Identically as for the third point, specify your marketing measures for the reaching of your integrated goals.

- ☐ The marketing methods must be selected in such a way that they realise the defined goals as well as the selected strategies.
- ☐ For the method definition, the marketing mix with its 4Ps is given here:

- ▶ **Product (product and service-mix) The characteristics of your product/services as well as your offer width and depth are to be specified here.**
- ▶ **Price (mix the terms of sale) Specify your price structuring here, regarding which goal will your pricing strategies pursue?**
- ▶ **Place (distribution mixing) How should your products reach out to the customers?**
- ▶ **Promotion (communication-mix) With which means of communication do you want to convey the customers to the advantages/uses of your environmental oriented products/services.**

Element 6: Risks and Opportunities

Opportunities

Please describe which unusual opportunities seem to be realistic and the reasons which may make such a positive development possible. You should specify and state your chances and whether you have sufficient capital available.

Risks

Please describe possible risks which could arise during the implementation of your cooperation goals (e.g. too little capital covers, financing problems, insufficient commercial knowledge, information deficits and lack of planning etc.). A risk assumption also implies a winning chance which stands in appropriate proportion to the possible damage.

Counteraction

Describe your strategy, and how you would reduce the risk of the cooperation planning. Try out different scenarios and consider your problems from different perspectives. You should think clearly about possible risks and prepare appropriate decisions or measures. In addressing the risk factors, make sure that you can think critically and in a forward-looking manner.

Element 7: Five-Year Planning

Personnel Planning

Describe the planned development of required personnel for cooperation. Indicate how many co-workers, and with which qualifications, you want to employ for the cooperation. State here how many co-workers can be available with which cooperation partners, and if necessary, whether new co-workers need to be employed for the work in cooperation.

Investment/Depreciation Planning

The financial highlights should draw the main projected financial picture based on the plan and the basic assumptions as presented in other chapters. It should also include interest rates, depreciation, and payment terms.

Interest and Redemption Plan

Please provide the reader with some information on how you intend to repay the credits of the investors.

Planning Profit and Loss Accounting

This section is thought to discuss the three key statements: balance sheets, income statements, and cash-flow statements.

Liquidity Planning

As securing liquidity has a very high priority when setting-up a new venture, liquidity planning represents the main pillar of the financial budgeting. In order to avoid insolvency – which generally means the end of the business – the initiative has to make sure that it has enough funds available at any given time. This is done in the form of liquidity planning.

Element 8: Finance Requirements

Capital Requirement and Financing Source

Describe what portion of own capital the involved enterprises can bring into cooperation. State here what portion of outside capital is necessary for the realisation of your business idea.

4.7 From Best Practices to Policies

Presidenza del Consiglio – Dipartimento Affari Regionali e Autonomie Locali – Italy

From Managerial Practice to Policy

The Italian declination of RegioMarket project assumes as starting point the premise that development is primarily a matter of political and social integration. The basic intent of the project is to identify and to capitalise those elements that can play the role of the catalyst of a process of convergence for shared purposes, directing and promoting innovation in the perspective of economic growth. In this sense, the aim of the project, especially for the partners involved in the tourism product group, is not just to sell regional products, as much as to use regional products as an asset to define structural policies to sustain territorial economies.

This guidance has been placed in the practical reality offered by the context. Particularly, it must confront a fact: relational assets (social capital) in these target areas show worrying signs of weakness. The variety and the coordination goals are hard to keep in simultaneous balance.

Such difficulties are automatically reflected in other issues, highlighting other weaknesses. These weaknesses have become automatically priority actions for the development of this particular project. Issues to be covered may be summarized in the challenge to create really-inclusive decision-making process, moving the emphasis from the provision of administrative services to the production of public policies, integrated and shared.

We are used to refer to these kind of process using terms such as cooperation, partnership, consultation, trading agreements, pacts. These are instruments that must be valorized continuously in the projects of trade of regional typical products. For example, in RegioMarket tourism product group the partners decided to use them in the path of enhancement of short chains, as

a means of in order to promote the development of territories with a large impact.

The idea is to promote initiatives that can act in depth, strengthening the links between all players that might be involved.

Structuring the Analysis

In general, it is important not only to identify sustainable or achievable projects, but also identify projects that might be examples of best practice, in order to promote them.

The primary interest is not for projects that should appear as sustainable itself, or which can be individually identified as successful experiences; the interest is for the initiatives that can act towards the development of the local economic and social structure, so broad, its social and economic components.

All this is made possible by the implementation of methods of analysis, analytical grids able to read the territory and assess the ways in which individual projects may be consistent with the idea of development adopted.

In order to promote effective actions aimed to "build coalition" has proved necessary to overcome the tendencies of private subjects to act alone, encouraging the emergence of "collective entrepreneurs" who share the idea of "competition" (competition through cooperation).

In particular, it is to identify and reward those projects which can act on safeguarding and enhancing their identity (first place cultural) through management of the territory and concertation of local interests, acting on local small businesses, and taking account of an extreme variety of products, often "niche" ones.

The aim of RegioMarket is to put a specific attention in this sense, to achieve the attitude to change, in general, the best practices into ordinary policies.

The Evidence of the Project: The Case of Italian Partnership

The problem of transferring best practices into ordinary policies shows important evidences, in the RegioMarket project, in the case of the Italian partnership of the tourism product group.

In two years started in March 2006, the Italian partnership has developed valuable initiatives, as having given the common goal of the enhancement of local niche food products attractiveness as a factor of regional development, using them as asset for the regional promotion. These project proposals, although containing a high identity content, can be used to identify a common path, aimed at defining methods of analysis, helping in design and define wider policies.

The interventions of territorial exploitation through the typical food production had to deal, in particular in the Italian case, with two difficulties:

☐ A worrying phenomenon of abandoned places, in addition to the constraining of the human presence in Alpine space, puts at risk the local niche production.

☐ A loss in the efficacy and capacity of local subjects in attracting tourist flows, due to the weakness of traditional business models.

From these considerations – by a crisis and decline of the old ways of producing goods and services – emerge as fundamental the principles that have inspired the development implemented by the Italian partnership: **policies must focus on innovation.**

Only by addressing the challenge of change in its various forms – ranging from the organization to marketing – can be achieved the primary goal to projecting the effects of the project RegioMarket broad and longer.

From the practical point of view, this action is proactive especially in two areas:

☐ define solutions to consolidate aspects of the supply chain

☐ define solutions to make compatible distribution models with the philosophy of the Italian approach.

From a wider point of view, the project way that has been designed is to establish the conditions to promote the area and its assets so broad and shared.

The idea is to strengthen the dynamics of a short chain, to enhance the tools that make more dense those networks that can support this process, and at the same time to make possible a hook to larger networks, in order to reach more potential users.

This certainly involves some significant effects:

☐ identify territories as a single product

☐ draw integrated paths of fruition of the territories

☐ give transparency to supply side.

From the point of view of local actors, this choice brings obvious advantages. Among other things:

☐ enhance its visibility thanks to pool-group effect

☐ intercept a demand otherwise unattainable

☐ create synergies multiplicative between the credentials of individual products or services

☐ last but not least, learn to cooperate taking advance from the positivity of competition as business advantage.

The Assessment of Best Practices

This experience has shown more elements:

First of all, the opportunity to act through "short chains" inside "dense network" (namely that involve all potential local public and private actors) sharing a common strategy.

Secondly, it highlights the important role that players can act as drivers, typically (but not only) the public administration called to perform its "catalytic" function, and to work as promoter of all the projects realized, through constant monitoring and – above all – setting in experimentation elements of innovation.

The transfer of best practice into the policy definition process in this framework is a complex path. Inside the Italian model, this process has taken shape through these general element, that can be considered general for every effort in this sense:

- ☐ Involvement of the planning capacity located inside the area, considering government, economic, social and cultural associations.

- ☐ Analysis of the plans collected, regarding four main intentions (community, environment, competitiveness and infrastructure). This allowed to highlight the strengths and weaknesses of the proposed development model.

- ☐ Definition of levers and mechanisms able to start-up the change, identifying the strategic objectives and single and transverse axis of intervention.

- ☐ Articulation in sub-themes, and identification of specific priorities through working tables activated with territorial actors. The aim was to set up the planning process land according to the priority selected, in order to identify strategic levers and projects that might act as useful guide to their implementation.

- ☐ Sharing of results through workshops, inviting the players involved in the planning process.

- ☐ Territorialisation of planning and the setting of implementation methodologies.

This has been done through the classification of plans and the identification of feasible projects, thought priorities and the identification of strategic and economic forces.

From this process the Italian experience highlights that in order to translate best practices into ordinary operative policies (in this as in other fields) it is necessary to adopt analytical and operatives tools through which the proposed objectives are achieved. These can be summarized as follows:

- ☐ tools and practical of assessment and analysis, which allow to evaluate the different dimension of each experience, based on measurable and quantifiable parameters

- ☐ tools and practical of comparision and structured benchmarking, which distinguish simply positive and successful experience from literally best practices, graduating the different experiences

- ☐ tools and practical of organizational and structural analysis, which identify critical aspects which distinguish best practice from common successful experience, characterizing for each of them the relative qualifying factors

- ☐ tools and practical of a planning and reengineering process, which introduce the relative qualifying factors into ordinary policies, previously identified in other steps of the process, making to work in a first best level the critical factors of success identified in the phase of analysis.

Defining and Implementing the Policies

This process of policy development matched on best practises is finalized to direct public administrations, as well as private stakeholders in the complex process of economic and territorial development as RegioMarket is to utilize a refined set of tools regarding process management and inclusive territorial public political management, which can work in two ways:

- ☐ offering to decision makers in a professional and permanent way a decision setting which is rational, structured, articulated, detailed in terms of criteria of comparison and measurement

- ☐ diffusing the adoption shared of practical of excellence in ordinary management functions, with the same previous requirement.

The aim is the implementation of a territorial development model that can also apply to other areas in the long run.

In consideration of the guidelines adopted, it appears clearly that the most important purposes in defining the policy, are those that more act in the direction of:

- □ enhancing performance-cooperation for competition (coopetition) of the individual operators

- □ pursuing economies of combination between sectors and complementarity.

To realize these objects there are some tools that have to be considered as base elements in order to send to regimen the adoption of practical ordinaries of excellence. These elements are, for example:

- □ management and reengineering process

- □ staff training

- □ spread of instruments of workflow management that allow a continuous performance evaluation

- □ the feedback on the re-regulation of formal and legal aspects of processes

- □ the maintenance and the promotion of wide coalitions of institutional and private actors, in order to support decisional and evaluation processes.

The aim is to promote projects and actions able to raise awareness and involve more and more actors, in order to establish a network between partners bounded by the common strategic objectives.

The goal is to identify the critical success factors that can enable and encourage development. It is in relation to this background that can be read the contribution to the projects proposed by Italy. In this sense, the methodological approach adopted by the Italian partners of RegioMarket and based on the strengthening of short chain and the construction of dense networks, intends to be proposed as an important opportunity for reflection on this issue.

5 Cooperation and Structures

5.1 Who Should be a Partner in Regional Marketing Initiatives?

Before talking about structures for cooperative regional marketing initiatives we want to take a brief look at the players who constitute these structures.

As regional marketing initiatives in many cases have a sustainable regional development intention besides the conventional economic intention of the participants, there are not only companies in the focus.

So, initiators of regional marketing initiatives are generally trying to get close contacts also to consumers or potential customers on the one hand, and to potential supporters of the idea of a sustainable regional development on the other. The latter can be institutions and organisations with a public, environmental, social or economic background. They can play the role of multipliers for the idea of a sustainable regional development via a cooperative regional marketing.

The table below gives examples of the spectrum of possible partners within a regional marketing initiative.

SUPPLY SIDE	CONSUMERS	MULITPLIERS
• Farmers and forest owners • Processing companies • Hand craft	• Consumers and consumers associations • Tourists • Public authorities • Canteens and social facilities	• Public authorities • Politicians • Tourist organisations • Media (regional press, television, radio) • Environmental associations • Consultancies • Trade associations

The Central Role of Multipliers

A regional marketing initiative will not work in a vacuum. In each region, there are already associations and development initiatives with similar objectives. Especially in the initial phase of a regional marketing cooperation, contacts to these organisations should be established in order to find out, if there are any common objectives and potentials for collaboration. Refer-

ring to this, it is irrelevant whether the partners will be permanent partners of the initiative or if they will cooperate in few selected cases. However, the initiative should convince especially the leading persons of such organisations and institutions to position themselves as endorsers and supporters. Of course, the cooperation with well established institutions, which already have access to influential and like-minded parts of the regional society, is of an outmost interest. Such institutions include for example:

- ☐ chambers of commerce and trade associations,
- ☐ tourism associations,
- ☐ Agenda-21 groups,
- ☐ environmental organisations,
- ☐ labour associations or
- ☐ churches.

The cooperation with these institutions causes many positive effects. Through their own work they can help to communicate the project and the offer in public. They are able to contact persons who want to support the core group of the regional marketing initiative actively. A positive statement of leaders of such organisations can enhance the trustworthiness of the regional initiative.:

With regard to the non-economic tasks of a regional marketing initiative which also comprise shaping awareness, education and information, educational institutions and consultancies could be addressed, such as:

- ☐ adult education centres,
- ☐ consumer advice centres,
- ☐ environmental education centres,
- ☐ church related education institutions,
- ☐ schools, universities and universities of applied sciences.

Representatives of chambers of commerce and trade associations can play a key role, as well. If they are convinced of the idea of cooperation, they can be key partners of the regional marketing initiative for obtaining market partners. For that the influence of a guild master or a chairperson of the chamber of industry and commerce is of particular importance.Beyond the multipliers directly focused on regional marketing, also institutions and enterprises are noteworthy, for which regional products and services are less important in

their scope of business. By getting involved with the regional marketing they get an opportunity to present themselves as future-oriented, social and environmentally responsible. As important economic and social forces, they can help the regional marketing initiative to increase public acceptance. In most cases, they do not show interest in a regular cooperation in the initiative, but might be willing to support specific activities with great publicity effect, e.g. sponsoring. Potential sponsors and promoters of the initiative include for example regional banks as well as important enterprises with a location in the region. Often a positive statement of an entrepreneur or a savings bank director is as important as financial support!

It is also advisable to include prominent residents as representatives of the regional marketing initiative. Actors, musicians, sportsmen, etc. may, depending on their aptitude and their time budget, play different roles in the regional marketing initiative: patron, endorser or simply model on advertisements. The VIPs achieve particular effects, if they themselves use e.g. regional products or services.

Last but not least political multipliers should be mentioned. The positive effects of regional marketing are generally accepted, independent from political interests. This and the fact that party political interests often take a back seat on regional and communal level is a basis to get support from several politicians, parties and social groupings.

For all multipliers it is essential that they get professional support by the initiative for all their activities related to the initiative, such as briefings before presentations, documents and marketing materials for their discussions with potential partners.

5.2 Key Elements of a Model Structure for Cooperative Regional Marketing Initiatives

Regional marketing initiatives usually have broad and long-term objectives. Marketing of regional quality products and services in most cases does not only aim at economic objectives, but also includes environmental and social aspects of a sustainable regional development. This requires support of a broad spectrum of different players and stakeholders in the region and a long-term approach. Thus, in the shorter perspective, a structure should be built, capable of:

- □ uniting different social forces behind the initiative's objective,
- □ sustaining activities permanently,

- □ taking into account both: economic and public benefit related aspects of the development of regional products and services.

The tasks of such a structure for the implementation of a regional marketing concept are not defined at one constitutional meeting. They develop in the course of undertaking successive activities and reformulating the general concept. While initially the activities concentrate on the activation and coordination of the partners, later tasks related to qualification, marketing and financing emerge.

The long-term stability of an initiative is ensured by the development of an increasing number of economically efficient structures. That is ,of course, the responsibility of the market partners within the cooperation. During the entire process of concept implementation also tasks serving the public welfare - in the broadest sense - emerge, which means primarily the welfare of the entire region in terms of its environmental and socio-cultural matters. Therefore, existing ideally oriented organisations should also be included into the process and their activities ought to be coordinated.

This is why we present the basic outlines of a **dual structure** below, which is essentially constituted by two elements:

- □ a heterogeneous network (non profit, if possible) providing the idealistic support to the regional marketing initiative and
- □ an economically oriented enterprise or an association of such enterprises.

This dual structure will be described in more detail in the following sections. In order to provide a full view of the regional marketing components, two central elements will be described additionally: the "central marketing or management unit" and the "caretakers". We intentionally talk about an ideal-type of structure here, as some of the most successful initiatives in the Alpine Space are established in a similar way. It should be clearly stated, however, that depending on the stage of the initiative or the size of the region, also initiatives that realized only a part of the structures described here, might be successful. Key elements of an ideal-type of a regional marketing structure are:

The **idealistic support structure** which might constitute in the form of an association or an advisory board. It comprises all institutions and individuals interested in regional marketing and, above all, take into consideration the socio-political and activating aspect of the regional marketing initiative.

The **economic structure**, taking into account the fact that the realization of the broadest possible supply with regional products and services requires partnerships and cooperation between enterprises (and consumers) operating in this sector. The further the partners

advance in the issue of regional marketing, the more it requires an economic structure. Both partial structures (idealistic and economic) are complementary and jointly fulfil the biggest possible part of the tasks, while using, whenever possible, the same or similar names and the same corporate design.

Besides the basic dual structure, it is also worthwhile to take a closer look at two further elements of a regional marketing structure:

A **central marketing or management unit**, as operational part which, depending on its equipment, fulfil daily tasks with regard to the establishment of the regional marketing initiative: logistics, distribution, bookkeeping, bargaining with producers but also organising events and PR activities.

The evaluation of many regional marketing initiatives, however, has proved a further role within a regional marketing structure. We want to call these persons the **"key caretakers"** here. They are the key initiators and mentors of the initiative, not so much dedicated to day to day duties as the marketing or management unit, but responsible for the representative and strategic tasks of the initiative. It is the central feature of the caretaker, that without him, the regional marketing initiative would not exist. In any successful cooperative regional marketing initiative one can identify one or a handful of individuals playing that role.

5.2.1 Idealistic Support Network

All the regional forces standing behind the objectives of the regional marketing initiative should be concentrated in one network. Such a network represents a strategic partnership of all regional forces interested in the sustainable development of the region by regional marketing. It is the central networking and coordinating structure for all partners supporting the regional marketing initiative.

Both, private persons and organisations may become members of such a network.

There are no significant opinions on whether it's more expedient to create the support network as a network of committed individuals or as an "umbrella association", bringing together already existing organizations which identify themselves with the objectives. In practice, both alternatives occur. Organisations that may be considered in the process of forming such a network are:

□ district craft association,

□ chambers,

□ trade association,

□ Agenda-21 groups,

□ environmental organizations,

□ One World groups,

□ professional organizations,

□ local authorities.

It is also possible to obtain companies operating in the region as members. As network members, they should above all pursue the regional development objectives of the association. The possibility of pursuing their economic interests has to be created within the framework of the economic structure of the initiative (see below).I

The range of tasks of an idealistic support network comprises all the aspects of regional marketing development that concern the socio-political and public benefit sphere, like:

□ **discussions on strategy** and decisions concerning the contribution of regional marketing to sustainable regional development,

□ **creation of a broad alliance of supporters** from various social realms of the region,

□ activities related to **public relations and raising awareness** concerning regional products and services (i.e. advertisements - not for different products and companies - but to accentuate the need for regional products and services in general; a possible example is the cost-saving organisation of events like exhibitions by voluntaries from the support network.) or

□ discussion and controlling of the **production and quality criteria** the regional products and services have to fulfil.

Moreover, the support network forms a great starting point for obtaining potential investors and customers for the products (the support of a regional marketing initiative by a big environmental organisation in the region or even by a church means direct access to hundreds of potential buyers of the products and services of the initiative).

The network is taking over the majority of tasks related to networking and coordination, as well as for raising awareness and activating the society. Since these operations are generally of public benefit, the network should be established as a non profit organisation (e.g. an association or advisory board). This follows the established objectives ("Supporting regional marketing") as well as the resulting financing options (e.g. donations, in-kind contributions of the members in return for a confirmation of donation).

The board of this organisation should adopt as far as possible a neutral position. It may be selected for example from the circle of "caretakers".

Example: The Idealistic support network of the regional initiative "UNSER LAND" (Germany)

UNSER LAND network has a dual structure. It consists of an economically oriented company ltd. responsible for price- and product-policy and logistics, and an UNSER LAND association, which involves non-economic oriented partners who take care of the principles of a sustainable regional development.

Members of the association are 8 solidarity communities around Munich and Munich itself, each relating to an administrative district ("OBERLAND" spans two districts):

- □ BRUCKER LAND
- □ DACHAUER LAND
- □ EBERSBERGER LAND
- □ LANDSBERGER LAND
- □ OBERLAND (TÖLZER u. MIESBACHER LAND)
- □ STARNBERGER LAND
- □ WEILHEIM-SCHONGAUER LAND
- □ WERDENFELSER LAND
- □ MÜNCHEN

Each solidarity community is organized as an association formed by members of "the 5 pillars":

- □ Farmers
- □ Craftsmen and traders
- □ Consumers
- □ Churches
- □ Environmental groups

The bylaws of the association determine an even allocation of voting rights for the 5 pillars.

The UNSER LAND e.V. – umbrella association (Dachverein)

The 8 solidarity communities are members of the umbrella association.

As the „keeper of the idea" the association promotes the non economic ideas of the network such as the conservation of the cultural landscape, environmentally friendly production or the conservation of decentralised, small- and medium-sized economic structures. The network of associations builds on the dedication of people within each solidarity community. It builds up infrastructure such as support for public relation, support for events, local fairs etc., that helps to ensure local dedication in the long run.

The umbrella association:

„UNSER LAND e.V." is the owner of the brand(s). It supports and coordinates the work of the different solidarity communities and builds up the network. It attends to trans-regional issues, conception of projects and gathering of public financial support. The association is one of the participators of the „UNSER LAND Ltd". There it ensures the non economic ideas of the network and has the possibility to accomplish its goals by making use of its power of veto.

SOLIDARITY COMMUNITY

FARMERS | MARKETING CONCEPT | CONSUMERS | CHURCHES | ENVIRONMENTAL GROUPS
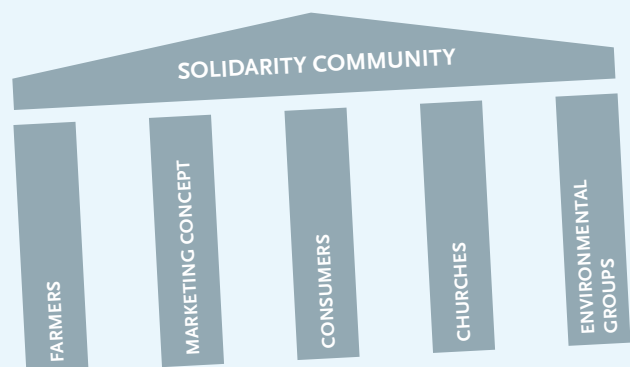
5.2.2 Structures for Economic Operations

The core tasks of a regional marketing initiative are economic ones:

- marketing and sale of regional products and services, such as obtaining trade partners or planning and implementation of sales facilities (e.g. regional shelves in supermarkets),

- product development,

- investments, financing (procuring shareholders and partners),

- advertisement and communication on the products and services (not the contribution to sustainable regional development which is an objective of the network explained above).

These kinds of tasks require business oriented structures and organisation forms because the partners act on the assumption of returns of investment which, of course, is not possible to handle in a non-profit structure.

It is one of the key challenges of regional marketing initiatives to find the appropriate structure and to decide on the question of the intensity of cooperation.

Of course, it is generally possible to carry out all of the tasks mentioned above in separate enterprises and companies without cooperating in a joint structure. This is one extreme on the possible spectrum of cooperation forms. On the other side of the spectrum is a joint company which the partners build up and carry together. In between there are various options for closer and less close cooperation forms. Finally every partnership has to find its own way and grade of collaboration considering the following reasons for cooperating in a joint structure:

- Taking advantage of synergy effects
  Within the framework of a regional marketing initiative, there are numerous tasks and services, which are better carried out by a common organization. For example, it does not make sense that every farmer or producer bargains with trade companies or restaurants alone. These (potential) partners welcome a single contact person who is charged to talk for the whole partnership. The same holds for the product delivery. The products should be gathered somewhere and be delivered together to the supermarkets or restaurants. Also, in the renewable energy sector, a joint cooperative structure can help to cause synergies (see e.g. the regional biomass storage yard in chapter 6.4).

- Increasing the impact and public presence
  Within the framework of a coherent regional marketing process, the partnership must assure that large parts of the initiative:

- communicate the same, common objectives,

- have a corporate design,

- work together on the development of marketing for the region and support each other to the best of their abilities.

The more visible and united the initiative is presented, the easier it will be to convince consumers to buy the products and regional enterprises to participate.

There are various possible organization forms and legal constructions for the "economic structure" of the regional marketing initiative. The appropriate form should be developed according to the regional situation and the priorities of the partnership. The spectrum of possible constructions reaches from a loose association of individual companies on to a regional marketing holding. (see example)

5.2.3 Central Marketing or Management Unit

Independent from the organisation form that has been chosen for the regional marketing initiative, someone will have to do the day to day work. While the concept (business plan) development and first talks with potential partners might still be a matter of unpaid work of a small group of volunteers (who can be professionalized, if there are suitable funding programmes available), the tasks call for professional and paid staff when first joint products are to be sold or professional marketing and communication is required.

The organisational set up again is dependent on the construction chosen for the economic structure explained above. If there is only a loose cooperation of the partners, the marketing or management unit could e.g. be financed by licence fees or other service related contributions. In the case of a joint company founded by the partners the marketing and management unit will simply be the management of the enterprise.

The main tasks of the unit are:

- organising the corporate appearance of partners (public relations, attending exhibitions, arranging road shows, etc.),

- building up and operating an ordering system and an account settlement system which can be used by all partners,

- providing cost-efficient services in logistics and flow of goods to partners who can't come up with such services by themselves,

- building up and operating points of sale for regional products and services (regional shelves, regional shops, mobile shops, etc.) and

- assuring the proper use of the quality and origin label, if applicable (definition of criteria, organisation of controls, etc.)

Example: The "Naturgarten Kaiserstuhl" Regional Enterprise (Germany)

The regional marketing enterprise in the Kaiserstuhl region is the result of many years of developing the insight that only cross sector cooperation will allow the Kaiserstuhl to optimally position itself on the market and lay ground for the preservation of natural and economic welfare. After that, it took only 12 months under the guidance of an external facilitator to negotiate terms and conditions.

According to the charter, the function of the enterprise is "the holistic development of the economic, natural and cultural area Kaiserstuhl". For this, the enterprise shall network and bundle the regional strengths, improve supra-regional perception and develop and convey the unique natural goods of the region. It shall create a commonly perceived profile and install the name Kaiserstuhl as a brand for the unusually well equipped "Naturgarten Kaiserstuhl".

The enterprise has the function to develop a regional producer, processor and consumer community for goods and services. It shall be the operator of the regional brand which follows sustainability rules and is being developed in the framework of PLENUM.
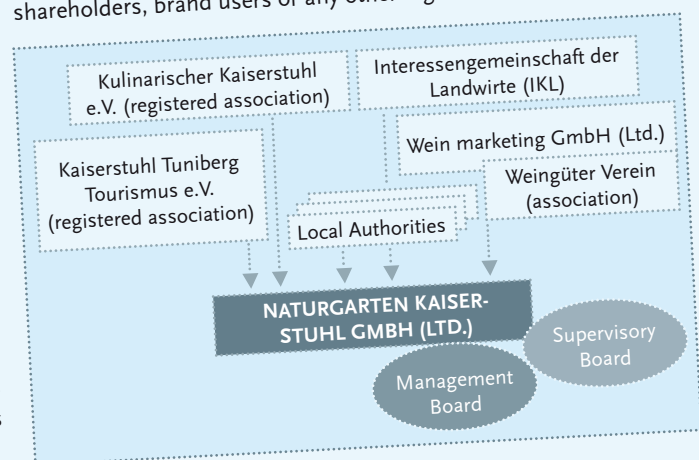
To fulfil this charter the Naturgarten Kaiserstuhl enterprise (amongst other tasks)

- takes responsibility for joint projects,

- develops a joint overall concept of all economic and voluntary active members of the Kaiserstuhl society,

- manages the Kaiserlich genießen brand and provides services to support the partners,

- organizes regional events especially to foster sustainable tourism,

- coordinates activities in the involved sectors tourism, winery etc,

- improves supra-regional market presence,

- plans, builds, finances and runs environmental friendly facilities for the production of renewable energies and the improvement of energy efficiency.

The regional enterprise binds following partners:

- 10 municipalities (plus one district authority)

- 13 wine cooperatives (represented by their common marketing organization) and the private Kaiserstuhl wine estates (represented by their association)

- The gastronomes, represented by their association Culinary Kaiserstuhl e. V.

- The tourism sector represented by the Kaiserstuhl Tuniberg Tourism Association

- The farmers represented by the Interest Group of Kaiserstuhl Farmers

The wine sector and the municipalities together hold about 80% of the shares. The subscribed capital of 50.000 EUR was used to finance the establishment of the company and to co-finance funded development projects for the regional partnership in the first year. The stock was re-established for the second year and meanwhile all partners have signed contracts to continuously finance the activities of their regional enterprise. Additional income is being created from partner contracts for the use of the regional brand *Kaiserlich genießen*. For specific services the company invoices its partners whether they be shareholders, brand users or any other regional entity.

Kulinarischer Kaiserstuhl e.V. (registered association)

Interessengemeinschaft der Landwirte (IKL)

Wein marketing GmbH (Ltd.)

Kaiserstuhl Tuniberg Tourismus e.V. (registered association)

Weingüter Verein (association)

Local Authorities

NATURGARTEN KAISERSTUHL GMBH (LTD.)

Supervisory Board

Management Board

Example: The "Delight Office" in Carinthia

Initial Situation:

The results of a SWOT analysis in Carinthia within the RegioMarket project showed that there is a trend towards regional products and that retail and gastronomy would like to make more use of regional products, but they have too little information about regional products and their availability. Above all there was a wish for a contact partner and for support in organising logistics for all product categories (milk, meat, bread and rolls, honey, game etc).

Moreover, the producers of regional foods stated a lack of coordination and cooperation between the parties involved as a major weakness impeding a joint market presence.

Solution

A marketing or management unit was founded in 2006 with the objectives to strengthen small producers and to raise demand of regional quality products by consumers. In the focus was the cooperation between agriculture, retail, business, gastronomy and tourism. An organising office was set up to work on behalf of members and partner enterprises. The members are the 10 "Regions of Delight" in Carinthia with 250 SMEs. The partners are the Carinthia tourism, the Carinthian gardeners, gastronomy and the enterprises belonging to the association "Carinthia genuine/real good" ["Kärnten echt gut"].

The core team comprises 2 persons working from the offices of the Carinthian Provincial Government.

Tasks and functions of the Delight Office

- organisation, coordination and support for members and partner enterprises, development of networks,
- optimisation of the entire process chain,
- support for cooperation projects, marketing activities, organisation of national and international appearances, such as exhibitions and trade fairs, markets etc.,
- measures to raise the awareness for regional products, (information events, cookery courses, lectures etc.),
- professional moderation and process support,
- cooperation with retailers (e.g. development of suggestions for focal campaigns using seasonal products),
- training offerings for agricultural producers such as:
  - sales training,
  - product presentation training offerings
  - marketing
  - quality assurance.

Genussland Kärnten

5.2.4 The "Caretakers"

The strength of development depends on the people who drive it. This is also valid for regional marketing initiatives. It requires support from many active and dedicated partners with various backgrounds, representing different interests. Such partners should be identified, motivated and supported.

Analyses carried out on successful regional development initiatives indicate, that a small group of particularly committed key individuals (two to five, sometimes also a single person) accelerates the development and consolidates the initiative. This key team is in many cases identical with the initiators, who, long before the creation of the support network the marketing and management unit put forward the idea and started taking the first steps.

The members of the key team need qualifications in various fields:

- communication, cooperation and conflict-resolving skills,
- the ability of taking risks and of motivating,
- openness towards unconventional solutions,
- clout and charisma,
- experience both in the economic and non-profit sphere.

Very rarely, the commitment of these individuals is conditioned by financial reasons. Incentives for these individual are different. They engage because they are getting an opportunity to use their skills for an active shaping of their own living environment or because they get an opportunity to collaborate with qualified individuals who share the same attitude.

Contrary to the marketing and management unit described in the last section, the tasks of the "caretakers" are not as tightly connected to operational management. They are responsible for:

- strategic planning and decisions,
- initiating and driving project ideas until they are ready to be implemented,
- representational tasks carried out for public relations and motivational activities,

☐ obtaining further important supporters,

☐ intermediation of cooperation.

At the initial stage, the "caretakers" bear a large part of responsibility for the success of a regional marketing initiative. And so for example, a sudden withdrawal of these individuals from the project may cause a complete collapse of the initiative. Therefore, the responsibility should be distributed among a larger group of people as soon as possible.

Apart from this, it is difficult to give advice in the form of guidelines in this field. It is key importance to people responsible for processes related to the introduction of regional products and services, that they are aware of the different roles, functions and structural elements, as well as an ability to find one's own place in these structures.

A good, communicative support network worker and driving motor is not automatically an appropriate person for the development of concepts or manager for secretarial work - and vice versa.

5.3 Financing a Structure for Cooperative Regional Marketing

It should be the final objective of establishing a regional marketing initiative to create a self-financing organisation. For the start-up, it might be advisable to apply for public funds, if available. For the future independent financing of the initiative there are different financing instruments, like membership-fees, service charges, project-oriented receipts, licence fees or sponsoring, depending on the shareholders' and stakeholders' objectives. Below we give a short overview on the most important financing options[32].

5.3.1 Investment, Shareholding, Sponsorship

Shares of the Partners

The most apparent method to collect financial means for a common activity is to charge the involved partners. Companies, organisations, public bodies, firms and private persons pay contributions, once or periodically, for the support of the regional marketing organization.

The partners have to agree on the amounts of the shares and the legal form of cooperation which determines their rights and duties. Depending on the organisation form they have the right to take part in the decision making process of the organisation.

We will not be able to list all options for organisation forms in the different Alpine Space countries in this guidebook. You will find synopses listing advantages

and disadvantages of the different legal forms in many economy study books.

Sponsorship

If the contribution to the financial means of the organisation is a donation, we are talking of sponsorship. Of course, a regional marketing cooperation should take the opportunity, if there is a sponsorship offer, having in mind, however, the following issues:

Normally, sponsors do not have the institutionalized right to influence the decisions of the organisation, even if they sometimes try to do so.

Moreover, it may happen that the care for sponsors takes a lot of time of the management of the organisation.

Subsidies

Several regional marketing initiatives achieve basic funding from public households (municipalities, districts, provinces, etc.) of the region or from super ordinate support programs.

For co-financing the establishment of regional marketing organisations subsidies from EU support programs (e.g. LEADER) and structural funds (ESF, EFRE) can be applied, if the region fits into the criteria of these programmes. Furthermore, different support programs depending on countries and districts are available e.g. the PLENUM programme in Baden-Württemberg.

It should be considered that subsidies are temporary support to establish structures, their maintenance expenses should still be affordable afterwards.

Besides the time limitation, support programs often also limit the flexibility of the marketing organisation because of different rules the support programmes contains. In the case of regional marketing of food, for example, there are a number of regulations[33] limiting the options to support advertisement.

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32 As there has been created a very useful synopsis on this issue within the guidebook Branding the Landscape, already, we decided to follow this pattern to a large extent. (Deutscher Verband für Landschaftspflege (DVL) e.V. (2006): Branding the Landscape – A Guide).

33 EC regulation 2001/C 252/03

Funds

A fund is a supply of money which results from different sources, invested for a special intention. The ability of funds for financing a regional marketing initiative is based on the ability to induce a personal relation between the locals or visitors of the region and the intention of the fund. This personal relation is an important precondition for paying in money to the fund.

According to experience the bonding of payers is more than a consumer relation. That is why the fund also works as instrument for the acquisition of engagement, know-how and establishing contacts for production, manufacturing and sales of products. The conclusion is that the establishment of a fund should always be connected with public relations and customer loyalty.

To establish a fund for financing the regional marketing organisation there are two different possibilities:

- □ Open funds, whose number of investment share certificates is unlimited. An unrestricted number of shares can be sold.
- □ Closed funds with a defined number of shares to be issued.

Funds can be configured in several ways. The fund can be accessible to everyone or just for a specific target group, like providers of regional services and products. Further the participation can enable or be the precondition of the utilisation of specific services, for example providing products and services through the marketing organization. The proceeds to be yielded to the shareholders can be carried out in various forms, like services of the marketing organisation or cash benefits.

Important is the fact that the shareholders have no influence on managerial decisions of the regional marketing administration.

Of course, also for a regional marketing cooperation, it is possible to acquire further types of external capital, such as bank or private credits.

For the acquisition of all types of capital, a regional marketing concept or a business plan (see chapters 4.5 and 4.6) is an important prerequisite.

5.3.2 Revenues from Commercial Activities of the Initiative

For a regional marketing organization, once established, there are different options to build up continuous finance sources.

Again the best solution depends on the construction of the partnership. Of course, for a regional marketing organisation (agency), it is possible to buy goods or services from the cooperation partners and to resell it adding a trade margin.

As this is also a question of competitiveness, in most regional marketing initiatives different forms of financial contributions of the partners have been found. The most important ones are characterized shortly now.

User Fee / Compensation Fee

The marketing organisation can collect user fees for services like

- □ the admission of the company profile and the range of products and services into a data base (e.g. a consumer guide book of regional products and services, a regional accommodation guide book, an internet-directory),
- □ consulting services for the cooperation partners,
- □ conduction of quality controls for the products and services of the initiative

Allocation of Logo

A special type of the user fee is the logo admission fee, which partners have to pay, if they use the signet of the initiative.

The basis for the allocation of a joint logo or brand should be quality and production criteria, which should be defined by the marketing organisation in cooperation with experts and working teams. The financial regulation of the logo allocation requires precise arrangements concerning the property rights of the logo, the slogan and the name.

The contract partners receive the logo after their compliance with the criteria is proved. For the use of the logo the partners have to pay a fee.

Cost Sharing for Special Activities

If the partnership decides about special activities, it is an option to finance them by special apportionments. The calculation base for the charges are the actual costs and a recompense for the marketing organisation. I.e., the partner does not pay a clearly defined service of the organisation, but participates in a joint action, e.g.:

- □ special campaigns,
- □ advertising measures in cooperation with experts,
- □ events, as exhibitions, tradeshows which of course, could also be financed by entrance fees, participation fees and costs for stands.

Issuing Licences / Franchising

Developing trademarked concepts - for example shop-in-shop-systems for regional products such as regional shelves - with a logo and a corporate design for representation enable the marketing organisation to charge

fees for franchise contracts. Usually one-off charges incur for the partners by signing the contract, furthermore current fees can be charged in the form of percentage share of sales.

5.4 Defining Rules for the Partnership and the Regional Market System

An important aspect of structures and organisation are the regulations and criteria for participation in the partnership.

As this issue was an important part of the common work within the RegioMarket project, we dedicated a special chapter to it. So, here we ask the reader to confer to chapter 7.

6 Measures and Projects for a Cooperative Regional Marketing

While the chapters 4 and 5 were dedicated to the structural and process aspects of regional market initiatives, this chapter goes into the every day practical work of managers and partners of these initiatives. We display a variety of potential measures and projects for a cooperative regional marketing. Most of them have been implemented and experienced by one or more partners of the RegioMarket project. Section 6.1 addresses the issue communication, 6.2 focuses on cooperative measures which help to optimise sale. In 6.3 we deal with activities for a joint product and service development in regional market initiatives. Section 6.4 picks up the issue of distribution of goods in regional initiatives and in 6.5 we address a number of special requirements for those regional systems that decide to unify under a common brand.

6.1 Cooperative Communication Measures

The superior goal of a regional market system is the creation of a market for regional quality products and services through the organisation of the suppliers and the development of an appropriate regional demand. Chapter 6.1 is about the latter aspect.

It does not only deal with the sensitisation and motivation of regional stakeholders, but also with different aspects of marketing. Concerning regional market systems, firstly the focus is on the idea of the maintenance of regional market structures. Later on product marketing is getting into the focus. That is why it is helpful for campaigns and initiatives of the region to draw conclusions from experiences and instruments of successful marketing processes.

6.1.1 Target-oriented Marketing

Target-oriented marketing is a marketing method for the specific addressing of target groups.

Every marketing process puts four aspects into relation:

TRAGET-GROUP	NEEDS	MESSAGE	PRODUCT
wich group do we want to adress?	what is of major interest for the group?	wich key messages shall we use to address the group?	what offering do we need to meet out merketing message?

Source: B.A.U.M

1. Select your target group! Whom do you want to address with your product and your message? You should realize that a typical regional product campaign is multidimensional. At the same time it can address

   □ consumers and end users in the private, public and corporate field,

   □ partners in the campaign,

   □ supporters and multipliers (like environmental groups, politicians, press, research institutes),

   □ suppliers and producers (like farmers, crafts, hoteliers, installers).

2. Analyse the needs of your target groups! Be aware that in most cases people have personal and group interests at the same time. You should ask questions like:

   □ What is the personal interest of a typical member of the group? (change the world, become famous, have fun, earn money, be re-elected, …)

   □ What are the restrictions of the group? (no time, few money, no decision power, political framework, forced to have return of investment, …)

   □ What guides their purchasing decision? (quality, price, brand name, …)

3. Select an appropriate marketing message! First of all your message must exactly hit the needs of your target group. There is no sense for a message like "… because it saves money!" if the major interest of your target group is to prevent climate change or damage of the landscape. In general terms you will need two types of messages:

   □ a clear, short and unique claim (e. g. "enjoy as an emperor", "Have sun in your heart – and your house!", "tastes of unique people"). Such a claim should typically address the emotional part of your target group.

   □ a set of some 3 to 5 sayings about your offering. These messages should meet the emotional as well as the rational needs of your target group.

4. If you want to address multiple target groups at the same time, i.e. with the same set of materials (which is not advisable but sometimes inevitable due to resource restrictions) you might try to find a claim that meets multiple needs and one supporting marketing message per target group to meet.

   □ Make sure that you have something to offer! Experienced campaigners and marketing people derive their offerings by selecting their target groups first, analysing their needs and deciding the marketing message with which they can

address those needs. After all there must be a real product or service that fits the marketing message! I.e., the product should be developed according to the profile of the marketing message.

6.1.2   The AID-System

The goal of any campaign or initiative is to make people act. In order to take people to action marketing experts typically follow the AID-process.

Attract	Inform	Develop

<div align="right">source: B.AU.M</div>

AID means to clearly distinguish between three steps in a decision making process:

1.   Attract people to your topic and create awareness!

We live in a world of overwhelming marketing messages. Regional products compete with multiple other offerings - even in the field of high quality and sustainability. Basically you should try to develop a triple of attractions:

- □ a striking effect or very special offering,
- □ a world class claim or outstanding design of your advertising,
- □ omnipresence and a very high degree of recognition.

While the first two options are typically very costly, number three is the major strength of a regional campaign. You should try to create a unique "brand" for your issue and get as many supporters as possible to spread it.

2.   Inform your target group about the chances!

Most people have little understanding of regional quality groups. They don't know much about benefits, costs and restrictions. Your activities and materials for this phase of the marketing process are the leverage to take people from awareness to action. However you should beware of a frequent mistake: do not overload your target! In this phase a potential customer of a regional product does not expect to receive a finished product. And a supplier does not need in depth information or a business plan.

3.   Develop your customer's desire to act!

Regional products and services and the creation of a regional market are quite expensive - whether you look at the supply side or the demand side. So if you want to be successful in convincing your target group you need to

give them excellent support. Customers need to get a clear understanding of costs and the return of their purchase decision. They need to get some market transparency and to know regional high quality products and producers in their region. So you should provide results of market researches and lists of qualified providers of goods and services. For your supply side target groups you might want to provide technical training, market studies, assistance in developing a business plan or access to background information in the internet.

For every AID-step you should prepare material, organise appropriate events and provide access points for your target groups. At the very beginning of your campaign you should develop a media and action plan in order to support all three steps (see chapter 6.1.3). Whenever you design a folder or a brochure or prepare an event you should ask yourselves "What purpose shall it serve: A, I or D?".

EXAMPLES FOR AID		
attract ▶	inform ▶	develop
mass mailing to selected target group	information market at an installers site	visit by expert to assess specific chances
attractive poster with memorable hotline number	structured interview by call centre referring to web site	self check and calculation tool on website
presentation at annual crafts chamber meeting	brochure with case studies of successful suppliers or regional tourist attractions	training course for sellers or restaurant staff
competition to win a prize (e.g. for the best regional dish or the best idea for a regional slogan)	reports about jury session and awarding ceremony	visiting programme to model producers
information seminar for mayors and entrepreneurs opened by minister	information package for shop managers and heads of tourist information points	text blocks for call for tenders by public or private purchasing department

The members of your target group need "aid just in time". That means you should offer well known access points to your information and support offerings.

The AID process should take the client from a first contact to a well functioning system. Step by step enthusiasm should grow. The further one

gets the more important it will be to develop confidence for the qualification of the acting people. Make sure that your partners do not ruin the good reputation of the initiative.

Actually there is an additional 4th step in the marketing process. The AID-steps are often called "non sales", "pre sales" and "sales". Marketers know that "after sales" is as important. The regional campaign should try to make sure and check that buyers of regional products are satisfied with their decisions and support the initiative to spread good news. Tourist managers should verify that guests have a good time in the region and inform about interesting offers in the future. House owners should be satisfied about the high quality advice they got by the regional energy saving initiative.

6.1.3 Developing and Action Plan

Running a campaign or establishing a regional initiative is a very strategic task. Since the ideal campaign is a dual one – i.e. addresses the demand side and the supply side at the same time - it is also quite complex. So, it pays to develop a clear work programme and especially a media plan.

You should not start your activities before you have allocated means and measures to all fields of the following matrix:

	ATTRACT	INFORM	DEVELOP
DEMANDER			
SUPPLIER			
MULTIPLIER			

In a kick-off workshop or similar event (see chapter 6.1.7) you might want to run a brainstorming session on how to fill this matrix. You should ask yourselves and your partners: What are we going to do to attract consumers and suppliers to our idea and how do we involve multipliers to support us? If we were successful to attract them, what information can we give to them, by what means and at what occasions? If they keep going with us, how will we develop their desire, how will we support them to find the right decision and act according to our goals?

Basic means and measures of campaigns and regional initiatives are (for details see chapter 6.1.4 – 6.1.9):

- □ press releases and advertisements,
- □ printed publications like leaflets, brochures, posters, newsletters,
- □ events like festivals, information seminars, stands on fairs,

- □ websites and E-mailings,
- □ training seminars for suppliers and supporters of the initiative.

Every 6 or 12 months you should prepare or revise your action plan together with your partners. Doing it together creates a lot of common sense and strengthens the network. Of course your action plan has to go along with an organisation and finance scheme.

When drawing up your action plan you should carefully consider synergy options. Can you link into existing actions or events? Are there other ongoing activities of regional marketing? Could you link with neighbouring regions? Is there a role model municipality or enterprise in your region with activities you could hook on? Is there a national approach from which you can benefit?

6.1.4 Marketing Elements

The table below contains possible elements of a marketing or awareness-raising campaign sorted by

- □ **purpose:** Is this element meant to attract attention? To inform about possibilities to act? To support the decision process or the action?
- □ **target group:** Who needs the element? To whose needs should it be optimised? Who will use it?

Various means can address multiple target groups and/ or multiple purposes. However, when preparing a marketing or PR element one should always be aware of target group and purpose. As far as possible one should avoid creating multifunctional elements. The better way: create an attractive common design for all materials, use a common logo, prepare a series of well addressed elements and distribute it to the respective target group.

Some frequently used elements shall be discussed further. The following chapters give hints and refer to good examples.

You might use the checklist next page to compare the different marketing and communication instruments and to select the most suitable instruments for your projekt!

PR- and Marketing Elements by Purpose and Target Group

	ATTRACT	INFORM	DEVELOP
PARTNERS	• testimonials • memorable name or logo • regional festival • visiting tour as social event	• 1 page abstract of potential study • flyer to describe initiative • 10 page brochure on organization • demonstration sites	• market study • website • comprehensive potential study
MULTIPLIERS	• regional festival • series of articles in newspaper • tours for press people	• seminar 1 evening • radio report • flyer to describe initiative • demonstration sites • Regional Marketing success newsletter	• Website • standard presentation • brochure with examples and background info
SUPPLIERS	• memorable name or logo • series of articles in newspaper • supplier specific publications	• flyer to describe initiative • 10 page brochure on organization of regional intiative • seminar for decision makers • distribution of product samples • Info-hotline for tourists • stand at tourism-fairs	• training "business plan" • technical training • market study • website • energy label • standard presentation • standard offering • templates for permits • regional funds • expert seminar
PRIVATE END USERS	• hotline / call centre • regional festival • poster campaign • series of flyers • TV spot • big balloon • competition • involvement of citizens	• regional fair • radio report • 10 page brochure on offerings • event / festival • regional brand • database of suppliers • demonstration sites	• info on regional products • well designed website
PUBLIC	• visit of minister • event / festival • involvement of citizens	• 10 page brochure on offerings • regional fair • regional brand	• website • database of suppliers

table : Marketing Elements by Purpose and Target Group

Rate the following criteria from 1 to 7! **INSTRUMENT**	ADVERTISEMENT	RADIO ADVERTISING	TV-COMMERCIALS	OUTDOOR ADVERTISING, POSTERS	PRESS RELATIONS	DIRECT MAIL	FACE-TO-FACE-CONSULTING	IMPLEMENTATION OF A HOTLINE	COMPETITIONS	IMPLEMENTATION OF AN ENERGY TOUR	EVENTS ETC.	INTERNET
Relevance for the target group: Do we reach the target group by using this instrument?												
Relevance for the image: Does the instrument fit into our intended image?												
Authenticity: Does using this instrument contribute to the authenticity of our initiative?												
Costs: How much do i.e. 1000 contacts cost by using this instrument (including the intern costs for the partners and members of the initiative!)?												
Durability: Can we keep up the usage of this communication instruments for a longer time, even if problems arise?												
Interactivity: can the target groups communicate with us?												
Sum												

table: Checklist of marketing and communication instruments[35]

35 Klewes, J. (1999): Praxis Checkliste Marketing Datenbank: Die wichtigsten Regeln für Werber, PR- und Marketing-Profis, Düsseldorf.

6.1.5 Media Presence

Presence in the media is vital for the initiative. If, however, this should be accomplished by ads in the regional newspapers it will be very costly. So you should try to be in the editorial part as often as possible. There are many good opportunities to refer journalists to the regional marketing campaign and to feed them with latest information:

□ establishment of an organisational structure to run a campaign,

□ expansion of the regional product line-up,

□ a seminar with celebrities and VIPs,

□ a competition and the awarding ceremony,

□ a new sponsor.

The management should be very capable of doing media work. They should prepare a quarterly media plan that makes sure that there is always enough to be reported. The schedule contains

□ events (seminars, festivals, stands on fairs, open days etc.),

□ dates for the delivery of case studies to be published,

□ dates of press conferences and study tours for journalists (e. g. together with members of the regional initiative to another region or town),

□ schedule for special activities like competition or mass mailing,

□ tasks of various members of the network.

This plan should be handed to the regional press community together with an offering to be prepared for interviews or the delivery of background information.

Website of the "Belluno Cheese Road"

The website was generated within the project "The Belluno Cheese Route: Sights and Tastes to Delight the Visitor", carried out by the Province of Belluno and the Chamber of Commerce of Belluno (with collaboration of the Veneto Region Milk Producers' Association) and financed by the EU project INTERREG IIIA Italy-Austria.

To support the regional economy and to preserve cultural heritage and tradition, one of the aims of the project is to promote regional cheese – also beyond regional borders.

On the website visitors can get practical information that means suggestions on routes to take, restaurants, cheese dairies or Alpine cabins to see or eat at. Apart from this, additional information on regional types of cheese, their production and characteristics and traditional receipts.

The well arranged structure of the website makes it possible for the visitor to decide – for or against a deeper information on the topic.

www.infodolomiti.it/dolomiti. run?3B024DB9

The website of the agricultural direct marketers in the Reutlingen District (Germany)

The website was created by the Districts' Farmers Union, supported by PLENUM Reutlingen (a project of the federal state Baden Wuerttemberg for the conservation and development of nature and environment). The offers range from agro tourism and agricultural services to the disposal of agricultural products. The farms are not only arranged by offered products, visitors can also find the next direct marketer nearby. Furthermore, in the category 'market place' visitors can order regional products online. The order can either be delivered by a service or collected by the customer himself (or herself).

www.bauernhof-rt.de

All partners should support the central management in doing media work. So, they need to be trained and motivated. An annual PR-seminar with professional instructors will help a lot. It should be integral part of the internal capacity building process.

6.1.6   Internet

Websites are often designed to serve multiple purposes for all possible target groups. However, the more functions a website intends to have the likelihood of failure increases. Some hints to prepare an effective website:

☐ Only in very rare cases a website can serve as an attraction. The typical purposes of websites are "information" and "support". In terms of "attraction" it is the name of the website that makes the difference. It should be memorable and frequently published. For a regional campaign all partners should rather spread the name of a common website instead of publishing their own web-addresses.

6.1.7 Effective Events

A festival attracts more people than any information seminar. And even an information seminar is more than just conveying information. A goal of any event should be to bring together people and motivate them to cooperate. Some cultures like the French or Italians are very educated in such attitudes towards events. Others still have to

The "UNSER LAND" Kick-Off Event in Benediktbeuren

The Kick-Off event of the regional marketing initiative "UNSER LAND" took part on July 20th in 2001 in the monastery of Benediktbeuren. Invited guests and 250 representatives of the participating districts celebrated the start of the initiative. The festival started with speeches and greetings of mayors, ministers and involved persons. An exchange of experiences with other regional marketing initiatives pro-

vided valuable information for everyone. The event ended with a lunch with regional food. The presence of ministers and regional authorities led to a high regional media feedback and underlined the importance and reliability of the project.

learn that
the food on the table is as important as the presentation on the beamer.

No event can meet the needs of all potential participants. So, target oriented planning is vital for the success. Following are some examples for typical events along with hints for planning and preparation:

A **kick-off** event is targeted towards multipliers and media. You might want to invite the celebrities and VIPs of the region and ask most important supporters to give keynote speeches. The most renowned member of every partner organization should give a short speech, point out the motivation of the group and outline the possible positive results. Such a kick- off event should not take more than 3 hours – inclusive dinner buffet!

A lot of work needs to be done in the forefront of such an event:

- ☐ selecting an attractive location and making sure that the date does not coincide with other important events (like football finals, festivals, elections),

- ☐ choosing a politically correct and still not overwhelming set of key-note speakers,

- ☐ inviting a professional facilitator,

- ☐ informing and inviting the regional media. Do this in the famous three-step-way: 1. tell the date and title, 2. send background information and

invite, 3. send a reminder or call two days before event.

- ☐ Briefing the speakers with the goals of the initiative and giving them hints for their speeches (like potentials, numbers, benefits),

- ☐ selecting and briefing a main speaker from outside the region, possibly a well known TV anchorman or actor with links to the regional topic or an excellent speaker from a well known successful region. Some reg

- ☐ ions have been successful with inviting a comedian to open their kick-off event.

- ☐ Preparing a short but impressive speech about the goals, organisation and expected results of the initiative inclusive action plan and schedule,

- ☐ organising (regional!) food and drinks,

- ☐ preparing a small but impressive exhibition,

- ☐ preparing an agenda and schedule for a break-up workshop.

A **break-up workshop** is targeted towards the potential actors of the initiative. Participants will be all possible partners: suppliers, producers, local politicians, environmentalists etc. Such a workshop can last from 0,5 to 1,5 days. It has two major goals:

- ☐ Training for the active partners on background information, latest and future trends, funding programmes etc.

- ☐ Community building and setting common goals

Typical work that needs to be done in the forefront of such a workshop is:

- ☐ selecting a location that allows for professional presentations as well as multiple parallel work groups,

- ☐ mandating an experienced moderator or group to support the preparation of the event, provide a work plan for and facilitate the sessions,

- ☐ inviting and briefing speakers with the goals of the initiative. Ask them to relate their know how to the goals and needs of the region and outline tangible potentials and benefits!

- ☐ informing media about the most important time slot (the intro session? the wrap up? a photo date? a press conference?).

One of the aims of such an event is the creation of work-groups that further develop the initiative. Make sure that all partners come up with a concrete common project: a series of further seminars, the development of a logo, a regional festival next summer ...

A **festival** addresses a broad audience. Such an event can present regional products and the regional initiative in a very creative and attractive way. You should make sure that the event does not mutate to a pure sales event. Ask your partners and support them to present their offers – but do it in a good mixture of seriousness and fun.

Possible attractions for the festival could be

- □ stands with regional food and dishes, regional tourist offers, etc.,
- □ a flag, balloon or zeppelin,
- □ a solar boat or bike,
- □ horse-cart rides to regional producers (farmers etc.),
- □ a quiz about the region (prizes could be vouchers for regional products, hotels, restaurants).

The "Day of the Regions"

Every year at Thanksgiving the "Day of the Regions" (Tag der Regionen) is celebrated in Germany. Numerous initiatives, cooperations or companies provide insights on what happens in the region for the region. They inform about regional sustainable economic developments and show the range of their regional products. In 2007 altogether 1.050 events took part, such as regional markets, workshops or bicycle tours.

The nationwide action day is organised and promoted by two coordinating centres, which represent a nationwide action alliance. The aims of the alliance are to establish a lobby for regional initiatives and to contribute to supra-regional networking *www.tag-der-regionen.de*

Example: "Regio-Schmecker" – A Product Competition

Is there anything, 'Fischmaultäschle im Räucherfisch-Sud', 'Dinkel-Thymian-Brot', 'Sommertrachthonig' and 'Paprikawürstchen' have in common? – Yes there is! They all are winners of the „Regio-Schmecker-Award" and represent the variety of flavour in the county of Ravensburg. But to become a winner with their product, the candidates have to fulfil more than the criteria of tastefulness: They have to comply with some additional quality criteria, such as short routes of transport between producer, fabricator and customer, a production preserving the nature, a traditional, handicraft business and no additives mixed with a lot of creativity. The PLENUM Allgäu-Oberschwaben office located at the PRO REGIO GmbH announced the competition in 2007 for the fifth time, and a jury of six experts for consumption singled out the regional winner products.

6.1.8 Participation in Fairs

Obviously, fairs are a good option to present regional products and services to the wider public. They facilitate direct contacts to the potential customers and give opportunity for them to get in direct touch with your products and services. On the other hand, costs and organisation efforts are relatively high compared to other marketing tools.

There are a variety of different types of fairs. They differ in terms of products presented (branches/sectors or general consumer fair), target groups (e.g. business or general audience) or area targeted (e.g. international, national or regional). Regional cooperative marketing initiatives should assess the following issues before taking a decision on participating in affair:

- ☐ Variety of products presented on the fair
- ☐ Function of the fair
- ☐ Target group of the fair
- ☐ Target area of the fair

Fairs with a regional focus are interesting market places for regional cooperative marketing initiatives, in many cases. Sometimes it might make sense, as well, to organise a fair by the initiative itself (see example of the Alp Cheese Exhibition in Surselva). In other cases, e.g. for regional tourist cooperation initiatives or a cooperation of regional renewable energy facility producers a participation in a nationwide or international fair is a good opportunity.

In all cases, after having decided on the participation in a fair, the management of the cooperation has to develop a conception for the stand including e.g. the exhibits to be presented, the staff members being present at the stand, the communication tools to be applied.

The Alp Cheese Exhibition in Surselva

In 2006 the first exhibition for Alp Cheese in Surselva took part. The event was a complete success – about 800 visitors, farmers as well as "non-farmers", came, 17 exhibitors presented their products.

One aim of the now annual event is to sensitise the interested public for the quality and the very special characteristics of alpine products. That is why the exhibition is not a pure selling or degustation event. Also the traditions of alp pastures and cheese manufacturing are shown to the public.

A special incentive for exhibitors is the awarding of the best cheese. The project is coordinated by the 'Landwirtschaftliches Bildungs – und Beratungszentrum Plantahof' (Agricultural Learning and Consulting Centre Plantahof) and the 'Uniun Purila Sumvita' (the Farmers' Union of the Bündner Oberland).By informing regional stakeholders and decision makers, the organisation of PR-events, press releases, integration of information about the exhibition on websites etc. an active contribution to the results and objectives of the project at a regional level is achieved.

2. »ZASAVČEVA KLOBASARIJA IN BUNKUCARIJA« – 2nd Traditional Event for Sausage and Apple Beverage Evaluation, Vidrga, 19th of January 2007 (Slovenia)

On 19th of January 2007 the regional newspaper Zasavc organized for the second time the event »Klobasarija in bunkucarija« whose main focus is on tasting and comparing samples of different sausages and special apple beverages »Bunkuc« from the producers in the Zasavje region. It was a common agreement to organise this event in cooperation between Zasavc and Local development centre Litija (RCL), whose focus was the »Jetrnica« sausage, a typical liver sausage in Zasavje region. Within the event the first comparison and evaluation of Jetrnica sausages took place. For the promotion it is important that five regional and national media participated and reported on the event.

The evaluation commission consisted of seven recognised meat experts on regional and national level. Samples of Jetrnica sausages were contributed from 14 producers in the region, mainly small private producers and one local butchery.

The evaluation included several attributes - external appearance, composition of cutting, texture, smell, taste – with different scales of possible points.

An anonymous quality evaluation was performed. The results of the evaluation showed very different samples. No sausage gained gold or silver medal, four received bronze medal, others were evaluated with less points.

Each member of the commission marked his own notes on every sample to be a guidance for the producers. Some recipes for producing and serving the Jetrnica sausage were also gathered from visitors at the event.

After the evaluation the round table on Jetrnica sausage took place. In the following debate participants contributed many interesting remarks and information on Jetrnica sausage.

Our conclusion was that this event was very successful and an important first step for promotion and protection of Jetrnica sausage. Furthermore it is increasing the awareness level of this culinary specialty in and outside Slovenia.

"Neigschmeckt". Countryside meets city on the Swabian Market (Germany)

The story of "neigschmeckt." is the story of successful networking between countryside and city. Neigschmeckt is the Swabian product market in Reutlingen. Once a year 30.000 citizens from Reutlingen and nearby villages meet 120 farmers, caterers, bakers and butchers from the "Schwäbische Alb" at neigschmeckt. Of course they do not only meet but they buy and sell: bread, noodles, jams, lentils, potatoes and whatever is offered at the various market stalls.

In general this idea is not new, but what makes this market so successful? The factors of success were various: The first and most important factor were the two founders: two women who set up an association and took the risk to organise the whole market with high commitment and idealism. Another factor of success was the high product standards the producers were obliged to maintain. And last but not least the market profited by PLENUM-subsidies during the first three years. By now, the market is an "institution" in the city of Reutlingen – for 2008 the organisers expect 40.000 visitors.

6.1.9 Marketing Materials

To be present in public it is necessary to have diverse marketing materials – such as information flyers, brochures, handbooks and other written materials, posters, banners, billboards etc., so-called give-aways as stickers or pens, videos, CDs and others. In this case imagination knows no bounds. But taking a closer look at the budget, which is normally at the disposal of regional marketing initiatives, leads to the conclusion that it is necessary to make something a priority. Therefore, the AID-scheme introduced before is very suitable.

Looking across the borders of the region, at a superior level of administration can be very helpful. A lot of flyers, brochures etc. do already exist in the field of basic information. Those do not have to be reinvented for every region. Maybe an adaptation of some texts or brochures for the regional application is possible (after an agreement with the authors or editors, such as ministries, and with compliance to the regulations of quotation).

Regional marketing initiatives should pay a special attention to the standardised application of the Corporate Design for all materials they publish. It would go beyond the capacities of this text to list and comment all possible variations of materials here, but some examples of regional marketing materials are described below.

Posters, Banners and Billboards

Widespread postings are neither useful nor financially affordable for most regional initiatives. Nevertheless central statements should be published and visual-

Brochure: "Regio Market – Living Space Lungau" (Austria)

The brochure edited by SIR (Salzburger Institut für Raumordnung und Wohnen) is a good example for a compact and informative brochure. On the first page readers can inform themselves about the RegioMarket project and its aims and objectives. In the following part of the brochure, the different subprojects which take part in the Lungau region are described. After a short introduction and the characterisation of regional distinctions, the aims of the subprojects and some activities are described. On the last pages of the brochure different examples of these activities are specified.

On a few pages the reader can learn a lot about the regional marketing program. The description of the aims and the instruments and projects used for the implementation of the targets leads to a good traceability and transparency – the argumentation seems plausible to the reader.

The information flyer 'We make the preservation of our life resources savoury!' of "UNSER LAND" (Germany)

The flyer gives an overview about the range of products of the regional brand 'UNSER LAND'. The logo of the brand is shown in its diverse forms of appearance and memorable for the reader. Additionally, the flyer provides short extra information on the quality standards, philosophy and other products of the regional marketing initiative. For further information the flyer refers to the website and address of the project.

A statement of the President of the Bavarian Parliament (who is also the patron of the 'UNSERLAND' association)

underlines the reliability of the flyer and the initiative.

The nationwide action day is organised and promoted by two coordinating centres, which represent a nationwide action alliance. The aims of the alliance are

to establish a lobby for regional initiatives and to contribute to supra-regional networking

ised in an impressive way – on posters, banners or billboards.

Such elements can be used

- □ for informative events,
- □ in and on markets,
- □ for exhibitions, concerts and others.

The contents of the image posters and image billboards should describe general targets of the regional marketing program. They should not promote products or concrete services. They display the additional benefits of these offers.

The design should, of course, appeal to the target groups desires. Particularly effective are large-sized pictures of people who are obviously happy about the regional initiative. These people should not be VIPs – as they are often not favoured by all costumers and this would not go along with the universal utilisation of the materials.

Possible statements on those billboards could be:

Enjoy every day with a good conscience.

Scoop from diversity.

Feed your senses.

Created by masterly hands.

Billboards can also be situated on acres or fields. Where farmers produce according to the criteria of the regional initiative, billboards advise bikers, walkers and others about the targets and qualities of the product. These billboards aim at the interface between "attraction" and "information".

6.1.10 Advertising

Advertising is an effective way of promoting regional products and building up a positive image for those. Especially at a later stage of development the public interest for the regional initiative declines. At this stage it is often difficult to convince the local media of reporting about the initiative and its new products.

The more costumers you want to reach the more money and time you have to invest! Advertisement in media as television or radio reaches millions of costumers, but at the same time costs a lot more than an announcement in a newspaper or magazine with smaller circulations.

You should think about using synergy effects in networks and cooperation. Maybe regional food producers or renewable energy providers can advertise in regional tourist information brochures or sale and introduce your products at regional exhibitions and fairs and vice versa?

Before starting an advertising campaign you should find out:

- What do you want to reach through the advertisement (Become popular in the region or outside, a positive image, …)
- How much can you invest?
- Which method of advertising is the best for your targets (flyers, radio, posters, articles, announcements, etc.)?
- Are there measures to promote the sales (food samples, competitions, information at the point-of-sale, etc.)?

6.2 Optimising Sale Cooperatively

Apart from communication measures (ch. 6.1) a variety of cooperative measures do exist, which are suitable for optimising the sale of regional products.

In this chapter a selection of these joint activities is compiled, shortly explained and partially illustrated by examples.

6.2.1 Food

Cooperation with Food Retailers

Merchandising the food retail trade demands great organisation skills. One of the requirements of that branch is that unpacking of goods and stacking shelves has to pursue a scheme. That optimisation of the food retail trade distribution is called "just in time". The consequence is that the delivery of goods has to be certain in time and the goods themselves should be of high quality.

Another requirement for marketing the food retail trade is to distinguish some products from others. The critical factor for a successful distinguished product is the packaging Therefore it should be designed by a competent agency. The two major tasks of packaging are drawing attention and carrying information for customers and sales like the EAN code, the origin or product contents.

Regional Shelves

In many cases regional food marketing initiatives, when cooperating with food retailers or supermarkets, sell their products via special "regional shelves".

The advantages of these regional shelves are the following: to draw special attention and to give the impression, that the content is outstanding. A certain disadvantage is the position apart from comparable products.

Characterisation and Intention

Custom-built shelves with information signs for the presentation of the basket of goods of the regional market system should be developed for several shops like bakeries or supermarkets. These shelves should be maintained by partners of the brand and specific advertisement as well as sales promotion weeks should be arranged.

Important Tasks for the Implementation of Regional Shelves

Given, your regional marketing system (i.e. products are available, quality standards have been defined, etc.) has already been set up, the main tasks regarding to the implementation of regional shelves are:

- to contact and to enter negotiations referring to the installation of regional shelves (for example with store managers of supermarkets, bakeries, etc.),
- developing the design for the regional shelve,
- producing a prototype and making use of it in real environment,
- organisation of advertisement and sales promotion weeks at the shelves.

Basic Equipments for Markets and Exhibitions

Characterisation and Intention

- The association of corporate marketers should have a corporate appearance on markets, exhibitions and trade shows. For such appearances there are two alternatives:
- The first option is to provide an all-purpose booth (for example themed „to exist all under one umbrella") which serves a corporate presentation of several partners of the regional cooperation.
- The second option is to provide uniformly designed presentation elements, for example umbrellas ("me existing under the brand umbrella") for partners who want to have an ideal presentation of themselves and their products.

Centrally provided lendable banners, flags, balloons and others can be used for drawing attention to information booths at exhibitions, trading shows, conferences etc.

The corporate appearance should not only be used by the providers of the basket of goods but also from non-economic oriented partners (for example cultural institutions or nature conservation alliances).

Important Tasks to Equip Markets and Exhibitions

- ☐ Make a commitment on one serviceable option for a corporate appearance.
- ☐ Make a commitment on several large-sized presentation elements (flags, banners, etc.).
- ☐ Bidding of services of an agency and a booth builder
- ☐ Production of presentation elements

Regional Supply of Canteen Kitchens and Refectories

Characterisation and Intention

The intention is the supply of as many schools, nursery schools, day care centres, canteens of companies and hospitals as possible with regional quality products. This supply is accompanied by offers for teaching units with the topics regionality, consumption and health.

Important Tasks for the Supply of Canteen Kitchens and Refectories with Regional Products

Given, your regional marketing system (i.e. products are available, quality standards have been defined, etc.) has already been set up, the main tasks regarding to the cooperation with canteen kitchens and refectories are:

- ☐ to contact schools, hospitals, day care centres and companies concerning their interest in regional products,
- ☐ inform the cooks about possibilities of regional dishes,
- ☐ meetings and arrangements with interested canteen kitchens, refectories, producers, processors etc.
- ☐ definition of a pilot project and building up the respective supply chains.

For the supply of refectories some obstacles have to be overcome. Most refectory and canteen kitchens do not employ enough staff to do all kitchen work like pealing and chopping vegetables. That is why mostly preproc-

essed products are marketed to refectories and canteen kitchens. Another factor in marketing refectories is concerning meat. Usually only some selected cuts are taken in great quantities, the remaining quantity will be a lost business for producers. For that case possibly an agreement can be made to abate the prizes for the remaining quantity and to introduce new recipes for the new variety of meat to the cooking staff.

The key personalities for a cooperation between regional marketing initiatives and canteens have turned out to be the cooks. If they are convinced, in most cases, solutions are found for almost every problem.

If the cooperation with a refectory works out well it can be considered to prearrange cultivating vegetables and keeping animals according to the menu requirements one year in advance.

Village Festival Packages

Characterisation and Intention

Village festivals and observances are ideal events to present regional food products. The intention is to offer supply and organisation fulfilment including the gastro-service-team and kitchen equipment to local organisers. The provided dishes are not just the usually snacks but a variety of regional gastronomic specialties.

The attended festivals should always be used for campaigning the regional products and its benefits. The large-sized presentation elements for exhibitions should also be used for these festivals. The advantage for clients is one contact person, a multifarious offer, high quality, reliable logistics and less risk.

Important Tasks for the Implementation of Village Festival Packages

- ☐ Clarify central questions:

Example: "Tafelfreuden Bodensee" (Table Pleasures of Lake Constance), Cross Border Project in Region of Lake Constance – INTERREG III A project) –

The project consists of an advisory network for canteen kitchens and refectories which are interested in regional food.

- □ Who provides the equipment? What does it cost?
- □ Which products are available? In what processing stages are the products?
- □ Are there options to involve local restaurant owners (as they normally profit from local festivals)
- □ Is preprocessing required?
- □ Funding for the implementation of the system

Hamper and Gift Coupon-System

Characterisation and Intention

Hampers and gift coupons assure continuous presence of branded products. Amongst others they are a favoured give-away of mayors for jubilees. This is also an excellent opportunity to get pictured in the newspapers.

Important Tasks for the Implementation of Hamper and Gift Coupon Systems

Given, your regional marketing system (i.e. products are available, quality standards have been defined, etc.) has already been set up, the main tasks regarding to the set up of a "hamper-project" are

- □ gaining partners to establish and implement a system,
- □ concept and marketing strategy,
- □ negotiation with partners of the regional marketing cooperation about useful products (un-

der consideration of seasonal and regional specialties),

- □ establish packaging-, stock-, logistics- and accounting structures for hampers and gift coupons,
- □ find major customers (like companies and municipalities) which take such packages in large numbers (for example as employee- or customer presents, for jubilees),
- □ regional and supra regional advertisements and sales-promotional measures,
- □ to assure regional media attention.

Incentive- and Reward-System

So called regional bonus systems have the object to change the consumers buying habits concerning an increased part of regional goods to support regional economic cycles. One example of such a bonus system is the "Regionaldo" in the district of Neumarkt (Germany). Within this bonus system buyers of regional products get RegioCents as a reward. The shops can be identified by the Regionaldo-logo and the slogan "Wir punkten – genial regional".

To collect the RegioCents only an EC-card with a chip is needed and an application form to activate the chip must be filled in. The Regio-Cents can be converted into favourite goods in any participating shop. The advantages of that simple system are:

Regionaldo Logo[35]

35 http://www.regionaldo.de/

- □ no extra card is needed,
- □ different kinds of shops are bound in a network,
- □ the participation is free of costs and not bound by contract.

Another example for an incentive- and reward-system are so called regional currencies as "Waldviertler" in the Austrian region Waldviertel. This is an internal coupon system of a registered association (e.V.). It is an additional trade and payment instrument to promote the regional economy and to support non-profit associations. The precondition for the use of the Waldviertler is the membership of the association[36].

36 Source : http://www.waldviertler-regional.at/

Important Tasks for the Implementation of Incentive- and Reward-Systems

- □ Convincing of partners to establish incentive and reward system

- □ What expectations and conditions associate the partners with the system?

- □ Is there a readiness from the companies and local authorities to give a privilege, in which scale?

Regional Shops

Characterisation and Intention

The intention of regional shops, for example farmers stores in villages or towns, is not only to market regional agriculture goods but also to improve the living and economic conditions in rural areas. So these shops can ensure eco-friendly high quality food supply and the enlivenment of town centres. Furthermore these shops can support the development and improvement of biodiversity and the conservation of characteristic landscapes within the project area.

The regional shop is not only an attraction for locals. Tourists are also interested in regional shops to buy local specialities as souvenirs or small presents and in regional shops they have a wide range of products[37].

One example of a regional shop is the "Bauralada" in Pfulling using the slogan "products from the region – products for the region"[38].

The Order of Tasks for the Implementation of Regional Shops

1. Market study and advice by a specialist for retail trade

2. Concept to finance, carry and implement the regional shop

3. Establishment of a network for producers, manufacturers, trade and consumers for regional products

4. Advertisement-Strategy for starting period

6.2.2 Tourism and Gastronomy

Typical Food Related Regional Tourist Routes

Regional restaurants and inns offering regional or typical foods can be marketed together beyond a common label following the example of the well known wine roads. These systems can be extended by producers, museums and other facilities related to the specific issue.

[39]The Belluno Cheese Road is an example for such a system. Tourists receive a map and a guide book containing all addresses of the partners and attractions related to the traditional cheese production in the province.

It is the objective of this project to link traditional products with the gastronomy. All the particular, unique features of the local cheeses produced in Belluno are exploited to the full in the traditional recipes of the locals, and sampling these is one of the finest ways for visitors to discover – or re-discover – the identity of the Belluno area.

Partners are inns, diaries and mountain farmers from all over the region. The Belluno Cheese road is actually about to be extended to further traditional foods (see example below).

Important First Tasks for the Realisation of Food Related Regional Tourist Routes

- □ Analysis of demand and offer and regional situation (e.g. potential partners)

- □ Set up of a marketing concept

- □ Convince partners

- □ Set up rules (including quality criteria) and financial plan for cooperation

- □ Develop information material (e.g. maps, guidebooks, brochures)

Regional Menus

Regional restaurants can also support regional food marketing by adding regional products on their menu. So the quality of the farmers and the gastronomers work are joint for an outstanding valuable menu, for which fresh and high quality regional products are the best ingredients. One example of a regional menu is the LandZunge in the district of Ravensburg (Germany).

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37 Source : http://www.best-practice-business.de/blog/?p=342
38 Source: http://www.plenum-bw.de/

39 source: http://www.infodolomiti.it/

Example: "Flavours of a Unique Land" in the Friuli Venezia Giulia Region (Italy)

The Friuli Venezia Giulia Region strongly supports the idea that regional food products are irreplaceable assets for the regional tourist development for the Alpine Space.

Friuli Venezia Giulia (like many other Italian regions, but in a special way thanks to the fact that it's a crossroad of three different cultures - Latin, German and Slavic - is rich of local products; ham and charcuterie, cheese, herbs, oil, not to mention the incredible variety of wines. Only very few of these products (the San Daniele raw ham and the Montasio cheese, have both a protected denomination of origin) can rely on a production structure capable of making them known outside the region. This is true for wine, too. Most wine producers of the region are small firms, which represents a strength (tenacious pursuit of quality "bottle by bottle"), but also a weakness (a firm which produces a total of 60.000 bottles per year, subdivided into ten different qualities of wine, means 500 boxes per type on the market, while in the global market people often think in terms of thousands of boxes of wine).

Luckily, many of these products (such as "formadi frant", "pitina", "radic di mont", the Histrian lamb, the PDO Tergeste oil, which are very typical for this area and cakes like the "gubana", the "strucchi", the "presnitz", etc.) cause real emotions, have the charm which comes from a centuries-old tradition and gastronomic culture; they have an unquestionable origin like those named "enogastronomic treasures" by Davide Paolini, the Italian journalist.

This leads to the idea of using these rediscovered treasures (many of them have been, as a matter of fact, seriously at risk of extinction until the year 2000) as a strong call of tourist attraction to be promoted not only in collaboration with the producers, but also with the skilful and professional collaboration of the catering industry.

Turismo FVG, the regional Agency for the promotion of tourism, which coordinated, in collaboration with the Friuli Ven-

ezia Giulia Regional Administration, the participation to the RegioMarket project, has made the choice to adopt the "product club" pattern in this action, an organisation pattern which, through a collective promotion and the presence of an element of cohesion who sets the lines for the Club's choices, offers tourists the opportunity to have access to products of guaranteed quality level, besides limited and yearly pre-fixed prices. A "club" which is a form of participation in an undertaking of different tourist operators (i.e. from lodging facilities to services, or professional associations), which share the marketing of a certain segment of the tourist offer, making sure it has certain pre-requisites, with care, sensibility and attention to the quality of the services offered to tourists as a sort of self-discipline laid down in a set of voluntarily adopted rules.

The "Product Club" is not an abstract concept, but a juridical subject. Accord-

Development of the "Belluno Cheese Road" up to a Comprehensive Local Gastronomy Programme, Province of Belluno (Italy)

The project is part of a broader socio-economic development and exploitation plan of local resources. The initiative is linked to the provincial plan of rural development and environmental, landscape, historical and cultural tradition protection, and especially to the revitalisation of rural districts as means of promotion and development of the territory. The aim is to improve and strengthen the dialogue and comparison between several economic actors; to promote, support and coordinate trade and landscape promotion initiatives; to promote research and surveys on economic, social, cultural, territorial,

environmental aspects; to strengthen the aggregation and comparison of the different local interests and to promote the coordination of various management policies aiming at the development of the territory.

The participation in RegioMarket concerns in particular the strengthening of "The road of Cheese in the Dolomites area of Belluno". The idea of building the "Road of cheese" is aimed to support the diffusion of the local identity, acting on products and territory, enhancing the production of milk cheese in the Belluno area, and creating a synergy with cater-

ing firms. The opportunity to give added value to our milk cheese productions is linked to the possibility of using the product, the territory and the consumer as levers. The main synergy can be identified with catering firms, able to offer to consumers particular products and to propose traditional dishes.

ing to the situation, it can be an association, a consortium, a partnership, etc., which makes it necessary to lay down a statute to regulate its organisation and fix the criteria for the selection of members and membership itself.

The Product Club has been called **"Flavours of a Unique Land"** on the path of the regional tourist promotion slogan **"Guests of Unique People"**. A Club intended to be a means of promotion and valorisation of the traditional regional cuisine, of typical and unique products. Its implementation, which has been conceived and planned with the collaboration of the Accademia Italiana della Cucina (Italian Cuisine Academy), aims at safeguarding the client/tourist who is more and more aware of quality and prices of the services. Moreover, it is intended to provide the offerers of tourist services (e.g. gastronomers) with an innovative promotional and marketing instrument by advertisement in the official Turismo FVG website and in a special brochure.

In the course of 2007, after submission of the project to the main representatives of the regional catering and agrotourism sectors, about 500 businesses have been contacted after a selection made on the basis of:

- □ their presence in the main Italian guides,
- □ their membership in the associations of agrotourism operators and in the Comitato per la difesa delle osterie tipiche (the typical tavernas safeguard Committee),
- □ reports by the Accademia, which involved its whole structure (province delegations) in this action.

A letter of presentation of the project has been sent to all potential members of the Club together with the complete regulation of the "Product Club" and an application form. Of course an exhaustive recall has been necessary, in the course of which all doubts have been cleared, and the aims of the project have been described in more detail, and help has been given, when needed, to fill in the form.

The result is about one hundred catering businesses equally distributed in the four provinces in which the regional area is subdivided, described in the "Flavours of a Unique Land" brochure which was presented at the

Villa Manin di Passariano on December 19th 2007, the seat of Turismo FVG.

The brochure illustrates all these restaurants, taverns and farm holiday providers, in 32 pages, in eight itineraries to follow in the region, from the typical "karst" in the southern and central part of the region to the Alps, with short descriptions not only of the main enogastronomic attractions but also of the artistic, historic and tourist sites.

The brochure will be issued in 45.000 copies in three languages. In the first months of 2008 all the content of the brochure will be published in the Turismo FVG official site

www.turismo.fvg.it.

The general objectives of the initiative include:

- □ the implementation of the local territorial marketing strategy, through the enhancement of specialties and traditional agricultural and food culture,
- □ the proposal of a qualitative growth of tourism in the Belluno area, through the interaction between tourist operators and the food sector, finalized to

recreate the relationship between domestic supply and domestic demand,

- □ the proposal of a map of local agricultural and food production and of a gastronomic tour through the Dolomites in the Belluno area, able to represent the various and rich local production,

- □ the protection and conservation of the local environment and resources, also through the exploitation of agricultural niche production.

The measures and the activities undertaken, in this framework, are:

- □ survey and monitoring of the main agricultural and food products and traditional specialties,
- □ definition of technical and legal data sheets for local production chain actors,
- □ delivery of product data sheets for members of the local production chain,

- □ the definition of draft schemes of the "traditional menu", "Infoetichetta" a brochure and the establishment of the "Gourmet provincial path" which shall be proposed at trade fairs and events,
- □ the establishment of the "Gourmet Provincial path" which shall be proposed to integrate the "Road of Cheese of the Belluno area",

- □ the establishment of a technical programme (which includes production, marketing and administration) and its control system, as proposal finalized to the integration of the "Road of Cheese" of Belluno.

Characterisation and Intention on the Example Land-Zunge

A sign on the restaurant's wall shows that it takes part in the campaign LandZunge. Furthermore the brand is on the menu and behind every dish in the menu, which is based exclusively on regional products. For every restaurant The precondition for taking part in the campaign LandZunge is to offer at least three regional dishes and to follow special criteria. The compliance with the criteria is supervised. Optional in some restaurants the menus give information about the suppliers and the products origin.

An additional commitment is made by the LandZunge-Plus campaign. Participating restaurants use solely beef of regional origin and mostly regional products for all dishes.

Because of the great success of the campaign (already 80 restaurants took part in the end of 2006) another one was planned called VitalZunge which is targeted on refectories and canteen kitchens to use regional products for their menus.

Important Tasks for the Implementation of Regional Menus

Given, your regional marketing system (i.e. products are available, quality standards have been defined, etc.)

has already been set up, the main tasks regarding to the set up of a regional menue are

- □ contacting and entering negotiations with gastronomers for including regional dishes into their menu,
- □ organisation of advertisement (for example brochures, events,...),
- □ developing a system for the distribution of the regional food to restaurants including a supervising system to guarantee the quality.

Visiting Programs

Characterisation and Intention

The intention of visiting programs is to bring the consumers to the places of generation and manufacturing. This also helps to establish a partnership between producers and consumers, between countryside and urban areas. It is a challenge to find a way of providing permanent resources for visiting programs. The corporate marketing has to bear a part of the costs of this marketing measure permanently because the contributions from the visitors for the service won't be cost-effective.

The intention of the visiting programs is not only to attract but also to inform consumers. The invitations to such events should meet the consumers wish for amusement, enjoyment, satisfying curiosity (to look behind the scenes) etc. The visitor's expectations have to be fulfilled so far that the word-of-mouth advertising is increasing the number of visitors.

Important Tasks for the Implementation of Visiting Programs

Tasks of Central Marketing

- □ To establish a collection of visitable generation facilities and applicable programs
- □ To elaborate a handout for hosting partners, that they can express unerring the central statements and the brand programme
- □ To establish and to publish a central contact point for visitors questions, for example the website and a phone number

"Urban-Regional-Partnership" – Nature Conservation by Raising the Awareness of Consumers in the Kaiserstuhl Region (Germany)

At the PLENUM-Region Kaiserstuhl an exceptional funding project concept proves to be successful for regional commercialisation on the one hand and for nature conversation on the other hand: the partnership between urban districts and rural communities.

Historically, the city and its surrounding region had a special relationship which increasingly got lost in the context of modernisation and globalization.

The intention of the city-land-partnership is to revitalise this correlation between rural communities of the Kaiserstuhl and several districts of Freiburg-City. It is the objective to rebuild the confidence of consumers to the basis of nature, agri-culture, the farmers and the supply with food.

In 2004 the first city-land-partnership was established between the community of Eichstetten and the district Freiburg-Mooswald. Soon the third partnership in this region will follow. In every case the particular communities and districts have been chosen very accurately by a special matrix, which was developed for this project to reach a reconciliation of interests and to ensure the long-term nature of the partnership.

The local PLENUM agency supports the first communication steps at political, regional and citizen's organisation level and arranges a launch event at the par-ticular districts and the rural communities.

During the partnership, both parts organise an individual exchange program with different activities and common visits, such as the visit of farmer's markets, vineyards, local nature trails. Common activities as squeezing apple juice are also part of the program

Combined Nature-Culture-Food Excursions

Characterisation/Intention

The aim of combined nature-food excursions is to inform the consumer about coherences between cultural landscape, agriculture, food processing and regional marketing. They serve the shaping of opinions and the networking and so it increases the sales of regional products. These excursion tours should therefore include possibilities to buy regional products and/or an offer of a regional menu. The benefit: the conservation of companies, the conservation of cultural landscape, the promotion of sustainable tourism.

For such an offer, already existing approaches can be merged and combined, upon other terms:

- □ existing offers for hiking tours,
- □ existing offers for nature experience tours.

For locals and visitors of the region – even those who come from surrounding cities – experience packages and all-inclusive offers could be provided. Basically these are experience tours to direct marketers, producers and manufacturers guided by specially educated guides and always combined with the experience of nature and culture.

The participants of the combined nature-food excursions can experience:

- □ topic guidance with staging of cabaret and theatre,
- □ culinary highlights and regional delicacies,
- □ agriculture and old handcraft with offers to join in,
- □ cultural history and archaeology,
- □ tradition.

In Germany, a certification system for the education of guides of those tour offers does exist[40].

Those guides have been educated and installed within the PLENUM funded nature-culture-food excursion programmes Alb-Guides (www.alb-guide.de) in the region of Schwäbische Alb and Landgastgeber (www.landgastgeber.org) in the Allgäu region.

Important Tasks for the Implementation of Combined Nature-Food Excursions

- □ Clarifying conceptual questions:
  - □ What qualification do the guides need?
  - □ Who is able to give trainings for the guides?
  - □ Who can work as contact point and organiser?
  - □ What is the thematic main focus?
- □ Coordination with other campaigns (for example the "Bike-experience-topics-routes")
- □ Gaining partners for the offer

40 Bundesweiter Arbeitskreis der staatlich getragenen Natur- und Umweltbildungseinrichtungen (BANU) (www.banu-akademien.de)

□ Development of a booking system for the tours, if possible in collaboration with established tourist offices and booking systems

□ Providing marketing material and establishing marketing

Gastronomic Topic Weeks

Characterisation/Intention

The intention is to set up a platform which makes the regional products testable through gastronomy. Several times a year many gastronomers can offer region- and season-typical delicacies. These topic weeks can be advertised regionally and supra-regionally and should be used to attract new visitor groups.

Important Tasks for the Implementation of Gastronomic Topic Weeks

□ Convincing potential project partners

□ Assortment of topics (depending on seasons) and assuring the supply with products of the regional program

□ Preparation of information materials for the topic weeks previously and during these weeks (flyer, table tents, posters, press releases)

□ Providing training courses for gastronomic personnel (cooking staff, service staff) concerning an ideal presentation of the whole region at the topic weeks.

Regional Family Celebrations (e.g. Weddings)

Characterisation/Intention

All-inclusive offers for family celebrations with accommodation, board and special events could be an attractive offer of regional initiatives, as well. Offers are made for locals and visitors to make the specials of the region accessible to them.

Important Tasks for the Implementation of Regional Family Celebrations

□ Gaining of providers as partners

□ Preparation of an uniform package under particular consideration of the regional marketing program

□ Establishment of a corporate marketing

6.2.3 Energy

In the energy sector measures for cooperative sale optimisation should address both: The regionalisation and improvement of value chains for the production of renewable energy and renewable energy installations (such as PV modules, boilers, etc.) as well as regional activities concerning energy efficiency.

Regionalisation of the value chain does not necessarily mean selling the end product within the region but to raise the value added within the production chain in the region.

Cooperation along the regional biomass production chain
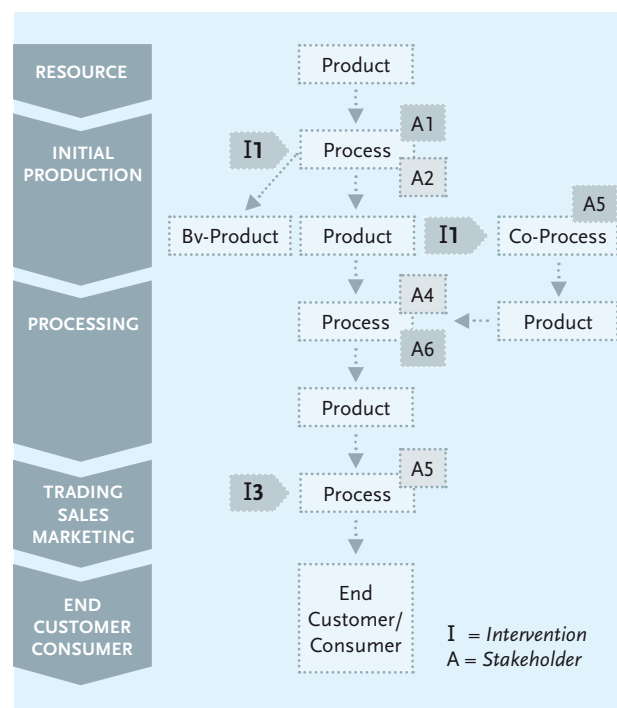
Value Chain

Within the branch of renewable energies (for example wood chips, oil fruits) potential analyses very often result in the fact, that the amount of available regional biomass is not used efficiently on the regional market.

Reasons for the great difference between supply and demand could be for instance that the quality of the supply of biomass cannot comply with the requirements of the demanders. Depending on size and alignment of the facilities different qualities of - for example - wood chips (size, dryness), are required. Furthermore wood chips aren't as comfortable as pellets concerning delivery and storage.

Lacking product qualities within the stage of processing are a decisive barrier whose improvement is blocked by the uncertainty of the actual will for conversion of the

end consumers. In the other way potential customers expect quality promises before investing.

Such situations are classical initial points of value chain management (see chapter 1). In this case the operation possibilities of a value chain manager are the following:

Analysis, Planning and Consulting

The exact demand (quality, quantity) of wood can be calculated for potential customers, who can be determined by a market study. The different heating options can be compared and offset. The outcomes of this are the requirements for the heating material quality which can cause concerted adjustments further up in the value-added chain.

The Facilitation of Investment

Value chain managers can detect gaps within the regional wood energy chain and gather information for potential investors to decrease their investment risk.

Intervention

The value chain managers' task is to enable measures at the individual stages through communication between value chain stages and initiation of business relations.

Therefore the assignment of value chain managers occurs along the entire value chain both in intervention between chain links as well as in optimizing individual links.

Important Tasks for the Improvement of the Regional Value Chain of Biomass

- ☐ Market study: Analysis of needs and deficits on different levels of the value chain

- ☐ Communication of results and discussion of possible solutions with regional partners along the value chain

- ☐ Support of activities by a regional value chain manager

Cooperative Marketing for Energy Efficient Buildings

The awareness of house owners regarding the necessity and the options for an energy saving related renovation of their buildings rises only slowly. The same holds for many companies, which did not discover the real potential of the market of energy saving in a satisfying extent, until now.

The initiative **"Energiesparen und Sanieren"** ("Energy Saving and Refurbishment") is an excellent example

of a regional cooperative sale optimising action in this field. It is a cooperation of craftsmen, energy consultants, architects and engineers, regional banks, the Agenda 21 working group "energy and resources", the environmental organisation "BUND Naturschutz", the regional marketing initiative "Ebersberger Land" and representatives of the district administrator's office in Ebersberg. The project connects ecological, economical and social engagement in an excellent way.

With the renovation of the buildings in the region, constructed between 1949 and 1978 within the next thirty years a huge contract volume can be estimated[41] on which many jobs can be maintained or created. Furthermore incomes and jobs in the fields of modernisation of heating installations, planning, consulting and financing will increase. The aim to increase the proportion of renewable energy of the total energy consumption significant has a broad fundament in the district.

Character/Intention

The cooperation intends to show pathways for an effective use of energy, as a scarce resource and connected financial savings to homeowners. On the other hand it should support marketing opportunities for craft enterprises, consulting firms and appropriated planners in the Ebersberg District.

The initiative has implemented the following important tasks:

- ☐ An information campaign about energy-saving refurbishment consisting of an information package about energy-saving refurbishment in the Ebersberg District ("Ebersberger Sanierungswegweiser") for homeowners, including lists of about 70 registered regional companies, a website, a number of information events (e.g. by local banks), participation in regional fairs

- ☐ Subsidisation of an economical one-hour energy consulting

- ☐ Technical exchange and networking on the basis of a so-called technology forum which meets regularly

41 Calculations by the architecture office Grandter for the "Zentrum für Innovative Energien im Landkreis Fürstenfeldbruck (ZIEL 21)" (Centre for innovative energies in the 'Fürstenfeldbruck District'); www.ziel21.de

RegioMarket Assistance – A Support and Qualification Programme for SMEs in the Renewable Energy Sector

The Weizer Energie-Innovations-Zentrum (W.E.I.Z.) has developed a marketing oriented support and qualification programme for SMEs.

This programme is based on the experience that supra-regional market entries are becoming increasingly necessary for the economic development of SMEs. SMEs often do not have the power and the resources to work in these markets actively and consistently on their own. It is necessary to work out this success hard, build it up in the long run, safeguard this and always adapt to new market situations.

The RegioMarket Assistance marketing conception is a self-contained plan and represents a core area of the leadership of an enterprise or an organisation. It contains marketing aims, marketing strategies and the operational implementation of concrete marketing measures as well as quality control. To reach aims like the increase of market shares, sales volume and profit fast and lasting, it requires a conscious market oriented corporate management, which orients all enterprise activities towards current and potential markets. For this it is necessary to analyse yourself and your environment accurately to develop a promising company strategy, which build on the strengths and weaknesses of the own enterprise and the possibilities and dangers of the environment (market, competition etc.).

W.E.I.Z. offers qualification workshops, in which enterprises get actively involved into marketing - learning by doing. The aim of these workshops is to convey required tools and a corresponding know-how to the participants, that they will be able to execute marketing activities in the enterprise on their own. The education is fortifying both the personal and the functional competences and enables them to use necessary marketing processes actively in the enterprise. The workshop is conceived for managers and employees of SMEs as well as founders, which would like to build up and enlarge their know-how in marketing & new markets. No special basic knowledge is required for it.

For further information: www.w-e-i-z.com

Cooperative PR of Renewable Energy Highlights and Tourism

A further interesting approach is cross-marketing between the energy and tourism sector. As renewable energy is still an innovative field of action and as there is still a high need for information on technologies and experiences, renewable energy installations and producers are more and more popular as targets for excursions and day-trips.

The energy region Weiz-Gleisdorf addresses this potential market by a special offer for cyclists: the Funergy tour

Course – distance = Weiz – St. Ruprecht – Gleisdorf – Nitscha – Krottendorf – Weiz (38 km)

Characteristics

Starting off in the energy town of Weiz and going on to the sunny town of Gleisdorf along the Raabtal cycle path (is called R11) and then back via the WZ 10 past traditional Austrian restaurants serving wine and home-made foods and the Styrian „Apple Road". There are many attractions to be enjoyed along the route. Radmannsdorf Caste, Weizer Kunsthaus, Gemini house, impressive areas of natural beauty along the Bärental Valley, Friedensgrotte (peace grotto) and Foucault´s Pendulum in St. Ruprecht, Street of solar Energy in Gleisdorf, the wine-growing community of Nitscha, the Garden of Generations in Krottendorf and the Spiritual Walk between Tabor Church and Weizberg Church. And you can cool off in the swimming pools in Weiz, St. Ruprecht or Gleisdorf. Cycling inns and traditional Austrian restaurants serving wine and home-made foods would be happy to welcome cyclists for refreshments, culinary delights or even help them out in case of any mishaps.

6.3 Cooperative Product and Service Development

In the chapters 6.1 and 6.2 we focused on sale and communication measures of cooperative regional marketing initiatives. This section addresses the production and the product itself. The cooperation along regional value chains often leads to new product developments as the strengths of different partners can be merged. Such cooperation can take place within a sector or across different sectors, e.g. the food and the tourism sector.

Several reasons can play a role, if a regional marketing initiative starts thinking about a joint product development:

- The need to diversify the offer of the regional marketing initiative
- The wish to offer a broad basket of goods
- The wish to address new target groups
- The reaction on new trends
- The demand of the distribution partners and end customers

However, product development should not happen by chance or without a detailed reflection on its aims and different options. The following key-questions may help to reflect the major issues concerning a cooperative product development[42]:

- Is production compatible with an existing model or with the guidelines and objectives of the regional initiative?
- Which costs and which benefits for the initiative are related with the product development?
- Does the new product support or undermine our credibility?
- Is the product appropriate for means of communication?
- Does the new product fit in with our regional identity?
- How is it compatible with the image of the region?
- What images does the product itself have?
- Does production influence the natural scenery for instance (and how relevant is this to the initiative)?

Cooperation, especially in the field of product development, requires a lot of openness of the involved partners. It might be necessary to agree to compromises (e.g. on quality standards or production processes) or even to disclose business secrets. Therefore, the outputs of such collaboration must be promising for the partners. A cooperative product and service development has a good basis if one or more of the following conditions hold:

- Single producers often don't have the possibilities and capacities to develop new products.
- Certain types of offers can only be developed if partners with different backgrounds work together (e.g. from the fields food production and tourism).

- Profitability for many new products can only be achieved from a minimum quantity or booking rate.
- The know-how exchange can lead to products of a higher attractiveness.
- Some target groups can only be reached via distribution channels that won't cooperate with single producers or service offerers and therefore won't sell their new products.
- Cooperative product development opens a wider range of possible communication measures in the field of marketing.
- The cooperation of different partners can help to close regional material and value circles (e.g. through new possibilities for the utilisation of residues).

The subsequent examples give an idea of the wide range of possibilities for cooperative product or service development in different sectors.

Example for the Development of a New Product Line in the Food Sector:

Organic Convenience Products by UNSER LAND (Upper Bavaria, Germany)

The regional marketing initiative UNSER LAND runs a network of sub-regions in and around Munich. This well established initiative offers a well-stocked basket of goods. With their new product line of pickled vegetables UNSER LAND wants to attract new target groups. The new products combine the advantages of organic and convenience food products and therefore serve the needs of a new group of consumers.

The vegetables are produced in one of the UNSER LAND districts. As the single UNSER LAND regions (called solidarity communities) work together as a big partnership, the new products are sold in the whole network.

www.unserland.info

42 Deutscher Verband für Landschaftspflege (DVL) e.V. (2006): Branding the Landscape – A Guide. Page 23, modified

Example for a Cooperative Offer in the Tourism Sector:

Project "Reiseziel Natur" auf der Schwäbischen Alb (District of Reutlingen, Germany)

The project „Reiseziel Natur" („Destination Nature") is a good example for cooperative service development in the field of tourism. Before this project was started in 2005 a hardly manageable multitude of different touristic offers already existed in the Schwäbische Alb region. Most of them had a strong link to sustainable tourism with a focus on cultural landscape and nature conservation.

The overall objective of the new offer "Reiseziel Natur" was the joining of the existing offers and a common marketing approach.

The common marketing is based on three pillars: An exhibition in the information centre at the train station in the city of Münsingen, the website and an information brochure.

www.reiseziel-natur.de

Example for a Cooperative Offer by Food Producers and Restaurants:

The Project „Landzunge" (Allgäu-Oberschwaben, Germany)

The project „Landzunge – Das Beste aus der Region" (Rural Savour – The best from the region), which already has been presented in section 6.2. is also a good example for a cross-sectoral product and service development activity. In cooperation between regional food producers and guesthouses with restaurants in the region of Allgäu-Oberschwaben typical regional dishes have been developed and are jointly marketed. An important objective of this project is to pay "fair" prices to every link of the value chain.

www.landzunge.info

Example for the Development of System- and Service Packages in the Energy Sector:

System- and Service Packages for the District of Fürstenfeldbruck (Upper Bavaria, Germany)

The principle of a System- and Service Package is the following: A group of regional partners develops a standardised facility for the use of renewable energy and attendant service. A quality system ensures the correct installation as well as maintenance. The fact that all services are done by one source and the good functionality of the standardised facility can be passed on by word-of-mouth-advertisement which provides business confidence. The result is that more potential customers decide in favour of the System- and Service Packages and assure the success of the project.

The first kind of these service packages, developed within the scope of the Agenda 21 in the district of Fürstenfeldbruck, was a standardised solar panel including software, a quality system to ensure the professional installation and particular solar credits from a local bank to simplify financing.

The great success of the project (it won the German and European solar award of EUOSOLAR in 1999) lead to the further development of the universal System- and Service Packages for the use of different kinds of renewable energies. Examples are the establishment of common photovoltaic facilities, the backfitting of motor vehicles or combined heat/power stations for the use of biofuel.

6.4 Cooperative Distribution in Regional Value Chains

One of the key questions to be solved when setting up regional value chains is: How do the goods reach the customer?

For determining distribution channels, it first has to be decided whom specifically to sell to. On the basis of an analysis of the demand side the protagonists should decide on the selling channels which promise success. After this decision the relevant commercial partners have to be selected and the selling channels have to be set up.

Because regions have very different working processes, markets and structures for distribution, a very individual approach has to be found. Regional trade relations often conflict with well-established workflows. Local tourism marketing is often not harmonised with regional or national tourism offices.

The following key questions[43] can help to establish a good method of distribution:

- □ Which channels of distribution for which products are already available?
- □ Do these distribution channels reach the target group particularly well?
- □ Which effort in terms of time and money can and does the regional initiative want to expend?
- □ Which markets can be reached by this?
- □ Can the existing contacts of members of the regional initiative to new partners be used for distribution purposes?

- □ Will it be useful and possible to centralize the distribution or even to build up a central marketing organisation?

Different Channels for Distribution

The choice of distribution channels mainly depends on the quantity and quality of the products. Moreover the needs and expectations of costumers vary according to the different types of points of sale. In the food sector the differences between organic food shops, food retailers, canteens or wholesale are obvious. In the energy sector many different distribution channels are possible, dependent from the products or services offered. Tourist products are also traded via many different channels, e.g. travel agencies, internet or even supermarkets. Therefore the "typical" costumer should play a role in these considerations.

For the physical part of the distribution of food or energy products – logistics – various approaches are imaginable. Possible solutions to organise logistics are[44]:

- □ Logistics of the producer
- □ Logistics of the trading partner
- □ Regional logistics providers
- □ Own logistics

Distribution Scheme for Regional Food Products

PRODUCERS — PROCESSORS — TRADERS — RETAILERS — CONSUMERS

FARMERS

Farmers Market
Regional Grocery
Specialised Trade
Food Retailing

LARGE-SCALE CONSUMERS

Hospitals
Gastronomy
Canteens
Day Care

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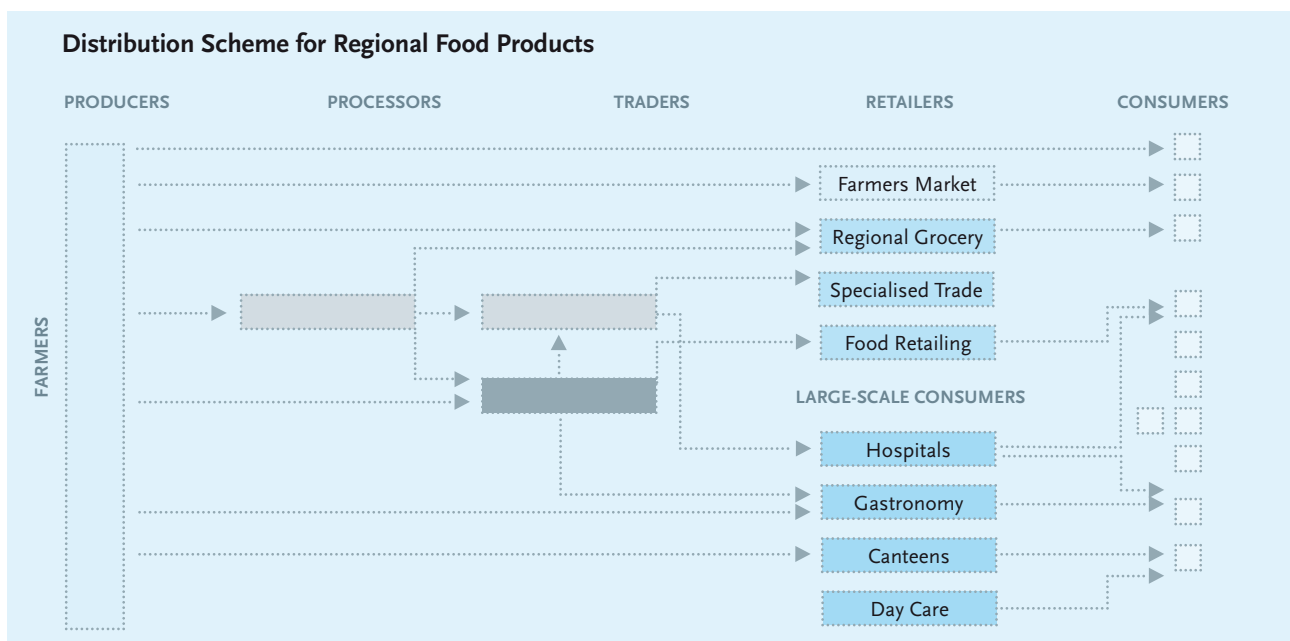
43 Deutscher Verband für Landschaftspflege (DVL) e.V. (2006): Branding the Landscape – A Guide. Page 40, modified

44 See Deutscher Verband für Landschaftspflege (DVL) e.V. (2006): Branding the Landscape – A Guide. Page 43

Example for Using Existing Logistic Systems:

Delivery Service "Gutes vom See" (District of Konstanz, Germany)

The „Gutes vom See" delivery service is an association of food producers, manufacturers, traders and gastronomers in the region of the western Lake Constance that was founded in 2004. The main objective is the promotion of eco-friendly and organic products from the region in food retailer markets, large-scale canteens and gastronomy. For that, an important partner of the partnership is the Fruchthof Konstanz, an established local fruit wholesaler.

www.gutes-vom-see.de

Example for a Newly Established Logistic Structure:

The „UNSER LAND GmbH" (Ltd.) (Upper Bavaria, Germany)

The UNSER LAND regional marketing network has a dual structure. It consists of an economically oriented limited company responsible for price- and product-policy and logistics, and a UNSER LAND association, which involves non-economic-oriented partners who take care of the principles of a sustainable regional development.

The "UNSER LAND Ltd" brings together farmers, craftsmen, marketing people and environment to develop a consumer and market friendly offer of high quality food.

UNSER LAND Ltd. is partner of trade companies (supermarkets) and gastronomy for an efficient distribution of many of the UNSER LAND-products. Dependent from the sale channel there are different logistic models used by UNSER LAND Ltd. For the delivery of supermarkets the UNSER LAND logistics gathers the products from a variety of small farmers and producers, and distributes them to trade companies. A high number of so called market supporters are in direct contact with the supermarkets for giving advice and solving day to day problems.

For the supply of bakeries and butchers, however there are direct contacts between processors (mills, slaughter) and trade.

From Centralised Distribution to a Central Marketing Organisation

Depending on the volume of goods and the potential partners, centralised organisations (as the UNSER LAND Ltd.) will be necessary. Food retailers and large-scale gastronomy won't negotiate directly with single producers.

There are similar problems to solve in the field of bio-energy: In the case of the supply of energy production plants with wood chips, the question occurs whether this will be done through delivery by single producers or with previous accumulation.

There is a smooth transition between a centralised distribution structure and a central marketing organisation. While the first concentrates on the question of logistics and customer relations, thus bundling the needs of a number of different partners, the latter completes the regional market system with a joint communication policy and quality assurance or even the establishment of own shops or production facilities.

Example for a Regional Biomass Storage Yard:

Biomassehof Allgäu (Kempten)

The Biomassehof Allgäu, which was founded in 1997, is a service provider for energy wood products and offers a broad range of products from split logs over wood briquets and wood chips to wood pellets. It buys raw wood from regional forests, processes it into different products for wood heating (wood chips, pellets, wood blocks), stores them and sells it to the end consumer.

The Biomassehof Allgäu has been awarded with the Deutscher Solarpreis 2002 by the Europäische Vereinigung für Erneuerbare Energien e.V. (EUROSOLAR) in 2002.

www.holzbrennstoffe.de

The tasks of a centralised distribution structure comprise:

- Organisation of resource planning and logistics (collection, storage, delivery)
- Ordering system and controlling of flow of goods
- Management of invoice issuing and dunning process
- Provision of packaging and labels (scan codes etc.)
- Gaining of food retailers and respective negotiations
- Gaining of specialised food traders (like bakeries or butcheries) and respective negotiations
- Gaining of gastronomy and community catering and respective negotiations
- Gaining of heating plants and other buyers
- Tasks in the field of direct marketing from the farms (e. g. directory of vendors)

Tasks of a central marketing organisation:

- Qualification and consulting of partners in all aspects of marketing
- Allocation of information material about regional marketing for consumers
- Realisation of communication measures for regional products

- Establishment of an incentive- and reward-system for costumers
- Quality assurance (production criteria, managing of controls, etc.)
- Development of regional products by means of market survey and further improvement of ideas
- Production of regional products (e.g. operation of plants for processing)
- Development and operating of regional shops
- Development and operating of mobile points of sale
- Acting as responsibility body for funding of research and development projects
- Eventually, development and management of a regional brand

6.5 Implementation of a Regional Brand

In most cooperative regional marketing processes sooner or later the issue of a regional brand arises. If different companies collaborate beyond a common vision and with joint quality requirements a catchy sign or label with a short claim can help to transport the message of the initiative in an intelligible way.

But a brand does not only develop through the production of a common logo, claim and corporate design. Furthermore, diverse measures of identity shaping (see chapter 4), collective product development and design

of regulations of utilisation (i.e. production criteria) are necessary to create the basis for the regional brand.

The different definitions of brands and their benefits have been discussed in chapter 2. Here, we want to address the "technical" requirements regarding to the implementation of a brand.

In the first section we present a step by step procedure for the development of a regional brand. In sections 7.5.2 – 7.5.4 we highlight a number of important issues you should keep in mind when setting up a regional brand.

As chapter 7 addresses further important characteristics of regional branding systems (quality criteria) we decided give examples for regional brands from different categories only at the end of chapter 7.

6.5.1 Setting up a Regional Brand – The Process

The following figure proposes a straightforward way to develop a brand. Subsequently, each step is explained below.

Brand development at a glance

> Situation Analysis/SWOT
>
> ↓
>
> Identity/Enduring Values Targe segment
>
> ↓
>
> Creating the Brand´s Core Identity
>
> ↓
>
> Brand Organisation
>
> ↓
>
> Brand Architecture
>
> ↓
>
> Building/Growing the Brand/concerted M-Mix
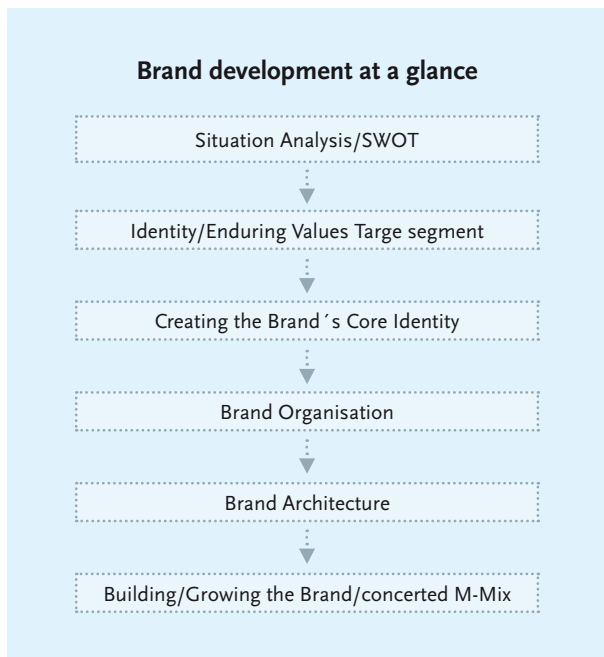
The situation analysis describes the first step of the process which aims at the identification of the strengths and weaknesses of the region compared to other regions as well as opportunities and threats anticipated from a macro level. The summary of both analyses is shown through a SWOT table. The procedures related to regional analyses have been outlined in chapter 4.

The next step consists of the identification of the internal and external perception of the region. In this context the terms brand identity and brand image can be distinguished. Simply spoken identity can be seen as

what the region tries to communicate, whereas images are defined as what the consumer perceives or the result and the understanding thereof.

Identity and Image

INTERNAL   EXTERNAL

As seen by the company — Image or the external picture of the brand ⋯▶ Identity or the self picture of the brand — As seen by the stakeholders
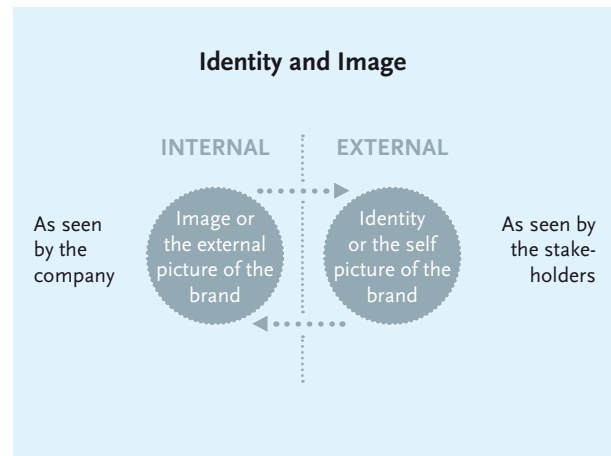
The second phase focuses on the determination of the identity and personality features of the target segments in focus. The stakeholders of the initiative have to determine which target groups shall be addressed and how. The address of specific target segments fosters the differentiation from the competition and facilitates the identification of the region by the consumer. In this phase, it is of great importance that a balance between the values of the target segments and those communicated by the brand is aspired.

Based on previous activities the brand's core identity is created. This core brand describes the region's identity as well as the vision of the region's stakeholders. According to Hankinson (2004) the core brand includes three components:

☐ Brand personality that is characterised by functional, symbolic and experiential attributes

☐ Brand positioning comprises the elements that make the region's brand unique and how the region wants their offers to be perceived.

☐ Brand reality draws on the ability to keep the promise made.

After the fundamental elements of the brand have been developed, it has to be assured that all activities are managed and organised professionally. This phase addresses the establishment of the **structure and culture for a long term brand management**. There is a need for a central organisation which is responsible for the activities of the brand. Furthermore, it shall guarantee a sound and consistent brand management. Otherwise it can be assumed that conflicting objectives will hinder the advancement of the brand's activities. The board should consist of persons who possess besides the vo-

The Srce Slovenije/Heart of Slovenia brand name represents an integrated tourism product, based around the offering of active travel and vacations in the heart of central Slovenia. Therefore, it combines the various aspects of the services found in this region (local and regional agricultural products and services) with the local sights, and promotes a variety of programmes for different target groups. In the broader sense, the name Srce Slovenije/Heart of Slovenia represents a framework for the formation of a common identity of this region. Its key values include kindness, friendliness, a domestic atmosphere, tradition, ecology, a healthy life-style: the essence and the heartbeat of Slovenia. One of the central aspects in the forming of the common identity is the future tourist destination, Srce Slovenije/Heart of Slovenia, which will combine the diverse options of this region and will be represented as a destination in Slovenia and abroad.

cational skills also social competence since they have to coordinate the different objectives of the diversity of participating groups which will require good communication skills as well as patience. In the case of plurality of participants an earlier establishment of such a board should be considered in order to coordinate any activities right from the beginning.

Brand architecture encompasses the design of the product and/or service bundle underlining the uniqueness of the region in order to present an attractive offer for the target groups in question. Additionally, this stage determines the branding strategy used (see chapter 2 for the different types of branding strategy). Regarding to regional branding the selection is limited. Often, regional brands are developed as umbrella brands. Since there will be many brands already established in the area the umbrella brand should also be able for co-branding. The activities of this stage mark the fundaments for the brand equity, i.e. the added value endowed to products and services.

Marketing experts recommend to first go through the steps and decisions outlined above before really starting to implement the brand by measures they structure along the so called 7 Ps: product, pricing, promotion, place, physical evidence, processes, people. These issues have been addressed in previous chapters, already.

However, in the following sections we further highlight some important issues concerning the implementation of a regional brand.

6.5.2 Conveying a Clear Message

A brand needs a central message or a combined set of such messages. Often such messages are formulated in terms of a goal like

□ "Qualified Demand – Qualified Supply"

□ "We want the change"

Sometimes the major benefit is the central message:

□ "Regional Products – Regional Labour"

□ "Tastes of Unique People"

□ "Buy together – Save together"

□ "Keep regional money in the region"

□ "Because we know where it comes from"

All activities and the reporting later in the process should concentrate on the central message. If the message is "regional products in every hotel" the initiative should measure the steps towards this goal and frequently publish the numbers of hotels which serve regional food. If the message is "new labour" the campaign should report stories of new work places or the success of a supply company in the region. And if the focus of the message is on the regional origin of the products information on the products and articles about the products would be published frequently.

In the ideal case a central message directly translates into a claim for the campaign or a logo. But even if it does not, every partner should be aware of this central message and use it in speeches, presentations, publications, talks. It is a major task of the campaigner to force, train and support the entire team to use the central messages!

6.5.3 Creating Recognition

Marketing success is a matter of repetition and reputation! This is the reason why campaigners and marketers create logos or brand names for their activities and products.

It is an ultimate goal to incorporate as much of the central message and the regional uniqueness into a logo. Nevertheless the logo should not be overloaded with information. It is more important to have a nice memorable graphics, maybe along with an attracting claim like "quality is our nature" or "the regional product - where economy meets ecology". Such a sign can well go along with multiple textual messages. It always pays to hire a professional to design such a logo and a uniform layout for all campaign materials, the so called "corporate design".

A logo is not just the little picture in the upper right corner of every letter! It links together all publications and activities. It shows up on flyers, flags, give-aways, on the web site, as a door label of hotels with regional products, in the advertising of all partners – and, of course on the products themselves.

Sometimes suppliers feel that their own brand name or company logo is more important than the logo of the campaign. Tell them that there are good reasons for "co-branding": a commonly used logo can give extra emphasis to the quality of their own brand. Why would SONY use the **intel inside** logo on their computers?

Interestingly, in English the word recognition has two meanings: "remember that you have seen it before" and "high reputation". That is something you should remember when establishing a logo. It is more than just a little picture. It is like a stamp and stands for quality. Make sure that only qualified and authorised partners are allowed to use that stamp. And only proven and high quality products and services should be allowed to use the stamp. Set up criteria together with your respective partners and formally sign a contract.

Not advertising, but publicity establishes a brand. So your brand should make good news – announce a new category, not a new product! Achieve a good reputation – if others say something good about your brand it is much more effective than what you say about it yourself. And that is the reason why publicity is more important than advertisement.

6.5.4 Protection and Registration of Brands

In order to control the use of your logo you have to have it formally protected by the appropriate legal authority in your country or on EU level.

There are a number of definitions that need to be known when thinking about such a registration.

Definitions

- Brand: A label for products or services, former registered trademark

- Registered Design: A sample of the two- or three-dimensional outward appearance of a complete product or parts of it, which especially results from lines, contours, colours, shapes, texture, materials and its ornamentation. Whether a logo falls into this category or not, has to be certified. Usually the trademark protection is valid for logos or the like.

- Product: Each industrial or technical object, including package, equipment, graphical symbols and typographical characters as well as single components which can be assembled to a complex product. A computer program is not a product.

- Utility Patent: An invention which is susceptible of industrial application (lowest requirements, "small patent")

- Collective Trademark: The holder of a collective trademark has to be an association with legal capacity or a legal person of the public law.

- National Trademark: A trademark, which is protected in a country

- Community Trademark: A trademark which is patented throughout the European Union.

- International Trademark: A trademark which is protected in the European Union and in Third Countries

  Equally: National Registered Design and International Registered Design

What are the Advantages of Registering a Trademark?

Registering a trademark facilitates the defence of the trademark against imitators who want to participate illegally in the commercial success of your trademark. The registration of a trademark in the public trademark

register also allows it to be easily found and helps prevent unintentional trademark violations.

Even cases have been reported, where outsiders have registered existing but not protected brand marks, which enabled them to either interdict the use of the brand to the original inventor of it or to demand licence fees.

A national trademark offers protection for the entire political region of the respective nation. For the correct procedures you should address your national Patent and Trade Mark Offices.

European and Alpine Space National Patent and Trade Mark Offices

► Austria: www.patentamt.at/Home/index.html
► France: www.inpi.fr
► Germany: www.dpma.de
► Italy: www.uibm.gov.it/
► Liechtenstein: www.llv.li/amtsstellen/llv-aht-geistiges_eigentum/
► Slovenia: www.uil-sipo.si
► Switzerland: www.ige.ch/
► European Patent Office: www.epo.org
► European Office for the Harmonization in the Internal Market (OHIM): http://oami.europa.eu/

If you want to protect your trademark in all of the 27 Member States of the European Union, it is feasible to register a Community Trademark at the Office for Harmonization in the Internal Market (Trade Marks and Designs) in Alicante (www.oami.europa.eu).

The main tasks before registering are:

☐ Older trademarks have precedence over newer– that means, on the basis of an injunction, newer trademarks can be prohibited from use or even cancelled. That is why you should find out if the trademark, name, logo or claim has already been protected by other companies or institutions. In order to prevent process risks and cost disadvantages, search for older rights – both registered and unregistered, as well.

☐ There are different supports you should use to conduct a search. For example the cost-free available trademark databases of the European Union Trademark Office and the World Intellectual Property Organization (WIPO), a specialised agency of the United Nations. In 1891 the WIPO established the Madrid System for the

international registration of marks. Today the "Madrid Express" contains the current status of all international registrations. Additionally, information can be obtained from the fee-based "ROMARIN" System of the WIPO, which contains the current status of all international registrations with all the details.

☐ Madrid System for the International Registration of Marks: www.wipo.int/madrid/en/

☐ ROMARIN database: www.wipo.int/romarin/

☐ Database of the European Union Trademark Office: oami.europa.eu/

☐ Since older company names can also take precedence over your more recent trademark application, we also recommend searching opposing entries in the Company Trade Register (For this, you should contact a company trade register court or an attorney/notary).

☐ Choose the correct Nice-classes for your registration. For that many companies consult specialised lawyers for supporting them in the research and the registration of their brands.

The NICE-Classification

"The International (NICE) Classification of Goods and Services for the Purposes of the Registration of Marks serves to determine the scope of protection of trade marks. Although the European Community is not party to the NICE agreement the OAMI has adopted the use of the NICE classification and makes its use mandatory for applicants of a Community Trade Mark. Currently the 9th edition is in force. The NICE classification is divided into classes of Goods (classes 1 to 34) and Services (classes 35 to 45). Each class number is represented by a heading giving general information about the type of product or service that belongs to it."[45]

What does a registration cost?

The costs for a registration differ from country to country and depend on the scale of protection (i.e. classes, nationwide or EU-wide protection), they can amount up to several thousand EUR.

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45 Source: http://oami.europa.eu/en/database/euroace.htm, 30.10.2007

7 Successful Alpine Space Brand and Marketing Systems – Criteria and Examples

7.1 Introduction: RegioMarket Criteria for a "Good" Regional Market System

It was one of the major goals of the RegioMarket project to enhance the development of cooperative regional marketing initiatives in the fields of food production, tourism and gastronomy and energy. Some of the RegioMarket partners have vast experience in setting up such systems, others have built their systems only recently. Some of the partners are actually within the decision making process for setting up regional marketing structures, joint marketing efforts or a regional branding system.

Therefore, the exchange of experiences – between more experienced and less experienced regional initiatives, within sector specific working groups and across sectors – formed one of the key-tasks of the RegioMarket transnational activities.

It was the main question within this working process, if there are factors and criteria by which successful and less successful regional market systems can be characterised.

Very soon the idea came up to elaborate a RegioMarket criteria set for "good" regional market systems relying on the experiences the project partners had gathered within their regional processes and on the evaluation of further best practice examples.

Three sector specific working groups went through an intensive discussion and elaboration process comprising several international workshops and exchange of draft papers.

Partners cooperating in RegioMarket have a consensus on following key factors for successful regional marketing systems:

- **Transparency and honesty:** If consumers buy a regional product or order a regional dish, they can rely on the regional origin of the majority of the preliminary products. Regional products shall create trust between customers – whether they live in the region or outside – and the producers in the region.

- **Quality criteria and controls:** The definition of "regional products" does not only include provenance, i.e. origin from a specific region, but also specified quality and production schemes with respect to this region. Criteria for the quality and the production methods need to be defined objectively and controlled by an external control organism. This will bring credibility to the commercial offer of that region and can be an efficient way to promote, save and develop the region with its natural and cultural heritage.

- **Producer and consumer dual approach:** Partners on both the production and the consumption side shall cooperate. Economic and non-economic groups should equally cooperate to gain success of the initiative.

- **City-Land-Partnership:** Consumers in cities and towns shall get the opportunity to not only receive goods and services like food or energy from their countryside but also link to the producers and estimate their efforts. In this sense regional products shall carry a message to the consumer: You are responsible and you can take action to preserve the places you live in or go for weekend or for holidays.

- **Regional added value:** Partners of regional marketing systems should create added value in the region as far as possible.

- **Sustainability:** Regional market systems should follow the principles of a sustainable regional development taking into account ecological, economic and social aspects in parallel. Sustainable development is therefore reflected also in the respective criteria systems.

The sets of criteria and indicators outlined in the sections below have been elaborated by the RegioMarket partnership as a proposal for further discussion and are supposed to be a starting point for the definition of a regional market support or branding system. Regional initiatives are free to adapt the set of criteria as needed. However, the RegioMarket partners agree that only if a certain degree of coherence with the following criteria is in place the regional market system shall be called "RegioMarket approved".

Reasons for coming up with RegioMarket criteria comprise:

- Regional market systems in the Alpine space shall be built on a high level of commonly accepted values linked with the Alpine territories and places.

- Producers shall get indications towards better production – in terms of product quality and

production methods that help to preserve the Alpine Space.

- □ Consumers shall get a promise from the producers and start reflexion on the feasibility of extended regional supply.

Throughout the RegioMarket project partners developed these sets of criteria as a good practice guideline for initiatives that want to establish a credible regional support system or a regional brand. Further steps could be an overall awarding and controlling system and the installation of an authorized organisation.

A "Good" Regional Market System

A regional marketing system is a cooperation to manufacture goods from local resources and to sell products and services from a region in the region or beyond it on a national or supranational scale. Such a marketing system is in line with the RegioMarket definition if

- □ cooperation partners are cooperating according to certain structure and process related criteria,

- □ the regional initiative has formally defined their partnership in a statute and set clear partner criteria to define the group of regional partners,

- □ all products which are produced and marketed by the regional partnership follow a number of quality requirements.

Throughout the RegioMarket project partners developed an evaluation scheme to approve regional market systems. For this purpose a measuring system has been developed which allows to calculate a degree of coherence. If the degree is higher than a defined threshold, the system can receive the RegioMarket quality stamp.

In chapters 7.2 – 7.5 the RegioMarket criteria for "good" Regional Market Systems in the food, tourism and gastronomy and energy sectors are displayed. They are the results of discussions in the respective RegioMarket working groups. The RegioMarket partnership understands these sets as an input for further discussion on product quality and sustainable development in the Alpine Space and the promotion of regional value chains.

7.2 RegioMarket Criteria for a "Good" Regional Market System in the Food Sector

The members of the working group on regional market systems in the food sector agreed on the following structure of their proposal on a RegioMarket criteria set:

A) Structure and Process Criteria

B) Partner Criteria

C) Basic Product and Production Criteria

D) Specific Product and Production Criteria

These four types of criteria will be described in detail in the following chapters.

This RegioMarket definition of regional systems and products is not in contradiction with EC regulations Nr. 509/2006 and Nr. 510/2006 (PDO, PGI, TSO). It is supposed to give consumers transparency which goes beyond those regulations and to help producers defining their regional value adding systems.

7.2.1 Structure and Process Criteria

These criteria explain how the development of the regional market system shall be driven in order to optimally involve relevant stakeholders and to build a stable regional partnership.

- □ The regional marketing initiative supports creation of added value in the region. This implies preserving small scale production facilities, creating and securing work

places and building on regional resources as far as possible.

- □ The regional marketing system follows the rule of fair pricing. All partners of the production-trading-chain shall be adequately honoured for the production of the product itself and as well for their contribution to the sanity of nature and culture.

- □ Throughout the development process and in its structures the regional market system shows a dual structure. Partners on both the production and the consumption side, economic and non-economic groups cooperate to gain success of the initiative.

- □ When defining "specific product and production criteria" members from all links alongside the production-trading-consumption-chain are involved.

- □ The regional partnership has an independent control system for its products built on accredited control institutions as far as possible.

- □ The initiative seeks cooperation with external stakeholders, such as research institutes, environmental oriented NGOs and others.

- □ The initiative is open for inter-regional cooperation with other initiatives or institutions in Alpine Space.

7.2.2 Partner Criteria

These requirements apply for people and organisations that are willing to be seen as partners of the regional market system. Only partners who obey to these criteria shall be allowed to use the regional brand, participate in joint marketing activities and get benefit from the system.

Production and business partners of the regional market system can be

- □ farmers and producing companies,
- □ trades and logistics companies,
- □ crafts for production and services,

or a consortium of such, if they

- □ have their domicile and production site in the region or can prove that production of the regional products is separated from other products,
- □ have admission to run their business and their production technology provide high quality workplaces in terms of technical equipment,
- □ fully respect social rights of their employees and business partners as defined in European Social Charter,
- □ disclose their production methods to control institutions as well as to consumers if requested,
- □ actively support the development of the producer-consumer-partnership[47],
- □ help to overcome the major challenge of climate change by applying energy efficiency means or using renewable energies,
- □ contribute to the preservation and development of the natural and cultural heritage of their region.[48]

47 While details need to be negotiated and settled in a contract, partners should as a minimum take part in regular information and qualification meetings on topics like regional marketing, branding, quality management etc.

48 Specific contributions in this sense need to be defined per region. However a harmonised goal of having 10 % of the partner's land being dedicated to nature preservation or reserved for extensive production seems to be feasible especially in the Alpine Space, where biodiversity belongs to the major strengths.

Other partners can be

- □ gastronomic services,
- □ municipalities,
- □ associations,
- □ institutions

if they follow the above criteria respectively or actively support production partners in doing so, especially by using the offerings of the production partners.

7.2.3 Basic Product and Production Criteria

These criteria outline requirements that apply for all products of the regional program. In some sense this describes the minimum standard for a product to be allowed to participate in the joint regional market system. Partners from the different food sectors should come up with a consensus on this base line.

In general terms a regional product shall

- □ add to the palette of regional and/or traditional products,
- □ have an optimal quality and induce high satisfaction on the consumers' side,
- □ help to create identification of producers and consumers with their region.

In order to support those goals the definition of the regional market program shall contain the following basic criteria and a mechanism to control them:

- □ Product quality is in line with at least one subnational, national or international quality standard, if such exist for the product.
- □ Production criteria are built upon at least one national or international multilevel quality standard[49] or a subnational standard accepted by EC[50].
- □ Controls of the regional program rely on the established control systems of the respective norms.
- □ Information about the regional product is free from misleading information about the origin of the product and its ingredients.
- □ Unprocessed regional food and food with one ingredient only (e. g. meat) is 100 % produced in the region.

49 e. g. EUREPGAP, IFS, BRC, QS (Germany), QM-Schweizerfleisch
50 e. g. Qualitätszeichen Baden Württemberg

□ Processing of regional food has to be done inside the region. Taking the entire value chain at least 2/3 of the final product value have been created in the region.[51]

□ For <u>processed</u> food labelled as regional specialty ingredients of the final product are as far as

technically possible from the region and follow the respective basic and specific criteria. The program definition contains following minimum regulations:

Ingredients that for technical reasons[52] cannot be produced in the region must not exceed a weight threshold of 25 %.

□ The time an animal has to be in the region before being considered a source for a regional product is minimum 2/3 of its lifetime.

□ Non-regional ingredients preferably stem from a neighbouring market system which is in line with RegioMarket criteria.

□ Following criteria are in common for all end products unless overwritten in specific criteria:

   □ Production of the product itself and of any preliminary product is free from genetic engineering.[53]

   □ The entire farm does not use sludge or compost from domestic waste.

   □ Animals are held according to accepted rules of animal welfare.

   □ Nutrition of fields with artificial fertilizers follows the concept of integrated farming[54] or specific recommendations based on analyses

   □ Use of permitted chemical pesticides is only allowed if biological treatment does not promise success.

7.2.4 Specific Product and Production Criteria

These criteria depend on the very product and shall be defined alongside the entire production-trading-consumption-line. According to the Process and Partner

....

51 Reference point is the price at which the product is sold from the final production entity.

52 This implies that „raw product can be bought cheaper outside the region" cannot be accepted as a reason to give up the regional supply of ingredients. However, if there is a shortage of supply with raw products that can be accepted as technical reason.

53 This means that neither the product nor the preliminary products fall under regulations (EG) Nr. 1829/2003 and (EG) Nr. 1830/2003 dated 22.09.2003. Furthermore it means that products are free from genetically manipulated organisms (GMO) even if there is no liability of declaration.

54 e. g. „agriculture raisonnée" in France or „Integrierter Anbau" in Germany

Criteria producers and consumers as well shall be involved in the development of such criteria.

As indicated in the Basic Product and Production Criteria production follows at least one subnational, national or international multilevel quality standard and undergoes respective controls.

For every product the specific criteria need to explain

   □ which standard and control scheme shall apply for the product,

   □ which criteria shall apply in addition or to what extent the regional quality programme exceeds those requirements for the very product,

   □ how criteria of the standard shall be exercised and controlled.

7.3 RegioMarket Criteria for a "Good" Regional Market System in the Energy Sector

The members of the working group on cooperative regional marketing in the energy sector suggest the following key-issues of a RegioMarket criteria set:

   □ regional oriented and environmentally friendly production value-added process,

   □ state-of-the-art technology,

   □ conservation of typical regional landscapes,

   □ inter-regional cooperation in Alpine Space,

   □ SME orientation,

   □ state-of-the art quality assurance system,

   □ environmental orientation and corresponding vision,

   □ cooperation with external stakeholders,

   □ all inclusive service-network,

□ excellent management based on a sustainability oriented vision.

In the following section these issues are explained. Each of them builds a criteria group which again consists of a number of so called sub criteria.

Criteria Group 1: Regional Oriented and Environmentally Friendly Production Value-Added Process

Explanation of Criteria Group

RegioMarket aims at strengthening the position of Alpine Space. A means to reach that goal is of course strengthening each region of the Alpine Space. Therefore high emphasis is put on regional orientation of companies and initiatives. In other words: a company or initiative has a true RegioMarket character if its value-added process is mainly done in the region; this fosters economic growth in the region and helps to secure employment. Furthermore, production processes should be environmentally oriented in order to preserve the region's nature. This is not only important because of the quality of life in the region itself, but has also further benefits: such a region is attractive for skilled personnel who represent an important pillar of economic growth in today's global business.

Sub Criteria

□ Initiative should support creation of added value in the region (=> region-based players and members of a cooperation network, i.e. home-based players).

□ The firm has its premises and sites in the region.

□ The firm is member of a cooperation network (e.g. cluster).

□ Environment-friendly production (efficient primary energy use, sustainable use of resources, and others); see also EMAS system

□ The production is in line with at least one national or European quality standard referring to the sustainable use of resources; regular controls are given.

□ Regional sourcing.

□ The components of the final product are as far as possible from the region.

□ Combination with non-renewable energy sources.

□ Product externalities are taken into account.

Relevance

□ protect environment,

□ strengthen the economy

Criteria Group 2: Technology in Use is State-of-the-Art from a Regional, National and European Point of View, Respectively

Explanation of Criteria Group

The products and services of the company/initiative should be of high quality. Furthermore, as already mentioned above, production processes should have as little negative external effects on a region's nature and culture as possible. The best way to reach these goals is to have modern facilities and make use of modern technologies. As the meaning of "state-of-the-art" may differ between certain regions, "modern" has to be assessed not only from a regional point of view, but also from a national and European perspective, respectively.

Relevance

□ protect environment,

□ strengthen the economy

Criteria Group 3: Company or Initiative Should Support Conservation of Typical Regional Landscapes

Explanation of Criteria Group

From RegioMarket's perspective strengthening the region refers not only to attracting new businesses but also to conserve the attractiveness of the region's environment, e.g. its landscapes. Especially in the Alpine Space tourism seems to have a bright future. An essential asset – or even a Unique Selling Proposition – is its natural environment. Preserving it not only contributes to a high quality of life for the people living in the region but also fosters the growth of one of global economy's most important sectors in the future.

Sub Criteria (Examples)

□ No use of genetically engineered plants.

□ Crop rotation on a high level.

□ Conservation of characteristic landscape.

□ No ploughing of grassland.

□ Share of cultivable land used for energy related crop growing should not exceed a certain level.

□ Architecture is in line with style generally used in the quarter/area/region.

Relevance

□ conservation of typical regional landscape

Criteria Group 4: Interregional Cooperation with other Companies or Institutions in Alpine Space

Explanation of Criteria Group

These criteria should make sure that the cooperation is not limited to a certain region. An initiative in the Renewable Energies sector needs a big market power in order to be attractive for possible partners from the business world. In the course of RegioMarket it turned out that many companies are interested in participating in a marketing cooperation provided that this cooperation has critical mass and could serve as a base for entering new markets. This refers to both the sheer number of participants and the geographical markets covered by the initiative. Thus, the cooperation in question clearly should have international focus. As RegioMarket is embedded in the Alpine Space program, the geographical focus of such cooperation should finally be – at least – Alpine Space.

Sub Criteria

- □ Duration (Start of cooperation [year]?)
- □ Number of partners
- □ Intensity of cooperation (What does the cooperation stand for? Is a regular exchange between the partners given?)

Relevance

- □ Strengthen the economy
- □ Foster Alpine Space identity

Criteria Group 5: Company or Initiative Should Be SME Oriented

Explanation of Criteria Group

The role of SMEs in modern economies is without any doubt a crucial one. According to the European Commission, "SMEs play a decisive role in job creation and exports and act as a factor of social stability and economic drive [...]". Not surprisingly, SMEs often show lacks of competence in fields such as marketing. Therefore, cooperation is an ideal means for small and medium-sized businesses, to overcome these shortcomings. As mentioned above, SMEs' relevance for economic and employment growth is high, therefore supporting SME cooperation has a lot of advantages for both the SME themselves as well as the economies – and thus the regional development – in the Alpine Space.

Sub Criteria

- □ Size of companies (see definition issued by European Union.
- □ Numbers of employees? <9; 10 – <49; 50 – <249).
- □ Is an overlap of management and ownership in the company given?
- □ Is the company running independently (legally and economically)?

Relevance

- □ strengthen medium-sized businesses
- □ foster Alpine Space identity

Criteria Group 6: Company or Initiative Should Have a State-of-the-Art Quality Assurance System or Something Equivalent

Explanation of Criteria Group

Globalization is currently the most important development for economies all over the world. Each company has to make large efforts in order to be competitive: reduce costs, improve organisational structures, be innovative, and others. In this era of high competition it is indispensable to provide customers with high quality products and services. This does not only refer to the essential benefit of a product or service but also to optional extra services. Therefore a state-of-the-art quality assurance system is an important brick in the wall of a successful cooperation.

Sub Criteria

- □ See EMAS system (or other national or European quality standards)

Relevance

- □ Fulfil minimum quality requirements

Criteria Group 7: Company or Initiative Should Be Environmentally Oriented and Should Have a Corresponding Vision

Explanation of Criteria Group

RegioMarket explicitly aims at fostering sustainable development. Sustainability in this context also refers to

the protection of the environment. The environmental orientation of a RegioMarket-based cooperation is twofold: First, cooperation in the Renewable Energies sector is environmentally oriented a priori as the essential benefit of the offered products and services aims at the efficient use of natural resources. Second, RegioMarket recommends that each participating company – and of course the cooperation itself – should have an environmental mission statement. This makes sure, that not only products and services but also the operations of the companies involved are environmental friendly. Thus, the mission statement must not be limited to a global vision but should also mention implementation strategies and concrete measures. In case the company or initiative does not have such a vision, the certification process should include a respective commitment; this could be in the form of signing a "Declaration of Environment" issued by RegioMarket.

Relevance

- □ protect environment.

Criteria Group 8: Cooperation with External Stakeholders

Explanation of Criteria Group

These criteria aim at obtaining an overview of the company's cooperation with external stakeholders such as research institutes, NGOs, municipalities, etc. Therewith the focus is on the type of cooperation, types of partners, kind of relationship with them as well as the objectives related to these cooperation. Cooperation with external stakeholders is seen as a relevant indicator to identify the importance of social responsibility taken by the company.

Sub Criteria

- □ Relationship to stakeholders in general.
- □ Type of cooperation (Which types of external stakeholders do the company cooperate with? NGOs/Research Institutes/consulting firms/customers).

- □ Which are the aims of this/these cooperation?
- □ Is the cooperation a success?
- □ Does the firm follow a short- or long-term perspective with this/these cooperation?
- □ Number of partners.

Relevance

- □ link economy and ecology.

Criteria Group 9: Company/Initiative Should Represent all Inclusive Service-Network (Product Bundles, System & Service Packages such as Contracting) Instead of Selling Single Products

Explanation of Criteria Group

This part of the overall assessment focuses on identifying the wide and/or depth of the product and service range the company is offering to customers. It is expected that companies provide their customers with all services needed to successfully apply the products or services. Consequently, the customers have one contact for all probable queries. Furthermore it is anticipated that companies actively involve customers in their processes.

Sub criteria

- □ Does the firm offer a range of products? (Wide vs. Deep)
- □ What kind of add-ons does the firm offer?
- □ Decided customer orientation
- □ What kind of measures is installed to involve the customers?

Relevance

- □ quality,
- □ offer the customer all-inclusive products and services,
- □ value creation in the region.

Criteria Group 10: Company Should Have an Excellent Management Based on a Sustainability Oriented Vision

Explanation of Criteria Group

This set of criteria consists of crucial items allowing the assessment of the management. With it the special focus is on the management's capacity to prepare the company for future challenges. Furthermore, the items focus on the assessing of the management's gravity relating to environmental issues.

- ☐ See EMAS or similar system.
- ☐ References.
- ☐ Interview with tax consultant and others.
- ☐ Data acquisition from third party institutions such as credit reform.
- ☐ Expansion of available supply of electricity.
- ☐ Influence on behavior of suppliers, partners, sub-contractors.
- ☐ Company/initiative puts high emphasis on education and further education/training for both staff and management.

Relevance

- ☐ strengthen the economy.

7.4 RegioMarket Criteria for a "Good" Regional Market System in the Tourism Sector

The members of the working group on regional marketing systems in the tourism and gastronomy sector have developed a RegioMarket criteria set aiming in a process consisting of in several steps.

There are good reasons for developing a minimum set of common requirements to be applied to tourism and gastronomy activities in the Alpine Space:

- ☐ They increase coherence and identity of different tourist activities and services that operate in different countries but share a similar environment in terms of endowment of natural resources.
- ☐ They contribute towards building new systemic relationships and strengthen existing networking systems, both internally and externally.
- ☐ They improve communication towards the final consumers by enhancing transparency and credibility of the marketing systems and of the products traded through it.
- ☐ They help to increase the quality of the products and services supplied, both for existing ones and for those 'under construction', for which they can represent important guidelines for orienting the development of the activity.
- ☐ Finally, therefore, they can contribute towards the valorisation of the Alpine territory, of its environmental resources and of its human and social capital.

The set of common criteria which should characterise "good" RegioMarket Tourist and Gastronomy products comprises four categories:

1. **System Criteria:** this category includes the general criteria controlling the development of the system, the main rules of governance and the actions to be undertaken to involve stakeholders and build stable relationships amongst them.

2. **Partner Criteria:** this category includes the set of criteria that each partner should comply with in order to be part of the system, thus using its network and enjoying its benefits. It also includes criteria paying attention to using production techniques and processes that contribute to the conservation or improvement of the general environmental quality of the Alpine territory. This is important, if we want to establish a marketing system that has relevance also in terms of sustainable development.

3. **Product Criteria:** these criteria are those used and ascertain the link between the food served and the territory in which it is produced.

4. **Service criteria:** this group includes all those criteria defining the quality of the catering environment and of the services through which the regional products are offered to the client.

The common set of criteria can be equally used whether the regional marketing system entails the development of regional recipes and menus (as in the case of the German and Slovenian examples) or is approached through the creation of Itineraries and Roads for food and eno-gastronomy products, as it is more common in the Italian situation (see examples in section 6.2.2).

7.4.1 System Criteria

A RegioMarket Tourist and Gastronomy system

- ☐ creates value added in the Region: This means that the activity or the service has positive economic spill-overs on creation of employment and on the activation of other productive activities in the region. In being so, it acts as an engine to the endogenous development of the region.
- ☐ distributes value added fairly along the production chain: This implies that participants of an initiative share a common vision on the distribution of profits generated through the production chains, which should not remain with one or few final segments but are redistributed to all those

who have entered in the process according to their contribution to it.

□ contributes towards the creation of a clear regional identity: This means that the typologies of production methods and of the offered services are rooted in the cultural and traditional values of the region.

□ contributes towards the creation of a positive image of the region: This entails that the initiative is able to implement strategies and processes so that it "sells the territory" with all its cultural and environmental and not only an economic activity physically based on it. The "image" can be seen as a proper "brand" of the region.

□ is able to create collaborative relationships in the region: This is essential for a good functioning of the initiative, which should be able to create connections between its participants by building the conviction that they are all working for a common interest.

□ contributes to the preservation and development of the natural and cultural heritage of its region: This is essential for activities that take place in regions which are endowed with important natural resources like the Alpine Space. It also means that the initiative should not be focused on promoting economic activities that are completely unrelated to the tradition and culture of the Alpine systems.

□ is open to cooperation with other institutions or initiatives in Alpine Space: This open attitude is essential for amplifying the positive relationships and networks created through the single initiatives.

□ has a control system based on ex-ante, ongoing and ex-post control and monitoring performed either through a technical panel or an independent audit institution: The inclusion of this criterion is based on the acknowledgment that a well-functioning monitoring and auditing system is vital for the creation of a credible and stable reputation of the initiative with regard to the final consumer.

□ is able to implement a strong communication strategy: Communication is an indispensable condition for the success of the initiative. The strategy must be able to communicate clearly all the positive values created by the initiative. The communication means, at least at a system level, should be based also on innovative instruments like the world wide web.

7.4.2 Partner Criteria

A "good" partner of a RegioMarket Tourist and Gastronomy system:

□ has the seat of activity located in the region: This is an essential condition for building up an authentic regional market system, as its participants must be strongly related to the regional environment and have a direct interest in its sustainable development.

□ carries out an activity coherent with the general image of the territory and of the regional marketing strategy, so that it adds to strengthening the regional identity: This implies that each participant to the initiative shares common interests and that participants are aware that they are working for achieving mutual benefits.

□ uses sustainable production methods: This means that the initiative promotes positive attitudes towards products obtained from cultivations respecting good agricultural practices established at a regional level and paying attention towards the use of water and energy.

□ respects local architecture style: Participants should be aware of the importance of following an architecture style well harmonised in the regional landscape and follow this principle when restoring existing structures or building new ones.

□ is transparent in communicating production practices and processes: The Participants' attitude is open to disclose production and processing methods to control institutions and to consumers whenever requested.

□ is open to receiving training measures: Participants should be available to receive training that supports developing capacities, attitudes and behaviours consistent with the general RegioMarket Tourist and Gastronomy system and its criteria.

7.4.3 Product Criteria

A product under a RegioMarket Tourist and Gastronomy system:

□ is based (completely or to a defined extent) on the use of traditional or conventional products from the region for the preparation of dishes: This criterion helps to establish links between

the RegioMarket Tourist and Gastronomy system and the RegioMarket Food Product System in a holistic approach.

- ☐ is prepared (completely or to a defined extent) following traditional recipes from the region: This criterion represents the value-added of a RegioMarket system in comparison with any other indistinct gastronomy product offered in the region.

7.4.4 Service Criteria

A service under a RegioMarket Tourist and Gastronomy system:

- ☐ offers menus including a choice of regional dishes and recipes from the region: This criterion represents the link with the product criteria mentioned above.

- ☐ uses serving equipment suited to the food and beverages (e.g. wines in wine regions) offered: This particular criterion is important to attract more sophisticated clients and help give them the perception that the system is well harmonised in all its aspects.

- ☐ is trained to give advice on the choice of the most appropriate beverages (e.g. wines in wine regions) to accompany the food: This criterion helps creating a positive and satisfactory relationship with the client who feels well catered and enjoys the full benefits of a meal where the different tastes are well-matched.

- ☐ provides information to clients about the products and the production techniques: This adds to the transparency of the whole system and gives the client the perception that he/she is active part of the system and can positively contribute to it with his/her choices.

- ☐ keeps menus and the price lists in a visible position: Also this criterion contribute towards the transparency of the system.

- ☐ is trained to 'tell stories' about the history and cultural heritage of the region: This criterion creates a perception for the client that, by eating a dish, he is relishing a full region, with its traditions and cultural heritage.

- ☐ makes available to the client brochures, travel guides, maps and books on the cultural and tourist features of the area: This criterion again helps creating for the client the specific image.

- ☐ provides staff able to speak one or more European languages: This criterion builds an international reputation of the system, in the perspective of an Alpine Space system.

7.5 Examples for Criteria Systems of Regional Marketing Systems in the Alpine Space

Some of the further developed systems the RegioMarket project partners are involved in are characterised in this section. The choice below covers different fields of activity including initiatives dealing with food products, tourism services or energy matters.

7.5.1 The Brand „Kaiserlich Genießen" (Kaiserstuhl Region, Baden-Württemberg, Germany)

Winegrowers, distillers, farmers, millers, bakers and many others have allied to the brand community "Kaiserlich genießen" in order to save and to develop the Kaiserstuhl region as a unique space for living and economy and as an area of unspoiled nature.

The development of the brand "Kaiserstuhl" is carried out in the context of PLENUM, a project of the federal state Baden-Württemberg for conservation and development of nature and environment. Beside environmental projects, pilot projects from the fields of marketing, agriculture, tourism and environmental education are initialised to show that economical action and applied nature conservation do not stand in contradiction. In a broad will-formation process all stakeholders have agreed on a registered word mark and logo with the slogan "Kaiserlich genießen" combined with a stylised scenery of the "Kaiserstuhl" landscape. The term "Kaiserlich genießen" translates like "enjoying like the emperor" and refers to the enjoyments that the region provides for gourmets and nature lovers.

All partners of the brand community "Kaiserlich genießen" commit to actively support the enforcement of the regional economy and to work on the building-up of a regional producer-consumer-partnership. All partners make a special contribution to the preservation of the unique nature in the area of the "Kaiserstuhl", e. g. by cultivating 10% of their agricultural area extensively or

by cultivating it according to the professional requirements of nature conservation.

The criteria system of the „Kaiserlich genießen" brand is clearly structured. On a first level partner criteria for producers and providers of products and services were defined. The second level is a criteria set of comprehensive basic product criteria. And as a third level specific criteria for various products and services were determined.

Partner-Criteria

Partners and users of the brand "Kaiserlich genießen" can be companies or consortiums of those from the fields of

- □ agricultural or forestry production, processing or marketing,
- □ trade and logistics,
- □ handcraft (production and services),
- □ gastronomy-, lodging- and tourist-services,

if they

- □ are domiciled in the Kaiserstuhl region,
- □ are an approved company with an adequate level of qualification and technical equipment,
- □ actively support the enforcement of the regional economy,
- □ work on the building-up of a regional producer-consumer-partnership in order to promote the development of the joint quality system,
- □ make a special contribution to the preservation of the unique nature in the area of the "Kaiserstuhl" (specification in a separate appendix of criteria).

All products of the "Kaiserlich genießen" quality brand are manufactured having regard to basic product criteria that all partners along the production chain have committed to. They guarantee e. g. that

- □ the product enriches the characteristical regional choice of products from the "Kaiserstuhl",
- □ only fresh and top-quality goods are used,
- □ fertilisation and pest management are carried out after strict criteria of winegrowing or of the quality sign of Baden-Württemberg for controlled cropping,
- □ no genetically modified organisms and no sewage sludge are used,
- □ well-trained personnel is deployed in production as well as processing and high quality of jobs is warranted.

The criteria sets for specific products comprise the following:

- □ grain, flour and bread,
- □ vegetables and vegetable products,
- □ fruit and fruit products,
- □ liquors,
- □ honey,
- □ ice cream,
- □ regional menu cards,
- □ lodging.

Product and production criteria follow as far as possible national or international standards. For all products there are also a number of criteria which supersede or surpass those standards – at least when it comes to the definition of "regionality" and the definition of "good partnership". The latter is very important for the Kaiserstuhl partners.

www.naturgarten-kaiserstuhl.de

7.5.2 The "Jarina" Brand (Slovenia)

"Jarina" is the brand of a regional marketing initiative for products and services in Slovenia. The brand is owned by Jarina cooperative (Jarina z.o.o.) and is only allowed to be used in accordance with a respective guideline that defines the Jarina criteria. The brand is registered as a brand by valid legislation in the field of industrial property protection in the Republic of Slovenia.

The right to use the brand is granted to producers who fulfil the conditions of the criteria. The matters regarding the brand are arranged by the expert commission for the brand, which is named by the Jarina Board.

Members of the evaluation commissions are experts for sensory evaluation with completed test for evaluator. Evaluation commissions perform the evaluations in the way, defined by the basic guideline and special guidelines for specific products. The producers have to apply their products for evaluation on the basis of a public appeal for evaluation, published by Jarina cooperative.

The brand can be assigned to milk and dairy products, durable meat products, herbs and tea, bread and wheat products, fruit products (dried fruit, juice, jam, marmalade, fruit wines, vinegar, compote), canned vegetables, natural distilled spirits, honey and honey products, arts and crafts products.

General conditions for all products are:

- All sanitary and other regulations for marketing of the product have to be fulfilled.
- The product has to fulfil the quality criteria, set by Jarina cooperative.
- The producer is obliged to use the unified package (if existing).

The user of the brand can be a farmer, a member of the farm household, an agricultural or development cooperative, an association, a craftsman, an independent entrepreneur or a citizen with registered activity. The user of the brand can perform independently or by a common organizational form on the market.

The right for using the brand can be awarded to a producer who submits the evidence on fulfilling the quality from evaluations like »Dobrote slovenskih kmetij na Ptuju« (good things from Slovenian farms in Ptuj) or who submits his products for evaluation to Jarina cooperative. From the day of assigning the right for the use of the brand the producer gains the right to use the logo on his products, promotional materials and selling points.

The user of the brand binds himself to maintain permanent quality level of the product. The Board permanently controls the quality of the products.

7.5.3 Brand "Parco delle Prealpi Giulie" (Friuli Venezia Giulia, Italy)

The Prealpi Giulie Regional Nature Park is a mountain park, covering an overall surface area of around 10,000 hectares in the Province of Udine. The park's territory spans two different geographical areas – the Giulie Alps and the Subalps.

The RegioMarket project gave the opportunity to further develop an already existing Park's brand which had been set up earlier to certify quality, environment protection and the typical origin of products and services. Within RegioMarket a quality system around this logo was created and a certification system for tourism services was set up.

The result was the creation of five different regulations that include a common part, regarding general principles and a specific part with statements for each of the five categories involved. The general brand criteria are mainly based on quality, environment sustainability and valorisation of typical products and recipes. Specific regulations state particular requirements related to the activity of the partners in the system.

The regulations have been developed in workshops with representatives of the involved sectors.

Impact of the criteria:

- Identity: representation of the territory.
- Sustainability: balanced contribution to environment (conservation) and economy (development).
- Quality: minimum standard in tourism offer.
- Each regulation (five in total) lists specific requirements.

The whole set of criteria consists of the following parts:

- architectonic intervention,
- reception and public relations,
- public areas,
- valorisation of the territory,
- environmental sustainability and landscape,
- energy,
- water,
- reduction and recycling of refusals,
- agriculture and food transformation,
- sales,
- hotels, guesthouses, rural houses,
- restaurants,
- tourist services.

The regulation comprises two kinds of rules: mandatory and facultative ones. Facultative rules have a value (from 0,5 to 3 points). To access the brand, all mandatory requirements have to be satisfied and the total amount of facultative rules has to be equal or more than 20 points.

Also a control system for the proper use of the brand has been outlined, by the institution of a control commission in order to program and activate monitoring to enterprises. The quality controls are managed by the park's administration office, representatives of the scientific community and of the involved economic sectors.

Main elements of control system are:

- regulation system that explains the correct use of the brand,
- control board formed by Park's representatives, scientists, enterprises of all categories,
- direct control on field by qualified auditors teams,
- periodical report from audits,
- technical assistance to enterprises to overcome critical elements to join the brand.

In fact, in order to help partners to reach a satisfying quality standard, the regulation system has been conceived not only as an instrument of control, but also as a guideline to drive and support partners towards good practices. Involved enterprises can contact the Park directly and get help in interpretation of the regulation statements finding certain and accepted answers to questions about quality. In different words, the aim of the regulation system is not only to say "what", but also to say "how".

www.parcoprealpigiulie.org

7.5.4 The "LandZunge" Brand (Allgäu-Upper Swabia, Germany)

The LandZunge Project was established as a gastronomic cooperation in the Allgäu-Upper Swabia region. The project has three tightly interwoven objectives:

- □ **The LandZunge Brand:** Promotion of regional marketing for high quality products.
- □ **The LandZunge Promotion:** Promotion of the regional, rural, quality-oriented restaurant and catering industry.
- □ **LandZunge Media:** Cooperative publicity with promotion campaigns, advertisements and LandZunge Magazine.

The criteria for products of LandZunge Promotion's label are multidimensional. Regional provenance is one aspect, the ambition of the producer is another: preferably of artisan and traditional character than industrial and commercial, rather regional than global. LandZunge promotes potato salad rather than French fries, and organic orchards, Alpine dairy farming and sourdough rather than plantations, factories and processed foods. Nevertheless, the LandZunge Promotion is realistic and also backs associates who can deliver large quantities economically to the restaurant industry. The promotion must be effective and should operate sustainable.

Above all, however, LandZunge is uncompromisingly obligated to the sense of taste. All LandZunge products will therefore be taste-tested by a small jury. Likewise, an award from the annual competition for "Regional Taster" is binding. The criterion of flavour also applies to organic products. For LandZunge, this means: organic is an option but not a necessity – otherwise the variety of the best regional products would be diminished.

LandZunge Brand's product criteria comprise five categories:

- □ regional provenance (Allgäu and Upper Swabia),
- □ seal of Quality ("QS" (Quality Assurance), "QZ", organic, et al.),
- □ rural production (Species-appropriate animal husbandry) (Certification of suppliers) + Fair prices (Verification of the producer),
- □ optimal manufacture (Artisan methods) (Inspection and testing of the suppliers),
- □ flavour (Testing of each product by experts).

The goal: The LandZunge brand should become identified with the Allgäu-Upper Swabia region in the minds of local residents and guests. The brand stands for cooperation between restaurant owners and farmers, regional loyalty, an obligation to quality, and gastronomic ambition. Restaurant owners, who join the LandZunge Promotion, obligate themselves to the use and labelling of as many high quality regional products as possible.

The quantities, the provenance and the approved suppliers within the realm of the LandZunge's supervision must be open to disclosure at any time. Suppliers may be visited and inspected at any time by representatives of LandZunge GbR.

LandZunge GbR will recognize other existing regional brands such as "Prima Rind", "Von Hier", or "Bergbauern" as premium products. This also applies in principle to all organic products of the region. However, they must also be registered with LandZunge GbR and will be subject to monitoring procedures.

The LandZunge Project consists of agricultural producers and restaurant industry specialists. It deliberately aims to further develop product criteria in dialogue. LandZunge GbR and its partners actively strive for production methods, which also offer clear health advantages. They actively seek suitable suppliers.

The motto for LandZunge is therefore:

The best of the region – On the tables of the restaurant and catering industry – In the country inn as well as in the canteen kitchen.

www.landzunge.info

7.5.5 eza!-partner (Allgäu Region, Baden-Württemberg, Germany)

eza! energie- und umweltzentrum allgäu

The "eza! energie- und umweltzentrum allgäu" (the Energy and Envi-

ronmental Centre in the Allgäu Region) is a non-profit corporation located in Kempten, Allgäu. The centre was supported within the "Hightech-Offensive Bayern" (a campaign of the Bavarian government aimed for the renewal of the economic and technologic basis) to bring forward both – energy efficiency and renewable energy.

The centre is broadly supported by municipalities, businesses and action groups of the Allgäu. To promote energy saving and renewable energy, eza! operates in the fields of public relations, energy consulting, education, training and qualification of energy consulters and specialists and energy management.

Network eza!-partner

More than 120 companies (architects, engineers, building enterprises, craftsmen, producers and dealers) belong to the eza!-partner network. These companies have agreed to respect various guidelines, quality assurances and further trainings. They are allowed to use the "eza!-partner" brand mark as a quality sign. The network provides qualification and information for the partners. Especially the "eza!-partner days" support the exchange between its members. All partners are obliged to participate in a certain number of qualification measures per year. Furthermore the partners are promoted through the eza! consulting agencies in the whole Allgäu Region.

In principle every company in the building or energy sector can become an eza!-partner, regardless if they are an architect's or engineering office, a building company, a handicrafts enterprise, producer or merchant.

The conditions for participation are the commitment to the so-called energy code (Energiekodex) and the compliance with quality criteria. Furthermore an admission fee to the amount of 25 percent of the annual subscription (which is determined according to the size of the participant) has to be paid.

ENERGY CODE (ENERGIEKODEX)

All partner companies commit to the following energy code:

1. We confess to energetically and ecologically optimised building and reconstruction and to the application of renewable energy and resources.

2. We point out environmentally sound and energy-saving products and encourage our customers to buy them.

3. We consult holistic and act in the sense of intersectoral cooperation. Thereby we inform unreserved about costs and options to economise.

4. We keep ourselves up to date in the field of renewable energy, efficient use of energy and ecology by permanent training and further education.

5. We offer best quality to our customers and establish the quality assurance measures, decided by the eza!-partners, in our company.

The energy code is a commitment for all eza!-partners and a marketing tool for the network. The conditions for participation and details about quality assurance are internal tools of the initiative and therefore not accessible for the public. Interested companies get the respective information on request.

www.eza.eu

7.5.6 The „Flavours of a Unique Land" System in the Friuli Venezia Giulia Region

The project Sapori di gente unica (Flavours of a Unique Land) of the Friuli Venezia Giulia Region has developed the regional tourist promotion slogan "Guests of Unique People". It is intended to promote and valorise the traditional regional cuisine of typical and unique products of the region. Moreover, it is intended to provide the single operator and the whole of the operators who join it with an innovative promotional and marketing instrument by different means of advertisement.

"Flavours of a Unique Land" makes it possible for catering businesses (restaurants, but also trattorias, traditional taverns, agritourism restaurants) with certain characteristics and quality standards, strictly fixed by a regulation drawn up in close collaboration with the regional studies centre of the Accademia, to join the Club. Accession rules favour in the first place catering businesses that offer their guests, as a priority, the traditional regional cuisine and in particular - and this is what the action is aiming at – the local cuisine of their area (cuisine of the mountains, of the plains, of Venetian, Austrian or Slovene influence, sea cuisine, etc.). As per the choice of wines in the cellar and in a list which can host also wines from other regions or states, the focus must be put on regional wines. These prerequisites are followed by strict simple rules that concern hospitality of guests, cleaning and functioning of restaurants, tablecloths, cutlery, crokery, etc. but also hygiene and food safety. "Flavours of a Unique Land" intends also to offer tourists a guaranteed price: a full course meal (appetizer, first course, second course with side dish, dessert, wine of the House and water) must not exceed 35 € per person. Prices will be fixed according to the type of restaurant and to the overall quality of the offer, will be clearly stated and advertised in the Turismo FVG promotions, in tribute to transparency criteria to offer to the guests. With the very aim of safeguarding tourists Turismo FVG has set up, together with the Accademia, a Commission of experts which has the task to make controls and on-the-spot inspections both before acceptance of applications for accession and afterwards, periodically, at random, to verify the prerequisites continue to be present.

8   Final Comments and Future Prospects

Challenges in the Alpine Region

Due to the mountainous location, the agriculture of the Alpine Region is characterised by difficult production conditions and can, with regards to mass production, scarcely compete with optimum sites in the EU. One of the Alpine Region's other characteristics, however, is a wide variety of qualitatively first-rate products and a varied cultivated and natural landscape with a high degree of biodiversity. The increasing approximation of the agricultural prices within the EU to global market levels and the significant reduction to be expected in EU-funding represent enormous challenges to the agriculture of the Alpine Region.

Many areas of the Alpine Region enjoy a long tradition of tourism. Tourism is a significant economic factor. This is subject to strong competition, however. Inexpensive long-distance travel and the development of new tourist destinations should be mentioned in this context. The decline in classic tourism to be expected as a result of climate change will also bring about great changes.

In the field of renewable sources of energy the Alpine Region enjoys great potential. Thanks to the topography, water energy can be used intensively. The development of new, innovative technologies such as the passive house would make it possible to establish successful new branches of industry. The renewable energy sector is characterised by a high proportion of small- and medium-sized companies. Necessary cooperation for the purposes of optimising the range of products offered and increasing the economic impact in this field are thus the challenges posed to all future development. A strict orientation to sustainability aspects will be equally significant for the cultivated landscape of the Alpine Region.

Strengthening of Long-Term Regional Economic Collaboration

One possible response to the challenges represented by the globalized markets and other developments discussed above is the strengthening of the regional economy and its long-term orientation. Not for nothing does the EU place its faith in the creative power of sustainable, integrated development in the shape of the Leader programme. The messages for the future, pointedly phrased, read as follows: "Help yourselves, utilise your own creative potential in order to shape your own future and leave your children an inhabitable earth". Through the setting up of regional economic

cooperations or the optimisation thereof, small- and medium-sized businesses can be increasingly interconnected and value-creation chains improved. If the course of events is favourable, this could lead to the development of new products and services, the extension of existing ranges of products and new markets being opened up as a result of production capacities being increased whilst the same time high quality standards are maintained. The long-term orientation of such offers places its faith in the available regional resources and promotes in the long run the preservation of one's own living and economic regions in the Alps.

Among the examples that could be given for this are: The introduction of regional shelves in the food retail shops, on which the consumers are offered products from the region produced in an environmentally-friendly manner. The development of a new programme offered by the nature guides, who take tourists and locals alike on excursions into the countryside and convey to them a sense of the history of nature und ecology, allowing them to experience farms with all their senses and incorporating regional gastronomy in their routes. The optimisation of the services offered in the renewable energy sector through the introduction of quality training for employees and the merging of different regional partners is also a part thereof. Many further possible approaches have been described in this brochure, in particular in Chapter 6.

The development of brand names for regional cooperatives is a further instrument for the strengthening of the regional economy. Examples of such branding are local quality seals for foodstuffs, trademarks for regional menus or tourist routes as well as regional energy cooperatives. In this way it is possible to bring across messages pertaining to quality and environment, to make the customer aware of the branding or identification signs of the brand partners, to achieve a higher degree of customer loyalty and to make a greater financing potential for marketing and communication available.

Such development work should be done in as professional a manner as possible in order to avoid losses due to friction and economic damages and the repetition of frequently made mistakes.

Thanks to the RegioMarket Project it has been possible to gather valuable experiences and knowledge on the subject of the marketing of regional cooperatives, in a transnational cooperation. This guideline provides those interested with tips on how to proceed with their own development work in this field, enriched with examples from everyday practice.

RegioMarket Criteria

The core of the RegioMarket Project work, however, is the development of criteria for the three sectors food-stuffs, tourism and gastronomy as well as renewable sources of energy (see chapter 7). These criteria are not "armchair decisions" but have been worked out on the basis of experiences made by the partners and scientifically accompanied. Significant content key-points for all three sectors were: Quality and the control thereof, regional responsibility achieved by the utilisation of regional resources to as large an extent as possible and the integration in regional networks. Sustainability aspects were also taken into account.

These criteria can be called upon as guidelines for the designing of systems of regional markets and brand-names. It is intended that the development of high-quality, long-term and successful cooperative marketing systems and brand-names in the Alpine region should be supported in this way. This has also already been successfully realised in the course of the Regio-Market project.

Vision for a RegioMarket Quality Seal

The criteria for RegioMarket that have been developed could, in addition to the possible applications described above, also be the starting point for a visionary approach. They could form the basis for the setting up of an alpine-wide RegioMarket quality seal, with which, across all sectors, outstanding product and service offers made by regional cooperatives in the Alpine region could be identified. This quality stamp would convey messages that fully agree with the current trend in consumer requirements:

- □ Regional origin
- □ High quality
- □ Innovation
- □ Sustainability

The quality seal could be used as a supplement to the own brands of regional cooperatives or individual companies in the brand communication process and thus as a kind of co-branding. This could apply both to the communication of the brands themselves as well as for the promoting of individual products or service offers. This would result in a number of advantages that are in part identical with those offered by regional umbrella brands (brands that encompass a variety of products of a number of different manufacturers):

- □ Alpine-wide uniqueness
- □ The genesis of a high degree of recognition for broad ranges of offers from a number of different sectors in the entire economic region of the Alps
- □ A multitude of possibilities for cross-marketing as a result of an approach spread across all sectors
- □ A high financing potential for communication
- □ Support of the penetration of individual brands
- □ Solid promotion of the small and medium-sized companies involved
- □ A combination of various central messages such as regional origin or environmental protection which are today communicated by means of a variety of quality seals

Due to the short duration of the RegioMarket project it was not possible to undertake any significant steps in this direction beyond the development of the criteria and initial thoughts on the subject of installing up a RegioMarket quality seal.

In order to realise this vision of a RegioMarket quality seal in practice it would make sense to undertake the following:

- □ The setting-up of a network of interested cooperatives, companies or interested parties from the fields of politics and marketing. To a certain extent, it would be possible to resort to already existing networks. This could possibly also take the form of inter-project cooperation on future INTERREG-Projects.
- □ Examination and subsequent drawing up of the present criteria.
- □ Elaboration of necessary structures and activity characteristics for an organisation to manage the seal.
- □ Development of an initial communication concept.
- □ Implementation of a pilot organisation tied in with initial communication measures. In the start-up phase it would be conceivable to do this at first on a regionally limited scale.

The future will show whether this vision will take shape and unfold a positive effect for the future of the Alpine Space.

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