Research Paper

# Destination logo recognition and implications for intentional destination branding by DMOs: A case for saving money

Pietro Beritelli[a,*], Christian Laesser[a,b]

[a] Institute for Systemic Management and Public Governance (IMP-HSG), University of St. Gallen, Dufourstrasse 40a, 9000 St. Gallen, Switzerland
[b] Market Research Innovation Center, School of Commerce, University of Wollongong, Australia

## ARTICLE INFO

## ABSTRACT

Tourist destination branding has become a major element in tourism marketing. However, it could potentially be the case that tourists are unaware of brands intentionally constructed by destination marketing organzations (DMOs) because they do not even recognize the main identifier as represented by the destination logo. This paper tests the truth of this assumption for the cases of four supposedly well-branded Swiss destinations. The results show that destination logo recognition is, indeed, very limited. In addition, destination logos appear to be most effective when used for specifically branding the place right on the spot. In terms of the original meaning and aim of 'branding,' the results imply that branding (using the logo) is primarily useful for the product (i.e. the experience) in the destination rather than for destination communication. Since DMOs spend considerable amounts of money in branding processes, we conclude that the impact of branded communication and advertising campaigns is greatly overestimated.

## 1. Introduction and aim of the paper

Destination branding is a topic of concern for many researchers and practitioners. In particular, destination marketing organizations (DMOs) spend a great deal of money, effort and time on destination branding processes and on associated activities related to communicating the branding process outcomes. In fact, destination branding by DMOs not only involves initiatives linked to brand creation and to related expenses for consulting and advertising, it also generates further costs for a continuous brand nurturing process (e.g. updating communication material, managing relationships with brand partners, legal protection) and clearly ties up further internal personnel resources. In short, destination branding by DMOs has become a considerable phenomenon that preoccupies actors and organizations at different administrative levels and in private enterprises across the world.

This paper argues that the current race among DMOs to brand destinations and the associated increasing costs in time and money is a dead end, at least with regard to raising consumers' awareness. This case is built on three major cornerstones, as presented in this paper.

First, the paper asserts that there is a disconnect between: (1) what most researchers mean when they speak of 'destination brand' and 'destination branding'; (2) what – in relation to branding – is unfortunately too often sloppily implied; and (3) what DMOs feel obliged or authorized to do in the matter of branding. One of the reasons for this problem is the inflationary use and application of the term 'branding', i.e. a case of 'term extension and inflation'.

Second, the paper demonstrates that the destination logo constitutes not just one important artifact of destination branding by DMOs but the determinant visual one. This is mostly because destination branding by DMOs is intentional in nature and results in two peculiarities: 'blurry communication' and 'reverse branding'.

Third, using a representative survey in four well-known and well-branded tourism destinations in Switzerland, the paper presents the results of a study on the actual effects of intentional destination branding by DMOs through their logos. From these results, new insights are derived into the efficient use of the logo in tourism destinations for further research in the field involving assessing the effectiveness of destination branding by DMOs.

Hence, this paper is about the effectiveness of intentional destination branding by DMOs, with a focus on the resulting and only distinguishing artifact: the logo. The paper further discusses how the logo is used in destinations and through destination communication. Since the logo is the marker of the intended brand message by the DMO, it will be seen that respondents' recognition of a logo is a proxy for their prior exposure to the logo, if any, and their recall of the sender. This paper is not about the quality of logos, their visuals, or whether respondents like them or associate them with other artifacts

such as images or pictures. While the results may point to weaknesses in the execution of logo application, the study aims to reveal primarily whether and where logos designed by DMOs are noticed at all and whether respondents can remember them.

The rest of this paper is structured as follow: first, a literature review clarifies some central terms and concepts and provides the cornerstones for the research framework. From there, six hypotheses are derived and tested by means of an empirical study, which is presented in the third section. The fourth section presents the findings. The discussion and the implications are quite extensive and point to potentially new practices and further avenues of research. After the conclusion section, a caveat is raised to head off any possible misinterpretation of the research results by other researchers, DMO managers or consultants.

## 2. Literature review

While the empirical study focuses on logo recognition, an introductory discussion of destination branding is essential for explaining the current context of intentional destination branding and the importance of the logo in research and practice.

### 2.1. Term expansion and inflation

From its inception in the marketing context, a brand was viewed as a tool: an instrument for distinctly identifying products (Stern, 2006). By intentionally branding a product, the producer tags, labels, and marks it with the aim of making it recognizable for the consumer and distinguishing it from other products. Accordingly, the logo tends to be identified early on in the branding process as an integral and important part of the brand (Bastos & $2 Levy, 2012). This is because it is the tangible element of the brand, relating to the trademark (Mercer, 2010). Logo (i.e. sign, graphic mark, emblem, or symbol) and brand are naturally linked. Scholars have pointed out that the former is the pictorial counterpart of the latter (Danesi, 2006) and that a logo makes the brand visible (Lury, 2004). The sign of the logo and its application is the visual interpretation of communicated qualities of the brand, and it creates a shorthand communication, a gateway to the brand (Kelly, 2016; A. Wheeler, 2012). Hence, branding and the logo belong together: the first is the activity, while the second represents an important tangible and visible result. Marking and branding something (including a message) produces a (trade)mark and brand verbatim.

Over the last decades, research and practice around the topic of branding has dramatically shifted. Particularly since the 1990s, marketing research has expanded the term by asking not only what a brand is, but also what it is good for. For instance, de Chernatony and Dall'Olmo Riley (1998) found, through a series of interviews with brand managers and consultants, that a brand could be a legal instrument, a logo, a company, a shorthand device, a risk-reducer, an identity system, an image in consumers' minds, a value system, a personality, a relationship, an added value, or an evolving entity. The expansion of the term into such areas as marketing communications, consumer psychology, and corporate communications has allowed researchers and practitioners to break away from the technical aspects of the term, thereby reviving its conceptual foundations (Levy & $2 Rook, 1999; Tan & $2 Ming, 2003). Today, brands can be understood as systems of meaning (Owen, 2002), cultural, ideological and socio-logical objects (Schroeder, 2009). They have become icons (Holt, 2004) that through corporate branding processes have the power to align strategy, culture, and identity (Hatch & $2 Schultz, 2008). Moreover, (participatory) brand-building processes (Ind & $2 Bjerke, 2007) imply that if a brand is a (cultural) process of co-creation among stakeholder groups in the corporate world, it may be applicable to public domains such as places, too (Hatch & $2 Schultz, 2010; Payne, Storbacka, Frow, & $2 Knox, 2009). Lastly, while on the one hand, brands have often been anthropomorphized (Aggarwal & $2 McGill,

2012), adopting human traits (Aaker & $2 Fournier, 1995), on the other hand their meaning has been extended, encompassing, for example, domains of communication, exchange, relationships, and (co-) production (e.g. Aggarwal, 2004; Raju, Unnava, & $2 Montgomery, 2009).

While the activity of branding and hence the creation of the logo (including the name, sign, claim, etc) have remained a strictly technical task, the meaning of the term 'brand' has evolved and further developed. In actuality, the expansion of the meaning of 'branding' and 'brand' has produced an inflation of the term now used as synonymous with 'product', 'name', 'corporation', 'place',and 'country,' (Anholt, 2007; Kotler & $2 Gertner, 2002).

### 2.2. Destination branding research versus destination branding by DMOs

Following this general development, the transfer of the topic of 'branding' to tourist destinations has quickly taken place (Hosany, Ekinci, & $2 Uysal, 2006; Morgan, Pritchard, & $2 Pride, 2002). In addition, it has otfen been conflated with other research and practice areas. Its wider interpretation has produced a great number of studies that relate to image, loyalty, intention to revisit, and the like (e.g. Cai, 2002; Govers, Go, & $2 Kumar, 2007; Murphy, Benckendorff, & $2 Moscardo, 2007; Qu, Kim, & $2 Im, 2011). In addition, DMOs are very devoted to the topic, not only for marketing the destination (e.g. Blain, Levy, & $2 Ritchie, 2005; Hankinson, 2009) but also for stakeholder management (e.g. García, Gómez, & $2 Molina, 2012; Morgan, Pritchard, & $2 Piggott, 2003), in the sense that the branding process serves as a means for collaborative destination planning and development and therefore as a process linked to locals' destination identity (Konecnik & $2 Go, 2008; Wheeler, Frost, & $2 Weiler, 2011). Recent research has focused on the network mechanisms and effects around destination branding processes, strengthening the coordinating role of the DMO in destination branding (Hankinson, 2004; Marzano & $2 Scott, 2009; Moilanen, 2008). The past 10–15 years of research on destination branding have produced a vast body of literature, boosted by a wide interpretation of the term, to the point that 'destination branding' seems to encompass most if not all relevant aspects of marketing and management of the place (Gilmore, 2002). While there is a broader debate on the meaning and relevance of place branding (Anholt, 2008, Govers, 2011, 2013; Hildreth, 2013), critical appraisals pointing to the limitations of destination branding especially by DMOs are rare (Reinhold, Laesser, & $2 Beritelli, 2015; Tasci & $2 Kozak, 2006). Yet, two phenomena put severe limitations on destination branding applied by DMOs, namely: (1) blurry communication; and (2) reverse branding. These limitations are discussed below.

#### 2.2.1. Blurry communication

Blurry communication refers to the problem that for most tourist destinations, branded messages must build on rather generic images, pictures, and claims because specific experiences are too individual and therefore too exclusive. The latter undermines the aim of the DMOs to represent the whole destination. Blurry communication originates from the necessary reduction of messages by DMOs to single pictures and suggestive sentences because their communication channels only occasionally and briefly reach the consumers' attention (e.g. destination homepage on the Internet, billboard in a city, YouTube video). One also has to keep in mind that in many cases, the messages are expensive (i.e. paid advertising). Indeed, DMOs are obliged to reduce the value proposition of a trip to their destination to the size of a postcard (Yüksel & $2 Akgül, 2007) and in a time interval no larger than the blink of an eye.

The following provides some illustrative examples. For the first four destinations presented in Fig. 1, logo and name are pasted over. They could be any coastal (Example 1), mountain (Example 2), or city (Examples 3 and 4) destination. Even Example (4) is not clearly