

The Nation Branding in Romania, Approach to Strategy and Leadership

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Abstract

The purpose of this study is to analyze the structures, flows and leadership models employed by East European countries in order to build a strong Nation Brand. The country under radar in this paper is Romania.

Methodology

Qualitative research is employed comprising in face to face semi structured interviews with representatives of Government, Tourism Organization, several industry associations, Cultural Institute.

Findings

We identified that various activities, programs that could be associated with a Nation Brand strategy are developed as inter-institutional effort, still, no one associated the efforts with the Nation Brand because no formal attention has been awarded to the subject. Even more, some negative associations come from the misconception that Nation Branding is about logo, slogan and advertising campaigns that were much disputed in the past.

Research limitations/implications

Further research is needed in order to analyze various organization models in east European countries but also comparing those models with the success stories in Nation Branding worldwide, in order to see what can be learnt, what should not be repeated and if there is an ideal organizational and leadership model.

Practical implications

Countries should find a way to prioritize Nation Branding and employ a model that could live beyond the frequent changes on the political stage.

Originality/value

This study approaches Nation Branding for the under researched geographic area of East European countries (including Romania) covering also the topic of organization, structure and leadership in Nation Branding. Three decades after the fall of communism, Nation Branding might be a feasible solution for long term thinking, to make themselves more visible and get an active voice and a larger share of the pocket in international trade. The main challenge would be to prioritize Nation Branding and employ a model that could live beyond the frequent changes on the political stage.

Keywords

Nation Branding, Leadership, Romania, East European.

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Introduction

The term “Nation Branding” is often a topic of confusion among both academic scholars and government officials. Moreover, in order to understand the structure and leadership in Nation Branding, we need to first

clarify the terminology and determine if terms such as “destination branding” or “place branding” are sufficiently similar to be utilized in this current research.

The most frequently encountered notions in our research were: “country branding, “nation branding”, “place”, “location” branding, “destination branding”. According to Hanna and Rowley (2008), “Destination” is mostly used in tourism literature, second to which is the term “Place”. The same authors reveal that “Place” and “Location” are the dominant terms in Branding and Business Literature, with “Nation” indicating a country, “Place” indicating “towns, cities, regions and countries” and “Location” indicates “towns, cities and countries but *not* regions.” According to Blain, Levy and Ritchie (2005) the jurisdiction of Destination Management Organizations “may cover a country, state/province, region or specific city or town”.

Aronczyk (2013) outlines three dimensions for Nation Branding: to help the nation-state successfully **compete for international capital** (in tourism, foreign direct investments, trade, higher education, skilled labor); to have a seat at the table in the **diplomatic arena** and to serve as **soft power** in contrast with hard power (military, economic assets).

Nation Branding has also been seen by several authors through corporate lens. Olins (1999) observes that countries use “business speak”, they are “down-sizing and privatizing”, “while companies are starting to deliver welfare services”. Hankinson (2007) argues for the obvious similarities between managing corporate and destination brands (both require to “reflect and be reflected by a set of sub brands and consumer experiences”, are dependent upon organizational culture, internal coordination, and external partnerships, both must “manage and communicate with a wide range of stakeholders”).

According to Dinnie (2008), nation-brand architecture model, Nation Brand is an umbrella brand for the endorsed brands: Tourism, Exports, Inward Investments, Talent attraction, Sports. Further investigation is needed for the author’s suggestion that coordination of such an effort can only come from the Government but in a way that has some degree of political independence but is still accountable for tax-payer money. At the same time, some authors critique the linear model of destination brand, considering it more “as antihierarchical, self-organizing and locally inspired” (Pavlovich, 2014).

What we notice as common denominator is the scale of complexity in Nation Branding, the stakeholders involved, the instruments borrowed from traditional branding and marketing. The question that arises is: do countries need a clear leadership, a CEO of the Nation Brand or a Brand Director? Although there are many examples of good or bad practices, little research investigates the topic of organization and leadership in Nation Branding.

Romania, as well as several other Central and East European countries, have been subject to little research where Nation Brand is concerned as Fujita and Dinnie (2009) observed. This study is based on the previously mentioned study recommendation that further research should be employed to determine the strategies adopted or that should be adopted by other countries than those mentioned in their research to fill the gap in the literature.

1. Background information on Romania

Having been under the Soviet regime for more than 50 years, when the only possible brand and branding was that of the party and the national government, Romania is still recovering and trying to find its own path on what Simon Anholt defines as national branding: an effort to increase the country reputation by focusing on its distinct characteristics (Anholt, 1998). A way to express the identity of a nation, what differentiates one nation from the rest, to demonstrate what it stands for, and to show the world what Romanians should be known for.

The first attempt at a national brand was made five years after the revolution, with the intention of improving Romania's image, which had been strongly affected by the "mineriade" events that shocked the international opinion. The Romanian government secretary hired Group Saintonge Edition (GSE) to create and print 98,000 albums containing a series of pictures of Romania's most important tourist destinations, which were meant to be distributed in more than 90 countries. Unfortunately, the entire campaign ended up as a corruption scandal when the press discovered that only 4,200 of these had actually been printed, and no one knows exactly where, or even if, they were actually distributed.

Another attempt, this time conducted by a non-governmental organization named Asociația pentru Promovarea Produselor și Serviciilor din România (APPSR), was titled *Fabricat în România* (Made in Romania). The aim of this program was to brand Romanian products and services with a special stamp,

indicating their quality and country of origin, Romania. After 4 years, however, the initiative failed to deliver what was promised, which was more visibility for Romanian products and services.

Only in 2001, we can talk about a truly national campaign, when the General Directorate of Tourism Promotion (DGPT) alongside Ogilvy&Mather created what was called “România, mereu surprinzătoare”. Despite its professional execution and good visibility on international TV and Radio stations, the campaign was again questioned due to its high cost to the government during a time of economic crisis.

The next two campaigns, *Români în Europa* and *Romania, land of choice*, between 2008 and 2009, were other attempts to promote Romania using international Romanian figures, such as Ilie Nastase, Nadia Comăneci, and Gică Hagi. The latter campaign mentioned was the first one for which results have been presented, showing a gain of 5,5% in new tourists in Romania.

In 2010, the Romanian Tourism Ministry launched the *Explore the Carpathian Garden* campaign at the Shanghai World Exposition. This campaign was the result of comprehensive research, involving 10,881 interviews in countries such as Austria, Germany, Italy, the UK, and Russia, with the aim of increasing the proportion of international tourists who had a positive image of Romania, from 45% to 65%. To this day, the *Explore the Carpathians* campaign, its logo, slogan, and brand book are still recognized and used as the official Romanian tourism campaign.

2. Methodology

In order to study the nation branding approaches to strategy and leadership we follow the template of Fujita and Dinnie, (2009) the supply-side perspective, looking at tourism, investment attraction, export promotion in Romania. We collected data in a series of face-to-face semi structured interviews, asking the people interviewed the open-ended questions, but also allowing them to provide additional information, as per their experience or beliefs.

The interviews were targeted at: the General Secretariat of the Government, Ministry of Tourism, Ministry of Foreign Affairs, Ministry of Research, Innovation and Digitalization, City Manager and Association of Tourism Promotion from one of Romania’s counties considered to be a best practice example, Branding experts, Academics, members of Consultative tourism body and the Cultural Institute of Romania.

Six interviews were conducted, and in some of the interviews several people attended, alongside Government officials. Another three responses were in writing, transferring the responsibility of answering to our study to another Member of the Government. None of the interviews was recorded, in order to make respondents confident to open and share their thoughts and experiences. Both authors assisted to interviews and took comprehensive notes, that were further compared and aligned to make sure they reflected the meaning of the responses.

The application of Thematic Analysis was utilized to gain insight into respondents' perspective regarding the formal structure of Nation Branding in Romania, including elucidating any existing strategies, common visions that are shared among relevant sectors, and identifying clear leadership. According to Braun and Clarke (2012), “Thematic Analysis enables the researcher to recognize and interpret collective or shared meanings and experiences.”

3. Results

Responses were grouped according to what we identified as main topics.

Nation Branding as a theme

An initial observation that can be made is that there is a lack of clarity between the Nation Brand and Tourism Brand of Romania at the governmental level. In 2019, a public tender that was deemed controversial at the time, as one respondent recalls, caused further confusion. According to public statements from officials at the time, the tender, which had a tourism strategy and a destination logo as its main deliverables, was launched as a Nation Brand tender, and was eventually finalized as a Tourism Brand.

All officials referred us to the Ministry of Tourism when being asked about Nation Brand. The Ministry of Tourism points out, that they (obviously) are in charge with the Touristic Brand. In fact, from our findings so far, the only activities under the umbrella of Brand Romania were those run by the Ministry of Tourism. This does not mean that other state or private entities are not running some projects that concern the pillars of Nation Brand as described by Dinnie, (2008) export promotion, foreign investment attraction, sports etc.

This however means that there is not an official acknowledgement that the Nation Brand should be an umbrella for all these activities.

Formal organization of Nation Branding

Having acknowledged to this point that Nation Branding has not been considered a strategic or common strategy point so far, we endeavored to ascertain whether the central players are running any initiatives which could be classed as part of a drive of defining, strengthening, and promoting Brand Romania.

“We all invite and get invited by other ministries to their activities that could impact of benefit us as well”. There are common projects that could be seen as pillars for brand Romania: spa or health tourism, where Ministry of Tourism, Health and Labor work together, for the developing of the “product”, which is to be later promoted with the support of Foreign Affairs in relevant other countries that generate incoming tourists to Romania. This is just an example that came to surface after we insisted to get some examples of projects considered strategic at country level.

Also, efforts are made to promote some industries (“Romania should be the homeland of mineral waters”, vision of Jean Valvis a top player CEO in the mineral water industry) (Adevarul, 2019) or to attract foreign investors (“we are not waiting for them to come, we go and ask what do they need/lack to come” said Florin Spataru, Minister of Economy in a Public Conference). Nevertheless no one seems to have thought about the need to work in a coordinated effort, the Nation Brand being usually referred to as the logo, slogan, advertising campaigns and all the controversy associated with them in time.

Nation Brand Structure and Management vision

The initial questions about the structure, organization, level of communication and collaboration were replaced with a projective exercise where we asked the participants for their vision: who should be at the table of Nation Branding, in your opinion? Who should lead the effort? What would you do if you were to be appointed as Head of Brand Romania?

Also, we insisted to get some examples of common projects that the main entities were involved in a joined effort to promote Romania. Interesting examples were provided, a ray of hope that people have ideas, are making efforts, even if structure and coordination lacks.

When asked to project their vision on how Nation Branding should be organized, several respondents thought of the recently adopted legislation Procedure for authorizing Destination Management Organizations (DMOs), that in their opinion could refer to destinations such as cities, regions but also nation level, even if in the 2022 Procedure, there is no distinct mention about a DMO operating at national level (destination Romania). Another type of answer considered that Brand Romania should be a private sector initiative with rotative leadership involving the most representative business associations. An interesting opinion noted that, if considered a top priority at Government level, Nation Brand should have a designated Ministry.

All the participants agreed that such a project needs involvement from both state and private sector, in a structured Public Private Partnership. All the participants agreed that a major drawback is the frequent change of Government, that comes along with changing not only the Minister but also entire teams of people, making it hard to make anyone accountable for long term vision projects. “If one considers digitalization to be the focus, the next one, most certainly would go for agriculture and put digitalization on hold, or even worse, erase what has already been done”.

Another issue identified was that of too many working groups that are not achieving their goals due to lack of proper leadership that could find a common denominator among the diverse agendas of participants. ” Country vision can only come from top to bottom, then you have to identify a limited number of relevant actors to involve, otherwise you get stuck in never-ending consultative bodies”.

About the leadership in Nation Branding, we concluded that is a too sophisticated topic in the current context. “No one has the helicopter view, it is no one’s job”. Some of the participants have no idea about who should coordinate the effort but try to come up with a solution ranging from the Prime Minister, Minister of Tourism, Minister of Economy, Minister of Foreign Affairs, Academics (“they are more credible than politicians”), Private sector (“but will the state agree to accept them?”)

“I don’t see an umbrella brand for Romania, but I see some raising stars: Oradea as a destination brand, Untold festival”. “They should start to work on useful programs and then start to talk, instead of running useless, expensive advertising campaigns”. “It is doable if you have vision, clear objectives, drive, and political ability to put all parties at the same table”.

4. Research and implications

Further research is needed in order to put in context all organization systems that East European countries have in place, how they evolved over time and if/how they are correlated to economic development of those countries. Also, comparative research is needed in order to analyze the models considered success stories in the area of Nation Branding and propose an “ideal model” that could be employed by East European countries in order to reach their potential.

5. Practical Implications

Respondents proved various levels of understanding the concept of Nation Branding, but the fact that Nation Branding is not a topic on the Government agenda is a clear point made by everyone asked. The obvious and much needed action would be to understand the concept and make it a national priority. It should be the responsibility of the Government to take on this task, but also of private actors that should be able to explain the important difference between a marketing campaign and a coherent Nation Branding Strategy.

Conclusions

The issues investigated in this research concern the Nation Branding in Romania. After the fall of communism, Romania had several attempts to promote itself. Some were more visible or controversial (tourism brand campaigns), some went under the radar (efforts to attract foreign investments or disparate efforts to promote Romanian products), some just happened with no involvement of state official representatives (sport champions, Romanian talents in different areas).

The research shows that Romania lags behind some other eastern European countries, where the actors involved in designing and implementing the Nation Brand strategy are known and at least try to coordinate their actions under a common umbrella. Even if not perfect, the models revealed by (Fujita and Dinnie, 2009) for Czech Republic, Slovak Republic, Poland and Hungary, exist and the respective nations aim at improving them. Romania must first become aware of the concept on Nation Branding, and then find a capable leader that can bring together at the same table the relevant parties that could move forward this project.

There is need for leadership with a vision, putting in place a coherent structure with clear responsibilities, deadlines, KPIs, progress reports. There is also need to define and improve the “product”: What does Romania have to offer on each of its relevant axes? What kind of tourism are we competitive at? What are our flagship products or services? What should the state do to support these areas? How can we put everything under the umbrella of Brand Romania?

Only when we have a viable “product” we should consider advertise it to the proper audiences. Promotional activities come at the end of solid programs, of building or rebuilding something. As Anholt (2020) was observing: “nobody is going to change what they believe about a country just because its government transmits expensive messages declaring that those beliefs were wrong”. The process is continuous and small achievements will create the context for further development.

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