

BRAND MARKETING OF REGIONAL PRODUCTS – A POTENTIAL STRATEGIC MANAGEMENT TOOL IN REGIONAL DEVELOPMENT

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ABSTRACT:

The study is based on a theory of the regional development and building of competitiveness of regions, as well as the regional labelling of products through using instruments of strategic management for the targeted direction of local marketing. Creating regional identity in the 21st century must be reflected in the public sector. The objective of the research was to define the influence of regional product brand existence on the efficient development of territorial marketing in the analysed regions under the conditions typical for the Slovak Republic. Based on a scientific evaluation of theoretically defined key terms ("region", "regional labelling", "regional product" or "territorial marketing"), the authors have proceeded to analyse individual brands of regional products in selected territorial units of the Slovak Republic – Kopanice; Záhorie; Hont; Ponitrie; Podpoľanie; Gemer-Malohont; Malodunajsko-Galantsko; Karsticum; Novohrad; Nitrava; and Pohronie. Within the analysis, they have conducted an empirical (quantitative) research in a form of questionnaires distributed to a target group of respondents that were defined as the coordinators of regional labelling of products and services for the analysed regions; these are dominantly local action groups and civic associations operating in the given territory. The aim of the authors' study was to identify the character of the influence that the existence of regional brands of products has on an efficient increase in the promotion and awareness of the analysed regions with an objective to outline the possibilities of using the theory of regional product labelling under the conditions of the Slovak Republic within the context of territorial marketing development.

KEY WORDS:

coordinators of regional branding, region, regional product labelling, territorial marketing

Introduction

The issue of regional product labelling under the conditions of the Slovak Republic at the scientific level is discussed by only a few authors; the reason is the notable absence of adequate literary sources of

scientific but also specialised character. However, we can positively note that the interest in regional brands and labelling of regional products has increased in practice in recent years and the activity of tourism organisations (mainly local action groups) has intensified in the development of new regional product brand concepts.

Regional territories represent an irreplaceable component of each country thanks to their natural or cultural assets, through which the regions are able to build their identity and raise the awareness of the place. They also help to promote and preserve customs and traditions that are unique for a given area. Thanks to their quality and originality, regions differ from one another and become distinctive. In an attempt to attract production factors, such as investment capital, foreign employees, new investors, potential visitors or inhabitants, Slovak regions have also started to implement the so-called theory of product branding. The aim of this theory is to support the growth of regional development, build competitiveness and eliminate regional disparities.¹ Slovakia as a country with rich history, traditions and culture also has a territorial scope of regional units. One of the primary principles in developing product policy of labelled products is the guarantee of sale efficiency supported by an appropriately selected marketing strategy.² Targeted development of a regional product brand raises the overall awareness of the region not only in Slovakia but also in Europe and worldwide.³

As stated above, the objective of the authors' research is to identify the character of the influence of regionally branded products' existence on an efficient growth of promotion and awareness of the analysed regions with an aim to outline the possibilities of using the theory of regional product branding under the conditions of the Slovak Republic within the context of territorial marketing development. Based on scientific literature and a brief framework definition of the basic terms, such as "region", "regional labelling", "regional product" and "territorial marketing", the authors present methodology and research procedures related to the analyses of individual selected regional products – Kopanice; Záhorie; Hont; Ponitrie; Podpoľanie; Gemer-Malohont; Malodunajsko-Galantsko; Karsticum; Novohrad; Nitra; and Pohronie. The respondents of the questionnaire survey comprised the coordinators of regional labelling of products and services for the analysed regions. These are mainly local action groups and civic associations operating in the selected territories.

Theory of a Region as an Object of Marketing Research

Currently, regions represent a significant fragment of country identification, mainly due to their natural and cultural diversity that creates local traditions, customs and specialities. The term "region" can be understood as "an area that emerges as a result of merging elements of spatial structure subsystems, according to certain content criteria, into diverse functional and hierarchically organized territorial units".⁴ From the marketing point of view, however, a region represents a certain structure that is further classified into several separate subsystems, such as municipalities, cities, microregions, businesses, interest associations of citizens and entrepreneurs. Together, they create relationships and partnership networks with the public policy actors – higher territorial units, government, ministries or the European Union institutions.⁵ Building upon a legislative enshrinement, "region is a territorial unit defined according to the classification of statistical

territorial items".⁶ Hasprová further states that a region can be described as a geographically delimited area in which a regional policy through the Cohesion Fund is implemented.⁷

Under the conditions of the Slovak Republic, a region represent a certain body or a part of one state that is not separated from other territories by formal borders based on a political decision.⁸ Their boundaries thus do not correspond to the administrative division of Slovakia – the eight self-governing units. Similar to the majority of EU countries, the Slovak regions are characterised by a high differentiation caused by the historical and regional development and geographic, economic or natural conditions.

The difference also lies in the concept of marketing strategy of a given place, in the approach to marketing communication and promotion of the region, or in the attempts to build efficient and effective competitiveness.⁹ According to Slovak legislation, regional development as a set of social, economic, cultural and environmental processes and relations contributes to the increased competitiveness and sustainable economic, social and territorial development of the regions.

It also helps to level out economic and social differences between them.¹⁰ In the Slovak Republic, we are able to observe a regionalisation of tourism drawn up by the Ministry of Transport, Construction and Regional Development of the Slovak Republic in its publication introduced in 2005. The governmental body has thus defined 21 regions of tourism within the territory of the Slovak Republic. Their boundaries to a large extent copy the historical or natural regions.¹¹

Just like in case of the term "region", there are many definitions connected to "territorial marketing". Nevertheless, an explicit definition that would outline all the theoretical criteria of the term is still absent. Territorial marketing has in recent years assumed the position of a specific applied discipline accumulating knowledge and experience related to the producers, distributors, and customers in a specific region.¹² Horváthová defines "regional marketing" as an instrument of providing industrial development, which is a part of rural development policy. It is thus implemented at a national and international level, supporting municipalities, cities and self-governing regions within a given territory – one state. The cross-border value lies in the support of a group of countries or Euro-regions that follow the same development programmes.¹³

Regional marketing as a set of activities serves to create, maintain or change attitudes towards a certain place – region.¹⁴ It thus represents "an instrumental aspect of specific techniques and procedures allowing the application of management in real conditions of a region". Marketing of a territory addresses the environment and market within a defined area with regard to their interdependencies.

This theory explores the potential of a given territory and possibilities of its progress in the areas of supply and demand for certain types of selected products at the region's disposal. Marketing of a region is aimed at the current state and future development of the regional environment and at meeting the needs of customers – citizens and visitors.¹⁵ Figure 1 illustrates the process of marketing of a region applicable under the conditions of the Slovak Republic.

1 ŠVIKRUHA, M.: Is Contemporary Position of Regional Self-government in Slovakia (In)Convenient. In HORVÁTH, P., ŠRAMEL, B. (eds.): *Annual Conference Faculty of Social Sciences UCM Trnava: Public Administration*. Trnava: UCM in Trnava, 2017, p. 68.

2 BUTORACOVÁ ŠINDLERYOVÁ, I., LUKÁČ, M.: Demographic-Generation Segmentation of Customer in Context of Strategic Management of Selected Cultural Institution. In PETRANOVA, D., ČÁBYOVÁ, L., BEZÁKOVÁ, Z. (eds.): *Marketing Identity: Brands We Love*. Trnava: FMK UCM in Trnava, 2017, p. 32.

3 VOGELOVÁ, M., CHALOUPKA, R., ABRAHÁM, J.: Potential of New Data Sources in Tourism. In *Slovak Journal of Public Policy and Public Administration*, 2018, Vol. 5, No. 2, p. 118-129.

4 MAIER, G., TODTLING, F.: *Regionálna a urbanistická ekonomika 2*. Bratislava: Elita, 1998, p. 32.

5 PAULIČKOVÁ, R.: *Regionálny a mestský marketing*. Bratislava: Eurounion, 2005, p. 17.

6 See: The Law No. 539/2008 Coll. on Support of the Regional Development.

7 HASPROVÁ, M.: *Marketing regiónu*. Bratislava: Progressus Slovakia, 2007, p. 31.

8 VUKOVIC, D., KOCHETKOV, D. M.: Defining Region. In *R-Economy*, 2017, Vol. 3, No. 2, p. 79.

9 PAULIČKOVÁ, R.: *Regionálny a mestský marketing*. Bratislava: Eurounion, 2005, p. 17.

10 See: The Law No. 539/2008 Coll. on Support of the Regional Development.

11 WEISS, P., JANKOVIČOVÁ, M., KURČOVÁ, E.: *Regionalizácia cestovného ruchu v Slovenskej republike*. Bratislava: Ministerstvo hospodárstva Slovenskej republiky, 2005, p. 7.

12 JEŽEK, J., RUMPEL, P., SLACH, O.: *Marketingový management obcí, miest a regiónů: Manuál po potreby praxe*. Ostrava: Repromis Ostrava, 2007, p. 17.

13 HORVÁTHOVÁ, M.: Marketingový mix územia. In KOTULIČ, R. (ed.): *Zborník vedeckých prác Katedry ekonomie a ekonomiky. ANNO 2010*. Prešov: Prešovská univerzita v Prešove, 2010, p. 73. [online]. [2019-05-08]. Available at: <<https://www.pulib.sk/web/kniznica/elpub/dokument/Kotulic12/subor/8.pdf>>.

14 JÁNOŠOVÁ, D.: *Regional Marketing from The View of Selected Factors*. Katowice: Wydawnictwo UNIKAT 2, 2017, p. 18.

15 HITTMÁR, Š.: *Regionálny manažment – teória, prax a rozvoj*. [online]. [2019-05-08]. Available at: <https://www.researchgate.net/profile/Stefan_Hitmar/publication/44982082_Regionalny_manazmentteoria_prax_a_rozvoj/links/551539c60cf2f7d80a3291a7/Regionalny-manazmentteoria-prax-a-rozvoj.pdf>.

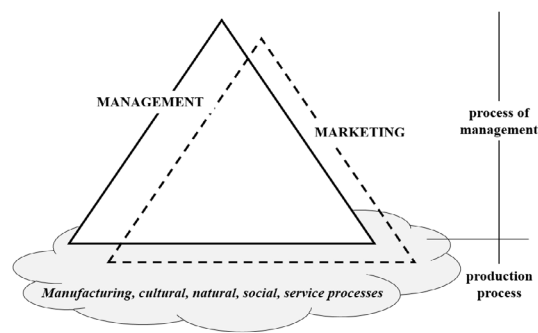


Figure 1: Relationship between management and marketing in a region

Source: HITTMÁR, Š.: *Regionálny manažment – teória, prax a rozvoj*. [online]. [2019-05-01]. Available at: <https://www.researchgate.net/profile/Stefan_Hitmar/publication/44982082_Regionalny_manazmentteoria_prax_a_rozvoj/links/551539c60cf2f7d80a3291a7/Regionalny-manazmentteoria-prax-a-rozvoj.pdf>.

Within the building and development of marketing activities, there are several actors that can be described as marketing carriers operating in a region. Besides the representatives of the self-governments of municipalities and higher territorial units, which establish various marketing strategies, marketing of a region is also formed by state administration bodies (government, ministries), companies oriented at territory development (private, public, public-private), experts (geographers, geodesists, marketers, managers, economists, urbanists), or non-governmental organisations, civic associations and local action groups.¹⁶

Using the tools of marketing mix is an integral part of building regional development and competitiveness.¹⁷ Kotler defines “marketing mix” in its original form as “a mixture of tactical marketing tools, i.e. the product, price, distribution, and communication policies, used by municipalities in accordance with supply in target markets”.¹⁸ However, besides traditional tools, territorial marketing also uses instruments typical for regional management, such as city communication, city design and city behaviour.¹⁹ Within the context of basic review of scientific literature and in the connection with the character of our own analysis, we have primarily focused our attention on the instruments of marketing promotion. Within this theory, a “regional product” is seen as a potential instrument of raising awareness of an area mainly through the originality and uniqueness of a product that distinguishes the given territory from other regions. These products become unique because of their character, way of production, packaging and experience, as the mass production and mass provision of services is absent. Applying marketing principles within the regional theory allows the region to flexibly deal with actual marketing problems such as the disparity between demand and supply, i.e. what the public expects from the region and what the region really offers.²⁰

Some other problems and factors limiting the development of a region are migration of the inhabitants to other regions, a weak response to an advertising campaign (e.g. due to an inappropriately chosen communication channel), insufficient interest in visiting, negative image of the area, low awareness about the region or lacking clear identity and image of the area.²¹ Therefore, we have approached the topic of regional marketing through regional product labelling. In this case, a region plays a vital role in recognising everything that it can offer to the customers as its ‘own product’ and in knowing its strengths and weaknesses, barriers to or possibilities for its development.

16 HORVÁTHOVÁ, M.: Marketingový mix územia. In KOTULIČ, R. (ed.): *Zborník vedeckých prác Katedry ekonómie a ekonomiky. ANNO 2010*. Prešov : Prešovská univerzita v Prešove, 2010, p. 74. [online]. [2019-05-08]. Available at: <<https://www.publib.sk/web/kniznica/elpub/dokument/Kotulic12/subor/8.pdf>>.

17 PORVAZNIK, J., LJUDVIGOVA, I., ČAJKOVÁ, A.: Holistic Competence of Leadership and Managerial Subjects. In *Politické vedy*. 2018, Vol. 21, No. 2, p. 56-77.

18 KOTLER, P.: *Moderní marketing*. Prague : Grada Publishing, 2007, p. 412.

19 MRVOVÁ, K., MATUŠIKOVÁ, D.: Importance of Customer Relationship Management in Tourism Industry. In *International Scientific Conference CRM 2006*. Pardubice : Press Centre of University of Pardubice, 2006, p. 150.

20 JANKELOVÁ, N., ČAJKOVÁ, A., MASÁR, D.: Znalostný manažment ako inovatívny nástroj riadenia v komunálnej politike. In *Journal of Diplomatic and Social Studies*. 2018, Vol. 1, No. 1, p. 36.

21 PAULIČKOVÁ, R.: *Regionálny a mestský marketing*. Bratislava : Eurounion, 2005, p. 21.

Role of Regional Product Labelling in Area Promotion with Regard to the Conditions of Market Environment in the Slovak Republic

The distinctiveness and uniqueness of individual regions is typical for the Slovak Republic. In Slovakia, there are significant regional differences in history, culture, traditions, customs, natural resources, geographical location, dialects or population composition.²² If we perceive regional product as the sum of a region’s supply to its real and potential customers – space, products, services, activities, etc., then it is also necessary to realise that the term “customers” means not only the visitors to the region but also its inhabitants, tourists, entrepreneurs and investors. It is through the product that the region can provide its values. The actual product of a region can be classified as the public services offered by the region, the investors’ supply in ownership of the region to private owners, events organised by the region, i.e. all factors that are a part of the product and operate in a natural, economic, historical and social environment.²³

Besides building a positive image of a territory, regional products also have an influence on the local economy, environment and social area. For this reason, they could be described as instruments of sustainable development. They also encourage local inhabitants’ pride in their region and build regional identity and culture.²⁴ It is obvious that the distinctiveness and specificity of each region is copied by the product policy of the particular place. Products logically assume features and characteristics typical for the region.²⁵ In many regions, products are handmade from local raw materials, are of special quality, follow traditions (products of carvers and tinkers, folk musical instruments, bee products, painted Easter eggs, gingerbread cookies, liquors, products made from beeswax, honey, etc.). Slovak restaurants and gastronomic facilities are starting to realise the uniqueness and quality of local ingredients. Therefore, many of them use foods exclusively from local resources and suppliers. Some restaurant owners have started to plant their own ingredients, increasing the overall value of the provided services.²⁶

We encounter a great many definitions of the term “brand” in specialised literature, all of them having a common basis in describing brand as a combination of name, wording, graphic and sound symbols. A brand thus represents a name, term, symbol or design that is intended for identification of a product or service of one producer and that distinguishes it from other goods on the market in a region.²⁷ Generally, we can state that a brand means better identification of the source of a product or service, risk mitigation, a sign of quality, declaration of producer’s responsibility, a means of identification for facilitation of trade, an instrument of legal protection of product characteristics, a source of competitive advantage or financial return.²⁸ The brand of a destination, according to a more precise definition by Matlovičová and Kolesárová, is “an attempt at creating associations connected to a place, while the actual process and its result cannot be fully controlled”.²⁹

22 ČERNÁ, J.: Nová identita produktov cestovného ruchu. In ČÁBYOVÁ, A., KUSÁ, A. (eds.): *Marketing Identity: Dizajn, ktorý predáva*. Trnava : FMK UCM, in Trnava 2013, p. 178.

23 HASPROVÁ, M.: *Marketing regiónu*. Bratislava : Progressus Slovakia, 2007, p. 73.

24 HRUBALOVÁ, L., BUDZELOVÁ, P.: *Role of Regional Products in Záhorie Region Development*. [online]. [2019-05-08]. Available at: <http://www.regionalnirozvoj.eu/sites/regionalnirozvoj.eu/files/06_hrubalova.pdf>.

25 HRUŠKA, V., BROUMOVÁ, L., PÍŠA, J.: Assessing the Regionality Degree of Regional Products of the Ústí Region (Czechia). In *European Countryside*. 2017, Vol. 9, No. 4, p. 834. [online]. [2019-05-08]. Available at: <<https://content.sciendo.com/view/journals/euco/9/4/article-p832.xml>>.

26 ŠTENSOVÁ, A.: Regional Brand Products in Slovakia in The Context of Regional Development. In *The Central European Journal of Regional Development and Tourism*. 2013, Vol. 5, No. 2, p. 37-59. [online]. [2019-05-08]. Available at: <http://www.deturope.eu/img/upload/content_20811366.pdf>.

27 SUKENIK, M.: *Vývoj značky podniku jako jeho konkurenční výhoda*. [Bachelor’s Thesis]. Brno : Masaryk University, 2013, p. 50.

28 KELLER, K. L.: *Strategické řízení značky*. Prague : Grada Publishing, 2007, p. 38-39.

29 MATLOVIČOVÁ, K., KOLESÁROVÁ, J.: Place Branding – význam a možnosti využitia v rozvoji územia. In *Folia Geographica* 19, 2012, Vol. LIV, p. 160-170. [online]. [2019-05-08]. Available at: <<https://www.unipo.sk/public/media/16282/Matlovicova-Kolesarova,%20Place%20Branding%20-%20význam%20a%20možnosti%20vyžitia%20v%20rozvoji%20území.pdf>>.

The essence of a place brand is to distinguish a certain area from others through those aspects that are unique for the region and competitive specificities, which can efficiently be sold in the market.³⁰

From the view of the theoretical definition of regional branding, there are great differences. As Štensová states, the terms “brand of a region”, “regional brand” and “brand of a regional product” have not been unequivocally and comprehensively handled in scholarly literature so far. The author sees clear disparities between the stated terms – “brand of a region” and “destination brand” are broader terms.³¹ Brand of a region is thus used also by private and public subjects – entrepreneurs, artists, researchers, actors from the areas of sports and education operating in the given region. According to Keller, brand of a region can also be used to label a regional product, but only if it is being produced in the given territory. “Thanks to an original name of a place, the brand name is relatively unchangeable,” he has stated.³² The term “regional brand” describes specific products from a particular region, as well as its relation to the region – territorial unit. The application of the term “regional product” is therefore more precise: “Regional brand/brand of a regional product is unequivocally related to a certain region. It guarantees the origin of the product in the particular region, uniqueness in relation to the region. The uniqueness results mainly from traditions, local sources, exceptional quality, handmade production, and other specific attributes.”³³

Within the context of marketing strategy, the significance of a brand is also mentioned by Goeldner and Ritchie Brent, who state that marketing mix most often consists of time, brand, packaging, price, distribution channels, product, image, advertising, sales, Public Relations, quality of services and research.³⁴ For a regional product brand to fulfil its function of promoting the given area, the sellers and producers must approach it responsibly. They need to know how to efficiently sell and offer regional products to a customer; they require a special atmosphere of supply and sale. This way, they can be effectively distinguished from mass production and mass supply in the market. The sale of regional products requires a selling place that is special for both inhabitants and visitors of the region. Factors like tourist movement frequency, visits to historical or cultural sites, tourist information centres, organic stores, local grocery stores selling Slovak produce, museums, castles, chateaus, galleries, etc. have to be taken into account.³⁵ We are of the opinion that the objective of local product branding is to support traditional local/regional products and services, as methods of their production and service provision are environmentally friendly, create new values of the territory, improve the feelings of identity of the inhabitants towards their region, increase competitiveness in relation to other regions and raise awareness among the inhabitants of the whole country. Strategic brand management of regional products involves suggestions and implementation of marketing programmes conducted on national and regional level, as well as activities aimed at building, measuring and administrating the values of the brand of a regional territory.³⁶

The process of brand management of local products was defined by Kemp et al. in four main steps: identification and specification of the location and values of the brand; planning and implementation of marketing programmes for regional products branding; measurement and interpretation of the brand performance; efficient improvements and progress of the regional brand value. The value of regional product branding is especially dependent on the original selection of brand elements, which represent the brand of regional products, or the way the brand is integrated into the marketing support programme and the way of

30 NOVICIC KORAC, B., ŠEGOTA, T.: Branding of (Desti)Nation with a Deteriorated Image: The Case of Serbia. In *Sociologija i prostor: časopis za istraživanje prostornoga i sociokulturnog razvoja*, 2017, Vol. 55, No. 1 (207), p. 77-99.

31 ŠTENSOVÁ, A.: Regional Brand Products in Slovakia in The Context of Regional Development. In *The Central European Journal of Regional Development and Tourism*, 2013, Vol. 5, No. 2, p. 37-59. [online]. [2019-05-08]. Available at: <http://www.deturope.eu/img/upload/content_20811366.pdf>.

32 KELLER, K. L.: *Strategické řízení značky*. Prague : Grada Publishing, 2007, p. 59.

33 ŠTENSOVÁ, A.: Regional Brand Products in Slovakia in The Context of Regional Development. In *The Central European Journal of Regional Development and Tourism*, 2013, Vol. 5, No. 2, p. 43. [online]. [2019-05-08]. Available at: <http://www.deturope.eu/img/upload/content_20811366.pdf>.

34 GOELDNER, C. R., RITCHIE BRENT, J. R.: *Tourism: Principles, Practices, Philosophies*. Hoboken : John Wiley & Sons, 2009, p. 533-534.

35 SOUMYA VINAYAN, N. L.: *Regional Products and Rural Livelihoods. A Study on Geographical Indications from India*. Oxford : Oxford University Press, 2019, p. 16.

36 MARGARISOVÁ, K. et al.: Regional Branding: Costumer's Experience with the Certified Products. In *Acta Universitatis Agriculturae et Silviculturae Mendelianae Brunensis*, 2018, Vol. 66, No. 6, p. 1549.

interlinking the brand with local subjects (local representatives, inhabitants, entrepreneurs, tourists, civic associations, other local brands, etc.).³⁷ Based on the aforementioned theoretical framework, we have chosen a targeted approach towards identifying methods of regional product labelling in the Slovak Republic and the methods of local product labelling. Building on the results of the questionnaire survey, we present the opinions of the coordinators of individual regional product brands on the variations of the ways and forms of defining marketing strategy of the brand in the particular analysed region.

Research Methodology

The objective of our research is to identify the character of influence the existence of regional product brands has on the efficient growth of promotion and awareness of analysed regions, with an aim to outline the possibilities of using the theory of regional product branding under the conditions of the Slovak Republic within the context of territorial marketing building. In the study, we bring information defining the potential influence that the existence of regional branded products has on an effective increase in promotion and awareness of the analysed regions. In the scientific search and clarification of the terms related to regional product branding and territorial marketing, we have used the descriptive method (analysis of existing theoretical definitions) and abstraction (differentiating between the relevant and irrelevant features of the analysed object in capturing its important attributes). The objects of the research are the brands of regional products in selected regions of the Slovak Republic: Kopanice, Záhorie, Hont, Ponitrie, Podpoľanie, Gemer-Malohont, Malodunajsko-Galantsko, Karsticum, Novohrad, Nitrava and Pohronie.

The selection of the target group has been determined by the criterion of product brand existence (implementation) in a given region, as well as the existence of a coordinator of the product brand. In this case, there are eleven main coordinators with a strictly defined area of authority, consisting of local producers and service providers, who can, on the basis of established criteria, apply for a certificate of a brand.

In the research not only on these coordinators but on all local actors active in regional labelling (production of commodity, service provision or brand identity experience), we consider 286 respondents as a basic file. In addition to 11 actors, the regional brand is presented in each surveyed region according to the nature of the activity in relation to brand building as follows: Kopanice (14 products, 3 services, 0 certified experiences), Záhorie (16 products, 1 service, 2 experiences), Hont (45 products, 2 services, 0 experiences), Ponitrie (14 products, 4 services, 2 experiences), Podpoľanie (20 products, 4 services, 0 experiences), Gemer-Malohont (27 products), Malodunajsko-Galantsko (13 products, 3 services, 2 experiences), Karsticum (32 products, 12 services, 4 experiences), Novohrad (33 products, 1 services), Nitrava (6 products, 3 services), Pohronie (14 products).

The methods of implementation of a product brand and regional labelling from the legislation and content point of view are defined in the critical analysis of regional product labelling. The basic set of respondents comprised the coordinators of regional products in the Slovak Republic: Kopanice – CA Kopaničiarsky Región local action group; Záhorie – local action group Podhoran; Hont – civic association Zlatá cesta; Ponitrie – CA Radošinka; Podpoľanie – civic association Podpoľanie; Gemer-Malohont – local action group Malohont; Malodunajsko-Galantsko – local action group Dudvák; Karsticum – Karsticum Alma; the Centre of Restoration and Protection of Folk Architecture and Traditions of Gemer; Novohrad – Region Neogradiensis; Nitrava – local action group Cedron-Nitrava; and Pohronie – civic association Žiar Basin.

Questionnaires were distributed electronically to the coordinators of the product brands in June and July 2019. The choice of the method of questionnaire survey was related to addressing respondents throughout Slovakia and a potentially fast data collection. For the purpose of calculating the technical averages of frequencies related to the promotion and presentation of brands of regional products, we have selected a scale questionnaire, where a respondent assigned a rate of intensity of using individual instruments of marketing

37 KEMP, E., CHILDERS, C. Y., WILLIAMS, K. H.: Place Branding: Creating Self-brand Connections and Brand Advocacy. In *Journal of Product & Brand Management*, 2012, Vol. 21, No. 7, p. 508.

communication in managing the brand building on a scale of one to five. The value five on the scale represented the highest possible rate of usage, the value one the lowest. To calculate the results, we have used the formula of cumulative frequency in an arithmetic mean of a large set after taking into account the class symbol of individual responses to the scale questions:

$$X_p = \frac{1}{n} \sum_{j=1}^k x_j \cdot n_j$$

where x_j - is a class variable

n_j - absolute frequency

n - number of values

The respondents' answers were statistically processed in a data matrix and numerically expressed through an assigned coefficient of class variable, taking into account the possible deviation in calculating arithmetic cumulated mean:

$$\sigma = \sqrt{\frac{1}{N} \sum_{i=1}^N (x_i - \bar{x})^2}$$

where i replaces j in the original formula

Consequently, the standard error of mean was taken into account in the calculation in relation to a certain rate or relative variability of the data set – dispersion of arithmetic mean in different datasets selected from one basic dataset, in this case based on the matching responses, we consider smaller subgroups of respondents.

$$s = \sqrt{\frac{1}{n-1} \sum_{i=1}^n (x_i - \bar{x})^2}$$

Through the sum of resulting cumulated values divided by the number of respondents, considering the possible error of mean, we have defined an average rate of usage of individual marketing instruments in marketing product brand building in regard to the efficiency of their impact on managing the targeted development of regions.

Critical Analysis of Regional Product Labelling under the Conditions of Slovak Market Environment

The system of regional labelling of products and services, in the Slovak Republic “regional product branding”, is currently not represented at the national level. The system of regional labelling is open for every region with clearly defined borders. The initiators of the existing regional brands in Slovakia are mainly local action groups (LAGs) or public-private partnerships based on the principles of the LEADER programme.

The National Network of Slovak Local Action Groups (in Slovak *Národná sieť slovenských miestnych akčných skupín* – NSS MAS) thus covers the national level of coordination and promotion of regional labelling in Slovakia.³⁸ Each region that deals with regional labelling is represented by a local regional coordinator, who takes care of activities of regional labelling and communicates with local producers and service providers.

Within the public discussion initiated by the NSS MAS, a uniform logotype design of labelling local products and services in Slovakia has been chosen and minimum principles of regional product or service certification, which will be respected in every acceding region, have been adopted. Besides these, each region takes into account its specificities and uniqueness in its principles.³⁹ Only agricultural and food products, artisanal products made in the area of the given region and accommodation and catering services provided in the given area are entitled to obtain the label ‘regional product’. The interested businesses (producers and service providers) must also meet the conditions for granting the label of regional product set by the coordinator of regional product brands and comply with the general principles of the brand and region. Currently, there are eleven coordinators operating in the territory of the Slovak Republic, who grant the label to interested entrepreneurs. In Table 1, we present the criteria for granting regional product labels in the Slovak Republic.

Table 1: Criteria for granting the label of a regional product in Slovakia

Products and Goods	
Basic criteria	Criteria of uniqueness
Producer with address of production place in the region	Tradition of production of a subject
Meeting ethical principles and positive relationship with the environment	Using local raw materials
Products/goods of a standard quality	Proportion of (artisanal) handwork
Product does not harm the environment	Product uniqueness and originality
Accommodation and Catering Services	
Basic criteria	Criteria of uniqueness
Location of service provision in the region	High quality of provided services
Meeting ethical principles and positive relationship with the environment	Environmentally friendly behaviour
Service provision of a standard quality	Uniqueness of the facility in relation to the region
Services and Products of Tourism	
Basic criteria	Criteria of uniqueness
Service is provided within the region's territory	High quality of provided services
Meeting ethical principles	Positive relationship to the environment
Service provision of a standard quality	Uniqueness in relation to the region

Source: MELIŠOVÁ, H.: *Zásady pre udeľovanie a používanie značky „regionálny produkt Pohronie“*. Žiar nad Hronom: OZ Žiarska dolina, 2017, p. 25.

The regional label for Kopanice is intended mainly for local producers of traditional items and foods, craftsmen, growers of crops typical for the region, which lies in the area of White Carpathian Mountains and is situated near the towns Myjava, Brezová pod Bradlom and Stará Turá.⁴⁰ In the area of the Záhorie Region,

38 ZPO REGIÓN NEOGRADIENSIS: *Vytvorenie regionálnej značky: Metodické usmernenie pre udeľovanie a používanie regionálnej značky NOVOHRAD*. Lučenec: ZPO Región Neogradensis, 2018, p. 4.

39 *Regionálne značenie na Slovensku*. [online]. [2019-10-25]. Available at: <<https://www.produktnovohrad.sk/Regionálne-značenie-na-Slovensku.php>>.

40 *O značke*. [online]. [2019-10-25]. Available at: <<http://www.kopanice.regionalneprodukty.sk/o-zaacke/>>.

these municipalities carry out their activities: Hradište pod Vrátnom; Hlboké; Jablonica; Cerová; Prievally; Prietrž; Plavecký Mikuláš; Plavecký Peter; Plavecké Podhradie; Rohožník; Kuchyňa; Sološnica; Pernek; and Jablonské. There are also local self-governments that operate within the area of Partnership for Horné Záhorie: municipalities of Brodské; Chropov; Kopčany; Radirnov; Dubovce; Trnovec; Radošovce; Kátov; Kopčany; Letničie; Mokrá Háj; Oreské; Lopašov; Koválec; Petrova Ves; Močidlany; Prietržka; Unín; Smolinské; Vradište, towns of Gbely, Holič, and Skalica, as well as other municipalities in the districts of Senica and Malacky.⁴¹ The territorial scope of the Ponitrie Region for the purposes of labelling is bounded by the borders of the districts of Topoľčany, Zlaté Moravce and Nitra, plus the municipality of Rastislavice in the district of Nové Zámky.⁴²

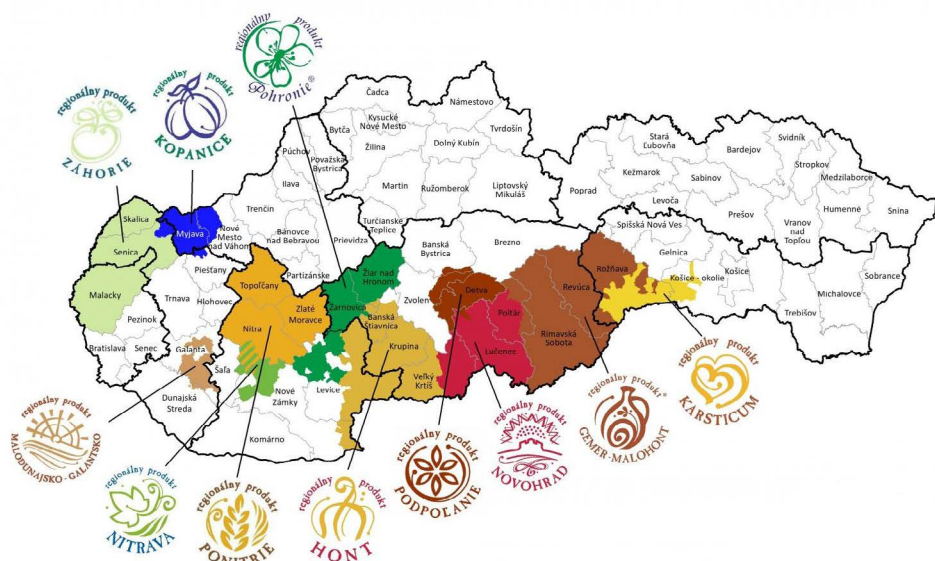


Figure 2: Territorial scope of regional labels in Slovakia

Source: Regionálna značka a propagácia. [online]. [2019-10-25]. Available at: <<https://www.sietmas.sk/regionalna-znacka-a-propagacia.html>>.

The basis for the current definition of the area of the Podpoľanie brand consists of nineteen member municipalities of the Podpoľanie civic association: Detva; Hriňová; Budiná; Detviaska Huta; Dúbravy; Horný Tisovník; Hrochoť; Klokoč; Korytárky; Kriváň; Látky; Očová; Podkriváň; Slatinské Lazy; Stará Huta; Stožok; Vigľaš; Vigľašská Huta – Kalinka; and Zvolenská Slatina.⁴³ Territorial scope for granting the regional label Hont extends to the municipalities in the districts of Banská Štiavnica and Krupina and the town of Dudince.⁴⁴ The regional product brand Karsticum comprises producers and sellers in the territories of the Slovak Republic and Hungary. In the Slovak area, these are the districts of Rožňava, Spišská Nová Ves, Gelnica, Košice-okolie and some other municipalities.⁴⁵ The territorial scope of regional brand Gemer-Malohont consists of the districts of Rimavská Sobota, Revúca, Rožňava and Poltár.⁴⁶

41 Zásady pre udeľovanie a používanie značky „Regionálny produkt Záhore“. [online]. [2019-10-25]. Available at: <http://files.maspodhoran.webnode.sk/200006946-ca70dec64e/Zasady%20pre%20udeľovanie%20a%20používanie%20značky_RP%20ZÁHORIE.pdf>.

42 Územná pôsobnosť. [online]. [2019-10-25]. Available at: <<https://www.produktponitrie.sk/o-znacke/uzemna-posobnost/>>.

43 Územná pôsobnosť. [online]. [2019-10-25]. Available at: <<https://regionalnyproduktpodpolanie.sk/o-znacke/#1545083897084-d90a6acf-5af7>>.

44 To najlepšie z tradičných výrobkov vidieka. [online]. [2019-10-25]. Available at: <<https://www.produktmont.sk/>>.

45 Regionálny produkt Karsticum. [online]. [2019-10-25]. Available at: <http://www.karsticum.sk/Content/doc/regionalny_produktd.pdf>.

46 Územná pôsobnosť. [online]. [2019-10-25]. Available at: <<https://www.produkt.gemer-malohont.sk/pre-zaujemocov-o-znacku/uzemna-posobnost/>>.

In the area covered by the local action group Stará Čierna Voda, activities are carried out by following municipalities: Dolné Saliby; Horné Saliby; Jahodná; Kráľov Brod; Tomášikovo; and Vozokany. The local action group Dudvák includes the municipalities of Čierna Voda; Čierny Brod; Dolná Streda; Gaň; Kajal; Košúty; Malá Mača; Matúškovo; Mostová; Topoľnica; Váhovce; and Veľká Mača.⁴⁷ The territorial scope of the regional product Novohrad is relevant for local self-governments in the districts of Lučenec, Poltár and Veľký Krtíš.⁴⁸ The label ‘regional product Nitrava’ can only be obtained by products, goods, services and events produced or provided in the area between the basins of the rivers Váh and Žitava. This stems from the historical division of the territory within the Nitra Region, where, according to the records obtained in the district archive in Ivanka pri Nitre, the territory between the basins of the rivers Váh and Žitava was called ‘Dolná Nitra’. Between the basins of the rivers Váh and Žitava lie the Šafa district, a part of the Nitra district and a part of the Nové Zámky district.⁴⁹ The label ‘regional product Pohronie’ is available to the producers, sellers and providers of services operating in municipalities in the Levice district, municipalities in the Žarnovica district, towns of Nová Baňa and Žarnovica, municipalities in the district Žiar nad Hronom, towns of Kremnica and Žiar nad Hronom.⁵⁰

Analysis of Utilisation of the Communication Instruments in Building the Product Brand in Selected Regions of the Slovak Republic

As declared in the research methodology, the basic set of respondents comprised the coordinators of regional product brands in the Slovak Republic: Kopanice – CA Kopaničiarsky Región local action group; Záhorie – the local action group Podhoran; Hont – the civic association Zlatá cesta; Ponitrie – CA Radošinka; Podpoľanie – the civic association Podpoľanie; Gemer-Malohont – the local action group Malohont; Malodunajsko-Galantsko – the local action group Dudvák; Karsticum – Karsticum Alma; Centre of Restoration and Protection of Folk Architecture and Traditions of Gemer; Novohrad – Region Neogradiensis; Nitrava – the local action group Cedron-Nitrava; and Pohronie – the civic association Žiarska kotlina. The questionnaire was distributed electronically and the content of all questions was directed at the utilisation of marketing instruments in building a product brand. In Table 2, we present the basic identifying characteristics of the selected regional products.

Table 2: Basic characteristics of the regional products

Name of the regional product brand	Coordinator of the regional product brand	Year of regional product brand establishment	Number of products labelled as ‘regional product brand’
Kopanice regional product	CA Kopaničiarsky región LAG	2011	12
Záhorie regional product	Local action group Podhoran	2011	12
Regional product Hont	Civic association Zlatá cesta	2011	47

47 Zásady pre udeľovanie a používanie značky „Regionálny produkt Malodunajsko – Galantsko“. [online]. [2019-10-25]. Available at: <http://www.masdudvah.sk/e_download.php?file=data/messages/obsah10_4.pdf&original=Zasady+pre+udeľovanie+a+používanie+značky.pdf>.

48 Územná pôsobnosť značiek „Regionálny produkt“ v našom BB kraji pre okresy Lučenec, Poltár a Veľký Krtíš. [online]. [2019-10-25]. Available at: <<https://www.produktnovohrad.sk/resources/Dokumenty/priloha---uzemna-posobnost-znacky-novohrad.pdf>>.

49 Základné informácie o značke. [online]. [2019-10-25]. Available at: <<https://produktnitrava.sk/o-znacke/>>.

50 Územná pôsobnosť. [online]. [2019-10-25]. Available at: <<https://www.produktpohronie.sk/uzemna-posobnost.html>>.

Regional product Karsticum	Karsticum Alma	2011	48
Regional product Ponitrie	Civic association Radošinka	2011	20
Regional product Podpoľanie	Civic association Podpoľanie	2011	24
Regional product Gemer-Malohont	LAG Malohont	2011	27
Regional product Malodunajsko-Galantsko	LAG Dudvák	2011	18
Regional product Novohrad	Region Neogradensis	2016	34
Regional product Nitrava	LAG Cedron-Nitrava	2016	9
Regional product Pohronie	Civic association Žiarska kotlina	2017	14

Source: Own processing

Presentation of a brand, as stated in the principles of granting and using the regional product label, is handled by the brand coordinators, who strategically guide the functioning of marketing activities through printed informational and promotional materials (brochures, leaflets, catalogues), presentations in the media, press releases in local and regional newspapers, Internet presentation on the regional coordinators' websites, presentations at organised events (markets, fairs, exhibitions, trade fairs) and brand presentation at the places of sale of the certified products.⁵¹ Within the survey, the respondents answered twelve questions regarding the utilisation of various forms of marketing communication promoting regional products in practice. In Table 3, we present the findings in the form of statistically calculated averages for the identified techniques.

Table 3: Marketing communication techniques used for the promotion of a region through regional products (1 – the least used, 5 – the most used)

	Technique	Average		Technique	Average
1.	Direct selling (markets, shops, fairs, festivals, etc.)	4.73	8.	Participation in seminars, conferences, exhibitions	2.72
2.	Website of the regional product's brand coordinator	4.55	9.	Publications, books about regional products	2.45
3.	Samples, regional product tasting	4.45	10.	Mobile applications	2.36
4.	Own website of the regional product	3.45	11.	Presentations abroad (events, exhibitions, conferences, etc.)	2.27
5.	Printed media – catalogues, leaflets, brochures, region guides	3.27	12.	Presentation in local radios and on televisions	2.09
6.	Video, short documentary films	3.09		Advertising on the Internet or television	2.09
7.	Presentations in local newspapers	2.82			

Source: Own processing

In the first question regarding regional product promotion, the respondents stated the intensity of utilisation of marketing communication techniques on a scale from 1 to 5. The responses show that direct selling at local events (markets, fairs, festivals, etc.), information sharing through the regional product brand coordinator's website and samples and product-tasting are the most utilised forms of regional products presentation in the individual territories. Among the most popular and largest regional events we would include the International Folklore Festival Myjava, Crafts and Art Košice, Wine Routes of Záhorie, Pezinok and contiguous villages, the Plum Days in Nová Bošáca, handmade fairs throughout Slovakia, urban markets, the Traditional Taste of Podpoľanie, etc. The major challenge to raising the awareness and promotion of a regional product brand appears to be the implementation of digital technologies in the form of advertising online, on local television, radio stations and promotion of regional products abroad at exhibitions and trade fairs. On the other hand, the 'classic' communication method of using brochures and leaflets in printed and online forms is highly used and popular as well. In Figure 3, we present an overview of the techniques of marketing communication implemented in the promotion of regional product brands that the respondents use the most.

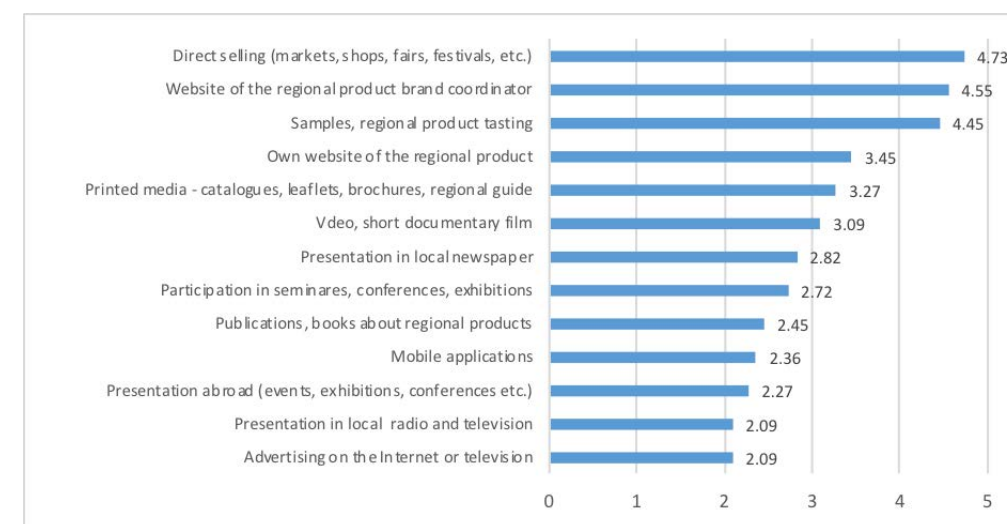


Figure 3: Marketing communication techniques used in the promotion of a region through regional products

Source: Own processing

Due to growing competition between the regions, it is increasingly difficult for individual local self-governments to gain and attract visitors. An efficient way to achieve this could be an early recognition, maintenance and promotion of traditional regional products that distinguish the offer of the region from other areas of the Slovak Republic, Europe or the world. Regional products have a positive influence on the local economy, environment and social aspects and therefore can be regarded as an instrument of sustainable development and regional management building.⁵² The respondents were asked eleven questions related to the potential benefits of brand building for the region within the context of its marketing perception. In Table 4, we offer the considered factors that positively influence regional development thanks to the existence of regional products branding.

51 MAS MALOHONT: *Metodika regionálnej značky GEMER-MALOHONT*. Veľký Krtíš: i – projekt, 2014, p. 17.

52 SHARMA, S.: Sustainable Culinary Practices. In JAUHARI, V. (ed.): *Managing Sustainability in the Hospitality and Tourism Industry*. Oakville: Apple Academic Press, 2014, p. 309.

Table 4: Benefits of regional product branding for the region (1 – the smallest benefit, 5 – the greatest benefit)

	Form of benefit	Average		Form of benefit	Average
1.	Publicity and increase in awareness of a region	4.18	6.	Building identity and relationship of inhabitants toward the region	3.36
2.	Promotion of traditional local products and services	4.09		Inhabitants' participation in the events in the region	3.36
3.	Regional and local development of the area	4.00	7.	Promotion of the economy of the region	3.27
	Promotion of traditions, customs and culture of the area	4.00	8.	Increasing employment in the region	3.09
4.	Increase in number of visitors and interest in the region	3.91	9.	Adding value to regional brands	3.00
	Distinguishing regional products from mass-produced products	3.91	10.	Attracting new investors to the region	2.82
5.	Support of the environment in the region	3.82	11.	Increasing competitiveness of the region	2.36
	Promotion of tourism in the region	3.82		Cooperation of public and private subjects in the region	2.36

Source: Own processing

It is clear from the conducted analysis that the respondents find factors such as publicity and increasing awareness of the region, promotion of traditional local products and services, regional development and promotion of traditions, customs and culture in the region the most beneficial. Hereby, it is necessary to emphasise that these are efficient instruments of enhancing the local and regional economy mainly in the less developed regions, where regional product labelling is being used.

This is mostly the territory within the competence of Banská Bystrica Self-Governing Region, which participates in co-financing of the regional product brand. It is undeniable that the production and sales of local products support regional economy expansion (as less financial resources are directed to national companies), growth of agriculture and local businesses, creation of new jobs, increase in the volume of tax collection and reinvestment in the region, reinforcement of links with tourism and promotion of regional brands. The reduction or omission of intermediaries leads to closer links between farmers and consumers, thus creating healthy competition between producers and allowing them to gain adequate remuneration.⁵³

Based on granting policy and regional product branding, the official place to sell certified products is only a licensed store that has a special label (brand emblem and text), such as: "Selling regional products from the XY region (in this case – regional products from Kopanice)".

All points of sale must be listed in promotional materials and are a part of promotional activities. Official places of sale thus can be: a point of sale directly at the production site of the regional product, local fairs, other places of sale and business (information centres, accommodation and catering facilities, souvenir shops, retail grocery shops that must be situated in the territory of the region, and stands, counters, stalls at craft fairs, farmers' markets, etc). The respondents stated the utilisation rate of the defined places of sale that are used to promote and present regional products, as summarised by Figure 4, which shows the calculation of arithmetic mean of individual responses.

53 KAŠKOVÁ, M., CHROMÝ, P.: Regional Product Labelling as Part of The Region Formation Process. The Case of Czechia. In *AUC Geographica*, 2014, Vol. 49, No. 2, p. 88.

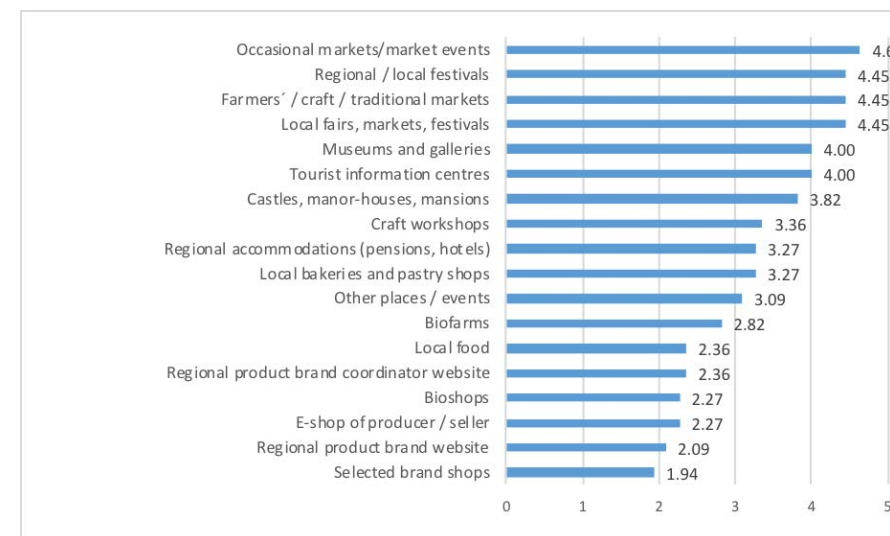


Figure 4: Place/event where regional products are sold most frequently

Source: Own processing

As we have expected, the places of sale and presentation of regional products are mostly farmers', crafts and traditional markets, as well as regional festivals and local fairs. A significant place of regional brands promotion is Reeve's Yard in Turá Lúka with the option of sample-tasting. Museums, castles and mansions also notably contribute to building the awareness of regional products in the form of sale; these are mostly Branč Castle; Čachtice Castle; Trenčín Castle; Topoľčany Castle; the Castle of Nitra; the Calvary in Banská Štiavnica; M. R. Štefánik's Museum; and the Museum of Ludmila Podjavorinská. Tourist information centres are established in the self-governments with a city status in the individual regions. Points of sale that provide the sale of regional product in the region of Hont are: the shop U troch zvieratiek (Banská Štiavnica); the Starý Hostinec Restaurant (Svätý Anton); the Lišov Museum; the Information Office in the municipality of Dudince. In the Kopanice region, this is mainly the Tourist Information Centre in Myjava. Figure 4 shows the place of sale of regional products in the analysed regions, where an average of 4.64 means the most used place of sale.

The objective of specifying the conditions for official points of sale is to distinguish high-quality regional products from other products sold in the region. The certified products can be sold at other places outside the territory of the region, but these places do not meet the condition for being an official place – i.e. having the selling premises within the region. Therefore, these places of sale are not a part of promotional activities of the brand, unlike 'official places of sale'. It stems from the limited financial resources that are aimed at the selected area. This raises a question of the efficiency of the sale. The respondents' opinions on selling local products labelled as 'regional product brand', in supermarkets situated in the territory of a given region are presented in Figure 5.

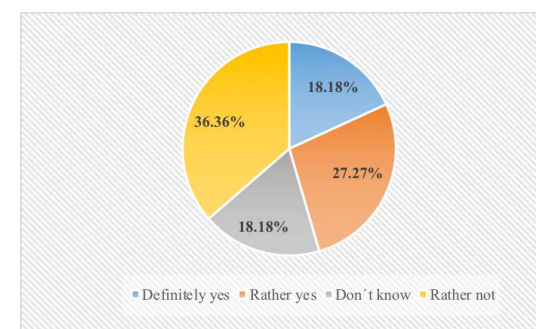


Figure 5: Do you think that regional products should be sold in supermarkets/hypermarkets as a part of raising awareness of the region?

Source: Own processing

An applicant can consult a possible establishment of a place of sale outside the given territory with the brand coordinator, who can allow it, but also can exclude it from promotional and presentational activities that are financed from the resources committed for financing activities in the territory of the region. In Table 5, we present methods of financing the establishment and promotion of the regional product brand based on the criteria set by the research, taking into account the legislative framework and normative restrictions of budgeting of the product brands promotion. We have considered the two key lines of financing linked to the existence of binding documents related to the National Regional Development Strategy for years 6 and 7 of the programming periods (2007 – 2013, 2014 – 2020).

Table 5: Methods of financing the establishment and development of regional product brands

Financial resources	We do not finance	We finance occasionally	We finance regularly
Financial resources from the implemented projects financed by the EU	0 (0.00%)	2 (18.18%)	9 (81.82%)
European Agricultural Fund for Rural Development	0 (0.00%)	4 (36.36%)	7 (63.63%)
Agricultural Paying Agency	2 (18.18%)	4 (36.36%)	5 (45.45%)
Ministry of Agriculture and Rural Development of the SR	1 (9.09%)	5 (45.45%)	5 (45.45%)
Ministry of Transport and Construction	0 (0.00%)	5 (45.45%)	6 (54.54%)
Own financial resources	3 (27.27%)	5 (45.45%)	3 (27.27%)
Financial resources from selling publications, organizing seminars, conferences, etc.	0 (0.00%)	5 (45.45%)	6 (54.54%)
Financial resources obtained from the producers and providers of regional products	4 (36.36%)	5 (45.45%)	2 (18.18%)
Voluntary financial contributions	1 (9.09%)	6 (54.54%)	4 (36.36%)
Financing from private sector/subjects	2 (18.18%)	7 (63.63%)	2 (18.18%)
Regional Development Agency	1 (9.09%)	6 (54.54%)	4 (36.36%)
Municipalities, cities, Higher Territorial Units	2 (18.18%)	6 (54.54%)	3 (27.27%)

Source: Own processing

An example of such financing of regional products presentation could also be the creation of public-private partnership in 2013 within the call for projects of cooperation from the Rural Development Programme of the SR 2007 – 2013, entitled “The Support for Regional Products from Kopanice and Záhorie”. Promotion and development of the regional product brand Karsticum are financed mostly from the Cross-Border Cooperation Programme Hungary – Slovak Republic, as well as the European Regional Development Fund; the presentation of the regional product Gemer-Malohont uses financial support from the LEADER programme through the Agricultural Paying Agency of the SR. The regional product Malodunajsko-Galantsko is advancing thanks to the Ministry of Agriculture and Rural Development of the SR, the Agricultural Paying Agency, the National Network for Rural Development, Trnava Self-Governing Region and the Integrated Regional Operational Programme 2014 – 2020. The Banská Bystrica Self-Governing Region financially supports the development of the Novohrad regional product. The issue of financial support significantly influences the strategic direction and management of promoting the region through regional product brands, as the presentation of the brands is limited by the scope of places of sale and is bound by a given region. Hereby, a limitation in selling and promoting regional products outside the place of their production occurs.⁵⁴

54 VOKÁČOVÁ, L. et al.: Regional Brands as an Attribute of Product Quality. In *Acta Universitatis Agriculturae et Silviculturae Mendelianae Brunensis*, 2017, Vol. 65, No. 6, p. 2132.

This problem could potentially be solved by selling regional products through e-shops, where, however, costs for producers increase and we do not know of any regional products being sold online in Slovakia, as it would be necessary to create a network of regional sellers and set conditions of sale and distribution for all sellers in a region. The distribution infrastructure is failing not only because of funding but also due to an absence of a clear communication strategy. The administrator and operator of online stores and websites is also questionable as, according to the principles, it could only be the coordinator of the regional product brand or a subject operating in the region, from which the products would be sold. However, using digital technologies in the form of online selling could eventually lead to a significant increase in demand for local production and in awareness of and interest in local sellers and their regional products.⁵⁵

In the final evaluation, we analysed subjective opinions of the respondents as potential actors of regional development in the role of regional product labelling in promoting and presenting the region.

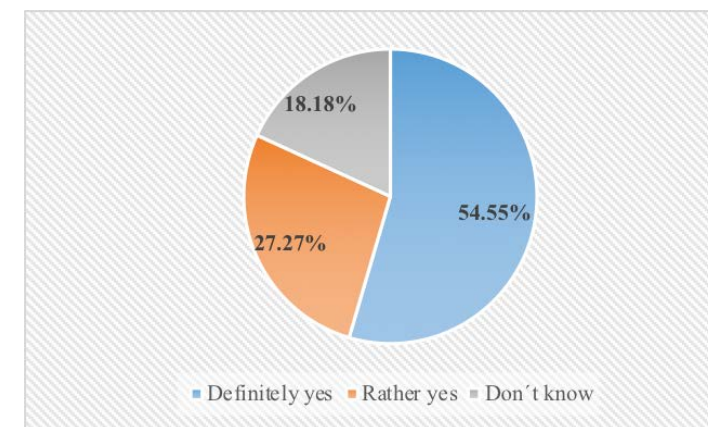


Figure 6: Do you think that the existence of a regional product brand contributes to promotion of the region and to an increase in the number of visitors?

Source: Own processing

The respondents' positive perception of the existence of local production branding is evident from the figure. In total, 54.55% of the respondents expressed an absolute agreement with the statement and 27.27% of the respondents stated a positive perception of the product brand existence. Only 18.18% of the respondents could not express a definite opinion on the given question. Although it is a very subjective judgment of the actors about their own activities, it is nevertheless possible to state that regional brands have a strongly positive influence on regional development and the growth of tourism. Not only products but also catering, accommodation and other facilities and services in the area of tourism (restaurants, pensions, riding facilities, wellness centres) can be labelled as regional products.⁵⁶ Hereby, we can note another perspective potential of communicating the product brand to the end user. Interactive connection to other sectors, such as hotels, health resorts, agroindustry, tourism, etc. would undoubtedly be beneficial for further regional development.

Discussion and Conclusion

Through evaluating the analysed parameters of marketing management of regional product brands in the Slovak Republic, we also aim at suggesting possible potential and direction of building regional product brands in other regions of the Slovak Republic. Drawing on the analyses of the current system of regional

55 HOCHOVÁ, K: Využitelnost digitálního marketingu v územní samosprávě. In GÁLIKOVÁ TOLNAIOVÁ, S., GREGUŠ, L., PRONER, J. (eds.): *Quo Vadis Massmedia & Marketing*. Trnava : FMK UCM in Trnava, 2019, p. 136.

56 ČÁBYOVÁ, L.: Imidž a marketingová komunikácia Slovenska. In PAVLÚ, D. et al.: *Marketingové komunikace a image*. Zlín : Tomáš Baťa University in Zlín, 2006, p. 53.

product brand management, it is obvious that the system of regional labelling of products and services in the Slovak Republic is currently not represented at a national level. The system of regional branding is open to every region with clearly defined boundaries. Therefore, every region decides to implement local product labelling on its territory on a voluntary basis. The initiators of the existing regional brands in Slovakia are predominantly local action groups (LAGs), civic associations (CAs), or public-private partnerships operating on the principles of the LEADER. Uniform legislation governing the issue of product brand building and regional production framework is absent.

The presentation of a brand, as stated by the principles of granting and using the regional product label, is provided by brand coordinators, who strategically guide the functioning of marketing activities through printed informational and promotional materials (brochures, leaflets, catalogues), presentation in the media, press releases in local and regional newspapers, Internet presentation on brand coordinators' websites, presentation at organised events (markets, fairs, exhibitions) and presentation of the brand at places of sale of certified products.

The respondents of the questionnaire survey comprised the coordinators of regional labelling of products and services for the analysed regions. These are mainly local action groups and civic associations operating in the selected territories. The questionnaire was distributed electronically and all questions were directed at the use of marketing tools in the process of building product brands. Within the research, respondents answered twelve questions concerning the use of various marketing communication forms in promoting regional products in practice. The responses show that direct selling at local events like markets, fairs, festivals, etc. (with an average of 4.73), information disseminated via the regional brand coordinator's website (with an average of 4.55) and samples and tastings (with an average of 4.45) are among the most used forms of regional products presentation in individual territories. The respondents were asked eleven questions related to the potential benefits of product branding for the region in the context of its marketing perception. It is clear from the analysis that they perceive as the most beneficial factors the promotion and raising of regional awareness, which reached an average of 4.18, the support of traditional local products and services (with an average of 4.09), regional development (an average of 4.00) and the support of traditions, customs and culture in the region (with the same average of 4.00). The objective of setting conditions for official points of sale is to distinguish quality regional products from other goods sold in this area. The point of sale and presentation of regional products are mostly farmers', craft and traditional markets, as well as regional festivals and local fairs. They reached the highest average of the points of sale – between 4.45 and 4.64.

In the final evaluation, we analysed subjective opinions of the respondents as potential actors of regional development on the role of regional product labelling in promoting and presenting the region. The respondents' positive perception of the existence of local production branding is evident from Figure 6. In total, 54.55% of the respondents expressed an absolute agreement with the statement and 27.27% of the respondents stated a positive perception of the product brand existence. Only 18.18% of the respondents could not express a definite opinion on the given question. Based on the research outputs, experiential tourism in the form of samples and product-tasting is one of the most used forms of presenting regional products in individual territories. The places of sale and presentation of regional products in the analysed regions are mostly farmers', crafts and traditional markets, as well as regional festivals and local fairs. Important places for regional products promotion are museums, castles, mansions and chateaus, which offer regional products and contribute significantly to raising the awareness of regional product brands; these are mainly Branč Castle; Čachtice Castle; Trenčín Castle; Topoľčany Castle; the Castle of Nitra; the Calvary in Banská Štiavnica; local museums and libraries. Tourist informational centres in the regions are established in self-governments with a city status.

It is indisputably provable that creation of a regional product brand shapes the actual value of a region and positively supports regional development in several ways: promotion and awareness-building of the region, credibility of the local products' origins, involvement of the local community and the visitors, reducing marketing costs, attracting new visitors (customers) to the region, differentiation of the region on the regional market, building competitiveness and position of the region, creating positive attitudes of the public towards the region, etc. Regional management of local product brands clearly has a positive influence on the economy,

employment, local heritage, tourism, environment and promotion of the defined area in the Slovak Republic. Local product branding also contributes to the improvement in how inhabitants and tourists perceive the region. Destinations (regions) that want to present themselves in Slovakia and abroad should direct their attention to local products of food, agricultural and artisanal character typical for the area.

One form of management support for the existing 'regional brand' system is the organisation of regular workshops in individual regions, initiated by local policy actors. The public policy actors involved in the process of branding regional products should show interest and initiative to promote and expand local products, services and events. The outcome of these initiatives would be to propose the creation of a joint "Council for Rural Development and Regional Product" in each of the self-governing regions, which would be the coordinating body for the regional brand in the given territory. On the other hand, the body of knowledge, which we presented at the beginning of the study, has confirmed that local products increase the ability of sustainable regional development, strengthen the local economy and support infrastructure. It is, however, necessary to build on the existing results and conduct further research into the specificities typical for the market environment of the Slovak Republic. Several questions for debate have arisen – which methods the region representatives can use to attract tourists to visit the area, what the share of local products on the purchased goods in the region should be, whether there even are opportunities for product-tasting and experiential tourism aimed at learning about traditions and culture in a given area. We point out the importance of the efficient strategic management of regional product brands, as well as creation of concepts at a local level in order to enhance regional development, number of visitors and raise the awareness of regions and competitiveness.

In order to achieve a positive impact of regional products on regional development, producers and service providers need to emphasise in particular the specificity of these products. The focus should also be aimed at promoting the quality, freshness and contribution of regional products to the local economy and the environment. It is important to maintain the authenticity of the environment in which the service delivery process takes place. Information about regional products should be given to visitors before their arrival at their destination and during their stay, too. The basic prerequisite for the use of regional products in the offer of tourism can be seen as quality presentation on the Internet, ensuring the sale of regional products in local stores, tourist or information centres and organised events. Traditional festivals, thematic tours and other public events can encourage visitors' interest in the region and its products. Despite the higher price of regional products due to the inability of achieving profits from quantity, the benefits far outweigh the weaknesses and their offer within the local market is justified.

We conclude that the use of communication tools in product branding in selected regions of the Slovak Republic contributes to increasing the sales and prestige of local products and services. The importance of regional labelling of local products and services lies in promoting the use of local resources, potential and raw materials, in preserving the values, traditions and uniqueness of the region. In addition, regional labelling positively affects the increasing of local products' added value, competitiveness and thus the main and complementary incomes of local producers. For these reasons, regional labelling is being introduced in Slovakia and neighbouring countries as one of the effective ways of supporting the local economy. The research shows that under the regional brand are mainly labelled craft and food products, but also accommodation and catering services or events that fulfil the criteria for granting the regional brand. They are prepared with the active participation of local producers, service providers and other stakeholders.

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