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FEATURES OF THE DEVELOPMENT OF AGRICULTURAL REGIONS AND THEIR BRANDING

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ОСОБЛИВОСТІ РОЗВИТКУ АГРАРНИХ РЕГІОНІВ ТА ЇХ БРЕНДИНГ

The main purpose of the study is to identify the peculiarities of the development of the agricultural sector in the regions of Ukraine, to determine the key components of the brand of an agricultural region and to improve the procedures for monitoring the created brand. The paper proves that in the current economic environment and the intensification of digitalisation of all spheres of life, the mobility of capital, labour, and innovation is intensifying, so territorial marketing and branding of the territorial community becomes a prerequisite for creating a competitive advantage for the region in the struggle for investment and resources.

It is shown that in this context, creating a positive image of the territory through the formation of their brand is of particular importance. In turn, branding of a region is an integral part of programmes for sustainable socio-economic development of territories. The analysis has shown that the administrative-territorial reform in Ukraine and the decentralisation of the regions have given a powerful impetus to the regional development of territorial communities. It is proved that for agrarian territories, this impetus opens up new additional opportunities for self-identification, investment attraction and promotion of their own products, which will become increasingly important.

The main problems of development of agrarian regions are highlighted, the factors that determine the conditions and potential opportunities for the development of agrarian territories are grouped. In the context of creating a brand of the region, the essence of the brand of the territorial community is defined and the grouping of relevant target audiences is proposed. The systematic monitoring of the results obtained is recommended, which should involve experts of different directions and specialities. A group of target indicators of such monitoring is proposed, among which special attention is paid to the target audience's awareness of the brand's benefits, a set of social and general indicators of the harmonious perception of the brand by the residents of the region. The factors of success of a region's brand are highlighted.

Основною метою дослідження є виявлення особливостей розвитку аграрного сектору регіонів України, визначення ключових складових бренду аграрного регіону та удосконалення процедур моніторингу створеного бренду. В роботі доведено, що в сучасних умовах господарювання та посилення процесів цифровізації усіх сфер життєдіяльності відбувається інтенсифікація мобільності капіталу, робочої сили, інновацій, тож необхідною умовою для створення конкурентної переваги регіону в боротьбі за інвестиції та ресурси стає територіальний маркетинг та брендинг територіальної громади. Показано, що

особливого значення в цьому контексті набуває створення позитивного іміджу території через формування їх бренду. У свою чергу брендинг регіону є невід'ємною складовою програм стійкого соціально-економічного розвитку територій. Проведений аналіз показав, що адміністративно-територіальна реформа в Україні та децентралізація регіонів дала потужного поштовху до регіонального розвитку територіальних громад. Доведено, що для аграрних територій такий поштовх відкриває нові додаткові можливості для самоідентифікації, залучення інвестицій та просування власної продукції, що набуватиме все більшого і більшого значення.

Виділено основні проблеми розвитку аграрних регіонів, Здійснено групування чинників, які визначають умови та потенційні можливості розвитку аграрних територій. В контексті створення бренду регіону визначено сутність бренду територіальної громади та запропоновано групування відповідних цільових аудиторій, тож що до розробки та впровадження заходів з брендування регіону в контексті стратегії його розвитку доцільно залучати представників влади, бізнесу та громади. Рекомендовано системний моніторинг отриманих результатів до якого доцільно залучати експертів різних напрямків та фаху. Запропоновано групу цільових показників такого моніторингу, серед яких окрему увагу приділено усвідомлення цільовою аудиторією користі бренду, комплекс соціально-загальних показників щодо гармонійного сприйняття бренду мешканцями регіону. Виділено чинники успіху бренду регіону.

Keywords: socio-economic development strategy; agro-region; region branding; positioning; target audiences.

Ключові слова: стратегія соціально-економічного розвитку; агорегіон; брендинг регіону; позиціонування; цільові аудиторії.

Statement of the problem. Today, territorial marketing occupies a special place in the system of development management of each region, as there is an

intensification and intensification of competition between regions, as well as an increase in the differentiation of their economic specialisation. This fully applies to agrarian regions, taking into account their specifics and peculiarities. Territory marketing is a powerful tool for shaping the attractiveness of territories and creating a favourable investment climate. In this context, creating a positive image of the territory through the formation of its brand is of particular importance.

The theory and practice of marketing, in the classical context, distinguishes between product, corporate and personal branding. Today, this classification is complemented by a separate, relevant brand - the brand of a territory. This is due to the growing competition between regions for resources, which turns regions into full-fledged goods that have their own value and value based on unique regional properties. That is why the formation of territorial identity and promotion of the region as a holistic brand to achieve its socio-economic development goals is becoming an urgent need. In the current economic environment and the increasing digitalisation of all spheres of life [1], the mobility of capital, labour, and innovation is intensifying, so territorial marketing and community branding are becoming a prerequisite for creating a competitive advantage for the region in the struggle for investment and resources.

Analysis of recent studies and publications. The agricultural sector, due to its multifunctionality, plays a crucial role in the realisation of the country's regional interests. The multiplier effect of the growth of the regional economy's development potential has an impact on the development of other sectors of the national economy. One person engaged in productive work in agriculture can provide jobs for up to seven people in other sectors of the country's economy [2].

The administrative-territorial reform in Ukraine and the decentralisation of the regions have given a powerful impetus to the regional development of territorial communities. For agrarian areas, this impetus opens up new additional opportunities for self-identification, investment attraction and promotion of their own products, which will become increasingly important.

The issues of territorial marketing development in the coordinates of creating a regional brand have been actively studied by various scholars [3, 4, 5]. Thus, S. Anholt, a state branding specialist, formulated a comprehensive approach to the study of the territory brand. He proposed a unified system of competitive advantages through six brand components [6]. Territory branding allows to sell real goods at a higher price due to an advertising campaign aimed at demonstrating the benefits of the territory for different groups of stakeholders.

K. Dinney [7] considered territory branding as a process of determining the resources of places from the point of view of the presence of valuable assets in them. The region as a certain "tourist destination" of the territorial space is considered in [8]. This space has "physical and administrative boundaries that determine the way it is managed, that determine its market competitiveness".

Identification of unexplored parts of the overall problem. The processes of territory branding as an integral part of regional marketing are not new. However, among the incompletely studied parts of the general problem of creating a regional brand, one can single out the lack of consistency in the formation of the region's image and indicators for monitoring the created brand.

The purpose of the article. The main purpose of this work is to identify the peculiarities of the development of the agricultural sector of the regions of Ukraine, to determine the key components of the brand of an agricultural region and to improve the procedures for monitoring the created brand.

Summary of the main material. Experience [9] shows that those territories that gradually implement interrelated marketing activities are more successful. They achieve their socio-economic development goals much easier:

- formation of the basis for the expansion of real sector enterprises and creation of new jobs;
- creation of a favourable investment climate to attract investment and stimulate entrepreneurship;
- creation of a unique and attractive image of the region in the domestic and foreign markets in order to establish new partnerships;

- improving the living standards of the community residents;
- increase in the number of tourists (for agrarian regions, it is possible to launch "green tourism").

Since independence, Ukraine's agricultural sector has not been differentiated by region, unlike the industrial sector. This is due to the fact that Ukraine is geographically stretched horizontally along the steppe zone, which has favourable climatic conditions for agriculture (growing grain, sunflower, beetroot, etc.). The main problems of agricultural regions in the domestic market are the lack of clear forecasting (short- and long-term) of consumption volumes; imbalance of supply and demand in the domestic agricultural market; government interference in export pricing policy; lack of uniform standards for product quality; and low profitability for certain types of agricultural products. In the external market, the main problems include: a high share of exports of raw materials; a high share of imported products, which domestic farmers are fully capable of covering; and low competitiveness of the vast majority of products.

All the factors that determine the conditions and potential opportunities for the development of agricultural areas can be divided into the following groups:

- factors of production and economic development related to the level of development of agricultural production and its state in the market conditions, development of other related industries and services (regional marketing), etc;
- factors of community welfare, including those related to culture, employment, social security, and provision of infrastructure elements;
- factors of preserving the unique identity of the region (natural and cultural heritage);
- factors of institutional transformations (forming the multifunctionality of rural development, related to the organisation of local government and management).

The state and local authorities have developed and approved a number of targeted programmes, but the effectiveness of their implementation and the efficiency of programme activities is rather low [11]. One of the key reasons for

this situation is the neglect of the marketing approach in regional development management.

Territorial marketing involves such activities as positioning and promotion. Creating a regional brand involves the process of identifying the unique aspects, features and strengths of the respective territory (Figure 1).

It is the exceptional features of a region that serve as the basis for brand positioning. However, the formation of a regional brand should also take into account the resources available in the region. Promotion is a message that, by targeting the target audience defined by marketers (Figure 2), helps to make a name for itself.

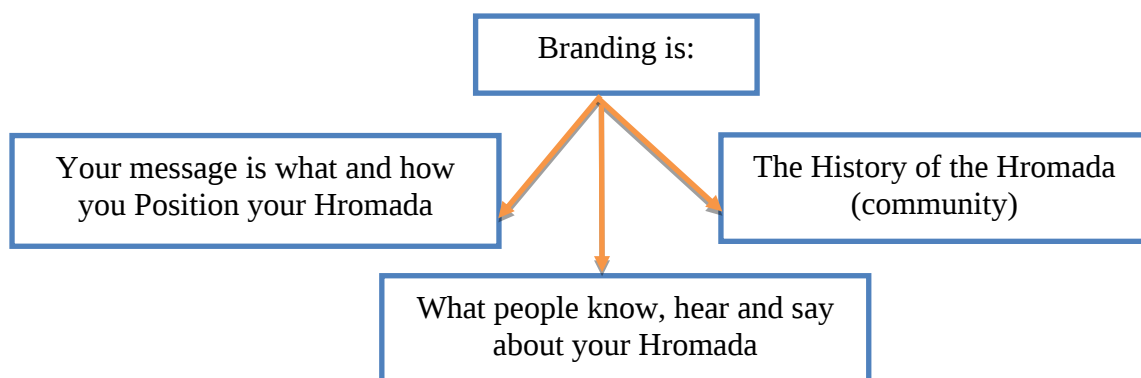


Fig. 1. The essence of the territorial community brand

Source: compiled by the author

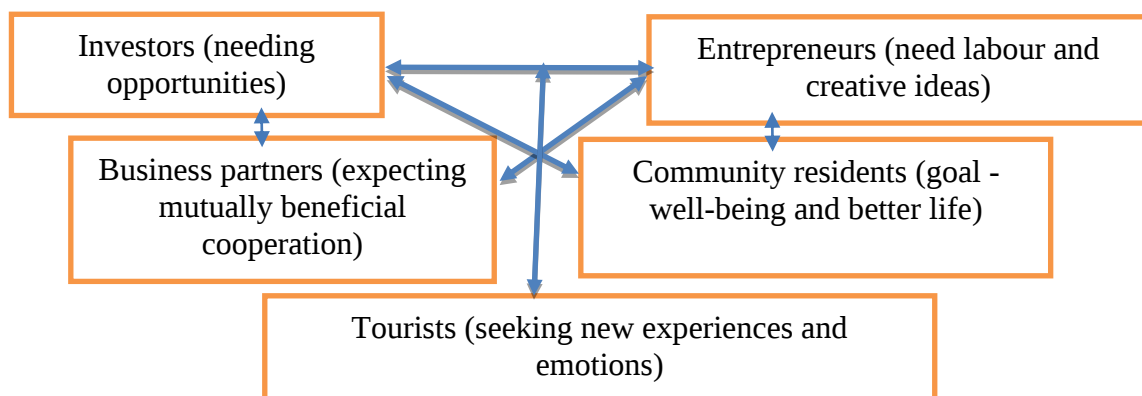


Fig. 2. Target groups in regional branding

Source: compiled by the author

The brand creates certain relationships with all groups of the target audience, forming emotional attachment and loyalty. The consumer's

perception of the idea and values of a territory's brand is the basis of its image. If these perceptions are formed correctly and the image created reflects the city's identity to the maximum extent possible, then the city's brand is considered to have been established and successful. Successful brands are dynamic and indicate development, i.e. they give an idea of what the region will be like in the future.

When creating a regional brand, a territorial community positions itself in relation to others, demonstrating its own competitive advantages. The competitive advantages themselves are rather conditionally divided into economic and social advantages, which are complementary. That is why the creation of a brand for a particular territory is closely linked to the objectives of existing or potential strategies for its socio-economic development. It is quite clear that it is advisable to involve representatives of the authorities, business and the community in the development and implementation of regional branding measures in the context of its development strategy. Everyone contributes to this process: government officials provide administrative resources, coordinate and lobby for the region's interests with higher-level institutions; business provides analytics and expertise, financial and human resources support; and local residents can provide creative ideas and political support. None of the commercial, public or state institutions has sufficient resources, powers and professionalism to carry out marketing and branding of the territory on its own. Thus, regional marketing and branding is a collective effort to realise the socio-economic interests of the region. For successful marketing activities, it is important to identify all possible partners, ensure interaction between them and cooperate with institutions and organisations at the national and international levels.

In order to manage the brand and control the achievement of the set goals, a set of measures is taken to assess its effectiveness. In the process of branding, it is necessary to strictly adhere to the approved cost budget. Special attention should be paid to control and responsibility for each stage and planned event. The

business environment of the region is constantly changing and requires increased attention and consideration. Therefore, the marketing strategy of the region's development requires flexibility and prompt response to changes. The author recommends an annual review of the strategy and systematic monitoring of the results obtained, which should involve experts from different fields and specialities. In doing so, a group of target indicators is used, including an increase in the number of investments attracted to the region, a decrease in unemployment, an increase in the tax base, and an increase in tourist flows to the region. These indicators demonstrate the effectiveness of creating and promoting the region's brand. Indicators are successful if the target audience is aware of the benefits of the brand, and if these indicators are able to influence the work of local authorities and social organisations. In addition to quantitative indicators, it is advisable to evaluate a set of social and general indicators of the harmonious perception of the brand by the region's residents. Their loyalty and support are important and cost-effective. A good brand should reflect and activate the local population, embodying the values of the community and conveying its goals.

The factors of success of a region's brand include the following:

- The basis for creating a region's brand is its uniqueness and peculiarity, which should be identified and emphasised as best as possible;
- maximum involvement of all components (multi-vector) of territory marketing;
- mandatory involvement of local residents in the target audience;
- strong cooperation with all stakeholder groups;
- dynamic brand development.

The following are important principles for the success of creating a regional brand that can be useful for territorial communities

- a clear definition of the strategic vision of the region - this is the basis for formulating the goals of the region's branding;
- a clear definition of the target audience with up to five such groups;

- selection of tools, messages, communication channels and measures to implement an effective communication policy in general;
- objective assessment of the region's own resources, including material, technical, intellectual, financial, human resources, etc;
- establishing partnerships with various stakeholder groups for strong cooperation;
- search for creative and non-standard solutions with the participation of the local community;
- comprehensive analysis of the competitive environment on a systematic and ongoing basis;
- comprehensive coverage of the needs of each group of the previously identified target audience;
- regular monitoring of the implementation of the planned activities and flexibility of the formed marketing strategy for the socio-economic development of the region depending on the results obtained (rejection of projects that have lost their relevance).

In general, improving the effectiveness of regional branding is a rather significant factor in decentralisation, as it constantly pushes for the expansion of the scope and increase in the level of mutual responsibility of local authorities in promoting the development of the territorial community.

Conclusions and suggestions. The need for territory branding has been recognised in many countries, and competition in this market will only increase. The positive image of the city created as a result of marketing and branding is a long-term tool designed for a strategic perspective. The implementation of branding through the use of marketing tools guarantees the competitiveness of the region, the economic situation of goods and services, the inflow of customers, and the growth of investment in the territory, which will support the creation of jobs, increase the tax base, and help manage the budget and credit ratings. It follows that the funds will be channelled into the territorial budgets, and thus into the development of education, services and infrastructure.

It should be noted that the processes of regional branding have a specific algorithm for its development and implementation, but the practice of each city is unique. Each territorial community has its own set of competitive advantages, a special history of formation, an existing image, key resources and problems that need to be taken into account for successful brand implementation.

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