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Residents' Interest to Form a "Green" Territory Brand

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Abstract:

The main aim of this article is to examine the residents' interest of a region to form a territorial "green" brand. It refers to the region of Rostov where there is a continuous attempt to develop the territory based on sustainable green initiatives.

The article reveals if the residents are aware on the authorities' efforts and how the population supports the initiatives as well as how active the residents are to develop the territory.

The results of this research allow to forecast the success of the "green" brand formation with certain correction of the priorities concerning the informational and communication work to explain the significance of the given process to the residents and possibly the improvement of the population's standard of living.

Keywords: *Intangible assets, "green" brand, territory, residents, interest, research, initiatives.*

JEL Classification Codes: *G 28, G32, G31, G38, H70.*

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1. Introduction

The implementation of initiatives in the regions can be successful if the regional community is aware of the efforts, the managers and businessmen undertake to develop the territory. It is desirable the initiatives to stabilize the ecological situation, to strive for sustainable development, to form "the green" brand of the territory which is topical due to the fact that the mankind is aware of threats caused by the society development, the population growth, the volume of the resources consumed, the pollution and the spread of these phenomena in all regions of the world due to globalization.

Currently the social and the ethical marketing is becoming interesting in practical terms, in particular, the company's responsibility to protect consumers' health and the environment. While specifying the issues of business social responsibility a number of sources present the problem in the following way: *"Each company is involved in two acts – consumes energy and resources and produce waste"*. The task to be "green" has two objectives: to reduce waste and to minimize the resource consumption, both financial, human capital, land, water and air (50 Simple Things You Can Do to Save the Earth, 2008).

Let us explain that the sustainable development itself means that the growing population corresponds to growing consumption which makes it necessary to modernize production, i.e., to reduce resource consumption and to minimize waste. Such modernization is financially burdensome while the production with "green" technologies can be more expensive although the prices of the companies using "green" technologies will be more competitive because of better quality (Kostoglodov *et al.*, 2014). In this connection it is reasonable to focus on the socially significant ecological trends and "green" initiatives. It is important to involve the intangible assets in the territorial development.

Currently the intangible assets of the territory are becoming more significant and brand is a key asset to attract investments, to engage economically active population and to provide business activity growth (Bondarenko *et al.*, 2017). The success of the territory's "green" brand formation depends on the degree of the population's awareness and the interest in certain initiatives and it triggers further researches.

2. Theoretical, Empirical, and Methodological Grounds of the Research

Let us note that mainly the same methods can be used to form a territorial brand, trademarks and service brands. Kotler *et al.* (2005), Anholt (2006) and Olins (2002) define the methodology to form brand using the already existing image of the territory, define the expected image using the territory potential and create certain attributes of the brand and its promotion presented to the audience inside the outside the territory.

Ideally the being-formed brand of the region is a kind of message containing the information of the essence of the territorial, economic, social and cultural environment of the region, its potential and the long-term development plans of the territory combined with Federal and world tendencies (Zyazin, 2010).

It is possible to create a successful territorial brand including the “green” one if the residents, socially and territorially, identify themselves as permanent residents in the region (Bondarenko *et al.*, 2010). These circumstances strengthen the managing elite interest, supported by the business located on the territory, to form a successful regional brand promoting the territorial development (Kalieva, 2016). It is desirable to form a “green” brand of the territory while developing the “green” economy.

The created regional brand is targeted at external and internal audience. Consequently, to make the successful efforts to create and promote the brand outside the region, the regional business and the locals have to support it. This fact makes necessary to research for the residents’ interest to the brand (Bondarenko *et al.*, 2017; Vazhenina, 2009; Shekhovtsov *et al.*, 2017; Mikhailova *et al.*, 2017).

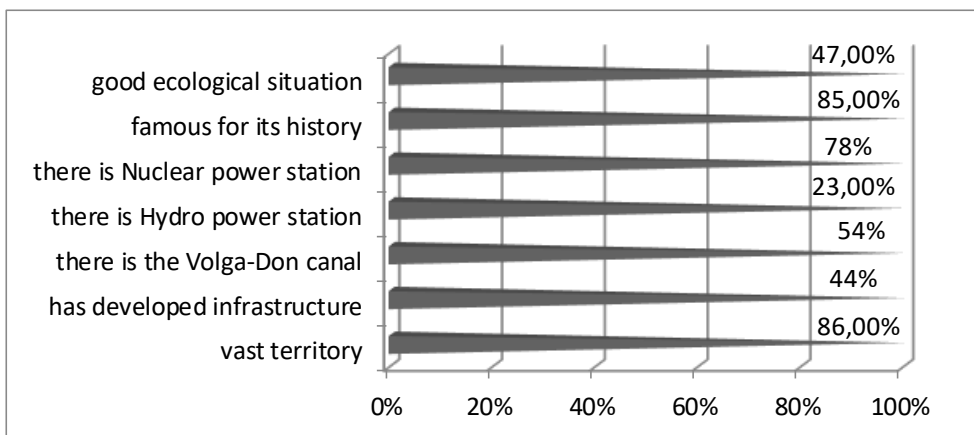
At present, many regions in Russia are making efforts to create a regional brand. In this connection it is interesting to identify the degree of the social identity of the Rostov region residents, their awareness of how important it is to develop the “green” brand in their territory. There was an Internet survey in May-June 2017 on which 980 people aged from 18 to 55 were surveyed. The choice of the age group is not accidental; the people of this age are forming the internal image of the territory and contribute a lot to the regional development. The success of the initiatives depends on their awareness. Their understanding of the regional ecological situation and the development of the “green” economy is important. The respondents were asked about the initiatives the authorities undertake to develop the territorial brand.

3. Results

The conducted research has revealed the residents’ opinions on ecologic situation and comfort of habitat, differences from other territories, why they are proud of their territory, if they find it unique, if they are aware of the efforts the authorities undertake, on trends in changes of the territory image and possible forms of civil activity to form a “green” brand.

Figure 1 presents the results of the responses on the questions on the differences of the habitat (the Rostov Region) from other territories. While answering the question the respondents could give several options from the proposed answers.

Figure 1. The respondents' answers on the question "what do you think the region you live in differs from the others?" %



According to these data more than 86% of the respondents consider the Rostov Region a vast territory. Highly developed infrastructure as a distinctive characteristic of the Rostov Region is assessed very modestly. 44% of the respondents gave such an answer. Most of the respondents know about the Volga-Don Canal (54%), many respondents know about the Hydro power station (23%), the vast majority know about the Nuclear power station in the town of Volgodonck (78%). About 85% of the respondents believe their territory is distinctive with its history that allows to claim the residents are proud of their region, despite other answers. The clean water of the river Don is a well known issue, but 47% of the respondents consider the region good in terms of ecology.

Figure 2 presents the responses on the question if the residents consider their territory special (including the ecological situation). While analyzing the answers it becomes obvious that there are more respondents claiming that their territory is special than those believing that they live in an ordinary region. It testifies that the region's residents can be involved in the territory brand promotion (including the "green" one) with proper organization.

Figure 3 present the answers on the question on what the Rostov Region is famous for. The respondents could give several options from the offered ones. It is a notable fact that the residents assess their territory in terms of the goods produced or services provided. It means the surveyed associate with the grain and sunflower oil production, combine harvester, helicopter construction and diesel locomotive building. 34% of the surveyed participants mention the fishing as a peculiar feature of the Rostov Region.

Figure 2. The answers on the question “do you consider the region you live in, the special territory to live in?”

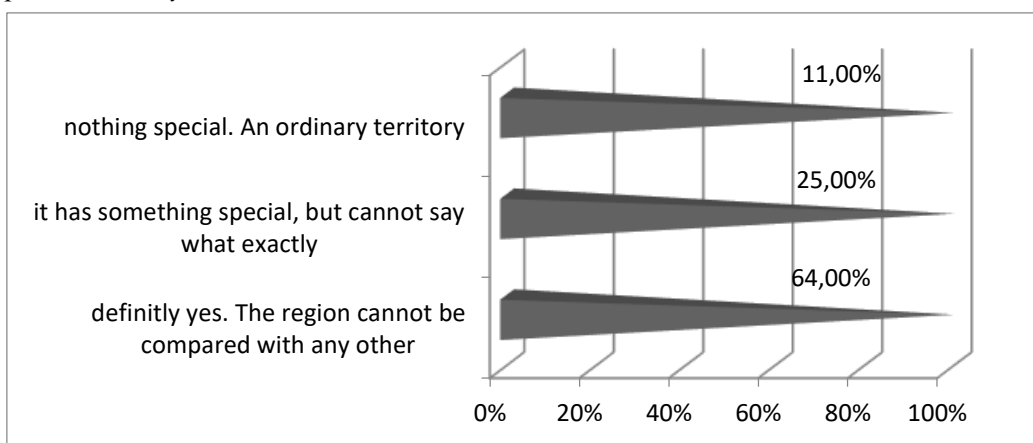
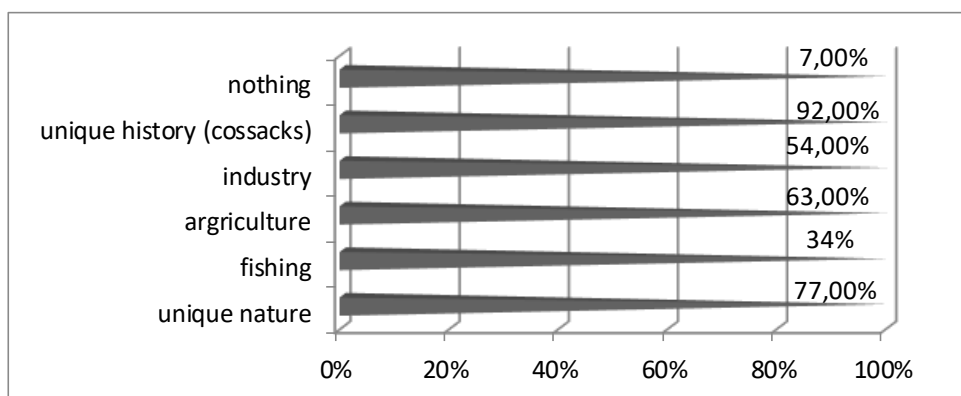
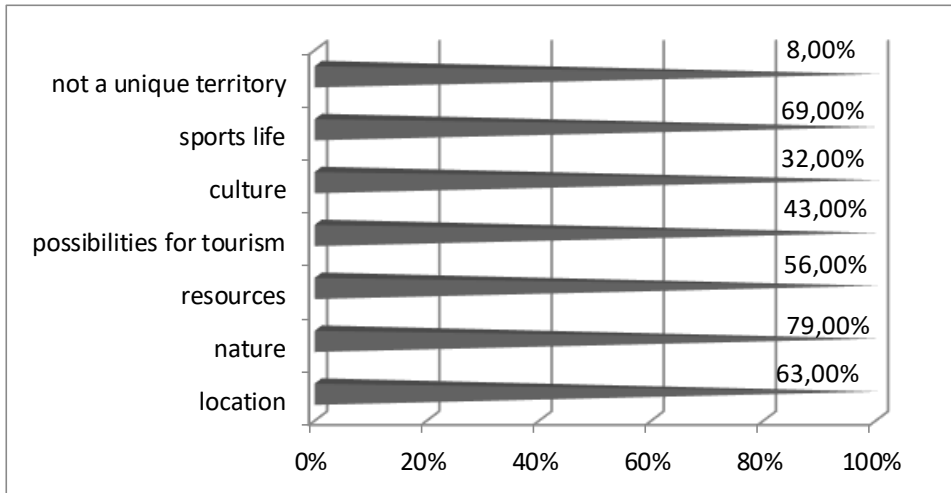


Figure 3. The answers on the question “What is the region you live in famous for?”%



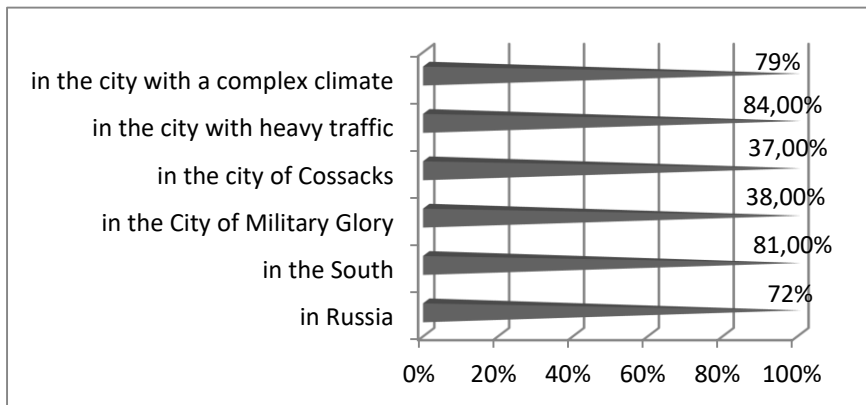
Also the Rostov Region respondents (more than 90%) mentioned the unique history of the territory connected with the Don Cossacks as an element that makes the region famous. A small part of the surveyed (7%) thinks that the region has nothing famous correlated with 11% of those who consider the Rostov Region as an ordinary one. The high percent of the participants accepting the region as a territory with a unique nature, indicates the positively aspect of the region regarding ecological features.

Figure 4 shows the answers of the Rostov region respondents about the uniqueness of the territory. The respondents could give several options from the offered ones. Such options as “nature”, “resources”, “unique territory”, “possibilities for leisure and tourism” also testify the desire to develop the territory in the frame of the “green” direction.

Figure 4. The answers on the question "Why the territory is unique?" %

The Rostov region residents consider the location of their region unique (63%). Only 8% of the surveyed do not consider it unique. The main factors of the Rostov region's uniqueness the residents consider nature (79%) and local culture (32%) while 69% of the surveyed mentioned the sports component is to be connected with success and the fact that Rostov is expected to host the 2018 Football Championship matches. A relatively high percent of 56% of the surveyed appreciated the Rostov region resources while 43% of the respondents find the possibilities for leisure and tourism to be an important component of the region's uniqueness.

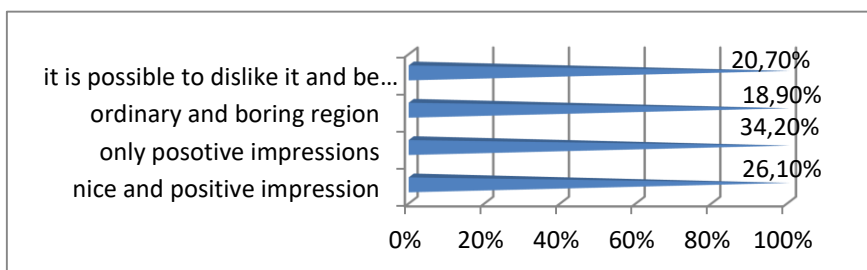
The answers on the question how the residents imagine their territory seems to be very important as shown in Figure 5.

Figure 5. The answers on the question "What is the territory you live in like?" %

A rate of 37% of the residents feel like living in the Cossack city, 38% consider they live in the City of Military Glory, which is rather a modest result. Most of the respondents chose the options connected with problems in the city of Rostov as, traffic congestion, lack of parking as well as unsatisfactory work of the utilities. Such results demand to correct the work of local authorities.

Figure 6 shows the answers on the question what impression the region makes.

Figure 6. The answers on the question “What impression does the region you live in make?” %



It should be noted that the Rostov region residents (26.1%) claimed that their region makes a bright impression. 34.2% of the surveyed speak about general positive impression but it is alarming that almost 40% of the Rostov region respondents consider the region inconspicuous and boring, able to disappoint the visitors.

Figure 7 shows the answers on the question if the residents are proud of their territory. It is notable that 51.1% of the surveyed are proud of their place of living, though they think the region has a lot to do, in particular to improve the ecological situation. 10.8% of the respondents are unquestionably proud of Rostov region. It is an alarming signal that 23% of the surveyed are proud of history but of the modern situation.

Figure 8 shows the answers on the question what people think about the authorities form the territory / city image.

8% of the Rostov region participants mentioned the purposeful actions of the authorities to form the territory / city image. 31.5% of the surveyed people gave positive answers about a number of issues. However 48% think that some measures are taken before the honorable guests' visits and/or the events which are to be reported by the authorities. Those considering the authorities doing nothing to form the territory image outnumber those thinking this work is done systematically.

Figure 9 shows the answers on the question if the city / territory image has changed during the last two years.

Figure 7. The answers on the question: "Do you feel pride of your living in this territory?" %

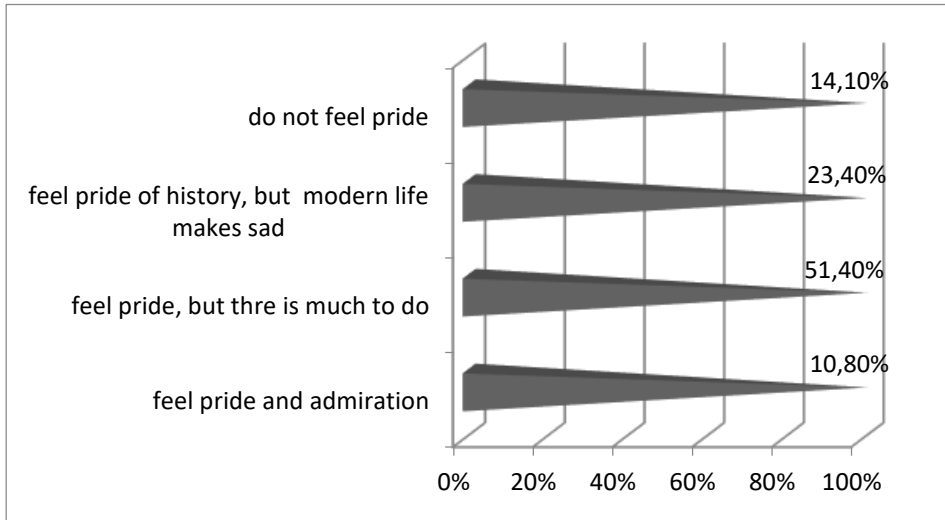
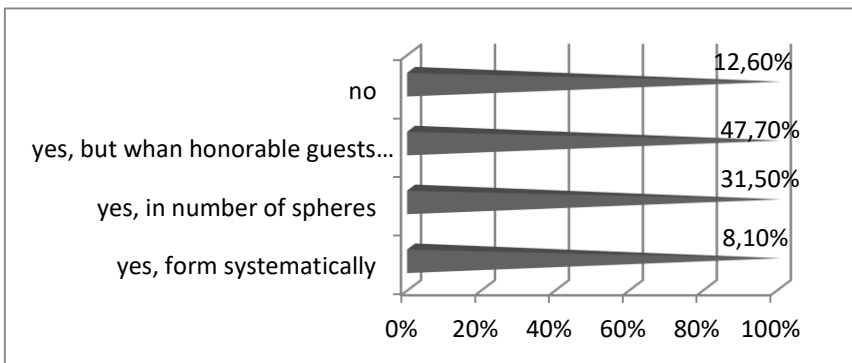


Figure 8. The answers on the question "Do you think the authorities form the territory/ city image?" %



According to the obtained data the respondents noted the positive changes during the last two years. 30.6% of the surveyed in Rostov region assessed them as considerable ones, 51.4% as not considerable ones. A number of people (15.3%) stated they do not see any changes in Rostov region, 2.6% noted it has become worse.

Figure 10 shows the answers on the question if it is possible to call the territory clean.

Figure 9. The answers on the question: “Has the city/ territory image changed for the last two years?” %

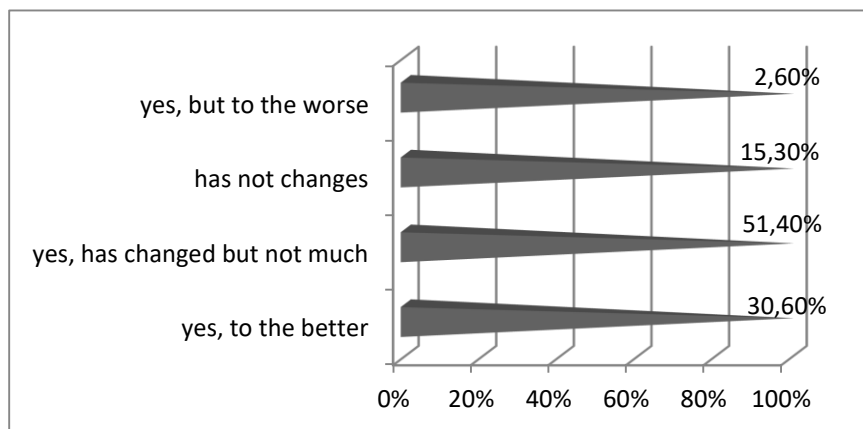
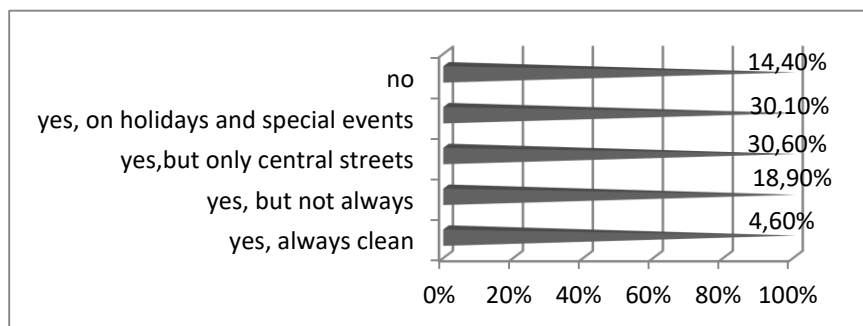


Figure 10. The answers on the question: “Is it possible to call the territory/ city clean?” %



It should be mentioned that the Rostov region residents are very demanding in relation to cleanliness on the streets, because according to the answers they are not satisfied with this. 14.4% consider the territory dirty, only 4.6% of the Rostovites consider it clean. Besides it is marked that it is clean mostly in the city center. 30.6% believe the the city is cleaned before honorable guests' arrivals and significant events.

First of all it should be mentioned that 37.8% of the surveyed in Rostov region do not plan to participate in such events, that testifies about their passive civil position. The majority (31.5%) is willing to participate in such kind of events, for example, speak about voting in the elections. The respondents are not inclined to extreme

forms of protest, for example a strike (less than 3%) or participate in the demonstrations (less than 10%).

Figure 11. The answers on the question: "Can you call any forms of civil activity suitable for you?"

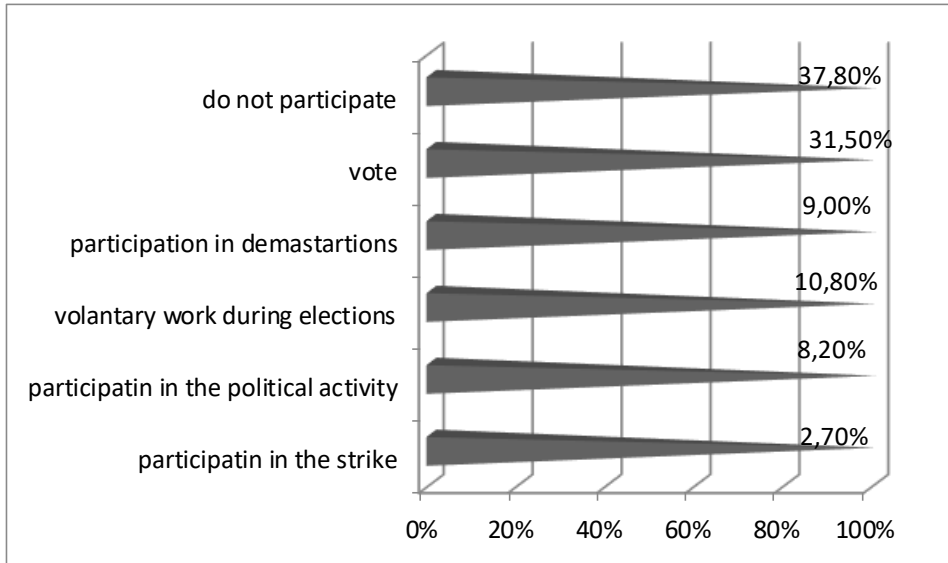
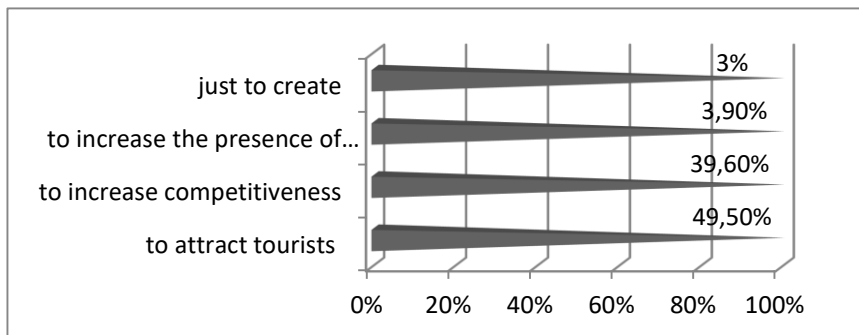


Figure 12 shows the answers on the question why the authorities develop the territory brand.

Figure 12. The answers on the question: "Why do the authorities develop the territory brand?" %.



While analyzing the obtained results it should be mentioned that the majority of the surveyed people are aware of the rational motives to develop the territory brand. 49.5% of the Rostov region respondents think that it is necessary to develop the

region to attract tourists and 39.6% to increase the territory competitiveness. However there are respondents that think the brand is being developed to justify the authorities' activities and budget spendings (grow of symbols) and it is being developed because it is a kind of tribute to fashion.

4. Conclusions and recommendations

Despite the positive attitude (most of the respondents) towards the territory they live in and their worries about the ecological situation, in general according to the research results on brand formation and the society attitude towards it (most of the respondents), is needed to change the authorities' priorities in information and communicative work to explain to the residents the importance of this process and possible improvement of the quality of their life. It is also necessary to demonstrate real achievements and prospects.

According to the research data most of the surveyed are ready to participate in public life in the form of elections, they focus only on their own problems and they are not enthusiastic about initiatives of the public organizations and administrative bodies.

That is why it is justified to rely on public organization activists, businessmen and entrepreneurs, whose economic interests are connected with the territory's development as well as administration officials because they perform their duties for quite a long period of time and also associate their own well-being with the territory interests. These population categories are able to assist in the formation of the regional "green" brand. The people, ready to support and participate personally or investing the capital, are to be relied on while developing the territory "green" brand (Bondarenko *et al.*, 2017).

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