Teemu Moilanen

Network brand management: Study of competencies of place branding ski destinations
Summary

Several industries have turned to a network form of organization to coordinate complex products or services in uncertain and competitive environments, and the network form of organization also appears to be becoming more common in the field of branding. Examples of brands formed by a network of independent firms include One-World and Star Alliance brands in the airline industry, Verbier and Chamonix ski destination brands in tourism industry and the Santa Foods brand in food production. Many of these networks are adopting branding techniques in an attempt to create competitive advantage, and thus aspire to create and manage a brand which is not a brand of a single product or a company, but a brand of the network itself. I use the term Network Brand to refer to this type of brand.

One area in which Network Brands appear to be common is place marketing. Countries, cities and tourism destinations are increasingly competing in an attempt to attract tourists, new residents, businesses and investments into their areas. Many places are adopting branding techniques in an attempt to differentiate their identities and to emphasize the uniqueness of their offerings. This is accomplished by practices adopted largely from the models developed for branding simple physical goods by a single firm. These models may be ill-suited to branding tourism destination products, which are developed through complex networks of multiple service companies.

If we accept the proposition that brands form pivotal resources for generating and sustaining competitive advantage (for instance Aaker 1989, 1991; Grönroos 2001; Keller 1993, 1998; Kotler 1999, 2003; Morgan et al., 2002; Morgan et al., 2003), it follows that brand management is the process and focal point of using those resources and translating them into superior market performance. Therefore, brand management constitutes a central organizational competence that must be understood and developed further.

This study examines brand management competence requirements in intentionally-created business networks. The study started with the empirical notion that Network Brands exist in everyday managerial practice, but the concept is largely unknown in the academic literature on brand management, thus suggesting a need for conceptual examination and elaboration. The broad purpose of this research is to introduce and elaborate upon the concept of a Network Brand, and to identify and analyze management competencies required to develop and sustain successful Network Brands in the context of ski destination branding.

The core bodies of literature employed in this study are the strategic management literature, brand management literature, the resource based view, competence/capability perspectives, and the business networks literature. As the empirical research is located in the context of tourism destinations, these core bodies of literature are complemented with perspectives from tourism management and service marketing.

On the basis of empirical observation and an extensive literature review, a conceptual model of Network Brand Management Competencies was developed. Nine case studies of ski destinations that have created the best brands in their markets were studied in US, Australia and Finland. Theme-interview based data were content analyzed. Thirty-four abilities, grouped to twelve core competencies were identified. These competencies are suggested as the core competencies that are required to develop successful Network Brands of ski destinations.

Although all case ski destinations operate in similar settings, the conceptual understanding of a brand and approach to brand management as well as organizational form of Network Brand management varied significantly among the case destinations. These different approaches influence the composite of competencies required for managing a Network Brand in the context of ski destinations. On this basis a classification framework was developed, and the twelve competencies were classified either as Generic Brand Management, Network Management, Relational Management or Network-Relational Management Competencies. Furthermore, a contingency model was developed, linking together organizational forms, approaches to brand management and competencies required. Finally, a Conceptual Framework of Network Brand Management Competencies was developed.
This study is one of the first attempts to combine the networks and brand management literature; by identifying a managerial context in which the core phenomena of these fields of academic interest are overlapping, a door might open to the utilization and elaboration of the knowledge developed in these fields. The research makes a direct managerial contribution to the field of tourism destination branding, a field in which Network Brands are proliferating. The introduction and theoretical articulation of the Network Brand construct, comparison of it with earlier branding constructs, may provide ideas for managers working in the field of destination branding. Rich and detailed descriptions of nine case destinations which have been highly successful in developing ski destinations brands in their respective markets, and the identified twelve key competencies may guide managers to develop the brands of their destinations. More specifically, managers may take advantage of the classification framework and the contingency theory in order to identify competencies that might be relevant in a similar contextual setting.

**Keywords:** place branding, networks, brand management, competencies, capabilities, tourism
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1. Introduction

This study examines brand management competence requirements in intentionally-created business networks. The broad purpose of the study is to introduce and elaborate the concept of a Network Brand, and to identify and analyze management competencies required in developing and sustaining successful Network Brands in the context of Ski Destination branding.

I developed my interest in this research topic during a nearby a decade as a management consultant of tourism destination development. During that time, I repeatedly consulted the academic literature on creating and managing a destination brand. My repeated attempts to find information that applied to a situation in which several independent firms and other actors were trying to create and sustain a single brand, demonstrated to me that existing brand management knowledge and related models and tools are limited and difficult to apply brand a place as a tourism destination. Furthermore, my research convinced me that similar constructs, or Network Brands, are common in several other industries.

This chapter opens with an explanation of the purpose and objectives of the study, and continues by positioning of this research in relation to academic research traditions, and by defining key terms. The chapter then reviews the contextual setting of this study: tourism destination as a product to be branded. The chapter then discusses the research methodology, and ends by describing the structure of this dissertation.

1.1. Purpose and objectives of the study

Advances made in early 1990’s, particularly the development of resource-based view of the firm and brand equity research, have rapidly increased the amount of attention that is paid to brands both in marketing research (Malhotra, Peterson & Kleiser 1999) and in managerial practice (Aaker, 1996; Aaker & Joachimsthaler, 2000; Morgan et al., 2002; Murphy, 1998;).

Several industries have turned to the network form of organization to coordinate complex products or services in uncertain and competitive environments (Jones et al., 1997; Podolny, 1993, 1994; Powell, 1990; Ring & Van de Ven, 1992; Snow, Miles & Coleman, 1992; Uzzi, 1996,1997). Among these industries are tourism, airlines, fashion, film, music and financial services. Networks are seen to offer firms collective benefits beyond those of a single company.

The network form of organization appears to be also becoming more common in the field of branding. Examples of brands formed by a network of independent firms include One-World and Star Alliance
brands in airline industry, numerous tourism destination brands and Santa foods brand in food production. Many of these networks are adopting branding techniques in an attempt to create competitive advantage, and thus aspire to create and manage a brand which is not a brand of a single product or a company, but a brand of the network itself. I use the term Network Brand to refer to this type of brand.

However, the emerging network economy poses challenges which brand management knowledge has been unable to meet. In particular, the characteristics of the network form of operation poses considerable challenges to attempts to utilize existing brand management concepts, thus suggesting a need for conceptual development in Network Brand and Network Brand Management. Network Brand is arguably different from the existing concepts of brand-alliance, umbrella brand and corporate branding, and the management competencies required may likewise be different.

The premise of this study is that Network Brands exist in everyday managerial practice, but the concept is largely unknown in the academic brand management literature, thus suggesting a need for conceptual examination and elaboration. This premise is the foundation for the first objective of this research:

1. What is a Network Brand, and what are key differences between Network Brands and existing brand management concepts?

**Network Brand Management Competencies**

The second element of the purpose of this research is to identify and analyze management competencies required in developing and sustaining successful Network Brands in the context of Ski Destination branding. Strong Network Brands have been developed for e.g. skiing resorts (Verbier, Whistler, Deer Valley, Ruka), which are not single corporations, but networks of firms and other actors. These networks are the focal unit of this study. In this study, a net is not examined as a focal firm’s network, but in a holistic sense. The relationships of the companies within the net are examined both in terms of the interaction among the actors and in terms of the interaction between the actors and the net.

Both in academic literature and in managerial practice, brands are pivotal resources for generating and sustaining competitive advantage (for instance Aaker, 1989, 1991; Grönroos, 2001; Keller, 1993, 1998; Kotler, 1999, 2003; Morgan et al., 2002). Brand management is the process and focal point of using those resources and translating them into superior market performance. Therefore, brand management constitutes a central organizational competence that must be understood and developed.
A set of competencies is required to produce any type of value, such as brand equity. This has been called a value-production system and discussed by, among others, Parolini (1999) and Möller and Svahn (2006). Vorhies and Morgan (2005, 88) argue that marketing capabilities associated with superior business performance can be identified and that the marketing capability gap between top-performing benchmarks and other firms explains significant variance in business performance. However, the kinds of competencies that are relevant in the context of brand management in general, and Network Brand Management in particular, and their relevance in developing successful brands are questions that the academic literature have overlooked.

Several authors have pointed out the lack of empirical research relevant to brand management, network management and on the link between competencies and success. While the development of marketing competence is worthwhile and is associated most likely with superior performance (Vorhies & Morgan, 2005), few studies have examined marketing competence in its strategic context (O'Driscoll, Gilmore & Carson, 2000). Vorhies (1998, 17-18) argues that "perhaps the most important issue concerns the need to define better what is meant by the term marketing capabilities... [and that] research is needed that investigates how various marketing capabilities contribute individually to organizational success."

Shocker, Srivastava and Rueckert (1994,157) argue that "In research on brand management...more attention is needed in... understanding better ways to manage joint and co-branding and other forms of strategic alliances, especially those between erstwhile competitors." Significant empirical effort remains to be devoted to improving the understanding of brand management processes (Louro & Cunha 2001; Morgan et al., 2002). Branding was originally developed within the context of fast-moving consumer goods (Low & Fullerton, 1994); consequently, services branding that emerged in the 1990’s is still far from a well-established body of knowledge (Grönroos, 2001; de Chernatony et al., 2001; Moorhi, 2002). Furthermore, despite advances in services branding, the more recent phenomenon of tourism destination branding remains poorly understood (Blain et al., 2005). Similarly, despite an increasing number of studies on network governance, we are far from producing an articulated theory of network management (Jones et al., 1997; Möller & Svahn, 2003; Ritter & Gemünden,2003), that would provide guidance in management in networks (Svahn, 2004,13). "Existing studies...do not adequately cover the issues of mobilizing and coordinating a group of autonomous but interdependent actors, or recognize the complexity in achieving net level performance" (Möller & Svahn, 2003; following Ford & McDowell, 1999 and Gadde & Håkansson, 2001). Möller and Svahn (2003, 227) assert that “empirical research is required to deepen and validate our proposition that the effective management of different types of strategic nets is contextually based, and to expand our understanding of the processes through which strategic nets and network capabilities are formed.” In light of this paucity of literature on Network Brand management competencies, this study aims to improve understanding of the competencies that contribute to Network Brand success.
Hoping to close these research gaps, I approach Network Brand from the perspective of management competencies. This study will provide a deeper understanding of the management competencies required to develop and sustain a Network Brand.

Several authors (e.g. Buchanon & Boddy 1992; Day 1994; Möller & Svahn, 2003) suggest that management competencies are specific to a particular task environment and need to be adapted to suit different and changing circumstances. Vorhies (1998) reminds, that Day (1994) outlined many organizational level capabilities, and concludes that what is needed is focused theoretical work to define the theoretical domain representative of marketing capabilities. To do this, it will be necessary to consider the wide variety of operational practices present in various marketing organizations. Perhaps focused, industry-level or sector studies could help refine the measurement of marketing capabilities. This would allow researchers to focus on specific marketing practices within an industry, versus broad issues across many unrelated industries. (Vorhies, 1998, 17)

One area within which Network Brands appear to be common is place marketing, (i.e. tourism destination brands) (for a related argument, see Morgan et al., 2002a, Hankinson, 2001). Strong brands have been developed for skiing resorts (Whistler, Deer Valley, Ruka), which are not single corporations, but networks of firms and other actors. Destinations are complex entities, and therefore difficult to brand. Morgan et al., (2002a, 4) suggest that the limited research in destination branding is a result of the complexity and that “many have shied away from the topic – arguing that places are too complex to include in branding discussions since they have too many stakeholders and too little management control … and yet, destination branding is one of today’s ‘hottest’ topics among place marketers.” Despite the rapid growth in managerial interest, very little research has been done on tourism destination branding (Hankinson 2004; 2001; Laws 2002; Morgan, Pritchard & Pride, 2002). Theoretically place marketing is still in its early phases, and has not been the subject of extensive theorizing (Rainisto, 2003). As Laws et al., (2002, 52) note, “research into destination branding processes, particularly those in which destination authorities collaborate actively with destination operators, is at an early stage of development.” Hankinson (2004,118) concludes that, “Indeed, the need for the development and refinement of a comprehensive model of the place brand has never been greater.”

As the concept of Network Brand is new to academic literature, this study is directed to a contextual setting within which Network Brand and the management competencies would be clearly displayed. This would presumably improve the presentation of the results. This research is directed to the tourism industry, and particularly to ski destination brands. Tourism destinations are an area in which Network
Brands are common, and therefore researchable. Furthermore, my background ensured a satisfactory knowledge of industry’s dynamics, management practices and organizational arrangements, thus increasing my qualification to conduct the research, interpret the data, create meanings, and draw conclusions. The selection of ski destinations is based on the assumption that in size and scale these destinations are relatively simple strategic nets, and therefore the phenomenon of a Network Brand would emerge in a clear and structured way, thus increasing the likelihood of success in this explorative research.

My second research question is:

2. What key managerial competencies are required to develop and sustain a successful Network Brand in the context of ski destinations?

This research is a direct, although limited, attempt to close the research gap identified by Vorhies (1998). This research also responds to Shocker et al.’s (1994) appeal for deeper understanding of the management of jointly developed brands, to the appeals for research on the brand management process (e.g. Barwise, 1991; Louro & Cunha, 2001), to Ritter and Gemünden’s (2003) appeal for research on an organizational ability to manage a network and on the factors influencing this ability. Furthermore this research responds to appeal presented by several authors in the emerging field of destination branding (Hankinson, 2004; Hankinson, 2001; Morgan, Pritchard & Piggott, 2003) for research on the relationships between stakeholders involved in branding locations, by exploring these relationships and identifying good practices.

1.2. Positioning of this research

This study examines brand management competence requirements in intentionally created business networks. The broad purpose is to introduce and elaborate the phenomenon of a Network Brand, and to identify and analyze management competencies required in developing and sustaining successful Network Brands in the context of Ski Destination branding.

The research is based on four premises. The first is that brands are pivotal resources for generating and sustaining competitive advantage (e.g. Aaker, 1989, 1991; Grönroos, 2001; Keller, 1993,1998; Kotler, 1999, 2003; Morgan et al., 2003). The second is that intentionally-created business networks aspire to manage a jointly developed and managed brand: a Network Brand. The third is that management competencies assist a network in achieving its goals (e.g. Lambe, Spekman & Hunt, 2003; Ritter & Gemünde, 2003b). The fourth premise is that a tourism destination is (1) a composite of products and
services, (2) produced by independent companies, and (3) offering an integrated experience to consumers, (4) in a geographical region, (5) which is understood by its visitor as a unique entity, therefore setting up a context significantly different from the context in which physical goods are branded.

The core bodies of literature employed in this study are the strategic management literature, brand management literature, the resource based view, competence/capability perspectives, and the business networks literature. As the empirical research is located in the context of tourism destinations, these core research traditions are complemented with perspectives from tourism management and service marketing.

The theoretical contribution sought is primarily directed to the strategic management theories and brand management, and to the competence/capabilities perspective of Resource Based View, but also to business networks theories and tourism management theories. Figure 1 depicts this positioning.

Figure 1. Positioning of this research
1.3. Definitions of key terms

Key terms used in this study are described in the following section. When applicable, a reference to full discussion in this report is given.

There is no single definition of a ‘brand’ (e.g. de Chernatony & Dall’Olmo Riley, 1998; Drawbaugh, 2001; Low & Fullerton, 1994). Several definitions and perspectives are presented in Section 2.1.3.

De Chernatony and Dall’Olmo Riley (1998) state that “the brand is a multidimensional construct whereby managers augment products or services with values and this facilitates the process by which consumers confidently recognize and appreciate these values.” The interpretation of brands as promise has been adopted by several writers (e.g. Ambler & Styles, 1996; Ward et al., 1999) and is particularly appropriate for services because of their intangibility and heterogeneity (e.g. de Chernatony & Segal-Horn, 2003). Brand as a perception in the minds of the customers has been strongly advocated by, among others, Keller (1993). Furthermore, several authors emphasize the delivery of the brand in service product, and argue that the marketers mission is or should be to offer the framework for brand creation by offering suitable physical product and service process and to support these through marketing communication (de Chernatony & Segal-Horn, 2001; Grönroos, 2001). Although service brands can be conceptualized as a set of functional and emotional values, because of their intangible nature, it is important to capitalize on clues associated with their physical evidence as a vehicle for communicating these values (Onkvisit & Shaw, 1989; Zeithaml & Bitner, 1996)

I define a brand as a blend of rational and emotional perceptions in consumers’ minds, resulting from an iterative process of customer receiving messages (brand contacts) which he or she relates to the value offering developed and managed by a marketed entity (e.g. a company). This integrated definition incorporates both the perspective of the firm and its customer. This dual perspective is congruent with my understanding of ‘a brand,’ which, in this study is a mechanism for achieving competitive advantage through differentiation, while the attributes that differentiate a brand provide the customer with benefits for which he or she is willing to pay (see Wood, 2000).

Brand identity and brand image are closely related but distinct subconcepts of ‘a brand’ (Nandan, 2005). In a large part of the literature, brand identity refers to the identity of product or service, that the marketer aims to create, and brand image refers to the image developed in the minds of the customer (see Aaker, 1996; Kapferer, 1992). Aaker defines a brand identity as “a unique set of brand associations that the brand strategist aspires to create or maintain” (Aaker, 1996, 68) which reflects the “ethos, aims and value that present a sense of individuality differentiating the brand.” Keller (1998, 49) defines brand
image as “consumer perceptions of a brand as reflected by the brand associations held in consumers’ memory.”

A generally accepted view in service brand management literature is that a company cannot create a brand without a customer. The brand is created by the customer, in the mind of the customer. The marketer’s mission is to offer the framework for brand creation by offering a suitable physical product and service process and to support them through marketing communication (e.g. Grönroos, 2001). Cai (2002) argues that brand is different from and more than image management, as it contains a unique identity. De Chernatony and Dall’Olmo Riley (1998) claim that “the brand is a multidimensional construct whereby managers augment products or services with values and this facilitates the process by which consumers confidently recognize and appreciate these values.” According to Kavaratzis and Ashworth (2006, 186) the boundaries of the brand construct are on one side the activities of the firm, and on the other side the perceptions of the consumer. Identification of brand identity is in itself an instrument of differentiation of one product from another and recognising its brand positioning (Kavaratzis & Ashworth, 2006). The interconnection of brand identity, brand positioning and brand image is shown in Figure 2.

In this study, I use the term **brand identity** to refer to the perceptual entity of organization, product or service, that the marketer aspires to create or maintain in the minds of the customers, and **brand image** refers to the perceptual entity, developed in the mind of the customer, which incorporates perceptions of quality and values in addition to brand associations and feelings (see e.g. Aaker, 1996; Kapferer, 1992; Keller, 1998). The emphasis in the former is in internal organization orientation, while in the latter it is in external market orientation. Furthermore, I use the term **brand positioning** to refer to a brand’s relationship to competing products or services within a defined competitive arena.

In this study, the process of **branding** refers to both creative initiation and careful maintenance of brands (Kavaratzis & Asworth, 2006), and thus **brand management** is a composite of strategic and tactical activities intended to create and sustain brands, although the literature generally pays a disproportionate amount of attention to the former (Keller, 1998, 504).

![Diagram](image-url)

**Figure 2.** The interconnection of brand identity, brand positioning and brand image (Kavaratzis & Ashworth, 2006, 186)
Brand equity generally refers to value of a brand to a company, customers and/or shareholders. The ability to increase brand equity may be understood as both the objective of the process of branding and as a method for measuring the success of branding (Kavaratzis & Ashworth, 2006). Several perspectives towards brand equity are discussed in Section 2.1.2. This study uses Aaker’s (1994) modified definition of brand equity. Unless otherwise stated, brand equity is defined here as a set of assets (and liabilities) linked to a brand that adds to (or subtracts from) the value provided by a product or service to an organization and/or its customers.

Umbrella branding, used by multiproduct companies, is the practice of labeling more than one product with a single brand name (following Sullivan, 1990). A brand alliance (used interchangeably with co-branding and joint branding) is a type of strategic alliance which is conceived and built around the linking or integration of the symbolic or functional attributes of the brands of two or more companies with the objective of offering a new or perceptually improved product (following Cooke & Ryan, 2000). Corporate branding is the practice of developing a brand of a company (following Hatch & Schultz, 2001). For more detailed discussion, see Section 2.1.4.

According to the definition developed in this study, from the customer perspective a Network Brand is a blend of rational and emotional perceptions, and results from an iterative process of a customer receiving messages (brand contacts) which he or she relates to the value offering developed and managed by a strategic net of separate companies and other actors. Furthermore, from the firm’s perspective a Network Brand may be understood as an entity developed and managed jointly by a net of separate firms (or nonprofit agencies), offering organizations collective benefits exceeding those of a single company or market transaction. Detailed discussion and comparison between these constructs and the concept of Network Brand are found in Section 2.1.4.

Following Möller and Svahn (2003) this study defines a net as an intentional community of a restricted group of actors, while a strategic net is an intentional structure of actors designed deliberately for specific purposes (e.g. the group of firms and other organizations aiming to create a brand for a tourism destination).

In this study, a net is not examined as a focal firm’s network, but in a holistic sense. The relationships of the companies within the net are examined both in terms of the interaction among the actors and in terms of the interaction between the actors and the net. I use the term Brand Net to refer to a strategic net aiming to facilitate the creation of a brand. Furthermore, I use the term Network Brand to describe a brand which a Brand Net aims to create. For more detailed discussion, see Section 2.2.3.
This study defines success on the basis of system resource approach. System resource approach (Yuchtman & Seashore, 1967, 891) emphasizes both the distinctiveness of the organization as an identifiable social structure and the interdependence of the organization with its environment. The interdependence takes the form of transactions in which scarce and valued resources are exchanged under competitive conditions. The organization's success over a period of time in this competition for resources is regarded as an expression of its overall effectiveness. Since the resources are of various kinds, and the competitive relationships are multiple, and since there is interchangeability among classes of resources, the assessment of organizational effectiveness must be in terms not of any single criterion but of an open-ended multidimensional set of criteria. I postulate that the ability of brands to create competitive advantage depends on the competencies of the actor(s) trying to develop and sustain them. Success of a Network Brand (high-order resource) is determined by its ability to provide comparative advantage to the Brand Net in its effort to develop marketplace positions of competitive advantage and thereby achieve superior performance. For more details, see Sections 2.3.3 and 3.1.2.

Jones et al. (1997,914) define network governance as a phenomenon which “involves a select, persistent, and structured set of autonomous firms (as well as nonprofit agencies) engaged in creating products or services based on implicit and open-ended contracts to adapt to environmental contingencies and to coordinate and safeguard exchanges." This definition is used in this study. The concept of "a select, persistent, and structured set of autonomous firms" used by Jones et al., (1997) is close to the term strategic net, which is used in this study. For additional discussion, see Section 2.2.2.

Paradigms are “entire constellation[s] of beliefs, values, techniques and so on, shared by the members of the community” (Kuhn 1996, 175). Louro and Cunha (2001, 853), define brand management paradigm as “a deep-seated way of seeing and managing brands and their value, shared by the members of an organizational community marked by a common culture.” For a detailed discussion, see Section 2.1.3

Following Murphy et al (2003) and Buhalis (2000) I define a destination product as an amalgam of tourist products and services, offering an integrated experience to a consumer, in a geographical region, which is understood by its visitor as a unique entity. For more details, see Section 1.4.1.

A value system is a construct which includes all the activities which are required to produce the entire offering of the net as well as the actors that are required to produce them (Parolini, 1999). The value system construct is based on the notion that each product/service requires a set of value activities performed by a number of actors forming a value-creating system (Möller & Svahn, 2003, 213). A key aspect is that a value creation spans firm boundaries (Amit and Zott, 2001) and can be incorporated into the value system (Möller &Svahn, 2003, 213). For more details, see Section 2.2.4.
This study defines competence as an organizational ability to deploy tangible and intangible resources in ways that enable that organization to generate a competitive advantage in the marketplace. This definition is consistent with the competence perspective (Sanchez, 2003, 352) of strategic management. Skills are the aptitudes of individuals to perform specific tasks, abilities are repeatable patterns of action that groups can perform by using resources and skills, and competencies are the aptitudes of an organization to deploy and coordinate its abilities in pursuing its goals. Furthermore, I use network competencies to refer to the combined capabilities of the actors of the strategic net to mobilize and coordinate the resources and activities of actors in the strategic net. For more discussion see Section 2.3.1.

Abbreviations
NBMC: Network Brand Management Competencies
FMCG: Fast-moving Consumer Goods
NEO: Network Organization
SCO: Single-company organization
DMO: Destination Marketing Organization

Classes in “Classification framework of approaches to Network Brand management.”¹
NR: Network form of organization – Relational paradigm
SR: Single company – Relational paradigm
NA: Network form of organization – Adaptive paradigm
SA: Single company – Adaptive paradigm

1.4. Tourism destination as a product to be branded

The empirical part of this research is directed to tourism industry, especially to tourism destination brands. In this section I examine the nature and complexity of tourism destination products, and explore their unique features. According to Morgan et al. (2003), Anholt (2002), and Blichfeldt, (2003) these features preclude the use of traditional branding practices and models in the branding of tourism destinations.

1.4.1. Tourism destination product

Countries, cities and tourism destinations are increasingly competing for tourists, new residents, businesses and investments. As Kotler et al. (1993, 10) state:
No longer are places merely the settings for business activity. Instead every community has to transform itself into a seller of goods and services, a proactive marketer of its products and its place value. Places are, indeed, products, whose identities and values must be designed and marketed. Places that fail to market themselves successfully face the risk of economic stagnation and decline.

One of the greatest dilemmas destination marketers are facing is the substitutability of their offerings.

The spectrum of destinations is enormous. At one end are compact destination products such as theme parks and spas. These may be destinations for a day trip, short stay or occasionally longer holidays. They are often owned and operated by a single company. At the other end of the spectrum are groups of countries or whole continents. For instance, the European Travel Commission (ETC) and the Pacific Area Travel Association (PATA) market Europe and the Pacific as tourism destinations. Between these extremes is a great range of types and scales of destinations: large geographical areas (e.g. the Alps, the Caribbean, the Baltic region), individual countries, regions, cities, towns, resorts, local tourism destinations and combinations. However, even a solitary vacationer may be simultaneously considering and comparing destinations from both extremes, i.e. whether to have a short trip to an individual spa or a longer trip to the Caribbean.

Despite this great variety of destinations, all destinations are products: consumption of the complex of activities that comprises the tourism experience is what is being sold to customers.

Different actors in the tourism industry and among tourism researchers use the concept of “a destination” in different senses (Framke, 2002). It is therefore important to formulate the definition that will be used in this study.

Framke studied the use of the concept in tourism literature and concluded that “The destination is a narrative created by marketing: It is a place structured by processes and experienced through social actions, and it ‘exists’ at various geographical levels, but is never a place with clear boundaries” (Framke, 2002, 103). Other authors define destination products as series of service encounters, including multiple components of the destination interacting with travelers during their trip. Cooper et al. (1998) define destinations as the focus of the facilities and services that are designed to meet the needs of tourists. Buhalis supports this view, noting that “destinations are amalgams of tourism products and services, which are consumed under the brand name of the destination” (Buhalis 2000, 98). Hu and Ritchie (1993) define a tourism destination as “a package of tourism facilities and services, which like any other consumer product, is composed of a number of multi-dimensional attributes.” Murphy (1985) equates destinations with market place, where demand and supply jostle for attention and consumption.

1 For detailed discussion, see Section 4.2.
Gunn’s (1988) model of the tourist system sees a tourism product as a complex consumptive experience that results from a process in which tourists use multiple travel services (information, transportation, accommodation and attraction services) during their visit. Buhalis (2000) argues, that although destinations are traditionally regarded as geographical areas, a destination has come to be recognized as a perceptual concept which customers can interpret subjectively. Framke (2002) defines a destination as sum of interests, activities, facilities, infrastructure and attractions that create the identity of a place:

if we are conducting tourism research we should only use the concept [of destination] in relation to marketing. Marketing creates narratives, images and brands that mediate a place to the potential tourist in the travel generating regions. When a tourist visits a place he creates his own tourist space. The industry, as part of the tourists’ space for social actions, creates an economic space. These spaces differ, but each has its origin in images promoted by the marketing mediation of a place called the destination (Framke, 2002, 106).

The World Tourism Organization (WTO) Think Tank in 2002 defined a tourism destination as a physical space in which a visitor spends at least one overnight. It includes tourism products such as support services and attractions, and tourism resources within one day’s return travel time. It has physical and administrative boundaries defining its management, and images and perceptions defining its market competitiveness. Local destinations incorporate various stakeholders often including a host community, and can nest and network to form larger destinations.

Murphy et al. (2000, 43) define “a destination as an amalgam of products and services available in one location, that can draw visitors beyond its spatial confines.” Buhalis (2000, 98) elaborates on the definition of a destination as “…amalgams of tourist products and services, offering an integrated experience to consumers, … in a defined geographical region which is understood by its visitors as a unique entity, with a political and legislative framework for tourism marketing and planning.”

Following Murphy et al., (2003), Framke (2002) and Buhalis (2000), I define a destination product as an amalgam of tourist products and services, offering an integrated experience to a consumer, in a geographical region, which is understood by its visitor as a unique entity.

Tourism destination marketing is the management process through which the National Tourist Organisations and/or tourist enterprises identify their selected tourists, actual and potential, communicate with them to ascertain their wishes, needs, motivations, likes and dislikes, on local, regional, national and
international levels, and to formulate and adapt their tourist products accordingly in view of achieving optimal tourist satisfaction thereby fulfilling their objectives (Wahab et al., 1976, 24).

Although Wahab et al. specifically refer to national level organization, I find this definition particularly well formulated and utilize it to refer to destination marketing in any level of the remarkable spectrum of destinations, ranging from a spa to a whole continent.

1.4.2. Unique features of tourism destination product

The tourism industry is very much a service industry. However, compared to most other service industries it has several differentiating features (see e.g. Ashworth & Goodall, 1990; Flagestad & Hope, 2001; Laws, 2002; Ritchie & Ritchie, 1998), deriving from complexity of destination product and intrinsic characteristics of tourism. These features may have an impact on brand management competencies required to develop and maintain successful destination brands (see Morgan et al., 2001; Park & Petrick, 2006).

Feature 1 - The collective nature of production and marketing

The marketing of a destination is substantially different from the marketing of fast-moving consumer good (fmcg) products and most services (Ritchie & Ritchie, 1998). Ritchie and Ritchie (1998) claim that the primary difference is in the fundamental nature of what is being marketed. A firm as a strategic business unit has “typically clearly defined boundaries through ownership or control structures whereas a ‘destination’ may have rather vague boundaries” (Flagestad & Hope, 2001, 450). Much the same way, an fmcg product is a tangible, well-defined entity that is being marketed and delivered by a single firm or a group of firms with shared interests. In tourism, however, not only is the subject of marketing a very diverse and complex product, but it is also one that is delivered by many firms that are typically quite different in their objectives, resources and capabilities (for related arguments, see Flagestad & Hope, 2001; Ritchie & Ritchie, 1998). The destination product being delivered is, in effect, a series of products and services together with destination environments. As Asworth and Goodall (1990, 7) note, “Places...both contain tourism facilities and attractions and simultaneously are such a facility and attraction. The place is both the product and the container of an assemblage of products.” The challenge to a destination marketer is to determine if this complex entity of products/services can be seen as having a common and collective character that a single brand could capture. The literature suggests that destination branding is much more of a collective phenomenon that is normally found in a generic marketing/branding situation (e.g. Park & Petrick, 2006; Ritchie & Ritchie, 1998).
Feature 2 – Lack of control
According to several studies (e.g. Laws et al., 2002; Morgan et al., 2002; Morgan et al., 2003; Pritchard & Morgan 1998), an important difference among tourism marketing, FMCG marketing and most other service marketing situations, is management control. Destination marketers have little, if any, control over the marketing mix elements of their product, other than promotion (Morgan et al., 2002). Park and Petrick (2006) give partial support for this argument; as persons-in-charge of destination branding argued that destinations cannot be branded in the same way as manufactured products, because the leading organization cannot control destination products.

As noted by Laws et al., (2002, 42) “Branding, imagery, positioning, target marketing and marketing mix, are mutually dependent management decisions, but in a typical destination these decisions are taken independently by the managers of different organizations based on their own operating criteria. It is important to note, however, that these organizations share benefits from the attributes of the place being marketed, the expectations raised in potential clients by marketing activities, and the experiences of visitors attracted to the place.” In other words, this diverse range of agencies and companies comprises all stakeholders in a potential destination brand.

Subsequently, according to Laws, in the majority of destinations a diverse range of agencies and companies acts as partners in the crafting of brand identities. These partners include local, regional and national government agencies, environmental groups, chambers of commerce, companies of various sizes from various sectors, and local residents. A number of major tourism organizations may promote a particular destination, but emphasizing different or even conflicting place attributes (Laws et al., 2002).

Feature 3 – Customer compiling the product
Customer participation in the production process is a well understood concept in services marketing. The tourism product consumed at a particular destination is assembled from the variety of products and services available, but this assembly is conducted largely by the consumer, not by the producer (Ashworth & Voogt, 1990). Thus, it may be argued that destinations are marketed without the marketers knowing exactly what the end experience and derived value will be.

Feature 4 – Limited possibilities to opt out
Building on the arguments of the research presented above, I suggest that unlike actors in most other types of alliance or network organizations, actors operating within a destination have limited ability to choose the partners in their network. For instance, companies operating in a skiing resort in the Alps are to an extent given, and strategic co-operation in destination marketing is pressed to incorporate them all, because, as noted above, marketers can rarely predict the way in which the consumer will assemble the resort’s services and products.
Feature 5 – Reaching agreement of the essence of the brand

Ritchie and Ritchie (1998, 24) insist that one of the major challenges facing the organization seeking to market/brand a destination “is simply to reach a common agreement as to what is being marketed/branded.” In many destinations there is no agreement on what the destination does or should offer, or on what its ideal image should be in the marketplace (Ritchie & Ritchie, 1998). This creates considerable potential for ambiguity and inefficiency.

The majority of destinations act as markets in which firms competing against each other. These actors have conflicting or even opposite interests on issues related to branding and brand positioning. Since a destination may incorporate a large number of firms from many sectors (e.g. ski-lift operators and grocery stores), and other stakeholders including non-governmental organizations and public sector organizations, the objective of reaching agreement consensus concerning the entity being branded may prove to be a major challenge (see e.g. Morgan et al., 2002).

Feature 6 - Politics involved

Destination marketers aim to build and manage a desirable image that can attract tourists, to differentiate one’s destination from competitors and to make one’s destination a better place to live by increasing the contribution of tourism (Park & Petrcik, 2006). While doing this, the marketers are under intense political pressure (Buhalis, 2000; Morgan et al., 2002; Morgan et al., 2003).

Ritchie and Ritchie (1998) argue that the host population, or Destination Residents, are themselves part of the visitation experience and affect the consumers’ perception of the destination brand. Furthermore, Morgan et al., point out that “…they [destination marketers] have to reconcile local and regional interests and promote an identity acceptable to a range of public and private sector constituencies. At the same time, they also have to confront the culture clash between the public and private travel and tourism sectors, both of which possess highly differentiated value systems” (2003, 287).

Another significant political feature of destination branding is the geographical organization of society. Destinations are often artificially divided by geographical and political barriers which fail to take into consideration consumer preferences or tourism industry functions (Buhalis, 2000). The choice of scale for the definition of the tourism product may be, and often is, determined by local governmental boundaries, and the division of public functions within the local government hierarchy may assume greater significance in shaping the destination product than the characteristics of the place or the perceptions and behavior of the customer (Ashworth & Goodall, 1992).
Feature 7 - Inequality of the actors
A feature of the collective nature of destination product and to the control of issues discussed above is the need to resolve inequalities in the importance of the subcomponents of the brand (for a related argument, see Ritchie & Ritchie, 1998). This feature is visible, for example, with Disney World in Orlando, where a single company dominates all of the other companies operating within the destination. The size and reputation of Disney may be expected to dwarf the ability of other companies to influence decision-making within the net, and to lead to significant dominance of one company within the destination.

Feature 8 - The evolution of the product during its consumption
“Because a destination product is composed of many parts, and is consumed over an extended period of time, it is evident that the total offering itself may undergo evolutionary changes during the time that it is being purchased and consumed by the visitor” (Ritchie & Ritchie, 1998, 26). This brings us back to the question of the definition of what is actually being branded. Ritchie and Ritchie (1998) suggest that a destination brand must be capable of capturing or at least allowing for the changing nature of the product/service that it represents.

Feature 9 - Cyclical changes and the destination experience
Cyclical patterns in the destination experience can frequently be identified. The most obvious cyclical patterns are seasonal. Many if not most destinations offer very different experiences during different seasons. For instance, a skiing resort in the Alps offers one set of experiences in the summer and another set in the winter. Similarly, the summertime experience offered by the city of Paris is different from that offered during the winter. Some authors (e.g. Ritchie & Ritchie, 1998) wonder whether a single brand of the destination is capable of capturing or representing a visitation experience which is clearly very different at different times of the year.

This list of unique features should not be taken as a comprehensive analysis of features that differentiate tourism destination products from other types of service products. However, it does identify a set of features which may have a strong effect on place brand management. The list justifies a suggestion that the context of destination branding differs significantly from the context of branding physical goods, and to large extent from most other service branding contexts.

Although the body of strategic management literature in general and of brand management literature in particular is important and highly relevant in the context of destination branding, the presence of dissimilarities with other contexts may limit the ability of brand management theories and practices developed for the firm to incorporate the scope of brand management at destination level.²

² for a related argument, see Flagestad and Hope, 2001.
1.4.3. Organizational arrangements of Destination Marketing

Developing marketing strategies for destinations is a complex processes, partly because of the characteristics of destination product. Buhalis (2000) contends that destinations cannot be marketed as enterprises, due to the dynamics of interests and benefits sought by stakeholders. In addition, he claims that most destinations are amalgams of independent small- and medium-sized enterprises, which already have their own marketing strategies. The marketing responsibility of the destination product has traditionally been transferred from individual companies to a Destination Marketing Organization (DMO)\(^3\) (Buhalis, 2000). Pike (2004, 14) defines a DMO as “any organisation, at any level, which is responsible for the marketing of an identifiable destination. This therefore excludes separate government departments that are responsible for planning and policy.” DMOs are an overwhelmingly common form of coordinating marketing efforts in the tourism industry, insofar as virtually all national tourism organizations and tourism industry sector members have recognized their interdependence and work together to market tourism to their destinations (Bhat, 2004).

The core purpose of DMOs is to enhance sustained destination competitiveness (Pike, 2004). The primary responsibility of DMOs is destination marketing, along with three other important responsibilities: industry coordination, monitoring service and quality standards, and fostering community relations (Pike, 2004). This definition of the tasks of Destination Marketing Organization is very close to the arguably overlapping term of Destination Management Organization. Blain et al. (2005, 328) note that the “major purpose [of Destination Management Organizations] is to market their destination to potential visitors, both individuals and groups, to provide economic benefit to the community and its members.”

No widely accepted organizational model of DMOs exists, but a great variety of organizational structures has been developed (Hankinson, 2001; Pike, 2004). Historically, DMOs emerged as government departments or as industry associations, while more recently there has been a shift towards the establishment of public-private partnership (PPP) arrangements (Pike, 2004).

\(^3\) Please note that the same abbreviation DMO is occasionally used in academic literature to refer to a wider concept of Destination Management Organization. In this study DMO refers to Destination Marketing Organization.
Flagestad and Hope (2001), although focusing on the larger concept of Destination Management Organization, identified a continuum between two extreme “types” of organizational structures, (Figure 3): “the community model” and the “corporate model.” The organizational framework of the “community model” consists of “specialized individual independent business units (service providers) operating in a decentralized way and where no unit has any dominant administrative power or dominant ownership within the destination” (Flagestad & Hope, 2001, 452). They suggest that strategic leadership is anchored in a stakeholder-oriented management, and is often subject to local government participation or influence (Flagestad & Hope, 2001, 452). The other extreme, “the corporate model” refers to destination management as often represented or dominated by business corporations, which “manage for profit a strategic selection of business units of service providers incorporated by ownership and/or contracts” (Flagestad & Hope, 2001, 452). Flagestad and Hope (2001) suggest that the “Community Model” is typical in European contexts, while the “Corporate Model” is typical in the North American context. Paralleling Pike (2004), Flagestad and Hope (2001) suggest that the direction of organizational change flows from the “Community Model” to the “Corporate Model.”

Buhalis (2000) makes the important caveat that although DMOs have traditionally taken marketing responsibility for the destination product, they fail to control marketing activities and mixes of individual players and hence can only co-ordinate and guide, rather than undertake a comprehensive marketing strategy.

As marketing is the primary responsibility of a DMO (e.g. Pike, 2004), developing and sustaining a Network Brand of a destination might be expected to be among its tasks. The existence of
interorganizational co-operation structures called DMOs, a overwhelmingly popular form of coordinating marketing efforts in the tourism industry (Bhat, 2004) reaffirms my expectation that that tourism destinations are an area in which Network Brands are widespread, and therefore readily researchable. However, as both the responsibilities and organizational arrangements of DMOs in different destinations vary by destination, it remains unclear whether or not DMOs are responsible for creating and sustaining destination brands. Therefore I do not direct this study to DMOs, but to any organizational structure that is responsible for developing and sustaining the destination brand. The selection of cases for the empirical part of this research is discussed in Section 3.1.2.

1.5. Research approach of the study

Research strategy consists of decisions about research approach, assumptions for the chosen methodology and structure of the research. The purpose and objectives of the research guided me to select a research strategy enabling a holistic but profound examination of Network Brand Management Competencies. This is a complex phenomenon. Despite all the hype surrounding destination branding and business networks, little knowledge is available about their management. In order to answer the explorative research questions, which focus on contextual knowledge, a qualitative research and case study approach was selected.

More specifically, this research is based on “systematic combining” grounded in abductive logic (see Dubois & Gadde, 2002). Deductive approaches, on the one hand, develop propositions from current theory and make them testable in the real world. Inductive approaches, on the other hand, rely on “grounded theory” where theory is systematically generated from data. Systematic combining is a process in which theoretical framework, empirical fieldwork, and case analysis evolve simultaneously; this is particularly useful for the development of new theories. By constantly going back and forth from one type of research activity to another, and between empirical observations and theory, I expand the understanding of both theory and empirical phenomena.

An abductive approach is fruitful if the researcher’s objective is to discover new variables and relationships (Dubois & Gadde, 2002). As with “grounded theory,” my main concern was the generation of new concepts and development of theoretical models, not the confirmation of existing theory. Systematic combining builds more on refinement of existing theories than on the invention of new ones (Dubois & Gadde, 2002). One major difference between the deductive and inductive approaches is the role of the framework. In studies relying on abduction, the original framework is modified, partly as a result of unanticipated empirical findings, but also as a result of the theoretical insights gained during the process. This approach creates useful cross-fertilization where new combinations are developed
through a mixture of established theoretical models and new concepts derived from the confrontation with reality.

Several authors recommend the case study methodology for studying complex organizational issues and managerial practices in their real life context (Gummesson, 1999; Pettigrew, 1997; Yin, 1994). The case study approach maintains the holistic and meaningful features of real-life incidents, and is therefore particularly appropriate for generating understanding of complex social phenomena. The researcher’s role is to gain a “holistic” (systemic, encompassing, integrated) overview of the context under study: its logic, its arrangements, its explicit and implicit rules (Miles & Huberman, 1994, 6). For these reasons, case studies form one of the dominant and recommended approaches to industrial network research (Dubois & Gadde, 2002; Easton, 2002; Halinen & Törnroos, 2004).

Using the perspective provided by Yin (2003), who divided case studies into exploratory, descriptive and explanatory case studies, this study has both exploratory and explanatory qualities. The exploratory case study searches unexpected issues from the empirical material, as I do in terms of managerial competencies. These unexpected issues are searched, but explanations are also provided on the basis of the cross-research traditional literature review and the conceptual framework. Stake (1995, 2000) identifies two types of case study research: intrinsic and instrumental. In the former the case is the starting point for the researcher, because the objective is to understand and learn as mush as possible about one particular case. In the latter the case is an instrument for solving a research problem, to gain in-depth information about a focal phenomenon, not merely a single case. Utilizing the terminology of Stake (1995; 2000) the cases of this study are instrumental; through them the researcher expands his understanding about the focal phenomenon. The cases allow for a deeper understanding of Network Brand Management.

This research takes the form of a multiple-case study. Instead of one single case, nine case Brand Nets are studied here. Eisenhardt (1989) claims that a multiple-case design forces the researcher to look beyond the first impressions and to evaluate the data from several perspectives. I selected nine cases for this study because I wanted to gather a rich, multi-faceted and detailed picture of the phenomenon. Furthermore, Miles and Huberman (1994) argue that a multiple-case approach adds confidence to findings, and strengthens their precision, validity and stability.

Given that the research is directed to an area consisting of several theoretically underdeveloped fields (Network Brand, marketing management competencies, and network management competencies), this research is exploratory by nature and takes an abductive research approach.
The conceptual phase of the study consists of a literature analysis, examination of the phenomenon of Network Brand coupled with a comparison between the suggested construct and existing brand management constructs, and construction of the conceptual framework of Network Brand Management Competencies. This conceptual frame was used to propose a set of managerial competencies that is required in Network Brand Management.

The empirical part of the research explores the Network Brand concept and identifies the key managerial competencies that are required to develop and sustain a successful Network Brand in one setting: ski destination brands.

Nine case destinations from the US, Australia and Finland were included in this study. All nine case destination brands are among the best ones in their respective markets, firstly, according to interviews with ski-industry associations in the three countries, secondly, according to independent national brand awareness studies, fourth, according to the managers of the destinations themselves, and fourth, according to the managers of competing case destinations. Starting with the premise that critical management competencies drive brand success, I sought to investigate the views of managers responsible for ski-destination brand management in order to increase our understanding of what are the key competencies required for making a Network Brand successful. I focused on managers responsible for destination brand management in destinations that are industry leaders, since they are at the forefront of application, have gained considerable knowledge and experience and are influencing tomorrow's destination branding agenda. The objective was to appreciate what managers responsible for leading destination brands saw as critical competencies for a destination brand to be successful in order to inform the development of a Network Brand Management Competence (NBMC) framework.

1.6. Structure of the report

Chapter 1 introduces the relevance and purpose of this research, and the research strategy. It also presents the research questions, key terms used in this study, and the contextual setting: Tourism Destination as a product to be branded. The chapter concludes by describing the structure of the research.

Chapter 2 conceptualizes the central phenomenon of the research: a Network Brand. It starts by reviewing the theoretical foundations of branding, and by elaborating the differences between existing branding constructs and the proposed Network Brand construct on the basis of brand management literature. Review of business networks in the literature is then presented, and its contribution to the suggested concept of Network Brand is elaborated. The chapter continues by reviewing the theoretical

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4 In US and in Finland. Equivalent comparative studies were not available in Australia.
basis on the competence perspective of strategic management thinking and the role of competencies in developing competitive advantage through branding and by presenting an analysis of competencies identified in the fields of marketing management, brand management, alliance literature, capability/competence literature and business networks literature. Throughout the chapter, attention is paid to the phenomenon of value creation, and the value creation potential of Network Brands is examined from the perspectives of strategic management (brand management perspective), resource-based view (competence perspective) and business networks. The chapter ends with a synthesis of the literature review and with a framework of Network Brand management competencies.

Chapter 3 focuses on research design and discusses the research methods, the data reduction and analysis methods and examines the issues of validity and reliability.

Chapters 4 and 5 present the analysis and results of this study. Chapter 4 summarizes background information of nine case studies by describing the cases, participants in brand planning and their conceptualizations of a brand, brand management organizations, brand planning and implementation processes and monitoring arrangements. It ends by describing one of the key findings of this study: the Classification Framework of approaches to Network Brand management in ski destinations.

Chapter 5 presents the analysis of Network Brand Management Competencies. The chapter starts with a detailed description of the competencies identified in this study as key requirements for developing and sustaining a successful Network Brand for ski destinations. The competencies are then compared to those in earlier academic findings. The chapter continues by discussing the relationship between occurrence of competencies in case destinations and the Classification Framework of Approaches to Network Brand management in ski destinations. The chapter with a presentation of two key results: a Framework of Network Brand Management Competencies and a Contingency Model of Network Brand Management Competencies.

Chapter 6 presents the conclusion of this study. The chapter begins with a short integrative summary. It continues by explaining the intended and achieved theoretical contributions and managerial implications of this study. Finally, limitations of the research are discussed and suggestions for future research are presented.
2. Theoretical framework

This study examines brand management competence requirements in intentionally-created business networks in order to develop a brand which is not a brand of a single product or company, but a brand of the network itself. The focal phenomenon is complex, and combines sub-areas of numerous theoretical research traditions.

This chapter examines the key constructs presented in the academic literature, and describes the central construct of this research: a Network Brand. The chapter starts by reviewing the theoretical foundations of branding, and by elaborating the differences between existing branding constructs and the proposed Network Brand construct on the basis of brand management literature. A review of the analyses of business networks in the literature is then presented, and followed by an explanation of its contribution to the concept of Network Brand. The chapter continues by reviewing the theoretical basis of competence perspective of strategic management thinking and the role of competencies in developing competitive advantage through branding and by presenting an analysis of competencies identified in earlier studies in the fields of marketing management, brand management, alliance literature, capability/competence literature and business networks literature. Specific attention is paid to the phenomenon of value creation, and the value creation potential of Network Brands is examined from the perspectives of strategic management (brand management perspective), Resource-Based View (competence perspective) and Business Networks. The chapter ends with a synthesis of the literature review and by presenting a framework of Network Brand Management Competencies.

2.1. Branding

This section begins with a short review history of branding, with special attention to the transformations of the 1980’s, which have had an increasing impact on both brand management practice and research. The section then continues by discussing the theoretical links between brands and value creation and their ability to generate competitive advantage. In particular, the emergence of Resource-Based View and Brand Equity research are discussed. Following this, various approaches to brand management (brand management paradigms) in academic literature and managerial practice are discussed.

In Section 2.1.4., the concept of Network Brand is elaborated and key differences between this suggested construct and other branding constructs (product brand, umbrella brand, brand-alliance, co-branding, corporate branding) are identified. As the contextual setting of this research is tourism destination branding, key contributions of service branding literature and limited destination branding literature are reviewed.
2.1.1. Evolution of branding knowledge

Branding has been present for centuries, if not millennia. In ancient times, potters used trademarks, and in medieval times so did printers and members of other craft guilds (Keller 2003). Branding as a form of brand management emerged with industrialization in the latter part of the 19th century. As noted by Low and Fullerton (1994,175), in 1870 the concept of brand as consumers in the late-20th-century would understand it is still new.

The understanding of the significance and functions of brands has developed significantly since early times (Louro & Cunha 2001; Morgan et al., 2002; Ward 2000).5 The dominant views of brands and brand management have ranged from simple and unidimensional approaches, regarding brands as legal instruments and identification helpers, to multidimensional approaches emphasizing holistic views of brands comprising functional, emotional, relational and strategic dimensions (de Chernatony & Dall’Olmo Riley 1998; Louro & Cunha 2001; Low & Fullerton 1994).

The growing understanding and acknowledgement of strategic value of brands may be understood as a consequence of the convergence and mixing of trends associated with the configuration of a branding landscape (Biel 1993; Keller 1998). Some of these trends are, for instance, brand and product proliferation (Biel 1993), price competition (Park & Srinivasan 1994), rising media costs (Leeflang & Raaij 1995; Urde 1994, 1999), evolving needs (Shocker, Srivastava & Rueckert 1994), increasing price sensitivity and consciousness (Leeflang & Raaij 1995) reflecting the segmentation trends (Lannon 1993).

Starting in the late 1980’s several changes in environmental factors started to influence brand management practices and research. Globalization of competition, greater openness of markets, impact of technological changes, the increased power of distributors and the evolution of channels, investor expectations and emergence of the brand equity concept and changing consumer markets presented both challenges and opportunities to brand management (Shocker, Srivastava & Rueckert, 1994). In particular, a wave of mergers and acquisitions raised the proportion between company’s earnings and acquisition value from an average multiple of seven to eight to multiples in a scale of 20 to 30 (Kapferer, 1992). According to several researchers (e.g. Kapferer, 1992; Riezebos, 1994) this was related to the value of the target firm’s brand portfolio.

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5 For an interesting review of the history of branding and brand management from the early times until the 1990’s, see Low and Fullerton (1994).
As a consequence, several new practical and academic interest-areas emerged. Some of the most significant ones are listed below.

- **Brand Equity research** (e.g. Aaker, 1991; Barwise, 1993; Broniarczyk & Gershoff, 2003; Kapferer, 1997; Keller, 1993, 1998, 2001; Shocker & Weitz, 1988; Srivastava & Shocker, 1991; Srivastava et al., 1998;)
- **Brand extensions and leveraging brands** (e.g. Aaker & Keller, 1990; Bottomley & Doyle, 1996; Broniarczyk & Alba 1994)
- **Brand alliances, co-branding and umbrella branding** (e.g. Bucklin & Sengupta, 1993; Park, Jun & Shocker, 1996; Rao, Qu & Rueckert, 1999)
- **Services branding** (e.g. Berry, 2000; Bharadwaj, Varadarajan & Fahy, 1993; Grönroos, 2000)
- **Business to business branding** (e.g. Bushill, 1985; Mudambi et al., 1997; Webster, 2000)
- **Branding in electronic environments**
- **Place branding** (e.g. Morgan et al., 2003; Journal of Place Branding, 2005 onwards).

### 2.1.2. Brands as strategic assets

From the 1990’s the role and importance of brands has been assumed an increasingly central position in today’s marketing research and practice. For instance, Kotler (2003, 418) argues that “branding is the art and cornerstone of marketing” and “perhaps the most distinctive skill of professional marketers is their ability to create, maintain, protect, and enhance brands.” Rapidly increasing attention has been visible both in marketing research (Malhotra, Peterson & Kleiser 1999) and in managerial practice (Aaker 1996, Aaker & Joakimstahler, 2000; Morgan et al., 2002a; Murphy 1998). The attention may be understood as a result of advances in the field of marketing and strategic management research, and changes in the operating environment. An important factor urging the conceptualization of brands as strategic assets is related to the evolution of research focused on the factors and processes underlying the development of competitive advantage by enterprises (Rumelt, Schendel & Teece 1994). Particularly important factors in the sudden interest in brands have been the development of resource-based view of the firm, and the emergence of brand equity research, which has focused on exploring “the differential effect of brand knowledge on consumer response to the marketing of the brand” (Keller, 1993, 2). These, in conjunction with profound changes in market structures and dynamics, have redefined the role and strategic importance of brands (Kapferer 1992; Mintzberg, Quinn & Ghoshal 1998).

**Resource-based view and brands**

The resource-based view lays the theoretical foundation for brands and brand management, and for the development of sustainable competitive advantage. The resource-based view emphasizes the firm's
portfolio of idiosyncratic and difficult-to-imitate resources and capabilities as the core determinants of the firm's performance (Barney, 1991).

Barney (1991), building on Penrose (1959) and Wernerfeldt (1984), introduced a broad concept of firm resources that includes “all assets, capabilities, organizational processes, firm attributes, information, knowledge, etc. controlled by a firm that enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness” (Barney 1991, 100). Barney also described resources as consisting of physical capital, human capital, and organizational capital. According to Barney, achieving a sustained competitive advantage requires a “value creating strategy” that cannot be implemented by current or potential competitors and whose strategic benefits cannot be duplicated by other firms. Arguing that no firm could implement a strategy that would lead to a sustained competitive advantage in an industry with “homogeneous and perfectly mobile resources,” Barney reasoned that only heterogeneous and imperfectly mobile resources could serve as the basis for a sustained competitive advantage.

In Barney’s analysis, a firm’s resources must meet four conditions to be considered heterogeneous and imperfectly mobile.

- Firm resources must be valuable.
- Firm resources must be rare.
- Firm resources must be imperfectly imitable.
- A firm’s resources must not be substitutable.

Barney concludes that a firm’s current endowments of such heterogeneous and imperfectly mobile resources determine its potential to achieve sustained competitive advantage.

The implications of imperfect markets for strategically important resources were studied by Dierickx and Cool (1989), who identified four dynamic properties of asset stock accumulation (resource endowment) that prevent competitors from perfectly and immediately replicating a firm’s endowment of certain resources.

1. *Time compression diseconomies* raise the costs of acquiring certain kinds of resources for competitors who quickly try to replicate a firm’s stock of those resources.
2. *Asset mass efficiencies* make processes for increasing stocks of certain assets more efficient as the current stock of that asset increases.
3. *Asset stock interconnectedness* reduces the difficulty of increasing the stock of certain assets when stocks of other assets are already significant.
4. **Causal ambiguity** in asset stock accumulation results when it is not clear perhaps even to a firm that has already built up a stock of a certain resource--what steps must be followed to increase the stock of that resource.

The systems perspective on resources (Sanchez & Heene, 1996) suggests further properties of resources that affect their potential to contribute to the creation of competitive advantage. This perspective recognizes that resources are normally embedded in a system that includes other resources and that the contribution of a resource to the creation of value depends on those other resources.

According to the resource-based view of the firm (RBV), brands offer remarkable potential to generate and maintain superior performance (Barney & Hesterley 1996; Hall 1993). Strong brands, including Network Brands, fit well to the criteria for identifying rent-generating resources and capabilities, proposed by Barney (1991). Strong brands are

1. valuable, because they create value to consumers and firms (see above).
2. rare, since one of the purposes of branding is to enable differentiation.
3. imperfectly imitable, or at least costly to imitate due to time compression diseconomies and asset mass efficiencies (Dierickx & Cool, 1989).
4. without close strategic substitutes: strong brands enable the adoption of differentiation-based positioning strategies (Ambler & Styles, 1995).

Amit and Shoemaker (1993) used the term **strategic assets** to describe the set of difficult to trade and imitate, scarce, appropriate and specialized resources and capabilities that give a firm its competitive advantage. They proposed that specific strategic assets would be difficult or impossible to obtain at various points in time, i.e. there will be failures to form efficient markets to supply those assets. Amit and Schoemaker (1993) argued that strategic assets currently subject to market failures will be "prime determinants of organizational rents" in an industry. Organizational rents are the economic profits that can be captured by an organization through its use of a resource or capability. A brand seems to fit well within this conceptualization and may therefore be considered a strategic asset.

Earlier researchers have identified several value creation mechanisms of brands. Brands create value to an **organization** by improving the efficiency of marketing activities through economies of scale (Demsetz, 1973) and scope (Wernerfelt, 1988), creating shareholder value (Kerin & Sethuraman, 1998), protecting market position by raising entry barriers (Karakaya & Stahl, 1989), enabling the adoption of differentiation-based positioning strategies (Ambler & Styles, 1995), acting as isolating mechanisms (Besanko, Dranove & Shanley, 1996), and by supporting growth (Broniarczyk & Alba, 1994) and innovation (de Chernatony & Dall’Olmo Riley, 1999).
Brands create value for consumers (and thus to firms) by providing emotional, hedonic and symbolic benefits (Srinivasan, 1987), by facilitating decision-making (Jacoby & Kyner, 1973; Kapferer, 1992), attenuating search costs (Jacoby, Szybillo & Busato-Schah, 1977), reducing the risk (Murphy, 1998) and by enabling the attribution of responsibility to the producer or distributor (Keller, 1998).

*Brand equity research*, focused on exploring "the differential effect of brand knowledge on consumer response to the marketing of a brand" (Keller 1993, 2), has developed more detailed knowledge of the strategic importance of brands and their value to companies, customers and shareholders.

According to Barwise (1993, 94) the term *brand equity* entered common use among US advertising practitioners in the early 1980’s. It was not formally defined, but in practical terms it meant the brand’s long-term customer franchise, and its financial value. The argument was that:

a) brand are financial assets  
b) the financial value of a brand depends on its "brand strength"  
c) the brand strength can be increased by, inter alia, investing in product quality and in advertising (Barwise, 1993)

The sudden rise in popularity of the concept of brand equity is also traceable to a series of takeovers, in which billion dollar values of strong brands became evident to academics and practitioners alike. Academic interest in brand equity concept followed and after the Marketing Science Institute (MSI) made brand equity its top research priority in 1988, there has been extensive academic research on brand equity (e.g. Aaker, 1994; Barwise, 1993; Berry, 2000; Broniarczyk & Gershoff, 2003; Kapferer, 1997; Keller, 1993, 2001; Srivastava et al., 1998; ).

There are several perspectives on brand equity. Aaker (1994) presented a communication perspective. According to this perspective, brand equity is a set of assets and liabilities that are linked to a brand’s name and symbol that add to or subtract from the value of a product or service to a firm and/or that firm’s customers. The major asset categories here are (1) brand name awareness, (2) brand loyalty, (3) perceived quality and (4) brand associations.

Keller (1993), approaching brand equity from the customer perspective, defined customer-based brand-equity as the differential effect of brand knowledge on consumer response to the marketing of a brand. A brand has positive (negative) customer-based brand equity, when consumers react more (less) favorably to an element of the marketing mix for the brand than they do to the same marketing mix element when it is attributed to a pseudonymous or anonymous version of the product or service. Brand knowledge is conceptualized according to an associative network memory model in terms of two components: Brand Awareness and Brand Image. Customer-based brand equity occurs when the
consumer is familiar with the brand and holds favorable, strong, and unique brand associations in memory.

Keller provides six guidelines for the management of customer-based brand equity; (1) holding a broad and long-term view, (2) specifying the desired consumer knowledge structures and core benefits for a brand, (3) considering wide range of marketing options, (4) coordinating the marketing options that are chosen, (5) conducting tracking studies and controlled experiments and (6) evaluating potential extension candidates.

Kapferer (1997) examined brand equity from financial perspective, explaining how brands work and why they can result in growth and profitability. He argues that brands provide benefits to the consumer as well as to the company, and claims that being a brand is not the same as being a brand name. Rather it is, through constant investment in know-how, to become and remain the reference of quality at an acceptable price, implying the promise of tangible and intangible benefits. Kapferer distinguishes brand assets from brand value/equity (Figure 4).

![Brand awareness](image)

+ Image  
+ Perceived Quality  
+ Evocations  
+ Familiarity, Liking  
= Brand Assets

Brand added value, perceived by consumers  
- Costs of branding  
- Cost of invested capital  
Brand Financial value  
(Brand Equity)

**Figure 4. From brand assets to brand equity (Kapferer, 1997,37)**

The concept of brand equity has multiple meanings. Feldwick (1996) simplifies this variety of approaches by classifying its meanings:

- the total value of a brand as a reparable asset –when it is sold, or included in a balance sheet  
- a measure of the strength of consumers’ attachment to a brand  
- a description of the associations and beliefs the consumer has about the brand.

The emergence of brand equity research has redefined the role and strategic importance of brands (Kapferer, 1992; Quinn & Ghoshal, 1992). A set of competencies is required to develop any kind of value, for instance brand equity. However, the kind of competencies that are relevant for creating value in the context of Network Brand management is a central theme of this study, and will be discussed in Section 2.3. Furthermore, in section 2.4 I present a framework that links the competencies required to manage Network Brands in order to generate brand equity.
The definition of brand equity used in this study is modified from Aaker (1994). Unless otherwise stated, brand equity is a set of assets (and liabilities) linked to a brand that adds to (or subtracts from) the value provided by a product or service to an organization and/or that organization’s customer. This definition has been adopted, as I believe that it adequately incorporates both the perspective of the firm and its customer. This dual perspective is congruent with my understanding of "a brand" as a mechanism for achieving competitive advantage for marketed entities, through differentiation, while the attributes that differentiate a brand provide customers with benefits for which they are willing to pay (see Wood, 2000).

2.1.3. Brand management approaches

Despite a century of interest in the phenomenon of brand management, de Chernatony and Dall’Olmo Riley (1998b) point out that “the nascent nature of branding as a consistent research stream within the marketing discipline, associated with its differential adoption by organizations results in cacophony of simultaneously competing and overlapping approaches to brand management.” Shocker, Srivastava and Rueckert (1994, 157) argue that no single or dominant theoretical framework has emerged that guides research in this area. Contributions in this issue reflect a multitude of viewpoints from cognitive and consumer psychology to information economics. Given the diversity of topics covered under the umbrella of brand management, we suspect this area of research will continue to borrow from several underlying disciplines for its conceptual and theoretical foundations. The development of theory to guide brand management is increasingly necessary and will and should be integrative.

Furthermore, several authors (e.g. Louro & Cunha 2001, 868; Morgan et al., 2002, 3-4) argue that significant empirical effort is required to improve the understanding of brand management processes.

The academic literature presents a range of approaches to brand management (Hankinson, 2004; Louro & Cunha, 2001). The following section, building on Louro and Cunha (2001) and Hankinson (2004), analyze these approaches to brand management.

A typology of Brand Management Approaches

Paradigms are “entire constellation[s] of beliefs, values, techniques and so on, shared by the members of the community” (Kuhn, 1996, 175). Louro and Cunha (2001, 853), define brand management paradigm as “a deep-seated way of seeing and managing brands and their value, shared by the members of an organizational community marked by a common culture,” and posit that an organization’s dominant paradigm determines its understanding of brands, the process and content of brand strategy, and, consequently, its potential contribution to competitive advantage.
“In this sense brand management paradigms constitute an organization’s portfolio of implicit assumptions, collective beliefs, values and techniques concerning the why (the objectives and performance measures of brand management), the what (concept of brands), the who (the organizational structure of brand management) and the how of branding (the variables of brand management).” (Louro & Cunha, 2001, 853)

Louro and Cunha (2001) argue that brand management paradigms act as perceptual systems that echo a firm’s dominant logic, i.e. “as the way in which managers [in a firm] conceptualize the business and make critical resource allocation decision …” (Pralahad & Bettis, 1986, 490). Dominant logic is stored via shared schemas, cognitive maps or mind sets, to be determined by the managers’ previous experience, and to be largely unrecognized by the managers themselves (Pralahad & Bettis, 1986).

Louro and Cunha (2001,853) argue that “the structure and content of brand management paradigms shape how members of an organization see and manage brands by orienting their perceptions, interpretations and decisions.” and that “Brand paradigms, as shared mental models, legitimate actions and critically influence, govern and constrain a firm’s brand–building activities….”

Based on an analysis of the branding and strategic management literatures, Louro and Cunha (2001) identified four brand management paradigms that can be differentiated along two analytical dimensions (Figure 5). The first dimension, Brand Centrality, is the extent to which brands constitute the core elements of a firm’s strategic development. The other dimension, Customer Centrality, is the extent and nature to which consumers are involved in the process of value creation.

Within the Brand Centrality dimension the opposites are tactically- and brand-oriented approaches. The **tactically-oriented** approaches reflect unidimensional brand definitions focused on the identification and legal value of brands, where branding is strongly associated with communication and advertising. The **brand orientated** perspective represents the opposite understanding of the role of branding in strategy formation and by emphasizing multidimensional brand concepts focused on the complexity and value of brands for both firms and consumers, branding is understood as central platform of an organizations strategic intent. (Louro & Cunha 2001,854-855).

Within the Customer Centrality dimension the opposite perspectives are unilateral and multilateral. In the unilateral approach, consumers are perceived as passive recipients of the value created within the organization. The distinctive strategic position, and thus the competitive advantage is construed within the organization by three processes: (1) **strategic investments** to create value for consumers and improve a firm’s portfolio of resources and capabilities; (2) **strategic projections** to secure and generate
positive interpretations of the organization and influence the actions of consumers; and (3) a strategic plot that explains the consistency between a firm’s material resources and its microculture, and between its strategic investments and projections. (Rindova & Fombrun, 1999).

The multilateral orientation views consumers as active contributors to value creation (Louro & Cunha, 2001). Following Rindova and Fombrun (1999) and Pralahad and Ramaswamy (2000), Louro and Cunha (2001, 856) propose that “brand value and meaning is continuously co-created, co-sustained and co-transformed through organization-consumer interactions. Competitive advantage emerges as a systemic outcome resulting from the cyclical actions initiated by both firms and consumers and the reciprocal responses to those actions.”

Louro and Cunha (2001) identify four brand management paradigms: Product, Projective, Adaptive and Relational. Hankinson (2004) has developed a similar categorization, building on Louro and Cunha (2001). In Hankinson’s vocabulary the four alternative perspectives on brands are 1) brands as communicators, 2) brands as value enhancers, 3) brands as perceptual entities and 4) brands as relationships.

*The product paradigm* reflects a tactical approach to brand management centered on the product as the locus of value creation (Louro & Cunha, 2001). Organizations use brands to designate legal ownership, protect themselves against imitation and support product communication and visual differentiation; an

![Figure 5. Brand Management Paradigms (Louro & Cunha, 2001, 855)](image)
approach is best typified by the American Market Association's definition\(^6\) of a brand (Louro & Cunha, 2001). Hankinson (2004) argues that this approach, brands as communicators, is the most widely held. Within the product paradigm perspective, paralleling the propositions of Kotler (1991), marketing mix is central to marketing management, while the product emerges as its core dimension. Following Kotler (1991), Kapferer (1992) and Keller (1998), Louro and Cunha (2001) argue that within the product paradigm brands are managed as a composition of loosely interrelated constructs (e.g. brand name, logo, symbols, characters, packaging and slogans) combined in a way that supports an organization’s product strategy.

In the product paradigm of Louro and Cunha, strategy formation focuses on generating superior performance through the identification, creation and protection of favorable \textit{product market positions} (Porter, 1980). … The effectiveness of a firm’s positioning strategy in creating and sustaining competitive advantage is influenced by its capacity to align its portfolio of core resources and inside-out capabilities (Day, 1994) with its specific value proposition (Porter, 1985). (2001, 858-859).

\textit{The projective paradigm} (Louro & Cunha, 2001) complements the product paradigm by emphasizing the strategic dimension of branding. Along this line, Hankinson argues that the \textit{Brands as value enhancers} approach “has laid the foundations for a strategic approach to brand management” (2001,111). Within this paradigm, brands are understood as more than the sum of loosely related constructs (e.g. logo, slogan, brand name), and echo the suggestions of de Chernatony and Dall’Olmo Riley (1998), Louro and Cunha (2001,860) who postulate that brand management focuses on “reinforcing and developing brand positioning and meaning by achieving coherent focus across the brand portfolio and projecting a consistent message to all stakeholders.” Following Kapferer (1992) and Aaker (1996), Louro and Cunha (2001, 860) note that in the projective paradigm, brand management is executed through the creation, development and communication of a coherent brand identity. Following Kapferer (1997) and De Chernatony and Dall’Olmo Riley (1998), Hankinson argues that the role of brand management is to define and manage a brand identity (2004).

Using the vocabulary of the resource-based view, and in particular the dynamic capabilities perspective, Louro and Cunha (2001) argue that the projective paradigm focuses on the firm’s idiosyncratic and difficult-to-imitate resources (see Barney, 1991)\(^7\) and inside-out capabilities\(^8\) (Day, 1994) as the central determinants of competitive advantage. Within this approach brands are understood as rare firm-specific assets which may constitute a basis for a sustained competitive advantage (Hankinson, 2004; Louro & Cunha, 2001).

\footnotesize{\(^6\) The American Marketing Association (AMA) defines a brand as a “Name, term, symbol or design, or a combination of them, intended to identify the goods or services of one seller or a group of sellers and to differentiate them from those of competitors.”

\(^7\) See Chapter 2.1.2.}
According to Louro and Cunha (2001) brand management focusing on brand identity reflects embracing and implementing planned9 or ideological10 focusing in aligning a firm’s brand assets with its core inside-out capabilities. Within this approach effective performance reflects the extent to which implemented brand strategies generate brand equity, i.e. value, for the firm (Louro & Cunha, 2001, 861; Hankinson, 2004, 111).

The adaptive paradigm is a diametrical approach to the projective brand management paradigm, emphasizing the role of consumers as central conductors of brand meaning (Louro & Cunha, 2001). Louro and Cunha postulate that within the adaptive paradigm “brand management is enacted as a tactical process whereby adaptation to consumers’ representations of the focal brand whereby brand image11 gradually displaces brand identity” (2001, 863). This perspective has been presented, for instance, by Aaker (1996). In Hankinson’s (2004) typology, a similar approach is labeled the “Brands as perceptual entities” approach.

Within the adaptive paradigm (Louro & Cunha, 2001), brand image is understood as a central topic behind strategic formation, and influences the specification of brand elements and the way in which they are communicated to consumers (Kapferer, 1992).

In this paradigmatic approach to brand management “competitive advantage is conceptualized as the result of a firm’s capacity to generate customer satisfaction [external perspective], within a particular competitive context” (Louro & Cunha, 2001, 864). Accordingly, Louro and Cunha suggest that within this paradigmatic approach “brand strategy is imposed12 i.e. action patterns originate from the focal firm’s external environment (e.g. customers), either through direct demand or through implicitly pre-empting or limiting organizational choice” (2001, 864).

Louro and Cunha argue that within this paradigm effective customer-driven management requires firms to possess superior outside-in capabilities,13 and in particular, market sensing14 and role of spanning,15 constitute the core capabilities driving successful implementation of the adaptive approach (2001). A fourth approach, called the relational paradigm by Louro and Cunha (2001) and the “brands as relationships” by Hankinson (2004) conceptualizes brands as personalities that evolve in the context of

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8 Inside-out capabilities, in the vocabulary of Day (1994), refer to capabilities deployed from within the firm.
9 Using the concept of Noorderhaven, 1995
10 Using the concepts of Mintzberg & Waters, 1985
11 Understood as “consumer perceptions of a brand as reflected by the brand associations held in consumers’ memory” (Keller, 1998, 49).
12 Using the concept of Mintzberg and Waters (1985).
13 Using the concept of Mintzberg and Waters (1985).
14 Defined as “the ability of the firm to learn about customers, competitors and channel members in order to continuously sense and act on events and trends in present and prospective markets,” (Day, 1994, 43).
15 “Spanning capabilities are needed to integrate the inside-out and outside-in capabilities,” “Spanning capabilities are exercised through the sequences of activities that comprise the processes used to satisfy the anticipated needs of customers identified by the outside-in capabilities and meet the commitments that have been made to enhance relationships” (Day, 1994, 42).
the consumer-brand relationship (see e.g. Aaker, 1997; de Chernatony & Dall’Olmo Riley, 1998; Fournier, 1998). The relational perspective is particularly relevant to services brands (e.g. de Chernatony & Dall’Olmo Riley 1998; de Chernatony et al., 2002; Grönroos, 2001). Within the relational paradigm, brand management is an ongoing, dynamic, and dialectical process,\(^{16}\) without a clear beginning or end, in which multiple entities (consumers and firms) espousing opposing thesis (brand image and brand identity) co-construct brand value and meaning through relationships with all stakeholder groups (Hankinson, 2004; Louro & Cunha, 2001). Hankinson (2004) argues that by including employees, suppliers, alliance partners, and government agencies to value creation processes, the relational paradigm widens the focus of branding activities beyond communications, and puts brands at the very center of marketing activities.

Within the relational approach competitive advantage emerges as the outcome of a process of firm-consumer interaction whereby a complex web of actions-reactions determines firms’ differential performance (Louro & Cunha, 2001), applying systemic model (Rindova & Fombrun, 1999)\(^{17}\). “Brand management is enacted through (1) the specification and communication of a brand identity that reflects the focal firm’s strategy and its portfolio or resources and capabilities; (2) its projection, through the definition of brand elements and marketing programs; and (3) its dynamic (re)construction and co-development in the context of path-dependent consumer-brand relationships by encouraging active dialogue, mobilizing customer communities, managing customer diversity and co-creating personalized experiences” (Louro & Cunha, 2001,866, following Fournier, 1998; Prahalad & Ramaswamy, 2000).

Brand management in the relational paradigm requires the recognition and accommodation of consumers’ active role in co-developing brand meaning and value, and requires transformations of traditional brand management structures in order to be able to support flexibility and creativity, and to sustain relationship-based management (Louro & Cunha, 2001).

Citing Day (1994) and Prahalad and Ramaswamy (2000), Louro and Cunha argue that “a firm’s capacity to sustain a dyadic relationship with consumers … involves the activation of core inside-outside and spanning capabilities. In particular, a firm’s proficiency at integrating through spanning processes outside-in competencies (e.g. market sensing) with inside-out capabilities and to co-opt consumer competence significantly influences its capacity to develop and manage close brand-consumer relationships” (2001,866). According to Fournier (1998) brands cohere into systems that consumers create not only to aid in living but also to give meaning to their lives. “Put simply, consumers do not choose brands, they choose lives” (Fournier, 1998, 367). The four brand management paradigms of Louro and Cunha (2001) are summarized in Table 1.

\(^{16}\) Using the concept discussed by Van de Ven and Poole (1995).

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<tr>
<th><strong>TABLE 1. BRAND MANAGEMENT PARADIGMS: STRUCTURE AND CONTENT</strong></th>
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<td><strong>PRODUCT</strong></td>
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<td><strong>MARKETING FOCUS</strong></td>
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<td><strong>BRAND MANAGEMENT FOCUS</strong></td>
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<td><strong>BRAND DEFINITIONS</strong> (de Chernatony &amp; Riley 1998)</td>
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<td><strong>STRATEGIC PROCESS</strong> (Mintzberg &amp; Waters 1985)</td>
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Adapted from Louro and Cunha (2001, 857).

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17 Competitive advantage as a systemic outcome has been discussed by Rindova and Fombrun (1995).
**Discussion of branding approaches**

The limitations of these approaches have provoked discussion. The product paradigm constitutes the dominant approach to contemporary brand management (Louro & Cunha, 2001), but suffers several well understood limitations. According to Hankinson (1999) the approach fails to address organizational structure and managerial control, while Aaker (1996) notes the following shortcomings: product attributes fail to differentiate a firm's value proposition, are susceptible to imitation, assume consumer rationality, constrain brand extension strategies, reflect itemized perspectives that limit the development of a multidimensional brand identity and decrease strategic flexibility.

The projective paradigm has also attracted notions of its limitations. Firstly, firms' brand marketing activities (brand identity) are conceptualized as the core determinants of brand meaning while the role of consumers as active co-creators of brand significance has been ignored (e.g. de Chernatony & Dall’Olmo Riley 1998b; Grönroos, 2001). Another limitation is that identity-based approaches focus on brand strategies of the past that have lost their capacity to adapt to changing environments (e.g. Kapferer, 1992).

The Adaptive paradigm, arguably dominant in the realm of place branding and especially in destination branding (Hankinson, 2004), has been criticized for failing to demonstrate how firms configure brand value (Louro & Cunha, 2001), and for ignoring the role of an organization's mission, strategic intent, internal characteristics and resources in strategy formation (Kapferer, 1992; Aaker, 1996). In addition the adaptive paradigm overlooks issues associated with organizational structure and managerial control (Hankinson, 1999), tends to generate fragmented brands due to customer diversity across segments (Kapferer, 1992), and may dilute brand meaning as a consequence of changes in brand's identity following incremental changes in customer expectations (Aaker, 1996).

Due to its recent emergence, the relational paradigm in brand management is still under development, and has not yet drawn significant amounts of criticism (Louro & Cunha 2001).

**Branding approaches in tourism literature**

The limited literature on tourism destination branding reveals a variety of perspectives. Unlike the product paradigm, which dominates the mainstream of brand management, the adaptive paradigm dominates the destination brand literature (see Hankinson, 2004). The strength of the adaptive paradigm is also reflected in several conceptual models of destination marketing (e.g. Echtner & Ritchie; 1991; Woodside & Lysonski, 1989). Hankinson, approaching branding from the relational
paradigm perspective, argues that, “such conceptualizations seriously limit the development brands in general and destination brands in particular” (2004,109).

Hankinson (2004) argues that the relational paradigm has been successful in destination branding, for several reasons. The relational approach is thought to be more appropriate to service-related products, since it is linked to the experiential nature of place product, emphasizes the role of service encounters, recognizes the importance of a wide range of stakeholders, reflects the reality of place brand management, and uses a network marketing approach (Hankinson, 2004).

2.1.4. Comparison of Network Brand to other branding constructs

The concept of Network Brand builds on interfirm co-operation in branding. The constructs of product brand, corporate brand, umbrella brand and brand alliance, co-branding, joint branding are apparent in managerial practice and discussed in academic literature.

This study proposes that Network Brand differs from product brand, corporate brand, umbrella brand and brand alliance. The next section describes the key differences between each of these constructs and the concept of Network Brand; the key differences between Network Brand and other branding concepts are summarized in Table 2.

*Brand alliance* (a term used interchangeably with co-branding and joint branding) is a strategic alliance which is built around the linking or integration of the symbolic or functional attributes of the brands of two or more companies with the objective of offering a new or perceptually improved product (Cooke & Ryan, 2000). Cooke and Ryan (2000) argue that the primary objective of a brand alliance is the leveraging of the associations of the brands involved in the alliance, thereby enhancing each brand's image and reputation.

*Umbrella branding*, the practice of labeling more than one product with a single brand name, is commonly used by multiproduct companies (e.g. Sullivan, 1990). Spillovers occur when information about one product affects the demand for other products with the same brand name (Sullivan, 1990). Wernerfelt (1988) has shown that a multiproduct firm can use its brand name as a sign for quality when it introduces a new-experience product. Umbrella branding can both improve expected quality (Wernerfelt, 1988) and reduce consumer risk (Montgomery & Wernerfelt, 1992). Experimental research has shown that the parent brand's perceived quality affects the extension evaluations (Keller, 1990) and vice versa.
Corporate branding is the practice of developing a company’s brand. The shift from product to corporate branding is attributed to the increasing difficulties of maintaining credible product differentiation in the face of the imitation and homogenization of products and services (Hatch & Schultz, 2001). Hatch and Schultz (2001) argue that differentiation requires positioning, not of products, but of the whole corporation. Accordingly, the values and emotions symbolized by the organization become key elements of differentiation strategies, and the corporation itself moves to center stage. Corporate branding requires a holistic approach to brand management, in which all members of an organization behave in accordance with the desired brand identity (Harris & de Chernatony, 2001). The International Corporate Identity Group’s statement on corporate identity (van Riel & Balmer, 1997), views corporate identity the ethos, aims and values that create the sense of individuality which differentiates an organization’s brand.

I would contend that in developing and managing Network Brands the focus of the branding effort shifts from the product, product family or corporate brand managed by one single company to a brand managed by a network of independent companies. In this respect the Network Brand resembles the Brand Alliance. However, the focus of co-operation in Brand Alliances (e.g. Marlboro and McLaren formula one) is in the spillover effects of two or more interlinked brands, whereas the co-operation in the realm of Network Brand is specifically directed to creating and sustaining one single brand. One field within which Network Brands exist is tourism destination branding.

Table 2. How Network Branding differs from product branding, corporate branding, umbrella branding and brand alliances

<table>
<thead>
<tr>
<th></th>
<th>Product brand</th>
<th>Umbrella brand</th>
<th>Brand alliance</th>
<th>Corporate brand</th>
<th>Network Brand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focus attention on</td>
<td>One product&lt;sup&gt;b&lt;/sup&gt;</td>
<td>One brand of several products/ a product family</td>
<td>Spillover effects of two or more interlinked brands</td>
<td>One company&lt;sup&gt;b&lt;/sup&gt;</td>
<td>One brand developed jointly by a network of separate companies</td>
</tr>
<tr>
<td>Managed by</td>
<td>Middle management (e.g. Brand managers)&lt;sup&gt;a&lt;/sup&gt;</td>
<td>Middle management (e.g. Brand managers)</td>
<td>Co-operating brand managers</td>
<td>CEO&lt;sup&gt;a&lt;/sup&gt;</td>
<td>Net marketing organization/tea m of CEO’s</td>
</tr>
<tr>
<td>Delivered by</td>
<td>Marketing&lt;sup&gt;a&lt;/sup&gt;</td>
<td>Marketing</td>
<td>Marketing</td>
<td>The whole company&lt;sup&gt;b&lt;/sup&gt;</td>
<td>The whole net of companies</td>
</tr>
<tr>
<td>Communicatio n mix</td>
<td>Marketing communications&lt;sup&gt;a&lt;/sup&gt;</td>
<td>Marketing communications</td>
<td>Marketing communications</td>
<td>Total corporate communication&lt;sup&gt;b&lt;/sup&gt;</td>
<td>Total net communication</td>
</tr>
<tr>
<td>Importance to company</td>
<td>Functional&lt;sup&gt;b&lt;/sup&gt;</td>
<td>Functional/strateg ic</td>
<td>Strategic</td>
<td>Strategic&lt;sup&gt;b&lt;/sup&gt;</td>
<td>Strategic</td>
</tr>
</tbody>
</table>

Note: <sup>a</sup> These two differences between product brands and corporate brands were offered by Balmer (2001). <sup>b</sup> These four differences between product and corporate brands were offered by Hatch and Schultz (2001).

Brand Alliances are strategic ventures, which must be entered into and executed carefully, and thus require high level decision-making, but the day-to-day brand management is often to the responsibility
of brand managers (Keller, 1998). Corporate brands are obviously related to product and umbrella brand constructs in that corporate brands add economic value to a company’s products and services (Fombrun, 1996; Hatch & Schultz, 2001; Ind 1997; Keller, 2002b; Knox et al., 2000; Olins, 1989, 2000). However, the broader scope of the corporate brand moves brand thinking considerably beyond the product and its relationship to the consumer (Hatch & Schultz, 2001).

Corporate branding necessitates a different management approach (Harris & de Chernatony, 2001). It requires greater emphasis on factors internal to the organization, and pays greater attention to the role of employees in brand building (Harris & de Chernatony, 2001). This elevates the importance of a healthy (i.e. non-cynical, non-repressive) organizational culture (Hatch & Schultz, 2001). This difference between product/umbrella and corporate branding is reinforced by the shift in managerial responsibility, as product/umbrella brands typically remain part of the middle management marketing function (Aaker, 1996), whereas corporate brands entail a strategic perspective, based in the executive office (Hatch & Schultz, 2001). This same logic is both applicable to Network Brands, and is reinforced by the fact that the development of a Network Brand requires strategic co-operation among companies, therefore calling attention to the need to enlist the most senior managers in decision making.

A third contrast between the branding constructs is the definition of who is responsible for the branding effort. Corporate branding demands much more complicated and sophisticated organizational practices than product, umbrella or even alliance-branding (for related arguments see e.g. Balmer, 2001; de Chernatony 2001; Harris & de Chernatony, 2001; Hatch & Schultz, 2001). Whereas product or umbrella branding could be handled by a marketing department, and alliance brands are a collaborative effort between the marketing departments of two companies, corporate branding requires organization-wide support (Harris & de Chernatony, 2001; Hatch & Schultz, 2001). When moving from a product brand to a corporate brand, the size and composition of brand management teams should change, requiring greater co-ordination of activities (Harris & de Chernatony, 2001).

Corporate marketing therefore necessitates not only the matching of external opportunities with core competencies, but also the integration of internal activities to ensure cohesion and therefore consistency in delivery (Harris & de Chernatony, 2001). The whole organization should participate in realizing the corporate brand, because a successful corporate brand is formed by the interplay among strategic vision, organizational culture and the corporate images of its stakeholders (Hatch & Schultz, 2001). Since these issues exceed the expertise of most marketing departments, Hatch and Schultz (2001) claim that successful corporate branding involves the integrated efforts of operations, marketing, strategy, communication and human resources. Harris and de Chernatony (2001) concur. I propose that in this respect Network Brands might therefore be expected to be similar to a corporate brand, with the notable difference that not only the organization from down to bottom and across functional units, but all

of the organizations belonging to the intentionally-created strategic net, must collaborate to realize the Network Brand.

The fourth difference is related to communication mix, and is related to the “who is responsible” question. Marketing communications are traditionally seen as a highly relevant instrument in the development of brands in the realm of product, umbrella and brand alliance branding. However, in the case of corporate branding the role of employees is also different; they need to be recognized as a brand’s “ambassadors” (Hemsley, 1998). Employees constitute the interface between a brand’s internal and external environments and can have a powerful impact on consumers’ perceptions of both the brand and the organisation (Balmer & Wilkinson, 1991; Schneider & Bowen, 1985). Employees are a source of customer information and action needs to be taken to ensure this is compatible with the way senior management wishes the organization to be perceived (Kennedy, 1977). Employees are thus central to brand building and their behavior can either reinforce or undermine a brand’s communicated values. Balmer (2001) argued that deliberate and orchestrated communication of corporate brands depend on the total corporate communication mix because corporate branding requires integration of internal and external communication, as well as creating coherence of expression across a multiplicity of channels and media. In this respect, Network Brands may be expected to function as Corporate Brands do, with the notable exception that instead of total corporate communication (indicating one firm), a total net communication (indicating a number of firms) may be necessary.

Finally, because of the greater reach (e.g. the number of stakeholder groups targeted and the use of the whole organization to support the brand) of Network Brands and corporate brands relative to product or umbrella brands, the first two may be argued to take on strategic importance relative to functional importance typically permitted to product or umbrella brands. The strategic importance of corporate branding lies not only in its positioning of the company in its marketplace, but in creating internal arrangements (e.g. organizational structure, physical design and culture) that support the meaning of the corporate brand (Hatch & Schultz, 2001).

2.1.5. Service Branding

Branding as a marketing subdiscipline originated in the marketing of physical products, and especially fast-moving consumer goods (e.g. food products, cleansing products and soft drinks) (e.g. Low & Fullerton, 1994). The interest in services branding that emerged in the 1990’s has attracted the attention of researchers, but is still far from being a well-established body of knowledge (de Chernatony et al., 2001; Grönnroos, 2001). Some authors argue that while much has been published about the differences between products and services (e.g. Cunningham et al., 1997; Shostack, 1977), this is of little value when seeking to develop services brands (de Chernatony & Segal-Horn, 2001). Since tourism
destination products are service products, the following section examines the literature on service and service branding.

Services are differentiated from physical goods by their intangibility, inseparability of production and consumption, and heterogeneity of quality and perishability (Zeithaml, Parasuraman & Berry, 1985). However, there is a debate amongst academics about the extent to which goods and services differ, and whether pure products or pure services even exist (Grönroos 1978; Shostack, 1977). A number of scholars (e.g. Levitt 1981) argue that customers do not buy products or services, but rather clusters of value expectations, which are amalgams of tangible and intangible components. The existence of a continuum between goods and services suggests that the emphasis given to different elements of the branding strategy may differ, not the conceptual basis of “the brand.” I posit that a tourism destination product, although including many physical elements, is essentially a service product.

Although the characteristics of services reflect the need for the execution of a services branding strategy, they do not suggest that the concept of a brand as a cluster of functional and emotional values differs between products and services (De Chernatony & Segal-Horn, 2001). On the contrary, de Chernatony and Dall’Olmo Riley (1999) have found empirical support for branding principles being the same at conceptual level, but that it is in the execution that differences emerge. The concept of “the brand” is similar between goods and services, because it is a blend of rational and emotional perceptions in consumers’ minds (de Chernatony & Dall’Olmo Riley, 1999). However, even if there is only a scant difference on the consumer end of brand development, there may be significant differences on the firm end.

Several academics regard the “service encounter,” the moment of interaction between the customer and the firm (Lovelock, 1988), also known as “the moment of truth” (Normann, 1984), as the defining issue in managing service firms. Since service depends on the culture of the organization and on the training and attitudes of its employees, it is more difficult to build and sustain, but also more difficult to copy (Albrecht & Zemke, 1985; Doyle, 1989). Some authors (e.g. Doyle, 1989) suggest that service may be the most sustainable differential advantage in building successful brands.

Heskett (1987) identified specific services management practices: close coordination of the marketing/operations relationships, and an ability to direct the service vision not just

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**Figure 6. The process of successful services management.** Adapted from Heskett (1987)**

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53
toward consumers, but to the staff responsible for delivering that vision and control of quality by means of shared organizational values. Heskett saw this as part of an iterative and self-reinforcing process, necessary to the management of services and service organizations (Figure 6). Quinn and Paquette (1990) argued that such a self-reinforcing service management process which was dependent on employee commitment required that service organizations be stood on their head, and the whole organization "work for" customer contact staff, in order to help them make the most of the service encounters with customers. Carson and Gilmore (1996) support this by arguing that a service organization relies more on its customer service management than on a product organization. Several authors (Bitner et al., 1990; Bowen & Lawler, 1995; Heskett, 1994) have emphasized matching efficiencies with systems and procedures which enhance employee effectiveness. For example, Bowen and Lawler (1995) suggested that empowerment of front-line staff (e.g. sufficient power, information and rewards) is a more profitable approach than a production-line focus, because it emphasizes the equal importance of both operational procedures and employees’ state of mind.

From a brand management perspective the intangibility of services is does not necessarily justify a different approach. Perhaps a more significant impact is the inseparability of production and consumption. Delivery of the services brand is about the experience of the customer at the interface with the service provider, in the service encounter (de Chernatony & Segal-Horn, 2001). An exemplary feature that differentiates executing a service branding strategy from executing FMCG strategy appears to be the role of staff. Successful services brands do not focus only on consumers, but rather on stakeholders, especially staff (de Chernatony & Dall’Olmo Riley, 1999; Denby-Jones, 1995).

Classical product branding assumes an internal, quality controlled, value delivered system unseen by consumers; in contrast, the value delivery system for services brands is visible to consumers, who are active participants in it (de Chernatony & Segal-Horn, 2001). One of the differences between service and goods brands is that there are far more points of contact between service brands and stakeholders, necessitating more attention to a coherent internal and external communication strategy (e.g. de Chernatony & Segal-Horn, 2001; Grönroos, 2001).

Comprehensive introduction and training programmes may create greater staff commitment, which is an important component in the development of strong service brands (Farnfield, 1999). Successful service brands are dependent on good internal communication programmes (Cleaver, 1999) to support greater consistency in delivering the service experience, wherever the customer communicates with the organization (Camp, 1996). Similarly, awareness of organizational culture and heritage helps managers identify principles that give the brand a genuine basis for a customer-valued positioning (Camp, 1996). Managers need to identify organizational principles from which a viable cluster of service brand values may emerge (de Chernatony & Segal-Horn, 2001). While consumers are beginning to understand some
service brands, especially those which encourage the formation of relationships (Cleaver, 1999), the scarcity of strong service brands indicates these relationships are less developed than are physical goods brands (Fournier, 1998).

Furthermore, several authors (de Chernatony & Segal-Horn, 2001; Grönroos, 2001) suggest that unlike goods, planned marketing communication is not central to the development of service brands. Instead, the customer facing employees and their colleagues have a greater impact on brand perceptions (Bitner et al., 1994). Grönroos (2001) argues that in the case of physical products the most important element of a brand development process is planned communication, implemented by the marketer and delivered by the marketing communications media; the product merely has a supportive role. He argues that the most important task of the service brand development process is to manage the service process, so that the customers receive positive brand contacts that lead to positive brand relationship. In contrast, planned marketing communication activities have only a supportive role in the development of the brand-relationship (Grönroos, 2001).

De Chernatony and Segal-Horn (2001) propose that several characteristics of service management are relevant to service branding: the centrality of the service encounter, delivery of the service vision to consumers by employees, the need for a responsive front-line staff, the mechanisms (such as empowerment) by which such responsiveness may be attained, and the recognition of effective service organizations as reverse hierarchies.

**Service brand development process**
Grönroos (2001), in line with the relational-paradigm of Louro and Cunha (2001), described the service brand development process from the customer’s perspective.

For Grönroos (2001) a brand evolves and changes in time, as the customer receives brand-messages from the employees of the service process, the physical products, marketing communication and word-of-mouth. The result of this long-lasting collecting of *brand-contacts* is a *relationship* between the customer and the brand. The cognitive frame called “the brand” gives meaning, in the mind of a customer, to products, services and other components of the total offering (Grönroos, 2001; Schultz & Barnes 1999).
In Figure 7, the two outer circles represent two communication processes. The planned communication process contains all messages, transmitted through a specific medium. In the other communication process the customer interacts with physical products, service processes, service staff, systems and technicalities, e-commerce processes or managerial and economic routines. All episodes of the process contain communication. According to Grönroos (2001), successful development of the relationship requires constant learning and dialogue. The supplier has to learn to understand the customer’s needs, values and consumption habits. The customer must learn to participate in the interaction process and to obtain faster and more accurate information, personal attention, suitable products and services. This process can be characterized as a personal learning relationship (Grönroos, 2001).

Grönroos (2001) argues that relationship marketing emerges from the incorporation of communication processes and interaction processes into a comprehensively implemented strategy. (The arrows between the two outer circles in Figure 7 represent this.) In Figure 7 the elements of the two outer processes are brand-contacts that create the brand-relationship, and simultaneously participate in the creation of a dialogue. The value process in the middle of Figure 7 can also be termed the brand value process (Grönroos, 2001).

de Chernatony and Segal-Horn (2003) proposed one of the very few models related to the service brand development process from a firm-perspective (Figure 8). The process originates from the corporate culture, which defines the core values, thereby encouraging and endorsing the preferred forms of employee behavior. This enables management to define the service brand’s promise in terms of how functional and emotional values should be blended to position the brand and to grow its personality. By communicating information about the service vision, the brand promise and consumer expectations, employees can better understand their role as brand builders. This understanding can be enhanced through training. Complementing this with highly coordinated service delivery systems, and with organizational processes such as staff development that encourage shared values, enhances the
likelihood of a consistently-executed service brand encounter. These key elements lie behind matching the promised with the perceived service brand, which then creates a holistic brand image on which consumer satisfaction depends. A long-term relationship of trust between services brand and the consumer informs and reinforces the corporate culture in which the brand and the service delivery are embedded.

![Figure 8. The criteria influencing the success of services brands](De Chernatony & Segal-Horn, 2003,1102).

De Chernatony and Segal-Horn (2003) studied the criteria for successful service brand development. Their study found a need for clarity about positioning and about a corporation's values. Success is more likely when there is a widespread belief in their brand's values. When management behavior is based on genuine conviction, shared values are more likely. Through shared values, there is greater likelihood of commitment, internal loyalty, clearer brand understanding and consistent brand delivery across all stakeholders. Viewing these factors within a systems perspective can result in greater consistency of services brands.

### 2.1.6. From Place to Destination Branding

The concept of place branding has emerged in recent years and has attracted considerable interest among academics and practitioners (Kavaratzis 2004, 2005). In response to the demands of competition for relocation, foreign investments, tourism, and a skilled workforce countries, cities, regions, towns are applying marketing practices to their own context (Kavaratzis, 2005). According to Kavaratzis (2005), the two generators of interest in place branding are the popularity and success of product branding and other corporate-level marketing concepts, which free marketing from dependence on the physical product (Kavaratzis, 2005).
According to Kavaratzis and Ashworth (2005), at least three types of place branding exist. The first is geographical nomenclature, in which a product is named for a place, but without a conscious attempt to link any attributes of the place to the product. The second is product-place co-branding, or attempts to market a product by associating it with a place that is assumed to have attributes that complement the image of the product. The third, place branding as a form of place management, is the creation of a recognizable place identity and the subsequent use of that identity to advance other desirable processes, whether financial investment, changes in user behavior or political capital.

The most developed trend in theory, and the one that is most often used is branding in the marketing of tourism destinations (Kavaratzis, 2005). However, this field of research is still in its infancy. As Laws et al., (2002, 52) note, “research into destination branding processes, particularly those in which destination authorities collaborate actively with destination operators, is at an early stage of development.”

Branding related to places has emerged only recently and mainly in the context of nations and countries (Kotler & Gertner 2002, Anholt 2002; Olins 2001; Gilmore 2001). Branding the nation has attracted increasing interest (Olins 2001), but only a few authors have discussed the branding of places smaller than whole countries (Rainisto 2003). Destination branding, emerged new phenomenon, has attracted considerable attention (Blichfeldt, 2003; Hankinson; 2001, 2004; Morgan, Pritchard & Pride, 2002; Morgan, Pritchard & Piggot, 2002,2003; Ritchie & Ritchie, 1998). Signs of this increasing interest in branding places are also indicated by a special issue of *Journal of Brand Management* in 2002 and by the appearance of the *Journal of Place Branding and Public Diplomacy* in 2005. However, destination branding is still in its early phases, and there is not yet a large body of theoretical literature (e.g. Blain et al., 2005).

While the theoretical development is in its beginning, recent research indicates that also the practical understanding of brand management is relatively narrow in the field of destination branding. Blain et al. (2005) found that destination managers “generally equated the concept of branding with the logos and associated “taglines” that destinations use on such items as business cards, letterhead paper, and various types of merchandize promoting the destination” (2005, 329).

The image of a place has been studied extensively both from the tourism and from country-of-origin perspectives. Ideas in the field of branding have been adapted to both perspectives, and the topic of place branding is now attracting greater interest (e.g. Morgan et al., 2002). Several authors (e.g.

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Morgan et al., 2003, Anholt, 2002, Blichfeldt, 2003) wonder whether the branding knowledge that originated in the realms of fast-moving consumer goods can be expanded beyond the range of the phenomenon for which it was developed. Morgan et al., (2003,287) state that “while there are significant opportunities in the imaginative and responsible application of product marketing to places, destinations cannot (and should not) be marketed as if they were soap powder.” Hankinson (2001,139) adds that “From the literature reviewed, it is clear from several different academic perspectives that the application of branding to locations such as cities and towns is regarded as at best complex and at worst, some would say, impossible.” Blichfeldt (2003, 7), echoing Hankinson’s claim, notes that destination brands may not be manageable at all – or at least, that they are so different from consumer brands that we have to accept that specific elements of destination brands call in to question much of the presumed knowledge of “destination branding.” She concludes that “destination brands incorporate no clear “ownership” and hence, lack of ownership delimits possibilities for brand management.” Buhalis (2000, 98-99) notes that “managing often conflicting stakeholders’ interests makes controlling and marketing destinations as a whole extremely challenging. …A compromise encompassing all these interests is extremely difficult if not impossible, but is the key to long-term success.”

This discussion parallels the discussion in the Industrial Networks research tradition, over whether or not it is even possible to manage networks. Ford and MacDowell (1995) argue that it is impossible to manage networks because the behavior of each actor is influenced by the activities of other actors. The complete control of other actors, which may be possible in a tightly organized hierarchical supply net, turns the net into a hierarchy. In that sense it might be better to talk about managing in networks, not the managing of networks. On the one hand, Ford and McDowell (1999) also contend that there is neither a single solution to the problems of managing in networks nor any one successful strategic approach. On the other hand, Svahn (2004) argues that insisting on “complete control” leads to dichotomist thinking: that it is either possible or impossible. Moreover, a “complete control” can never be achieved. Zollo and Winter (2002) and Möller and Svahn (2003) argue that one way of addressing management in the network and net contexts is to identify he contingency factors that influence the potential forms of managing. In this study, I accept the contingency view supported by Zollo and Winter (2002) and Möller and Svahn (2003).

However, if we accept the proposition that brands form pivotal resources for generating and sustaining competitive advantage (for instance Aaker 1989, 1991; Grönroos 2001; Keller 1993, 1998; Kotler 1999, 2003; Morgan et al., 2002; Morgan et al., 2003), it follows that brand management is the process and focal point of using those resources and translating them into superior market performance. Therefore, destination brand management forms a central organizational competence that must be understood and

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19 e.g. Nagashima, (1970); Han and Terpstra, (1998); Chao (1989); Hong and Wyer, (1990); Wall et al., (1991); Johansson et al. (1994); Jaffe and Martinez, (1995); Liefeld, Heslop, Papadopoulos and Walls, (1996); Li et al., (1997); Papadopoulos and Heslop, (2000); Kotler and Gertner (2002).
developed. Furthermore, managers create and manage Brand Nets. That is why it is necessary to identify the limits, or the enablers of and the barriers to the management of Brand Nets. I adopt the following view presented by Morgan et al., (2003, 285): “While this [creation of durable destination brands] is difficult to achieve in destination marketing, it is not impossible.” Taking into consideration the origins of brand management in FMCG and the very different context of destination branding (Section 1.4.2), it would naturally be difficult to apply these practices and management processes to the tourism destination setting. Furthermore, by combining the knowledge of brand management and brand equity research with emerging fields of networks and services management, significant advances can be made in the understanding of destination brand management.

**Conceptual Model of Destination Branding**

Cai (2002) introduced the term “cooperative destination branding,” to refer to “the formation of a brand name bringing together two or more adjoining communities of similar natural and cultural compositions of attractions” (Cai, 2002, 734). The benefits of cooperative branding across multiple communities, effective use of “brand element mix (including name)” and an efficient use of resources in building a stronger destination identity and image than an individual community. Cais’ proposition assumes that geographical heterogeneity may limit building a particular brand for a destination.

Hankinson (2004) proposed a conceptual model of relational Network Brand for places, drawing upon classical branding theory, relational exchange paradigm and the network paradigm (Figure 9).
In the Hankinson model the place brand is represented by a core brand and four categories of brand relationships, which extend the brand reality or brand experience. The relationships are dynamic, i.e. they evolve over time. The actors, or stakeholders, may also change over time as the brand develops and repositions itself.

The core brand represents the place's identity, the blueprint for developing and communicating the destination's brand.\textsuperscript{20} The first element, personality, consists of functional attributes (e.g. types of facilities, public spaces), symbolic abilities (e.g. characteristics of local inhabitants, visitor profiles, description of service quality) and experiential attributes (e.g. how the destination makes visitors feel)

\textsuperscript{20} The concept of Core Brand used by Hankinson is highly similar to the concept of Brand Identity used in this study.
descriptions of destination’s general “feeling,” characteristics of the built environment, and security and safety.

The second element, positioning, defines the brand’s point of reference with respect to the competitive set by identifying the attributes that make it similar to other places and then identifying the attributes, which make it unique within that set.

The third element, reality, is the basis into which both the personality and the positioning need to be based on. According to Hankinson (2004,116), “the successful branding of destinations results from a combination of imaginative marketing supported by investment in the key services and facilities required to deliver the experience on offer.” Hankinson contends that developing a brand is not the creation of an image, but the active transformation of elements of the destination product.

According to Hankinson (2004,116), and in consistent with Grönroos (2002), the success of a destination brand relies on its extension of the core brand through strong relationships with stakeholders, each of which extends and reinforces the core brand through consistent communication and delivery of services. Figure 9 groups these relationships into four categories: consumers, primary sources, secondary services and the media.

**Primary services** consist of services at the heart of the core brand. Although these depend upon the specification of the core brand, the character of their service offer and in particular the behavior of their customer-contact personnel are crucial to the delivery of the brand. Without positive relationships with these service providers, the core brand is difficult if not impossible to establish.

**The brand infrastructure** refers to the secondary or peripheral services, which are necessary to the whole of the destination experience, but are not in the emotional core of destination product. Hankinson (2004) sees three categories of secondary services. The first, access, consists of transport to a destination and the access to its services (transportation, walkways etc). The second, hygiene facilities, are services such as car parks, restrooms, baby-changing facilities and street cleaning. The third, brandscape, refers to built environment in which various services forming the core brand take place. Hankinson claims that in order for destination branding to be successful, it is necessary to build relationships with those who manage the activities conducted in these categories.

**Media relationships** form the third category. Hankinson (2004) states that consistent identity portrayed through marketing communications channels (e.g. advertising, publicity, public relations) and through organic channels (especially the arts and education) is crucial to the success of the core brand. In the

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21 see Gunn, C (1972)
context of destinations, public relations play particularly important role; the role of organic image is particularly important and organic communication processes may have the strongest and most pervasive influence on the image of a destination. According to Hankinson (2004), the purpose of media relationships is not to change the image while the reality remains unchanged, but to express the changes in the brand’s reality as they occur.

Consumer relationships in Hankinson’s scheme consist of a set of relationships, which include the residents and employees of local organizations as well as targeted visitors. Building effective relationship with all of these is, of course the ultimate objective, but inattention to the needs of different groups may lead to conflict.

Positioning of this study to destination branding discussion
Since the concept of Network Brand is new to academic literature, this study was directed to tourism destination context, in which the network form of organization was anticipated to be a common approach to brand management.

The unique features of tourism destination product (Section 1.4.2) may hint at why Network Brands are common in tourism destinations branding. The collective nature of tourism destination product, lack of control, customer compiling the product and limited possibilities to opt out are contextually embedded challenges to which network form of organization may provide solutions. I will return to this question in Section 2.2.2.

Hankinson’s model depicts the phenomenon of tourism destination brand by primarily using concepts from urban planning and tourism and vacation marketing domains, while attempting to incorporate the ideas derived from the literature on relational exchange and brand management. The model depicts destination brand as an entity formed by a core brand and by a large number of relationships among actors. Hankinson suggests that neither the creation nor the management of a destination brand occur within the domain of one single firm or actor, but rather that the ultimate success of a destination brand relies on the effective extension of the core brand through effective relationships with stakeholders, each of which extends and reinforces the reality of the core brand through consistent communications and delivery of services. Hankinson (2004) argues that in the context of destinations, successful branding requires a network of stakeholder relationships with a shared vision of the core brand. This argument supports my premise that tourism destinations are a suitable empirical frame for a study of Network Brands.

In this study I approach the same phenomenon, destination brand, from the perspective of strategic management, interorganizational networks and resource based view (competence perspective), and
complement the picture painted by Hankinson by focusing attention into the more managerial aspects of the Network Brand of tourism destinations. I attempt to elaborate the phenomenon and attach it to the existing concepts of these domains, to identify key differences between Network Brand and other branding constructs, and to identify the key managerial competencies that are needed to develop and sustain a successful Network Brand of tourism destination.

A destination may be a geographical area of any size. A feature of the conceptual model suggested by Hankinson (2004) is that it poses significant challenges to managing destination brands in their largest geographical sense. The model strongly emphasizes the importance of strong relations with different stakeholders, relationships which may be difficult to achieve in resort destinations that might have scores or dozens of stakeholders, but especially in the development of brands for nations, where the number of stakeholders may be significantly larger. In an attempt to increase clarity in this research, I concentrated on ski destinations, which are small, have fewer actors and therefore small Brand Nets.

2.2. Business networks

In this study, from the firm perspective a Network Brand is as an entity developed and managed by a net of separate firms (and nonprofit agencies), offering organizations collective benefits exceeding those offered by a single company or market transaction. By combining the body of knowledge in the field of brand management and brand equity research with emerging fields of networks and services management, significant advances can be made in Network Brand management in general and destination brand management in particular.

In the following chapter I review the origins of network research, and examine the conditions under which the network organization is more likely to occur than hierarchical structures or market solutions. I then position this research in the multi-layered research on networks (Möller & Halinen, 1999; Ritter & Gemünden 2003). Within the theoretical discussion of the interorganizational networks, this research can be positioned into the discussion of strategic nets in interorganizational levels of analysis, into the group level of management analysis and finally into the discussion of value creation in nets. The chapter continues by examining the literature on networks and competencies, and by discussing the value system perspective to networks. The chapter ends by exploring Tourism destinations from the perspective of business networks.

2.2.1. Background of business network research

Several industries are using network organization to coordinate complex products or services in uncertain and competitive environments (Jones et al., 1997; Podolny, 1993, 1994; Powell, 1990; Ring &
Van de Ven, 1992; Snow, Miles & Coleman, 1992; Uzzi, 1996, 1997). These include, for instance, tourism, fashion, film, music and financial services.

Since the 1980’s, there has been an extensive discussion of network models, which explain the network structure and management (e.g. Ajami, 1991; Ghoshal & Bartlett, 1990; Johanson & Mattson, 1988; Möller & Svahn, 2003; Nohria & Ghoshal, 1997; Möller & Halinen, 1999; Park, 1996; Tseng et al., 2002.). Networks are seen to offer organizations collective benefits that exceed those of a single company or market transaction (Möller & Svahn, 2003). The division of labor enables network members to specialize in the value-creation activity supported by their own distinctive competencies, thus leading to increased efficiency (Miles & Snow, 1986; Park, 1996).

The modern understanding of marketing and other fields of activities as interorganizational interaction processes has been pioneered by the Industrial Marketing and Purchasing group (IMP) (Ritter & Gemünden, 2003). Academic discussion and changes in the managerial environment led to rising interest in networks in the late 1980’s and 1990’s (Gemünden, 2003; Gulati, 1998; Möller & Halinen, 1999; Ritter & Spekman et al., 2000).

The focus of the discussion has moved from the individual relationships to a wider structure (Ritter & Gemünden, 2003), from dyadic thinking to networks. According to Håkansson and Snehota (1995) “generalized connectedness of business relationships implies existence of an aggregate structure, a form of organization we have chosen to qualify as a network.” On one hand, networks can be described in terms of actors, activities and resources (Håkansson & Johanson, 1992), which influence each other. On the other hand, networks can be seen as self-organizing systems, either with or without a leader (Jarillo, 1988). However, organizations tend to do both at the same time, managing and being managed (Wilkinson & Young, 1994).

The literature has described several environmental factors that have created a new interest in interactions between organizations. The globalization of competition, increasing interdependence and interconnectedness of firms, technological complexity and change in addition to the emergence of electronic interfaces and markets are driving forces of the network phenomenon (Möller & Halinen, 1999). Academic advances in the field of “relationship marketing” have added to the interest in interactions, relationships and networks (Ritter & Gemünden, 2003).

These major drivers appear in outsourcing, joint ventures and strategic alliances, especially in market entry and research and development, the tendency towards flexible project-oriented cooperation between firms (enabled by progress in electronic business tools), and the idea that power structures in
Polycentric multinationals are more similar to hierarchical networks than to hierarchical organizations (Ritter & Gemünden, 2003).

There is a fundamental nexus between network and relationship concepts. Relationship marketing views customer satisfaction as a necessary, although not sufficient goal of marketing activity. Relationship marketers have reiterated the need to develop a lasting relationship based on a structure of long term benefits and mutual affinity between buyer and seller. However, relationship theory is essentially a dyadic theory (Achrol, 1997).

For relationships to work over the long term, they must be embedded in a network of relationships that define and administer the norms by which the dyadic relationships are conducted. The economic rationale and the types of coordination and control mechanisms driving network organizations are very distinct from those studied under the current exchange or dyadic paradigms (Achrol, 1997).

The majority of research on networks has focused on the general characteristics of organically evolved networks, and on their structure and development processes (Möller & Halinen, 1999). Much less attention has been paid to intentionally-developed nets and their management, with the notable exceptions of valuenets and emerging theory of network governance (Möller & Svahn 2003). Möller and Svahn (2003, 227) argue that “empirical research is required to deepen and validate our proposition that the effective management of different types of strategic nets is contextually based, and to expand our understanding of the processes through which strategic nets and network capabilities are formed.”

Recent studies (e.g. Lambe, Spekman & Hunt, 2003; Möller & Svahn, 2003; Ritter & Gemünden, 2003) suggest that shift in research interest is taking place, towards the question of how to manage nets.

This research is a step toward the type of empirical research that has been recommended by Möller and Svahn (2003).

**Definitions of key concepts**

In the absence of a universally-accepted definition of networks and nets, every researcher has to define these concepts within their own context (Törnroos, 1997). In the following section I discuss the fragmented nature of network literature, then define the key concepts and the terminology.

There is no cohesive body of literature on relationship and network literature even though the topic has been widely studied (Araujo & Easton, 1996; Ritter & Gemünden, 2003). Ritter and Gemünden (2003) cite three reasons for this fragmentation. First, interorganizational relationships have been studied by scholars from very different backgrounds and perspectives. Secondly, research in Europe and the US
followed separate trends and used different methodologies. Third, the general context of relationships and networks have multiple objectives.

As a result of this fragmentation, several terms, such as "network organization" (Miles & Snow, 1986), "networks forms of organization" (Powell, 1990), "interfirm networks," "organization networks" (Uzzi, 1996, 1997), and "network governance" (Jones, Hesterly & Borgatti, 1997) have been used to describe organizational coordination. The US literature calls these relationships “interfirm relations” and “alliances” (Ritter & Gemünden, 2003). In line with these numerous analytical layers, the term “interorganizational network” is also used to refer a wide range of phenomena (Möller & Svahn, 2003), causing additional ambiguity and misunderstandings.

Grönroos (2001) states that a network organization is an alliance of economic units focusing on specified tasks and competencies. This alliance operates without a hierarchical control, but follows a common value system, which defines the tasks and responsibilities of its members. The value system is derived from close relationships and reciprocity. Park (1996, 797) sees strategic network as a “purposeful and conscious arrangement among distinct, but related profit seeking organizations.” Möller and Svahn (2003) distinguish a network from a net: the former refers to macro networks, such as an industry, and the latter to intentional nets of restricted group of actors. Möller and Svahn (2003) define strategic nets as “intentional structures that firms try to design deliberately for specific purposes,” and claim that strategic nets may involve non-profit organizations, such as government agencies.

The terms competencies and capabilities, in a network or net context, are used in at least partly overlapping meanings (see Section 2.3.1.). Möller and Svahn (2003) use term network capabilities, whereas Ritter and Gemünden (2003) use the similar term network competencies. Ritter and Gemünden (2003) use network competence to refer the factors underlying a firm’s ability to manage their network of relationships effectively. Net management capability is a firm’s ability to mobilize and coordinate the resources and activities of other actors in the network (Möller & Halinen, 1999).

Lambe, Spekman and Hunt (2002, 141) define alliance competence as “…collaborative efforts between two or more firms in which the firms pool their resources in an effort to achieve mutually compatible goals that they could not achieve easily alone.” Alliance competence promotes the acquisition or creation of complementary and idiosyncratic resources that facilitate competitive advantage and superior financial performance. Alliance competence is “…as an organizational ability for finding, developing, and managing alliances,” which is more generic, but a close relative to the concepts of network competence or net management capability.
The unit of this study is the network of actors that creates and manages a brand. Borrowing from Möller and Svahn (2003) I use strategic net to describe an intentional structure of actors designed deliberately for specific purposes, e.g. the group of firms and other organizations aiming to create a brand for a tourism destination. Furthermore, I use network competencies to refer to the combined capabilities of the actors of the strategic net to mobilize and coordinate the resources and activities of actors in the strategic net.

2.2.2. Conditions under which a network form of organization is likely to emerge

Jones, Hesterly and Borgatti (1997) integrate transaction cost economics and social network theories in their formulation of a theory of network governance, and to develop a framework for understanding conditions under which a network form of organization is likely to emerge.

Jones et al. (1997,914) state that network governance “involves a select, persistent, and structured set of autonomous firms (as well as nonprofit agencies) engaged in creating products or services based on implicit and open-ended contracts to adapt to environmental contingencies and to coordinate and safeguard exchanges.” Network governance is composed of autonomous firms that operate like a single entity in tasks requiring joint-activity, while in other domains these same firms often are fierce competitors (Jones et al., 1997).

Jones et al., (1997) conclude that there are exchange conditions under which network governance is likely to emerge, and identify social mechanisms that allow network governance to coordinate and safeguard customized exchanges simultaneously in rapidly-changing markets. When all of these conditions are in place, the network governance (network organization) form has advantages over both hierarchical structures and market solutions, and is a logical choice for the network participants. The conditions under which the network organization is more likely to occur than hierarchical structures or market solutions are as follows:

- Demand uncertainty with stable supply
- Customized exchange high in human asset specificity
- Complex tasks under intense time pressure
- Frequent exchanges among parties

In Jones et al.’s (1997) vocabulary the term select is used to indicate that network members do not normally constitute an entire industry. Rather, they form a subset in which they exchange frequently with each other but rarely with other members. The term persistent indicates that network members work
with each other over time, while **structured** means that exchanges within a network are patterned, and reflect a division of labour. The phrase **autonomous firm** is used to highlight the potential for each element of the network to be legally independent. However, business units that may share ownership or that invest in each other are not excluded. Finally, the phrase **implicit and open-ended contracts** refers to the means of adapting, coordinating, and safeguarding exchanges that are not derived from authority structures or from legal contracts. Certainly formal contracts may exist between some pairs of members, but these do not define the relations among all of the parties. The meaning of “a select, persistent, and structured set of autonomous firms” utilized by Jones et al., (1997) is close to that of the term **strategic net**.

The conditions under which a network form of organization has advantages over both hierarchical structures and market solutions, proposed by Jones et al., (1997), provide a conceptual basis for understanding the circumstances under which Network Brands may emerge.

The empirical field-research of this study is directed to tourism destination branding. When comparing the characteristics of tourism destination product (Section 1.4) to the conditions suggested by Jones et al., (1997), place branding emerges as a contextual setting within which network form of organization may occur.

Tourism industry, and destination branding in particular, may be considered as an example of an industry with **high demand uncertainty with relatively stable supply**. As an example, skiing destinations are uncertain as to when and how much snow they will have.

The features of tourism destination product discussed in Section 1.4.2, “lack of control,” “customer compiling the product” and “limited possibilities to opt out,” suggest that **frequent exchanges between parties** may be necessary. A destination product is an amalgam of tourism products and services, produced by multiple actors (e.g. firms). However, companies operating at a destination share the benefits of the place being marketed, the expectations raised in potential clients by marketing activities, and the experiences of visitors (Laws, 2002). Therefore, frequent exchanges among parties might be expected in the context of tourism destination branding.

Due to the joint-production of the destination offering, **customized exchanges high in human asset specificity** may be common in tourism destination contexts, and especially in destination brand management. Finally, tourism destination branding can be **complex task** (e.g. Blichfeldt, 2003; Buhalis, 2000; Hankinson, 2001. See Section 1.4.2). However, whether or not brand management can be related to “under intense time pressure” remains an open question. Brands are developed over time, but as discrepancies occur between the brand identity and service levels (e.g. service level
underperforming the brand promise) immediate actions, possibly under intense time pressure, may be necessary.

2.2.3. Levels of network management analysis

After discussing the conditions, under which network form of organization is likely to emerge, I review the levels of network analysis in the domain of network perspective.

Network perspective is a complex area of study with many possible approaches and levels of analysis. Four levels of network management (Table 3) were identified by Möller and Halinen (1999). At the broadest level, Industries as Networks, the analysis focuses on the functioning and structure of the industry and behavior of firms in the larger context of networks. On the second level, Firms in Strategic Nets – Net Management, the focus of analysis is a single net of actors. On the third level, Relationship Portfolios – Portfolio Management, a single firm is the starting point of analysis, and the area of interest is its set of relationship. On the fourth and final level of analysis, Exchange Relationships – Relationship Management, individual relationships form the basic unit.

<table>
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<tr>
<th>Level of Management Issues</th>
<th>Key Themes</th>
<th>Managerial Challenges</th>
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<tbody>
<tr>
<td>Level 1. Industries as Networks, Network Visioning &amp; Orchestrations</td>
<td>Networks, as configurations of actors and value activities are not transparent. Capability to understand networks, their structures, processes and evolution is crucial for network management</td>
<td>How to develop valid views of relevant networks and their opportunities? How to analyze strategic nets and key actors for understanding network competition? How to orchestrate whole networks?</td>
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<td></td>
<td>Capability to influence other core actors is essential.</td>
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<tr>
<td>Level 2. Firms in Strategic Nets - Net Management</td>
<td>Firms’ network behavior is related to:</td>
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<td>- strategic nets they belong to</td>
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<td></td>
<td>- positions and roles they play in these nets</td>
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<td>- major business relationships.</td>
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<tr>
<td></td>
<td>Capability to identify, evaluate, construct and maintain positions and relationships is essential in strategic nets.</td>
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<tr>
<td>Level 3. Net &amp; Relationship Portfolios - Portfolio Management</td>
<td>Firm is a nexus of resources and activities. Which activities to carry out internally and which through different types of nets is a core strategic issue. Capability to manage one’s positions and roles in multiple nets is required.</td>
<td>How to develop and manage an optimal strategic net portfolio? How to manage the actor relationships in particular nets – from organizational and analytical perspectives?</td>
</tr>
<tr>
<td>Level 4. Exchange Relationships - Relationship Management</td>
<td>Individual customer/supplier relationships form the bases of strategic nets. Capability of creating, managing and concluding strategic relationships is a core resource for a firm.</td>
<td>How to evaluate future value potential of a strategic relationship? How to manage relationships efficiently – from organizational and analytical perspectives? How to manage major relational episodes efficiently?</td>
</tr>
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</table>

Table 3. Network Management Framework, Möller, Rajala Svahn (2005) (adapted from Möller & Halinen, 1999)
Following Möller and Halinen (1999), Ritter and Gemünden (2003a) expanded the classification and description of the levels of analysis in interorganizational networks. They have suggested a fifth level, the Episode, within which a single exchange, incident or an interaction is the level of analysis.

Furthermore, they identified four levels of actors in the networks, arguing that networks are the results of activities of human beings, i.e. individual persons. Thus, the first of the four management levels of analysis is the individual level, where the role and impact of individuals is analyzed. At the second level, a group, analyzes the impact of activities of a group or a team into a relationship. At the third, organizational level, groups of actors are acting on behalf of their organization. Although similar to the previous level, the organizational level draws on a wider pool of people. Issues like corporate culture, internal communication and strategy enter the discussion. The fourth and final level, the cluster level, refers to analysis within which the focus of interest is expanded outside the organizational boundary, into organizations allying to compete against other consortia.

Within the theoretical discussion of the interorganizational networks, I position this research into the discussion of strategic nets (Level 2 in Möller & Halinen, 1999) in interorganizational levels of analysis, into the cluster level of management analysis and finally into the discussion of value creation in nets. A net, according to my definition, is an intentional community of a restricted group of actors, while a strategic net is an intentional structure of actors designed deliberately for specific purposes (e.g. the group of firms and other organizations aiming to create a brand for a tourism destination).

A net in this study is not examined as a focal firm’s network, but in a holistic sense. The relationships of the companies are examined within the net from the point of view of both interaction among the actors
and between the actors and the net. I use the term Brand Net to refer to a strategic net aiming to facilitate the creation of a brand. Furthermore, I use the term Network Brand to refer to a brand which a Brand Net aims to create.

Ritter and Gemünden (2003a) note that value can be created in different levels, namely the ones suggested by Möller and Halinen (1999), thus the focus of analysis may be directed to the value created in dyads, portfolio, nets or networks. The role of brands as strategic assets and their ability to generate value was discussed in Section 2.1.2. In the following section I elaborate the value generating ability of strategic nets, and evaluate the proposition that Brand Nets can create brands and brand equity, i.e. value, through strategic nets in a way unlikely or impossible without forming the net.

2.2.4. A value systems perspective to networks

The benefits of network activities require the development of specific organizational competencies (capabilities)\textsuperscript{22} (Gemünden & Ritter, 1997; 2003; Lambe, Spekman & Hunt, 2002; Möller & Svahn, 2003). From this perspective, business networks can be related to a fundamental question in the field of strategic management: how do firms achieve competitive advantage? (Möller & Svahn, 2003).

It has been suggested, that characteristics of the task that organizations aim to accomplish through forming a network influence the relative effectiveness of various net management capabilities, suggesting that different types of nets require different management and organizational forms, i.e. different types of strategic nets require different managerial skills or capabilities (Möller & Svahn, 2003). This view is supported by Zollo and Winters (2002) and Park (1996). Thus a set of capabilities is required to produce any type of value. As argued by Möller and Svahn (2003), broadly speaking, the more complex the value system is, the more multifaceted the required set of capabilities.

Amit and Zott (2001) define value by the value which is produced by the activities performed by all actors creating a complete product or service. The capability to create value is a critical issue for all types of strategic nets, evidently so also in the context of Network Branding i.e. strategic nets created for purposes of creating and managing brands. Möller and Svahn (2003) have developed a value system construct for classifying different types of strategic nets. “Theoretically one can conceive a continuum of value systems extending from fully-determined systems to emerging and undetermined systems. Identifying the characteristics of the value system underlying a specific business net would enable it to be positioned on this theoretical continuum” (Möller & Svahn, 2003, 214).
Figure 11 shows a continuum based on three ideal value systems. The left end describes clearly specified and stable systems (e.g. supply nets in automobile industry), whereas the right end describes emerging value systems (e.g. mobile service industry). Within the frame, the strategic nets are in constant evolution. New nets with new types of value systems appear in the right-end of the continuum, and as the value-generating activities with time become more routinized and specified, they move towards the left end. As argued by Möller and Svahn (2003), different capabilities are needed for successful management in stable and well-specified nets than in the emerging nets characterized by high levels of uncertainty.

Value system is a construct which includes all activities and actors which are required to produce the entire offering of the net (Parolini, 1999). Value system construct is based on the notion that each product/service requires a set of value activities performed by a number of actors forming a value-creating system (Möller & Svahn, 2003). A key aspect is that a value creation spans firm boundaries (Amit & Zott, 2001) and can be encapsulated in the value system (Möller & Svahn, 2003). I postulate that like products/services, brands convey value (see Section 2.1.2), and that the development of a brand requires a set of value activities performed by a number of actors forming a value-creating system. Brand Nets are suggested to be able to create brands and brand equity, i.e. value, through strategic nets in a way unlikely or impossible without forming the net.

29 Gemünden and Ritter and Lambe et al. speak about Network Competencies, whereas Möller and Svahn discuss network capabilities. Please see discussion of terminology in Chapter 2.3.1.
A value system is closely related to the value creation of the net (Svahn, 2004). Value creation is evaluated from the customer’s perspective, i.e. how the customers perceive the value of the networks offering and evaluate the offerings which competing business networks provide (Svahn, 2004). In this study a brand is a blend of rational and emotional perceptions in consumers’ minds, resulting from an iterative process of customer receiving messages (brand contacts) which relate to the value offering developed and managed by a marketed entity. The value system appears to be a relevant and useful construct for linking competencies with Network Brands and their ability to generate value (brand equity).

“Value system and its level of determination provide the key for identifying the management requirements of business nets. In other words, how well known are the value activities of the net and the capabilities of the actors to carry them out, and to what extent can these value activities be explicitly specified? All other things being equal, the greater the level of determination of the value system, then the less uncertainty there is and the less demanding is its management. This idea is based on a notion that the characteristics of information and knowledge – as reflected in the level of determination of the value system – influence both the learning mechanisms and the required managerial capabilities (Eisenhardt & Martin, 2000, Zollo & Winter, 2002).” (Möller & Svahn 2003, 213).

Value systems depend on the type of net. Möller and Svahn (2003) use this concept to describe the characteristics of business nets and state that the level of the determination of value activities in a value system and the goal of the net influence how to organize and manage the net. They assume further that different types of nets require different management and managerial capabilities.

Möller and Svahn (2003) relate the right-end of the continuum primarily to technological discontinuities. I suggest, that the continuum can be utilized also from the perspective of social business innovations. In other words, a transition from managing brands of an individual company to developing a strategic net to manage a co-created and jointly owned Network Brand may require radical changes in existing value systems and in the creation of new value activities. Furthermore, service branding is still far from a cohesive body of knowledge (e.g. de Chernatony et al., 2001, 645; Grönroos, 2001, 384), but there appears to be a growing understanding that there are significant differences in the process of service brand creation in comparison to the creation of a brand in the realm of physical goods. A transition from managing brand through the well-established conceptualizations and models developed in the realm of physical goods to managing brands through the emerging knowledge of service branding may require radical changes in the understanding of existing value systems and in the creation of new value activities. The value system continuum provides a meaningful theoretical conceptualization from the perspective of social business innovations, which differ from the original more technology related suggestions of Möller and Svahn (2003), but are close to the central ideas.
2.2.5. Tourism destinations from the networks perspective

Brito (1999, 92) defined an issue-based net as “a net of relationships amongst actors who are concerned with a particular issue through mutual or conflicting interests.” The actors’ wish to increase their control over actions, resources and other actors with the help of the net by instigating collective actions. Issue-based nets may or may not be formalized structures, referring to structures created to an explicit contracts and assuming formal organizations. Issue-based nets may also emerge in the form of non-formalized, virtual nets of relationships without any formal arrangements, and yet assume a central role in the dynamics of industrial networks. These non-formalized issue-based nets tend to result from the emergence of interests that may exceed existing institutional arrangements (Brito, 1999). The concept of an issue-based net appears to be conceptually similar to the term ‘strategic net’, as used in this study.

Acting in an issue-based net is based on recognition of dependence and conscious networking, but the intensity of the relationships within an issue-based net may vary to a considerable extent between actors (Brito, 1999). It is common that a great number of those who belong to the net do not actively participate in the collective activities of the net, but that the implementation of the actions to reach the common goal are left for a small number of active and resourceful participants (Brito, 1999, Araujo & Brito, 1998). The number of active actors in the core of the issue-based net may be small, but all those actors who are in principle supporting the fulfilment of the common aims can be considered as actors in an issue-based net (Brito, 1999).

I suggest that in the context of place branding of tourism destinations a Brand Net aiming to create a Network Brand may be considered to be an issue-based net, and that regardless of the organizational structure, either formalized or non-formalized, all actors who operate within the destination are part of the value-system of the Network Brand, and can therefore be considered as actors in an issue-based net.

Regional tourism network

According to Tönroos (1997) embeddedness emerges in networks through a five-layer structure: the inner circle (key actors), the core (other actors), the network context (industry or market where the actors operate), the outer limits (actors outside the core activities) and the outer environment (demand market).

Komppula, combining Brito’s (1997) issue-based net/network concept and Tönroos’ (1997) embeddedness concept, defined “regional tourism network” as “a network of issue-based nets, which are based on regional administration or the division of marketing regions, and the common goal of
which is to make the region in question better known as a tourist destination, as well as to increase the revenue from tourism” (2000, 282). In her terminology an issue-based net is “the net of local tourism enterprises or a product-based net the aim of which is joint product-development, production and/or marketing of joint service packages” (2000, 282). Although Komppula’s construct is focused in conceptualizing the structure of a regional tourism industry, I suggest that the same conceptualization is applicable to smaller entities of tourism destinations, such as ski destinations, which have been selected as the contextual setting of this study. The Brand Net concept used in this study may be understood as an issue-based net.

Komppula argues that all the actors which act in some area of tourism industry, belong to different local and product-based nets, i.e. issue-based nets, which comprise the regional tourism network. A regional tourism industry may be understood as an issue-based network, within which an embedded and representational structure can be distinguished. Actors within the network are local- and issue-based nets formed by small enterprises, and leading firms with significant resources. The core of the network consists of the most significant issue-based and local nets, leading firms and the organization that is possibly coordinating the cooperation (e.g. DMO). The representatives of these actors form the inner circle (Komppula, 2000).

The actions of an issue-based net refer to the events in which the actors combine, develop, exchange or create resources by taking advantage of the network’s joint assets and actors (Komppula, 2000, 283). According to Komppula (2000) decision making and development of monitoring systems in this kind of networks should occur “in such a way that the representatives of the actors in the inner cores of the nets form the inner core of the network; the most significant and influential nets and the leading companies form the core of the network and the remaining regional and local nets and their actors form the network context” (287).

Komppula’s propositions paint an overall picture of a regional tourism destination from business networks perspective. A Brand Net might be understood as an issue-based net (Brito, 1999), that has emerged in order to facilitate the creation and management of a Network Brand. Thus, within the context of a regional tourism industry, a Brand Net might be one of several overlapping issue-based and local nets, which together constitute the entity of network context. Furthermore, a Brand Net may include its own inner circle and core-elements (Komppula, 2000; Törnroos, 1997). Komppula’s findings may indicate that instead of directing this study to DMOs, a more fruitful approach may be to direct this study to the issue-based net, which creates and sustains a Network Brand.

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23 see Törnroos, 1997.
24 see Törnroos, 1997.
2.3. Competencies

Having reviewed the advances made in the brand management, tourism and business networks research, I now turn to the determinants of performance. My aim is to examine the link between competencies and their ability to develop and sustain a successful Network Brand. My premise is that firms seek relative advantages in resources in an effort to develop marketplace positions of competitive advantage and thereby achieving superior financial performance.

The section starts by reviewing the role of competencies/capabilities in the analysis of firms, and by positioning this study to these partly overlapping theoretical domains. The section then discusses the competencies identified in the literature on marketing management, brand management, alliance, relational capability/competence and business networks literatures. The chapter ends by discussing the role of competencies in developing competitive advantage by branding.

2.3.1. Capabilities and competencies in the analysis of firms

The origins of capability thinking

The first step in the evolution of competence perspective, within the larger research paradigm of strategic management, was the emergence of ideas about a firm's resources as potential sources of competitive advantage in the 1980s. This perspective was followed later in the decade by the recognition that the dynamic nature of a firm's capabilities may also be a source of competitive advantage. In the mid-1990s, insights into the essential role of a firm's management processes in creating, organizing, and directing its resources and capabilities added the third essential element in today's competence perspective on how firms achieve competitive advantage (Sanchez 2003).

Paralleling the development of ideas about resources in the 1980s was an effort to understand the role of firm capabilities as potential sources of competitive advantage. Several theories emerged in the late 1980s and early 1990s that shed light on the strategic importance of firms' relative

1) capabilities in creating new resources
2) capabilities in achieving proficiency in using current resources
3) capabilities in devising new uses for the resources that a firm currently has or can acquire (Sanchez 2003).

According to Nelson and Winter (1982), over time a firm's capabilities become embodied in organizational routines. A firm's ability to "integrate, build, and reconfigure" the organizational routines that embody capabilities was studied by Teece, Pisano, and Shuen (1997), who investigated how organizational processes of "coordination and integration" and "reconfiguration and transformation" of
resources led to the development of capabilities within firms. They argued that creating new capabilities requires building on experience gained in using existing capabilities, and therefore that a firm's current capabilities create path dependencies that constrain a firm's ability to change those capabilities in the near term. Teece, Pisano, and Shuen (1997) add that path dependencies in capability development make capabilities into sources of competitive advantage, because path dependencies limit the ability of competing firms to replicate a successful firm's current capabilities.

The capabilities perspective have helped scholars to identify the characteristics of the strategically important capabilities through which organizations develop and use resources to create competitive advantage (Sanchez, 2003). The issue of organizational capabilities addressed by Amit and Schoemaker (1993) has been elaborated by researchers in the competence perspective who have drawn a distinction among skills, capabilities, and competencies in organizations.

Strategic management scholars rely on two interlinked concepts: capabilities and competencies. The uses of the two terms are overlapping, and thus I will discuss their similarities and differences.

**Competencies or capabilities?**

In the domain of strategic management, the terms *dynamic capability* and *core competence* have been used in different ways and with different hierarchies of meaning, and are to an extent overlapping. Various authors, including Sanchez, Heene and Thomas (1996) and Teece, Pisano and Shuen (1997), use the same or very similar terms, but with their own interpretations or hierarchies. I will examine the origins and definitions of the two concepts, and then define the terms used in this research.

*The competence perspective* emerged in the 1990's to describe, analyze and manage the complex interplay of resources, capabilities, management processes, managerial cognitions, and economic and social actors within and between firms that result in competitive advantage (Sanchez, 2003). The competence perspective was stimulated by Pralahad and Hamel's work (1990), and the idea of “core competencies” of firms as the fundamental sources of competitive advantage. In later works, competencies have been conceptualized as formed by the resources, capabilities and management processes (Sanchez, 2003).

Based on their analysis of globally-successful companies, Pralahad and Hamel (1990) proposed some characteristics of organizations to be “core competencies” that were key aspects of the role of management processes in creating competencies and achieving competitive advantage. Firstly, core competencies are derived from sets of related capabilities that can be used in a number of businesses and products. Thus, a firm's management processes must be able to integrate the available resources
and capabilities. Secondly, core competencies are organizational abilities that change more slowly than the products they make possible. In effect, a firm's management processes must be able to detect technological, marketing, and other capabilities that can be used to bring a changing array of products to market.

According to Sanchez (2003, 352), “in the vocabulary of the competence perspective, skills are the abilities of individuals to perform specific tasks, capabilities are repeatable patterns of action that groups can perform in using resources and skills and competencies are the abilities of an organization to deploy and coordinate its capabilities in pursuing its goals. Competence is defined as the ability of a firm to sustain coordinated deployments of resources and capabilities in ways that enable a firm to achieve its goals” (Sanchez, 2003, 355).

The dynamic capability perspective explores how valuable resources are created and acquired over time in order to establish and maintain competitive advantage. In that sense, dynamic capabilities explain how “ordinary” capabilities are developed and renewed (Möller & Svahn, 2003).

“The competitive advantage of firms is seen as resting on distinctive processes (ways of coordinating and combining), shaped by the firm's (specific) asset positions (such as the firm's portfolio of difficult-to-trade knowledge assets and complementary assets), and the evolution path(s) it has adopted or inherited” (Teece et al., 1997, 509)

Möller and Svahn (2003,219), building on the propositions of Amit and Zott (2001), Eisenhardt and Martin (2000), Teece et al., (1997) and Grant (1998), use the term capability to refer to a firm's capacity to produce a certain value activity, and to see dynamic capabilities, in line with Amit and Zott (2001), Eisenhardt and Martin (2000) and Teece et al., (1997) see it as “to be rooted in a firm's managerial and organizational processes aimed at the creation, coordination, integration, reconfiguration or transformation of its resource position.” In other words, “dynamic capabilities describe and explain how ‘ordinary’ capabilities are developed and renewed” (Möller & Svahn, 2003, 219).

Zollo and Winter (2002) see dynamic capabilities as routinized activities directed to the development and adaptation of operating routines. They define a dynamic capability as “a learned and a stable pattern of collective activity through which the organization systematically generates and modifies its operating routines in pursuit of improved effectiveness” (Zollo & Winter 2002, 340). The definitions of capabilities are similar to the definition of competence presented by Sanchez.

In this research I choose to use the word competence and to define it as the ability of an organization to deploy tangible and intangible resources in ways that enable a firm to achieve its goals.
2.3.2. Management competencies in marketing and networks literature

Marketing capabilities associated with superior business performance can be identified and the marketing capability gap between top-performing benchmarks and other firms explains significant variance in business performance (Vorhies & Morgan, 2005, 88). Several authors have attempted to identify the managerial and organizational competencies, yet the development of knowledge in this area is far from well-established (see e.g. O'Driscoll et al., 2000; Vorhies, 1998). Gilmore and Carson (1996, 52) claim that “Currently the literature is sparse in providing support for the identification of specific competencies for services marketing decision making. This is an area requiring further in-depth.. research particularly in relation to specific service contexts.”

The analysis of 15 most widely-cited studies of general management competencies (Gilmore & Carson, 1996) suggests that certain competencies are “universal,” while others apply to more than one area of business contexts, and a third group of competencies has a particular function. From this hierarchy of services, eight marketing competencies emerge, consisting of “general” competencies at the top and “specific” competencies at the bottom. These eight competencies are (1) creativity (needed for product management, pricing and communications); (2) motivation (needed for product management, communications, customer service and administration), (3) vision (needed in product management); (4) adaptability (needed in pricing); (5) communication (needed in communications management, customer service and administration); (6) coordination (needed for customer service); (7) leadership (also needed for customer service); and (8) analytical skills (needed for marketing administration).

Vorhies and Morgan (2005) identified eight marketing capabilities that contribute to business performance: (1) product development, (2) pricing, (3) channel management, (4) marketing communications, (5) selling, (6) market information management, (7) marketing planning and (8) marketing implementation. Vorhies and Morgan (2005, 91) contend that while they did identify eight specific mid-level marketing capabilities, one of the limitations of their study was that their approach precluded any assessment of higher-level integrative marketing capabilities such as brand management and relationship management, and suggest that these might usefully be examined in future researchers.

There is a consensus in the service branding literature that better management of services brand should not rely blindly on fast-moving consumer goods (FMCG) branding techniques, even if the nature and rationale for brands in the two sectors are similar. Rather, adjustments in the emphasis are needed to comply with service characteristics (Berry, 2000; de Chernatony & Harris, 2001; de Chernatony & Dall’Olmo Riley, 1999; McDonald 2001; Moorthi, 2002).
Berry (2000) argues that service companies build strong brands through (1) branding distinctiveness, (2) message consistency, (3) by performing their core services well, (4) reaching customers emotionally, and (5) by associating their brands with trust.

De Chernatony and Dall'Olmo Riley (1999) state that at the functional performance level, firms must invest in careful staff recruitment and company-wide training. Staff must be made aware of their brand’s vision and their specific roles in achieving this. Reinforcing the brand vision, there should be a clear view about the type of relationship between staff and consumers and the degree of latitude staff have in enacting this. Communications should first be directed at employees, then at consumers. Making a corporate brand identity relevant to employees can motivate them to exceed consumers’ expectations. However, this branding activity can only succeed with senior management’s commitment to a particular type of corporate culture. Finally, at the emotional level, the brand’s vision should encompass the values the firm stands for and should inspire consistency and trust to consumers, thus supporting the functional performance values.

Aung and Heeler (2001) identified a number of core competencies of service firms. These include (1) nurturing (i.e. ability to create an emotional bond with employees), (2) empowerment (ability to provide a culture of empowerment for managers), (3) data management (using information technology to develop and operate database), (4) operation (creating and managing processes that result in final services or products), (5) new service development (ability to develop new concepts, services & products), (6) alliancing (ability to perform joint activities with other organizations for improved service packages), (7) Communication (ability to draw consumer attention) and finally (8) market sensing (ability to monitor market).

**Alliance, relational capability/competence and business networks literatures**

A state-of-the-art synthesis of competencies presented in alliance literature, relational capability/competence literature and business networks literature was prepared by Äyväri (2006). This synthesis is summarized in Table 4.

| Table 4. Synthesis of competencies identified in alliance literature, relational capability/competence literature and business networks literature. Adapted from Äyväri (2006) |
According to Äyväri (2006), the first section of Table 4 classifies relational capabilities/competencies. The first point in the table, social competence, consists of interaction abilities, required both in the creation of relationships among individuals and in cultivating relationships based on trust. A firm's learning capability is its ability to adopt competencies from other actors and to combine existing competencies or to create new knowledge (Lipparini & Lorenzoni, 1999) and to the learning in relationships (Jarrat, 2004). The third point in Table 4, distribution of knowledge and interpretation of knowledge (Johnson & Sohi, 2003) and experience (Jarrat, 2004) inside the firm are also related to learning. The ability to compile and coordinate technical solutions of several companies (Lipparini & Lorenzoni, 1999) as well as the ability to coordinate tasks of actors (Walter, 1999; Walter & Gemünden, 2000) refer to activities among relationship members. The other subsections presented in Table 4 are

<table>
<thead>
<tr>
<th>Relational capabilities/competencies²⁵</th>
<th>Alliance capabilities/competencies²⁶</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social competence, incl. co-operation, flexibility</td>
<td>Experiences from alliances (number) and distribution of issues learned within the firm; creation of structure and processes that support learning</td>
</tr>
<tr>
<td>Learning capability of the firm</td>
<td>Identification of alliance competencies, training and learning, ability to develop alliance managers</td>
</tr>
<tr>
<td>Distribution of knowledge, interpretation of knowledge and experience inside the firm</td>
<td>Monitoring alliances, utilizing evaluation methods</td>
</tr>
<tr>
<td>Ability to compile and coordinate technical solutions of several companies/ability to coordinate tasks of actors</td>
<td>Structures, processes and management mechanisms that support alliances, adequate resources for alliance</td>
</tr>
<tr>
<td>Management system of relationship</td>
<td>Adequacy of competent alliance managers</td>
</tr>
<tr>
<td>Integration of information systems</td>
<td>Positive attitude towards alliances</td>
</tr>
<tr>
<td>Qualified staff</td>
<td>Partner identification and selection ability</td>
</tr>
<tr>
<td>Orientation towards relationships, customer orientation.</td>
<td>Profound knowledge of line of business</td>
</tr>
<tr>
<td>Network knowledge</td>
<td>Ability to vision</td>
</tr>
<tr>
<td>Relationship portfolio</td>
<td>Social skills (incl. ability to negotiate, ability to cooperate in teams)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Networking capabilities/competencies²⁷</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identification of the structure of the network, network actors and potential partners</td>
</tr>
<tr>
<td>Ability to vision, ability to discern development processes of the network, Network visioning capability</td>
</tr>
<tr>
<td>Ability to create networks, portfolio creation and management capability</td>
</tr>
<tr>
<td>Ability to perform exchanges in a relationship, Relationship management capability, specifically ability to create and sustain customer relationships</td>
</tr>
<tr>
<td>Ability to mobilize the value functions of other actors</td>
</tr>
<tr>
<td>Ability to coordinate functions between firms, including internal functions (also time management of an entrepreneur)</td>
</tr>
<tr>
<td>Social qualifications, social competence</td>
</tr>
<tr>
<td>Technical, financial and juridical competence</td>
</tr>
<tr>
<td>Network knowledge, good individual relationships both internally and between firms.</td>
</tr>
<tr>
<td>Experience in technological collaboration</td>
</tr>
<tr>
<td>Ability to exploit the experiences of self and others</td>
</tr>
<tr>
<td>Planning and organization, allocating person in charge of a relationship, monitoring and evaluation internally</td>
</tr>
<tr>
<td>Marketing planning, customer oriented product development and execution of other tasks</td>
</tr>
</tbody>
</table>

²⁵ Summary of capabilities/competencies proposed by Lorenzoni and Lipparini (1999); Johnson and Sohi (2003); Jarrat (2004); Möller and Törnroos (2003); Walter (1999); Walter and Gemünden (2000); Baron and Markman, (2000, 2003).

²⁶ Summary of competencies proposed by Sivadas and Dwyer (2000); Spekman, Isabella and MacAvoy (2000); Kale, Dyer and Singh (2002); Lambe, Spekman and Hunt (2002); Draulans, deMan and Volberda (2003)
related to intrafirm resources: systems, staff expertise areas and attitudes. The last subsections, network knowledge and relationship portfolio, are individuals' resources.

Äyväri’s (2006) analysis notes that the first and second points in alliance competencies/capabilities are related to an firm's ability to learn, especially from previous alliances. The points also emphasize the internal structures and process that facilitate internal learning. The third point is linked to a firm's ability to learn from experience. Structures, processes, management mechanisms and adequate staffing are resources that several analyses consider as elements of alliance competence. Partner identification competence has been suggested both at the firm (Lambe et al., 2002) and the individual levels (Spekman et al., 2000) of competence, whereas the selection of a partner is a firm level (Sivadas & Dyer, 2000) competence. Positive attitude towards alliances is, according to Spekman et al., (2000), a firm level competence, while the remaining abilities presented in the table are, according to them, individual-level competencies.

According to Äyväri (2006), the first point in network capability/competence section of Table 4, identification of the structure of the network, network actors and potential partners, focuses on the present day condition, while the second point, ability to vision, is future-oriented. The ability to create networks is related to the next three points. Social qualifications (Ritter, 1999) or social capabilities (Äyväri, 2002) are individual-level competencies, alike experience in technological collaboration (Ritter 1999), and ability to exploit the experiences of self and others (Äyväri, 2000). Table 4 also presents two other individual-level qualifications identified by Ritter (1999) (technological etc and network knowledge) and two other firm-level network capabilities.

**Network Brand Management Competencies on the basis of earlier academic research**

Marketing, brand management and interorganizational networks literature domains have identified numerous competencies, which are believed to contribute to the success or to business performance. The most widely-cited studies between 1949 and 1996 were synthesized by Gilmore and Carson in 1996. By analyzing 15 of these studies, they identify a typology of core management competencies and apply them to services marketing. The characteristics of capabilities, resources and management processes that are important in creating and sustaining competitive advantage were identified by Sanchez (2003). The core competency requirements of service firms were studied by Aung and Heeler in 2001. Vorhies and Morgan (2005) identified eight marketing capabilities that contribute to business performance. The competence requirements of alliances have been studied by Lambe, Spekman and Hunt (2002), Spekman, Isabella and MacAvoy (2000) and Kale, Dyer and Singh (2002). Management competence requirements in the context of networks were proposed by Ritter and Gemünden (2003)

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27 Summary of competencies/capabilities proposed by Ritter (1999); Ritter et al., (2002); Möller and Halinen (1999).

The identified competencies are to a considerable extent different between the literatures. The alliance or networks literatures propose several competencies that are relevant for managing in networks. On the other hand, the general marketing management and brand management literature provides a distinct set of competencies that are relevant for creating and sustaining brands.

On the basis of the literature review, it appears reasonable to assume that Network Brand management competence requirements are a composite of network management competencies and brand management competencies. Thus, in addition to a set of brand management competencies related to the ability to create and sustain a brand, Network Brand management requires a set of competencies deriving from the network nature of operation. Together these two bundles of competencies form the composite of Network Brand Management Competencies (NBMC).

However, Gilmore and Carson (1996) also indicate that certain competencies are "universal," while a second group of competencies apply to more than one area of business contexts, and finally a third group of competencies is specific to a particular function. On the basis of the literature review, it is not possible to define which competencies from the long lists presented above are essential in developing a Network Brand for a ski destination. Furthermore, although earlier research has identified numerous marketing, alliance, relationship and network management competencies that are associated with superior business performance, the field is far from being exhaustively researched (see e.g. Vorhies, 1998, O’Driscoll et al., 2000), and accordingly new competencies that are relevant to this particular context may exist.

Thus, I postulate that NBM competencies required for developing a successful ski destination brand are a composite of network management competencies and brand management competencies. However, identification of the specific elements (competencies) of this composite cannot be made on the basis of the literature, thus suggesting a need for further research on NBMC in the context of ski destinations.

2.3.3. The role of competencies in developing competitive advantage by branding

Organizational competencies are widely recognized as being one of the key factors in determining the competitiveness of firms (e.g. Lambe et al., 2003; Pralahad & Hamel, 1990; Teece et al., 1997).
Although much of the recent research cites the resource-based view, competence-based theory provides a complementary explanation of firm/alliance/network success by explaining how firms develop strategies to effectively deploy resources (Sanchez, Heene & Thomas, 1996). In other words, competence-based theory is the “bridge between resources and strategy” (Lewis & Gregory, 1996, 146).

In addition, earlier researchers have claimed that competencies themselves may be resources (Hamel & Pralahad, 1994; Hunt, 2000; Lowendahl & Haanes, 1997). Hunt (2000) and Lambe et al., (2003) argue that a competence is (1) a resource because it is an intangible entity that firms use to compete in their marketplace, and (2) a higher-order resource.

Regarding the second point, the central premise of resource-advantage theory is that firms seek comparative advantages in resources in order to develop marketplace positions of competitive advantage and thereby achieve superior performance. For resource-advantage theory, the ability to combine lower-order resources in a fashion that cannot be matched by competitors is a higher-level resource that contributes to competitive advantage (Hunt, 2000). For example, Network Brand management competencies (higher-order resources) may aid in developing new idiosyncratic resources, such as a Network Brand, by combining lower-order resources in a fashion that cannot be matched by competitors, thus creating competitive advantage. This view is supported by Möller and Svahn (2003), who claim that by developing specific network capabilities, firms can not only to transfer complex knowledge, but also co-create new resources through intentional business nets.

The dynamic capability extension of the RBV perspective explores how valuable resources, such as brands, are created and acquired over time in order to create and maintain competitive advantage. Dynamic capabilities explain how “ordinary” capabilities are developed and renewed (Möller & Svahn, 2003, 219). The dynamic capabilities perspective has studied the role of capabilities in creating new resources, in maximizing the use of current resources, and in devising new uses for the resources that a firm has or can acquire. Creating new capabilities requires building on experience gained in the use of existing capabilities-and therefore that a firm's current capabilities create path dependencies that constrain a firm's ability to change its capabilities in the near term (Teece et al., 1990). The path dependencies make it possible for capabilities to be sources of competitive advantage, because path dependencies limit the ability of competing firms to replicate a successful firm's current capabilities (Teece et al., 1990).

I postulate that brands are idiosyncratic resources, and their ability to create competitive advantage depends on the competencies of the actor(s) trying to develop and sustain them.
Approaching the role of competencies in developing competitive advantage from the perspective of business networks literature, Möller and Svahn (2003) argue that the task of the net influences the relative effectiveness of various net management competencies (capabilities), suggesting that different types of nets require different managerial skill sets or competencies and organizational forms. Möller and Svahn (2003) identify special characteristics required for network management, as opposed to intraorganizational management and managing dyadic business relationships, in different positions of the value-continuum. Figure 12 shows the capabilities required in network value production in an approximate order of ascending complexity. The capabilities are presented in the bottom of the figure, where the lower row refers to more traditional capabilities, and the upper row to those needed in managing strategic interorganizational relationships and business nets.

Network competencies are a subject of increasing interest and theoretical development. Recent studies indicate that alliance and network competencies are not only antecedents to the resources that are necessary for alliance success, but also to network success itself (Lambe et al., 2003; Ritter & Gemünde, 2003a). Studies also show that network competence has a strong positive influence on the extent of interorganizational collaborations and on a firm's product and process innovation success (Ritter & Gemünden, 2003a).

**Figure 12.** Value production and network capability base (Möller & Svahn, 2003)
Lambe, Spekman and Hunt (2003), using the term alliance competencies, developed and tested a model (Figure 13) linking alliance competencies to alliance success by combining the resource- and the competence-based perspectives. They argue that “An alliance competence contributes to alliance success because such a competence has (1) a direct positive effect on alliance success, (2) an indirect effect on alliance success positively influencing the acquisition of complementary resources and (3) an indirect effect on alliance success by positively influencing the creation of idiosyncratic resources.” (Lambe et al., 2003, 142)

Lambe et al., define a competence as (1) a form of resource because it is an intangible entity that firms use to compete in their marketplace and (2) a high order resource.” As noted by Hunt (2000), the ability to combine lower-order resources in a fashion that cannot be matched by competitors is a high level resource that contributes to competitive advantage.

In the model idiosyncratic resources are resources which (1) are developed during the life of an alliance, (2) are unique to the alliance, and (3) facilitate the combining of distinct lower-order resources contributed by partner firms. Idiosyncratic resources may be tangible or intangible. Complementary resources are the degree to which firms in an alliance can eliminate deficiencies in each other’s portfolio of resources (and, hence, enhance each other’s ability to achieve business goals) by supplying distinctive capabilities. Joint alliance competence refers to the degree to which both partners have an organizational ability for finding, developing and managing alliances.
Lambe et al., (2003) found strong support for the initial argument and the proposed model. Alliance competence is shown to have a significant effect on not only complementary and idiosyncratic resources but also a direct effect on alliance success. Senior management’s commitment to the use of alliances has a strong effect on the development of an alliance competence.


I have postulated that brands are idiosyncratic resources, and their ability to create competitive advantage depends on the competencies of the actor(s) trying to develop and sustain them. In the following section I will discuss the link between competencies, brands and competitive advantage.

2.4. Framework of Network Brand Management Competencies

The previous sections have reviewed key theoretical constructs of branding literature, tourism literature, business networks literature and competence perspective, considered relevant for this study. Based on those sections, this section describes the proposed Network Brand construct and postulates a preliminary conceptual framework of Network Brand Management Competencies.

2.4.1. The Network Brand construct

This study started with the empirical notion that Network Brands exist in everyday managerial practice, but the concept is to a large extent unknown in the academic brand management literature, thus suggesting a need for conceptual examination and elaboration.

Definition

Based on the literature review, I propose that from the firm perspective a Network Brand may be understood as an entity developed and managed jointly by a net of separate firms (as well as nonprofit agencies), offering organizations collective benefits exceeding those of a single company or market transaction. Furthermore, from the customer perspective a Network Brand is a blend of rational and emotional perceptions in consumers’ minds, resulting from an iterative process of consumers receiving
messages (brand contacts) which they relate to the value offering developed and managed by a strategic net of separate companies and other actors.

**Conditions under which Network Brands are likely to emerge**

Networks offer organizations collective benefits exceeding those of a single company or market transaction (Möller & Svahn, 2003, 210). Following Jones, Hesterly and Borgatti (1997), I propose that the conditions, under which strategic nets hoping to create a Network Brand are likely to emerge are (1) demand uncertainty with stable supply, (2) customized exchange high in human asset specificity, (3) complex tasks under intense time pressure and (4) frequent exchanges among parties (see Section 2.2.2). When these conditions are in place, the network organization form has advantages over both hierarchical structures and market solutions.

**Key differences between Network Brand and other branding constructs**

Although the characteristics of services indicate the need for a different approach to executing services branding strategy, they do not suggest that the concept of a brand as a cluster of functional and emotional values is different between product and services sector (De Chernatony & Segal-Horn, 2001). On the contrary, de Chernatony & Dall’Olmo Riley (1999) have found empirical support for branding principles being the same at conceptual level, but that it is in the execution that differences emerge. The concept of “the brand” is similar between goods and services, because it is a blend of rational and emotional perceptions in consumers’ minds, resulting from the same iterative process. However, de Chernatony and Dall’Olmo Riley conclude that for services organizations, the “company as a brand” and internal training are especially important means of communication to both employees and consumers. Paralleling this idea, I suggest that what is distinctive about Network Brands in comparison to other branding concepts are the organizational arrangements, management processes and accordingly the brand management competence requirements.

Key differences between Network brand and other branding constructs include differences in focus of attention, in the importance and managerial level required, in understanding of the delivery mechanisms and in communication mix. The differences between Network Brand and other branding constructs were elaborated in Section 2.1.4, and summarized in Table 2.

In addition to the differences presented in Table 2, the organizational arrangements related to the network form of organization vary between Network Brands and other branding constructs. I continue the discussion by reviewing the concepts developed in business networks research tradition, and their relevance to this research.
Value creation

A Network Brand is proposed to be an entity developed and managed jointly by a net of separate firms (as well as nonprofit agencies), offering organizations collective benefits exceeding those of a single company or market transaction. The combining of skills and resources as well as the division of labor may enable net members to specialize in the value-creation activity supported by their own distinctive competencies, thus leading to increased efficiency (Miles & Snow, 1986; Park, 1996). Value system (Section 2.2.4) is a construct which includes all the activities which are required to produce the entire offering of the net as well as the actors that are required to produce them (Parolini, 1999). The value system construct assumes that each product/service requires a set of value activities performed by a number of actors in a value-creating system (Möller & Svahn, 2003). A key aspect is that a value creation spans firm boundaries (Amit & Zott, 2001) and can be encapsulated in the value system (Möller & Svahn, 2003, 213). Value creation is evaluated from the way in which customers perceive the value of the networks offering and evaluate the offerings which competing business networks provide (Svahn, 2004). I continue these thoughts by postulating that alike products/services, brands convey value (Section 2.1.2), and that the development of a Network Brand requires a set of value activities performed by a number of actors of a strategic net forming a value-creating system. Brand Nets are suggested to be able to create brands and brand equity, i.e. value, through strategic nets in a way unlikely or impossible without forming the net.

According to this definition the logic of value creation through brands is not different between Network Brands and other branding constructs. The resource-based approach emphasizes the role of an organization’s (either a firm or a strategic net) portfolio of idiosyncratic and difficult-to-imitate resources and capabilities as the core determinants of firm performance (Barney 1991). According to this perspective, brands offer remarkable potential to assist in developing and maintaining superior performance (Barney & Hesterley 1996; Hall 1993). A Network Brand may create value for consumers by facilitating decision-making, attenuating search costs, reducing risk, enabling the attribution of responsibility to the producer or distributor, and by providing emotional, hedonic and symbolic benefits. A Network Brand may create value to a strategic net by enabling the adoption of differentiation-based positioning strategies, improving the efficiency of marketing activities through economies of scale and scope, creating shareholder value to members of the strategic net, protecting market position by increasing entry barriers, acting as isolating mechanisms, and by supporting growth and innovation.

The relationships of the companies are examined within the net from the point of view of both interaction between the actors and the interaction between the actors and the net. The focal organization of this research is the strategic net, referred as Brand Net, aiming to create and sustain a Network Brand.
Organizational structure

The use of Destination Marketing Organizations or Destination Management Organizations is common practice. However, the literature demonstrates that this study should not be directed to DMOs in particular, but to any issue-based/strategic net (DMO or other arrangement) that is responsible for developing and sustaining the Network Brand for a ski destination.

Firstly, there is no universally-accepted organizational model of DMOs, but there are many organizational structures with a range of task configurations (Hankinson, 2001; Pike, 2004). Secondly, issue-based nets may emerge in the form of formalized (e.g. DMO) or non-formalized organizational structures (e.g. net of actors, possibly divided into active and resourceful inner core of actors, and to a majority of less active/resourceful peripheral actors) (Brito, 1999). Thirdly, in the place branding literature Hankinson (2004) (Section 2.1.6) argues that neither destination brand creation nor management occurs within the domain of one single firm or other actor, but instead, the ultimate success of a destination brand relies on the extension of the core brand through relationships with stakeholders, each of which extends and reinforces the reality of the core brand (i.e. brand identity in the vocabulary of this study) through consistent communications and delivery of services.

The organizational structure of this study is a strategic net aiming to create a Network Brand, or Brand Net. This organizational structure may or may not be related to a Destination Marketing Organization. Brand Nets may emerge as structures based on explicit contracts and assuming formal organizations or as virtual nets of relationships without any kind of formal arrangements or in an intermediate form (see Brito, 1999). Acting in a Brand Net is based on recognition of dependence and conscious networking, but the intensity of the relationships within an issue-based net may vary considerably among actors. Based on the literature review, I suggest that many of those who belong to the Brand Net do not actively participate in its collective activities, but that the implementation of the actions are left for a small number of active and resourceful participants. (For related arguments see Araujo & Brito, 1998; Brito, 1999; Komppula, 2000 in Section 2.2.5).

I postulate that the boundaries of the Brand Net may be defined as including all those actors which contribute to the value system related to creating brand equity of a Network Brand. Value creation is evaluated from the customer’s perspective, i.e. how the customers perceive the value of the Network Brands offering and evaluate the offerings which competing businesses or business nets provide.

In the context of place branding of tourism destinations, regardless of the organizational structure (see Brito 1999); either Community model or Corporate model, or a combination of the two (see Flagestad & Hope, 2001), all actors who are operating within the destination, and affect the tourism destination product that the customers experience, may be part of the value-system of the Network Brand, and can
therefore be considered as actors of the Brand Net. The tourism product consumed at a destination is assembled from the variety of products and services available, but this assembly is conducted largely by the consumer rather than the producer (Ashworth & Voogt, 1990). Even if some actors within the net (e.g. inner circle) may have more decision-making power, or may be more active participants in the collaboration, while other actors may have more influential service-encounters with the consumer than others, all actors participating the value system, and thus contributing or potentially contributing to the creation of value (i.e. brand equity) to consumer belong to the Brand Net. As an example, a consumer planning for a weekend trip to Las Vegas, has created a relationship with the brand of the destination as an entity, not with the single hotel or restaurants he may be using.

The selection of cases for the empirical part of this research is discussed in Section 3.1.2.

2.4.2. Conceptual Framework of Network Brand Management Competencies

Managing Network Brands

Academic literature suggests that the application of branding to places is at best difficult and at worst impossible (Blichfeldt, 2004; Hankinson, 2001). However, if we accept the proposition that brands form pivotal resources for generating and sustaining competitive advantage (for instance Aaker 1989, 1991; Grönroos 2001; Keller 1993, 1998; Kotler 1999, 2003; Morgan et al., 2002; Morgan et al., 2003), it follows that brand management is the process and focal point of taking those resources into usage and translating them into superior market performance. Therefore, destination brand management is a central organizational competence that must be understood and developed. Furthermore, we know that managers do their best to create and manage Brand Nets, and that some Brand Nets have been able to create and sustain successful Network Brands. That is why it is worthwhile to identify the limits, or the enablers of and barriers to, of the management of Brand Nets.

The net form of brand management may pose considerable managerial challenges, as individual actors may have partly common, but also partly diverse and even opposite strategic objectives, and the same firms cooperating to create a Network Brand may also be fierce competitors in other areas of action. From the perspective of a single firm the challenge might be threefold. It should simultaneously (1) develop a brand capable of creating brand equity with a network of other firms, (2) secure in the negotiation process that the Network Brand supports it’s own strategic objectives (as opposed to other network members) as strongly as possible, and (3) modify its internal processes to fit the value promise offered by the Network Brand to customers. It may also be that, due to the characteristics of tourism destination product, the benefits of the brand equity developed through a network are not distributed
evenly to the members of the network, but instead some firms may benefit more than others from the collaboration.

While sharing the opinion that managing strategic nets is complicated, I adopt the position of Svahn (2004), who states that “emphasizing “complete control” leads to a dichotomist thinking on management – that it is either possible or not possible. Moreover, a “Complete control” can never be achieved in reality. Instead, it may be useful to think of managing in strategic nets.” In line with Zollo and Winter (2002) and Möller and Svahn (2003) I believe that one useful way of addressing management in network and net contexts is to identify contingency factors that influence the potential forms of managing. Furthermore, by combining the body of knowledge developed in the field of brand management and brand equity research with emerging fields of networks and services management significant advances can be made in Network Brand management in general and to destination brand management in particular.

One field in which Network Brands appear to be common is tourism destination branding. Strong brands have been developed for destinations (e.g. for Las Vegas, and for the Vail and Verbier ski destinations), which are in fact networks of firms and other actors (see Section 1.4.1). The brand relationship can be argued to be built between the customer and the brand of the destination, i.e. the Network Brand, not with individual service companies within the resort (see Hankinson, 2004). Although the companies are independent enterprises, the customer may consider them as elements of the value promises made by Network Brand (Section 2.1.6).

Network Brand management in ski destinations is a collective undertaking. Due to the characteristics of tourism destination product (Section 1.4.2) no individual firm or actor may be expected to have ownership or control over the Network Brand (for related arguments see Laws, 2002; Murphy et al., 2002a). Instead, the planning, management and implementation of a Network Brand may be expected to be a relational, and involve interorganizational negotiations and coordination. Some traits that distinguish Network Brands from other branding constructs are their collective nature, ownership, lack of control by individual firms and strong relational emphasis.

Management Competencies
Several authors suggest that management competencies are to a large extent specific to a particular environment and need to be developed to suit different and changing circumstances (e.g. Buchanon & Boddy 1992; Day 1994; Möller & Svahn, 2003). Following this logic, the premise of this research is that the contextual setting of Network Brand Management influences the management of that net and thus the required competencies.
The analysis of 15 most widely cited studies concerning general management competencies (Gilmore and Carson, 1996) suggests that certain competencies are “universal,” while a second group of competencies apply to more than one area of business contexts, and finally a third group of competencies is specific to a particular function. There is a consensus in the service brand management literature that service brand management differs from managing brands of physical goods and that the well-established FMCG approach needs to be adjusted for the services sector (e.g. Berry, 2000; de Chernatony, 2001; McDonald et al., 2001). Several authors elaborate on the differences between goods and services branding and suggest competence requirements, which are particularly significant in service branding, but differ from the area of branding physical goods. Much in the same way the network literature categorizes different nets, enabling one to define the context within which network management takes place, and suggest a specific set of competences relevant in these specific contexts. For instance, Möller and Svahn (2003) argue that nets can be categorized according to the task of the net, and that the task of the net influences the net management capabilities. My interpretation is that these categorizations contain an underlying premise, that within one category the competence requirements are to an extent homogenic.

I continue this thought by suggesting that although competence requirements are contextually embedded, this does not mean however, that every context is unique and requires unique composite of competences. Instead, I suggest that although no generic of NBMC exists, there are contextual settings within which it is possible to identify a composite of competencies that is relevant to all similar contexts.

**Conceptual Framework of Network Brand Management Competencies**

Adopting the perspective of resource-advantage theory (Section 2.3.3) both brand assets and competencies are resources, as they are intangible entities that organizations use to compete in their marketplace. Resource-advantage theory’s premise is that firms seek comparative advantages in resources in an effort to develop marketplace positions of competitive advantage and thereby achieve superior performance. For resource-advantage theory, the ability to combine lower-order resources in a fashion that cannot be matched by competitors is a higher-level resource that contributes to competitive advantage (Hunt, 2000).

I postulate that both Network Brand Management Competencies and Network Brands brand assets (later referred as Network Brand Asset) are higher-order resources that are distinct combinations of more basic lower-order resources. Furthermore, Network Brand Asset is an idiosyncratic higher-order resource, and its ability to create competitive advantage depends on the competencies of the actors (strategic net) trying to develop and sustain them.

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Network Brand Management Competencies (higher-order resources) may aid in developing new idiosyncratic resources, such as Network Brands (higher-order resource), by combining lower-order resources in a fashion that cannot be matched by competitors, thus creating competitive advantage. The links among Network Brand Management Competencies, Network Brand Asset and Competitive Advantage are presented in Figure 14.

Figure 14. Preliminary Conceptual Framework of Network Brand Management Competencies, Resources and Competitive Advantage

A Network Brand Asset is a strategic asset (Amit & Shoemaker, 1992) and refers to the set of difficult-to-imitate, scarce, appropriate and specialized resources and capabilities that bestow an organization’s sustainable competitive advantage. In the model Network Brand Asset is the ability of the Network Brand to create brand equity, i.e. value to consumers and member firms (Kavaratzis & Ashworth, 2006), which helps the brand net to compete in the market place. The degree of Network Brand Asset may be understood as the degree of its “brand strength”. This idiosyncratic “Network Brand Asset”-resource (1) is developed during the lifetime of the Brand Net, (2) is unique to the Brand Net, and (3) facilitates the combination of distinct lower-order resources contributed by actors constituting the Brand Net, and therefore is a higher-order resource. The Network Brand Asset facilitates the integration of the individual resources of actors of the Brand Net. In other words, the Network Brand Asset allows Brand Net to extract the competitive advantage potential from the combination of the respective resources of the actors of the Brand Net (following Hunt, 2000). As the Network Brand Asset is unique to the Brand Net and is constantly evolving, it helps the Brand Net to maintain the durability and inimitability of its resource advantage.

29 Section 2.1.2
30 Section 2.1.2.
31 See Wood (2000).
Complementary resources are the degree to which the actors of the Brand Net have lower-order, or ordinary, resources. Following Barney (1991), I envision the complementary resources of Brand Nets to include any assets, capabilities, organizational processes, firm attributes, information, or knowledge controlled by the members of the Brand Net, that enable the Brand Net to conceive of and implement strategies that improve its efficiency and effectiveness. However, these ordinary resources may be close to “homogenous and perfectly mobile resources” (Barney, 1991), and do not fulfil the VRIN-criteria of the resource-based view (Section 2.1.2.), and thus may not be the sole basis for sustained competitive advantage.

In the model Network Brand Management Competencies refer to the degree of combined competencies of the actors belonging to the Brand Net to deploy tangible and intangible resources in ways that help the Brand Net to compete in the marketplace.

Marketing, brand management and interorganizational networks literature domains have identified numerous competencies, which contribute to the success or to business performance. The identified competencies are to a considerable extent different between the domains. Management competencies identified in marketing, brand management, relational capabilities/competencies, business networks and alliances literatures were discussed in Section 2.3.2.

On the basis of the literature review, I suggest that the NBM competencies required for developing a successful ski destination brand are a composite of network management competencies and brand management competencies. Thus, in addition to a set of brand management competencies related to the ability to create and sustain a brand, the Network Brand management requires a set of competencies deriving from the network nature of operation. These two bundles of competencies form the composite of Network Brand Management Competencies (NBMC). However, identification of the specific elements (competencies) of this composite cannot be made on the basis of the literature, thus suggesting a need for further research on NBMC in the context of ski destinations.

This notion was put forward by Vorhies (1998), who states that “what is needed is focused theoretical work to define the theoretical domain representative of marketing capabilities. To do this, it will be necessary to consider the wide variety of operational practices present in various marketing organizations. Perhaps focused, industry-level or sector studies could help refine the measurement of marketing capabilities. This would allow researchers to focus on specific marketing practices within an industry, versus broad issues across many unrelated industries” (Vorhies, 1998, 17).
3. Research methodology

Within the proposed conceptualization of Network Brand and the proposed Conceptual Framework of Network Brand Management Competencies, the objective of this research is to identify and analyze management competencies required to develop and sustain Network Brands in the context of ski destination branding.

After reviewing the theoretical foundations of this study in the previous chapter, I describe the methodology used in the empirical part of this study. This chapter focuses on research design and discusses the research methods, the data reduction and analysis methods and addresses the issues of validity and reliability.

3.1. Case study design

3.1.1. Level of analysis

The analysis of interorganizational networks literature elicited a multitude of analytical levels. Within the theoretical discussion of the interorganizational networks, I position my research into the discussion of strategic nets (Level 2 in Möller & Halinen, 1999) in interorganizational levels of analysis, into the cluster level of management analysis and finally into the discussion of value creation in nets. I define a net as an intentional community of a restricted number of actors, while a strategic net is an intentional structure of actors designed deliberately for specific purposes, such as a group of firms hoping to create a brand for a tourism destination.

I use network competencies to mean combined capabilities of the actors of the strategic net to mobilize and coordinate the resources and activities of actors in the strategic net. The relationships of the companies are examined within the net from the point of view of both interaction between the actors and the interaction between the actors and the net, I use the term Brand Net to refer to a strategic net aiming to facilitate the creation of a brand, and I use the term Network Brand to refer to a brand which a Brand Net aims to create and sustain.

3.1.2. Selection of cases

As the concept of Network Brand is new to academic literature, I direct this study to a contextual setting within which the phenomenon of Network Brand and accordingly the management competencies would be apparent and visible.
This study is directed to Network Brands in the tourism industry. Network Brands are common in tourism industry, due to the characteristics of tourism product.

In order to increase the clarity of the phenomenon, I concentrate on ski-destinations. Ski destinations are a simple type of network, as the number of actors is relatively limited (in comparison to, for instance, cities or countries). The limited number of actors (typically approximately 100 firms and nonprofit agencies) and the relative simplicity of the network might provide additional clarity in results.

The business networks literature suggests that value system and its level of determination provide the key for identifying the management requirements of business nets. Based on this notion I decided to use a multiple case design and collect data from the “best brands” in their markets.

The case destinations were selected from three markets: the US, Australia and Finland. Three markets were selected in order to increase the number of top performers, and to increase the reliability of my results. The selection of the markets was intended to select markets with significant ski-industry, while ensuring that interviewees were able to speak their native language during the interviews. The latter was important, as the focal issues of this study are complex and abstract. Triangulation was used to identify “best” brands in the three markets. Triangulation is a helpful technique in the assessment of complex and multi-faceted concepts such as services brands’ success (de Chernatony, Drury, Segal-Horn, 2005). I identified destinations with particularly high brand awareness through independent annual multi-brand surveys of skiing destinations in US and Finnish markets, and by interviewing national ski-industry association representatives to name “the strongest brands” in the industry. Furthermore, the identification of the “best” brands was further verified in the interviews with respondents of selected case destinations, by asking the informants to evaluate the performance of their own brand as well as by asking them to name the best brands in their markets. All cases were mentioned by one or more managers of their competitors when asked to name best destination brands in the market. To sum up, the nine case destination brands are all among the best in their markets, according to interviews with ski-industry associations in the three countries, according to independent national brand awareness studies, according to the managers of the destinations themselves, and according to the managers of competing case destinations. All four information sources provided similar results.

Twelve case destinations were selected and nine destinations from US, Finland and Australia were included in this study. I approached the information centers of the case destinations and asked them to identify the organizations responsible for destination brand management. I then wrote to the chairman or managing director of the organization who was responsible for brand management, with a request to participate in the study, and continued by asking them to nominate the most knowledgeable informants about brand management. Two of the destinations declined to participate, while time-pressures
prevented a third one from participating. The interviews were held with chairman, CEO’s or marketing directors responsible for Network Brand management. The chief executives of the organization responsible for brand management were considered suitable respondents as they were in the best position to understand market orientation and strategy issues. In electing to rely on the report of a single knowledgeable informant, I followed Huber and Power (1985), Day and Nedungadi (1994) and Glick et al. (1990). Huber and Power (1985) found that when several informants varied in their knowledge of issues, a simple average of responses was less accurate than using the most knowledgeable informant.

All case destinations are geographical areas offering a variety of products and services, produced by a network of independent companies and other actors, but understood by their visitors as unique entities into which they are traveling. The geographical boundaries of the case destinations are not clear, but typically most services are provided within a 15-kilometer radius.

Most of the empirical data were gathered through semi-structured theme interviews. Other sources of information were telephone discussions, email queries and secondary material consisting of internet materials, written rules and regulations of the Brand Nets in addition to some brand manuals.

3.1.3. Interviews

This research was exploratory, seeking to elicit managers’ views within their frames of reference, without imposing my preconceptions. I deliberately sought leading-edge destination brands and their managers’ views because of the breadth of experience and the knowledge they have accumulated through regularly working on destination branding. When starting this project there were no models published about Network Brand management competencies and thus I did not set out to test specific points, but rather to elicit and analyze the views of knowledge-rich experts.

A topic guide was developed and mailed to each of the interviewees in advance (Attachment 1). The themes of the interviews were

- respondents’ conceptualization of a brand
- brand planning process, participants, challenges faced and understanding of an “ideal”
- brand implementation process, participants, challenges faced and understanding of an “ideal”
- brand monitoring arrangements
- respondents’ evaluation of the performance of their brand and competing brands
- what differentiates a “good” ski destination brand from “bad” ski resort brand
- core competencies required to develop and maintain a successful destination brand
The interviews varied in length from 40 minutes to three hours, the average being around one hour. Two of the interviews were collective interviews, as the representatives of the case destination considered the combined knowledge of two informants necessary in order to acquire a holistic view of brand management in their Brand Net. The interviews were recorded, then transcribed. Respondents were encouraged to speak as much, or as little, as they wished about. I only probed to seek clarification and to explore their comments where more detail was required.

3.1.4. Methods of data reduction and analysis

As the research approach was abductive, its goals were to build a conceptual framework through pre-conceptualization and to acquire and analyze empirical material. Contact summary sheets (Miles & Huberman, 1994) were written. Then all the interviews were transcribed shortly after the interviews. One transcribed interview consisted of 18-35 pages of text.

Within the context of the research aim and following Miles and Huberman's (1994) framework, I developed codes and revised the coding system until code-recode consistencies were over 95%, noted patterns and generated pattern codes, utilized the tactics for generating meaning and testing for confirming findings suggested by Miles and Huberman (1994), developed matrixes, drew links with previous literature and identified categories relevant as criteria of Network Brand management competencies.

A summary of all cases, including cross-tabulation of background information (size, number of overnights, number of companies), was then prepared. Coded data were analyzed by searching for links between codes and forming new categories on the basis of the identified links. This process continued until replication ceased to provide any changes to categories of the data. On the basis of these categories I identified 34 key abilities required to develop and maintain a successful ski destination brand. These 34 abilities represent different facets of the same variables and accordingly were further reduced to 12 classes. The case analysis describes the indicators and manifestations of the concepts of the proposed framework in order to build a clear chain of evidence. These 12 classes are the key competencies required to develop and maintain a successful Network Brand in the context of ski destinations.

3.2. Validity and reliability

Validity is the scientific quality of the research. Internal validity consists of evaluating the research strategy, methodology and data of the study. According to Cook and Campbell (1979) validity is the best
available approximation of the truth and to the generalizability of the results. There are some critical aspects of validity in this research. First, the abstractness of the key concepts of this study present a challenge. Since the main concepts such as competence cannot be readily detected, one has to find indicators through the analysis of the case material. In addition it was necessary to create evidence and find examples of where and how the phenomenon was manifested. These indicators form the chain of evidence by referring to the postulated conceptual model. Yin (2003) recommended this approach, which was employed in this research. The manifestations were examined through indicators and these concept-indicator links were reported. This made the interpretation path transparent for the reader, which is expected to increase the reliability of the study (Yin, 2003).

The second aspect enhancing the validity of the findings is the availability of nine cases. The multiple case design improves the validity of the results compared to the single case design, because the comparison between case nets provides the researcher multiple perspectives on Network Brand Management Competencies. This cross-case comparison identifies differences among the Brand Nets, and provides a more holistic, or “full,” picture of the phenomenon. The number of cases also supports the external validity of the findings; they are more relevant than in a single case study in similar types of Brand Nets.

Finally, the research strategy itself enhances the validity of the results; the conceptual frame provides clear direction for the empirical analysis and guides the interpretation process. This conceptually-driven approach incurs, however, a risk of bias caused by the researcher unconsciously searching only for evidence that supports the framework. I tried to avoid this bias by being aware of it and by consciously looking for findings that were either contradictory or that represented something new. I believe that the quality of data is good and thoroughly covers the phenomenon. Furthermore, the results seem to be reliable and generalizable.

Reliability is another criterion that is used to judge the quality of research. It evaluates the possibility of replicating the study and obtaining same results. The same research strategy should yield the same results. Therefore, it is vital to document the way in which the study was carried out and how the results were obtained. Especially in a qualitative case study, when data can be interpreted from multiple perspectives, it is important to document the research process and make all the decisions transparent and replicable (Yin, 1994).

In this study transparency was achieved in two ways: by describing the phases of the study and the selection of the case destinations, and by describing the interpretations of the key concepts while providing the reader the indicators on which the interpretation was based. I consider the results to be reliable and believe that the research can be replicated with similar results.
Direct quotations from the interview transcripts are used in the following chapters. The interviews were conducted in either English or Finnish. In order to increase the readability, quotations from the Finnish interviews have been translated to English, but an attempt has been made to keep the original feel of spoken language.

33 Cases 1 to 4
4. Analysis of Network Brand Management

Chapters 4 and 5 present the analysis and results of this study. The following chapter, Chapter 4, gives an overview of the cases, by describing the participants in brand planning and their conceptualizations of a brand, brand management organizations, brand planning and implementation processes and monitoring arrangements. It ends with a presentation of one of the main findings of this study, the Classification framework of approaches to Network Brand management in ski destinations.

4.1. Analysis of Network Brand Management of selected ski destinations

The focus of this study is Network Brand Management Competence. Due to the complexity and level of abstractness of competence, a rigorous analysis of the contextual environment, in which the Network Brand Management Competencies are embedded, was necessary. This chapter presents the results of the analysis, before I enter the analysis of Network Brand Management Competencies in the following chapter.

The chapter starts with an overview of the selected case destinations. It then continues by presenting the organizational forms of Network Brand management used in the selected cases. The chapter then discusses the conceptual understanding of a brand adopted in the case destinations, by depicting brand identities as defined by the interviewees and by identifying the focus of brand management in the case destinations. Following this, the Network Brand management organizations are portrayed, after which brand planning and implementation processes are described, and brand performance monitoring is depicted.

During the analysis, two variables emerged, according to which the cases destinations may be categorized. Because these variables have direct relevance to my research objectives, I created a classification framework. These variables are postulated at the beginning of the chapter and elaborated in later sections. The chapter ends with an explanation of the classification framework of the case destinations.

4.1.1. Overview of the Case destinations

Four of the case destinations are located in the US, one in Australia and four in Finland. The case destination brands are all among the best in their respective markets, both according to the managers of the destinations themselves, their peers in other case destinations and industry association
representatives. All cases were mentioned by one or more managers of their competitors, when asked to name best destination brands in the market.

All case destinations are geographical areas offering a variety of products and services, produced by a network of independent companies and other actors, but understood by their visitors as unique entities. The geographical boundaries of the case destinations are not clear, but typically the majority of services are provided within 15 kilometers.

Although eight of the resorts have started to offer a year-round portfolio of products, and one was originally built to be a year-round resort, all nine cases are primarily ski destinations and most of their tourism income is generated by the winter product.

An overview of the case destinations is presented in Table 5.

<table>
<thead>
<tr>
<th>Table 5. General overview of case destinations.</th>
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<tbody>
<tr>
<td>CASE</td>
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<tr>
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</tr>
<tr>
<td>Bed base (approximate)</td>
</tr>
<tr>
<td>Ski lift capacity (persons/hour)</td>
</tr>
<tr>
<td>Population of the nearest town/municipality (approximate)</td>
</tr>
<tr>
<td>Distance from the nearest town</td>
</tr>
</tbody>
</table>

Our case destinations opened up to the public between the late 1940’s and the early 1980’s. Brand management as a phenomenon, however, emerged later. Conscious attempts to develop and manage “a brand” began in the first case destinations in the early 1980’s, while the last ones adopted brand development as a strategic objective a decade later in the early 1990’s.

For Cases 3,4,7 and 9 the brand and the product development had been planned simultaneously since the beginning of the operations under the present day owners of the Ski Company & Resort, although the concept of “the brand” was not necessarily used. However, the starting point of the destination
development was the atmosphere and feeling in the vacation experience of the customer, which has guided the development of physical infrastructure and service processes.

Case 7 “Our founders, the [Name of the founders of the ski resort] who founded CASE7, had a background on three hotels. ...And so they brought that sort of concept to CASE 7, and so “We want to start a ski resort that takes care of the guest.” ... So there’s more like a feeling of staying in one of the grand hotels, whereas just coming to a ski resort, plopping your skis on, and going. So... and the brand... one of the wonderful things about CASE 7, is we’ve been in existence for 24 years, and we have never wavered from that goal. ...That’s sort of what is kind of behind our brand. It’s servicing. ... And I think CASE 7 has always paid attention to their brand, I don’t know if they’ve talked about it as a brand..?”

For Cases 1, 2, 5, 6 and 8 the brand was adopted in the early 1990’s. By then the destinations already had an established winter product, and the brand was developed from the framework of the existing product.

Case 1: " so this has really been our approach to the brand, so that we have not, so that this CASE 1 brand has you know been built up little by little along the years and has been growing as the ski center has been growing. So that nothing like you know big CASE1 brand launch has never really taken place, but instead it has been growing and developing bit by bit..”

The case destinations consist of mid-size and large ski destinations. The accommodation capacities range from 4500 to 21000 (average 15,000, median 16.000 beds). The uphill capacity ranges from 12,250 to 42,900 persons/hour (average 26,388, median 23,700 persons/hour).

4.1.2. Organizational form of Network Brand management

A tourism destination product is typically produced in a network form of production. While the consumer only sees one product, the vacation experience, the production is performed by independent companies (see Section 1.4).

The case destinations are all large skiing destinations, all have successful brands, and many different companies operate within all of the case destinations. All case destinations and the vacation experiences that they offered only have one brand, but in all case destinations several separate independent companies are Brand Nets.

The companies operating within all of the case destinations have created a network organization to handle issues pertaining to all or part of the business community. In most cases the network organization is a destination marketing organization (DMO), a chamber of commerce or the equivalent. Due to the large number of network actors participating in the production process of customer vacation
experience, the initial assumption was that network approach would have been applied to Network Brand management in all case destinations.

However, the destination brands are managed in some of the case destinations (Cases 1, 2, 3, 4, and 8) by the network organization (DMO or other), while in others (Cases 5, 6, 7, 9) significant parts of Network Brand management (namely strategic planning, communications planning and communications implementation) are performed by one single company, the Ski Company and Resort.

This finding parallels the propositions the propositions of Flagestad and Hope (2001), who suggested that destinations fall along a continuum between the Community model and the Corporate model (see Section 1.4.3). However, it also raises an important question: if the brand is managed by one company, can we still talk about a Network Brand? In this study network boundaries are formed by organizations that are involved in the value creation system of the Network Brand. For instance, actors operating within a tourism destination belong to the Brand Net, whether or not they participate in the strategic planning process of the Network Brand, since they belong to the value-system, manage their own processes, and provide brand contacts which the customer in turn relates to the Network Brand.

Case 3 “when you have under one umbrella brand tens or hundreds of companies and actors, and the customer is not interested, and he doesn’t know who owns what and who’s running this or that place, but instead he’s interested that the whole entity, which is formed from a large number of little pieces, is working seamlessly. So that if one sub-sector falls flat while he’s there, that will have a negative reflection on the whole brand...”

However, even if the brand management in Cases 5, 6, 7, and 9 is performed by one independently-owned company, the companies in charge of brand management in Cases 5 and 6 claim that they are taking the position of the destination as a whole.

Case 6: “we [Ski Company & Resort] take the position of the entire community...we’re in charge of people to want to come to CASE 6. And then the individual properties, you know, responsible for closing the sale. We don’t have, we don’t manage a lot of lodging, so we create the demand and they got to commit it. So their marketing is a little bit more tactical, little bit more retail focused and we do more of what I think you’re talking about with branding... Like individual property wouldn’t worry about branding because no one comes...you know, not that many people would come to a resort in order to get to a property.”

Case 5: “Some of them do no marketing at all and rely on the Company to do their marketing. Because this particular brochure [made by the Ski Company & Resort] is a central reservation system. And so .. some of the lodges just rely on their return customer and this reservation center and couple of other wholesalers to do their marketing for them. And others are more active and utilize information that we share to help them
market their product. We create products for them to work with. In terms of summertime with walks and in wintertime with special products. So...we very much work together on that.

A net in this study is not examined as a focal firm’s network, but in a holistic sense. As the primary objective of the research was to identify the competencies of destinations in creating and managing successful brands, the data do not permit detailed examination of the evolution of the co-operation or power-structures within the business community. However, the data do give some clues about why destination brands are managed by a single company in some destinations and by a network organization of multiple companies in others.

Case destinations in which the Ski Company and Resorts manage the brand alone have some common features, which distinguish them from the other case destinations, in which a network organization manages the brand. The Ski Company and Resorts who manage the destination brand alone (Cases 5, 6, 7, 9), are significantly larger companies than any other firms within their networks, and most are owned by a large parent corporation (Cases 5, 6, 9). In addition, these Ski Company and Resorts have significant control over the land management of their destinations, either by owning or leasing parts of the land-area. These features may give the Ski Company and Resort a particularly powerful position in decision making within the network, thus reducing the incentives of the Ski Company and Resort to cooperate with smaller firms in decision making.

In destinations where the brand is managed by a network organizational form, there is a conspicuous lack of a dominant company. The Ski Company does not necessarily participate in lodging at all (Case 1), or the destination network includes several larger companies of about equal size (Cases 1, 2, 3, 4 and 8). The lack of dominant position within the network may be one of the factors behind co-operative forms of governance within a destination. Case destinations, where there is a network form of brand management, justify a wider pool of companies to brand management by

1. increased financial and creative resources
2. increased commitment of individual companies, resulting in community culture and better possibilities for the brand identity to be transferred to all companies operating within the destination.

Brand management organization does influence Network Brand Management Competencies, the two main groups, one in which the brand is managed by a single company and the other in which the brand is managed by a network organization, are discussed separately in the following analysis. The first group are Single-company organizations (SCO) and the latter are Network organizations (NEO).

An important concept in the management perspective is the net position, the way in which a company is positioned in relation to others within a net (Mattson, 1987). Net position and net roles refer to the roles
and value activities of each net member. These positions are related to the negotiation power of net actors. Negotiation power is based on actor's resources and competencies; the more important and non-imitable value activities an actor can carry out from the viewpoint of the net, the better its negotiation power. Negotiation power has a direct influence on the other net actors and operations.

Management of a Brand Net also includes the degree of centralized or distributed coordination (e.g. Svahn, 2004). Coordination can be shared among net actors, which Doz (2001) calls a “multiplex” net, or centralized for one specific actor, often called the “hub and spoke” model. In my terminology, the SCOs represent the “hub and spoke” model, while the NEOs represent multiplex nets.

Utilizing the vocabulary of Törnroos (1997) this finding is related to the composition of the inner circle, which in the case of SCOs emerges as limited to the Ski Company & Resort, while in the NEOs the inner circle includes a larger group of members of the core. Komppula (2000) suggests that the network position of an actor within a regional tourism network is defined in terms of the amount of resources the actor invests in the actions of the net inside the net and in terms of how much the actor invests in the collective actions.

My interpretation is that within the SCOs the relative power of the focal actor, the Ski Company & Resort, is greater than the power of its counterparts in NEOs. When comparing the composition of the case Brand Nets, the focal actors in SCOs have significantly higher turnover than any single company in NEOs. The focal actors in SCOs receive a high percentage of total tourism turnover in the area and are located in and/or own the most important land areas within the destination.

These features might empower the focal actors in SCOs, insofar as they lack incentives to let other companies operating in the area to participate in strategic brand planning or other essential elements of brand management, outside of managing the processes of their individual companies. The overwhelming negotiation power of one actor may force other companies operating in the area to adapt their processes to the decision making of the focal actor, even though they do not have a say in or do disagree with the business logic. In NEOs, the fragmentation of negotiation power among a few large companies, but with lack of one overwhelmingly powerful one, may force the actors to co-operate and perform brand management through the network form of organization. In other words, it one significantly powerful hub-firm may control the brand contacts that customers receive so that the other actors are forced to accept the choices made by the hub-firm (e.g. Disney in Orlando).
4.1.3. Concept of a brand, brand identity and focus of brand management

**Concept of the brand**
The respondents define the concept of a destination brand as a multifaceted entity. The destination brand is

- a promise to the consumer made by the company or the destination network.

  Case 9: "Well, I think the way we describe the core meaning of CASE 9 brand is really what we promise from a resort."

  Case 3: "A brand is a promise of something. So that whether it is quality or fast way of life, or whatever it might be, but so that the brand represents something and you know that when you see it, it is a promise of something. Promise of a fabulous vacation or whatever it might be..."

- the perception in the minds of the consumers

  Case 6: "I think it's a perception in the mind of the consumer about your product or service."

  Case 2: "It [the brand] is a sum of the customer held knowledge, experiences and images. And there I want to emphasize that marketing communication alone is not enough for it, because it is so heavily impacted by all of the things that he will experience in the whole area when he is there, and what he will tell to his friends acquaintances afterwards. Or whether he will decide to return to the Ski center or not?"

- the vacation experience delivered to the consumer.

  Case 9: "Really what the brand is from any business perspective, it is the product that you make to the consumer."

  Case 7: "Your brand is the product you deliver. It's that simple. And you can get sort of ..there can be a marketing division that's saying “This is our brand,” and then your employees are out there delivering an entirely different experience. And your customers aren't gonna like that. Because you're telling them this, and they're coming and their getting that, and then they're saying “That's not what I expected”"

The respondents’ conceptualizations of “a brand” are summarized in Tables 6a and 6b.
The conceptualizations of “a brand” of six out of nine case destinations are similar to the one of relational paradigm, as discussed in the literature review. Within the relational paradigm, brand management emerges as a dialectical process, in which multiple entities (consumers and firms) espousing opposing theses (brand image and brand identity) co-construct brand value and meaning. Cases 5, 6 and 8 conceptualize “a brand” as an adaptive paradigm, stressing the role of consumers as central conductors of brand meaning. For them brand image underlies strategic formation and frames the specification of brand’s elements and its marketing program.

The paradigmatic approach to brand management is a multidimensional issue, which has emerged in several parts of the analysis. As the paradigmatic approach to brand management appears to influence the focal topic of this study, to the brand management competencies, the two main groups, “the Relationals” and “the Adaptives” are discussed separately. The differences between the two approaches are discussed, and the categorization of the case destinations is justified in Sections 4.1.3, 4.1.4, 4.1.5 and 4.1.6. The approaches and rationale for the categorization of the cases are summarized in Section 4.2.
Case 5 seems to be shifting its approach from strictly adaptive to relational perspective towards brand management. The current brand management approach focuses heavily on marketing communication, but plans for the future development are more consistent with the relational paradigm.

Case 5: "Very much we're trying to carry that personality and positioning throughout all of our marketing promotions.. advertising.. collateral. And also, I guess, another step is to carry it into our staff. We haven't done that as yet, but that will be a future step."

Case 5: "You know, it would be very nice to see all of the lift operators joking with the staff in a sort of fun xxx (irrelevant?) type of manner. And .. so that..it also would be good to see the personality going over into the other lodges and businesses within CASE 5. And with this logo development we've encouraged the other lodges and businesses in CASE 5 to utilize the visual branding. Um.. and we try and make imagery available to…we make imagery available to the whole industry, so that we have this image turning up in all the other hotels brochures as well. So we can have constant imagery."

As a summary of the perspectives, a brand is the link between the set of functional and emotional values which promise a particular experience created by the company, the way these are perceived by consumers and finally the vacation experience of the consumer. In other words, a Network Brand is a blend of rational and emotional perceptions in consumers’ minds, resulting from an iterative process of customer receiving messages (brand contacts) which he relates to the value offering developed and managed by a strategic net of separate companies and other actors.

The academic literature matches with the perspective presented by the interviewees. The interpretation of brands as promise has been adopted by several writers (e.g. Ambler & Styles, 1996; Ward et al. 1999) and is particularly appropriate for services because of their intangibility and heterogeneity (e.g. de Chernatony & Segal-Horn, 2003). Brand as a perception in the minds of the customers has been strongly advocated by, among others, Keller (1993). Furthermore, the emphasis on delivery of the brand in service product is advocated by de Chernatony and Segal-Horn (2001) and Grönroos (2001) who argue that the marketer's mission is or should be to offer and support a suitable physical product and service process. Although service brands can be conceptualized as a set of functional and emotional values, because of their intangible nature, it is important to capitalize on their ability to communicate values (Onkvisit & Shaw, 1989; Zeithaml & Bitner, 1996).

There appears to be a difference between the paradigmatic approaches to brand management. The “Adaptives” (Cases 5, 6 and 8) focus on the customer, and customer perception, and emphasize the role of marketing communication in developing a perception in the mind of the consumer about the product. This feature is mentioned below:
Case 8: “It’s [the brand of a destination] what people see in their mind when they hear a place called about. Like when they hear Detroit, what do they think about? When they hear New York City, what do they think of? When they hear Park City or Aspen, what are they thinking of? And you wanna…you want to drive the consumer to think of your brand benefits, so the positive nature of what you’re communicating about your brand. So that they have an affinity to use your product. You’re driving them to have a good thought about you so that they will eventually buy you.”

Like the “Adaptives,” the “Relationals” (Cases 1, 2, 3, 4, 7, and 9) perceive the brand as a perception in the minds of the consumers, or as a promise, but they pay much less attention to marketing communication than to the interaction between consumers and service producers in the service encounters. This feature is mentioned in the following quote:

Case 2: “It [the brand] is a sum of the customer held knowledge, experiences and images. And there I want to emphasize that marketing communication alone is not enough for it, because it is so heavily impacted by all of the things that he will experience in the whole area when he is there, and what he will tell to his friends acquaintances afterwards. Or whether he will decide to return to the Ski center or not?”

No systematic difference between the SCOs and the NEOs was identified.

**Brand identity**

The brand identities of the case resorts, as described by the respondents are presented in Table 7.

<table>
<thead>
<tr>
<th>Table 7. Core elements of the brand identity</th>
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<tbody>
<tr>
<td>CASE 1</td>
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<td>CASE 2</td>
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<tr>
<td>CASE 3</td>
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<td>CASE 4</td>
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<td>CASE 5</td>
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<td>CASE 6</td>
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<tr>
<td>CASE 7</td>
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<tr>
<td>CASE 8</td>
</tr>
<tr>
<td>CASE 9</td>
</tr>
</tbody>
</table>

For eight case destinations the brand identities focus on experiential and emotional features of the vacation experience, i.e. defining the atmosphere or feeling of a customer’s vacation experience. Case 8, which has faced challenges with brand awareness, emphasized the functional features of the vacation experience (i.e. accessibility, number and variety of services) in their brand identity development, although it too has experiential elements incorporated in the brand identity (unique, exciting town).
All case destinations are primarily winter destinations and receive the majority of their visitors and turnover from the ski and winter product. However, all of the case destinations except for Case 9 have started to develop a summer product. Case 9 was originally built to be a year-round destination.

Case 1: “On the other hand now the problem is that we are really clearly a winter-brand. And so, we’re all the time working to improve the snowless season, but you know, frankly speaking it not really in good shape yet.”

The summer product offering in all case destinations is the same accommodation and restaurant services as the winter product, while the activities change from skiing and snowmobiling to hiking, fishing and golf. Case 1 has divided the year into seven seasons and is developing products for the other seasons.

All case destinations have acknowledged that the winter product and summer products are different in terms of customer experience and appeal to different customer segments. All of the case destinations have a winter product and winter brand with high brand awareness and strong brand images, and hope to utilize the winter brand to develop summer brands though brand expansion. As the summer products are unknown to the markets, all destinations (excluding Case 9) emphasize the functional aspect of their summer product marketing communications, while trying to instill some elements of their winter brand identity.

Case 5: “Q: Is the essence of the brand the same [during summer and winter]?
A: We would like to think that the year-round branding could be the same. And we have been working on the premise that the branding could be the same. However, the awareness of the summer product is much lower than the awareness of the winter product... so, we haven’t been able to market the summer product using the brand personality. We’ve been using functionalities rather than personalities to market summer. And trying to instill some personality into that functionality. ... There is an awareness that CASE 5 has a summer product, but there’s very low awareness of what that is. So we’ll continue to market summer on functionality rather than brand personality exclusively.”

Case 9: “Q: Is it [the brand identity] the same during the winter and summer?
A: Absolutely. Absolutely. The...It’s a different clientele. The clientele is a .. is not quite as affluent in the summertime as it is in the winter time. So some of the pricing strategies are developed because of that.. But but.. How CASE 9 is run, how it is operated, how it is presented, it is presented exactly the same way in the summer as in the winter. And the product from a brand messaging standpoint is always luxury and adventure, and that stands for both winter and summer. Demographics change a little bit. We’re highly...we xxx (track?) higher to the destination market in the summer...in the winter. And in the summer we get more of our local traffic including all around Colorado..People who can drive versus fly. So, more people from the Midwest than, say, New York. So we are..But the promise is always the same.”
The approaches to developing the summer product and to expanding the positive associations related to winter brands to summer products differ. Case 1 has developed a concept of seven products in a year and is developing its product for the other seasons than winter. Cases 2, 4, 5, 7 and 8 are developing summer products by building the infrastructure for activities and by publicizing their new products through marketing communication. Case 3 has made a brand alliance with a larger place marketing network, which had been developing a summer brand for a wider geographical area around the Case 3 ski destination. The objective is to gain spill-over effects from both brands.

Case 3: “Through this these summer-related values are aimed to be attached into this our CASE 3 brand, so that not only the winter things. And the idea was that during the winter we would heavily emphasize these, that we were the Ski Center of the Year on last season, but that CASE 3 and winter would be like the span, ... and that during the summer we would then emphasize the [brand alliance partner]s role. .. So that through marketing and the actual product. So that A) we start to believe to the round-the-year product offering and through that we will get the customers to enjoy their time in here also during the summer”

Case 9 was originally meant to be a year-round destination, and the Ski Company and Resort is working on the premise that year-round branding could be based on the same brand identity and promise. Case 6 has separated brand management into two separate organizations, one responsible for winter product marketing, the other for summer product marketing. Winter product marketing is managed by the Ski Company and Resort alone, while the summer product marketing is managed by a town-led network of companies. Coordination between the two is the responsibility of the Ski Company and Resort.

Even if the approaches to brand expansion from winter to summer products vary, there seems to be no systematic difference between the SCOs and the NEOs.

**Focus of Brand Management**

Brand planning rarely focuses on the brand identity or brand personality, as indicated by the quotations in Table 8. As discussed later, all respondents consider consistency of the brand identity and ability to create a long term strategic vision for the brand as one of the key competencies in the development of successful brands. Changes to the brand identities of the case destinations are rarely needed and rarely planned. Instead, planning activities focus on increasing the effectiveness and efficiency of implementing the brand identity. Particular emphasis has been placed on improving the fit between product offering and brand, and on improving internal communication.
Table 8. Changes to brand identity are rarely planned—quotations.

<table>
<thead>
<tr>
<th>CASE 9</th>
<th>“For over 20 years, the vision of CASE9 has been luxury. … And we’ve never deviated from that vision and dream.”</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASE 8</td>
<td>N/A –Case 8</td>
</tr>
<tr>
<td>CASE 7</td>
<td>“we’re not doing a lot of brand planning. We’re more in a stage where we are monitoring our brand, and making sure that our customer believes we are the same as we believe we are. So in other words we’re delivering the product they expect, and we feel like that’s really staying on top of our brand.”</td>
</tr>
<tr>
<td>CASE 6</td>
<td>“I think we have a brand position that is very strong in our industry. And we’ve kept it consistent because it worked. So we might refine it a little bit every year with another kind of photography or something, but we basically haven’t moved on the brand position for quite a long time. We’re pretty comfortable with it.”</td>
</tr>
<tr>
<td>CASE 5</td>
<td>“For the last 16 or 17 years we have been working on the same positioning and personality.”</td>
</tr>
<tr>
<td>CASE 4</td>
<td>“To be honest, the brand as such is really though of relatively rarely. So that it really happens through the product, product development and marketing activities”</td>
</tr>
<tr>
<td>CASE 3</td>
<td>“It [brand planning] has really gone without much explicit planning…but in the future the objective is that, at least once a year, we could sit down and think these long term..”</td>
</tr>
<tr>
<td>CASE 2</td>
<td>“Majority of the year we’re dealing with day-to-day practical issues, but at least once per year we stop to have a look around and gather to think a little bit more what is the point we want to communicate and how can we advance with that”</td>
</tr>
</tbody>
</table>
| CASE 1 | “we haven’t, I mean this Case 1 brand has, you know, been built up little by little along the years and has been growing as the ski center has been growing. So that nothing like you know big Case 1 brand launch has never really taken place, but instead it has been growing and developing bit by bit.” – Case 1  
“we have recently started this, you know, that couple of times in a year we’re having these, with an advertising agency and the board members of the Case 1 DMO, the key individuals, we’re having these miniseminars where we together go through these things..” |

Case 7: “But I think one of things a lot of ski resorts...mistakes that a lot of ski resorts make, is that they are constantly trying to redefine the brand. And they confuse their customers.”

Case 7: “You know, it’s...they have a few rough years, and they say, well this year we’re going to be a family resort. And so they take that approach, and the next year they go ‘you know, we really want those high-income couples that don’t have kids at home anymore, and have tons of money’ and so I think that’s probably the biggest mistake a lot of resorts make.”

The brand management activities in the case destinations are tactical activities intended to “stay on top” of the brand. These activities consist of annual marketing campaigns and, if necessary, adjustments to the service production process and physical infrastructure within the destination.

Our results give partial support to the conceptual model suggested by de Chernatony and Segal-Horn (2003). The brand development process originates from the corporate culture, which defines the core
values, and thereby encourages and endorses preferred forms of staff behavior. This enables management to define the service brand’s promise in terms of how to blend functional and emotional values in order to position the brand and to grow its personality. By communicating information about the service vision, the brand promise and customer expectations, staff can better understand their role as brand builders. This understanding can also be enhanced through training. Complementing this with highly co-ordinated service delivery systems and organizational processes (such as staff development) that encourage shared values, enhances the likelihood of a consistently executed services brand encounter. These key elements lie behind delivering to the consumer a match between the promised and perceived service brand, which in turn reinforces a holistic brand image on which greater consumer satisfaction depends. A long-term relationship of trust between the destination brand and the consumer informs and reinforces the community culture in which the brand and the service delivery are embedded. Some of my case destinations, the Relationals, operate according to de Chernatony and Segal-Horn’s conceptual model by, while three of my case destinations, the Adaptives, pay little or no attention to communication with staff and do not seem to relate either organizational identity building or corporate culture to brand management.

de Chernatony and Segal-Horn imply that the relational approach might produce better performance than the adaptive approach. As the purpose of this research was to identify the composite of competencies and the determinants of the context in which they emerge, my research design does not allow for a more elaborate comparison of the brands’ “success.” However, my results suggest 1) all of the case Brand Nets have created one of the “best” brands in their industry and 2) not all of them approach brand management along the lines suggested by de Chernatony and Segal-Horn. Thus, other approaches to develop a successful brand may exist.

4.1.4. Brand management organization
This study is not directed to DMOs in particular, but instead to any strategic net that is responsible for developing and sustaining the Network Brand for a ski destination.

Single-company organizations
Network Brand management in single-company organizations is organized according to the principles of a line-organization. The primary driver of brand management is the Marketing Department of the Ski Company and Resort, and Marketing Director of the company, although the role of directors of other departments and members of staff vary.
### Table 9. Description of Single-Company organizations

<table>
<thead>
<tr>
<th>CASE 5</th>
<th>CASE 6</th>
<th>CASE 7</th>
<th>CASE 9</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Branding paradigm</strong></td>
<td>Adaptive</td>
<td>Adaptive</td>
<td>Relational</td>
</tr>
<tr>
<td><strong>Organizational form</strong></td>
<td>Ltd</td>
<td>Ltd (winter brand) Resort Chamber (summer brand)</td>
<td>Ltd</td>
</tr>
<tr>
<td><strong>Brand related decision-making body</strong></td>
<td>Strategic group of the Ski Company and its parent company</td>
<td>Management of Ski Company &amp; Resort (winter brand) Board of Directors of the network organization (summer brand)</td>
<td>Management Group</td>
</tr>
<tr>
<td><strong>Members in decision-making body</strong></td>
<td>Marketing Director of the parent company, Brand manager of the Ski Company &amp; Resort, advertising agency representative</td>
<td>N/A (winter brand) Directors of network member companies (summer brand)</td>
<td>Directors of the Ski Company &amp; Resort (N=7)</td>
</tr>
<tr>
<td><strong>Activities financed by</strong></td>
<td>Ski Company &amp; Resort</td>
<td>Ski Company &amp; Resort (winter brand), Network organization (summer brand)</td>
<td>Ski Company &amp; Resort</td>
</tr>
<tr>
<td><strong>Executive body</strong></td>
<td>Marketing Department of the Ski Company (marketing communication)</td>
<td>Marketing Department of the Ski Company (winter brand), individual member companies (summer brand)</td>
<td>Marketing Department of the Ski Company (marketing communication), other departments and staff (delivery on product)</td>
</tr>
</tbody>
</table>

Changes to brands are rarely planned, but decisions concerning any adjustments to the brand identity are made at the highest level of directors in the company.

Cases 7 and 9 approach brand management in a highly similar way. The driver of brand management, marketing communication and brand monitoring is the marketing department of the Ski Company. Other parts of the organization are familiar with the brand identity, and actively participate in brand planning and delivery. Adjustments in brand identity and delivery may be initiated by monitoring systems, or from other parts of the organization. Brand-related decision-making takes place at the highest level of the organization, but in both cases the interviewees insisted that marketing communication was only one part of brand creation and management. Delivery of the brand in production processes, to which every employee in the company participates, is more important than marketing communication.
Case 7: “Branding only works when you’re behind it, when everybody believes it, and buys into it, and the entire company is delivering on that brand.”

Case 7: “We have a marketing department within the resort. And that’s basically the primary driver of the brand and marketing planning. But you know, all of the operating groups are involved. Because, everyone has to understand the brand message, and to deliver that message. …We work with ... all the operating groups to formulate the plan. To make sure what we promise is delivered, consistently. So really, our job is to work with the operating...all the different departments operating within the premises. Everybody within Case 9, including the lodging property, make sure we all are in line with our goals and objectives. And then we put the plan together, and execute the plan really from communications standpoint.”

Case 5 approaches the issue of brand management from the perspective of marketing communications writ large. Brand monitoring and marketing communication are under the authority of the marketing department, and should needs for adjustments arise, the changes are planned by the three-person Strategic Group. The team consists of the brand manager of the Ski Company & Resort, the marketing director of the parent company of the Ski Company & Resort and an advertising agency representative. Brand execution is a task of the marketing department, and all of the tools used in brand management are related to marketing communications.

Brand management in Case 6 constitutes a peculiar combination of single-company organization and network organization. Winter brand planning, management and financing are covered exclusively by the Ski Company & Resort, while the same activities for the summer brand are covered by a network organization in which the Ski Company & Resort participates. Creation and maintenance of both brands are primarily issues of marketing communication.

Cases 7 and 9 resemble relational brand management paradigm, but the approaches of Cases 5 and 6 have a strong resemblance to the adaptive brand management paradigm.

**Network organizations**

Network Brand management in Cases 1, 2, 3, 4 and 8 is the responsibility of a specific network organization. A Network Brand is developed and managed by a network of separate firms. All of the case destination networks are adopting branding techniques in an attempt to create competitive advantage, and aim to create and manage a brand which is not a brand of a single product or a company, but a brand of the network (i.e. the destination, itself). Table 10 depicts the network organizations. Table 11 below depicts the tasks and responsibilities of the network organizations.
<table>
<thead>
<tr>
<th>Organizational form</th>
<th>CASE 1</th>
<th>CASE 2</th>
<th>CASE 3</th>
<th>CASE 4</th>
<th>CASE 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Limited company, Ltd</td>
<td>• Association</td>
<td>• Association</td>
<td>• Association</td>
<td>• Chamber of Commerce</td>
<td></td>
</tr>
<tr>
<td>Objectives/mission</td>
<td>• To promote and coordinate cooperation between member companies.</td>
<td>• To promote and coordinate cooperation of companies operating within the area.</td>
<td>• To promote and coordinate cooperation of companies operating within the area.</td>
<td>• To enhance cooperation between companies operating in destination.</td>
<td>• To promote CASE8 area as a mountain resort destination with Olympic legacy and a historic past.</td>
</tr>
<tr>
<td></td>
<td>• Destination marketing. To increase attractiveness and public awareness of the Case 1 area in domestic and international markets.</td>
<td>• Destination marketing. To increase attractiveness and public awareness of the Case 2 area in domestic and international markets.</td>
<td>• Destination marketing. To increase attractiveness and public awareness of the Case 3 area in domestic and international markets.</td>
<td>• Destination with Olympic legacy and a historic past.</td>
<td>• to enhance the resort experience.</td>
</tr>
<tr>
<td></td>
<td>• To provide tourist information services and central reservation system.</td>
<td>• to be an advocate for the business community.</td>
<td>• to be an advocate for the business community.</td>
<td>• to be an advocate for the business community.</td>
<td>• to be an advocate for the business community.</td>
</tr>
<tr>
<td>Permanent staff</td>
<td>13</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>N/A &gt;1</td>
</tr>
<tr>
<td>Number of member companies</td>
<td>130 companies</td>
<td>113 companies</td>
<td>119 companies</td>
<td>60 companies</td>
<td>N/A</td>
</tr>
<tr>
<td>Proportion of members from total number of companies operating within the destination</td>
<td>N/A. Majority</td>
<td>Approx. 80% of companies</td>
<td>N/A. Majority</td>
<td>Approx 95% of total tourism revenues</td>
<td>N/A. Majority</td>
</tr>
<tr>
<td>Brand related decision-making body</td>
<td>Board of Directors of the network organization</td>
<td>Board of Directors of the network organization</td>
<td>Board of Directors of the network organization</td>
<td>Marketing team of the network organization</td>
<td>Marketing Council of the network organization</td>
</tr>
<tr>
<td>Members in decision-making body</td>
<td>7 members. Owners and highest level managers.</td>
<td>9-11 members. Owners and highest level managers.</td>
<td>10 members. Owners and highest level managers.</td>
<td>7-9 members. Owners and highest level managers.</td>
<td>11 members. Owners and highest level managers.</td>
</tr>
<tr>
<td>Activities financed by</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership fees based on</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N/A</td>
<td>• Percentage of the turnover of a company</td>
<td>• Percentage of the turnover of a company</td>
<td>• Percentage of the turnover of a company</td>
<td>• Number of rooms</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Number of rooms</td>
<td>• Percentages between business categories vary from 0,2-2,0%</td>
<td>• Percentages between business categories vary from 0,2-2,0%</td>
<td>• Square footage</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Number of travel agents</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Flat rate</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Vehicles in fleet</td>
<td></td>
</tr>
<tr>
<td>Executive body of branding</td>
<td>Permanent staff of the network organization (marketing communication), individual member companies (delivery on product)</td>
<td>Permanent staff of the network organization (marketing communication), individual member companies (delivery on product)</td>
<td>Permanent staff of the network organization (marketing communication), individual member companies (delivery on product)</td>
<td>Permanent staff of the network organization (marketing communication), individual member companies (delivery on product)</td>
<td>Permanent staff of the network organization (marketing communication).</td>
</tr>
</tbody>
</table>
Case destinations 1, 2, 3, 4 and 8 have created network organizations, destination marketing organizations (DMOs), which have similar objectives. The organizational forms vary from associations to chamber of commerce and a limited company. Despite variance in organizational form, all of the networks have a clearly defined structure and decision-making procedure, in addition to written objectives, rules and regulations.

The DMOs’ attempt to enhance co-operation within the area, are responsible for destination marketing and represent the network of companies when necessary. All DMOs have functions in addition to destination marketing, although brand management and marketing communications are stated as the most important function of the DMO.

The DMOs are permanent organizations, with permanent staffs of 2 to 13. The numbers of actors in the networks are relatively large, from 113-360. All of the DMOs have attracted majority of firms operating within the destination area, participate in its activities and to pay the annual membership fees.

The DMOs have an elected decision-making body responsible for brand management decisions. In at least three of the cases the number of votes in election processes is based on “vote/euro” principle. Thus, larger companies with higher membership fees have more votes. The decision-making bodies are comprised of the highest-level managers (owners, CEOs, marketing directors) of member companies, and of different business categories (e.g. representatives of lodging, retail, activity operators). The decision-making body in all cases is supported by implementation arm, permanent employees of the network organizations.

Most of the organizations derive their income from membership fees. In Case 1, the network organization manages the destination’s central reservation agency, and receives approximately half of its income from booking commissions, while the other half is collected from membership fees.
## Table 11. Activities of the Network Operator

<table>
<thead>
<tr>
<th></th>
<th>CASE 1</th>
<th>CASE 2</th>
<th>CASE 3</th>
<th>CASE 4</th>
<th>CASE 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manages destination brand</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Executes destination marketing communication campaigns</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Manages internal communication within the network (e.g. newsletters etc.)</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Arranges regular meeting between members</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Manages internal transportation systems (e.g. Ski-bus)</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Arranges and coordinates events</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Manages tourism information services</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Manages central reservation system of the destination</td>
<td>Yes</td>
<td>No</td>
<td>N/A</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Manages the www-site of the destination</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Organizes training for member companies</td>
<td>Yes</td>
<td>No. Planned</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Coordinates a common quality development programme within the network.</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>N/A</td>
</tr>
<tr>
<td>Performs surveys and other information collection, manages destination statistics.</td>
<td>Yes</td>
<td>N/A</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Articulates the interests of the network to public sector actors.</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

All of the DMOs manage their respective destination brands, and plan and execute marketing communication campaigns of their destinations. All of the DMOs coordinate internal communication within the destination through various forms of newsletters, briefings, and regular meetings for the members. All DMOs are also advocates of the network when dealing with issues of common interest with external actors, such as regional government or airlines. Four out of five cases arrange training for the employees of the network member firms, while the fifth is currently planning to start its employee training programs. All of the case DMOs gather market, statistics, and other kinds of information.
Most of the DMOs also manage other issues of general interest, including trail system development and maintenance, internal transport system (ski-bus), event organizing, tourism information services and the destination’s central reservation system.

4.1.5. Brand planning process, participants and execution

The following section describes and summarizes the brand planning and execution processes in case ski destinations, and depicts the participants of the activities and their roles. It also describes the difficulties faced in brand planning and execution, as identified by the respondents. The two organizational approaches, Single-company organization (SCO) and Network Organization (NEO) are discussed separately.

Brand planning process, participants and execution in Single-company organizations

Destination brand planning is performed solely by the Ski Company & Resort in Cases 5, 6, 7, and 9. The participants and their roles in brand planning and execution in these four case ski destinations are summarized in Table 12 below.

<table>
<thead>
<tr>
<th>Table 12. Participants and roles of brand planning and execution. Single-company organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Planning process and participants</strong></td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td><strong>CASE 5</strong></td>
</tr>
<tr>
<td>Brand identity planning rare, brand management focus on marketing communication planning.</td>
</tr>
<tr>
<td><strong>Participants and roles</strong></td>
</tr>
<tr>
<td>Continuous monitoring performed by Brand Manager.</td>
</tr>
<tr>
<td>When anomalies occur, planning performed by a Strategic Group:</td>
</tr>
<tr>
<td>Strategic Group members: Brand Manager of the Ski Company &amp; Resort, Marketing Director of the parent company, advertising agency representative</td>
</tr>
<tr>
<td>Other stakeholders if necessary (e.g. General Manager or product managers of the Ski Company &amp; Resort)</td>
</tr>
<tr>
<td><strong>CASE 6</strong></td>
</tr>
<tr>
<td>Winter</td>
</tr>
<tr>
<td>Brand identity planning rare, brand management focus marketing communication planning.</td>
</tr>
<tr>
<td>Winter brand managed by the Ski Company &amp; Resort.</td>
</tr>
<tr>
<td>Marketing campaigns planned by the marketing department of the Ski Company &amp; Resort.</td>
</tr>
<tr>
<td><strong>Summer</strong></td>
</tr>
<tr>
<td>Summer brand managed by a network organization, the Resort Chamber.</td>
</tr>
<tr>
<td>Planning and decision-making by Marketing Board of Resort Chamber.</td>
</tr>
<tr>
<td>Marketing Board members; permanent Ski Company</td>
</tr>
</tbody>
</table>
representative, 8 biannually selected members of the business community
• Summer brand planning performed by Marketing Board in monthly meetings.

CASE 7
• Brand identity planning rare, brand management focus on planning delivery of the brand in service encounters, physical infrastructure and marketing communication.

Participants and roles
• Marketing dept the primary driver of the brand and marketing planning.
• Interactive process. All operating groups involved in the formulation of annual plans
• Decision making in senior manager level.

• Brand is executed by ensuring the delivery of the brand in all activities of the company.
• Brand management closely related to production process management.
• “Keepers of the culture” as well as the whole staff participate in monitoring the delivery of the brand in service production.
• If problems occur, the issues will be discussed in weekly directors meeting, and approaches to solve problems are decided.

CASE 9
• Brand identity planning rare, brand management focus on planning delivery of the brand in service encounters, physical infrastructure and marketing communication.

Participants and roles
• Marketing dept the primary driver of the brand and marketing planning.
• Interactive process. All operating groups involved in the formulation of annual plans
• Decision making in senior manager level.

Activities
• Plan set up from communications and messaging standpoint, followed by formulating operations plan.
• Plans presented to the whole company before execution
• Plans executed from communications standpoint and operations standpoint.

• Marketing department executes external communication
• All departments, all employees participate in “delivering the promise.”

All of the four case destinations have strong brand personalities and positioning, and changes to the brand are rarely planned. The focus of brand-related planning is in execution of the brand through marketing communications and for two of the resorts (Cases 7 and 9) in ensuring the delivery of the brand in the processes and physical setting of the Ski Company & Resort.

The conceptualization of “a brand” seem to have an effect on the brand planning and execution process and participants. As discussed above, the conceptualization of “a brand” of Cases 7 and 9 may be categorized to relational brand paradigm. For them brand management appears as an ongoing dynamic process, in which brand value and meaning are co-created through interlocking behaviors and collaboration between organization and consumers (Putnam, Phillips & Chapman, 1996). Accordingly the two destinations emphasize the role of the staff in translating the brand from plans to reality.
Case 7 “Branding only works when you’re behind it, when everybody believes it, and buys into it, and the entire company is delivering on that brand. And I think that that’s the thing that, if there is a process that’s ongoing, the directors meet weekly, any sort of customer service issues, any sort of..”

Case 9 “Really the issue [in successful brand management] is..to be able to effectively communicate to everyone [within the organization]. Once we establish the brand, it’s really to make sure that everybody understands.. so that everybody understands the plan..so that it eventually hits the front line.”

Cases 5 and 6 conceptualize “a brand” along the lines of adaptive paradigm, and are stressing the role of consumers as central conductors of brand meaning, while paying little attention to the role of the organization. Brand management is enacted as a tactical process in which adaptation to consumers’ representations of the focal brand; brand image gradually displaces brand identity. Brand image appears to be the core theme underlying external communication and frames the specification of brand’s elements and its supporting marketing program. Accordingly, brand management in Cases 5 and 6 is primarily handled by the marketing department through marketing communications.

Case 6 is a fascinating case of the organization of brand management. The winter brand is managed by the Ski Company & Resort alone, while the summer brand is managed by a network organization, comprising the larger business community operating in the Case 6 area. Because of the nature of the data, there are no conclusive explanations for the dual approach towards organizational arrangements of brand management. One possible explanation might be related to the importance of the ski product, and therefore to the relative power of the Ski Company, in the winter brand. Most of the annual turnover of the destination is derived from the winter product. By exercising significant control over the skiing element of the total product offering, the Ski Company & Resort has a powerful position within the network of operators during the winter, while during the summer other elements of the product become more central, thus empowering other network actors.

Although other companies operating within the destination do not participate in brand planning or management, Cases 5 and 6 attempt to increase the commitment of the business community to the destination brand through active communication, sharing information about the brand identity (e.g. seminars held for other stakeholders), sharing market-information and by offering brand-related marketing material (e.g. visual material, images, the logo etc) for the other network members.

Cases 5 and 6 (Adaptives, thus emphasizing the role of marketing communication in brand development) pay attention to the activities and interests of the other companies in the area, and encourage them to use the brand by offering guidelines and visual material and by assisting the community by information sharing.
Case 5: “There’s not really a strong resistance. What it is is lack of understanding. So we have regular presentations with these people, because the business owners change hands all the time. New staff come in. And I think the obvious way to market is to market functionality. And people who are not tuned to brand health and marketing cant quite understand what we are doing. So it’s just a matter of explaining why we do it. Putting a good rational behind it and its very rational argument. And then that.. misunderstanding is corrected.”

Case 5 “ we try and make imagery available to...we make imagery available to the whole industry, so that we have this image turning up in all the other hotels brochures as well. So we can have constant imagery.”

Cases 7 and 9 have adopted the perspective of relational branding paradigm and thus emphasize the role of both customers and the organization in creating the brand. However, their understanding of the organization is limited to the Ski Company & Resort and they pay little if any attention to the other companies operating within the destination.

Difficulties faced in brand planning and implementation in these four case destinations are presented in Table 13.
| Table 13. Difficulties and challenges faced in brand planning and execution. |
|-----------------------------|------------------------------------------------|
|                            | Single-company organizations                   |
| Planning process and participants | Execution                                |
| **CASE 5**                 | • Lack of marketing knowledge within the network. Willingness of the network to focus on functionalities (as opposed to experiential elements) |
|                            | "the way that we market with the brand, using the brand positioning as the key focus of our marketing...sometimes isn't...the community doesn’t necessarily understand the reasoning behind that. ... There’s not really a strong resistance [within the network]. What it is is lack of understanding. So we have regular presentations with these people, because the business owners change hands all the time. New staff come in."
|                            | "the community doesn’t necessarily understand the reasoning behind that. They cant see why we are not there showing that we’ve got fabulous skiing, they cant see that a strong brand personality will stand us apart from other resorts. They feel that we should be arguing on functionality rather than personality. " |
|                            | • The destination evolved and became disparate in visual branding. |
|                            | "And what we had discovered was that we had become disparate in our visual branding. We were very true to our positioning and personality...well that's not true..we were true to our positioning, but we had become quite disparate in terms of our visual brand. And that was from using different graphics companies over the years..and also the advertising agency not being strong on carrying through the brand in all the aspects of the brand."
| **CASE 6**                 | • Diverse clientele results in difficulty in incorporating in one message |
|                            | • Disagreements in the network about strategic choices concerning target markets. |
|                            | "So we have a very diverse clientele. And so we have to market to a very diverse clientele. And we have over the last 10 years developed quite a following with xx culture, snowboarding and that sort of thing.. And there’s not always agreement in the community, that the town wants to do that in the same level as the resort [Ski Company and Resort] does."
|                            | • Difficult to manage messages due to diversifies clientele |
|                            | “Sometimes when you’re marketing..you know, maybe segmenting your message, sometimes that’s a little bit difficult to control.”
| **CASE 7**                 | • Willingness of the organization to focus on functionalities in marketing communication (as opposed to experiential elements) |
|                            | "so instead of sort of being very factual, we as a marketing division trying, you know.. So what’s gonna make the customer, when they are reading this advertisement or this copy, wanna come? And it isn’t 75 lifts, you know, that’s all just fact. So we get caught of a lot in our own regime, and even our GM sometimes, ‘we’re putting in two lifts. Shouldn’t we talk about it?’, and I go ‘Everybody’s putting in two lifts’. You know, that’s not why they’re coming on vacation. They’re coming on vacation to be with their families, you know, create some memories, you know, get away from the craziness of life. That’s why they’re picking us, not because we’re putting two new lifts.” |
|                            | • Minor challenges in advertising or marketing messaging |
| **CASE 9**                 | Shift in consumer behavior, threatened to make the brand less appealing to a part of the target market. |
|                            | No difficulties/challenges have occurred |

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The challenges of brand planning and execution by the case destinations are related to difficulties in understanding the concept and purpose of branding (Cases 5, 6 and 7), changes in the operating environment leading to needs to modify the brand (Cases 5 and 9), and to other challenges in advertising and marketing messaging (Cases 6 and 7).

**Brand planning process, participants and execution in Network Organizations**

Table 14. Participants and roles of brand planning and execution.

<table>
<thead>
<tr>
<th>Network Organizations</th>
<th>Planning participants and roles</th>
<th>Execution participants and roles</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASE 1</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Brand identity planning rare. Brand management focus on development of the product (services and physical elements of the product) in order to ensure delivery of the brand in the product.</td>
<td>Participants and roles</td>
</tr>
<tr>
<td></td>
<td><strong>Participants and roles</strong></td>
<td>• Permanent organization of the DMO coordinates all co-operative activities within the network.</td>
</tr>
<tr>
<td></td>
<td>• Brand management responsibility of the DMO, marketing arm of the network.</td>
<td>• Directors of individual member companies advocate the brand within their companies.</td>
</tr>
<tr>
<td></td>
<td>• Monitoring and decision-making preliminaries by permanent staff of the DMO</td>
<td>• All companies, all employees participate in “delivering the promise.”</td>
</tr>
<tr>
<td></td>
<td>• Decision making in Board of Directors of the DMO.</td>
<td>Activities</td>
</tr>
<tr>
<td></td>
<td>• Advertising agency providing input to brand planning from communications standpoint.</td>
<td>• The DMO executes the brand in destination marketing campaigns, coordinates trade-shows, manages www-site and produces destination brochures with ad agency.</td>
</tr>
<tr>
<td></td>
<td><strong>Activities</strong></td>
<td>• The DMO executes internal marketing (e.g. newsletters etc) directed to senior level management of the network.</td>
</tr>
<tr>
<td></td>
<td>• Biannual planning events of Board of Directors and ad agency, organized by the DMO.</td>
<td>• The DMO coordinates destination development activities.</td>
</tr>
<tr>
<td></td>
<td>• The DMO coordinates monthly meetings with subgroups of network members (accommodation and sales meetings, activity operator meetings, maintenance service meetings). Not directly brand planning events, still have a significant impact on the CASE 1 brand.</td>
<td>• The DMO executes common employee training annually for the staff of member companies.</td>
</tr>
<tr>
<td></td>
<td><strong>Participants and roles</strong></td>
<td>• The DMO coordinates a common quality development programme within the network.</td>
</tr>
<tr>
<td></td>
<td>• Directors of individual member companies advocate the brand within their companies.</td>
<td>• The DMO controls the use of CASE 1 logo.</td>
</tr>
<tr>
<td></td>
<td>• All companies, all employees participate in “delivering the promise.”</td>
<td>Individual member companies utilize the brand identity in their activities as they see fit.</td>
</tr>
<tr>
<td></td>
<td><strong>Activities</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Monthly meetings of the marketing team focus on monitoring, short term planning and campaign execution management.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Strategic planning meetings for the whole network concerning the brand held annually.</td>
<td></td>
</tr>
</tbody>
</table>

**CASE 2**

- Brand identity planning rare. Brand management focus on planning internal marketing within the network.

**Participants and roles**
- Brand management responsibility of the DMO, marketing arm of the network.
- Monitoring and decision-making preliminaries by permanent staff of the DMO.
- Decision making in the marketing team of the DMO. Marketing team constituted of annually elected managers of member companies.

**Activities**
- Monthly meetings of the marketing team focus on monitoring, short term planning and campaign execution management.
- Strategic planning meetings for the whole network concerning the brand held annually.

**Participants and roles**
- The marketing Team of the DMO coordinates marketing communication activities.
- Directors of individual member companies advocate the brand within their companies.
- All companies, all employees participate in “delivering the promise.”

**Activities**
- Tactical level external marketing communication activities outsourced to a marketing agency, which utilizes the brand in all external communication.
- The Marketing Team executes internal marketing (e.g. newsletters etc) directed to senior level management of the network.
- Individual member companies utilize the brand identity in their activities as they see fit.
### CASE 3

- Brand identity planning rare, brand management focus on planning delivery of the brand in service encounters, physical infrastructure and marketing communication.

**Participants and roles**
- Monitoring and decision-making preliminaries by permanent staff of the DMO.
- Decision making in the marketing team of the DMO. Marketing team constituted of highest level managers of member companies. Chaired by the CEO of the Ski Company & Resort.
- Advertising agency providing input to brand planning from communications standpoint.

**Activities**
- Monthly meetings of the marketing team focus on monitoring, short term planning and campaign execution management.
- Strategic planning meetings for the whole network concerning the brand held annually.

### CASE 4

- Brand identity planning rare, brand management focus on planning delivery of the brand in service encounters, physical infrastructure and marketing communication.

**Participants and roles**
- Decision-making preliminaries by the CEO of the Ski Company & Resort (also Chairman of the Board of Directors and the Chairman of the Marketing Team), ad agency representative and the executive manager of the DMO.
- Decision making in the Board of Directors of the DMO. Constituted of highest level managers of member companies. Chaired by the CEO of the Ski Company & Resort.
- Advertising agency providing input to brand planning from communications standpoint.

**Activities**
- Monthly meetings of the Board of Directors focus on monitoring, short term planning and campaign execution management.

---

### Participants and roles

- Permanent organization of the DMO coordinates all co-operative activities within the network.
- Presidents of individual member companies advocate the brand within their companies.
- All companies, all employees participate in “delivering the promise.”

**Activities**
- The DMO executes destination marketing campaigns, coordinates trade-show presentations, manages www-site and produces destination brochures with ad agency.
- The DMO coordinates destination development activities.
- The DMO executes internal marketing (e.g. newsletters, discussion forums, kick-off events in the beginning of season etc) directed to senior level management of the network.
- The DMO executes common employee training for the staff of member companies.
- The DMO controls the use of Case 3 logo.
- The Ski Company produces brand-related side-products.
- The DMO coordinates a common quality development programme within the network.
- The DMO negotiates brand alliances with high quality brands outside tourism industry.
- The DMO attempts to increase commitment of the network member companies towards the brand by constant information distribution.

- Individual member companies utilize the brand identity in their activities as they see fit.

---

### Participants and roles

- Permanent staff of the DMO coordinates all co-operative activities within the network.
- Presidents of individual member companies advocate the brand within their companies.
- All companies, all employees participate in “delivering the promise.”

**Activities**
- The DMO executes the brand in destination marketing campaigns, coordinates trade-show presentations, manages www-site and produces destination brochures with ad agency.
- The DMO coordinates destination development activities.
- The DMO executes internal marketing (e.g. newsletters, discussion forums, kick-off events in the beginning of season etc) directed to senior level management of the network.
- The DMO executes common employee training for the staff of member companies.
- The DMO controls the use of Case 4 logo.
- The DMO attempts to increase commitment of the network member companies towards the brand by constant information distribution.

- Individual member companies utilize the brand identity in their activities as they see fit.
All of the five case destinations have well-established brand identities, and changes to the brand identity are rare. The focus of brand-related planning is in the execution of the brand through marketing communications and for four of the resorts (Cases 1, 2, 3 and 4) in ensuring the delivery of the brand in the processes and physical setting of the Brand Net companies.

The conceptualization of “a brand” seems to have an effect on the brand planning and execution process and participants. For Cases 1, 2, 3 and 4 brand management is an ongoing dynamic process, in which brand value and meaning are co-created through interlocking behaviors and collaboration between organization and consumers. The four destinations strongly emphasize the role of the staff in the realization of the brand. The approach of these four cases resembles the relational brand paradigm.

Case 8 in contrast, stresses the role of consumers as central conductors of brand meaning, while largely ignoring the role of the organization. Brand management is enacted as a tactical process in which adaptation to consumers’ representations of the focal brand image gradually displaces brand identity. Brand image appears to be the core theme behind external communication and frames the specification of brand’s elements and its marketing program. Brand management in Case 8 is primarily handled by the Marketing Council and staff of the DMO and by the individual member companies. This approach appears to be close to adaptive brand management paradigm.

All brand management decisions are negotiated in all cases in regular, typically at monthly meetings with most senior managers of selected member companies. Decisions are then executed by the DMO, either by itself or in collaboration with member companies.
Difficulties faced in brand planning and implementation in these five case destinations are presented in Table 15.

<table>
<thead>
<tr>
<th></th>
<th>Planning process and participants</th>
<th>Execution</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASE 1</strong></td>
<td>• Seasonality, low summer brand awareness.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Price-image. Consumers perception of CASE 1 as being more expensive than it is.</td>
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<tr>
<td></td>
<td>• Number of stakeholders and their limited time-resources make it difficult to organize planning events.</td>
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<tr>
<td></td>
<td>• Number of stakeholders and limited time-resources lead to difficulties in taking all members aboard in planning, to organizing training programmes and to information distribution.</td>
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<tr>
<td></td>
<td>• Varying quality levels within the network lead to heterogenic quality of vacation experience</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Difficulties in incorporating different seasons into one main brand.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Challenges in increasing the commitment of seasonal workforce to the brand.</td>
<td></td>
</tr>
<tr>
<td><strong>CASE 2</strong></td>
<td>Large number of member organizations, varying objectives and target segments, different operating cultures and independent decision-making in member organizations lead to</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Challenges in reaching coherent understanding of the Case 2 brand</td>
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<tr>
<td></td>
<td>• Challenges in increasing the willingness of member companies to implement the brand in their processes.</td>
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<tr>
<td></td>
<td>• Challenges in getting staff in all member companies to implement the brand, to &quot;live&quot; the brand in a consistent way.</td>
<td>thus leading to challenges in delivering coherent vacation experience.</td>
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<tr>
<td></td>
<td>• Limited financial resources</td>
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<tr>
<td><strong>CASE 3</strong></td>
<td>• Resistance to changes, holdouts within the network.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Expansion of the product offering from winter to year-round and changes in the core product experience (seasonality, brand alliance 2002) lead to increased complexity of decision making and complicates attempts to define core promise.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Strategic decision to expand focus to include international markets</td>
<td></td>
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<tr>
<td></td>
<td>• Insecure continuity of funding</td>
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<tr>
<td></td>
<td>• Disagreements concerning the visibility of individual companies in Case 3 marketing activities.</td>
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</tr>
<tr>
<td></td>
<td>• Varying quality levels within the network lead to heterogenic quality of vacation experience</td>
<td></td>
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<tr>
<td></td>
<td>• Scarcity of marketing know-how in the network</td>
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<td></td>
<td>• Strict controlling of the use of case 3 logo has created discord within the network.</td>
<td></td>
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<tr>
<td><strong>CASE 4</strong></td>
<td>• Scarcity of brand management experience within the network</td>
<td></td>
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<tr>
<td></td>
<td>• Scarcity of time and financial resources for brand planning</td>
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<tr>
<td></td>
<td>• The risk of brand alliance diluting the original Case 4 brand.</td>
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<tr>
<td></td>
<td>• Political pressures enforcing the creation of brand alliance. (to become eligible for public funding).</td>
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<tr>
<td></td>
<td>• Difficulties in communicating the brand to network members</td>
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<tr>
<td></td>
<td>• Lack of community feeling, opportunism, participation rate occasionally low.</td>
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<tr>
<td></td>
<td>• Lack of vision within the network</td>
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<tr>
<td></td>
<td>• Difficulties in interpersonal communication.</td>
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<tr>
<td></td>
<td>• Hidden opposition to changes within the network.</td>
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</tr>
<tr>
<td></td>
<td>• Overcautious participation, unwillingness to participate and perform. &quot;When you do nothing, you don’t do mistakes&quot;</td>
<td></td>
</tr>
<tr>
<td><strong>CASE 8</strong></td>
<td>• Minor difficulties in identifying prospective customers for focus groups in market research.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Large number of stakeholders and scarcity of marketing knowledge within the network increased the risk of excessive consensus building and compromising the clarity of brand positioning.</td>
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</tbody>
</table>

In general, the large number of actors within the Brand Net creates numerous challenges. Difficulties in communicating the brand to member companies, increasing the commitment of the staff of the member companies, scarcity of marketing and brand management expertise, and the lack of time and money are the most often-cited obstacles to brand planning and implementation.
These issues have direct relevance to Network Brand Management Competencies. These findings were also utilized in identifying key competence requirements, and are elaborated in Section 5, “Analysis of Network Brand Management Competencies.”

4.1.6. Brand performance

This section starts by describing the methods used in the case ski destinations to monitor brand performance, and continues by describing the respondents’ opinions of ideal brand performance monitoring methods.

Current monitoring

The case destinations use multiple methods in assessing brand performance. Table 16 presents monitoring methods that were raised by the interviewees when they were asked how the performance of their brand was being monitored. Dots in the table mean that a particular performance monitoring method has been cited. It is highly probable that continuous tracking of business volumes, and perhaps some other methods as well, takes place in all case destinations, but only Case 8 and Case 6 relate this to brand performance.

| Table 16. Brand performance monitoring methods used by the case destinations |
|--------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Annual quantitative market research performed by a third party (Ski Magazine, Taloustutkimus, omnibus) | CASE1 | CASE2 | CASE3 | CASE4 | CASE5 | CASE6 | CASE7 | CASE8 | CASE9 |
| Qualitative brand image research (focus groups, consumers who have and who have not visited) | No | No | Yes. Every 2nd year | Yes. Every 2nd year | Yes | Yes | Yes. Every 3-4 years | Yes. Every 4th year | Yes. Every 2nd year |
| Constant on-site customer satisfaction surveys (utilization of services and satisfaction) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Visitor surveys (demographics etc) | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Post campaign research | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Managers monitoring that the brand is delivered in activities | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Continuous tracking of business volumes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Ad hoc research in co-operation with third parties (e.g. university) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Product development related research | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |

| Background information |
|------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Branding paradigm (Relational = R, Adaptive = A) | R | R | R | R | A | A | R | A | R |
| Organizational form | NEO | NEO | NEO | NEO | SCO | SCO | SCO | NEO | SCO |
The match between brand identity and brand image is monitored by qualitative brand research, focus groups, including both visitors and non-visitors. Brand performance relative to competitors is monitored through annual market research performed by independent research entities (i.e. Ski Magazine, Hiihtokeskustutkimus). The use of different services within the destination as well as customer satisfaction are constantly monitored through on-site surveys. In addition to these three common methods of monitoring brand performance, visitor surveys focusing on demographics, post-campaign analyses after main marketing communication campaigns are used to assess brand performance. Some destinations mentioned using day-to-day managerial supervision, constant tracking of business volumes and ad hoc research with educational institutions to monitor brand performance.

The paradigmatic approach to brand management (i.e. adaptive - relational) and organizational differences (i.e. SCO’s - NEOs) between the case destinations indicates that differences in performance monitoring methods between categories might occur. For instance, Louro and Cunha (2001) suggest that the “adaptives” should pay more attention to customers’ perceptions, whereas the “relationals” should be more concerned with process-based brand performance metrics, perhaps in line with Kaplan and Norton’s Balanced Scorecard (see e.g. Louro & Cunha, 2001), and bringing the organization’s end of the relationship into the performance measurement metrics. Also, as the locus of brand creation in relational paradigm is in the dialogue between a customer and service organization, operating in a network context implies that the dialogue is performed between one customer and a number of individual companies (e.g. restaurants, accommodation providers) operating within the destination. This suggests, that in order to manage the brand, it might be important to measure the similarity of brand identities advocated in these individual companies: measure the perceptions of the staff of different companies and assess the coherence of the images held by different companies and the match between these brand images and the brand identity of the whole destination.

However, these differences, postulated by the service and brand management theories, did not appear in the current cases. Neither the adaptive-relational approach to brand management nor the SCO-NEO organizational structure of brand management seem to affect the brand performance monitoring methods used in the case destinations. Most of the methods used for brand performance monitoring focus on the perception of the consumers. Case destinations whose conceptualization of a brand emphasizes the role of the organization in co-creation of the brand (i.e. “relationals”) have adopted monitoring methods that are relevant for adaptive brand paradigm. One possible interpretation of this result is the emergence of service brand management in the late 1980s- early 1990s and then the emergence of relational brand management in the late 1990s in the academic literature and in business practices (Section 2.1.1). As result, the development of performance metrics has not yet been established in day-to-day business practices. Another interpretation pertains to the availability of
packaged monitoring methods and services, which were originally developed to measure the performance of FMCG brands.

**Ideal brand performance monitoring**

The interviewees were asked to propose “ideal” brand performance monitoring metrics in addition to their current ones. These metrics are presented in Table 17.

<table>
<thead>
<tr>
<th>Table 17. Ideal brand performance monitoring metrics</th>
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</thead>
<tbody>
<tr>
<td>CASE 1</td>
</tr>
<tr>
<td>Match between brand image and brand identity</td>
</tr>
<tr>
<td>Intention to travel/return ratio</td>
</tr>
<tr>
<td>Values that the Consumer attaches to the brand. Perception of quality. Number of positives and negatives.</td>
</tr>
<tr>
<td>Brand awareness</td>
</tr>
<tr>
<td>Ability to attract co-operation partners. Co-branding.</td>
</tr>
<tr>
<td>Consumers’ willingness to relate to the brand. For instance willingness to wear or use items with a visible logo. Turnover of branded by-products</td>
</tr>
<tr>
<td>Unprompted brand recall</td>
</tr>
<tr>
<td>Profit and revenues</td>
</tr>
<tr>
<td>Comparing overall performance of the organization with competing organizations</td>
</tr>
<tr>
<td>Background information</td>
</tr>
<tr>
<td>Branding paradigm (Relational = R, Adaptive = A)</td>
</tr>
<tr>
<td>Organizational form</td>
</tr>
</tbody>
</table>

When interpreting Table 17, one should take into account differences in current monitoring arrangements. Most of the case destinations already assess values that the consumers attach to their brands, and thus do not bring this forward again when asked to describe ideal brand performance metrics. Thus, ideal brand performance metrics might be a combination of Tables 16 and 17.

Case 5: “And then I guess the other thing that you’d try to measure is the brand positioning and personality that you are thinking that you are portraying, marketing, and the perception of the marketplace as to what the brand position and personality is. You know, if they are close together then you’ve got, you know, a good strong brand. But if they weren’t then you have to have a look at that.”
Case 7: “How should the performance of a ski resort brand be measured? Once again. It’s research and it’s making sure there’s no disconnect with your customer. And then evaluating your own performance to your competitors performance… Once again, the success of your company, I guess.”

Case 6: “Q: How should the performance of a brand be monitored in an ideal world?  
A: I think that a) in business volumes and then you can watch you’re return ratio and …Because when people are returning to your resort, then you have delivered what you said you were. So that’s probably the best measure. “

4.2. Classification framework of approaches to Network Brand management in ski destinations

My analysis of the case destinations identified the participants of brand planning in case destinations, the respondents’ definitions of “a brand,” brand identity, focus of brand management, brand management organization, brand planning and implementation process and brand performance monitoring. In the analysis of Network Brands of Ski Destinations, two classifying variables were identified, which differentiate the case destinations from each other. As this classification will be used in the following analysis, a classification framework was developed. In this section I summarize some key points presented in this chapter and present my classification framework of case destinations in Table 18.

Even though all case destinations operate in relatively similar settings in terms of size and number of individual companies, the study has found, that power structures in relation to brand management as well as paradigmatic approach to brand management varied significantly among the case destinations.

In my analysis I identified two classifying variables. Firstly, the case destinations may be classified according to the number of companies participating in the brand management of the ski destinations. In five cases, the destinations brand management function was a responsibility of a separate network organization, within which decision-making took place in co-operative processes between 70-95% of all companies operating within the case destination. In the other four case destinations the brand management function is largely in the hands of one single company, typically the largest in the area, while other companies have little or no influence over brand-related decision-making outside of their individual firms. As discussed in Section 4.1.4. the latter group consists of single-company organizations (SCO) and the first group consists of Network organizations (NEO).

The other classifying variable is the understanding of a brand, and accordingly the approach to brand management. The brand management paradigms were discussed in Section 2.1.3(Branding Paradigms).
The other classifying variable identified in my analysis was the understanding of a brand, and the approach to brand management. Several differences between the “Adaptives” and “Relationals,” were discussed in this chapter. The key differences between the two approaches were a conceptual understanding of a brand, strategic orientation of brand management and understanding of stakeholders of brand management. These points are discussed below.

**Conceptual understanding of a brand**

Firstly, there appears to be a difference between the two groups of case destinations in the conceptualization of a brand. The “Adaptives” (Cases 5, 6 and 6) focus on the customer and customer perception, and emphasize the role of marketing communication in the development of a perception in the mind of the consumer perception of the product. The “Adaptives” stress the role of consumers as central conductors of brand meaning, while paying little attention to the role of the organization. Brand image appears to be the core theme behind external communication and frames the specification of brand’s elements and its supporting marketing program. Like the “Adaptives,” the “Relationals” (Cases 1, 2, 3, 4, 7, and 9) regard the brand as a perception in the minds of the consumers, and as a promise made by the marketer, but pay less attention to marketing communication than to the interaction between consumers and service producers in the service encounters. The “Relationals” emphasize the role of both customers and the organization in creating the brand. For the “Relational” case destination brand management is an ongoing dynamic process, in which brand value and meaning are co-created through interlocking behaviors and collaboration between the organization (all network network member organization in the case of NEOs) and consumers. Accordingly the six “Relational” case destinations emphasize the role of the staff in making the brand a reality.

**Strategic orientation: External vs. external and internal**

Secondly, a difference was identified in the strategic orientation of brand management. De Chernatony and Segal-Horn (2001) proposed a service brand development process model (Section 2.1.5”), which emphasizes the relational aspect, the role of employees and shared co-created values in brand development. Their model proposes key elements that lie behind delivering to the consumer a match between the promised and perceived service brand, which in turn reinforces a holistic brand image on which consumer satisfaction depends. A long-term relationship of trust between services brand and the consumer informs and reinforces the corporate culture in which the brand and the service delivery are embedded. The “Relationals,” approach brand management following the conceptual model of y de Chernatony and Segal-Horn (2001), and clearly have both external and internal strategic orientations. In contrast, the “Adaptives” pay scant attention to communication with staff and seemingly do relate neither organizational identity building nor corporate culture to brand management.
Thirdly, a difference was noted in participants of brand management. The “Adaptives” approach brand management by highlighting the marketing communications perspective. Brand execution is a responsibility of the marketing department, and most of the tools used in brand management are related to marketing communications. For the “Relationals” the marketing department or DMO is in charge of marketing communication and brand monitoring. Attempts are made to keep other parts (network member organizations, other operational divisions) of the organization familiar with the brand identity, and to participate in brand planning and delivery. Initiatives to adjustments in brand identity and delivery may be derived from consistent monitoring systems, or may be presented by other parts of the organization. In all “Relational” case destinations brand-related decision-making takes place in the highest levels of the organization, but the interviewees representing “Relational” case destinations state that marketing communication is only one part of brand creation and management. Delivery of the brand in production processes, in which every employee in the company participates, is more important than marketing communication.

The brand management paradigms were discussed in Section 2.1.3. The conceptualizations of “a brand” and the approach to brand management of six case destinations is similar to the relational brand management paradigm, whereas the approaches of the other three bear a strong resemblance to the adaptive brand management paradigm.

Thus, the case destinations fall into four categories according to the described variables:

| Table 18. Classification framework of approaches to Network Brand Management in ski destinations |
|---------------------------------|---------------------------------|
| Relational paradigm              | Adaptive paradigm              |
| Network organization (NEO)       | • Case 1                       | • Case 8                      |
|                                 | • Case 2                       |                              |
|                                 | • Case 3                       |                              |
|                                 | • Case 4                       |                              |
| Single company (SCO)             | • Case 7                       | • Case 5                      |
|                                 | • Case 9                       | • Case 6                      |

A question related to this categorization is the purity of categories: whether they are categories or perhaps more like continuums. The organizational form is clearly a category, as the cases manage Network Brands either through a network organization, formed by a number of independent companies and other actors, or by a single company. The approach to brand management is conceptually more complex, and raises the question of whether some cases adopt elements of both approaches. However, the cases in this study fall clearly into two categories.
An interesting feature of the classification emerges in Case 5. Although the current brand management practices, processes and organization clearly place it into the SCO and Adaptive categories, the case destination appears to be in transition to both the Relational and the NEO approaches. Some evidence about this transition is apparent in Section 4.1.3 and in the analysis below.

In the following chapter I use the abbreviations NR (Network organization – Relational paradigm; Cases 1, 2, 3 and 4), SR (Single company-relational paradigm; Cases 7 and 9), NA (Network organization-Adaptive paradigm; Case 8) and SA (Single company-adaptive paradigm; Cases 5 and 6) to refer to the four classes identified in Table 17.

I also use the word “Relationals” to refer to cases in the middle column (Cases 1, 2, 3, 4, 7 and 9) and “Adaptives” to refer to cases in the right-end column (Cases 8, 5 and 6). Similarly I use abbreviation NEOs to refer to cases which have adopted the network form of organizing brand management (Cases 1,2,3,4 and 8), and the abbreviation SCOs to refer to cases within which the brand is managed by one single company (Cases 7, 9, 5 and 6).
5. Analysis of Network Brand Management Competencies

This chapter analyzes Network Brand Management Competencies. The chapter starts examining the competencies that this study identified as key requirements for developing and sustaining a successful Network Brand of ski destinations. These competencies are then compared to those in earlier academic findings. The chapter then explores the relationship between the occurrence of competencies in case destinations and the Classification Framework of Approaches to Network Brand management in ski destinations. The chapter ends by presenting two key results: a Framework of Network Brand Management Competencies and a Contingency Model of Network Brand Management Competencies.

5.1. Description of Competencies

Competence is an organization’s ability to sustain coordinated deployments of resources and capabilities in ways that enable a firm to achieve its goals. This definition is consistent with the competence perspective (Sanchez, 2003) of strategic management. In my terminology, skills are the aptitudes of individuals to perform specific tasks, abilities are repeatable patterns of action that groups can perform in using resources and skills and competencies are the aptitudes of an organization to deploy and coordinate its abilities in pursuing its goals. In other words, a competence is derived from a set of interrelated abilities.

The analysis of the data revealed 34 abilities, which are suggested to be essential in developing successful Network Brands in the context of ski destinations. These 34 abilities are overlapping and were interpreted to represent different facets of a smaller number of competencies. The abilities were grouped into twelve categories, which are proposed to be the 12 core competencies of creating and sustaining Network Brands in the context of skiing destinations.

The identified competencies and abilities are listed below, and then discussed in the following sections. The identification of competencies was based on samples of text. The evidence is made transparent for the reader by providing quotations from the interviewees. In order to highlight some elements of the quotes, considered as particularly important, emphasis has been added. All names have been masked, by using generic names (e.g. Case 4) written in capitals. In order to assist the reader in capturing the meaning, metaphors are used to simplify and to emphasize some core characteristics.
The competencies are not listed in order of importance. Instead, the competencies in the process of developing a brand are listed in rough chronological order. Some quotations are selected to give light and colour to the competence descriptions.

1) Consistency, ability to create sustainable long term strategic vision for brand identity
2) Competence in coordinating interrelated resources and capabilities
   - Ability to ensure that the brand is delivered in all product features
   - Ability to develop clear tasks and task allocations and adequate resource allocations to support tasks
   - Ability to provide incentives for network member companies to transform their processes to support the brand
   - Ability to develop and implement common quality standards in line with the brand
3) Brand identity development competence
   - Ability to develop unique brand identity, which provides added value to the consumer
   - Ability to capture “reality” in brand identity
   - Ability to express experiential elements (vs. functional) of the product in brand identity
4) Co-operation building competence
   - Ability to create an organizational forum for sharing work and responsibilities
   - Ability to establish coordination mechanisms between actors
   - Ability to create decision-making system that distributes decision-making power in a just way
5) Organizational identity building competence
   - Ability to create community culture (spirit, trust, togetherness)
   - Ability to increase commitment towards the brand within all levels of the organization
   - Ability to generate managerial commitment to the brand within the organization
   - Ability to generate culture of open discussion
6) Mobilization competence. Ability to provide appropriate incentives that attract providers of key resources and capabilities.
7) Internal communication competence
   - Ability to develop effective communication processes
   - Increasing understanding. Ability to disseminate knowledge and information
8) External communication competence
   - Ability to generate consumer awareness and positive image through communication
   - Ability to express the brand identity in marketing communication
   - Ability to communicate added value in a clear way
   - Ability to make sure image and identity match
   - Ability to convey consistent brand meaning through all marketing communication channels
   - Ability to present network as a unified whole to external audiences (including distribution channel, media and customers)
9) Decision making competence
   - Ability to increase possibilities or reaching consensus
   - Ability to make strategic decisions. Ability to avoid diluting decisions by excessive consensus building
   - Ability to make fair decisions for the benefit of the entire network.
10) Resource base development competence
    - Ability to acquire/access resources inside and outside the organization
    - Ability to detect technological, marketing and other capabilities
    - Ability to accumulate knowledge and know-how
11) Leadership
    - Ability to lead the brand management organization
    - Competence in keeping the brand management process ‘alive’
12) Monitoring competence
In the following section I use the term “brand management organization” to describe the organization responsible for brand management within a destination, whether a single firm (SCO) or jointly-managed network organization (NEO).

**Consistency, ability to create sustainable long term strategic vision for brand identity**

Consistency emerges from my data analysis as a particularly important requirement in developing successful destination brands; it was raised in all case destinations and emphasized in most. The finding seems logical as brands are developed gradually in the minds of customers as a result of brand contacts received from a variety of sources. The more consistent and homogenic the brand contacts are, the more consistent the image in the customer’s mind.

Case 2 " Q: What factors are essential to develop and maintain a successful ski resort brand?
A: Well ..I’d say that firstly, kind of, consistency and long term planning…”

Case 4 "Q: [What differentiates “good” ski resort brand from "not-so-good" ski resort brands]? 
A: I think that it’s simply that entrenchment….Consistency! Because that’s the only way you can develop a brand. And then the second most important issue is the contents of the brand. I mean what is it what you have waiting for you in the end?”

Case 5 “Q:[What factors would you consider as being essential to develop and maintain a successful ski destination brand?] 
A: I think consistency… … …and don’t know how to say it…um.. good fit with the product. The brand has to fit well with the product…”[emphasis added]

Metaphorically, the development of a brand in the customer’s mind is similar to piecing together a jigsaw puzzle. A single brand contact, whether an ad, an anecdote, or personal experience from service encounters, is one piece of the puzzle. Over time a customer collects more brand contacts, i.e. pieces to the jigsaw puzzle, and gradually, the picture, i.e. brand image, takes form. However, if the object of the picture changes during this process, the customer ends up with pieces of several jigsaw puzzles, thus making the picture distorted and difficult to comprehend.

7..’the [FOUNDERS], who started the resort in the early 80’s, … they never strayed from the vision of what they knew, they should be and could be and would be. And I think that’s real testament of their vision, because, most businesses would have a rough years, and immediately change directions. Saying “Something is not right, we gonna do it,” instead of riding out the economy that whatever it was, and say "we have change it and do it differently." And then your customer goes that “What are you doing?,” you know, “I came here last year, and you had this great, you know, xxx xx xxx xx xxx [questions to learn my
skis?], and now you don't have it anymore, instead you have a training park." You know what I mean, I
think that they just... Being consistent is really important." "But I think one of things a lot of ski resorts..
mistakes that a lot of ski resorts make, is that they are constantly trying to redefine the brand. And they
confuse their customers. You know, its..they have a few rough years, and they say, well this year we're
going to be a family resort. And so they take that approach, and the next year they go "you know, we really
want those high-income couples that don't have kids at home anymore, and have tons of money" and so I
think that's probably the biggest mistake a lot of resorts make. They're not well defined. Or they are just
like any other resort."

9 "Q: [ What makes a "good" ski resort brand? What differentiates the best ski resort brands from the
other, who have not been quite as successful as brands?]
A: A consistency of message is probably the most important thing. And again, sticking to that, not trying to
change your identity, not trying to change who you are..um.. You know, there's some resorts that, as an
example, have been.. kind of a..hip and younger type of resort, dealing with the demographics and who
they are trying to attract. And because of they change within a strategy of the growth of the resort, such as
going from a day resort to building a lot of real estate, and now they have to become a destination resort,
and they're trying to attract different people. It's a confusing message, and there are resorts out there who
have done that. So what happens is you get caught in between, so are you a destination, luxury resort, or
you a young hip kind of a day type resort. And there are resorts in North America who have done that and
they struggle with their identity.

How does consistency relate to competencies? I believe that consistency is a result of competence in
creating and maintaining a sustainable long term strategic vision for brand identity. A sustainable vision
is a brand identity that requires only minor modifications despite turbulence in the operating
environment and changing market conditions, and is able to convey a valuable promise to the consumer
over a prolonged period. Thus I suggest, that the ability to create consistency in brand identity is a result
of competence in developing a long-term strategic vision for brand identity; an identity that is resistant to
sudden market changes, and can convey value to the consumer over extended periods of time.

The emphasis in consistency matches the discussion of capabilities. Nelson and Winters (1982)
proposed that a firm’s capabilities become embodied in organizational routines, the repeated patterns of
activity that a firm adopts in its use of certain resources. They also argued that most of an organization’s
learning occurs within its routines and becomes focused on improving those routines. Thus, an
organization’s current routine-based capabilities establish boundaries for most of the organization’s
learning processes and create natural trajectories of capability development within an organization.
Along the same lines, Teece, Pisano and Shuen (1990, 1997) stated that creating new capabilities
require building on experience gained in using existing capabilities – and therefore that an
organization’s current capabilities create path dependencies that constrain an organization’s short-term
ability to change its capabilities. Teece et al. (1997) add that path dependencies in capability
development make it possible for capabilities to be sources of competitive advantage, because path dependencies limit the ability of competing firms to replicate a successful firm's current capabilities.

**Competence in coordinating interrelated resources and capabilities**

As discussed in the literature review, brand contacts are received from several sources, all of which contribute to the development of a brand image in the customer's mind. A significant challenge for ski destinations is to ensure that the whole vacation experience is consistent with the brand identity: all of the brand contacts a customer receives during the consumption process reinforce the intended Network Brand.

I have defined a destination product as an amalgam of tourist products and services, offering an integrated experience to consumers, in a geographical region and physical setting, which its visitors understand as a unique entity. During the consumption process, brand contacts are collected from many product elements, ranging from customer perceptions of the physical setting to all service encounters a customer experiences in the course of a visit. As the ski destinations are entities, in which several actors, from independent companies to public administration bodies operate, these product elements are owned and managed by different people in different organizations. My data suggest that competence in coordinating resources and capabilities of different actors that participate in the production of a vacation experience of a ski destination, is crucial in the development of successful destination brands.

Returning to the jigsaw puzzle metaphor, it is important that all pieces of the jigsaw puzzle (brand contacts) are parts of one single picture. Each actor (company) manages its own piece, which it can modify at will. However, these single pieces may contribute to the development of a picture (brand) only if the intended picture is similar for all piece-owners. If some of the piece owners have different objectives, and have pieces of other jigsaw puzzles, the probability that the customer will piece together a puzzle similar to the ones sought after by the piece owners, is reduced. Therefore, the competence in coordinating the different organizations, with their independent sets of resources and capabilities, so that they all, or at least most of them, modify their piece of the jigsaw puzzle to fit the large picture (brand identity of the ski destination), is crucial.

My data suggest that this competence is a composite of four abilities: the ability to ensure the brand is delivered in all product features, the ability to develop clear tasks and task allocations and adequate resource allocations to support the tasks, the ability to provide incentives for network member companies to transform their processes to support the brand, and the ability to develop and implement quality standards in line with the brand.
The ability to ensure the brand is delivered in all product features is an organization’s ability to ensure that the elements of the ski destination product are consistent with the brand identity, and contribute to producing brand contacts that reinforce the development of homogenic brand image. Ideally all product elements (e.g. service encounters, infrastructure, architecture, product offering and atmosphere of the destination) should produce new brand contacts that are coherent with the brand identity. The product elements are parts of a holistic entity: a customer’s vacation experience. If the essence of the brand of the ski destination is, for instance, youthfulness, all products offered as part of the vacation experience, all employees of all companies, and the physical setting of the destination should reflect the brand identity: looking and feeling youthful.

Case 3: “when you have under one umbrella brand tens or hundreds of companies and actors, and the customer is not interested, and he doesn’t know who owns what and who’s running this or that place, but instead he’s interested that the whole entity, which is formed from a large number of little pieces, is working seamlessly. So that if one sub-sector falls flat while he’s there, that will have a negative reflection to the whole brand."

Case 7: “You know, quality facilities, everything we do, we’re trying to do really well. You know, we are always asking ourselves the question if we’re going to add a program or, you know, add onto a building, “Is it CASE7?”. It’s [the brand is] really in everything, I can’t even think of any one thing that’s essentially xxx (into?) our brand. It’s everything.”

Case 7: “Branding only works when you’re behind it, when everybody believes it, and buys into it, and the entire company is delivering on that brand.”

Case 2: “Q: Who or what implement the brand plans, i.e. transfer the plans into practice? A: What comes to communication, it’s just that. Meaning that the marketing team and I myself. But then again another part of the implementation of the brand is all that service what is happening in there in the destination, so that just as much our brand is communicated by the way we really perform in those service encounters, that is what the customer experiences when he’s in there. So that in practice every employee participating in the service encounters have a role in it.”

Case 1: “Q: How about if you think of..what factors are essential when you're developing a good ski destination brand? What kind of factors would you think that there are when developing and sustaining a good Case 1 brand?”
A: Well in the first place it is based on the fact that you have to fulfil those promises, so that you know, the product has to be in condition...And whether that’s in the xxx slope or if it’s some kind of a safari or lunch break or what ever accommodation, the product has to be in condition because that’s where it is based.. that’s the starting point. And on the basis of that one may then start to develop, through marketing and communication related actions, that image and awareness and all that.”
**Ability to develop clear tasks and task allocations and adequate resource allocations to support tasks** emerged in the data analysis as a key ability in developing a Network Brand.

Case 9: "That we do have organizational responsibilities for every task on the mountain and that takes a lot of organization, a lot of orchestration to make sure that that product and the service is delivered [in line with the brand identity]."

**The ability to provide incentives for network member companies to transform their processes to support the brand** is the brand-management organization’s ability to find incentives, by which actors operating within the ski destination are persuaded to transform their processes to support the brand identity. A ski destination may be consisted of hundreds of independent actors, whose way of operating cannot be coerced.

Case 4: "Q: What are the essential factors behind the success of CASE 4 brand?] A: Whether or not the we are successful in getting the companies to co-operate and in an equivalent level of quality, so that our promises are redeemed."

Case 2: "Well that really is demanding, that the number of the companies is so high. And that they have quite a lot of differing objectives, these companies have. They have different customer target segments. Different issues that they want to emphasize in the marketing, and in their activities in general. So in the first place, that we are able to find that common agreement about what are the common things in CASE 2 what we want to communicate and then convey through the daily activities… and firstly to decide what are they, and secondly to take them into practice. So that every entrepreneur would understand them and would like to utilize them in their own processes. And that is absolutely the difficulty. So that when you have about a hundred different companies, of which everyone of course have the decision-making power concerning what happens in their own companies, but also they all should also have a say in that common, then finding that mutual understanding…That's really the hardest part.” “Well in practice the responsibility of executing the [brand implementation] activities is allocated to all of the companies. So that the top management representatives of the firms are usually participating these joint-actions.. and then it’s their responsibility to advance that in their own company”

**The ability to develop and implement common quality standards in line with the brand.** The use of common quality standards is necessary to ensure that what the brand image promises is delivered by the vacation experience. One of the challenges in developing common quality standards for any destination is the versatility of stakeholders and their products.

Case 3: “If we think that we’d like to further develop the brand, especially from the perspective of the service that the customer receives, then some kind of common quality standard for all companies operating within the destination. So that’s the answer, but how on earth are you gonna do that?”
Case 1: "This autumn this thing called “the Destination Quality” is about to start, and into that then the quality ranking system of the whole destination, not only independent companies but the whole destination, and into this we might get these smaller companies to participate, you know like inside the destination. So, you know, we are paying attention into it [the brand] all the time and we’re talking a lot about it here too and very much in these common meetings we talk about things, just like this”

Case 9: " the concept of quality is woven to all of our resorts. ... We [the marketing division] work with … all the operating groups to formulate the plan. To make sure what we promise is delivered, consistently. So really, our job is to work with the operating..all the different departments operating within the premises. Everybody within the CASE9, including the lodging property, to make sure we all are in line with our [brand] goals and objectives.” [emphasis added.]

**Brand identity development competence**

My data suggests that competence in developing an appealing brand identity, one that conveys a promise of added value to the consumer, is important in developing successful destination brands. The brand identity should be a basis for a clear, unique and concise message that “touches” the consumer. The competence is a composite of ability to develop a unique brand identity that provides added value to consumers, the ability to capture “reality” in brand identity, and the ability to express experiential (as opposed to functional) features in brand identity.

Turning back to my jigsaw puzzle metaphor, this competence refers to the brand management organization’s competence in identifying the ideal picture (brand identity) which can be formed by piecing together the individual pieces of the jigsaw puzzle. The intended picture of the jigsaw puzzle (brand identity) should be attractive and appealing, so that individuals piecing together the jigsaw puzzle would find the effort worthwhile. The picture should be clear and easily comprehensible. The picture should be unique, so that other pictures (brands) would not be competing for the attention of the consumer. Also, the intended picture (brand identity) should reflect reality, so that the picture could be formed with the pieces in hand. Finally, the picture should focus to value adding elements of the vacation experience, typically to emotional and experiential elements of the vacation experience, as opposed to the functional features of the product, such as number of lifts.

*Ability to develop a unique brand identity that provides added value to consumers* is a twofold ability. First, the brand identity should enable differentiation, and offer a unique promise. Second, the differentiated brand identity should be able to mediate added value to the consumer.

Case 2: "Q: [What factors are essential when developing a brand for a skiing destination?]"
A: Well I’d say that a kind of perseverance and orderliness to start with… and then kind of a daring to profile yourself clearly enough, which perhaps appears to be our greatest challenge. So that we easily find the issues that these are the really good ones, but then comes a long list of things, that ‘oh yeah then we have this and that and that we are really a little bit like this too and so forth…”

Case 2: "Well I’d say that clarity, being profiled, so that they are not all alike. So that the customer knows quickly and with ease what is this place like, and whether this is the kind of destination that I’m interested or not? So that it is easy for the customer to make that travel decision… So that little by little I think that things are getting better in Finland, that the ski destinations are not all alike, so that in every brochure we don’t have almost the same pictures and same texts. But still we are pretty much following the same lines. So that the more this kind of profiling will be performed in here, the better it would be I think… So that having the guts to emphasize those differentiating features, that I think might be the most important point in the [brand] building process."

Case 5: "[What would you think are the main differences in between a “good” ski resort brand and the ones which are not that strong?]
A: I would think differentiation. You know, it makes a good ski resort brand. ... ... you got to stand yourself out from the crowd. And that’s what differentiation is about. And that’s what makes a strong workable brand.” [emphasis added]

Case 7: “most of it [challenges in implementing the brand] comes into play in advertising or marketing messaging. You know. We do all of this research to get to the emotion that why a persons chooses a certain place for vacation, ... So what’s gonna make the customer, when they are reading this advertisement or this copy, wanna come?"

Case 7: “But I think one of things a lot of ski resorts.. mistakes that a lot of ski resorts make, is that they are constantly trying to redefine the brand. And they confuse their customers. You know, its..they have a few rough years, and they say, well this year we’re going to be a family resort. And so they take that approach, and the next year they go “you know, we really want those high-income couples that don’t have kids at home anymore, and have tons of money” and so I think that’s probably the biggest mistake a lot of resorts make. They’re not well defined. Or they are just like any other resort.” [emphasis added.]

*Ability to capture “reality” in brand identity is derived from the fact that all aspects of the destination product are not manageable, and reinforces the central feature of importance of delivery of the promises made by the brand communication on actual vacation experience.*

Case 1: “Q: What is a good ski destination brand like? What differentiates a good ski destination brand from a bad ski destination brand?  
A: One perspective to that is that that marketing and that image is equivalent to that that you’re really getting. Or that what you get is equivalent… or that it is equivalent to what you get, then that’s like you
know, is...is like a good brand. " Well at least in the first place it is based on that you have to redeem the promises. " Well in the first place it is based on the fact that you have to fulfil those promises, so that you know, the product has to be in condition... And on the basis of that one may then start to develop, through marketing and communication related actions, that image and awareness and all that."

Case 2: "Because if we are saying one thing in our marketing communication and that's something completely different than what the destination really is, then that's gonna completely collapse our message. From that perspective we have all the time in brand issues and in communications in general we have started to build on the basis of real existing things and on top of those. There has been no willingness to start to communicate something that we don't really have. So that based on the real strengths and by emphasizing those features that are considered to be important."

Case 5: "Q:[What factors would you consider as being essential to develop and maintain a successful ski destination brand?]
A: I think consistency... ... ...and don't know how to say it...um... good fit with the product. The brand has to fit well with the product. ."

Case 6: " Q: What differentiates “successful” brands from the “ not so successful ones”? A: I think that message that xxxx [touches?] for the consumer, a message that is consistent and a message that's honest. Those are probably the key things. [emphasis added.]
Q: What does honest mean in this context?
A: Well, you're presenting the brand the way it really is. You know. You're standing on the strict of what you are versus spending a lot of money on ad messages that may, you know, present thing that isn’t there.” [emphasis added.]

Ability to express experiential features in brand identity. The data suggest that emotional factors may be a more useful basis for brand identity development than functional features of the product. This notion may sound obvious in the context of service branding, but is strikingly absent in the marketing communication of ski destinations in all three markets. According to one of the interviewees, functional features such as number of lifts are rarely decisive in consumers’ decision-making process. Additionally, taking into consideration the similarity of functional features of ski destination, the functional features of ski destinations rarely are resources enabling the development of sustainable competitive advantage.

Case 7: “We do all of this research to get to the emotion that why a person chooses a certain place for vacation, versus ‘we have three outlets and five restaurants, and they’re great’. You know. So instead of sort of being very factual, we as a marketing division trying, you know.. So what’s gonna make the customer, when they are reading this advertisement or this copy, wanna come? And it isn’t 75 lifts, you know, that’s all just fact. So we get caught of a lot in our own xxx (regime?), and even our GM sometimes, ‘we’re putting in two lifts. Shouldn’t we talk about it?’, and I go ‘Everybody’s putting in two lifts’. You know, that’s not why they’re coming on vacation. They’re coming on vacation to be with their
families, you know, create some memories, you know, get away from the craziness of life. That’s why they’re picking us, not because we’re putting two new lifts.” [emphasis added.]

Case 5: “When it comes to working on functionality, we weren’t winning. So, that long ago, 17 years ago, was decided that we would really step ourselves apart on brand personality rather than functionality.”

Co-operation building competence

My results suggest that competence in co-operation building is significant in developing successful destination brands. Given the network nature of production of vacation experiences, this finding seems logical. As discussed in the literature review, large number of independent actors (e.g. independently owned and managed firms) participate in the process, while the assembly of products and services used during the vacation is performed by the customer rather than the producers. In order to overcome the obstacle of lack of control, co-operation may be necessary, thus making competence in developing coordination mechanisms significant.

The co-operation building competence is a composite of three abilities: the ability to create an organizational forum for sharing work and responsibilities, the ability to establish coordination mechanisms between actors, and the ability to create a decision-making system that distributes decision-making power in a just way.

We now change the jigsaw puzzle metaphor to a symphony, which represents the brand, and the orchestra, which represents the individual actors and firms participating in the production of the end-product. In order to be able to play the same symphony (produce similar brand contacts) the orchestra needs to have an organizational forum for discussing what kind of music they are going to play. In addition, there needs to be coordination mechanisms in place, so that individual musicians know when and how to play.

Ability to create an organizational forum for sharing work and responsibilities.
My data suggest that the ability to create an effective organizational forum for negotiating and for sharing work and responsibilities is a significant factor in developing successful destination brands.

Case 9: “It [way of organizing activities] is important because..to deliver the [brand] message you have to be organized … That we do have organizational responsibilities for every task on the mountain and that takes a lot of organization, a lot of orchestration to make sure that that product and the service is delivered. So.. I think that organization is part of the product and the service we deliver, and certainly it has a high emphasis of importance [in developing successful destination brand].”
Case 9: “We have a marketing department within the resort. And that’s basically the primary driver of the brand and marketing planning. But you know, all of the operating groups are involved. Because, everyone has to understand the brand message, and to deliver that message. As A just said. So..All the operating groups are involved, but the real..A’s marketing team is really the group that’s responsible for making sure that the brand is protected, and that we develop operating strategies etc to line ourselves with the brand. - A: We execute on the xxx (initiation?) strategies, really, but we work with, as J says, all the operating groups to formulate the plan. To make sure what we promise is delivered, consistently. So really, our job is to work with the operating..all the different departments operating within the premises. Everybody within CASE9, including the lodging property, to make sure we all are in line with our goals and objectives. And then we put the plan together, and execute the plan really from communications standpoint.”

Ability to establish coordination mechanisms among actors
In addition to a forum for negotiations and discussion, the ability to develop more formal and structured coordination mechanisms among actors appears to be an important factor in developing successful destination brands. One interpretation is that by setting rules and regulations for co-operation, the networks reduce the need for negotiations, thus releasing resources for other duties. These formal coordination mechanisms are manifested in the DMOs, all of which defined clear rules, regulations, rights and responsibilities of network member companies. All case destinations approaching the brand management from the network perspective have developed a formal organization, a DMO, to be in charge of destination brand management. This ability is close to the previous one, creating a forum. The key difference between the two is that the forum establishes means of communication and information exchange, whereas the coordination mechanisms regulate activities.

Case 4: “Up until last year there was this CASE 4 Joint Marketing, which operated like [the name of another ski destination] Joint Marketing once operated. So it went through the accounts of [CASE 4 Ski Company & Resort], and [CASE 4 Ski Company & Resort] was the active player and gathered it up and did all the work in it, and then the others were involved in spirit and in practical actions, or then were opposing these depending on the situation. So it was led by [CASE 4 Ski Company & Resort] until a year ago in may this [CASE 4 Alliance], where following the principles of [the name of another ski destination] we have all the same rules and operating principles…”

Case 8: “There’s actually about 30 Board of Directors, and then we have an Executive Committee, that’s made of, I believe, 9 members of the board. And the Executive Committee is really in charge with day to day operations and strategy, and financials and key input. And then their information is reported once a month to the Board of Directors. And then we have..It kinda goes, how we manage this..We have..um..elected Board of Directors over here. And then we have an Executive Committee down here. And then we have our Executive Director. Actually we have our members [network member companies]. And then we have Chamber Bureau. So then it goes Board, Executive Committee, members and then Chamber Bureau. Our organization. So that’s kinda the order that we report.”
**Ability to create decision-making system that distributes decision-making power in a just way.** All case destinations have several companies of different sizes. As the number of customers, investments made and annual turnovers of some of the member companies in any destination may be only a small fragment of the larger companies operating in the area, my data suggest that decision-making power needs to be distributed according to business volume, rather than by the democratic one-vote-one-company principle.

Case 3: “If we get back to these crucial issues [in creating Brand Net co-operation], then this one euro per one vote principle, nothing can work without it. If you think that we have 116 companies, so that if that would operate following the regulations of any normal association, so that everyone has one vote, and then we start thinking, then there’s not even the slightest change for that to work.” CASE 3

Case 2: “So there has been an attempt to make these [membership fees for participating the activities of the DMO] equal to all different lines of businesses, so that all of them would be paying like, you know, rightful fees…”

**Organizational identity building competence**

Organizational identity building competence refers to an organization’s facility to generate solidarity among the members of the organization. Organizational identity can be thought of as a shared answer to the question “who are we as an organization?” (Gioia, 1998; Stimpert et al. 1998) It represents insiders’ perceptions and beliefs about what distinguishes their organization from others and can provide the foundation for presenting images of the organization to the outsiders (Alvesson 1990; Gioia et al. 2000).

Because organizational identity is a socially-constructed, self-referential belief shared by organizational members, it is subject to influence and change, especially from competitive pressures perceived by top managers (Gioia & Thomas, 1996; Reger et al., 1994). Organizational research scholars have conceptually and empirically cemented the significance of organizational identity to organizational behavior and strategy through links with strategic decision-making (Ashforth & Mael, 1996; Dutton & Dukerich, 1991), member attitudes and affective reactions to the organization (Ashforth & Mael, 1996; Dutton et al., 1994), as well as organizational attempts to manage external relations (Rindova & Schultz, 1998, Carter & Dukerich, 1998).

In my jigsaw-puzzle metaphor, the identity is an understanding among members of the organization about who is producing pieces for the jigsaw-puzzle.
My data suggest that competence in building organizational identity is a factor in developing successful destination brands. The competence appears to have four facets: the ability to create a community culture (spirit, trust, togetherness), the ability to increase commitment to the brand at all levels of the organization, the ability to generate managerial commitment to the brand within the organization, and finally the ability to create a culture of open discussion.

The two facets related to creating and sustaining commitment are overlapping, but emerged from the data as two separate entities. Some of the cases emphasized the importance of managerial commitment, but overlooked the development of a more general commitment to the whole organization. Other cases emphasized the importance of generating commitment within all levels of the organization. The differences between cases are discussed in next chapter.

Ability to create community culture(spirit, trust, togetherness)
Competence to generate identity required the development of common values and an understanding of proper ways of action. This communal entity is here called community culture. By "culture" I refer to the range of activities and ideas in a group of people with shared traditions.

In my data, the multifaceted entity of communal ways of action and common values appears to include a feeling of togetherness and trust in other members commitment to common goals. It also appears to include a homogeneous understanding of those goals.

Case 7: "And then, I think that in CASE7, pretty much our culture of the employees, we all believe in the brand, and pretty well understand it, so I don't think that that's an issue...which I know that it is in a lot of places. That you have pockets of resistance in different departments, you know..."

Case 7: "You know, it [the brand] really is implemented by our employees, and I think that it's just so integrated in our culture to be service oriented, that I don't know how else I would say we deliver on our brand? You know, quality facilities, everything we do, we're trying to do really well. You know, we are always asking ourselves the question if we're going to add a program or, you know, add onto a building, "Is it CASE7?". It's really in everything, I can't even think of any one thing that's essentially xxx (into?) our brand. It's everything."

Case 7: "I mean, brand in my mind its not something separate... department in an organization, it is your organization. So maintaining your brand is simply making sure your employees are well trained, and that they've got the skills and knowledge to get their job done, and there's no... And this is what I mean, with some companies I've worked with, that have been unsuccessful in branding...Because you have an operations division, and a marketing division, and your marketing division goes away to hold your brand, and then nobody backs it up. It's not a brand, that... you deliver. ... You know, you can spend good money after bad money, to trying to build yourself a brand, but if it isn't believable and your front
line employees don’t believe in it, it’s not gonna happen. You’re not going to have a brand.” [emphasis added.]

Case 4: “Because that [brand creation process] is about changing operational practices and culture.”

Case 3: "And that leading company, so that it is able to operate in such a manner that is gains the trust of other entrepreneurs. Because that too that persistent work [to develop a brand] can not be done, if the actions are all the time questioned. If you all the time have to explain that ‘Hey, this is really going as it should be’. So that there has to be trust in general level towards the activities, and that like once a year we have a closer look at what has been done. Instead of whining throughout the year, questioning all decisions that are made. I think that in many places, for instance in Lapland, there really is that particular problem that nothing can be done, because even the smallest little thing, everybody wants to be part of the decision, because they don’t trust that the common actor, which is trying to do that…”

Case 1 "…once or twice a year we get together with all of the entrepreneurs operating within the destination, and just like one of those training and often there’s really no need for any real training, but just like building even better feeling of togetherness .."

Ability to increase commitment towards the brand within all levels of the organization

Ability to increase the commitment of actors operating in different levels of the organization towards developing and sustaining the brand appears to form a part of the organizational ability of developing identity. By commitment I refer to individuals’ beliefs, and their willingness to assimilate and modify their activities.

Case 7 “Branding only works when you’re behind it, when everybody believes it, and buys into it, and the entire company is delivering on that brand.”

The focus within this ability is in increasing the commitment of individuals in all levels of the organization.

Case 7: “It’s really important that the whole organization, from the top down, believes in their mission and the brand and then deliver on the brand. Because, other ways are dangerous.”

Case 7: “Because she’s been here since day one. And if we have a keeper of the culture, it’s her. She doesn’t let the standards slide, ever. She’s the person to jump in and say “Oh nonono, it’s not us. Are we doing it the right way?” … But they’ve just been here for so long, and the culture so integrated in them, that so many.. I’m the new kid on the block, I’ve been here for 11 years as a director. Most of them have been here over 20. So, that helps to sustain. But you know, something new will come along, something new will be rejected, you know, lots of times gets embraced, and lots of times those two speak up and say ‘That’s
absolutely not us.” They’re great, because they’re not afraid to say it. They’ve made such an investment in the company, that they don’t wanna see it ever sway from, you know, the quality.

Case 3 “And then our own staff considers it [the brand] as like, you know, strength and believes in it, so that it is like, you know, the thing that differentiates us from the others… Plus it obliges to work in a certain level of quality.”

**Ability to generate managerial commitment to the brand within the organization**

The ability to generate managerial commitment emerges strongly from my data analysis. The ability to increase managerial commitment and the ability to increase commitment in all levels of the organization are obviously two overlapping issues, as “all levels” of the organization also include the managerial level. In this analysis these two have been separated due to the differences in emphasis given to the issue in different case studies. This difference is elaborated in the following chapters.

Case 2: "Well that really is demanding, that the number of the companies is so high. And that they have quite a lot of differing objectives, these companies have. They have different customer target segments. Different issues that they want to emphasize in the marketing, and in their activities in general. So in the first place, that we are able to find that common agreement about what are the common things in CASE 2 what we want to communicate and then convey through the daily activities… and firstly to decide what are they, and secondly to take them into practice. So that every entrepreneur would understand them and would like to utilize them in their own processes. And that is absolutely the difficulty. So that when you have about a hundred different companies, of which everyone of course have the decision-making power concerning what happens in their own companies, but also they all should also have a say in that common, then finding that mutual understanding…That’s really the hardest part.”

Case 7: "[What are the essential activities, that could be considered as being crucial in maintaining the brand?] … I think, as far as organization goes, it is really really important to have the team at the top, the people running the organization. Because it comes from the top on down. Believing and buying it, and if you even have one department or one division that calls out, and behaves differentially than the rest of the divisions, it damages your brand. ‘Cause it comes down the lines, to front line employees.”

**Ability to generate culture of open discussion**

My data analysis suggests that ability to generate culture of open discussion is a significant feature required for developing organizational identity and thus successful Network Brands. The ability to create an organizational identity assumes an open and interactive culture of discussion among members of an organization. Taking into account the abstract and multifaceted nature of identity, and challenges in communicating it, the requirement of open discussion within the organization seems sensible.

Case 4: "Then one more thing about the operating culture I should mention is that when there are these meetings, these evening get togethers, seminars, kick-offs, the way how things work in there is a little bit
like, like people are not used to or people don’t have the courage to speak in those, and even meetings. You know, I’m often chairing these, and when we, not in any hurry, when decisions are made, then immediately after the meeting these informal group discussions begin, and in these even the individuals who have been making the decisions, start to shoot down these in those cliques. Which in turn makes practical actions more difficult. And to that, to the operating culture of the North, the only way to deal with it would be that you would personally have time to sit with everyone for hours, and hobnob and build relationships and you know, like that.”

Case 1: “…and then one thing which sure helps a lot with that brand is that in here the companies are doing really a lot of co-operation within the destination, and that’s also something that you don’t see really in other ski centers. So that in there the competitors are like feuding amongst themselves, but in here competitors are co-operating and for sure also competing, but that doesn’t prevent them from co-operating. “…So pretty well the brand and these issues and all the common plans are distributed within the destination through just normal dealings.”

Case 7: “CASE7 can be a very brutal place to work in, you have to be open to feedback, because when there is a customer service problem, people don’t ignore it. Your phone rings ‘Did you see this customer upstairs is having this issue that dadadadaa..’ Everybody feel really free to sort of cross into other peoples areas. There are no boundaries like, you know I’m working in marketing, but if I see something happen in restaurant I better not say something..” [emphasis added.]

**Mobilization competence**

Mobilization competence is the ability to provide incentives for providers of key resources and capabilities. These providers may be organizations, such as companies or they may be individuals, such as skilled employees.

Within the context of my jigsaw-puzzle metaphor, mobilization competence is the ability to attract the owners of individual pieces of the puzzle to participate the process within which the rules for managing and modifying individual pieces is decided. The ability to attract as many piece-owners as possible increases the likelihood that the organization will be able to influence the entire picture that the customer will be assembling.

My data suggest that competence in developing a brand identity to which most if not all, stakeholders are willing to commit themselves, is crucial in developing a successful ski destination brand.

Case 4: "Just now, by the end of this week, we will go through the negotiations and it seems that we will get 90 % of the relevant actors to join. Almost all independent chalet owners, who are renting their chalets, and then all of the local actors with just a couple of exceptions. Which is damn good."
Case 3: “On the other hand, every relevant actor of the area in the line of tourism business is a member of that association. So in that sense the co-operation is working really well.”

Case 3: “Hey, getting back to that successfulness, one thing could be that how well it [the brand] is able to attract, you know, partners. So that really our ski destinations…pretty much through the brand, and the quality behind that, attract these national level, there you have these in the brochure, Nestlé and Nokia and others, like cooperation…attractiveness as a partner”

Case 1: "And that many things we [network members] will do together and want to do it and we have regular meetings and that, you know, that’s probably one thing to our image and our brand, that it has a pretty significant impact”

Case 4: "Generalizing, as in the level of the Lapland, when there they manage to have quarrels even inside the destinations, it is pretty ok that in CASE 4, little bit of murmur you’ll always have, and I think that that’s how it should be, but that anyway we’re heading to the same direction, according to the action plan and on budget…”

Case 7: “You know, it really is implemented by our employees, and I think that it’s just so integrated in our culture to be service oriented, that I don’t know how else I would say we deliver on our brand? ” "We have about in average of 60% return rate on our employees, or seasonal employees. Which is good. It's the highest in the industry. So. In the US. So it's good.”

**Internal communication competence**

Internal communication competence is an organization's capability to exchange information, ideas and/or feelings between actors of the organization. Communication has been defined as a process by which individuals share meaning. It offers the means of creating and implementing behavioral changes both within and without an organization (see, for example Cheney & Christensen, 1998).

Within the data analysis, internal communication competence is divided into processual factors and the quality of communication. The emerging processual abilities appear to be focused on capabilities to create and modify methods and ways of action so as to ensure that information, ideas and feelings atmosphere are shared horizontally (between peers) and vertically (between organizational levels). The quality of internal communication seems to be focused on the capability to ensure that communicated messages are understood by the recipient in the way the sender meant the message to be understood.

**Ability to develop effective internal communication processes**
Significant challenges to internal communication are caused by the large number of actors and the organizational independency of the network member companies. My data analysis revealed strong emphasis on the ability to communicate the brand to every individual operating within any of the companies participating the process of Network Brand Management.

Case 2: "because the greatest challenge is that when you have so many different players and so many different opinions that that...Internal communication and being able to make everybody to understand what is the message we are trying to communicate, those I think are the greatest challenges."

Case 2: "Q: [Could the present brand implementation process be improved? What would the ‘ideal’ be like?]
A: Really there comes that same thing as in the planning phase, the ability to deliver the message efficiently to every company and to every employee." [emphasis added.]

Case 9: “We [the marketing dept] execute on the xxx (initiation?) strategies, really, but we work with, as J says, all the operating groups to formulate the plan. To make sure what we promise is delivered, consistently. So really, our job is to work with the operating... all the different departments operating within the premises. Everybody within the CASE9, including the lodging property, to make sure we all are in line with our goals and objectives.” [emphasis added.]

Case 9: “Really the issue [in successful brand management] is..to be able to effectively communicate to everyone[within the organization]. Once we establish the brand, it’s really to make sure that everybody understands. … So that everybody understands the plan. … So that it eventually hits the front line.” [emphasis added.]

The spectrum of internal communication means and tools ranges from employee training and seminars to newsletters and kick-off meetings. Some of the informants called attention to the regularity of internal communication.

Case 4: "we have, though the CASE4 Alliance, tried to distribute information in vast quantities through email, by clear, classy, printed letters, which are designed by an advertising agency, then by organizing seminars and information briefings and others, we have tried to communicate this strategy, our objectives, about marketing.. plus then we organized these kick-off events with Jari Sarasvuo to the whole employee base of the whole destination.” [emphasis added.]

Case 7: “And you know, it [the brand] goes into the training of our employees, I mean it’s…it’s everything, it’s who we are.” [emphasis added.]

Case 8: “And I think that by communicating all along from start to finish, we definitely had more... I just think it’s easier for our Board to wrap their arms around it and embrace the entire brand, because they
were involved in it." “So first of all, it included a lot of people in the process. And then secondly, I presented it in our tourism symposiums, and our meeting and convention groups. **When ever had I had a group of stakeholders, I would present the results of the research.** So that they knew and understood it, and had access and then use it as they could to.” [emphasis added.]

Case 5: “There’s not really a strong resistance. What it is is lack of understanding. So we have regular presentations with these people, because the business owners change hands all the time. New staff come in. And I think the obvious way to market is to market functionality. And people who are not tuned to brand health and marketing cant quite understand what we are doing. So it’s just a matter of explaining why we do it. Putting a good rational behind it and its very rational argument. And then that.. misunderstanding is corrected.” [emphasis added.]

By the same token, some of the informants emphasized informal internal communication.

Case 1: “…So pretty well the brand and these issues and all the common plans are distributed within the destination through just normal dealings.”

*Increasing understanding. Ability to disseminate knowledge and information*

In addition to the ability to develop effective processes, the ability to make individual actors to understand the objectives and the essence of the brand identity is an important factor in developing successful destination brands. By increasing understanding I mean the organization's ability to make all actors, from managers to front-line employees, to have the same comprehension of the nature and meaning of brand identity.

Specifically, the emphasis appears to be on improving the understanding of front-line employees. The ability to make front-line employees understand brand identity seems to empower employees to deliver the brand in service encounters by adapting their behavior in unique service encounters to fit the common guidelines set by the brand identity.

Case 9: “We have a marketing department within the resort. And that’s basically the **primary driver of the brand and marketing planning. But you know, all of the operating groups are involved. Because, everyone has to understand the brand message, and to deliver that message.** As A just said. So..All the operating groups are involved, but the real..A’s marketing team is really the group that’s responsible for making sure that the brand is protected, and that we develop operating strategies etc to line ourselves with the brand. [emphasis added.]

Case 7: **"The process is, you know, training employees, giving them all the tools, you’re getting to xxxx xxxx (buy up?) to your culture and making them understand who we are, and what our customers expect."** [emphasis added.]
Case 7: “to skills and knowledge, I would say that, it’s really coming to the front line, of the employee that has got the day to day contact. And they are the ones that have to really really understand the brand, and what is expected of them.” “Once again, its about what a customers expectation is when he arrives versus what he actually experiences. I think that’s the worst mistake you could make. It’s just not being well defined, because if you are not well defined, and you don’t understand what your mission is and what the goal of the company is and that.. And the personality of the company, and how things... you can pass it along to the employees, so consequently you have...every employee is acting differently and delivering a different type of product. And I think its just... If they don’t understand the motivations of why people want me to do this, then, how can you deliver on that? The motivation and the expectation...” [emphasis added.]

Case 5: “There’s not really a strong resistance. What it is is lack of understanding. So we have regular presentations with these people, because the business owners change hands all the time. New staff come in. And I think the obvious way to market is to market functionality. And people who are not tuned to brand health and marketing cant quite understand what we are doing. So it’s just a matter of explaining why we do it. Putting a good rational behind it and its very rational argument. And then that.. misunderstanding is corrected.” [emphasis added.]

These findings match well with earlier findings of communication scholars. When dealing with the external market, the role of the marketing communicator includes the facilitation of a sense of shared understanding with external customers about the organization itself, its values, the identity of its brands and the specific benefits of its products/services (Asif & Sargeant, 2000). At the intra-organizational level, however, the communication process has been shown to have a variety of additional roles, including:

(1) The creation of a unified corporate identity by improving the insight that individuals have into the overall philosophy of their organization and its strategic direction (Ambler & Barrow, 1996; Ford & Ford, 1995; Kanter et al., 1992)

(2) Encouraging the motivation and commitment of employees by ensuring an understanding of the company's objectives and goals (Foreman, 1997; George & Berry, 1981)

(3) Increasing the individual understanding of the process of organizational change as it occurs thereby reducing employee resistance (see, for example, Foreman, 1997; George & Berry, 1981);

(4) Reducing the potential for misunderstandings, discrepancies and conflict, within and between internal departments (Cheney & Vibbert, 1987; Gioia, 1986; Gilly & Wolfinbarger, 1998; Smircich & Morgan, 1982)

(5) Providing the tools and information to allow employees to perform their jobs (Deal & Kennedy, 1982; Kohli & Jaworski, 1990)
(6) Enhancing overall levels of service quality by ensuring that an understanding of the needs of the customer is fostered at every level within the organization (Acito & Ford, 1980; Piercy & Morgan, 1994; Reukert & Walker, 1987; Wolfinbarger & Gilly, 1991)

According to my analysis, these aspects are also essential in creating and sustaining Network Brands in the context of ski destinations.

**External communication competence**

External communication competence is an organization’s capability to communicate with external audiences in a way that facilitates the creation and development of a brand image, identical to brand identity, in the minds of the consumers.

In the analysis, six facets of external communication competence emerged: the ability to generate consumer awareness and positive image through communication, the ability to express the brand identity in marketing communication, the ability to communicate added value in a clear way, the ability to ensure that image and identity match, the ability to convey consistent brand meaning through all marketing communication channels and finally the ability to present network as a unified whole to external audiences (including distribution channel, media and customers).

**Ability to generate consumer awareness and positive image through communication**

The fundamental aim of external brand communication is to generate brand awareness and positive brand image, which are identical with intended brand identity, within the minds of consumers.

Case 8: “[What would you think that differentiates “good” destination brands from “not so good” or less successful destination brands?]"
A: Well I’d say that a successful brand has consumer awareness. So that when the name is mentioned, when CASE8 is mentioned, they [consumers] have a concept in their head of what that means to them.”

Case 2: “Q: But how would you define a brand? What is meant by a brand in the context of ski destinations?
A: It [the brand] is a sum of the customer-held knowledge, experiences and images. And there I want to emphasize that marketing communication alone is not enough for it, because it is so heavily impacted by all of the things that he will experience in the whole area when he is there, and what he will tell to his friends acquaintances afterwards. Or whether he will decide to return to the Ski Center or not?”

**Ability to express the brand identity in marketing communication**

Another facet of external communication competence is the ability to capture the essence of brand identity in sent messages.
Case 5: “Q: [What factors would you consider as being essential to develop and maintain a successful ski destination brand?]
A: …And then I guess. Strong execution of the brand. In terms of marketing. … I’m showing that’s what I am. If my brand positioning is that I’m fun and live and young, and I show that in how I… in the text that I use, I’m using young language and showing imagery that’s fun and alive, then I’m matching the two quite well. "

Case 1: .."but often people think that an advertising agency and these are creating brands for firms, but that is not true really in the case of CASE1. So that an advertising agency is assisting, but the brand and the perceptions that are evoked from CASE 1, those are pretty much things coming from these entrepreneurs of the destination… so that this is not really any typical brand that would have been built by an ad agency. … Of course there’s some suggestions coming from that directions too, but really basically it is so that the issues are thought of pretty much in here, that what we want and to which direction we want to take this, and then perhaps the ad agency may be supporting that and then turning that into tangible form through all these different brochures and other things."

**Ability to communicate added value in a clear way**

Ability to express the value-adding functions of the brand in external communication is another facet of external communication competence.

Case 2: “Q: [What makes a ski destination brand good?]
" A: Well I’d say that clarity, being profiled, so that they are not all alike. So that the customer knows quickly and with ease what is this place like, and whether this is the kind of destination that I’m interested or not? So that it is easy for the customer to make that travel decision…"

Case 9: "Q: What differentiates the best ski resort brands from the other, who have not been quite as successful as brands? - A: And I think, what J said, consistency of message and then delivering on the message in the product. So, that’s…J talked about CASE7. CASE9 is right there. You build a strong message and consistent, concise, people can understand it and its one real message. So delivering the message and delivering the product once you..you re-inforce the brand by delivering on the product. So that the word-of-mouth and everything that is really …talked about, communicated about a resort, is wholly reinforced." [emphasis added.]

Case 6: " Ah..you know. Sometimes when you’re marketing..you know, maybe segmenting your message, sometimes that’s a little bit difficult to control. And I mean, obviously, we’ve got..we have family clientele, we have snowboard clientele, we have singles clientele, we have seniors clientele. So trying to be very targeted in the right version of your brand for the right part of the market..you know… you work a little harder to manage that. And it’s sometimes difficult to keep. One niche over another market..you know..if you’re marketing to snowboarders and it gets in front of one of the seniors, you know, they may not necessarily understand it. Or the speaking does not include them. But we would frame marketing
Ability to ensure that image and identity match

The objective of external communication is to create awareness and ensure that the developing brand image is identical to the brand identity. Thus, the ability to direct external communication to enforce the sought-after features of the brand image and to correct and redirect unwanted features of the brand image is an important facet of external communication competence.

Case 1: “Q: What is a good ski destination brand like? What differentiates a good ski destination brand from a bad ski destination brand?

A: One perspective to that is that that marketing and that image is equivalent to that that you’re really getting. Or that what you get is equivalent… or that it is equivalent to what you get, then that’s like you know, is is …is like a good brand. “

Case 2: “Q: What would be good measures for assessing brand success?

A: …But perhaps still the primary is the awareness and what values the customers perceive as belonging into the brand and the ski destination. And are those the same ones that have been attempted to communicate?”

Case 5: “And then I guess the other thing that you’d try to measure is the brand positioning and personality that you are thinking that you are portraying, marketing, and the perception of the marketplace as to what the brand position and personality is.”

Case 8: “The basic result of our brand was..people who have been to..we always thought our main brand asset or attribute was our accessibility. … So as compared to our competitors in Colorado we own that position, and no one can duplicate that. So we always thought that that was our main brand benefit, you know, and that we should hang our head on.. so to speak[jigging].that’s where we should go. But when we went to and talked to people who..when we went and did these focus groups, when we talked to people who have been to CASE8, they totally understood the accessibility, and how flying in and skiing in the same day was remarkable and unusual. But when we talked to those people who are like Colorado loyalists, who ski Colorado or Lake Tahoe on a regular basis, they had no idea of the accessibility, and it meant nothing to them. So it was like..and our job as a destination marketing organization is to get trial, and to get new people..um..to our destination. So we didn’t really want to hang our brand on people who are already loyal to us. We wanted to create market share, so we wanted to target to audience that wasn’t xxxx [ avail?] to us, but were skiers, and I’m talking winter right now, and who had the ability to use Case 8. And so, when we talked to them what we found out was, their hangouts (?) were that the first..the first thing that they said was..it was that “Why didn’t you consider CASE8 for a winter vacation?.” They said “Didn’t even think about it.” So, in another words it wasn’t on the radar screen. And then when we probed them, we found out it wasn’t the accessibility. They were like “Oh, that’s great that there’s a lot of airlines to get there and it’s easy, but what’s there??.” So they didn’t understand that there were three resorts in
one town, and that we have one town. And then another negative was that they were like “Why would I
vacation in Utah? You can’t drink, you cant have fun,” you know, they had rather negative connotations.
So. We’ve built our brand to talk to the people, who in the winter, who haven’t been here before. To
educate them what our product is and to overcome the negatives of our brand research…”

Ability to convey consistent brand meaning through all marketing communication channels
My literature review suggests that all brand contacts should convey consistent brand messages. In
accordance, the data analysis suggests that ability to convey consistent brand meaning through all
different communication channels is an important facet of external communication competence.

Case 8: “[Essential factors to develop and maintain a place brand?]]
A: I think you.. Consistent messaging. …Using the brand and making it, you know, making it consistent.
So that each time, you know… so, making the brand message consistent in your paid communications,
and your non-paid communications and your PR. And your tour operator communication and your travel
agent communications and your meeting planner communications. Throughout all of your market
segments. Making sure that wherever your brand is, it’s being communicated to your public in the
same way, in a consistent way. So that you’re re-enforcing the brand continually. “[emphasis added.]

Case 5: “Q: Could the [brand] implementation process be improved?
A: I guess it can be improved..just to have stronger elements in the positioning and personality within
the resort and in any area where the resort is represented. … Um.. and we try and make imagery
available to…we make imagery available to the whole industry, so that we have this image turning up in all
the other hotels brochures as well. So we can have constant imagery.” “And it actually to took three
attempts to come up with a logo, but not just the logo. There’s also a lot of visual branding that goes
around it. That is now carried through in the collateral..and in…collateral in many ways, whether that be
printed, website, TV, all of those different areas. Even sound. We now have a xxxx (mnemonics?) that we
use as sound.” [emphasis added.]

Ability to present network as a unified whole to external audiences (distribution channel, media and
customers]
An important element of external communication competence is the ability to dispel the fact that the
vacation experience is produced by several producers.

Case 3: “One thing influencing the quality of communications is that, whether you’re presenting the service
offering as a whole from the perspective of the customer, or so that in the end-result the urge of every
single entrepreneur to communicate this and put this and that into this section is visible. I mean..customer
orientation. ” “when you have under one umbrella brand you have tens or hundreds of companies and
actors, and the customer is not interested, and he doesn’t know who owns what and who’s running this or
that place, but instead he’s interested that the whole entity, which is formed from a large number of little
pieces, is working seamlessly. So that if one sub-sector falls flat while he’s there, that will have a negative
reflection to the whole brand. “Then another thing in these is the content, meaning that these [brochures] are editorial and are presenting the destination as a whole. So that individual companies have not been allowed to, kind of, make their own ads in there.”

**Decision-making competence**

Decision-making competence refers to the organization’s ability to make decisions without sacrificing the internal integrity of the organization. The network nature of the Network Brand may create considerable managerial challenges, as individual firms may have partly common, but also partly diverse and even opposite strategic objectives, and the same firms may also be fierce competitors in other areas of action (other than brand management). From the perspective of a single firm the challenge is threefold. It should aim at simultaneously into (1) developing a brand capable of creating brand equity jointly with a network of other firms, (2) securing in the negotiation process that the Network Brand supports the firms own strategic objectives (as opposed to other network members) as strongly as possible and (3) modifying its internal processes to fit the value promise offered by the Network Brand to customers.

The data analysis suggests that competence in making decisions in network context is a significant issue in developing successful Network Brand. Based on the case data the decision-making competence appears to have three facets; the ability to make strategic decisions (ability to make decision without diluting decisions by excessive consensus building), the ability to increase possibilities or reaching consensus, and the ability to make “fair” decisions for the benefit of the entire network.

Returning to my jigsaw-puzzle metaphor, decision-making competence is the capability of the owners of individual pieces to make decisions about common goals. The piece-owners should have the same objectives and agree on how the individual pieces should be reformulated so that the pieces fit together. Fitting the pieces together may require cutting bits off from some pieces (transforming the production processes) and changing the picture in some pieces (modifying business idea and/or target segment). If the piece-owners (the network members) are unable to make decisions about these changes, part of the jigsaw-puzzle pieces will not match with the others and/or the picture an individual piece may not be a part of the overall picture (the brand). In either case the task of the individual putting together the jigsaw-puzzle (the customer developing the brand image in his mind), and creating a coherent and clear overall picture, becomes more complex, thus reducing the likelihood that the result will be similar to the one intended and desired by the piece-owners.
Ability to make strategic decisions. Ability to make decisions without diluting them by excessive consensus building

The network organization's ability to make strategic decisions, despite the possibly differing strategic objectives of individual member firms, emerges as a significant factor in developing successful destination brands.

Case 8: “And then...um.. I think, just working in a committee and in a Council making sure that we don't dilute our research through too much input, or.. or.. too much consensus building. You know. That we stay true to our brand.”

Case 2: “Q: [What factors are essential when developing a brand for a skiing destination?]
A: Well I'd say that a kind of perseverance and orderliness to start with... and then kind of a daring to profile yourself clearly enough, which perhaps appears to be se greatest challenge. So that we easily find the issues that these are the really good ones, but then comes a long list of things, that 'oh yeah then we have this and that and that we are really a little bit like this too and so forth... The daring to exclude large part of things and to concentrate into specific profiling features in communications, because otherwise we will end up in a situation where every ski destination is communicating the exact same things. So that even if there is, say ice-climbing wall, we don’t need to mention it everywhere, unless that really is one of our core attraction factor.”

Case 3: “Majority of these firms, when they see that it seems to be going more or less to the right direction, they are pretty satisfied. The most important thing is that they know that they would have an opportunity to influence things should the need arise... And that we end up with some kind of consensus, or to enlightened dictatorship, as to what will be communicated and that over time we would be communicating more or less the same thing.”

Ability to increase possibilities of reaching consensus
Consensus-building abilities emerge as a factor of decision-making competence. An interpretation might be that consensus seeking in decision-making increases the networks internal integrity, thus supporting communal feeling and commitment to the Network Brand development process and the Network Brand identity.

Case 2: “Q: [Difficulties and challenges in developing a destination brand?]
A: Well that really is demanding, that the number of the companies is so high. And that they have quite a lot of differing objectives, these companies have. They have different customer target segments. Different issues that they want to emphasize in the marketing, and in their activities in general. So in the first place, that we are able to find that common agreement about what are the common things in CASE 2 what we want to communicate and then convey through the daily activities... and firstly to decide what are they, and secondly to take them into practice. So that every entrepreneur would understand them and would like to utilize them in their own processes. And that is absolutely the difficulty. So that when you have about a
hundred different companies, of which everyone of course have the decision-making power concerning what happens in their own companies, but also they all should also have a say in that common, then finding that mutual understanding...That's really the hardest part.”

Case 3: “Q: [What differentiates good ski destination brands from the not-so-good ones?] A: … Customer orientation, so that they are convenient and easy to adopt, as opposed to that who has paid what and who’s gonna.. in which page and want to be presented in what way, because there are just as many visions to do those things as there are members. And that we end up with some kind of consensus, or to enlightened dictatorship, as to what will be communicated and that over time we would be communicating more or less the same thing. In a way we’re getting back to that consistency.”

Case 8: “And council, because when you start to get creative by council, it gets xxx (convoluted?). And people...people are very passionate about creativity. And it’s very unique and very individual and very personal. And so when you’re trying to come up with an ad or creative marketing ideas within a council it’s difficult to reach consensus. Cause everyone has their own ideas.”

Case 8: “There are very strong operational minds on the board, that are not necessary marketers. So education and communication is KEY to getting..to reaching consensus. But I think it was just the way we did it. I didn’t have any.. you know, there were little bumps, but nothing major.” [emphasis added.]

*Ability to make fair decisions for the benefit of the entire network*  
The ability to increase fairness in decision making, despite the uneven balance of power among network members companies, appears to be a significant factor of decision-making competence.

Case 3: “One thing I try to emphasize, is that if we would be only thinking of the Ski Company, then all the background work, if we would be doing thinking only the Ski Company, thinking only our own company, it is absolutely certain that this co-operation hadn’t been working as it has. If everybody always has to think that what have these crooks come up with in order to increase the sales of their own Ski company and to decrease the sales of our hotels and restaurants. So that this vanguard company really has to be able to think from the perspective of the entire destination. … We did the proposals and really, sincerely, thinking about the benefit of the whole destination, because, you know, the success of the whole destination is beneficial to us.” [emphasis added.]

*Resource base development competence*  
Resource base development competence is an organization’s ability to acquire/access resources which are relevant for developing and sustaining the brand.

Returning to my jigsaw-puzzle metaphor, competence refers to an organization’s ability to accumulate the resources needed to put the jigsaw-puzzle together. The resources include the pieces themselves in addition to the knowledge or experience about putting jigsaw puzzles together. It may be that the
intended jigsaw puzzle (the brand) cannot be put together with the available pieces, as some pieces may be missing. Therefore the ability to identify the missing pieces, the ability to acquire the resources for making new pieces (from inside or outside the organization) and the ability to accumulate expertise about how jigsaw puzzles are put together constitute the core jigsaw puzzle management competence.

The competence appears to have at least three facets: (1) ability to acquire or access internal and external resources, (2) ability to detect fundamental technological, marketing and other capabilities, and (3) ability to accumulate knowledge and expertise.

*Ability to acquire/access resources inside and outside the organization*

Within the analysis of the data, relevant resource-accessing abilities appear to be the ability to secure financial resources, qualified employees and service know-how, innovative skills and spill-over effects through brand alliances. The ability to acquire and access resources is related to the ability to generate managerial commitment.

Case 3: “And every year we were fighting over again whose gonna pay and how much? ... And now, through this Association [DMO] the members are committed, so that in practice, if we would like to quit now, we’d still have to pay next years membership fee, which in our case is 120.000 €. Meaning that I’m not going to quit the co-operation for any weak reasons. And so we have this kind of a preparatory cycle, and we know that we will have this much funding available next year too. That makes long term planning substantially more easy”

Case 7: “[Are there some particular resources that you consider as being essential or crucial for maintaining a brand.] - Well, yeah, the employees. That’s huge. And they are a resource. And I think also to... you need marketing dollars to back up the brand. ... Once again, from the top on down, from the president to your owners. They’re believing in the brand and also backing it up with dollars. That’s resources.” “We have about in average of 60 % return rate on our employees, or seasonal employees. Which is good. It’s the highest in the industry. So. In the US. So it’s good.”

Case 4: ”In practice it went so that when we started that cooperation, the strengths of CASE4 was of course that reputation amongst active skiers, and then the CASE4 brand and its strong position in domestic market, whereas in [Destination X] they hadn’t really done anything. They didn’t really have any brand at all. They didn’t invest to domestic market almost at all, and not that much to ski slope activities but instead to international marketing, and in there especially to sales. And 50% of the clientele of [Destination X] is at this very moment international customers, whereas in CASE4, when we started this cooperation, was just few percents. Their competence was specifically in international sales. Then as we started this cooperative marketing, this domestic marketing quite naturally turned out to... be my responsibility. ... Of course there is this group, or the Board, but there’s really little, as they are small entrepreneurs, experience on that field. And then the time and monetary resources available for that are pretty limited. But there’s really excellent commitment towards this brand-work. And on the other hand, in
[Destination X], when we will start to work with the international marketing projects, a more active role is expected from them."

Case 3: "Case 3 "Hey, getting back to that successfulessness, one thing could be that how well it [the brand] is able to attract, you know, partners. So that really our ski destinations...pretty much through the brand, and the quality behind that, attract these national level, there you have these in the brochure, Nestlé and Nokia and others, like cooperation.. attractiveness as a partner."

Case 3: "And then I guess one thing is that advertising agency as a strategic partner, that is something I think that.. and in particular advertising agency that also has this strategic vision, not only visual capabilities."

Case 2: "It is a good thing that they [ideas] are not coming from one or two individuals but instead are coming from a larger group of people, but then again actual implementation ought to be pretty centralized, however."

Within the context of network organizations the ability to access resources is not self-evident. Individual companies within the network manage their own organizations and their resources, and submitting significant resources to the use of the network is not a matter of course. It is noteworthy, that even though the members of a network co-operate within the sphere of brand management, they may well be fierce competitors in other. From the perspective of a DMO, the ability to access resources inside and outside the organization is of crucial importance.

One manifestation of the intention to secure more financial resources is the formally stated objectives of all brand management organizations in my NEO case destinations to attract as large portion as possible of the companies operating within the geographical boundaries of the destination, coupled with sophisticated systems for assessing and collecting membership fees.

**Ability to detect technological, marketing and other capabilities**

Ability to identify deficiencies in internal resource and capability base, ability to detect opportunities in the external environment and the ability to deploy resources and capabilities in a way that enables the organization to create new capabilities is a significant organizational feature of successful Network Brand creation.

Case 9: "Q: What would be sort of ideal? What would it be like?
A: Well, it's a constant... we're always trying to improve our [brand management] process. That's what the research provides us. You know. What's most effective way to communicate to everybody. And there's a constant change. Ideally...um...we would be on top of every communication xxx (outlet?) we could be on... but in a perfect world...we cant find all the avenues to, communicate to everybody on a
consistent basis.. and ideally, you know, that would be that. But of course, that can always be improved and we are always striving to improve our communications.” [emphasis added.]

Case 4: “In practice it went so that when we started that cooperation, the strengths of CASE4 was of course that reputation amongst active skiers, and then the CASE4 brand and its strong position in domestic market, whereas in [Destination X] they hadn’t really done anything. They didn’t really have any brand at all. They didn’t invest to domestic market almost at all, and not that much to ski slope activities but instead to international marketing, and in there especially to sales. And 50% of the clientele of [Destination X] is at this very moment international customers, whereas in CASE4, when we started this cooperation, was just few percents. Their competence was specifically in international sales. … And on the other hand, in [Destination X], when we will start to work with the international marketing projects, a more active role is expected from them. Their international, so that if we have transferred our brand, CASE4 brand and our competencies pretty much for the use of [Destination X]. So that we took along [Destination X] to the Case 4 brand, developed in 1990.”

Case 3: “And then I guess one thing is that advertising agency as a strategic partner, that is something I think that.. and in particular advertising agency that also has this strategic vision, not only visual capabilities. .. In a way not like ‘we are your copywriters’-approach, but instead they are a strategic partner, and participate also to strategic planning, not only marketing communication and marketing planning.”

**Ability to accumulate knowledge and know-how**

In addition to consistency in strategic objectives, the data suggest that ability to accumulate knowledge and know-how is an important feature in developing and sustaining Network Brands.

Case 3: ..”[organizations] where all the managers and all the people are changing all the time, it is obvious that it [developing a brand] can not succeed.” “… but with every change in management or owners, they [a competitor destination] have completely changed their logos, their strategy has been changed, advertising companies have been replaced, so they have not received that cumulative awareness which CASE 3 has.”

Case 5: ”There’s not really a strong resistance. What it is is lack of understanding. So we have regular presentations with these people, because the business owners change hands all the time. New staff come in. And I think the obvious way to market is to market functionality. And people who are not tuned to brand health and marketing cant quite understand what we are doing. So it’s just a matter of explaining why we do it. Putting a good rational behind it and it’s a very rational argument. And then that.. misunderstanding is corrected.” [emphasis added.]

Case 3: “And then I guess one thing is that advertising agency as a strategic partner, that is something I think that.. and in particular advertising agency that also has this strategic vision, not only visual capabilities. .. In a way not like ‘we are your copywriters’-approach, but instead they are a strategic
partner, and participate also to strategic planning, not only marketing communication and marketing planning."

Case 3: “Because everybody is an expert in marketing, that is the thing... which for sure does not make the cooperation easier. You know, when every entrepreneur is the expert in marketing and knows how it should be done. So, some kind of basic marketing competence among the entrepreneurs, would, of course, be nice to have. I guess that would make things easier..”

Case 7: “Once again, it’s about what a customer’s expectation is when he arrives versus what he actually experiences. I think that’s the worst mistake you could make. It’s just not being well defined, because if you are not well defined, and you don’t understand what your mission is and what the goal of the company is and that.. And the personality of the company, and how things... you can pass it along to the employees, so consequently you have...every employee is acting differently and delivering a different type of product. And I think it’s just... if they don’t understand the motivations of why people want me to do this, then, how can you deliver on that? The motivation and the expectation..” “I mean, brand in my mind it’s not something separate... department in an organization, it is your organization. So maintaining your brand is simply making sure your employees are well trained, and that they’ve got the skills and knowledge to get their job done...”

These findings echo arguments made by other scholars. Sanchez (2003) states that organizations must compete not just in production markets, but also in resource markets, where a firm must attract the best resources and capabilities in its value-creating process. Some of the resources a firm attracts may come under the effective control of the organization, while others may continue to reside in other organizations and firms but are “addressable” by the organization when their services are needed.

Leadership

Leadership is an elusive quality. It is the process of influencing the activities of an organized group toward goal setting and goal achievement (Hersey & Blanchard, 1988).

My data analysis suggests that leadership, within the context of Network Brand management competencies, has two components: the ability to influence the behavior of other people toward group goals, and the ability to keep the brand development process going despite resistance and hardships. All of the case destinations, which have adopted the network approach, have developed sophisticated network organizations with clear organizational structure, written rules and clearly expressed strategies. The structure as such gives formal authority to certain elements of the organization to perform operations. In addition, the respondents emphasize the mental aspects of leadership, the importance of
having an actor who can inspire and encourage the group of network actors to co-operate, while coordinating the activities toward common goals.

Case 4: "It [the competence in creating a successful Network Brand] really comes from the organization and from the individuals leading it. You have to have the kind of leaders who can make that pretty fragmented group of actors to aim and run towards the same goal and .. to understand that consistent long term work."

Case 3: "Q: [What differentiates the best brands from the “not so good” brands
A: And then of course the cooperation inside the destination, and that there is one clear leader leading the whole thing. You cannot build a good ski destination brand without it, that’s really obvious." “I further underline the necessity of having a leader. Because you can not create the brand alone, but instead you have dozens of companies involved, but then, however, there has to be the one who’s really leading the pack.”

Also, the concept of leadership includes the ability to continue the brand development process despite ignorance, resistance and other obstacles faced in co-operation.

Case 4: "Q: .. Well have you had, in implementing the brand, in like how to transform the strategic decisions into everyday practices, have you faced difficulties or challenges?
A: There are these, that we have, though the Case4 Alliance, tried to distribute information in vast quantities through email, by clear, classy, printed letters, which are designed by an advertising agency, then by organizing seminars and information briefings and others, we have tried to communicate this strategy, our objectives, about marketing.. plus then we organized these kick-off events with Jani Sarasvuo to the whole employee base of the whole destination. And that is something we do a lot, but it’s a bit painful to figure out what to write in there? When you send mail, it is usually left unread, to events..., and if it is read, usually people want to misunderstand the message or pick just those parts, which benefit ones own company and then start to request something little bit more to that. So that people don’t see the big picture and the long term goals of the area in 5 to 20 years. And then same thing with all these information briefings, kick-off events.. It damn hard to get these people to participate. So that it is kind of, the fear of changes and fear of success is pretty significant in there... And a little bit the culture, when you don’t do anything, you can’t do mistakes... But you get kind of used with that kind way to operate in there, and really the main issue is that the caravan keeps going and the big things go to the right direction. Then there are some magnificent key entrepreneurs, and regional level managers and those kind of people, who understand the importance of this work. But large majority of the mass of small scale entrepreneurs are coming along slowly, and are even doing counter activities in there. ... But I want to emphasize, what is important is that work gets done in high quality, and that things are moving to the right direction.” [emphasis added.]
Monitoring competence

By monitoring competence I mean an organization’s ability to gather information about its environment, its performance and the organization’s internal condition, and its ability to extract meaning (interpret) the collected information.

In my data analysis, both internal and external monitoring abilities emerge. The ability to develop control loops that challenge the organization’s current strategic logic and management processes, as well as control loops that monitor current strategic operations, appear.

External monitoring abilities are represented by formal monitoring systems. All case destinations have developed monitoring systems for assessing the brand image through measurement techniques, ranging from focus groups to large quantitative surveys performed by independent research entities.

Internal monitoring focuses on estimating the effectiveness of resource use and strategic appropriateness of planned or ongoing activities towards the brand identity. The internal monitoring abilities unfold in the form of common financial measurements, but also in often informal monitoring systems (e.g. “keepers of the culture”), as in following quotes.

Case 9: “Everything that we do [in order to create and sustain a brand], we try to track.”

Case 7: “Because she’s been here since day one. And if we have a **keeper of the culture**, it’s her. She doesn’t let the standards slide, ever. **She’s the person to jump in and say “Oh nonono, it’s not us. Are we doing it the right way?”** … But they’ve just been here for so long, and the culture so integrated in them, that so many.. I’m the new kid on the block, I’ve been here for 11 years as a director. Most of them have been here over 20. So, that helps to sustain. But you know, something new will come along, something new will be rejected, you know, lots of times gets embraced, and lots of times those two speak up and say “That’s absolutely not us.” They’re great, because they’re not afraid to say it. They’ve made such an investment in the company, that they don’t wanna see it ever sway from, you know, the quality..” [emphasis added.]

Case 7: “You know, quality facilities, everything we do, we’re trying to do really well. You know, **we are always asking ourselves the question** if we’re going to add a program or, you know, add onto a building, “Is it CASE7?.” It’s really in everything, I can’t even think of any one thing that’s essentially xxx (into?) our brand. It’s everything.” [emphasis added.]

This section identified the competence requirements for managing network brands in the context of ski destinations. Through the generous use of quotes and metaphors, I attempted to give the reader a more
vivid picture of the competencies, and to increase the transparency of my interpretation. In the next section I compare the findings of this study to those of previous studies.

5.2. Comparison to previous studies

Several authors have identified managerial and organizational competencies, yet the development of knowledge in this area is far from well-established (see e.g. O’Driscoll et al., 2000; Vorhies, 1998).

I discussed management competencies in my literature review (Section 2.3). The most widely-cited studies between 1949 and 1996 were synthesized by Gilmore and Carson (1996). Through the analysis of 15 of the most-widely cited studies, they identify a typology of core management competencies and apply them to services marketing. Sanchez (2003) identified the characteristics of capabilities, resources and management processes that are important in creating and sustaining competitive advantage. Aung and Heeler (2001) studied the core competency requirements of service firms. Vorhies and Morgan (2005) identified eight marketing capabilities that contribute to business performance. Lambe, Spekman and Hunt (2002), Spekman, Isabella and MacAvoy (2000) and Kale, Dyer and Singh (2002) have studied the competence requirements of alliances. de Chernatony and Segal Horn (2001) examined the factors in the success of service branding. Building on the earlier work of Möller and Halinen (1999), Ritter and Gemünden (2003) and Möller and Svahn (2003) proposed management competence requirements in the context of networks. Äyväri (2006) presented an analysis and synthesis of competencies raised in the literature on alliances and business networks.

The focus of this study has been competencies in the context of network brand management of ski destination. In prior literature, competencies have been related to organizational success as a whole instead of in terms of the competence requirements of creating and sustaining a brand. This section compares the competencies identified in this study to competencies identified in previous studies.

Co-operation building competence is the ability to create an organizational forum for sharing work and responsibilities, to establish coordination mechanisms between actors and to create a decision-making system that distributes decision-making system in a just way. Aung and Heeler (2001) have found similar or closely related competencies, suggesting that the ability to perform joint activities with other organizations for improved service packages is a core competence of service firms. Furthermore, Möller and Svahn (2003) suggested net management capability, emphasizing both the ability to create an organizational forum and to establish coordination mechanisms among actors. A new facet of this competence, emerging from my data but perhaps missing in the literature, is the ability to create a decision-making system that distributes decision-making power in a just way.
Competencies closely related to Consistency. Ability to create a sustainable long term strategic vision for brand identity have been proposed by several other authors (e.g. Äyväri, 2002; Gilmore & Carson, 1996; Möller & Svahn, 2003; Spekman et al. 2000). In these studies this competence has been related to the more general phenomenon of strategic visioning. De Chernatony and Segal-Horn (2001), asserted that consistency is central to successful services branding. My results confirm this argument. This competence matches with the proposition of holding a broad and long-term view as a guideline for managing customer-based brand equity (Keller, 1993).

Competence in coordinating interrelated resources and capabilities is a composite of the ability to ensure that the brand is delivered in all product features, the ability to provide clear tasks and task allocations and adequate resource allocations to support tasks, the ability to provide incentives for network member companies to transform their processes to support the brand, and the ability to develop and implement a common quality standards in line with the brand identity. Coordination among the functions of an organization, and among networking companies, has been postulated as a key competence in several studies (e.g. Gilmore & Carson, 1996; Möller & Svahn, 2003; Sanchez, 2003). What appears to be a new feature emerging from this study, in comparison to previous literature, is the emphasis given to the ability to ensure that the brand is delivered in all product features, and to the ability to provide incentives for network member companies to transform their processes to support the brand.

Internal Communication competence is a composite of the ability to develop effective internal communication processes, and the ability to improve understanding through dissemination of knowledge and information. While several previous studies (e.g. Aung & Heeler, 2001; Gilmore & Carson, 1996; Sanchez, 2003;) have suggested highly similar competencies, the emphasis on increasing understanding in my results may be an addition to previous propositions. This facet of competence is the ability to instil a deep and thorough understanding of the core meaning of the brand identity among the whole organization, and especially the front line staff, and was presented as one of the fundamental competencies in several cases of this study. One possible interpretation is that because of the nature of service branding, and the centrality of the service encounter, this facet of the competence gains importance in the contextual setting of ski destinations. However, my research design does not enable me to evaluate the relative importance of these competencies, therefore leaving more detailed research and interpretations a task for further research.

Organizational identity building competence is a composite of the ability to create community spirit, trust and togetherness, the ability to increase commitment to the brand at all levels of the organization, the ability to generate managerial commitment, and the ability to generate a culture of open discussion. The
first facet is close to the network management competence, the ability to instill a network identity, proposed by Möller and Svahn (2003). The third facet, motivated managers, has been identified in several studies, and summarized by Gilmore and Carson (1996). Furthermore, Aung and Heeler’s (2001) nurturing competence, an ability to create an emotional bond with employees, may be related to my proposed competence. An interesting difference is that in several case studies “the organization” refers to a network organization, comprising several independent companies.

*Mobilization competence* refers to an ability to provide incentives for providers of key resources and capabilities. Closely similar competencies have been identified in the network literature by Möller and Halinen (1999), Sanchez (2003) and Möller and Svahn (2003).

*Resource base development competence* is a composite of the ability to acquire and access internal and external resources, the ability to detect technological, marketing and other capabilities, and the ability to accumulate knowledge and know-how. Similar or closely related competencies have been identified by Sanchez (2003). The ability to develop new concepts that cannot be easily copied by competitors, as proposed by Aung and Heeler (2001), may be related to my findings.

The competence proposed by Aung and Heeler (2001) is conceptually similar to *Brand Identity Development Competence* and is a composite of the ability to develop a unique brand identity which provides added value to the consumer, the ability to capture “reality” in brand identity, and the ability to express experiential (vs. functional) elements of the product in brand identity. However, no previous studies of brand management competencies were identified in my literature review. The first of the three facets described above may be a fundamental issue in brand management, and is discussed in several brand management text-books (e.g. Aaker, 2000). The two latter facets, however, appear to be largely unknown in the literature. The ability to capture “reality” in brand identity might be derived from the fact that not all aspects of the destination product are manageable, and reinforces the central feature of importance of delivery of the promises made by the brand communication on actual vacation experience. In relation to the third ability, the ability to express experiential elements, my data suggest that emotional factors may be a more fruitful basis for brand identity development than functional features of the product.

*Leadership competence* is a composite of ability to lead the network and keep the process alive. Generic leadership ability, has been identified in several studies (Gilmore & Carson, 1996) in service marketing literature, but been ignored in the alliance or network literature (see Äyväri, 2006). As discussed above, a discussion on whether or not it is possible to manage networks at all is ongoing in the Networks research tradition (Ford & MacDowell, 1995; Svahn, 2004). My results contribute to this discussion by emphasizing “leadership” over “management” in adding value through the network form of
operating. Keeping the process alive, the ability to keep the brand development process going despite ignorance, resistance and other types of obstacles faced in co-operation, has attracted very little attention among researchers.

*External communication competence* is a composite of the ability to generate consumer awareness and positive image through communications, to express the brand identity in marketing communication, the ability to communicate added value in a clear way, to ensure that image and identity match, to convey coherent brand messages through all marketing communication channels, and to present the network as a unified whole to external audiences. Related competencies have been identified in several earlier studies (e.g. Aung & Heeler, 2001, de Chernatony & Segal-Horn, 2001; Gilmore and Carson, 1996; Vorhies & Morgan, 2005). De Chernatony and Segal-Horn (2001), while studying success factors of service brands, emphasized the necessity for clear positioning with a ruthlessly articulated, clear message. What appears to be new in my findings is the ability to present a network as a unified whole to external audiences. The ability to dispel the fact that the vacation experience is produced by a number of different producers, and to present the ski destination as one single entity, may be a feature unique to Network Brand Management. This competence matches with Keller’s (1993) proposition of specifying the desired consumer knowledge structures and core benefits for a brand, considering wide range of marketing options and coordinating the marketing options that are chosen, as guidelines for managing customer-based brand equity.

*Monitoring competence* is a composite of the ability to develop a monitoring system that provides sufficient information for brand management, and the ability to develop control loops that challenge the organization’s strategic logic and management processes. Similar competencies have been identified in several earlier studies (Gilmore & Carson, 1996; Spekman, Isabella & MacAvoy, 2000; Vorhies & Morgan, 2005), although in more general terms than in brand management. Similar findings have been suggested by Sanchez (2003). Furthermore, this competence matches with Keller’s (1993) proposition of conducting tracking studies and controlled experiments as a guideline for managing customer-based brand equity (Keller, 1993).

Eleven of the twelve competencies identified in this study have some common grounds with competencies in previous literature. These studies have presented sets of competencies which have relevance to the service and network management contexts. Some of the competencies or facets of competencies revealed in my research are similar or close to the competencies postulated in previous studies, but they also provide more detailed and richer description of the competencies and identify a particular NBMC set in the context of skiing destination branding.
The twelfth competence, absent from the literature of management competencies, is *Decision making competence*, consisting of three interrelated abilities:

<table>
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<tr>
<th>7. Decision-making competence</th>
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<tbody>
<tr>
<td>7.1. Ability to make strategic decisions. Ability to avoid diluting decisions with excessive consensus building.</td>
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<td>7.2. Ability to increase possibilities for reaching consensus</td>
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<td>7.3. Ability to make “fair” decisions for the benefit of the entire network</td>
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</table>

The emphasis here is in the ability of a network organization to *make decisions*, which rarely is an issue in other types of organizations (e.g. hierarchies), but appears to be a key competence in the context of network organizations. All three interrelated abilities refer to the competence required in making decisions in contextual setting in which there is no formal definitive decision-making system. This finding is an interesting, although limited, addition to the discussion over whether or not it is possible to manage networks. The fact that ability to make decisions is not present in the literature may be a result of the recent emergence of the Network research tradition and the relatively limited research on competence requirements in the context of network management.

### 5.3. Relationship between competencies and approach to network brand management

The analysis of nine case destinations led to the identification of 34 abilities, grouped into twelve categories, which are proposed to be the twelve core competencies of creating and sustaining Network Brands in the context of skiing destinations. These abilities and competencies were described in Section 5.1 and are presented in Table 19 (below). The left column in Table 19 lists the competencies and abilities.

None of the identified abilities emerged in the case analysis. Instead, some abilities emerged in some cases, while some other abilities only emerged in others. The occurrence of a specific ability in the analysis of an individual case is presented in Table 19, indicated by “o.”

Although all of the case destinations operate in similar contextual settings in terms of size and number of individual companies, the organizational form of Network Brand management and the paradigmatic approach to brand management varied significantly among the case destinations. In Section 4.2, I identified two classifying variables, on the basis of which a classification framework was developed. The cases were labeled either Network organizations (NEO), single-company organizations (SCO) on the basis of their organizational approach, and either Adaptives or Relationals on the basis of their paradigmatic approach to brand management. In Table 19 I use the abbreviations NR (Network organization – Relational paradigm; Cases 1,2,3 and 4), SR (Single company-Relational paradigm;
Cases 7 and 9), NA (Network organization-Adaptive paradigm; Case 8) and SA (Single company-Adaptive paradigm; Cases 5 and 6) to refer to the four classes.

### Table 19. Occurrence of abilities in cases

<table>
<thead>
<tr>
<th>Identified competencies</th>
<th>CASE 1</th>
<th>CASE 2</th>
<th>CASE 3</th>
<th>CASE 4</th>
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<th>CASE 6</th>
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<tr>
<td><strong>Classification of the case destination</strong></td>
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<td>1. Co-operation building competence</td>
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<td>Ability to create an organizational forum for sharing work and responsibilities</td>
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<td>Ability to establish coordination mechanisms between actors</td>
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<td>Ability to create a decision-making system that distributes decision-making power in a just way</td>
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<td>2. Consistency. Ability to create a sustainable long term strategic vision for brand identity</td>
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<td>3. Competence in coordinating interrelated resources and capabilities</td>
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<td>Delivery on product. Ability to ensure that the brand is delivered in all product features</td>
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<td>Ability to develop clear tasks and task allocations and adequate resource allocations to support tasks</td>
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<td>Ability to provide incentives for network member companies to transform their processes to support the brand</td>
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<td>Ability to develop and implement common quality standards in line with the brand identity</td>
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<td>4. Internal communication competence</td>
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<td>Ability to develop effective internal communication processes</td>
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<td>Increasing understanding. Ability to disseminate knowledge and information</td>
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<td>5. Organizational identity building</td>
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<td>Ability to create community spirit, trust, togetherness</td>
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<td>Ability to increase commitment towards the brand within all levels of the organization</td>
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<td>Ability to generate managerial commitment to the brand within the organization</td>
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<td>Ability to generate culture of open discussion</td>
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<td>6. Mobilization competence. Ability to provide appropriate incentives that attract providers of key resources and capabilities</td>
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<td>7. Decision making competence</td>
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<td>Ability to increase possibilities for reaching consensus</td>
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<tr>
<td>Ability to make “fair” decisions for the benefit of the entire network</td>
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<tr>
<td>8. Resource base development competence</td>
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<tr>
<td>Ability to acquire/access resources inside and outside the organization</td>
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<tr>
<td>Ability to detect fundamental technological, marketing and other capabilities</td>
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<tr>
<td>Ability to accumulate knowledge and know-how</td>
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<td>9. Brand identity development competence</td>
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<tr>
<td>Ability to develop unique brand identity which provides added value to the consumer.</td>
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<tr>
<td>Ability to capture “reality” in brand identity</td>
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<tr>
<td>Ability to express experiential elements (vs. functional) of the product in brand identity</td>
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<td>10. Leadership</td>
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<tr>
<td>Ability to lead the network</td>
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<tr>
<td>Ability in keeping the process alive</td>
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<tr>
<td>11. External communication competence. Ability to draw consumer attention</td>
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<tr>
<td>Ability to generate consumer awareness and positive image through communications (Strong execution of the brand)</td>
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<tr>
<td>Ability to express the brand identity in marketing communication</td>
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<tr>
<td>Ability to communicate added value in a clear way</td>
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<tr>
<td>Ability to make sure image and identity match</td>
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<tr>
<td>Ability to convey coherent brand messages through all marketing communication channels.</td>
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<tr>
<td>Ability to present network as a unified whole to external audiences</td>
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<tr>
<td>12. Monitoring competence</td>
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<tr>
<td>Ability to develop a monitoring system that provides sufficient information for brand management</td>
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<tr>
<td>Ability to develop control loops that challenge the organization's current strategic logic and management processes.</td>
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</table>
In the following sections I examine the relationship between occurrence of competencies and the postulated classification of case studies.

**Consistency, the ability to create sustainable long term strategic vision for brand identity**

Considering the nature of the “Consistency, the ability to create sustainable long term strategic vision for brand identity” competence (Section 5.1) it might be expected in all of the case studies, independently of the categorization of individual case studies. Accordingly the competence occurs in all cases except case 1. According to secondary data (written marketing material produced by Case 1) the strategic objectives of Case 1 have been largely unchanged for at least a decade, but during the interviews the informants did not refer to consistency as an important objective or as a sought-after capability. Occurrence of abilities related to consistency (the ability to create sustainable long-term strategic vision for brand identity) competence in case destinations are presented in Table 20.

<table>
<thead>
<tr>
<th>Classification of the case destination</th>
<th>CASE 1</th>
<th>CASE 2</th>
<th>CASE 3</th>
<th>CASE 4</th>
<th>CASE 5</th>
<th>CASE 6</th>
<th>CASE 7</th>
<th>CASE 8</th>
<th>CASE 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consistency</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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</tbody>
</table>

**Competence in coordinating interrelated resources and capabilities**

Occurrence of abilities related to competence in coordinating interrelated resources and capabilities in case destinations are presented in Table 21.

<table>
<thead>
<tr>
<th>Classification of the case destination</th>
<th>CASE 1</th>
<th>CASE 2</th>
<th>CASE 3</th>
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<th>CASE 5</th>
<th>CASE 6</th>
<th>CASE 7</th>
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<th>CASE 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competence in coordinating interrelated resources and capabilities</td>
<td>0</td>
<td>0</td>
<td>0</td>
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</table>

### 3. Competence in coordinating interrelated resources and capabilities

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178
“Delivery of product. The ability to ensure that the brand is delivered in all product features” is perhaps the most significant competence emerging within this study, as it was strongly emphasized by all informants in all case studies.

Considering the premises of the Adaptive paradigm, this finding was surprising. As discussed in Chapter 2.1.3, the Adaptive brand management paradigm stresses the importance of marketing programme and marketing communication. However, the “ability to ensure that the brand is delivered in all product features” appears to pay attention to functions external to marketing programme and therefore seems to diverge from the approach. More detailed examination surface evidence that even if the “ability to ensure delivery of the brand promises in all product features” occurs in all case studies, the Adaptives and Relationals have differences in emphasis given to different aspects of the ability.

Where the Adaptives conceptualize brand management as belonging to the sphere of marketing, the Relationals conceptualize brand management as crossing functional barriers and being a holistic activity that affects all operations of the organization.

For the Adaptives the focus on the “Delivery on product” competence is the ability to capture reality in the brand, i.e. in the ability to develop and deliver honest and accurate messages to the consumer. Adaptives see the product as something given, as something that the marketer examines and attempts to identify features that might interest the consumer, and then forges an appealing brand on the basis of this examination. The Relationals, in contrast, see all elements of the product as variables that can and should be modified, whereas the brand identity itself is something stable, and is the basis of planning product elements and other variables.

Some evidence of the differing emphases between Relationals and Adaptives appear in the following statements:

Relational approach to brand management:
Case 7: “You know, quality facilities, everything we do, we're trying to do really well. You know, we are always asking ourselves the question if we're going to add a program or, you know, add onto a building, “Is it CASE7?.” It's [the brand is] really in everything, I can’t even think of any one thing that's essentially xxx (into?) our brand. It’s everything.”

Adaptive approach to brand management:
Case 6: "What differentiates 'successful' brands from the 'not so successful ones'?"
A: I think that message that vouches for the consumer, a message that is consistent and a message that’s honest. Those are probably the key things. [emphasis added.]
Q: “What does “honest” mean in this context?”
A: Well, you’re presenting the brand the way it really is. You know. You’re standing on the strict of what you are versus spending a lot of money on ad messages that may, you know, present thing that isn’t there.” [emphasis added.]

The second ability related to this competence, the “ability to develop to clear tasks and task allocations and adequate resource allocations to support tasks,” is a fundamental managerial competence and is found in all case studies. This ability was emphasized by cases classified as SRs (i.e. SCO and Relational). However, even if the ability did not emerge in all interviews, it is apparent in the secondary data (written rules of network organizations, financing arrangements and organizational descriptions) of NEOs.

The third ability related to this competence, the “Ability to provide incentives for network member companies to transform their processes to support the brand,” is expected to occur specifically in the context of NEOs. The ability does emerge in all NEO cases but also as a future-oriented development objective within the analysis of Case 5. As discussed before, Case 5 appears to be making the transition from SA to NR. In Case 2 the need and importance of the ability have been identified, but the development of incentives is in its build-up phase.

The fourth ability, the “Ability to develop and implement common quality standards in line with the brand identity,” occurs in all Relational case studies. By referring to the earlier discussion and the two statements concerning the differences in emphasis in brand management concept, this finding seems logical.

**Brand identity development competence**

Occurrence of abilities related to brand identity development competence in case destinations is presented in Table 22.

<table>
<thead>
<tr>
<th>Classification of the case destination</th>
<th>CASE 1</th>
<th>CASE 2</th>
<th>CASE 3</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Brand identity development competence</strong></td>
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</tr>
<tr>
<td>9.1. Ability to develop unique brand identity which provides added value to the consumer</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>9.2. Ability to capture “reality” in brand identity</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>9.3. Ability to express experiential elements (vs. functional) of the product in brand identity</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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</table>
“Ability to develop unique brand identity which provides added value to the consumer” emerged from all case studies and can therefore be a generic Network Brand management competence.

“Ability to capture ‘reality’ in brand identity” emerged from all Adaptive cases and from Cases 1 and 2. This ability is conceptually similar to the “Delivery on Product” ability (13.1.2.). In both abilities the objective appears to ensure that brand contacts are similar to the brand image held by consumers, and thus strengthen the brand image. Under the Adaptive approach, the objective can be achieved by transforming the brand identity to fit the reality (i.e. product offering and expected vacation experience), whereas the Relational approach emphasizes transforming the reality to fit the brand identity (while taking into account the constantly-evolving nature of a brand). This ability might be consistent with the Adaptive world-view. Why did this ability emerge from two Relational case studies (Cases 1 and 2) but not from the others (Cases 3, 4, 7 and 9)? One intuitive interpretation is that Cases 3, 4, 7 and 9 more profoundly adopted the approach and worldview of the Relational paradigm, whereas Cases 1 and 2 are Relational, but still have some Adaptive features. This notion is related to the possibility of hybrid approaches, discussed in Section 4.2. My data do not give a basis for to deeper analysis of the reasons for this finding.

"Ability to express experiential (vs. functional) elements of the product in brand identity" emerged from all cases, excluding Cases 6 and 8. My classification system does not provide grounds for interpreting the result, and thus these interpretations have to be found elsewhere. One explanation can be drawn from Case 5, which discussed the different emphases between experiential and functional elements in different phases of brand development.

Case 5: "We would like to think that the year round branding could be the same. And we have been working on the premise that the branding could be the same. However, the awareness of the summer product [new product] is much lower than the awareness of the winter product [older product]. so, we haven't been able to market the summer product using the brand personality. We've been using functionalities rather than personalities to market summer. And trying to instill some personality into that functionality. And we just actually finished some research with focus groups looking at our summer positioning, and our summer product and awareness of that, and found that we still are in the same situation where as.. there is an awareness that Case5 has a summer product, but there's very low awareness of what that is. So we'll continue to market summer on functionality rather than brand personality exclusively."

Because Cases 6 and 8 belong to the group of best brands in their markets, interpretation according to which Cases 6 and 8 would be unknown and therefore would be forced to focus on functional elements in brand communication seems impractical. I am forced to admit that my analyses nor the classification system do not provide sufficient information for interpreting this finding.
"Ability to create an organizational forum for sharing work and responsibilities" and "ability to establish coordination mechanisms between actors" were found in all NEO or Relational cases. However, these abilities did not emerge in the SA (SCO – Adaptive) cases.

One interpretation of the finding is that these abilities are accented in NEOs due to the large number of independent companies and other actors. It is justifiable to assume that defining common goals for large group of independent actors and working towards that common goal require co-operation and co-operation among actors.

The Relational approach emphasizes the role of all elements of the organization in creating and sustaining a brand. Even if a marketing department has little in common with a maintenance unit or ski-school, in the context of brand management it is imperative that all participating actors understand the brand in a similar way and act accordingly.

However, in SA cases these abilities do not emerge as requirements for developing successful brand. One interpretation for this is that the companies have line-organizations, whereby brand management has been handed over to marketing department, and therefore does not require any specific organizational forums or coordination between actors.

"Ability to create a decision-making system that distributes decision-making power in a just way" emerged in the case analyses of NR-cases (Network Organization – Relational approach), and in three cases out of four. Although during the interviews other Network Organization’s, Cases 1 and 8, did not specifically emphasize the importance of distribution of decision-making power according to the membership fees paid (1 vote/1 euro principle), both of these network organization utilize the principle, which can be verified in the organization’s written rules and application procedures.
The last-mentioned ability does not occur in any of the Single-company organization cases (Cases 5, 6, 7 and 9). Again, the finding is not surprising, as some level of clarity in the decision-making hierarchy and decision-making power within a single company can be taken as self-evident.

**Organizational identity building competence**

Occurrence of abilities related to organizational identity building competence is presented in Table 24.

<table>
<thead>
<tr>
<th>Classification of the case destination</th>
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</thead>
<tbody>
<tr>
<td>5 Organizational identity building competence</td>
<td>NR</td>
<td>NR</td>
<td>NR</td>
<td>SA</td>
<td>SA</td>
<td>SR</td>
<td>NA</td>
<td>SR</td>
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</tr>
<tr>
<td>5.1. Ability to create community spirit, trust, togetherness</td>
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<td>o</td>
<td>o</td>
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<td>o</td>
<td>o</td>
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<tr>
<td>5.2. Ability to increase commitment towards the brand within all levels of the organization</td>
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</tr>
<tr>
<td>5.3. Ability to generate managerial commitment to the brand within the organization</td>
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<tr>
<td>5.4. Ability to generate culture of open discussion</td>
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</table>

“Ability to create community spirit, trust and togetherness” occurs in all Relationals excluding Case 9. It does not emerge in the analysis of any of the Adaptives, not even in Case 8, which is both Adaptive and NEO. The finding seems understandable, considering the centrality of marketing programme and marketing communications and hence the marketing department in the premises of the Adaptive paradigm. Relationals, in contrast, emphasize that brand value and meaning are co-created through interlocking behaviors between organizations (and their employees) and consumers.

Relational approach to brand management:

Case 7: “You know, it [the brand] really is implemented by our employees, and I think that it’s just so integrated in our culture to be service oriented, that I don’t know how else I would say we deliver on our brand? You know, quality facilities, everything we do, we’re trying to do really well. You know, we are always asking ourselves the question if we’re going to add a program or, you know, add onto a building, “Is it CASE7?.” It’s really in everything, I can’t even think of any one thing that’s essentially xxx (into?) our brand. It’s everything.”
However, the ability to create community spirit and internal culture did not emerge from the analysis of Case 9 as one of the core competencies in developing successful destination brands. Within Case 9 the emphasis appears to be understanding through internal communications more than culture development. My data do not give grounds for speculation concerning the reasons for this finding.

“Ability to increase commitment towards the brand within all levels of the organization” occurs in all Relationals, but not in Adaptives. Case 5 is an exception, as attempts to increase commitment among the employees are not yet part of their brand management processes, but who consider this ability important for the success of their future activities. The transition of Case 5 was discussed in Section 4.2.

“Ability to increase managerial commitment to the brand” instead occurs in all cases, excluding Case 6. This finding supports the conception of paradigmatic differences between Relational and Adaptive paradigms.

The fourth ability related to Organizational Identity Building Competence is “the ability to generate a culture of open discussion,” which occurs in all of the Relationals but none of the Adaptives. This finding also seems natural, considering the paradigmatic differences between the two. Relational perspectives conceptualize brand management as an ongoing, dialectical, dynamic process, without a clear beginning and ending, in which brand value and meaning is co-created through interlocking behaviors, collaboration and competition between organizations and consumers, thus emphasizing the empowerment of individual employees and managers to participate in the internal dialogue.

None of the abilities related to Organizational identity building competence emerged in the analysis of Case 6. My data do not give grounds for speculation concerning the reasons for this finding.

**Mobilization competence**

Occurrence of abilities related to mobilization competence is presented in Table 25.

<table>
<thead>
<tr>
<th>Classification of the case destination</th>
<th>CASE 1</th>
<th>CASE 2</th>
<th>CASE 3</th>
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<th>CASE 9</th>
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</thead>
<tbody>
<tr>
<td>6. Mobilization competence. Ability to provide appropriate incentives that attract providers of key resources and capabilities</td>
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“Mobilization competence, the ability to provide incentives that attract providers of key resources and capabilities” occurs in all NEOs. In addition the ability emerges in the analysis of Case 5, which according to current practices and conceptual approach to brand management can be categorized as SA, but appears to be in transition phase towards NR.

This finding seems natural as one of the primary drivers for setting up a network organization to manage a brand is the increasing controllability of the entity of a brand. From the perspective of controllability, within the context of destination brands, comprehensiveness is important; The more companies operating within the destination one is able to attract, the more possibilities there are for coordinating the brand messages. Therefore the ability to mobilize the largest possible portion of actors within the destination is a significant Network Brand Management Competence.

**Internal communication competence**

Occurrence of abilities related to internal communication competence is presented in Table 26.

<table>
<thead>
<tr>
<th>Classification of the case destination</th>
<th>CASE 1</th>
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<th>CASE 7</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Internal communication competence</td>
<td>NR</td>
<td>NR</td>
<td>NR</td>
<td>NR</td>
<td>SA</td>
<td>SA</td>
<td>SR</td>
<td>NA</td>
<td>SR</td>
</tr>
<tr>
<td>Ability to develop effective internal communication processes</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Increasing understanding. Ability to disseminate knowledge and information</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
</tbody>
</table>

The two abilities appear to overlap. As discussed in Chapter 5.1 the emphasis of the first ability is *process development* whereas the second ability the emphasis is on the outcome: *increasing understanding*.

“Ability to develop internal communication processes” emerges from the data analysis as an important NBMC feature, regardless of the classification of the case. The ability occurs in all NEOs and in all Relationals. One interpretation of the finding could be that for the NEOs the importance of internal communication processes is underlined by the large number of actors. Because being able to facilitate effective exchange of information is important for the coordination of activities of independent actors, the “ability to develop effective internal communication processes” appears to be a significant part of competence in developing a successful brand. Internal communication processes that ensure
communication between network member companies (i.e. processes making sure that all member companies effectively receive relevant information) are emphasized in cases classified as NEOs.

The Relationals approach brand management from a holistic angle, and highlight the importance of being able to ensure that every individual within an organization receives sufficient and accurate information.

These two perspectives are different. In the NEO approach the emphasis is on ensuring that information moves to and from network member companies. The way in which the member company internally processes information is left to the company itself. Within the Relational perspective the emphasis is more on ensuring that the information moves to and from all levels and all employees. Accordingly NR cases (i.e. cases which are both NEO and Relationals) emphasize the ability to develop effective internal communication processes to and from all member companies but also to and from every employee of every member company.

Network Organization – Adaptive approach to brand management:
Case 8: “So first of all, it included a lot of people in the process. And then secondly, I presented it in our tourism symposiums, and our meeting and convention groups. When ever had I had a group of stakeholders, I would present the results of the research. So that they knew and understood it, and had access and then use it as they could to.” [emphasis added.]

Relational approach to brand management::
Case 9: “Really the issue is..to be able to effectively communicate to everyone. Once we establish the brand, it’s really to make sure that everybody understands. And that’s one of the reasons for consistent presentations to the entire groups as a whole. So that everybody understands the plan. And that’s really…once we’ve developed the plan, it’s.. part of the marketing communications is to provide senior level of management the communication, so they can provide communication to their teams down the line. So that it eventually hits the front line” [emphasis added.]

Case 9: “We [the marketing dept] execute on the xxx [initiation?] strategies, really, but we work with, as J says, all the operating groups to formulate the plan. To make sure what we promise is delivered, consistently. So really, our job is to work with the operating..all the different departments operating within the premises. Everybody within the CASE9, including the lodging property, to make sure we all are in line with our goals and objectives.” [emphasis added.]

Cases 1 to 4 are classified as NR, (both NEOs and Relationals). Both aspects of internal communication processes described above are present.
Case 2 "Q: [Could the present brand implementation process be improved? What would the 'ideal' be like?]
A: Really there comes that same thing as in the planning phase, the ability to deliver the message efficiently to every company and to every employee." [emphasis added.]

“Increasing understanding. The ability to disseminate knowledge and information” does not focus on communication processes, but instead to construction of understanding within the organization, it being either a network organization of a single company. The ability occurs in all cases except Case 6.

However there appear to be differences over who should have a profound understanding of the brand identity. For NEO-Relationals the objective appears to increase the understanding of every individual in every company, for the SR to increase the understanding of every individual in one particular company, for the NA to increase the understanding of the individuals responsible for marketing activities in all companies, and the SA to increase the understanding of marketing people in one company. One interpretation for this finding is that the Adaptive paradigm brand management is primarily associated with marketing programme and marketing communication and thus is mainly a responsibility of a marketing department. Accordingly it is sufficient for individuals belonging to the marketing department to have a profound understanding of the brand identity and to apply it to their activities.

Relational approach to brand management:
Case 7: “I mean, brand in my mind its not something separate. department in an organization, it is your organization. So maintaining your brand is simply making sure your employees are well trained, and that they've got the skills and knowledge to get their job done, and there’s no... And this is what I mean, with some companies I've worked with, that have been unsuccessful in branding...Because you have an operations division, and a marketing division, and your marketing division goes away to hold your brand, and then nobody backs it up. It’s not a brand, that... you deliver.”

Case 7: “to skills and knowledge, I would say that, it’s really coming to the front line, of the employee that has got the day to day contact. And they are the ones that have to really really understand the brand, and what is expected of them.” [emphasis added.]

Case 5 is an interesting exception. Although brand management is solely a responsibility of the Ski Company and Resort, increasing understanding within the wider network of companies operating within the destination is still an important objective. In this context, increasing understanding refers to explaining the brand-related objectives and activities of the Ski Company and Resort to the business community. Unfortunately my data does not allow elaboration, nor does it answer the question of why increasing understanding within the wider business community is important, although the business community has no direct impact on brand planning or brand management. One possible interpretation is that this finding is additional evidence related to the Case 5’s ongoing transformation from SA to NR.
Adaptive approach to brand management:

Case 5: “Q: So. You mentioned that there are some different view between the lodging operators... or that the views are not exactly in line, that they occasionally would like to emphasize functionality a little bit more. Is there like... could you elaborate a little bit more how strong is the... is there resistance?

A: There’s not really a strong resistance. What it is is lack of understanding. So we have regular presentations with these people, because the business owners change hands all the time. New staff come in. And I think the obvious way to market is to market functionality. And people who are not tuned to brand health and marketing cant quite understand what we are doing. So it’s just a matter of explaining why we do it. Putting a good rational behind it and its very rational argument. And then that.. misunderstanding is corrected.” [emphasis added.]

**External communication competence**

Occurrence of abilities related to External Communication Competence in case destinations is presented in Table 27.

<table>
<thead>
<tr>
<th>Classification of the case destination</th>
<th>CASE 1</th>
<th>CASE 2</th>
<th>CASE 3</th>
<th>CASE 4</th>
<th>CASE 5</th>
<th>CASE 6</th>
<th>CASE 7</th>
<th>CASE 8</th>
<th>CASE 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>11. External Communication Competence</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ability to generate consumer awareness and positive image through communications (Strong execution of the brand)</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Ability to express the brand identity in marketing communication</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Ability to communicate added value in a clear way</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Ability to make sure image and identity match</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Ability to convey coherent brand messages through all marketing communication channels.</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Ability to present network as a unified whole to external audiences</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
</tbody>
</table>

“External communication competence” is, perhaps the competence most obviously related to brand management by wider public. “Ability to generate consumer awareness and positive image through communications” emerged in all case destinations. Similarly “Ability to express the brand identity in marketing communication” emerged in all cases except for Case 2. These findings provide few surprises.
“Ability to communicate added value in a clear way” in contrast, might be expected to emerge in all cases, but only does in Cases 2, 6, 8 and 9. A possible interpretation of the finding, one that finds reasonable support in the data, is that these four cases have faced some challenges that are directly related to communicating the added value of their brands, and therefore emphasize the ability.

Not surprisingly, the “Ability to make sure image and identity match” emerged in all case destinations.

“The ability to convey coherent brand messages through all marketing communication channels” emerged only in Cases 3, 5 and 8. This finding is surprising, as earlier literature indicates that the ability to ensure coherent brand contacts is crucial.

“The ability to present network as a unified whole to external audiences” emerged in Cases 1, 2, 3 and 4. As the ability emerged in all NEO cases except Case 8, the result may indicate that this feature of the external communication competence is especially significant for NEOs.

**Decision-making competence**

Occurrence of abilities related to decision-making competence in case destinations is presented in Table 28.

<table>
<thead>
<tr>
<th>Classification of the case destination</th>
<th>CASE 1</th>
<th>CASE 2</th>
<th>CASE 3</th>
<th>CASE 4</th>
<th>CASE 5</th>
<th>CASE 6</th>
<th>CASE 7</th>
<th>CASE 8</th>
<th>CASE 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>7. Decision-making competence</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.1. Ability to make strategic decisions. Ability to avoid diluting decisions with excessive consensus building.</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.2. Ability to increase possibilities for reaching consensus</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.3. Ability to make “fair” decisions for the benefit of the entire network</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

“Ability to make decisions, ability to avoid diluting decision-making with excessive consensus building” and “Ability to increase possibilities for reaching consensus” occurs in the analyses of all NEOs but not in the analyses of the SCOs. Case 6 is an exception.

The finding is understandable, because decision-making can be expected to be quite difficult in a setting of many independent companies with independent business goals, but easy in the hierarchy of one
single company. Hence, the ability to make decisions appears to be one of the core competencies in developing successful destination brands, particularly in a network context.

Case 2: "Well that really is demanding, that the number of the companies is so high. And that they have quite a lot of differing objectives, these companies have. They have different customer target segments. Different issues that they want to emphasize in the marketing, and in their activities in general. So in the first place, that we are able to find that common agreement about what are the common things in CASE 2 what we want to communicate and then convey through the daily activities… and firstly to decide what are they, and secondly to take them into practice. So that every entrepreneur would understand them and would like to utilize them in their own processes. And that is absolutely the difficulty. So that when you have about a hundred different companies, of which everyone of course have the decision-making power concerning what happens in their own companies, but also they all should also have a say in that common, then finding that mutual understanding…That’s really the hardest part."

Case 8: Q :What kind of problems or challenges have you faced during the planning of the brand?  
A: … And then..um.. I think, just working in a committee and in a Council making sure that we don’t dilute our research through too much input, or.. or.. too much consensus building. You know. That we stay true to our brand."

Case 6, an SCO, is an exception. One challenge faced years ago was that the wider business community would have liked to act differently from the Ski Company & Resort, which owns and manages the destination brand and related activities. Ski Company & Resort acted according to its own interests, and the following years validated the decision made at the time.

Case 6: “And there’s not always agreement in the community, that the town wants to do that in the same level as the Resort does. But..you know, like years ago that was a problem, but now I think everyone is glad that we did it."

Case 6 perhaps gives evidence that even in the case of SCOs the decision-making is not performed in a vacuum and that the operating environment and collaborative relationships may be meaningful in relation to brand management. It is, however, noteworthy that the NEOs conceptualize Decision Making Competence as a crucial brand management competence, whereas for Case 6, the relative importance of the competence appears to be significantly smaller.

“Ability to make fair decisions for the benefit of the entire network” emerges only in three NR cases: Cases 2, 3 and 4. Given the nature of the ability, it would be expected to emerge in all NEO cases. The fairness in decision-making, despite the uneven balance of power of network member companies, is reflected in the rules and regulations of the DMOs of all five NEOs, but only three out of five specifically
emphasized it as a crucial ability in decision making. One interpretation is that this ability is of lesser significance or that there haves been particular challenges and difficulties related to this issue in Cases 2,3 and 4.

Case 3: “One thing I try to emphasize, is that if we would be only thinking of the Ski company, then all the background work, if we would be doing thinking only the Ski Company, thinking only our own company, it is absolutely certain that this co-operation hadn’t been working as it has. If everybody always has to think that what have these crooks come up with in order to increase the sales of their own Ski company and to decrease the sales of our hotels and restaurants. So that this vanguard company really has to be able to think from the perspective of the entire destination. [emphasis added.]

**Resource-base development competence**

Occurrence of abilities related to resource-base development competence in case destinations is presented in Table 29.

<table>
<thead>
<tr>
<th>Classification of the case destination</th>
<th>CASE 1</th>
<th>CASE 2</th>
<th>CASE 3</th>
<th>CASE 4</th>
<th>CASE 5</th>
<th>CASE 6</th>
<th>CASE 7</th>
<th>CASE 8</th>
<th>CASE 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>8. <strong>Resource base development competence</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.1. Ability to acquire/access resources inside and outside the organization</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>8.2. Ability to detect fundamental technological, marketing and other capabilities</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>8.3. Ability to accumulate knowledge and know-how</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

“Ability to acquire/access resources inside and outside the organization” emerged in Cases 1 to 8 but not in Cases 6 and 9. “Ability to detect fundamental technological, marketing and other capabilities” emerged in all cases except for Cases 2 and 6. “Ability to accumulate knowledge and know-how” emerged in all cases except for Cases 6 and 8.

My classification system provides no grounds for offering suggestions and interpretations. However, these abilities are conceptually challenging and may take numerous forms. The abilities are difficult to identify in data analysis, and hence, the fact that I was unable to identify them does not enable me to conclude that they do not exist. However, the fact that these abilities did not emerge in the analysis, suggests that the abilities were not necessarily the most significant in relation to creating and sustaining a successful destination brand.
If we approach the issue from an RBV perspective, the Resource-Based Development Competence may be a fundamental competence for the success of any business-related activity. The fact that different facets (or abilities) related to this competence emerged in the analysis of eight out of nine case studies suggests that this competence is also relevant in the context of developing and managing Network Brands in skiing destinations.

**Leadership**

Occurrence of abilities related to leadership competence in case destinations is presented in Table 30.

<table>
<thead>
<tr>
<th>Classification of the case destination</th>
<th>CASE 1</th>
<th>CASE 2</th>
<th>CASE 3</th>
<th>CASE 4</th>
<th>CASE 5</th>
<th>CASE 6</th>
<th>CASE 7</th>
<th>CASE 8</th>
<th>CASE 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>10. Leadership</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.1. Ability to lead the brand management organization</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>10.2. Ability in keeping the process alive</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

“Ability to lead the brand management organization” might be expected in all case studies. However, it appears only in NEO Cases 1, 3, 4 and 8, indicating that the ability is more relevant to network organizations.

Similarly, “ability in keeping the process alive” emerges only in NEO cases: Cases 1, 2, 4 and 8.

One likely explanation is that the ability has more relevance in the NEO context because NEOs are formed by several independent companies, and thus lack forms of formal control self-evident in SCOs. The reduced or missing formal control may result in emphasis on the role of leadership and on the ability to encourage others to follow and ability to instill regularity and sustainability in the brand management process.

An interesting feature is that some of the informants noted the “ability in keeping the process alive” as particularly important in the early phases of the process. As co-operation is known to produce results, co-operation gains momentum thus reduces the significance of this ability.

A: There are these, that we have, though the Case4 Alliance, **tried to distribute information in vast quantities** through email, by clear, classy, printed letters, which are designed by an advertising agency,
then by organizing seminars and information briefings and others, we have tried to communicate this strategy, our objectives, about marketing... plus then we organized these kick-off events with Jari Sarasvuo to the whole employee base of the whole destination. And that is something we do a lot, but it’s a bit painful to figure out what to write in there? When you send mail, it is usually left unread, to events... and if it is read, usually people want to misunderstand the message or pick just those parts, which benefit ones own company and then start to request something little bit more to that. So that people don’t see the big picture and the long term goals of the area in 5 to 20 years. And then same thing with all these information briefings, kick-off events.. It damn hard to get these people to participate. So that it is kind of, the fear of changes and fear of success is pretty significant in there... And a little bit the culture, when you don’t do anything, you can’t do mistakes... But you get kind of used with that kind way to operate in there, and really the main issue is that the caravan keeps going and the big things go to the right direction. Then there are some magnificent key entrepreneurs, and regional level managers and those kind of people, who understand the importance of this work. But large majority of the mass of small scale entrepreneurs are coming along slowly, and are even doing counter activities in there. ... But I want to emphasize, what is important is that work gets done in high quality, and that things are moving to the right direction.” [emphasis added.]

**Monitoring**

Occurrence of abilities related to Monitoring competence in case destinations is presented in Table 31.

<table>
<thead>
<tr>
<th>Classification of the case destination</th>
<th>CASE 1</th>
<th>CASE 2</th>
<th>CASE 3</th>
<th>CASE 4</th>
<th>CASE 5</th>
<th>CASE 6</th>
<th>CASE 7</th>
<th>CASE 8</th>
<th>CASE 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitoring</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ability to develop a monitoring system that provides sufficient information for brand management</td>
<td>o</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ability to develop control loops that challenge the organization’s current strategic logic and management processes.</td>
<td></td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

“Ability to develop a monitoring system that provides sufficient information for brand management” emerged in all cases. All case destinations aim to monitor the outcomes of their activities, but as discussed in Section 4.1.6 the monitoring methods and practices vary to some extent. My results do not provide sufficient information enabling speculation as to why the methods used differ.

“Ability to develop control loops that challenge the organization’s current strategic logic and management processes” only emerged in Cases 4, 7 and 8. My typology or findings do not give grounds for interpretation on this matter.
5.4. Framework of Network Brand Management Competencies

Some of the identified abilities were found in almost or all of the case destinations, while some of the identified abilities only occurred in a few of the nine case destinations.

By comparing this finding to the classification of case destinations\textsuperscript{34} it was found that the classification appeared to be related to the differences in the occurrence of Network Brand management abilities in case destinations. For instance, in Network Organizations (NEO) partly similar but partly different set of abilities emerge, than in cases classified as Single-company organizations (SCO). Similarly, in cases classified as Relationals partly similar but partly different set of Network Brand Management Abilities emerge than in their Adaptive counterparts\textsuperscript{35}.

On the basis of this finding the abilities were classified and the classes were labelled (Table 32). The abilities occurring in all case studies were labelled as *Generic brand management abilities*. Abilities, which only emerged in those cases, in which brand management function was a responsibility of a specific network organization, (NEOs), independently of their classification as either Adaptive or Relational were labelled as *Network management abilities*. Abilities emerging only in destinations approaching brand management from the perspective of Relational paradigm, disregarding their classification to either NEO or SCO on the basis of the organizational brand management arrangements, were labelled as *Relational management abilities*. Finally, abilities emerging in all cases classified either as NEO or as Relationals, were labelled as *Network-Relational management abilities*. A noteworthy point is that none of the abilities emerged only in the Adaptives nor in the Single-company organizations, so no such ability classes were created.

Table 32 presents the classification of the abilities, and examines the robustness of the classification system. The left column lists the abilities. The next column presents the classification of those abilities. The following columns present the occurrence of individual abilities in the analysis of individual cases, indicated by “o.” The same columns present the “expected occurrence,” derived from the suggested classification of abilities, indicated by coloured cells. For instance, when an ability has been classified as “Network ability,” all cases utilizing the Network Organization (NEO) approach, regardless of their classification as either Adaptive or Relational, are highlighted by coloured cells. For the purpose of further analysis, the classification of cases (NEO-Relational = NR; NEO-Adaptive = NA; SCO-Relational = SR; SCO-Adaptive = SA) is included in Table 32.

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\textsuperscript{34} see Chapter 4.2 Classification framework of Case Destinations
\textsuperscript{35} see detailed discussion and interpretations in Chapter 5.3 ‘Relationship between competencies and approach to network brand management’
Table 32. Comparison of occurrence of abilities and classification of abilities

<table>
<thead>
<tr>
<th>Identified abilities</th>
<th>Classification of abilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Co-operation building competence</td>
<td></td>
</tr>
<tr>
<td>Ability to create an organizational forum for sharing work and responsibilities</td>
<td>Network ability</td>
</tr>
<tr>
<td>Ability to establish coordination mechanisms between actors</td>
<td>Network ability</td>
</tr>
<tr>
<td>Ability to create a decision-making system that distributes decision-making power in a just way</td>
<td>Network ability</td>
</tr>
<tr>
<td>2. Consistency. Ability to create a sustainable long term strategic vision for brand identity</td>
<td>Generic brand management ability</td>
</tr>
<tr>
<td>3. Competence in coordinating interrelated resources and capabilities</td>
<td></td>
</tr>
<tr>
<td>Delivery on product. Ability to ensure that the brand is delivered in all product features</td>
<td>Generic brand management ability</td>
</tr>
<tr>
<td>Ability to develop clear tasks and task allocations and adequate resource allocations to support tasks</td>
<td>Generic brand management ability</td>
</tr>
<tr>
<td>Ability to provide incentives for network member companies to transform their processes to support the brand</td>
<td>Network ability</td>
</tr>
<tr>
<td>Ability to develop and implement common quality standards in line with the brand identity</td>
<td>Relational ability</td>
</tr>
<tr>
<td>4. Internal Communication competence</td>
<td></td>
</tr>
<tr>
<td>Ability to develop effective internal communication processes</td>
<td>Network-relational ability</td>
</tr>
<tr>
<td>Increasing understanding. Ability to disseminate knowledge and information</td>
<td>Network-relational ability</td>
</tr>
<tr>
<td>5. Organizational identity building competence</td>
<td></td>
</tr>
<tr>
<td>Ability to create community spirit, trust, togetherness</td>
<td>Relational ability</td>
</tr>
<tr>
<td>Ability to increase commitment towards the brand within all levels of the organization</td>
<td>Relational ability</td>
</tr>
<tr>
<td>Ability to generate managerial commitment to the brand within the organization</td>
<td>Generic brand management ability</td>
</tr>
<tr>
<td>Ability to generate culture of open discussion</td>
<td>Relational ability</td>
</tr>
<tr>
<td>6. Mobilization competence. Ability to provide appropriate incentives that attract providers of key resources and capabilities</td>
<td>Network ability</td>
</tr>
<tr>
<td>7. Decision making competence</td>
<td></td>
</tr>
<tr>
<td>Ability to make strategic decisions. Ability to avoid diluting decisions with excessive consensus building.</td>
<td>Network ability</td>
</tr>
<tr>
<td>Ability to increase possibilities for reaching consensus</td>
<td>Network ability</td>
</tr>
<tr>
<td>Ability to make “fair” decisions for the benefit of the entire network</td>
<td>Network ability</td>
</tr>
</tbody>
</table>
Table 32. Continued

<table>
<thead>
<tr>
<th>Identified abilities</th>
<th>Classification of the case destination</th>
<th>Number of the case destination</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Classification of abilities</td>
<td>CASE 1</td>
</tr>
<tr>
<td>8. Resource base development competence</td>
<td></td>
<td>NR</td>
</tr>
<tr>
<td>Ability to acquire/access resources inside and outside the organization</td>
<td>Generic brand management ability</td>
<td>o</td>
</tr>
<tr>
<td>Ability to detect fundamental technological, marketing and other capabilities</td>
<td>Generic brand management ability</td>
<td>o</td>
</tr>
<tr>
<td>Ability to accumulate knowledge and know-how</td>
<td>Generic brand management ability</td>
<td>o</td>
</tr>
<tr>
<td>9. Brand identity development competence</td>
<td></td>
<td>NR</td>
</tr>
<tr>
<td>Ability to develop unique brand identity which provides added value to the consumer</td>
<td>Generic brand management ability</td>
<td>o</td>
</tr>
<tr>
<td>Ability to capture ‘reality’ in brand identity</td>
<td>Generic brand management ability</td>
<td>o</td>
</tr>
<tr>
<td>Ability to express experiential elements (vs. functional) of the product in brand identity</td>
<td>Generic brand management ability</td>
<td>o</td>
</tr>
<tr>
<td>10. Leadership</td>
<td></td>
<td>NR</td>
</tr>
<tr>
<td>Ability to lead the brand management organization</td>
<td>Network ability</td>
<td>o</td>
</tr>
<tr>
<td>Ability in keeping the process alive</td>
<td>Network ability</td>
<td>o</td>
</tr>
<tr>
<td>11. External communication competence. Ability to draw consumer attention</td>
<td></td>
<td>NR</td>
</tr>
<tr>
<td>Ability to generate consumer awareness and positive image through communications (Strong execution of the brand)</td>
<td>Generic brand management ability</td>
<td>o</td>
</tr>
<tr>
<td>Ability to express the brand identity in marketing communication</td>
<td>Generic brand management ability</td>
<td>o</td>
</tr>
<tr>
<td>Ability to communicate added value in a clear way</td>
<td>Generic brand management ability</td>
<td>o</td>
</tr>
<tr>
<td>Ability to make sure image and identity match</td>
<td>Generic brand management ability</td>
<td>o</td>
</tr>
<tr>
<td>Ability to convey coherent brand messages through all marketing communication channels</td>
<td>Generic brand management ability</td>
<td>o</td>
</tr>
<tr>
<td>Ability to present network as a unified whole to external audiences</td>
<td>Network ability</td>
<td>o</td>
</tr>
<tr>
<td>12. Monitoring competence</td>
<td></td>
<td>NR</td>
</tr>
<tr>
<td>Ability to develop a monitoring system that provides sufficient information for brand management</td>
<td>Generic brand management ability</td>
<td>o</td>
</tr>
<tr>
<td>Ability to develop control loops that challenge the organization’s current strategic logic and management processes</td>
<td>Generic brand management ability</td>
<td>o</td>
</tr>
</tbody>
</table>

Table 32 provides evidence that the classification of abilities is robust. As an example, to a considerable extent, abilities classified as generic brand management abilities occurred in all cases, while network abilities occurred only in NEO cases. However, there appear to be some missing occurrences and deviations in the occurrence in regard to the classification of abilities. The deviations were discussed in Section 5.3.
Furthermore, Table 32 shows that the suggested classification of cases (NEO-SCO, Relational-Adaptive) may be valid, as it appears to affect the kind of abilities that are required and valued in different contexts (i.e. occurrence). For instance, the abilities emerging within the analyses of destinations classified as “Network Organizations” (i.e. NEOs) follow similar patterns, which is notably different from occurrence patterns of cases classified as “Single-company organizations.”

Another finding, shown in Table 32, is that, to a large extent, the abilities belong into the same classification as other abilities suggested as elements of that same competence. As an example, all abilities grouped under the suggested “Co-operation building competence,” are classified as Network abilities, while all abilities grouped under the suggested “Brand Identity development competence” are classified as Generic brand management abilities.

On the basis of this finding a typology of Network Brand Management Competencies was developed. The typology of competencies follows similar logic than the classification of abilities. The twelve competencies were Generic Brand Management Competencies, Network Management Competencies, Relational Management Competencies or Network-Relational Management Competencies. Competencies consisting only of generic brand management abilities were Generic Brand Management Competencies. Competencies consisting only of network abilities were Network Management Competencies, while competencies consisted of only relational abilities were Relational Management Competencies. Finally, competencies consisting of network-relational abilities were Network-Relational Competencies.

Three of the suggested competencies include more than one type of ability. External communication competence consists of five generic brand management abilities, in addition to a network ability. Organizational identity building competence is a composite of three relational abilities, in addition to a generic brand management ability. Finally, Competence in coordinating interrelated resources and capabilities consisted mainly of generic brand management abilities in addition to network and relational abilities. Interpretations for these deviations were discussed in Section 5.3.

One interpretation of these three deviations is that the grouping of abilities into competencies may require elaboration. In other words, the deviant abilities might be understood as competencies in their own right, or as a facet of another competence. Despite these three deviations, all twelve competencies have their main domain. The three competencies including more than one type of abilities have been typified on the basis of the prevailing type of ability.

On the basis of the typology, Framework of Network Brand management Competencies in the context of ski destinations was developed. The framework is presented in Figure 16.
5.5. Contingency model of Network Brand Management Competencies

Two key results of this study, the classification of case destinations (Table 18) and identified types of competencies (Figure 15), allow me to postulate that the organizational form used for Network Brand management (NEO-SCO) and paradigmatic approach to brand management (Relational-Adaptive) influence the composite of Network Brand Management Competencies required for developing and sustaining a successful ski destination brand. This finding is summarized in Table 33.
As presented in Table 33, in the analysis of Cases 1,2,3 and 4, those approaching Network Brand management from the Relational paradigm and using the Network form of organization (NEO-Relational), all Generic brand management, Network management, Relational management and Network-Relational management competencies emerged as key competencies required to develop and sustain Network Brands.

In the analysis of Cases 7 and 9, approaching Network Brand management from the perspective of Relational paradigm, but utilizing Single Company form of organization (SCO-Relational), Generic-, Relational- and Network-Relational competencies emerged, but Network management competencies did not. In other words, network management competencies were not among the key competencies in developing and sustaining a successful ski destination brand.

In Case 8, approaching network Brand management from the perspective of Adaptive paradigm but using the Network form of organization (NEO-Adaptive), Generic-, Network- and Network-Relational management competencies emerged, but Relational management competence did not. In other words, Organizational identity building competence was not among the key competence requirements.
Finally, in the analysis of Cases 5 and 6, approaching Network Brand management from the perspective of Adaptive paradigm, and utilizing Single Company form of organization (SCO-Adaptive), only Generic competencies were among the key competencies in developing successful Network Brands in the context of ski destinations. In other words, the Network-, Relational or Network-Relational competencies were not among the key competence requirements.

As shown in Table 33, Generic competencies emerged in all case studies. Network competencies appeared only in cases which adopted the network form of organizing their brand-related activities (either them being classified as Adaptives or Relationals). Relational competencies emerged only in cases approaching the issue of brand management from the perspective of Relational brand management paradigm (not depending on their classification to either NEOs or SCOs). Network-Relational competencies emerged both from cases approaching brand management from the perspective of Relational paradigm, and from cases classified as NEOs.

This research identified the NBMC, and thus my data did not permit me to explore the reasons for the four significantly different approaches to Network Brand management and four differing composites of competencies in the case ski destinations. However, the findings, combined with the literature review, allow me to discuss the relationship among the four approaches.

Within the value-system continuum frame developed by Möller and Svahn (2003), the strategic nets are in constant evolution. In general, new nets with new types of value systems appear on the right-end of the continuum, and as the value-generating activities with time become more routinized and specified, they move towards the left. As argued by Möller and Svahn (2003), different capabilities are needed in the successful management in stable and well-specified nets than in the emerging nets characterized by high levels of uncertainty.

Our interpretation is that the first of the two identified classifying variables—the paradigmatic approach to brand management (Adaptives – Relationals)—may be related to the extent to which the Brand Net knows the value activities of the net and the capabilities of the actors to carry them out (i.e. value system and its level of determination). For the cases in this study, I selected only Brand Nets which had developed the “best” Network Brands in their respective markets. The logic behind this approach was that since the Brand Nets had been able to create the “best” brands, they were likely to have a high level of determination. This logic does not necessarily hold, and a better method is needed to assess the level of determination. The ability to create one of the “best” brands is indicative of, but not sufficient to assess the positioning, because “best” is a relative measure influenced by the level of determination of others.

36 See discussion on the value systems perspective to networks on page 14.
I suggest that over time the case destinations move from Adaptives towards Relationals, and support this proposition by the following findings:

Case 5 is an interesting example. According to its present-day organization and paradigmatic approach to brand management, it is clearly an Adaptive case, which has developed one of the strongest brands in its market. However, the future plans discussed in the interviews deviate sharply from this approach, from present-day practices and conceptual understanding. The new plans related to brand management and implementation process improvements, in addition to the changing conceptual understanding of a brand are clearly closer to Relational approaches. Hence it seems that Case 5 is in a transition from Adaptive to Relational, and the planned changes to present ways of operating give strong evidence of the nature and direction of the planned change. On the basis of this finding I assume that Case 5 expects the Relational approach to be an improvement to their present-day Adaptive approach.

In addition, my claim is supported by earlier academic work. As noted in the literature review, in line with the Relational brand management paradigm, the emerging service brand management literature (e.g. de Chernatony & Dall’Olmo Riley, 1999; Denby-Jones, 1995; Grönroos 2000) emphasizes the importance of service processes and claims that marketing communication has merely a supportive role brand development. Louro and Cunha (2000) argue that the relational paradigm outweighs the critique of the adaptive paradigm (i.e. its failure to demonstrate how firms configure brand value), and therefore it may be understood as a more developed conceptual approach. Hankinson (2004) asserts that the relational paradigm has been successful in the practice of destination branding, and is more appropriate to service-oriented and -related products such as places.

Another supportive finding is related to the classification of competencies. In both the Adaptives and the Relationals, the Generic Brand Management Competencies emerge as important NBM Competencies. However, only the Relationals emphasize the importance of additional competencies. Simply put, the understanding of core competencies in Relational cases is more comprehensive, as the importance of Generic competencies are recognized (much like the Adaptives), but other crucial competencies also emerge. Perhaps this finding is an outcome of learning, and may represent elaborated finer understanding and a greater level of determination of the value system.

This discussion suggests that Relational cases may represent a greater level of determination of the value system than their Adaptive counterparts. My research design does not, however, allow me to compare the case destinations in relation to success of their brands; all case destinations belong, according to triangulation, to the best brands in their respective markets. Therefore verifying this suggestion remains a task for future research.
5.6. Conceptual Framework of Network Brand Management Competencies, Resources and Competitive Advantage.

Based on the findings discussed above\textsuperscript{37}, I elaborated the Conceptual Framework of Network Brand Management Competencies, Resources and Competitive Advantage (see section 2.4.2). The revised framework is presented in Figure 15.

![Fig 15. Conceptual Framework of Network Brand Management Competencies, Resources and Competitive Advantage](image)

The organizational form used for Network Brand management (NEO-SCO) and paradigmatic approach to brand management (Relational-Adaptive) influence the composite of Network Brand Management Competencies required for developing and sustaining a successful ski destination brand. This contingency effect is discussed in section 5.5, and summarised in Table 33. Individual competencies of all four categories, General Brand Management, Network Management, Relational Management and Network-Relational, are discussed in sections 5.3 and 5.4. and summarized in Figure 15.

\textsuperscript{37} section 5.3, 5.4. and 5.5.
6. Summary and conclusions

The study started with the empirical notion that Network Brands exist in everyday managerial practice, but the concept is to a large extent unknown in the academic brand management literature, thus suggesting a need for conceptual examination and elaboration. The broad purpose of this research was to introduce and elaborate upon the concept of a Network Brand, and to identify and analyze management competencies required in developing and sustaining successful Network Brands in the context of ski destination branding.

This chapter starts by summarizing the study. It then discusses the theoretical implications of the findings followed by managerial implications of the findings. The chapter ends by presenting the limitations of this study and suggestions for future research.

6.1. Summary of study

The objectives of the research were to define a Network Brand and the key differences between this concept and other brand management concepts, and then to identify the key managerial competencies required to develop and sustain a successful Network Brand in a single context: ski destinations.

A Network Brand is not a brand of a single product or a company, but a brand of the network itself. Following a literature review, the proposed conceptual construct of Network Brand was discussed and the conceptual differences between it and existing brand management constructs of product brand, brand alliance, umbrella brand and corporate brand were discussed. Key differences are summarized in Table 2 in page 53. Based on the literature review, I propose that from firm perspective a Network Brand may be understood as an entity developed and managed jointly by a net of separate firms (as well as nonprofit agencies), offering organizations collective benefits exceeding those of a single company or market transaction. Furthermore, from the customer perspective a Network Brand is a blend of rational and emotional perceptions in consumers’ minds, resulting from an iterative process of customers receiving messages (brand contacts) which they relate to the value offering developed and managed by a strategic net of separate companies and other actors. According to this definition the fundamental logic of value creation through brands is not different between Network Brands and other branding constructs. What appears to be different in these Network Brands in contrast to other branding constructs are the organizational arrangements, management processes and brand management competence requirements.
This research identified Network Brand Management Competencies in ski destination branding. Starting from the premise that intentionally-created business networks aim to manage a jointly-developed and managed brand, and that there are critical competencies that should drive brand success, I investigated the views of brand managers who were responsible for world’s best ski-destination brands in order to improve our understanding about what makes a destination brand successful. I focused on the managers who are responsible for destination brand management in destinations leading brands in the industry, since they are at the forefront of application and have gained considerable knowledge and experience. My objective was to appreciate what the managers responsible for leading destination brands saw as critical organizational competencies for the success of a destination brand.

My third premise was that a tourism destination is a composite of products and services, produced by a number of independent companies, offering an integrated experience to consumers, in a geographical region, which its visitors understand as a unique entity, with a political framework for marketing and planning, therefore setting an context that is considerably different from that of branding physical goods.

Nine case destinations from the US, Australia and Finland were included in this study. Triangulation was used in case selection. All nine case destination brands are among the best in their markets, according to interviews with ski-industry associations in the three countries, according to independent national brand awareness studies, according to the managers of the destinations, and according to the managers of competing case destinations. The case destinations are all large ski destinations in terms of accommodation capacity, all have successful brands, and a large number of companies operate within the case destinations. All of the case destinations and the vacation experiences that they offer only have one brand, but in all case destinations several separate independent companies participate in the production processes of the vacation experience (Network Brands). This research was exploratory, seeking to elicit managers’ views without imposing my preconceptions. The most appropriate method to achieve this was in-depth interviews. An overview of the case destinations is presented in Table 5.

Classification of approaches to Brand Management

Although all case ski destinations operate in similar contextual settings; my analysis revealed that the conceptual understanding of a brand and approach to brand management as well as organizational form of Network Brand management varied significantly among the case destinations.

As these two variables have direct relevance to the research objectives, a classification framework was developed. The case destinations were classified according to the organizational form of Network Brand

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38 in US and in Finland
management of the ski destinations. In five case destinations, brand management function was a responsibility of a separate network organization, within which decision-making took place in co-operative processes among large numbers (70-95% of all companies) of companies operating within the case destination. In other four case destinations, the brand management function was in the hands of one single company, usually the largest, while other companies operating in the area had little or no influence in brand-related decision-making other than the processes and activities of their individual firms. These two groups were labelled as Network organizations (NEOs) and Single-company organizations (SCOs).

The other classifying variable was conceptual understanding of a brand, or the approach to brand management. Using the vocabulary and classification of Louro and Cunha (2001), six out of nine case destinations\(^{39}\) approached brand management from the Relational brand management paradigm, while three of the case destinations\(^{40}\) approached brand management from the Adaptive brand management paradigm. Key differences between the two approaches were their conceptual understanding of a brand, the strategic orientation of brand management and the understanding of stakeholders of brand management. In their conceptualization of “a brand,” the Adaptives emphasized the role of marketing communication in shaping a perception about the product in the mind of the consumer, while the Relationals emphasized the relationship over marketing communication and paid significantly more attention to the interaction between consumers and service producers in the service encounters. Another difference between the two groups is in the participants in brand management. Where the Adaptives stress the crucial role of the marketing department in planning and implementing the brand, the Relationals stress the role of every member in the company participating the delivery of the brand in service production processes. A third difference between the two approaches is the strategic orientation of brand management. The Relationals place more weight on the relational aspects, the role of employees and shared co-created values in brand development, while the Adaptives pay little or no attention to communication towards staff and do not seem to connect organizational identity building or corporate culture to brand management. The central differences between the Adaptives and Relationals, are discussed in Section 4.

Thus, the case destinations fall into four categories according to the approach to brand management and organizational form of Network Brand management. This classification is presented in Table 34.

\(^{39}\) Cases 1,2,3,4,7 and 9
\(^{40}\) Cases 5,8 and 10
Table 34. Classification Framework of approaches to Network Brand Management in ski destinations.

<table>
<thead>
<tr>
<th>Paradigmatic approach to brand management</th>
<th>Relational paradigm</th>
<th>Adaptive Paradigm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational form of Network Brand Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Network organization (NEO)</td>
<td>• Case 1</td>
<td>• Case 8</td>
</tr>
<tr>
<td></td>
<td>• Case 2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Case 3</td>
<td></td>
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<tr>
<td></td>
<td>• Case 4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>NR</td>
<td></td>
</tr>
<tr>
<td>Single Company Organization (SCO)</td>
<td>• Case 7</td>
<td>• Case 5</td>
</tr>
<tr>
<td></td>
<td>• Case 9</td>
<td>• Case 6</td>
</tr>
<tr>
<td></td>
<td>SR</td>
<td>SA</td>
</tr>
</tbody>
</table>

Identification of competencies

The analysis of nine case studies led to the identification of 34 abilities, which are key competencies in Network Brand management organization’s capability to create and sustain a Network Brand in the context of skiing destinations. These 34 abilities thematically overlap and were interpreted to represent different facets of smaller number of competencies. The abilities were grouped into twelve categories, which are argued to be the twelve core competencies of creating and sustaining Network Brands in the context of skiing destinations. The 12 competencies and 34 abilities are presented in Table 35.
Table 35. Network Brand Management Competencies and abilities in the context of skiing destinations.

<table>
<thead>
<tr>
<th>Competence</th>
<th>Abilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Consistency.</td>
<td>1) Ability to create a sustainable long term strategic vision for brand identity</td>
</tr>
</tbody>
</table>
| 2. Competence in coordinating interrelated resources and capabilities | 2) Delivery on product. Ability to ensure that the brand is delivered in all product features  
3) Ability to develop to clear tasks and task allocations and adequate resource allocations to support tasks  
4) Ability to provide incentives for network member companies to transform their processes to support the brand  
5) Ability to develop and implement common quality standards in line with the brand identity |
| 3. Resource base development competence         | 6) Ability to acquire/access resources inside and outside the organization  
7) Ability to detect fundamental technological, marketing and other capabilities  
8) Ability to accumulate knowledge and know-how |
| 4. Brand identity development competence        | 9) Ability to develop unique brand identity which provides added value to the consumer  
10) Ability to capture "reality” in brand identity  
11) Ability to express experiential elements (vs. functional) of the product in brand identity |
| 5. Monitoring competence                        | 12) Ability to develop a monitoring system that provides sufficient information for brand management  
13) Ability to develop control loops that challenge the organization's current strategic logic and management processes |
| 6. External communication competence            | 14) Ability to generate consumer awareness and positive image through communications (Strong execution of the brand)  
15) Ability to make sure image and identity match  
16) Ability to express the brand identity in marketing communication  
17) Ability to communicate added value in a clear way  
18) Ability to convey coherent brand messages through all marketing communication channels.  
19) Ability to present network as a unified whole to external audiences |
| 7. Co-operation building competence             | 20) Ability to create an organizational forum for sharing work and responsibilities  
21) Ability to establish coordination mechanisms between actors  
22) Ability to create a decision-making system that distributes decision-making power in a just way |
| 8. Mobilization competence                      | 23) Ability to provide appropriate incentives that attract providers of key resources and capabilities |
| 9. Decision making competence                   | 24) Ability to make strategic decisions, ability to avoid diluting decisions with excessive consensus building.  
25) Ability to make strategic decisions. Ability to avoid diluting decisions with excessive consensus building.  
26) Ability to make “fair” decisions for the benefit of the entire network |
| 10. Leadership competence                       | 27) Ability to lead the network of companies  
28) Ability to keep the brand development process alive |
| 11. Organizational identity building            | 29) Ability to create community spirit, trust, togetherness  
30) Ability to increase commitment towards the brand within all levels of the organization  
31) Ability to generate managerial commitment to the brand within the organization  
32) Ability to generate culture of open discussion |
| 12. Internal communication competence           | 33) Ability to develop effective internal communication processes  
34) Increasing understanding. Ability to disseminate knowledge and information |

Framework of Network Brand Management Competencies in the context of ski destinations

Some of the identified competencies emerged in most or all case analyses. Others only emerged in a few of the case analyses.
By comparing this finding to the classification of cases, it was noted that the classification is related to the types of Brand Management Competencies emerging in case analyses. As an example, in Network Organizations (NEOs) partly similar but partly different competencies from those in Single-company organizations (SCOs) emerged. Accordingly in the analyses Adaptives partly similar but partly different competencies emerge from those in Relationals. Furthermore the internal coherence within the classification of cases appeared to be strong, (similar bundles of competence requirements emerged in all cases classified as belonging to a specific class).

On the basis of this finding I developed a typology of competencies. The 12 competencies were classified either as Generic Brand Management, Network Management, Relational Management or Network-Relational Management Competencies. Generic competencies emerged in all case studies. Network competencies emerged only in cases which had adopted the network form of organizing their brand-related activities (either Adaptives or Relationals). Relational competencies emerged only in cases approaching the issue of brand management from the perspective of Relational brand management paradigm (regardless of their classification as Network Organizations or Single-company organizations). Network-Relational competencies emerged both from cases approaching brand management from the Relational paradigm, and from cases classified as NEOs. On the basis of the typology, a Framework of Network Brand Management Competencies in ski destinations was developed (Figure 16).

**Figure 16. Framework of Network Brand Management Competencies in ski destinations**

<table>
<thead>
<tr>
<th>Generic Brand management competencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Consistency. Ability to create a sustainable long term vision for brand identity</td>
</tr>
<tr>
<td>• Competence in coordinating interrelated resources and capabilities</td>
</tr>
<tr>
<td>• Resource-base development competence</td>
</tr>
<tr>
<td>• Brand identity development competence</td>
</tr>
<tr>
<td>• Monitoring competence</td>
</tr>
<tr>
<td>• External communication competence</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Network management competencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Co-operation building competence</td>
</tr>
<tr>
<td>• Mobilization competence</td>
</tr>
<tr>
<td>• Desicion-making competence</td>
</tr>
<tr>
<td>• Leadership competence</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Relational management competencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Organizational identity building competence</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Network-relational management competence</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Internal communication competence</td>
</tr>
</tbody>
</table>
On the basis of these findings I argue that the organizational form used for Network Brand management and paradigmatic approach to brand management influence the composite of competencies required for managing a Network Brand in the context of ski destinations. Table 36 presents the relationship between the paradigmatic approach and organizational form and the types of Network Brand Management Competence required in the context of ski destinations. Figure 15 synthesizes these arguments with the Conceptual Framework of Network Brand Management Competencies (Section 2.4).

Table 36. Contingency model of Network Brand Management Competence requirements in ski destinations.

<table>
<thead>
<tr>
<th>Organizational form of Network Brand Management</th>
<th>Paradigmatic approach to brand management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Network organization (NEO)</td>
<td><strong>Composite of competencies</strong></td>
</tr>
<tr>
<td></td>
<td>• Generic competencies</td>
</tr>
<tr>
<td></td>
<td>• Network competencies</td>
</tr>
<tr>
<td></td>
<td>• Relational competencies</td>
</tr>
<tr>
<td></td>
<td>• Network-relational competencies</td>
</tr>
<tr>
<td>Single Company Organization (SCO)</td>
<td><strong>Composite of competencies</strong></td>
</tr>
<tr>
<td></td>
<td>• Generic competencies</td>
</tr>
<tr>
<td></td>
<td>• Relational competencies</td>
</tr>
<tr>
<td></td>
<td>• Network-relational competencies</td>
</tr>
<tr>
<td></td>
<td><strong>Composite of competencies</strong></td>
</tr>
<tr>
<td></td>
<td>• Generic competencies</td>
</tr>
</tbody>
</table>

Figure 15. Conceptual Framework of Network Brand Management Competencies, Resources and Competitive Advantage
6.2. Key contributions of the thesis

A set of competencies is generally required to produce any type of value, such as brand equity. Several authors suggest that management competencies are specific to a particular task environment and need to be developed to suit different and changing circumstances (e.g. Buchanon & Boddy 1992; Day 1994; Möller & Svahn, 2003). However, the kind of competencies that are relevant in differing contexts or how to define the context are rarely mentioned in the literature. Möller and Svahn (2003, 227) state that “empirical research is required to deepen and validate our proposition that the effective management of different types of strategic nets is contextually based.”

This study focused on Network Brand Management Competencies in the context of ski destinations. Starting with the assumption that Network Brands exist in everyday managerial practice, but that the concept is largely unknown in the academic literature, it explored the phenomenon and identified the main differences between Network Brand and other branding constructs. It then identified management competencies required to develop and sustain Network Brands of ski destinations.

The main contributions of this thesis are:

- The conceptual elaboration and articulation of the Network Brand construct (Table 2, Figure 15), and the empirical validation of the proposition that Network Brands exist
- The identified 34 abilities, grouped into 12 competencies, suggested to be core competencies required to develop successful Network Brands of ski destinations (Table 35)
- The proposed Classification Framework of approaches to Network Brand management (Table 34)
- The proposed Framework of Network Brand Management Competencies in the context of ski destinations (Figure 16)
- The proposed Contingency model relating the classification framework of approaches to Network Brand management with the Framework of Network Brand Management Competencies (Table 36)

This research may be considered as a direct, albeit limited, attempt to close the research gap identified by Vorhies, Möller and Svahn. This research is a response to Barwise’s (1991), appeal for research on the brand management process, to Ritter and Gemünden’s (2003) appeal for research on an organization’s ability to manage a network and factors influencing this ability and to appeal presented by several authors in the emerging field of destination branding (Hankinson, 2004; Morgan, Pritchard & Piggott, 2003; Hankinson, 2001) for research on the relationships among stakeholders involved in branding destinations by exploring these relationships and identifying good practices.
Network Brand construct

In the theoretical part of this research I introduced the concept and discussed the differences between a Network Brand and other branding constructs.

My empirical study validates the proposition that Network Brands exist. Furthermore, based on the findings of this research, I contend that the logic of value creation through brands does not change. The conceptualization of "a brand," the role of brand identity and focus of brand management, explored in this study in the context of Network Brands of ski destinations, matches with existing academic literature. What distinguishes Network Brands from other branding constructs, according to this study, are the paradigmatic approaches to brand management, organizational arrangements, management processes and therefore brand management competence requirements.

The conceptual articulation of the Network Brand construct elaborates upon the phenomenon and attaches to it existing conceptualizations of strategic management (brand management, competence perspective), business networks, service management and tourism literatures. The study expands the understanding of present brand management literature of the possible uses of a brand. This study is perhaps one of the first attempts to combine the networks and brand management literature; by identifying a managerial context in which the core phenomena of these fields of academic interest are overlapping, doors might open to the utilization and elaboration of the knowledge developed in these fields. The results of this study may also contribute to the discussion in networks literature about whether or not it is possible to manage networks by identifying an area where attempts are made to manage strategic nets, by identifying mechanisms used, and by increasing information about competencies required in managing these nets.

In the tourism literature the development of theoretical knowledge related to destination branding is still in its early phases, and this study aims to contribute to this field by providing information about the value systems related, organizational forms and competencies required in value production through place branding.

Identification of competencies required in developing successful Network Brands in the context of ski destinations. See Table 35.

This research resulted in a rich and detailed description of the competencies, requested by Vorhies (1998) among others, in the context of Network brand management in ski destinations. In comparison to competencies identified in existing academic literature, the results of this study reaffirms earlier
analyses. At the same time, this study identifies a new competence, “Decision making competence,” and enriches the previously articulated competencies by identifying and describing several new facets. These results are summarized below.

- “Decision making competence” is a composite of the ability to make strategic decisions while being able to avoid diluting the decision with excessive consensus building, the ability to increase possibilities for reaching consensus and the ability to make “fair” decisions for the benefit of the entire network. This Network management competence appears to be a new finding in comparison to the existing literature.
- This study confirms earlier findings related to “competence in coordinating interrelated resources and capabilities,” but also introduces two new interrelated facets: the ability to ensure that the brand is delivered in all product features and the ability to provide incentives for network member companies to transform their processes to support the brand.
- This study confirms earlier findings related to “Brand Identity Development Competence,” but also introduces two new facets: the ability to capture “reality” in brand identity and the ability to express experiential (vs. functional) elements of the product in brand identity.
- This study confirms earlier findings related to “External Communication Competence,” while introducing an additional facet: the ability to present the network as a unified whole to external audiences. The ability to dispel the fact that the vacation experience is created by several different producers, and to present the ski destination as one entity, may be understood as a feature unique to Network Brand Management.
- This study confirms earlier findings related to “co-operation building competence,” but also introduces a new finding the ability to create a decision-making system that distributes decision-making power in a just way.
- This study confirms earlier findings related to “Internal Communication Competence,” but also introduces an additional facet: the ability to increase understanding through dissemination of information and knowledge. The emphasis here is on increasing understanding, in the ability to instill a deep and thorough understanding of the core meaning of the brand identity among the whole organization, and especially the front line staff.
- This study confirms earlier findings on “leadership competencies,” while introducing a new finding: the ability to keep the process alive, despite ignorance, resistance or other obstacles to co-operation.
- This study confirms earlier analyses on “monitoring competence,” “resource base development competence,” mobilization competence,” “organizational identity building competence” and competence in creating a sustainable long term strategic vision, and
provides a vivid and detailed description of these competencies in the context of Network Brands in ski destination.

**Classification framework of approaches to Network Brand management in ski destinations**

Although all case ski destinations operate in similar settings, the conceptual understanding of a brand and approach to brand management as well as organizational form of Network Brand management varied significantly among the case destinations. On the basis of this finding, I contend that based on these two variables, four distinct types of business networks aiming at being developing a successful Network Brand can be identified. This classification framework of approaches to Network Brand management (Table 34) can be considered a new local theory.

**Contingency model of Network Brand Management Competencies in the context of ski destinations**

By comparing the classification framework of approaches to Network Brand Management in ski destinations and the Network Brand Management Competencies, a contingency effect was found, and a contingency model of NBMC in the context of ski destinations was developed.

The twelve competencies were grouped into four competencies (Figure 16): generic brand management, network brand management, relational brand management and network-relational management competencies.

The contingency model of Network Brand Management Competencies (Table 36) is a new local theory. The theory consists of two variables, the paradigmatic approach to brand management and the organizational form of Network Brand management, which define the types of Network Brand Management Competencies required to develop and sustain a successful ski destination brand.

This contingency proposition may be a direct attempt to close the research gap identified by Möller and Svahn (2003), calling for more research to validate the proposition that effective management of different types of strategic nets is contextually based. The results also reaffirm Gilmore and Carson’s (1996) suggestion, that certain competencies are “universal,” while others are specific to a particular business context or function.

Furthermore, the results of this study, summarized in the contingency theory of NBMC, indicate that although competence requirements are contextually-embedded, this does not mean that every context is unique and requires a unique composite of competencies. Instead, based on the results of this study,
I propose that although there is no generic NBMC, there are contextual settings within which it is possible to identify a composite of competencies that is relevant to similar contexts.

6.3. Managerial implications

The research makes a direct managerial contribution to the field of tourism destination branding, a field in which Network Brands are proliferating. Morgan et al. (2002, page 4) claim that the limited research in destination branding is a result of its complexity and that “many have shied away from the topic – arguing that places are too complex to include in branding discussions since they have too many stakeholders and too little management control, have underdeveloped identities and are not perceived as brands by general public. And yet, destination branding is one of today’s “hottest” topics among place marketers.”

Despite the dearth of research and tools on this topic, many destinations are attempting to develop a brand. This is accomplished by practices adopted largely from the models developed for branding simple physical goods by a single firm. These models may be ill-suited to branding tourism destination products, which are developed through complex networks of multiple service companies. The introduction and theoretical articulation of the Network Brand construct, and comparison of it with earlier branding constructs, may provide ideas for managers working in the field of destination branding.

In addition, the research report includes case descriptions of nine ski destinations, which have been highly successful in developing ski destinations brands in their respective markets. The case descriptions and analyses include information about brand planning and implementation, participants, brand monitoring arrangements, challenges faced in these processes and suggestions for an “ideal” way of carrying out these functions. These descriptions may give managers ideas about how to develop the brands of their own destinations.

Moreover, the 34 abilities, grouped into 12 key competencies may guide managers hoping to develop the brands of their ski destinations. The competencies are described by the managers responsible for developing the brands of the nine successful case destinations.

More specifically, managers hoping to develop Network Brands of their own destinations may take advantage of the Classification Framework (Table 34) and the contingency theory of Network brand management in order to identify competencies that might be relevant in a similar contextual setting.
Although this study was directed to ski destinations, the results may stimulate ideas and guidance for managers operating in other types of tourism destinations of similar size.

6.4. Limitations and suggestions for future research

Network Brands exist in several industries, such as the airline industry (e.g. One World & Star Alliance brands), the ITC industry and the food industry. As the concept of Network Brand is new to the academic literature, I directed this study to a contextual setting within which the focal phenomenon of Network Brand and accordingly the management competencies would be readily visible. This was expected to improve the level of articulation of the results. This research was directed to the tourism industry in general and to the ski destination brands in particular. Furthermore, I limited myself to cases which had been particularly successful in developing their brands. One alternative approach could have been a comparative case-study, where the cases represented different industries, different scopes of networks in terms of number of participating companies, or different types of cases on the basis of their success in developing Network Brands. This decision was based on my expectation that tourism destinations represent an area in which Network Brands are common, and therefore readily researchable. The selection of ski destinations is based on the assumption, that in terms of size and scale these destinations are relatively simple strategic nets, and therefore the phenomenon of a Network Brand would emerge in a clear and structured way. As a consequence, the research results provide a sharp picture of Network Brand Management Competence requirements in the context of ski destinations, but assessing the generalizability of the results to different contexts remains a task of future research.

The multi-case study design of this research meant that the cases could not be analyzed in great depth as in a single case study. Therefore, several important questions that arose during the research, (such as why some destinations utilize the network form of management while others utilize centralized form of management) could not be explored. At the same time, a single case study would not have revealed the differences identified in the conceptual understanding of brand, nor the differences in governance structures. Furthermore, given that the research is directed to an area consisting of several theoretically underdeveloped fields, competencies of service brand management and of network management, the research is inherently exploratory. Therefore the suggested frameworks may be mere approximations, and propositions requiring further testing and validation.

Many interesting research areas exist in the field of Network Brand Management Competencies. I will continue to verify the results of this study with larger quantitative data in the context of ski-destination brands.
In addition, exploring Network Brand Management Competencies in other contextual settings would enable future researchers to compare the identified competencies to the results of this research, thus gradually expanding understanding of the relationship between the context and competence requirements. One interesting replication in another contextual setting would be the identification of NBMC requirements in tourism destination brands of different scope of network, (e.g. branding cities or countries). The scale of the destination being marketed undoubtedly has implications for marketing management processes, and consequently for competence requirements. The key effect of the scale is that the larger the destination being branded, the more stakeholders are involved and consequently the less direct control the actors have over the entity being branded. Also, researching Network Brand Management Competence requirements in similar scope of Brand Net in another industry (e.g. food products) would provide valuable opportunities for comparison and further validation of the results of this study.

Furthermore, this research identified a composite of relevant competencies through empirical study focused on “best” brands in their markets, but neither compare the success of the brands nor pay attention to the importance of competencies in their success. This study identified four approaches to Network Brand management. Research comparing the relative success of the four approaches would yield important information for the future development of Network Brand knowledge. In addition, some of the twelve competencies may well be more significant than others. A study relating individual Network Brand Management Competencies to brand success would be instructive.

Finally, the kinds of processes in which Brand Nets are formed, and the kind of dynamics that different types of organizational forms and paradigmatic approaches generate should be studied.

I hope that this research has provided interesting insights and new ideas, and will give some guidelines for the development of the brand management and network management theories.
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APPENDIX 1 - interview outline

Intro
1. How would you describe the core meaning of the CASE X brand identity?
2. For how long has the CASE X brand been a subject for conscious development? For how long have you personally been involved in the planning and management of the brand?
3. How many separate business entities (companies) operate within the resort? What part of the total number of beds is managed by the ski company?

Planning
4. Please describe the process of brand planning. Through what kind of process was it originally developed and what kind of planning processes are used today in 'fine tuning' the brand?
5. Participants of the brand planning / decision making body? (individuals/companies/their roles)
6. What kind of challenges/problematic issues have you been confronted with while planning the CASE X brand?
7. Could the present brand planning process be improved? What would the ‘ideal’ be like?

Implementation
8. Please describe the process of executing the brand plans. How were/are the brand plans put into practice? Which organization(s) implement the brand plans i.e. put the plans into practice?
9. What kind of challenges/problematic issues have you confronted in the implementation of the CASE X brand plan?
10. Could the present brand implementation process be improved? What would the ‘ideal’ be like?

Monitoring
11. How is the performance of the CASE X brand monitored? How often are the brand planning/implementation processes being re-evaluated/reformed?
12. Could the present brand performance monitoring system be improved?

Performance
13. How successful do you consider the CASE X brand is in comparison to competitor brands?
14. Which brands do you consider as being the best ones in the ski resort market?
15. What is a ‘good’ ski resort brand? What differentiates a ‘good’ ski resort brand from ‘bad’ ski resort brand?
16. How should the performance of a ski resort brand be measured? What indicators should or could be used in evaluating ones own performance or to compare with competitors’ performance.
Core competencies

17. What are the core competencies required in developing and maintaining a successful ski destination brand? What are the cornerstones of success when developing a brand for a ski destination?
   a. Process/activities?
   b. Organization?
   c. Skills/knowledge?
   d. Resources?
   e. Other?

Other

18. There are a number of varying definitions for ‘a brand’. How would you define the concept of a brand? What is meant by it?
19. In addition to yourself, are there others who may possess valuable insights into the brand planning and management of CASE X?


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00100 Helsinki
Puh. (09) 4313 8310, fax (09) 495 617
Sähköposti: kykirja@ky.hse.fi

Helsingin kauppakorkeakoulu
Julkaisutoimittaja
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