



PLACE BRANDING AND PLACE PROMOTION EFFORTS IN THE BALTIC SEA REGION – A SITUATION ANALYSIS

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[DRAFT]



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Foreword

This report has been produced as a part of the BaltMet Promo project. It will be presented at the project's kickoff 31 May 2010, organised in connection with the Baltic Development Forum Summit, 1-2 June 2010 in Vilnius.

Please note that this is a draft version. The final version will be published in October 2010, in connection with the second Policy Roundtable of the BaltMet Promo project following a consultation process with stakeholders active in

the marketing of the Baltic Sea Region and its countries, regions and cities.

If you know of any activity or organisation that is missing in the report, or if you have any ideas for how it could be further developed, please send your feedback and comments to the author, Marcus Andersson at Baltic Development Forum on ma@bdform.org or tel: +45 60 21 85 76, no later than 15 August 2010.

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Introduction

The purpose of this report is to map existing organisations, networks, projects and activities that are geared towards marketing the Baltic Sea Region as a whole, or considerable parts of it. The report also aims to present information about the overall situation and political framework in which the BaltMet Promo project is operating.

The objectives are to facilitate an alignment of the BaltMet Promo project and its objectives with those of other promotion and place-branding efforts, and identify key stakeholders in the project, but also to avoid duplication of work already being done by others.

The overall objective is thus to be able to make full use of synergy and complementarity with other initiatives and organisations. At the same time, the report wants to facilitate a wider discussion on the international marketing and attractiveness of the Baltic Sea Region, and how various initiatives and actors can pool resources and coordinate their work better.

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About the author

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Marcus also functions as the Director of Research and Business Development at Tendensor AB (formerly Geobrand), regarded as the leading place-branding consultancy in Sweden. He has conducted research on nation-branding and been published in various international journals, including *Place branding and Public Diplomacy*

and *Crossing Perspectives – the Baltic Sea Region*. His study on “Ambassador networks and place branding” (co-authored with Per Ekman) published in the *Journal of Place Management and Development* was chosen as a *Highly Commended Award Winner* at the Emerald Literati Network Awards for Excellence 2010. He is a member of the expert group of the *Association of Place Branding and Public Diplomacy* and has an MSc in Business and Economics and an MA in Political Science. He regularly gives talks and lectures on topics such as branding of supranational regions, nation branding, public-private partnerships in place branding, identity formation and international cooperation.

Definitions and delimitations

What is place branding and place promotion?

The term *place branding* refers to a country, region, city or a tourist destination, and to their competition for tourists, investors, residents and other resources. One way of seeing a *brand* is as a conceptual entity that creates positive, unique and distinguishable associations, and *branding* involves creating and maintaining these associations.

The view taken here is that place branding is based on a strategic approach to reputation management, stipulating that a change of image is an ongoing, holistic, interactive and wide-scale process, requiring much more than a quick change of logo or slogan. Thus, *brand management* for a city, country or a tourist destination does not merely consist of attaching new labels and creating messages, but consolidates the essential characteristics of the individual identity into a brand essence. As part of this holistic process, the creation of a brand sets social, economic and cultural processes in motion which can nuance, strengthen or correct the perception of others. In other words, place branding is both about communication *and* behaviour.

To take the example of *destination branding* for purposes of attracting tourists, destination-brand management can be seen as an exercise in coordination in which relevant variables, such as tourism infrastructures, the quality of local services and the supply of local attractions, need to be managed – and coordinated with promotional efforts – in order to achieve a coherent and desired destination brand identity. This means that, contrary to the popular belief that destination brand building is solely an exercise in communication, in reality, destination branding is an exercise in the identification, organisation, communication and coordination of all the variables that have an impact on the destination image.

However, the use of slogans and logos can play an important role when it comes to the operationalisation and visualisation of place-branding efforts. These expressions often serve to communicate the central brand promise to the

place buyers and the *positioning* of the place. With positioning is meant the process by which place marketers try to create an image or identity of the place in the minds of their target audience, often in relation to a market or the competition.

According to research and established practice, the practice of place-branding can offer the means to achieve not only economic but to some extent also social and cultural benefits. It can promote the attractiveness of a place for investors, export buyers, tourists, residents, employees and students. It can also be a place-development tool, in the sense that it can serve to focus questions of identity and vision, and provide driving force and direction in the development efforts of a place. Furthermore, it is said to have a potential to mobilise civic pride; that is to make the inhabitants of a place more aware and proud of its uniqueness and achievements.

There are a few general requirements for place-brand communication to work effectively:

- The desired image must reflect reality and be credible in its claims. Needless to say, it is not possible to simply purchase a new brand from an advertising agency.
- It must be possible to present the messages clearly and comprehensibly. The competition for public attention is exceedingly fierce, so the messages must be easy to understand.
- The content must be attractive. The marketing must appeal strongly to the target group in question.
- The content must be differentiated, preferably somewhat unique. Many countries use blue skies and white sandy beaches to attract tourists, or claim that they are innovative to attract investors, for example, and this makes it difficult for their target groups to distinguish between them.

- The branding efforts must be long-term and consistent. Countries that change strategies, messages or approaches too often end up creating more confusion and doubt about what they stand for.
- A key requirement for place marketing and place branding to work effectively is that communication is coordinated and harmonised to some extent, to avoid too diverging messages. The branding efforts must coordinate and align the various promotion efforts, for example those aimed at attracting investors, tourists and skilled professionals and promoting exports, as well as with the more general public diplomacy activities.

The term place branding is in this report used interchangeably with the term *place marketing*.

Place promotion, as defined here, is the communication link between the place marketer and the place-buyer for the purpose of influencing, informing or persuading a potential buyer's purchasing decision. This communication can be carried out through many different channels, such as publicity/public relations, personal selling, advertising, sales promotion, product placements,

direct marketing, trade fairs, exhibitions and sponsorship. Various forms of place promotion, such as investment and tourism promotion, tend to use these different channels in varying degrees.

Essentially, there are three basic objectives of promotion: to present information to consumers and others, to increase demand, and to differentiate a product. *Differentiation* is here defined as the process of distinguishing a place or what a place has to offer from others, to make it more attractive for a particular target market.

According to observers, tourism and investment promotion serve to improve sales in their specific sectors and among their specific audiences, but they appear to have little or no effect on the overall image of a place.

As for delimitations, there is a focus on place-branding, place promotion and identity building efforts within the thematic areas of the BaltMet Promo project: investment, tourism and talents. Because the talent theme uses film production as a promotional tool, which falls under the category of creative industries and cultural cooperation, these two thematic areas will also be covered to some extent. However, export promotion and general public diplomacy will be less focused on.

About BaltMet Promo

BaltMet Promo or “Creating promotional Baltic Sea Regional products for tourists, talents and investors in the global markets” is based on the collaboration of the Baltic Metropolises Network and Baltic Development Forum. The aim is to join forces in marketing the entire Baltic Sea Region on a global scale.

The rationale behind the project is that the Baltic Sea Region does not yet exist as a region with shared identity and recognised image, and marketing and branding of the Region has not yet developed in a structured and systematic way. Initiated in 2010, the EU funded BaltMet Promo project aims to face this challenge with a new and innovative approach.

The aim is to create a dynamic, transnational and multisectoral marketing community to attract tourists from other continents, talents from the creative sector and major international investment projects to the Baltic Sea Region. Concretely, BaltMet Promo will promote the entire Baltic Sea Region globally and strengthen the BSR identity both at home and abroad by:

- jointly designing and selling BSR services and products for tourists, talents and investors
- mapping branding initiatives and energising policy dialogue on BSR branding
- testing a method for collaborative place promotion for a macro-region and transferring the working method during the next project phase to other target markets and subject matters

BaltMet Promo pilots joint marketing of the Baltic Sea Region, running in a first phase 2010-2012 with a budget of EUR 2.8 million, co-financed by the EU Baltic Sea Region Programme. The City of Helsinki is the lead partner and Aalto University School of Economics (the Center for Markets in Transition, CEMAT) is the project coordinator. Other partners include the Baltic Development Forum, the City of Berlin, the City of Warsaw, Greater Helsinki Promotion Ltd, the Research

Institute of the Finnish Economy, the City of Riga and the City of Vilnius.

A wide range of associated partners, such as cities, pan-Baltic organisations, national investment promotion agencies, national tourism organisations, national institutes, cultural organisations and businesses, also support the project.

By combining both public and private actors, the project brings out the Region’s strengths as a tourist, talent and investment destination. The development of concrete pilot products will be founded on solid research of the relevant markets. In the first phase, the following pilots will be implemented:

- A tourism pilot to attract more Japanese tourists to the BSR
- A talent pilot to attract Japanese film industry talents to the BSR
- An investment pilot to attract international investment projects to the BSR at selected world fairs

The extension phase, planned to be launched for 2011-2013 with a budget of EUR 5.0 million, is projected to be widened in scale and scope and involve more public and private actors and more thematic areas and sectors.

The project is a flagship project in the EU Strategy for the Baltic Sea Region and aligns horizontal activities related to the identity building and marketing of the region.

Read more about BaltMet Promo here: www.baltmetpromo.org

Transnational Baltic Sea Region efforts and actors

This section will address notable place-branding and promotional activities and actors with either a Baltic Sea regional dimension, or with implications for the work and ambitions of the BaltMet Promo project.

“Branding the Baltic Sea Region” – background and timeline

Baltic Sea regional cooperation has been successful in many areas. The main driving forces have been the need for economic and political reforms, the high economic growth of the reforming countries, and the development of new security structures. A strong commitment to regional cooperation at the national, regional and local levels – in both the public and private sectors – has evolved all around the Baltic Sea. Early frontrunners were organisations and collaboration networks like the Baltic Sea Youth Office and the New Hanseatic League, both founded back in 1980, and the Baltic Tourism Cooperation, established in 1985.

The beginning of the 1990s saw a rapid expansion of new kinds of collaboration and, in many instances, a very conscious rejuvenation and evoking of historical links. Cooperation in the fields of economics, politics, environmental protection, security issues, culture, social issues, education, and the development of joint tourism products all have further contributed to a deepening regional integration. New business opportunities and abundant investment and trade ties have flourished and helped to connect the region; according to some observers, the Baltic Sea is once again a gateway for the free movement of people, goods and services.

But there has been a missing link: despite many more or less successful efforts at building a region, the Baltic Sea Region (BSR) has remained a diffuse or even unknown concept. It has been argued that this low visibility comes at a price; at a time when the global competition between countries and regions is heating up, being unknown or having a weak image becomes a serious handicap.

It has been claimed that the Baltic Sea Region is too much of a “well-hidden secret” to the outside world, that it “deserves” to be known for all its qualities, and that it could be seen as a “global frontrunner”, “a region of excellence”, the “Top of Europe”, and a “magnet for capital, talent, tourism and innovative thinking”. The solution has also been spelled out: the BSR needs to be put on the map.

The idea to raise awareness of the Baltic Sea Region in Europe and beyond through systematic marketing and branding emerged in the discourse of regional decision-makers and opinion-leaders at the beginning of the last decade. The first time it was discussed in an official setting, to the author’s knowledge, was at the 2000 Baltic Development Forum Summit in Malmö. A few speakers pointed out that the Baltic Sea Region needs active marketing to become better known and attract more investors. At the following year’s BDF Summit in Sankt Petersburg, one plenary session was devoted to the topic of “Branding the Baltic Sea Region”. One of the session speakers was branding expert Wally Olins, who took a stab at how place-branding could be applied to the endeavour of building a brand for the Region. His overall assessment was that it could be done, but that it would be neither cheap nor easy. Another speaker was Toomas Hendrik Ilves, then Foreign Minister and currently President of Estonia, who drew parallels with Estonia’s efforts to brand itself as an IT-nation, and suggested this theme as a possible core element for marketing of the entire BSR.

The idea then lay fallow for some time, but in 2004 it was brought back to life again. The driving force behind the reawakened interest in the idea was probably the EU enlargement to the three Baltic States and Poland, which created new impetus for the region becoming an integrated economic and political entity. One of the main objectives until 2004 had been to facilitate EU membership for these countries, and once this goal had been accomplished, regional decision-makers began turning their interest towards a

deeper integration of the region. For example, in the wake of the EU enlargement, a number of organisations in the region launched the “Baltic Sea Initiative 2010” (BSI), bringing together regional and national stakeholders from business, government and academia. The aim of the BSI was to stimulate growth and prosperity in the BSR. Investigating the potential for making the region more visible through brand-building was identified as one of five prioritised areas for promoting the region both in Europe and globally. The BSI group gave the BDF responsibility to take the lead in investigating the idea further and, eventually, also to initiate and coordinate an overall branding effort of the region encompassing all the countries around the Baltic Sea. Meanwhile, BDF roundtables on tourism cooperation identified joint marketing and branding of the BSR as an important area for focus, giving further impetus to the branding discussion. Read more about the roundtables under “tourism marketing”.

The first step taken by the BDF was to organise an “informal colloquium on branding the Baltic Sea Region”, which gathered about 50 key stakeholders and experts. It took place in the spring of 2005 in Cadenabbia, Italy. Among the participating organisations were Vinnova, Statoil, Invest in Sweden, Danish Industry, the City of Copenhagen, the Baltic Tourism Commission, ScanBalt, the Baltic Institute of Finland, the State Chancellery of Schleswig-Holstein, and Baltic Sea Chambers of Commerce. Wally Olins, nation-branding expert Simon Anholt, and place-marketing expert Christer Asplund were invited to share their expertise. As a follow up to the meeting, Simon Anholt drafted the “Pearl Necklace Strategy for Branding the New Hanseatic League”, which devised something like the following step-by-step strategy (modified by Andersson, 2007):

1. There is a need for a brand story for the whole region. This story has to be inspiring and “magnetic”, but also credible. The story needs to be devised by a small and qualified team who are in constant consultation with a wide group of stakeholders.
2. The story needs to be spread to “infect” as many organisations and people as possible. It needs to be explained why it is in the interest of all stakeholders to promote this story in their own

activities and communications.

3. The next stage involves the selection of a number of initiatives, institutions, companies, events, individuals or other components of the brand strategy from each point of the so-called branding “hexagon” (the six aspects of culture, policy, tourism, export brands, people, and investment). There should be at least one of these from each country of the region.
4. The coordination team should provide every possible encouragement and incentive to help these independent “pearls” to succeed and to gain a high international profile.
5. Help to publicise the success of all the “pearls”, by seizing every opportunity to promote their achievements in the region.

Gradually, these growing “pearls” will inspire other individuals, organisations and bodies around them to do the same, and to pursue the same branding strategy. According to Anholt, if this strategy is pursued successfully, within five or ten years the region could possess a “pearl necklace” of great value.

The next step was to organise a session dedicated to this idea at the Baltic Development Forum Summit held in Stockholm in the autumn of 2005. The “Pearl-Necklace Strategy” for branding the BSR was one of the topics of discussion. In the period following the Summit session, Anholt prepared a strategy paper for the initiative.

The strategy document pointed out that the BSR, despite all its achievements, still had an unclear image and was little known in the global context. Therefore, a branding initiative was seen as essential for “fully unlocking, developing and communicating the potential of the region’s people, companies, organisations and institutions”. Some of the concrete reasons why the Baltic Sea Region needed a clearer and more competitive brand identity were listed:

- To achieve more effective investment promotion
- To attract more visitors for leisure and business travel and tourism
- To attract and retain the best and the brightest talent (brain gain)

- To leverage exports through an improved “region of origin” effect
- To build on complementarities of strengths between mature and transitioning economies

The strategy paper argued said that branding the Baltic Sea Region is about promoting a stronger and more competitive identity for the region through a clearly articulated sense of common purpose. It would be a long-term plan for earning and maintaining a distinctive, positive and competitive regional reputation, both within the region and around the world. These aims could be achieved through a strategic, harmonised and audience-aware approach to innovation, policymaking, international relations and public diplomacy, investment and export promotion, tourism and cultural relations.

Towards the end of 2005, the Baltic Strategy Working Group of the “Baltic Europe” Intergroup of the European Parliament, a working group of seven MEPs¹, also presented its report on “Europe’s Strategy for the Baltic Sea Region” to the European Commission, European Parliament and the Presidency of the Council. The report called for a separate EU strategy for the BSR in five policy areas: environment, economy, culture, education and security.

The report contained a chapter on “image and identity”, pointing out the need for marketing of the region, not only to raise its political profile, but also to open up considerable mutual economic benefits. It also called for measures that can restore the region’s identity while supporting the rich cultural diversity within the Region. Moreover, it emphasised the potential of cultural and environmental tourism, which can be unlocked if tourists can more easily travel to and around the region and, when the considerable efforts of Member States to restore and protect the region’s rich cultural heritage are fully supported by the EU and successfully marketed. Several of the MEPs in the group behind the report had been following the BSR-branding initiative at close hand, and had participated in events that were dedicated to it.

Based on some of the proposals in Anholt’s strategy, the BDF and leading experts and stakeholders formally set the branding initiative in motion in the spring of 2006. This was done

at a meeting with key stakeholders and experts in Timmendorfer Strand, Germany, in March 2006. Simon Anholt and Wally Olins acted as advisers to the initiative.

In April 2006, a small Action Group composed of prominent decision makers in the Region was established under the auspices of BDF to kick-start the project. The group met three times during 2006. The three main objectives of the Action Group were to spearhead the project by acting as advisors and good-will ambassadors, to help set up a management system, and to assist and facilitate the search for funding to the project. The group was composed of executives from large corporations and international organisations in the region, such as the Secretary General of the Nordic Council of Ministers, the Director General of the Council of Baltic Sea States (CBSS), the Chairman of the Baltic Investment Promotion Agencies (BIPA), the Vice President of Corporate Brand Strategy for the SAS Group, the CEO of the Nordic Investment Bank, the CEO of Statoil in Latvia, and vice presidents from the regional banks Nordea and HSH Nordbank and from the life science company Novo Nordisk, as well as a representative of the Baltic Metropolises network. A website promoting the effort was set up by the BDF. The website has been inactive since 2007, but the latest updates can be accessed at: <http://www.brandingbsr.org/show/english/organisation.aspx>

The topic was discussed again at another BDF Summit, this time in Helsinki in the autumn of 2006. Adviser Simon Anholt had been asked to suggest three overall “brand stories”, around which to structure a BSR branding effort, and a panel of people active in promoting and nation branding gave their views of the three stories. Among the panellists were representatives from government agencies, such as the Latvian Institute, the Invest in Sweden Agency, Visit Denmark, the life science company Novo Nordisk and members of the “Baltic Europe” Intergroup of the European Parliament. The three stories revolved around these themes:

1. *“When East and West combine”* – A meeting between the vigorous, emerging Baltic States, Russia and Poland, on the one hand, and on the other, the mature Nordic countries and northern

¹ Christopher Beazley, Michael Gahler, Satu Hassi, Toomas Hendrik Ilves, Ģirts Valdis Kristovskis, Henrik Lax and Alexander Stubb.

Germany, creating the “ideal combination of developing and developed; the best of both worlds: a wise head on a young body”.

2. *“Born in the age of globalisation”* – The idea that the BSR is a region “born in the age of globalisation” and the “only economically significant place on earth that was born for, and, into a global world” and “so has global competitiveness in its veins”.
3. *“Smartest region in the world”* – Suggesting that the Baltic Sea Region is the “paragon of the talent economy” and is therefore smart enough to ensure the long-term delivery of sustainable growth, skilled workforce, etc.

Please see testimonials from the 2006 Summit about the stories under “Video features” on page 72.

In May 2007, the fifth major Branding the Baltic Sea Region activity, the seminar “From best practice to a Baltic Sea Brand”, was arranged by the Baltic Development Forum and Konrad Adenauer Stiftung at Timmendorfer Strand in Germany. It gathered a wide range of stakeholders and projects, and it discussed best practices in sectors as tourism, foreign direct investment and university/research collaboration. Participants from the Baltic Metropolises Network explained their interest in launching a collaboration project aimed at marketing the region, and one of the main conclusions of the seminar was that to apply for EU funds could be a viable future avenue for such a project.

At the same time, the strategy document for the next generation of the EU-supported programme for transnational cooperation in the region, the “Baltic Sea Region Programme 2007-2013”, was being drafted. This programme is the successor to what was known as the Interreg III B programme for the Baltic Sea Region. The managing authority for the programme, the Joint Technical Secretariat, showed a great deal of interest in the efforts to build a brand for the BSR. The idea to brand the region is mentioned as one of the objectives of the programme, and the above-mentioned efforts of the BDF, which was one of the bodies to which the draft strategy document was referred to for consideration, are acknowledged in the

operational programme document. Furthermore, the creation of a marketing strategy for the BSR, to attract investors, tourists and skilled individuals, is mentioned as an example of future strategic projects that could be supported by the programme. The operational programme document can be found at: http://eu.baltic.net/Programme_document.98.html?

The Baltic Metropolises network, with the City of Helsinki taking the lead, picked up the idea of launching a project on marketing the region to attract investors, tourists and skilled individuals, and began drafting an application for BaltMet Promo in 2007 with a view to securing funding from the BSR Programme 2007-2013. The BaltMet Promo project’s set up was to a large extent inspired by the ideas put forward in the “Pearl Necklace Strategy”, where its pilot projects would represent practical actions, or “pearls”, which with time would grow and develop and perhaps form the basis for a BSR brand.

Branding the Baltic Sea Region: spin-offs and related activities to the project

In retrospective, it is interesting to note that the notion of branding the BSR became “viral” to a large extent and spread to a variety of networks and contexts. In a way, the idea has been adopted by “independent cells” and has grown like “pearls”, as foreseen in the Pearl-Necklace Strategy. It has been the topic of discussion at a number of conferences and seminars, and some networks and organisations in the BSR have taken up many of the ideas that emerged from the discussions mentioned above. Here are some examples:

– In November 2006 in Berlin, the Baltic Study Network (BalticStudyNet) organised a conference called “Putting the Baltic Sea Region on the map – towards a global promotion strategy for higher education in Northern Europe”. The conference discussed, among other things, how concepts like the branding of places could contribute to the design of a global promotion strategy for higher education in Northern Europe. Read more about the BalticStudyNet in the section on “Promotion of culture, common identity and talent attraction”.

– In November 2006 in Tallinn, the Nordic Council of Ministers' office in Estonia and the Nordic ambassadors in Tallinn jointly organised the seminar "Regional Branding – An Asset in Times of Globalisation". The meeting discussed whether it was possible to market a region as large as the BSR, or if it is more realistic to profile smaller areas. Read more about the Nordic Council of Ministers' efforts in section about Nordic and Scandinavian initiatives.

– In the autumn of 2006, the then Governor of Stockholm County, Mats Hellström, organised a series of events discussing the issue of branding the BSR. The main topic of the discussion was how the greater Stockholm region could contribute to the discussion on how to build a brand for the BSR, and the invitees were representatives of local tourism and investment promotion organisations, regional development organisations, universities, local business and international corporations.

– In April 2007 in Riga, the Baltic Metropolises Network's project BaltMet Inno (described below) organised an international conference on the theme "Place Marketing in the Baltic Metropolitan Regions", which focused both on branding of the entire Baltic Sea Region and of the individual metropolitan areas in the region. Among the speakers were representatives from the BDF and Simon Anholt, at that time adviser to the "Branding the Baltic Sea Region" initiative described above.

– In June 2007 in Bornholm, Denmark, the "B 7" network, consisting of the 7 largest islands in the Baltic Sea, organised a conference on "Trends Strategies and Branding in the Baltic Sea Region", where part of the discussion was dedicated to the branding of the BSR in general, and how the islands of the region can benefit in terms of tourism attraction from participating in such efforts.

– In June 2008 in Riga, the Latvian Institute, CBSS and the Latvian Ministry of Foreign Affairs organised a seminar entitled "Thinking Regionally, Acting Globally – Creating a Brand Image for the Baltic Sea Region". The seminar was a part of the project "Balticness" (read more about the Balticness initiative in the section on "Promotion of culture, common identity and talent attraction").

– In November 2008 in Philadelphia, USA, the American Association for the Advancement of Slavic Studies, organised a seminar at its annual convention on the theme "Nation Branding in the New Europe: Space, Place and Image between the Baltic and Black Seas". One of the topics discussed by researchers and practitioners was the efforts of BSR actors to build a brand.

Tourism efforts

In the area of BSR tourism promotion cooperation, there has been interest from regions, cities and the National Tourism Organisations (NTOs) in joint marketing efforts, and also consensus that there is untapped potential for collaboration and better coordination of existing activities. In spite of this, few concrete steps have been taken to initiate joint marketing efforts.

Between 2004 and 2007, the **Baltic Development Forum** gathered tourism promotion players, especially the NTOs, BSR-wide projects and tourism businesses, to a series of roundtables, at which the need for joint marketing and branding of the BSR as a tourism destination was identified and stressed. The report *Tourism Cooperation in the Baltic Sea Region – a Win-Win Scenario*, commissioned by BDF and produced by IKED in 2004, gave further support to this idea. This work culminated in 2007, when the BDF and *Visit Denmark* in collaboration approached all BSR NTOs with a letter of intent on increased cooperation in the cruise industry. The letter of intent was signed at a meeting in Timmendorfer Strand, Germany, by the head of the NTOs from Denmark, Sweden, Germany, Latvia and Finland. The Polish and Russian NTO representatives expressed their support for the ambitions set out in the letter. At the meeting, future areas of cooperation were also discussed, for example BSR tourism products revolving around food. The possibility of applying for EU funds was also discussed, because the new Baltic Sea Region Programme included branding of the region as a prioritised area (read more under "Branding the Baltic Sea Region" – background and timeline). As a result, the outcome of these discussions added further to BDFs engagement in the discussions preceding the preparation of the BaltMet Promo project.

In the field of destination-marketing of the BSR, the German federal state of **Mecklenburg-Vorpommern** has lately taken the initiative to coordinate the various tourism actors better. In 2008, the Mecklenburg-Vorpommern Tourist Board organised the first *Baltic Sea Tourism Forum* in Rostock-Warnemünde. Among other things, the forum reached the conclusion that there are no permanent transnational structures for joint marketing of the Baltic Sea region.

This event gave an impulse to further discussions, and in 2009, during the Lithuanian Presidency of the Council of Baltic Sea States, the Lithuanian State Department of Tourism organised the second Baltic Sea Tourism Forum in Vilnius. The forum, called “Cooperation of the Baltic Sea Region countries: challenges and opportunities”, was organised in collaboration with other participating NTOs. It focused on monitoring participating countries’ market behaviour and the latest trends, fostering best practices, presenting possible common projects and marketing activities, and stimulating tourist flows between neighbouring countries. The overall objective was to improve cooperation and marketing and, ultimately, competitiveness in the European and global marketplace. The long-term target of the network will be to establish a counterpart to tourism in the Mediterranean. To this end, a declaration on extended cooperation to market the Baltic Sea region was adopted at the conference. This is said to be the first time that a basis has been formed to heighten the profile of the Baltic Sea tourism brand and that the forum showed that the states and regions surrounding the Baltic Sea are willing to cooperate in various fields, in spite of the general competition among them. Considering their limited resources, they felt it would be sensible to combine their already existing marketing.

At a workshop preceding the second forum, representatives from national and regional tourism organisations met to develop ideas for joint marketing in areas such as youth and cruise travel and maritime and water sports tourism by preparing a common internet platform, joint presentations and participation in fairs.

Concretely, the declaration establishes that the participating tourism institutions agreed on cooperation with regard to:

1. A common market research concept
2. The development of new international markets
3. The development of infrastructure
4. The development of Baltic Sea region products and services
5. Common promotional activities
6. A common Internet platform

It was also announced that Kaliningrad intends to host the follow-up conference in 2010.

The webpage of the forum, maintained by the Tourism Board of Mecklenburg-Vorpommern, claims that there are a lot of tourism projects in the Baltic Sea Region, but that the projects alone cannot guarantee a continuous and long-term cooperation; at the end of individual projects, the cooperation usually ends too. It argues that the term “Baltic Sea tourism” can and should be more forcefully and globally positioned as a brand.

The **Baltic Sea Tourism Commission**, a networking and marketing organisation, is another actor promoting tourism to the BSR. Founded in 1983 on the initiative of the Lübeck Chamber of Commerce, its aims are to promote the natural and sustainable development of travel and tourism within and to the BSR. Its main global markets are North America, Asia and Spain, and its activities include press and familiarisation trips, an annual tourism conference, participation in tourism-related projects, representation of the tourism industry to political decision-makers, cooperation with other Baltic Sea organisations, and tourism information. The network is members-based and has tour operators, airlines, ferry/cruise lines, hotels, and city, regional and national tourist boards as members, amongst whom are Scandinavian Airlines, Tallink Silja, Deutsche Bahn, the Finnish Tourist Board, the Estonian Tourist Board, the Polish Tourism Organisation and the Helsinki City Tourist & Convention Bureau.

Cruise Baltic was established in 2004 as a collaboration between 12 destinations and aimed at creating one integrated cruise destination targeting the major international source markets. The project was 40% EU-financed via Interreg III B from 2004 – 2007. Today, Cruise Baltic is 100% financed by its partners and includes 27 destinations and 47 partners in the network: ports, city administrations, and tourist boards from BSR countries. It also has two major commercial

partners: SAS and Scandic Hotels. The project's secretariat is hosted by Wonderful Copenhagen (WoCo), the tourist board of Copenhagen.

In Cruise Baltic, the countries of the Baltic Sea Region have joined forces to create a cruise option with fully integrated operations between ports and cities.

The project is in essence a destination-branding effort, because it combines elements of destination development, identity and marketing. The project has, for example, carried out joint promotion in the UK, US, German, Italian and Spanish markets. According to project sources, interesting markets for future promotion could be in Asia, France, Australia and Brazil. The catchphrase "10 countries on a string" is used in the communication activities, and the full name of the initiative is "Cruise Baltic – Northern Europe".

Cruise Baltic has developed a number of central themes that make it possible to link together the many attractions and activities across the destinations. The themes are intended to function as practical and inspirational tools for all cruise professionals working with the marketing and development of BSR as a cruise destination. Among the central themes are "Kings & Tsars", "Modern architecture and design", "City life and outdoor events" and "Great shopping and fine food".

The project refers to a long continuation of trade and maritime cooperation dating back to the Hanseatic League in the 14th and 15th centuries when it talks about its rationale. On the project's webpage, we read that:

There has always been a close relationship between the countries unified by the Baltic Sea. As far back as in the 14th and 15th century, the Baltic Region formed an integrated trade network called the League of Hanseatic Towns. The Hanseatic represented the most important trading area in Northern Europe. As a result, culture, arts and science flourished in all the cities around the Baltic Sea.[.....]Over time, changing historical and political events has of course influenced the relationship between the countries and the people in the Baltic Sea Region. But now again, there are many signs that the region is developing into a functioning Baltic Network. One of those signs is Cruise Baltic and we are happy to present to you: 10 countries on a string.

To date, the region has succeeded in attracting more than 40 of the world's major cruise lines, more than 70 different ships with almost 1800 calls to the various Cruise Baltic ports. The BSR has seen a 12.9 % annual growth of the cruise industry since 2000, which is a unique growth rate in the global cruise industry. Since CB was founded in 2004, the number of the cruise visitors to the region has grown from 1.4 million to 3.1 million in 2009.

Investment promotion efforts

The main effort to market the BSR to prospective investors is *the Baltic Sea Region Investment Network*, which is a joint promotion activity organised by the **Baltic Sea Region Investment Promotion Agencies (BIPA)**.

BIPA was founded in 1998 and is a network of the investment promotion agencies in the countries and regions in the BSR (Denmark, Estonia, Finland, Norway, Lithuania, Latvia, the northern regions of Germany, Poland, Sweden and St Petersburg). The original goal of BIPA was to promote the Baltic Sea region throughout the world as a favourable environment for investment. It provided a forum for IPAs in the region to discuss a common platform for the positioning and branding the region, describing it and identifying its attractions. The objective of the annual meetings is for BIPA participants to share information, results and experience from the latest activities in attracting investment in their own countries.

One concrete effort that has its roots in the BIPA collaboration is the Baltic Sea Region Investment Network, a collaboration between the IPAs of Estonia, Latvia, Lithuania and Sweden. Invest in Finland and the IPA of Copenhagen, Copenhagen Capacity, representing Denmark, were also originally members. Starting in 2006, the purpose of this collaboration was to attract inward investments to the BSR by organising study visits to and promotion events in India. The reason why India was chosen was that it is a fast-growing economy, yet none of the countries had any major market presence in India, and therefore less vested interest than in for example the Chinese market. A common budget was used to finance a representative in India who made promotional visits to economic centres like New Delhi and Bangalore. A webpage was set up to

support the initiative: www.balticsearegion.com

These activities were suspended in 2008 due to diverging interests among the participating organisations, but the BIPA network remains intact even though no meetings have been held in 2009 and 2010.

The **BaltMet Inno – Baltic Metropolises Innovation Strategy** project was a joint innovation project of the major cities in the Baltic Sea Region that ran for three years, between January 2005 and December 2007. BaltMet Inno was co-financed by the Baltic Sea Region INTERREG III B Programme. Its overall aim was to strengthen the role of cities as developers of innovation environments at local, regional, national and international levels, to produce a common innovation policy framework for the Baltic Sea Region, and to create transnational metropolis-driven innovation networks. The project had 14 partner organisations and the lead partner was the *City of Helsinki* and the project co-ordinator was *Culminatium Ltd.*

The project had strong and explicit branding and identity-building components aimed at positioning the Baltic Sea Region and its metropolitan areas as a “European showcase of a networked competitive knowledge economy”. The final report of the project argues that conjoint innovation offers the fastest way of positioning the Baltic Sea region internationally. The report also identifies the need to develop an innovation and entrepreneurship brand for the BaltMet regions, which can function both as a communicating device and an instrument for common identity building.

One part of the project, led by the *City of Riga*, focused specifically on regional marketing and community-building strategies. This was done by elaborating innovation-based marketing strategy concepts, enhancing community-building processes among the Baltic metropolises and identifying possibilities for transnational complementary activities.

More concretely, the project came to the conclusion that the region could be described with the umbrella brand theme “Baltic Archipelago of Innovation”, conceptualising the region as a string of capital city regions, communicating islands of competence provided with multiple innovation nodes. This could serve to reinforce the image

of BaltMet cities as networked and advanced innovative locations at the local, regional, European, and global levels.

As a part of the project, existing place-marketing practices and strategies were analysed in the various cities of the Baltic Sea region participating in the project: Riga, Helsinki, Copenhagen, Berlin, Stockholm, Tallinn, and Oslo. Two international conferences were held in Riga in 2007: “Place Marketing in Metropolitan Regions”, in which the outcomes of the project, such as the above-mentioned strategy framework and the Riga City Marketing Strategy for Facilitation of Entrepreneurship were presented, and “Metropolitan Marketing in the Baltic Sea Region – Current Outlook, Best Practices, Future Visions”, in which future joint activities in promotion of the Baltic Sea Region and community-building issues were discussed by marketing experts and professionals from the BSR.

Read more about the work of the project in the place-branding field in the final report of the marketing work-package here: www.inno.baltmet.org/uploads/filedir/File/WP2%20Final%20report_short.pdf

The **BaltMet BaSIC** project, implemented 2009-2011 and led by *Wista Management GmbH* in Berlin Adlershof Science Park, builds further on the idea of a “Baltic Sea Archipelago of Innovation” recommended by the BaltMet Inno project. The objective is to create a seamless working environment for fast growing innovative SMEs all over the Baltic Sea Region, embedded in a reliable network of leading Science Parks and clusters. Emphasis is given to identifying, selecting, training and coaching SME “gazelles”; to provide them harmonised access to markets (establish a tool kit of market access points) and to connect them for access to finance for internationalisation and growth. The project consortium consists of leading Science Parks, incubators and innovation facilitators, with strong support from the 10 Baltic Sea Capital Regions (incl. Oslo and St. Petersburg). This will guarantee the sustainability of good project results and their implementation into regional innovation strategies. Feedback from project monitoring and SME experiences will be used to identify and continue improvement of essential services, infrastructure and management.

To coach internationalisation of SMEs, 10 market access points (MAP) throughout the Baltic Sea Capital Regions will be installed and thirty success stories will be told. BaSIC will greatly benefit from the results achieved by the Baltic Metropolises Innovation Strategy project. The identification and selection of the fast growth SMEs will be realised by developing and applying entrepreneurial training courses, and by using the cooperation already started between clusters. Brokerage events in preselected clusters using BaltMet Inno results support the process.

Promotion of culture, common identity and talent attraction

Balticness is not only the name of the newsletter of the Council of Baltic Sea States, but also the name given to an identity-building project that ran during the Latvian presidency of CBSS in 2008.

The purpose of the project was to highlight and discuss a common Baltic Sea identity. According to the Latvian presidency, “the Baltic Sea region is at the “top end” of Europe, geographically, economically and symbolically” and it possesses an environment of common values and objectives. It asserted that regional integration cannot be just a bureaucratic concept; it necessitates a feeling of belonging to a common set of values. Balticness set out to reflect the Baltic Sea as an artery of life for the entire region and its society, and strove to project the countries of the region as competitive, creative, dynamic, multicultural states populated by professional, skilful and truthful people.

The project consisted of the following type of events:

- a travelling photo exhibition,
- a series of jazz concerts,
- a series of round-table discussions on the themes of regional development, regional identity and the prospects of building a common BSR brand.

The various events were held between November 2007 and June 2008 in a number of major cities of the Baltic Sea states: Tallinn, Helsinki, St Petersburg, Stockholm, Oslo, Reykjavik, Copenhagen, Berlin, Warsaw, Vilnius and Riga. The project culminated with a series of events in

Riga on 2-4 June 2008, organised in connection with the Baltic Sea states summit.

One of these events was a roundtable seminar on the topic “Thinking regionally, acting globally – creating a brand image for the Baltic Sea region”. Read more on: <http://www.mfa.gov.lv/en/news/press-releases/2008/may/28-0/>

BalticStudyNet – Promoting Baltic Sea Region Higher Education worldwide was a project under the European Commission’s Erasmus Mundus programme. It was conducted by a consortium of eight partner universities from the Baltic Sea, and ran for three years from December 2006 until December 2009.

BalticStudyNet’s aim was to globally promote the Baltic Sea Region (BSR) as an area of top-quality, innovative higher education. The focus was on study and research opportunities of political, historical, economic and cultural perspectives on the BSR. Target regions were North America, Russia including the Caucasus, and Central Asia, Australia, China and India.

The central activity was a comprehensive promotion campaign featuring the BSR and its higher education structures. It included:

- A travelling exhibition,
- Innovative “Lecture and Promotion Tours” to higher education and related institutions in third countries to impart knowledge about the BSR and its higher education structures,
- Workshops for multipliers from third-country higher education institutions introducing them to the BSR and its higher education sector, and
- A textbook containing basic knowledge about the BSR and other marketing material.

ARS BALTICA is a network which has been connecting the Baltic Sea states in a cultural collaboration since 1991. Its power and uniqueness are said to lie in combining cultural policy development with close cooperation with cultural operators. Created on the initiative of the Ministries of Culture of the Baltic Sea Region, the network maintains tight links with the Council of the Baltic Sea States. ARS BALTICA has been

actively working on realising its main objectives, many of which are of significance for shaping an image of the BSR and forging a common identity, such as shaping a common Baltic Sea cultural policy, advocating culture at the meetings of other organisations of the Region to increase the significance of the cultural sector, developing contacts and collaboration with other regional networks, promoting Baltic Sea cultural life outside the Region, cooperating with other leading European cultural organisations, and developing the idea of regional cooperation in Europe. The current chairmanship is held by the *State Chancellery of the Minister President of Schleswig-Holstein*, Germany, a mandate extended until the end of 2010.

Another combined effort that deals with issues related to identity building in the region and cultural tourism is the **Baltic Sea States Heritage Cooperation**, initiated by the Ministers of Culture in 1998. The cooperation is between the national boards in charge of cultural heritage in the Baltic Sea States.

This cooperation takes place under the umbrella of the Council of the Baltic Sea States. The respective Ministries of Culture have appointed the Monitoring Group members from all the Baltic Sea States, including Norway and Iceland, but excepting Russia. The task of the Monitoring Group is to promote and further develop regional cultural heritage cooperation, which is done by identifying fields where Baltic Sea cooperation is needed, by initiating and supporting networks, by organising seminars and writing publications, and by providing information on Cultural Heritage cooperation through seminars, and forums.

One of its main concrete activities is the *Cultural Heritage Forum*, organised in 2003, 2005 and 2007, which is a platform where knowledge and ideas can be exchanged on a regional basis. The 2003 Forum discussed “Baltic Sea Identity – Common Sea, Common Culture?” and the 2007 Forum focused on expanding sustainable cultural tourism under the theme “Cultural heritage and tourism: potential, impact, partnership and governance”. The 4th Cultural Heritage Forum of the Baltic Sea States will take place in Riga 8-11 September 2010 on the theme “Cultural heritage – contemporary challenge”.

The 2008 report of the Cultural Heritage Cooperation identifies the need to analyse cultural links and similarities in the region to be better able to articulate a common identity. As a result, a much clearer and richer image could be presented, which could become a valuable asset in presenting the region. It is claimed that the need for a clear identity is essential, not so much for developing a more advanced market for tourism, as for positioning ourselves in Europe and the world.

Concrete activities that have come out of the cooperation include the production of the so-called “100 list” containing brief descriptions of the 100 most valuable underwater sites in the Baltic Sea. The 100 list is said to be important for several reasons. It helps reveal history and identity, and it helps visualise and define the scientific and cultural value of the underwater cultural heritage in the Baltic Sea. It is also valued as a potential branding tool, it highlights a common history, and it spreads knowledge of the underwater heritage and how it is unrestricted by national borders.

Promotion and branding efforts of pan-Baltic organisations and networks

This section lays out the activities of the various pan-Baltic networks and organisations. The focus is on tourism, investment and talent promotion activities, as well as general marketing and promotion of identity building in the region. For a more comprehensive description of the activities of the pan-Baltic regional organisations, please refer to the “State of the Region Report 2010”, which can be found at www.bdforum.org.

The **Baltic Ports Organisation** (BPO) is a network of over 60 ports. The main aim of the BPO is to improve the competitiveness of maritime transport in the Baltic region by increasing the efficiency of ports, marketing the Baltic region as the strategic logistics centre, and improving the infrastructure in the ports and the connections to other transport modes.

ScanBalt is a public-private network organisation for the life science community in the Baltic Sea Region, known as the “ScanBalt BioRegion”. It is a network of clusters, universities, companies and public authorities in the life sciences working to promote the Baltic Sea Region as a globally

competitive green valley and health region. This is done by promoting:

- projects, business and research
- the visibility and branding of the region
- policy issues, regional innovation and cluster development

The current strategy of ScanBalt, “Innovation on Top of Europe 2008-2011” is aimed at promoting more and better investments at the regional, national and supranational levels in the Baltic Sea Region.

The overall positioning employed by ScanBalt is “ScanBalt BioRegion – Life Sciences on Top of Europe”.

Among the concrete activities, are the *ScanBalt Health Region* and the *Nordic-Baltic Expats Forum*. The ScanBalt Health Region has been a flagship project in priority area 7 of the EU Strategy for the Baltic Sea Region since 2009. Its objectives are to promote the health of citizens, reduce costs of health care systems, and strengthen the health economy in the BSR.

The objectives of the Nordic-Baltic Expats include fostering connectivity, networking, and relationships among bioscience professionals, students, and organisations both at home and abroad, contributing to brain gain for BSR countries and strengthening their position in the global competition for talent, enabling global outreach for the industry and academia and branding the “Top of Europe”.

The **Baltic Sea States Subregional Cooperation** (BSSSC) is a political network for sub-national regions in the BSR. The BSSSC’s aim is to promote and advocate the interests of the regions to national governments and EU institutions. Chaired by the Free and Hanseatic City of Hamburg 2009/10, the BSSSC has chosen to prioritise areas such as maritime policy, climate change and sustainable development, public health, transport and infrastructure, youth policy, and science and education.

The **Union of Baltic Cities** (UBC) is a network of over 100 cities, cooperating on a wide range of issues organised in commissions. Today, the UBC has thirteen different commissions on: business cooperation, culture, education, energy,

environment, gender equality, health and social affairs, information society, sport, tourism, transportation, urban planning, and youth issues.

The *UBC Commission on Tourism* aims at facilitating the integration of the Baltic Sea Region communities through better mutual understanding and exchange of tourist information, better coordination of tourism in the Baltic Sea Region through the creation of a cooperation network between the cities, development of interpersonal relationships, use of the Internet, and development of the tourist infrastructure through the initiation of projects based on the European Union programmes.

In the first issue of the “UBC Bulletin” in 2010, which is dedicated to tourism in the BSR, the current chairs of the UBC Tourism Commission call on the BSR to step up its efforts in joint marketing and destination branding to fully unlock the potential of the region as a tourist destination.

The *UBC Commission on Business Cooperation*, chaired by the *Kiel Business Development Corporation*, works to promote exchange of experiences and information in the field of business, trade and contacts between the business communities in the BSR. The Commission has chosen as one of its main priorities for 2010 the marketing of the Baltic Sea Region to the outside world. The Commission is also one of the initiators of the Baltic Sea Identity Project, submitted in the third call of the Baltic Sea Region Programme 2009-2013.

The **Baltic Metropolises Network** represents eleven capitals and large metropolitan cities from around the BSR.

Its main objective is to promote the innovative ability and competitiveness of the region, as well as bring together academic and commercial cooperation partners. It also encourages the cities, businesses and universities to work closer together to achieve a common identity and international marketing of the Baltic Sea Region. The four strategic focus areas for the cooperation are innovation promotion, regional identity building and marketing of the region, infrastructure and sustainable development, and integration and capitalization of urban expertise.

Past projects include *BaltMet Inno* (strengthening the innovative activities of the cities, exchanges in transnational clusters, described in further detail in the section on investment promotion), *BaltMet Invest* (development of a common investment promotion strategy for the Baltic States, described in the section on “Baltic initiatives”), *BaltMet Exchange* (cultural exchange between the cultural departments of the member cities) and *BaltMet Promo*.

The **Baltic Development Forum** (BDF) is an independent networking organisation for business, governments, academia and the media to discuss and collaborate on the development of the BSR. The BDF network involves more than 6 000 decision makers from all over the region and beyond. The mission of the Baltic Development Forum is to promote and position the Baltic Sea Region as an integrated, prosperous and internationally competitive growth region, with the aim of developing the Baltic Sea Region as a global centre of excellence and establishing the Region internationally as a strong and attractive place brand.

The EU Strategy for the BSR is a top priority for the BDF, as well as the Northern Dimension (ND)

cooperation, especially the integration with the Russian areas bordering the BSR and the new *ND Business Council*. Moreover, climate and energy, the water quality of the BSR, and the external marketing and branding of the BSR are important priority areas for the BDF, which is why the BDF has joined the BaltMet Promo project.

The BDF’s specific role in the BaltMet Promo project is to facilitate a public affairs function and a policy dialogue, and to secure political support for the project by bringing policy recommendations from the project and the discussion on regional identity and branding to the policy maker’s level. To this end, a series of “policy roundtables” will be organised, where decision makers from national ministries, investment and tourism promotion agencies, national cultural institutions, metropolises, pan-Baltic organisations and EU projects will meet to discuss issues related to the promotion and branding of the Baltic Sea Region and its countries, regions and cities. The overall objective is to identify complementarities and synergies between the various actors and efforts promoting the region, and, ultimately, encourage collaboration and pooling of resources to maximise impact and outreach in marketing the region to investors, tourists and talents.

The European Union policy framework

The background to the **European Union Strategy for the Baltic Sea Region** (EUSBSR) is the European Parliament report “Europe’s Strategy for the Baltic Sea Region” published in late 2005, which called for a strategy for the Baltic Sea Region (read more about this report in the section on “Branding the Baltic Sea Region – background and timeline”). Following this, in December 2007, the European Council in its Presidency Conclusions invited the Commission to present a European Union strategy for the Baltic Sea region no later than June 2009. The European Council adopted the strategy in October 2009.

This is the first time that a comprehensive strategy, covering several community policies, has been targeted on a “macro-region”. Eighty flagship projects are listed in the accompanying *Action Plan*, which will be regularly reviewed. Four key challenges have been identified as requiring urgent attention.

They are:

- To enable a sustainable environment
- To enhance the region’s prosperity
- To increase accessibility and attractiveness
- To ensure safety and security in the region

This Action Plan presents a first set of priority areas identified in the preparation of the European Union Strategy for the Baltic Sea Region. The plan may be revised and can also be extended by the Member States and stakeholders, and regular updates are foreseen, as the region and its context develop.

The Action Plan comprises 15 *priority areas*, which represent the main areas where the EU Strategy for the Baltic Sea Region can contribute to improvements (either by tackling the main challenges or by seizing the main opportunities). Coordination of each priority area should normally be allocated to a Member State which would work on its implementation, in close contact with the Commission, with all stakeholders involved, especially other Member States, but also Regional

and Local Authorities, Inter-Governmental and Non-Governmental Bodies.

It is argued that the priority areas of greatest importance for the branding of the Baltic Sea Region are:

- *Priority 7: Research and Innovation* – coordinated by Poland (Ministry of Education and Research and Ministry of Economy) and Sweden (Ministry of Enterprise, Energy and Communications, VINNOVA)
- *Priority 8: Implementing Small Business Act: to promote entrepreneurship, strengthen SMEs and increase the effective use of human resources, including better collaboration between national investment promotion agencies* – coordinated by Denmark (Ministry of Economic and Business Affairs, Ministry of Education, Ministry of Employment) and Germany (Federal Ministry of Economics and Technology)
- *Priority 12: Tourism, Health and Education, especially tourism and education* – coordinated by Mecklenburg-Vorpommern (State Chancellery Mecklenburg Vorpommern) and Hamburg (Behörde für Schule und Berufsbildung Europäische Bildungspolitik, Lebenslanges Lernen, Hamburg) respectively

The priority areas are organised into four thematic “pillars” and one horizontal section. The priority areas are implemented through detailed actions. In some cases, actions might require a change in the policy orientation or (rarely) national legislation in the Member States in the Baltic Sea Region. In others, they require financing, which can be provided by private or public funding (EU, national, regional or local funds).

In addition, examples of *flagship projects* i.e. projects with high significance are presented for each priority area. The BaltMet Promo project

represents such a flagship project for the horizontal priority area “Regional identity building”.

When the preparation of the action plan is completed, these should have a deadline for implementation and a responsible lead partner. Some flagship projects can be launched and implemented relatively rapidly and are labelled “fast track”.

The European Union’s **Baltic Sea Region Programme 2007-2013** promotes regional development through transnational cooperation. Eleven countries around the Baltic Sea are working together to find joint solutions to common problems. The strategic objective of the programme is to make the Baltic Sea region an attractive place to invest, work and live. It is built on the experience of its two predecessor programmes supporting transnational cooperation in the Baltic Sea region under the Community Initiatives “INTERREG IIC” (1997-1999) and “INTERREG III B Neighbourhood Programme” (2000-2006).

The Programme co-finances projects in four priority fields: fostering innovation, internal and external accessibility, the Baltic Sea as a common resource, and attractive and competitive cities and regions.

In this context, the fourth priority is of particular importance. It seeks to promote cooperation between metropolitan regions, cities and rural areas, enhancing their attractiveness for citizens and investors. It features action programmes and policies at BSR level to make cities and regions more competitive engines for economic development. The priority is also open for the preparation of pan-Baltic strategies, action programmes, policies and subsequent investments.

For the period 2007-2010, 46 projects have been approved in two different calls, and 61 project ideas have been submitted in the third call, which will be decided on during 2010.

The **Northern Dimension** is a policy framework for cooperation involving the EU, its Member States and the partner countries of Iceland, Norway and Russia. It aims at providing a common platform for promoting dialogue and concrete cooperation as well as strengthening stability and promoting economic integration,

competitiveness and sustainable development in Northern Europe. It basically covers the same geographical areas as the Baltic Sea Region.

The ND has six priority sectors, two of which are of particular importance for making Northern Europe and the Baltic Sea Region more attractive and visible globally: economic cooperation and research, education and culture. Economic cooperation includes the promotion of trade, investments, SMEs, energy, information technology and innovation. The cooperation on research, education and culture includes increased cooperation in research and education exchange programmes, youth policy, promotion of people-to-people contacts, links between cultural and economic life, and the visibility of regional and local cultural identity and heritage.

Currently, there are four Northern Dimension partnerships in place, two of which are of particular importance for the two above priority sectors. Firstly, *the Northern Dimension Partnership on Culture* (NDPC), the main objective of which is to function as a focal point for networks, projects and other cultural activities in the ND area with a view to keeping interested actors continuously informed of plans and activities and avoiding overlap. The Partnership aims to provide a platform for the exchange of information and best practices for promoting coordination and cultural cooperation. Secondly, *the Northern Dimension Business Council* (NDBC), whose main goal is to provide a platform for business dialogue, the implementation of specific investment projects and the production of joint recommendations aimed at improving conditions for mutual trade and investment in the Northern Dimension area.

Current transnational projects in the Baltic Sea Region Programme 2007–2013

Here projects with an outspoken focus on investment, tourism, cultural and trade promotion will be listed. Also listed will be projects that focus on the development of specific sectors that could be of importance for what the region is and will be offering in the future are covered to some extent, even if they do not have an explicit marketing component.

AGORA 2.0 – Heritage Tourism for Increased Baltic Sea Region Identity aims to improve the common identity of the Baltic Sea Region, based on its rich natural and cultural heritage. Heritage assets are considered not only interesting tourist attractions, but also relevant preconditions for enhancing the business environment. The project focuses on finding solutions and looking at how to use them in a sustainable way. That is why a strategic collaboration between the heritage, tourism and business sectors is to be set up. Heritage with pan-Baltic potential will be identified to strengthen tourism capacities and to make the BSR more visible.

The overall rationale behind the project is that although the Baltic Sea Region countries have had a long shared history over the centuries and have a great variety of natural and cultural resources, the area is still not well perceived as a single region outside its borders.

Concretely, the AGORA 2.0 project will compile existing data and market research results, as well as identify source markets and respective tourism demands. A web-based Baltic Sea Heritage Tourism Information Service (BASTIS) will provide this information – with free access for tourism-based SMEs. Partners will collect and assess identity-forming heritage potentials and develop a common identity profile.

Five transnational pilot groups are going to develop new solutions and innovative tourism products based on analysis of studies on visitor perception conducted previously. Each group will deal with common subjects that are typical for at least three Baltic Sea Region countries: Red-Brick Gothic, Castles, Forests, Shifting Sand Dunes and Rocks.

The project has been appointed a flagship project, contributing to the EU Strategy for the Baltic Sea Region by developing strategies for sustainable and environmentally friendly tourism. It has 24 partners from national, regional and local authorities, academic institutions, NGOs (business, tourism, culture and environment), tourism associations and development agencies from Belarus, Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland and Sweden.

The lead partner is *University of Greifswald, Institute of Geography and Geology*, Germany

The Trans in Form – Transforming rural regions by launching scenarios, new narratives and attractive urban design (TiF) project has clear identity-building and marketing components with a view to improving the attractiveness of rural regions, smaller towns and cities. The project asserts that these places need to become attractive for labour, for young families and investments to a higher degree. This means the identity of these areas, i.e. business life, city structures and governance need to be redesigned. Better planning tools, new development strategies and joint community projects are needed. The project aims to introduce competitive development concepts for rural regions, smaller towns and cities. It will raise awareness among both policy makers and citizens about regional attractiveness and potential.

Concretely, Trans in Form will design an Attraction Barometer as a tool for analysing the situation in all regions and will look further at regional scenarios and perspectives, population and labour market (SMEs). The project will also make a toolbox for Regional Scenario Planning and guidelines for New Narratives and storytelling as well as carry out an investment pilot, evaluated by partners and professionals.

It has 11 partners from local, regional municipalities and research institutes from Germany, Latvia, Lithuania, Norway, Poland and Sweden. The lead partner is the *local authority of Notodden*, Norway

The BaltFood – The Baltic Sea Region Food Cluster: Innovation and Competitiveness in Action project focuses on the development of a Pan-Baltic food cluster to improve knowledge transfer and market awareness, adaptation of training programmes and the development of a common branding concept for the worldwide promotion of the cluster. As such, it contributes to the EUSBSR by exploiting the potential of the region in research and innovation, as well by building a regional identity. The project has 13 partners from public authorities, public development corporations, scientific institutions, and food sector networks from Denmark, Lithuania, Finland, Germany, Poland and Sweden. Its lead partner is *Lübeck Business Development Corporation*.

The project **NEW BRIDGES – Strengthening of the Quality of Life through Improved**

Management of Urban-Rural Interaction

aims at improving urban-rural planning. Project partners will evaluate the potential for urban-rural interaction and implement new working methods and pilot actions. According to the project description, this will attract people and investment into the Baltic Sea Region. Among other things, the project will prepare a policy list for investments to improve the quality of life.

According to the Baltic Sea Region Programme, NEW BRIDGES contributes to the EU Strategy for the BSR by maintaining the attractiveness of the BSR for its citizens and maximising the economic potential of the entire region.

The project has 12 partners from local and regional public authorities and international organisations from Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland and Sweden. Lead partner is the *Union of Baltic Cities, Commission on Environment*, Finland

The **Bioenergy Promotion – The Baltic Sea Region Bioenergy Promotion** project aims at strengthening the sustainable use of bioenergy in the Baltic Sea Region. It will develop criteria for biomass supply, use and trade, which will contribute to the development and implementation of national and regional biomass plans. These, in turn, will facilitate bioenergy investments in the BSR. The project will also create a virtual brokerage platform, which can contribute to fair trade options and facilitate market access for all relevant actors in the sector.

It has 34 partners from national and regional authorities, universities, environmental and forestry development centres, agencies for renewable resources from Belarus, Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Norway, Poland and Sweden. The lead partner is the *Swedish Energy Agency*.

The project **Eco-Region – The Baltic 21 Eco Region** has as its overall aim to develop the BSR into the world's first Eco-Region. The project contributes to the EU Strategy for the BSR by promoting sustainable management of cities and regions, and strives to make cities and regions more attractive and more competitive by using their common potential and knowledge. It has 22 partners from national, regional and local authorities, universities and international NGOs

from Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Norway, Poland and Sweden. The project's lead partner is the *Federal Ministry for the Environment, Nature Conservation and Nuclear Safety*, Germany.

The project **Parks & Benefits – Generating Socio-Economic Effects by a Sustainable Management of Protected Areas for the Benefit of their Regions** will introduce and strengthen a sustainable approach to Nature Tourism in the BSR.

One of its aims is to increase the quality of eco-tourism with a BSR quality standard, promote BSR Charter Parks via the European-wide EUROPARC brand, and increase the identity and recognition of BSR across Europe.

The project contributes to the EU strategy for the BSR by maintaining the attraction of the region for its citizens and tourists by promoting its cultural heritage and unique landscapes.

It has 18 partners from protected area authorities, local, regional and national public authorities, business incubators, universities, and NGOs from Denmark, Estonia, Germany, Latvia, Lithuania and Norway. The lead partner is the *Ministry for Agriculture, Environment and Consumer Protection in Mecklenburg-Vorpommern*, Germany.

The project **PlasTEP – Dissemination and fostering of plasma-based technological innovation for environment protection in BSR** contends that there is a significant gap between the number of environment protection solutions available in the Baltic Sea Region and the number applied in practice. That is why the project PlasTEP aims to send clear information to key politicians and business representatives about existing possibilities. It focuses on establishing a sustainable structure and is responsible for transferring knowledge from research institutions and turning it into market applications. In addition, the project strives to promote the Baltic Sea Region as an important global player in plasma technology for environment protection, which has implications for what sectors the Region wants to emphasise in the promotion activities directed towards prospective investors.

The project has 15 Technology centres and research organisations from Germany, Denmark,

Sweden, Finland, Latvia, Lithuania, Poland and Estonia. Lead partner is the *Technology Centre of Western Pomerania*, Poland.

Efforts in the South and South-Western Baltic Sea Region

There are examples of tourism promotion and development projects in the South Baltic Area, which are part-financed by the EU's South Baltic Programme 2007-2013, encompassing regions in Germany, Poland, Lithuania, Denmark and Sweden.

The project **Four Corners Heritage** seeks to unite the efforts of four traditional tourist destinations in the South Baltic Area by creating a common identity and destination brand in the "four corners of the South Baltic". The four corners are made up of four tourism destinations on the South Baltic Sea: Rügen (Germany), Bornholm (Denmark), South East Skåne (Sweden) and Swinoujscie (Poland).

Cooperation between these destinations started already in the 1980s, when closer cooperation between the island of Bornholm and South East Skåne was established, which is nowadays partly financed by the Nordic Council of Ministers. This collaboration was extended in 1995 to include Rügen and Swinoujscie.

The declared strategic goals of the project are to be the most sustainable destination in Europe, and to increase the number of tourists in and around the small harbours in the area by 10% by 2014. The project consists of three parts:

- Focus on the cultural heritage of the four corners (by which they are united)
- Focus on the small harbours of the four corners (by which they are united)
- Focus on creating a common South Baltic identity to support the effort to attract tourists and move them around the four corners – thus a practical focus on sustainable transport.

SEASIDE – Developing cultural destinations in the Southern Baltic Area is a tourism project which unites a number of seaside tourism destinations in the South Baltic Area.

Here the cooperation is between Rügen, Stralsund, Karlskrona, Gdansk, Rostock, Blekinge, Greifswald and Klaipeda. The focus is on the maritime museums and festivals of the destination as a vehicle for attracting international tourists to the South Baltic seaside destinations. This is done by creating a stronger network between the museums of the region, developing pilot concepts for maritime festivals, and creating promotion materials for international use. There is a strong focus in the project on developing a common brand for the region which can be promoted to tourists from other parts of the world by creating an enlarged network of "sailing cities and regions".

United in Diversity: Creation of joint cross-border bicycle route: Vikings and Slavs – in search for common heritage is another project which aims to unite three regions in the South Baltic Area by creating a cross-border bicycle route in the three traditional bicycle-tourism areas of Central Pomerania (Poland), Bornholm (Denmark) and Scania (Southern Sweden). The aim is to provide better opportunities for sustainable tourism in the South Baltic Area and the focus is on developing the cultural heritage sights along the cross-border route "Vikings and Slavs – in search for a common heritage" and on developing modern technical aid methods for bicycle tourists, such as a GPS information system, GPS-applications and other mobile phone application to help understand the cultural heritage sights along the route.

In the **South-Western Baltic Sea Region**, there is a long-standing cooperation between the regions of Hamburg and Schleswig-Holstein in Germany, Zealand and the Capital Region of Denmark and the Scania Region (Skåne) in Sweden. This collaboration, sometimes called the STRING network ("South-western Baltic Sea Transregional Area Implementing New Geography") can be traced back to 1999 when it started in "awareness of global and regional competition with other regions for the best local conditions". The collaboration has focused on topics such as research and science, biotechnology, regional policy, maritime economy, climate protection and renewable energies, especially in the framework of the projects *STRING I – Inventing New Geography* and *STRING II – Implementing New Geography*, both supported by the Baltic Sea Area Interreg programmes. The third phase, *STRING III*,

is a political network financed by the partners themselves.

The South-Western Baltic Sea Region collaboration is expected to receive additional stimulus from the construction of the Fehmarn Belt Bridge, agreed between Denmark and Germany in September 2008. There is now a growing anticipation that a new “meta-region” can emerge, emulating the success of the Øresund region, and the last few years have seen intensified discussion among policy makers in the region on how to harness the opportunities for deeper integration and collaboration that will present themselves in the wake of the creation of the Fehmarn Belt

bridge between Germany and Denmark. Themes such as labour mobility, creative industries, and regional development and branding – especially joint marketing of the region as one unified, creative region – have been at the forefront of this discussion. In concrete terms, the regions have submitted a joint application to the Baltic Sea Region Programme 2007-2013 for a project idea called *Creative Bridges*. The project has a clear intention to develop and communicate the potential of the creative industries, and it has investment and talent attraction dimensions in its communication strategy because it aims at “promoting the BSR as a creative region which it is worth living and investing in.”

Nordic, Scandinavian and Baltic States initiatives with a branding or place promotion dimension

This section describes notable Nordic, Scandinavian and Baltic initiatives of importance for the BSR.

Nordic and Scandinavian initiatives

The overall aim of the Nordic cooperation is to strengthen regional and Nordic interests and values in a global world, and common values between the countries are supposed to strengthen the Nordic region's position as one of the world's most innovative and competitive regions.

In 2007, the Nordic Prime Ministers launched a major Nordic initiative to tackle the global challenges under the heading *Globalisation Cooperation*. This cooperation would consist of a broad range of initiatives intended to develop the Nordic model, increase competitiveness, and to promote the Region as a pioneer in tackling globalisation.

Many of these activities had or have an outspoken marketing or profiling focus. Concrete initiatives that can be mentioned are:

– *A common Nordic Energy Expo*, aimed at profiling the region internationally as a forerunner in new environmental and energy technology. The project ran in 2008-09. Concretely, this was done through the Web portal “Nordic Energy Solutions”, and the physical exhibition, “Nordic Climate Solutions” (NCS).

– *A plan for the promotion of higher education in the Nordic Region* aimed at retaining talents in the region, but also attracting students to the region. Implemented 2008-2011.

– *Nordic Culture in the World* is to promote Scandinavian culture outside the region and strengthen the Scandinavian culture brand internationally. The initiative, running in 2008-

2011, consists of three projects: Nordic films, Nordic architecture, and Nordic literature. These three areas will be promoted at international fairs and exhibitions.

– Initiated in 2008 with a mandate until 2010, *KreaNord* is aimed at developing and marketing the Nordic region as a sustainable region at the forefront in the creative industries.

The initiative strives to coordinate different actors and initiatives in the respective Nordic countries. One of the four priorities is “profile activities”, aimed at positioning the region as a globally leading region for the creative industries. The long-term objective is to be a meeting place for experience, knowledge and vision that incorporate both the business and the cultural sectors. *KreaNord* takes its conceptual starting point in the “A Creative Economy Green Paper for the Nordic Region”, published by the Nordic Innovation Centre.

– *Culture and Creativity*, represents the continuation of the mandate of *KreaNord* beyond 2010 and in general will focus on linking activities across the culture and business sectors. It will also add two new focus areas: Global marketing and the distribution of Nordic films and the marketing of new Nordic food.

One of the cornerstones in the Nordic cooperation is cultural partnerships, and art and culture are considered means of spreading knowledge about the Nordic countries, both within the region and beyond. Investment in art and creative efforts are thus seen as important for the Nordic region as a global pioneer. One concrete activity that has highlighted the branding of the Region is the *Nordic Cultural Forum*. The profiling and presentation of the region was the overall topic at its conference in November 2009 in Berlin.

The Forum, organised by the *Nordic Culture Point*, was part of the wider globalisation discussion described above. More specifically, it addressed how culture, the arts and identity-building elements are important in international partnerships and exchange programmes. According to the organisers, the Nordic countries all have national agendas for branding their images and identities. However, in parallel with those national efforts, work is also done under Nordic auspices to profile culture and art from the region and the Nordic countries as a region with a diverse, innovative and creative artistic and cultural scene. The Culture Forum in Berlin brought together a number of representatives that play different roles in profiling, launching, branding, publicising, exporting, and creating Nordic artistic and cultural experiences.

There is also a newly initiated discussion about how green growth can help the countries out of the current economic crisis. International marketing and brand building, focusing on profiling the Nordic Region as frontrunner in green and clean-tech industries, have been stressed as important components of such work. At a meeting in May 2010 organised by the Nordic Council of Ministers as a part of its innovation policy work, proposals for positioning the Nordic Region as the “Green Valley of Europe” were discussed.

This was first proposed as a vision for the Nordic Countries by then Danish Prime Minister Anders Fogh-Rasmussen at the *Nordic Globalisation Forum* in Iceland February 2009. He underlined the importance of branding and suggested that the Nordic Region should act as a test market for green transport and build a green, Nordic brand in the global energy sector. He proposed that this is kind of investment should go under the brand name “The Green Valley of Europe”.

In addition, there is an ongoing discussion in the Nordic Council of Ministers about whether the Nordic countries can launch joint tourism promotion efforts on foreign markets, and although according to observers there is great interest, no concrete measures have been taken yet.

However, a few joint Scandinavian and Nordic tourism promotion initiatives in selected markets have been initiated by the tourism boards. The most successful example is the **Scandinavian**

Tourist Board (STB), a joint initiative by the national tourist boards of Denmark, Norway, and Sweden. STB is responsible for promoting Scandinavia and Scandinavian tourism products in the Asia-Pacific markets, with particular emphasis on the major markets of Japan and China, as well as a focused approach to the promising markets of Hong Kong, Taiwan, Thailand and India. The main tasks of STB include producing market intelligence, carrying out promotional and PR activities, educating and supporting the local travel trade, and, as a result, boosting lucrative, high-end tourism to Scandinavia.

Active since 1987, STB is fully owned by VisitDenmark, Innovation Norway (which includes the former Norwegian Tourist Board) and VisitSweden. STB's regional head office is located in Tokyo. STB have their own personnel in Beijing and Guangzhou as well, with the Guangzhou office covering the Hong Kong and Taiwan markets. In India, STB has contracted a local marketing firm to oversee and implement the day-to-day activities. In other markets with no direct or indirect representation, STB collaborates with Scandinavian entities such as the respective embassies, consulates, and trade offices. The organisation also collaborates with a wide network of both national and pan-Scandinavian, and both public and private partners. Among the commercial partners are airlines such as SAS and Finnair, and several Scandinavian hotel chains, such as First Hotels, Choice Hotels and Rica Hotels.

The STB promotes a wide range of themes and attractions, such as City Breaks, Fjords & Nature, Royal Scandinavia, Art & Culture, Design & Architecture, Sports & Adventure and cruises.

There is also an, albeit less formalised, initiative of the five Nordic countries on the North American market called “Go Scandinavia” under the joint umbrella “Scandinavia Tourism Inc”. The official site www.goscandinavia.com is claimed to be a product of the **Scandinavian Tourist Boards of North America**, but this initiative is less institutionalised than the STB. The five Nordic national tourist boards behind it are co-located in New York and occasionally run promotional campaigns together, but have no common organisation or common budget. This initiative highlights promotion themes such as Scandinavian

Mountains & Fjords, Glaciers and Volcanoes, Scandinavian Design & Fashion, Snowmobiles and Arctic Waters and Scandinavian Royalty & Vikings.

Baltic initiatives

One example of joint tourism promotion in the Baltic States is the **One vacation – Two countries** project, part-financed by the Estonia-Latvia Interreg Programme for cross-border cooperation, which is running for two years between June 2009 and May 2011. It is trying to promote areas in Estonia and Latvia in the Gulf of Riga that share similar interests and potential.

The project aims to promote and increase the competitiveness of *North Kurzeme* and *Saaremaa Island* by improving their attractiveness as tourist destinations, especially by drawing on the natural beauty of the coastal towns. The project is led by *Roja Local Council* and carried out in cooperation with *Kuressaare City Government*, *Ventspils City Council* and *Talsi District Tourism Information Centre*. The project is aiming to achieve Blue Flag certificates for the beaches of Roja, Ventspils and Kuressaare. Furthermore it seeks to ensure joint visibility of the North Kurzeme region and Saaremaa Island as an attractive common tourist destination for a broader target audience.

Another recent, joint effort is the campaign **Great Baltic Travel**, organised in 2010 by the *Estonian Tourist Board of Enterprise Estonia*, the *Lithuanian State Tourism Department under the Ministry of Economy* and the *Latvian Tourism Development Agency*.

Organised as a contest, travellers from these countries and international visitors are invited to discover 30 places, 10 in each country. The participants must visit the objects or sites selected for the campaign and confirm each visit with a photograph, which is identical to a photograph displayed in the brochure and on the web site of the campaign.

BaltMet Invest – Joint action of Baltic metropolises towards the development of coordinated investment approach in the Baltic Sea Region as it was officially called, began in September 2004 and ran until February 2007. It was part-financed by the Interreg IIIB for the Baltic Sea Region and co-financed by the four

project partners *Riga City Council*, *Vilnius City Council*, *Tallinn City Government*, and the *Baltic International Centre of Economic Policy Studies* (BICEPS).

Project activities were carried out in the three Baltic countries, mainly in the metropolitan areas, and the overall goal of the project was to develop a common investment strategy in the Baltic metropolises, thereby promoting balanced economic development in the Baltic Sea Region and, as a consequence, increasing its competitiveness in the European and global arena.

Concretely, the project wanted to create a coordinated approach to investment planning and management in the metropolitan areas. To this end, the project first designed strategies to improve the investment management processes. Next it put in a lot of effort into strengthening the cooperative attitude of the various stakeholders. Finally, the project tried to increase the availability and accessibility of information to support the implementation of the approach developed.

One of the main activities of the project was the conference “Investment in the Baltic metropolitan regions – Towards a collaborative approach” in 2006 in Riga. The project also resulted in the report “Towards a coordinated investment strategy for Riga, Tallinn and Vilnius”. The report includes survey results of investor perceptions of the Baltic capitals as potential investment sites, which ought to be interesting reading for any project aiming at marketing the BSR and its cities.

For investors in Riga, the geographical location in the centre of the Baltic States is often cited as a key advantage. Riga’s location as a seaport, its good credit ratings, low risk and relatively low taxes are also seen as advantages. Vilnius is regarded as having a good infrastructure and it is also seen as a gateway to Belarus, Poland and Kaliningrad. Tallinn is regarded as having a good location, and its seaport is a positive factor. Other positive factors in Tallinn include innovative and good quality business services, high scores in international ratings and business friendly policies. Strong economic growth, low risk and macro stability contribute to the attractiveness of all three Baltic capitals. Common problems of the Baltic capitals mentioned by investors are: small markets, rising input costs, shortages of production land and

qualified staff. Other issues include uncertainty about land use planning.

The report also found that the three capitals receive a very high share of their country's incoming foreign direct investments. An important feature that could be observed was that there are many cross investments between the Baltic capitals. A high proportion of Baltic direct investments abroad take place in each of the other Baltic

States, indicating increasing economic linkage. Interestingly, the general pattern of investments originating from countries outside the Baltics is that one capital city serves as a gateway for the original investment and at a later stage the investor goes to the other two capitals. The neighbouring Baltic countries are also key trading partners for each other. This gives the residents of each Baltic capital a direct interest in developments in the others.

Companies with a Baltic Sea Region positioning

Nordea, the largest financial services group in northern Europe, widely communicates that its home market is the “Nordic and Baltic Sea region”. Two remarks can be made about this. First, the choice to use the Baltic Sea Region as a home market definition illustrates the growing importance of the Baltic Sea Region as a natural home market for large corporations in northern Europe. Second, and conversely, as observers² have pointed out: the company seem to feel that the term Baltic Sea Region is not strong enough and could fail to signal the company’s position in the Nordic countries, and therefore adds “Nordic” too.

In the same vein, companies like **TeliaSonera** and **NASDAQ OMX** define themselves both as “Nordic” and “Baltic”, not unlikely for the same reasons as Nordea. TeliaSonera communicates that it is “the leading telecommunications company in the Nordic and Baltic countries”. NASDAQ OMX, the world’s largest exchange company, operates the stock exchanges in four of the Nordic and the three Baltic countries as an integrated marketplace. The seven exchanges are grouped together under business areas NASDAQ OMX Nordic and NASDAQ OMX Baltic. The company communicates that its home market is the “Nordic and Baltic regions”.

Scandinavian Airlines (SAS) has earlier communicated that its home market is the Baltic Sea Region. A more outspoken positioning in the wider BSR coincided with the acquisition of a minority share in Estonian Air in 2003. Expansion in the Baltic States and Finland had proven important in the SAS Group’s positioning in the area, which had also included ownership in the Latvian flag carrier airBaltic and the wholly owned Finnish company Air Botnia (renamed Blue 1 in 2004) since the 1990s. In 2005, SAS had a 55% market share in the Baltic Sea Region. The BSR market positioning was articulated explicitly in an editorial in the SAS Group in-flight magazine Scanorama in 2005, in which the then CEO of SAS Group Jørgen Lindegaard said that SAS was committed to the BSR home market. In its 2006

annual report, SAS group talked about a “Baltic Sea region boom”, that the Group’s primary home market is the Nordic countries and countries lining the Baltic Sea, and that SAS Group is the leading airline group in the region, referred to as an “area that has approximately 100 million inhabitants”.

The fact that SAS is a long-time partner in the BDF and other BSR organisations, and has supported the efforts to build a brand for the BSR under the auspices of the BDF is a testament to this market positioning. Read more about this here: http://www.bdforum.org/show/english/news/sas_meets_uffe.aspx http://www.bdforum.org/show/english/news/sas_meets_uffe.aspx

However, over the last few years, SAS has refocused on its Nordic core market and to some extent divested ownership in the Baltic countries (it sold its stake in airBaltic at the end of 2008), and it has downplayed its references to the Baltic Sea Region as its home market in its communication. The last official reference to the market dates back to 2007, when the CEO said that “the economy in our home market around the Baltic Sea region and globally remained favourable and contributed to growth in the air-travel market”. On its webpage, SAS now explains that its new strategy “Core SAS involves a strengthened focus on the core operation and Nordic home market. In line with this strategy certain company divestments have been made and other parts of operations have been outsourced”. However, the fact that SAS is the airline partner for the *Cruise Baltic* project, witnesses to a high interest in the BSR as a destination for incoming tourists.

airBaltic has established a strong market presence, not only in the Baltic states, but in the BSR as a whole over the last few years. Although the BSR is not stated as the airline’s primary market focus, communications from the company make frequent references to the BSR, for example in the case of press releases in connection with the opening of new routes. When the company opened a new line between Warsaw and Riga in 2009, the company

² Ketels, State of the Region Report 2006

said that it “will be entering one of the largest markets in the Baltic Sea region”, and when it commenced flights from Kaliningrad, the airline’s CEO said that “Kaliningrad is a vital business centre for the Baltic Sea region. Our strategy is to link Riga and Vilnius with all the most important cities in this region and ensure the highest possible flight frequency”.

Other examples are transport company **Tallink Silja Group**, which refers to itself as “the leading provider of high-quality mini-cruise and passenger

transport services in the Baltic Sea region, as well as a leading provider of ro-ro cargo services on selected routes”. Banking group **Swedbank** says that its home markets are “Sweden, Estonia, Latvia and Lithuania” and that it is an “international Nordic-Baltic banking group” with “employees in the Nordic region, Baltic states and other parts of the world”. Travel company **Via Hansa** says that it “is a leading tour operator, destination management company and hospitality service provider in the Baltic Sea region”.

Nation-Branding efforts in the BSR countries

This section describes the main nation-branding efforts and, to some extent, national tourism, investment promotion, and talent attraction efforts. In the case of Germany, the federal activities will be paid less attention, while more focus will be put on the state-level activities of the states bordering the Baltic and which are active in BSR collaboration, i.e. Schleswig-Holstein, Mecklenburg-Vorpommern and Hamburg. In the case of Russia, only the activities of Kaliningrad and St. Petersburg will be addressed.

For obvious reasons, special attention is paid to the national branding and promotion efforts that refer to or position themselves in relation to a BSR context.

Germany's main coordinated branding effort is called "Germany – Land of Ideas", which started as a campaign in connection with the hosting of the 2006 Football World Cup. The idea was to seize the opportunity and show visitors and spectators the image of a cosmopolitan, attractive and future-oriented Germany and to get across the message of Germany's competitiveness, its continuing innovativeness and its productive spirit.

"Germany – Land of Ideas" is a joint non-party image campaign mounted by the *German government* in collaboration with the business community, represented by the *National Federation of German Industry* (BDI). Horst Köhler, the Federal President of Germany, is its patron. The Federal Government and German industry decided soon after the World Cup to continue the nation-marketing campaign, the aim of which is to communicate a positive image of Germany both at home and abroad.

The effort is supported by many German companies, who are serving as licence partners, supporting the project both financially and through their own projects. Associate partners from the worlds of science, politics, culture and society, including the German Foreign Office, the Goethe Institute and the Federal States such as Brandenburg and Baden-Württemberg, are

participating nationally and internationally with their networks.

The main message is "Germany – Land of Ideas". The phrase sums up a wealth of positive arguments associated with Germany, both inside the country and abroad: a nation of science and culture; a land of poets and thinkers; innovative products "made in Germany".

The message stands for a quality associated with Germany worldwide: its inventiveness and creative passion. There is plenty of historical and present-day evidence for this wealth of ideas, from Gutenberg right up to the present day.

The campaign has also integrated tourism and investment promotion dimensions in sub-initiatives such as "Welcome to Germany – Land of Ideas" and "Invest in Germany – Land of Ideas".

A **Mecklenburg-Vorpommern** state marketing campaign was launched in the spring of 2004 to promote the strengths and potential of the region.

The campaign aimed at pooling existing activities and developing new ideas for the state's joint marketing. Forward-looking projects in business, research, culture and tourism were also initiated. Across industries and institutions, Mecklenburg-Vorpommern "tut gut" ("doing well") aimed to link the core areas of the state: health, food, tourism, culture, science and education. The campaign was directed at both the residents as the main ambassadors and opinion leaders of Mecklenburg-Vorpommern and at a broader range of different target groups outside of the state. Whenever Mecklenburg-Vorpommern appears with advertisements, posters or campaigns, the state promotes itself with an impressive pictorial language and target-group-relevant information. The state government has commissioned the state marketing project group to coordinate all the activities and engage experts from the different areas.

There are several regional sub-initiatives among the Mecklenburg-Vorpommern efforts that emphasise

the position of the state's cities in relation to the Baltic Sea Region. One example is the initiative "Region Rostock version 2.0", a joint marketing and communication platform for the districts of *Bad Doberan* and *Güstrow* as well as the *City of Rostock*, which represents an area with 500,000 inhabitants. The greater Rostock region positions itself as the "gateway to the Baltic Sea" and a hub for business activities aimed at Central Europe, Scandinavia, Finland and the Baltic States. In its promotion, the region emphasises maritime industries, transport and logistics, biotechnology and medical technology, tourism and healthcare.

The German state **Schleswig-Holstein** has positioned itself as a centre for services and technology with "good neighbourly relations with the world metropolis of Hamburg and a dense network of cooperation throughout the Baltic Sea region". It also promotes its location as the "state between the seas", situated as it is between the North and Baltic seas, and a base for import and export-oriented businesses and international service providers. To the author's knowledge, Schleswig-Holstein has employed no systematic branding or marketing efforts.

The current **Hamburg** branding effort was initiated in 2004, when Hamburg Marketing GmbH commissioned Brandmeyer Markenberatung to produce a brand survey. Its results allowed approaches to be made to target groups on the basis of themes that they consciously or unconsciously associate positively with the metropolis. On the basis of the survey result, nine success modules were defined in detail, including "Metropolis for living", "Pulsating milieu", "Metropolis on the waterfront", "Shopping metropolis", "High-calibre cultural offerings" and "International trading metropolis".

The last claim, international trading metropolis, is supported by the notion that the Hamburg is seen as the European centre for trade with China, but also, and to a special extent, as the hub for trade with the Baltic region.

The City of Hamburg is also active in many Baltic Sea Region organisations and projects. It is chairing the BSSSC organisation in 2009-2010, as described in Section on pan-Baltic organisations.

In **Lithuania**, the first steps to initiate concerted nation branding efforts were taken in 2006, when

the Lithuanian Government began the creation of a national branding strategy.

One year later, the first official body, the "Commission on the Image Building of Lithuania", headed by the Prime Minister was set up. At the end of 2007, the Government of the Republic of Lithuania approved an Investment Promotion Programme for 2008-2013, which set a new task for the investment promotion agency of Lithuania, the Lithuanian Development Agency (LDA): to undertake the responsibility of the country's economic image building.

Soon thereafter, the project "The Economic Image of Lithuania: Strategy and Instruments", funded by the EU Structural Funds and the Government of Lithuania, was initiated by the LDA. The LDA commissioned renowned branding consultant Wally Olins and his firm Saffron Brand Consultants to develop an economic branding strategy for the period 2009 to 2014 and a strategy implementation plan for the period 2009 to 2011. The report "Selling Lithuania smartly – A guide to the creative-strategic development of an economic image for the country", containing recommendations from the consultants, was published in March 2009.

The report recommends, among other things, two overall themes for positioning which it says emerge as "unusual, true and delightful": lively and romantic, and thoughtful and reliable. The report argues that the positioning has to project a certain Lithuanian-ness, which is needed as Lithuania is little known and understood. It also recommends that Lithuania should not position itself as one of the three Baltic nations but as "the most attractive country for investment in Northeast Europe".

Within the framework of the twin themes, the report states that the most relevant general messages to convey are, first, that Lithuania should be the most interesting country for investment in Northeast Europe, for its size, self-sufficiency, strong national identity, colourful history, superior infrastructure, remarkable work ethic, notable cultural creativity, adequate governance, and its location in between Western and Eastern Europe and Russia. The second general message should be that foreign investors are likely to find Lithuania, despite its few weaknesses, to be a comfortable, convenient and emotionally fulfilling place to spend time doing

business —a place that is both unusual and familiar.

The report frequently mentions that it should be central to promote perceptions of Lithuania as “Northern European”, and refers to values such as culturally and technologically sophisticated, progressive, natural, clean, fashionable, enlightened and picturesque. At the same time, “Eastern Europe” suggests “New EU”, i.e. fast growth and a nation that is still a work in progress. It would therefore make sense, the report argues, to communicate that Lithuania is a North-eastern European Country, allowing for both sides of the coin to be communicated. “It is the quickest way of telling someone exactly where the country is on the map, and emotionally it falls between neutral and positive”, the report suggests.

When it comes to references to the Baltic Sea Region in Lithuania’s nation brand strategy, the most important countries for Lithuania’s “brand context” are said to be, in decreasing order of importance, the Baltic countries and Baltic Sea region, Belarus, Russia, Ukraine, Poland and Germany. The report also claims that the country should focus on businesses conveying its business opportunities to target groups in the Baltic Sea Region. The report also outlines a series of messages formed as questions about Lithuania, one of which is “Lithuania: The most interesting country in the Baltic Sea region?” Other suggestions include “Lithuania: Most significant country in the Baltics?”, “Lithuania: Home of the next Nokia?”, “Lithuania: Europe’s biggest country in the 15th century; Europe’s biggest opportunity in the 21st?”

Moreover, a report from Ernst & Young, containing recommendations for an FDI promotion strategy for Lithuania and also published in 2009, recommends Lithuania to envision itself as and strive to become “a creative hub for the Baltic Sea Region” in 2015.

Many of the recommendations in the strategy are currently used in the daily work of Invest Lithuania and Enterprise Lithuania, the two organisations that were created out of LDA at the beginning of 2010. In promotion of the country and based on the new strategy, Lithuania has for example communicated an association with other northern European countries. A film from Invest Lithuania says that “Lithuania is exactly what you

would expect a northern European nation to be – small but sound”.

Of the two new organisations, Invest Lithuania has the overall responsibility for developing Lithuania’s economic image worldwide, as well as for the attraction of FDI projects and providing investment aftercare services. Enterprise Estonia focuses on encouraging Lithuanian producers’ exports and provides support for local small and mid-sized businesses. The Ministry of Economy of the Republic of Lithuania is the owner of the two new institutions. Lithuania has also, mostly in tourism promotion contexts, occasionally used the catchphrase and positioning “Centre of Europe”, referring to the fact that the country is situated in the geographical centre of Europe. This catchphrase is not used any more, however.

There are also a few private country promotion initiatives in Lithuania, such as the “Made in LT” portal (www.madeinlithuania.eu), which has been set up by an “image-creation group” consisting of creative people from the image-creation sphere. The portal wants to promote the export of Lithuanian products and to attract investments, and priority is given to creating and maintaining a positive image of Lithuanian enterprises, not only in the eyes of Lithuanian customers but also for the inhabitants and business representatives of other countries. Consequently, in carrying out this task, the portal argues that it also improves the image of Lithuania as a state. The group also publishes the magazines “Made in Lithuania” and its supplements “Best Investments in Lithuania” and “Best of Lithuania”.

The first attempts to launch a nation branding effort in **Latvia** can be traced back to 2001, when its Ministry of Foreign Affairs (MFA) set up a working group responsible for coordinating the external communication of the government agencies. The working group came up with a plan for the “Basic Principles of External Communications 2002-2005”. The group was composed of 15 representatives from various government agencies, such as the MFA, the Latvian Institute, the Latvian Development Agency, the Latvian Tourism Development Agency and the Ministry of Culture, etc. It also discussed the idea of launching a branding effort, and a series of events and conferences were held on the topic.

In 2003, a group of Oxford students under the supervision of Wally Olins wrote a report about the nation branding of Latvia. One of the final recommendations of the report was that Latvia, being at the centre of the three Baltic States, should actively position itself as a hub for this region. The report suggested that Latvia should promote a brand identity revolving around the concept of “keystone of the Baltics”.

The idea of launching a comprehensive nation brand strategy, however, lay fallow for a few years. There were a few initiatives launched more or less independently of each other, without any notable coordination between them. In 2002, the Latvian Tourism Development Agency launched their own marketing effort, including a logo and the slogan “the Land that Sings”. The package was only used by the tourism industry and, occasionally, the MFA. In 2003, the Latvia Marketing Council, responsible for promoting Latvian foodstuffs abroad, launched another independent promotion initiative under the umbrella of the slogan “Growing Green in Latvia”.

In 2010, the Latvia Tourism Agency replaced the “Land that Sings” slogan with “Latvia – best enjoyed slowly”.

The idea of launching a nation brand strategy received new impetus around 2007, when the government agency Latvian Institute retained nation-branding expert Simon Anholt to work out a strategy for marketing the country.

The final document “A Competitive Identity for Latvia – Interim Strategy Paper” contains suggestions for a new strategic brand positioning for both Latvia and Riga. The report suggests that Latvia should apply a “flagship marketing strategy” by building on Riga’s already strong image and high visibility, analogous to a conventional product marketing strategy, which stipulates that a complex and amorphous corporation is easiest to promote through its leading, flagship product. As a matter of fact, the report goes as far as to argue that Riga is so much better known than Latvia, that Riga should be promoted over Latvia. In the words of Simon Anholt, “one should play to one’s strengths, and Latvia’s great public strength is unquestionably Riga. The correct balance, therefore, is to preserve Latvia and promote Riga.”

The report also argues that Riga should position itself as a new Scandinavian city, the “New North Star”. As a result, Latvia would be positioned as a new Scandinavian country, rather than a Baltic country, or Baltic Sea Region country. The report claims that to position Latvia in the BSR will not be sufficient to change the country’s negative image as the BSR for the foreseeable future will be associated with the three Baltic States, and will hence add no value to Latvia’s brand.

However, over the last few years, Latvia has very consciously positioned itself as both a Baltic and a Baltic Sea Region country.

In official information from the Latvian Institute from 2008, we read that “Latvia is a keystone of Northern Europe’s prosperous Baltic Sea region”. It is also stated that “given Latvia’s central geographic location, linking Scandinavia with the Continent, and east with west, Latvia is well positioned to expand its historical role as a keystone of the Baltic Sea region.” and “a country with a language, culture and attitude all its own – yet with a national identity shaped by its dynamic Baltic Sea region and woven through with diverse historical influences. Latvia is a Baltic country, a Baltic Sea country, a European country. In 2004 it became a NATO and EU country and is actively developing its special role in a rapidly changing, increasingly globalised world community.”

The “Keystone of the Baltic” theme has occasionally also featured in the communication to attract tourists. This theme originates from the above-mentioned study of the group of students. Government sources in Latvia say, however, that the theme has had no official status in the Government. The thinking behind the use of this theme is, according to the Director of Latvian Institute, Ojārs Kalniņš, that Latvia, Lithuania and Estonia will always be viewed as the “Baltic States” by the outside world, whether it is actively embraced or not. Therefore these countries, and particularly Latvia as the central Baltic State (some even call Riga “the capital of the Baltics”), should build on the associations with “Baltic”, especially the Baltic Sea, since it helps place the countries in a more familiar geographical context.

The organised branding effort of **Sweden** has taken place under the auspices of the *Council for the Promotion of Sweden Abroad* (NSU), which includes *the Ministry for Foreign Affairs, the*

Swedish Institute, the Swedish Trade Council, the Invest in Sweden Agency, the Ministry of Enterprise, Energy and Communications, and VisitSweden. Formed in 1995, the NSU is a forum for dialogue, consultation and collaboration for the long-term profiling of the country abroad.

The NSU has developed a common brand platform for Sweden. Developed during 2005-2006 and adopted in May 2006, the platform provides the basis for the presentation of Sweden abroad and is meant to serve as support in the activities of the different agencies. The platform is also supposed to function as a starting point for closer collaboration with other Swedish parties who have interests outside Sweden.

The central, core value of Sweden's organised nation-branding effort is "progressive", which is supposed to reflect the fact that the country is striving for development based on people's needs and environmental conditions. The degree of progressivity is said to be what distinguishes Sweden from other countries and thus what makes it interesting to others; it is viewed as a summary to a high degree of what Swedes as a group believe and can offer the world.

The essence of the brand platform, progressive, is in turn supported by four core ideas: Open, innovative, authentic and caring.

The nation-branding initiative has been implemented by the portal Sweden.se, labelled the "official gateway to Sweden". A web-based tool, the Sweden Promotion Forum, also supports the effort. It is accessible from the portal and functions as a virtual meeting place for everyone who works on the promotion of Sweden abroad.

It is emphasised that the common NSU brand platform as such is not a message. Rather, the platform is transformed into communication and messages that are put forward by the agencies in the NSU. In a brochure entitled "Progressive communication in practice", the use of the platform in practical promotion situations is described.

To take the example of tourism promotion, VisitSweden has developed a series of overall messages and themes that draw on the values in the brand platform:

- Natural Playground: Nature-based, active social intercourse with natural activities and games, natural creativity and natural learning
- Urban Nature: Swedish big-city life as a unique combination of harmonious lifestyle and trendy urban creativity
- Swedish Lifestyle: Lifestyle emphasising Swedish culture, history, nature and creativity
- Vitalised Meetings: Innovative meeting events that combine playfulness and energy with uncomplicated experiences in natural surroundings.

When it comes to Sweden's talent attraction, the Swedish Institute has developed messages to be used as part of its marketing of Sweden as a study destination to attract students, teachers and researchers. The target group is individualistic, independent, career-minded and open to other people, environments and approaches.

The overall message that the Swedish Institute employs to reach the priority target group is "Challenge yourself – study in Sweden", which is broken down into a number of more specific messages, such as "develop skills for tomorrow", which focuses on the link between theory and practice in Swedish higher education, and how students are prepared for working life, "reach your full potential", which focuses on how informality and non-hierarchical structures facilitate critical thinking and originality, and "Experience a culture of innovation", which emphasises that, as a country, Sweden has traditionally invested heavily in research, not least by drawing attention to the Nobel prizes and the country's international business community with its many internationally renowned brands.

For investment promotion, the messages are less detailed, but the overall themes revolve around the idea that the country "embraces new ideas", which is supposed to be supported by its focus on openness, quality and innovation, and that Sweden is one of the most research-intensive countries in the world, placing it at the forefront of technology and design. The second theme is "inspiring innovation", supported by a good climate for collaboration and integrated approaches to innovation and development, positioning the country as a "hub of international development and new thinking".

The current status of the initiative is that during 2009 and 2010 should have begun focusing on enhancing collaboration with the business sector, especially large Swedish export corporations, as well as encouraging Swedish regions and cities to use the platform for their own local promotion and branding.

In the field of talent promotion, another initiative worth mentioning is the Swedish Institute's Baltic Sea Region Exchange Programme, the *Visby Programme*, which serves to connect participants, to strengthen Sweden's presence and to promote education, research and innovation in the Baltic Sea region. The programme is open to universities and university colleges as well as high schools and institutions for adult education, and encompasses every field of study. Priority is given to collaboration with Russia, Ukraine and Belarus.

The *Management Programme for Northern Europe*, implemented by the Swedish Institute, can also be said to focus on developing talents in the Baltic Sea Region. It is designed to make the most of the common strengths and future potential of the participating countries; in 2010 students came from Belarus, Estonia, Lithuania, Latvia, Poland, Russia, and Ukraine. The programme aims to attract individuals with remarkable accomplishments in their mid-career to challenge their approaches, reinforce professional skills, deepen cross-cultural perspectives and unite them in a long-lasting and active network. Effectively, the participants widen their contact network throughout the seven countries and strengthen their connection to Sweden. The Swedish host companies are the programme's corporate participants. The overall theme of the programme is Corporate Social Responsibility (CSR).

In **Denmark**, the government and the parliament agreed on an *Action Plan for the Global Marketing of Denmark* in 2007. The aim was to promote a positive image of Denmark abroad so as to ensure Denmark's ability to compete for creative and competent workers, students, tourists and investment as well as promote Danish exports and Danish creative skills.

The history of the Action Plan can be traced back to 2006, when the Danish government and the advisory *Globalisation Council*, consisting of prominent figures from the private sector, trade unions and universities in Denmark, presented

a globalisation strategy. Over a couple of years, a comprehensive effort to develop a strategy for improving Denmark's international position had been made. The work culminated in April 2006 with the unveiling of a globalisation strategy that was shaped by input from the advisory Globalisation Council. In the wake of this, broad political agreement was achieved on how to follow up on the globalisation strategy with a series of initiatives, one of which was a strengthened global promotion of Denmark.

A working group consisting of representatives from the *Ministry of Economic and Business Affairs* (chairman), the *Ministry of Foreign Affairs*, the *Ministry of Education* and the *Ministry of Finance* was charged with the task of developing a proposal for an action plan for the global marketing of Denmark. The working group involved both public and private actors in dialogue, an integral part of which was a series of thematic meetings.

The Action Plan calls for spending DKK 412 million partly on cross-cutting activities intended to ensure better organisation and stronger coordination of international marketing and more attention-grabbing events, and partly on five specific focus areas, which are:

- Denmark as a creative nation
- Denmark as a tourist destination
- Denmark as a study destination
- Denmark as an investment location
- Modernisation of the export promotion system

Another specific focus of the action plan has been to increase awareness of Denmark's know-how on clean technology and renewable energy, and a series of activities were carried out during the COP 15 Climate Conference in Copenhagen at the end of 2009.

One element of the Action Plan is the *Marketing Denmark Fund*. Its purpose is to create awareness of Denmark's strengths and competences abroad, especially by supporting large-scale activities that have promising potential, such as events, campaigns, conferences, and promotional activities that generate publicity about Denmark. The Fund has an independent executive board, and a cross-ministerial task force acts as a secretariat. The Action Plan envisages a brand communication platform with four overall themes. These are:

- Denmark as a responsible and balanced country
- Denmark equals high-quality
- Denmark is experimental and proactive
- Denmark equals environmental awareness, simplicity and efficiency

An overall assessment of the entire programme of marketing and promotion activity will be presented in 2010 to follow up on the progress and effects of the various initiatives, and a political agreement on its content over the next few years will be made. Another DKK 207 million has been allocated to the programme for the period 2011-2012.

In 2009, a marketing panel composed of 30 representatives from ministries, business, academia and trade unions was formed as a part of the Action Plan. In May 2010, the panel presented its recommendations for the continued marketing of Denmark in the report "Denmark in the World, the World in Denmark". Among other things, the panel reached the conclusion that Denmark's core strengths are "balance", "innovation" and "a green nation" and proposes that the Marketing Denmark Fund support and initiate activities that can draw on these strengths.

The current branding strategy makes no explicit references to the BSR. However, during the Danish Presidency of the European Union in 2002, the government published a rather elaborate strategy document entitled "Denmark – Gateway to the Baltic Sea Region". In the report, the Prime Minister at that time, Anders Fogh Rasmussen, writes about the potential of the region, and that the government aims to position Denmark centrally in the development of the region. One argument is that Denmark's location at the gateway to the Baltic Sea would give the country many obvious advantages, especially in relation to creating a platform for activities in the countries around the Baltic Sea. The document refers to the importance of Copenhagen Airport, the largest in the region, with its many connections to the Baltic States and Poland. It also points out that Denmark was one of the first countries to take the political initiative to create the new region in Europe that the BSR represents.

The marketing of **Norway** abroad is based on two main pillars. The overall responsibility for the management of Norway's reputation abroad lies

with the *Ministry of Foreign Affairs* and the *Public Diplomacy Forum*. Established by the Government in 2007, the Forum is chaired by the Minister of Foreign Affairs. It comprises experts and professional capacities from government, culture and trade and industry. The forum is to contribute to increased debate and dialogue between the authorities, trade and industry, academia and others on how and in what areas the government can coordinate strategies for Norway's reputation.

As a part of the strategy, a reputation plan has been developed for the foreign missions to give them guidance with respect to the values and overarching issues they should emphasise in their outward work. Each foreign mission has to prepare its own marketing and country promotion strategy based on the reputation plan.

It is interesting to note that the Norwegian government has consistently chosen to refer to this work with the overall strategy as reputation management, public diplomacy and country promotion, rather than branding or marketing. An important channel for the promotion of Norway is Norway's official website (www.norway.info).

The second pillar of the marketing of Norway is the branding of the country as a tourist destination. This is partly integrated in the overall work that is done in developing Norway's reputation. For example, the tourist sector is represented in the Public Diplomacy Forum. Organisationally, the *Ministry of Trade and Industry* has given the government agency *Innovation Norway* responsibility for the destination brand strategy of the country, and also for running the official travel guide to Norway: visitnorway.com.

In 2007, the government presented a national strategy entailing a plan for the branding of the country as a tourist destination. The strategy laid down that the overarching theme for the branding of Norway as a tourist destination should be "Norway – Powered by Nature", and the chosen positioning should be as one of the most attractive destinations for nature-based enjoyment.

The strategy was based on a brand survey carried out by Innovation Norway in 2005. The analysis showed that Norway belongs in the category of nature-based tourism and in the subcategories of Scandinavian and mountain-based tourism. Sweden and Finland are seen as the main

competitors in this market, but Canada, Alaska, Austria and Switzerland are also seen as strong competitors. The conclusions drawn from the survey were that Norway should aim at promoting itself as a country with opportunities to enjoy beautiful, unspoilt nature, active nature holidays, experiences of local culture and way of life as well as good hosts.

Based on this, four areas were identified as important for the promotion of Norway:

- The fjord and mountain landscapes,
- The coast and coastal culture,
- The mountains and wilderness, and
- Arctic Norway

The strategy asserts that to get the message of Norway across it is important that efforts are directed towards building a brand and that the marketing is longterm, consistent and stable.

Estonia was the first of the Baltic countries to really make an effort to build a nation brand. The brand effort is managed by the organisation *Enterprise Estonia*, which was established in 2000 as a merger of various foundations and organisations operating in the areas of business development, tourism development and regional development. This organisation unites under one roof the efforts to promote Estonian export products and attract investment and tourists. In short, it tries to coordinate all Estonia's external promotion efforts.

Enterprise Estonia started developing the main coordinating initiative, "Brand Estonia", in 2001, right after Estonia won the Eurovision Song Contest in Copenhagen. The success meant that Estonia would host the popular all-European contest for the first time in 2002. Estonians saw this as a major opportunity to influence the image of the country held by other European countries. It was a chance to promote Estonia as a serious political partner and, in view of EU accession, an attractive country for investment and a tourist destination. For this purpose, Estonia needed a coordinated marketing campaign to promote a positive image of the country in the minds of Europeans, and to engage in a fight against post-Soviet prejudices.

Enterprise Estonia worked closely with the international branding agency Interbrand in

developing the "Brand Estonia" project. It based its marketing plan, which is described in detail in the brand book "Estonian Style", on extensive qualitative and quantitative research on the existing perceptions of Estonia among Estonian opinion-leaders and both Estonian and foreign tourists, investors and importers. On the basis of this research, a brand strategy was launched. The strategy aimed at consistency in the promotion of the country by being multifaceted and encompassing solutions for tourism promotion and investment, as well as improvement of Estonia's image as a future innovative force in the EU and NATO.

Launched in 2002, the principal position of the brand strategy was "Estonian European", or as Estonian poet Gustav Suits put it: "Let us remain Estonians, but become Europeans". In contrast to the more common practice in nation branding efforts, which is to stress the uniqueness of the country, "Brand Estonia" chose to stress similarities with Europe and the Scandinavian countries. The strategy was motivated by the experience that many West Europeans have when they come to Estonia for the first time and are surprised to find the country much more "European" than they thought. However, the Estonian Style brand book also frankly stated that the wish of Estonians to escape the regional affiliation with the Baltics and the stigmatising East European identity was another key motivator for choosing this strategy. The chosen brand essence, "Positively Transforming", supported the "Estonian European" position and refers to Estonia as a land of contrast, innovation and rapid development – three other main components of the strategy. Five narratives, expressed differently according to three different target audiences; tourists, exporters and investors, support the strategy:

- A fresh perspective
- A radical, reforming and transforming attitude
- A Nordic temperament and environment
- A resourceful self-starter by nature
- A European society

The narratives are, in turn, supported by brand stories. The Nordic temperament and environment narrative could, for example, be translated into the brand story "Nordic with a twist", emphasising Estonia's ties with the "Nordic socio-geographic region". The brand strategy is supported by various

design elements aimed at depicting Estonia as a modern, Nordic, innovative country with deep historic roots. For instance traditional folk patterns are used, depicted in a modern way with bright colours and modern style design.

The brand strategy also developed a logo, “Welcome to Estonia”, which was mostly meant for tourism promotion, but which over time has evolved into the best-known symbol of “Brand Estonia” for Estonians as well as tourists from other countries. Nowadays it is also used for investment promotion.

The design and the whole strategy was launched in a campaign around the Eurovision Song contest, but the reason why the Welcome to Estonia logo, the patterns, colours and slogan are so well-known now eight years later is that they were hammered out by both Enterprise Estonia in their promotion efforts at home and abroad, but also by a number of other public and private organisations and companies. Enterprise Estonia has made the marketing concept free of charge for all who have signed a usage contract and this strategy has been efficient in carrying the message out to the target groups. For instance, Enterprise Estonia is said to have had successful cooperation with Estonian Air and Tallinn Airport, so that travellers to Estonia find traces of the Brand Estonia visual expression everywhere in the airplane and as a first impression when they set foot in the country.

In 2008, Enterprise Estonia was allocated funds to develop and modernise the “Brand Estonia” concept. The new concept is called “Introduce Estonia”. Its brand positioning and main slogan has been changed from the original “Positively Transforming” to the new “Positively Surprising” to mark the positive development that Estonia has gone through in the years 2001-2008. The strategy has an internal profile, directed primarily at Estonians to enhance the feeling of pride in being an Estonian. It is based on the slogan “I love Estonia”. There is also a multifaceted sub-strategy directed at tourists called “An old country in a shiny package”. In spite of these changes, the overall impression of the campaign, the colours, patterns, fonts and the logo “Welcome to Estonia” still leave more or less the same impression on the audience. The new strategy also takes advantage of a number of websites for promotion purposes. The most widely known are www.investinestonia.com and www.visitestonia.com.

Apart from the official campaign there are promotional projects initiated by the private sector. One of the most interesting is www.brandingestonia.com. Despite the similarity of the name with the initial strategy, this effort is driven by private initiative and is mainly about promoting Estonian goods for export. For this purpose, the company has a permanent exhibition of Estonian goods in Tallinn Airport. Another major initiative of the company is the campaign “Amazing Tallinn”, which is going to promote Tallinn as the cultural capital of Europe 2011 and as the “The World’s Next Great Conference Destination”.

In **Finland**, the Finnish Government took a decision-in-principal to put the development of Finland’s country image at the top of the agenda in December 2006. In the present Government Programme, the strengthening of Finland’s image is a central objective.

Organisationally, the country brand project is the responsibility of the Finland Promotion Board (FPB), which is directed by the Ministry for Foreign Affairs and whose members include a delegation of the central professional actors marketing Finland on the international scene, i.e. the *Ministry for Foreign Affairs*, the *Finnish Tourist Board*, the *Ministry of Employment and the Economy*, *Invest in Finland*, the *Finnish Funding Agency for Technology (Tekes)*, *Finpro*, *Taloudellinen Tiedotustoimisto/Finnfacts*, *Finnair*, the *Finnish Forest Foundation*, and later also the *Finnish Innovation Fund (Sitra)*. The delegation is chaired by the Director General of the Finland Promotion Board and the Director General of the Finnish Tourist Board chairs the Country Brand Working Group.

In 2008, Foreign Minister Alexander Stubb appointed a high-level delegation to lead efforts to develop a country brand for Finland. Jorma Ollila, Chairman of the Board of Directors of Royal Dutch Shell plc and Nokia Corporation, was invited to chair the delegation. The delegation members are prominent and well-known people in Finnish society, operating in the fields of business, culture, public relations and international law, and appointed to give “a face” to the project. The delegation is charged with the task of making the key strategic selections for the branding project, defining the critical questions of content and services, and also monitoring and steering the project. Its term started on 16 September 2008,

and will end on 31 December 2010, when it is due to present its report.

In early 2007, the FPB appointed an independent working group to provide scientific and research support, comprising two leading Finnish place-branding experts, Dr. Teemu Moilanen and Dr. Seppo Rainisto. Representatives of major corporations and the communications sector acted as advisers in the planning process during 2007-2008.

Initially, the expert group studied Finland's image in key market areas and explored what kind of spontaneous opinions people in various countries had of Finland. They also studied how Finland was portrayed in foreign media, and how Finland was regarded as a tourist destination, a place of residence, or a target for investments, as well as what value Finnish products were given abroad (country of origin-effect). Major research findings were that the image of Finland is very thin and indistinct, although usually positive. The Finns are regarded as a quiet people, living in a sparsely populated country far in the north. Finland's high educational level and wellbeing hold top positions in international rankings and comparisons. The Finnish model of society, the unpolluted nature and high technology, Nokia and other companies were noted, along with the originality and creativity, trustworthiness and honesty of the people.

The purpose of the nation brand has four dimensions: strengthen the operating potential of Finnish businesses, increase foreign political influence, promote interest in Finland as an investment and location target, and increase tourist flows to Finland. The dimensions of the brand were defined to include the political, social and cultural country image.

The country brand project has been described as the first layer of the Finnish public diplomacy concept and a broad framework for operations. The second layer consists of large-scale public-private collaboration on the international scene, including Finnish participation at the Shanghai World Expo, and the country's official portal "This is Finland" (<http://finland.fi>)

The third layer consists of specific country-branding programmes, focused on eleven

countries, namely Brazil, China, Egypt, France, Germany, India, Poland, Russia, Turkey, Ukraine and the USA. Finnish embassies and consulates in these countries will receive additional funding for the programmes.

The website www.mitasuomion.fi presents various aspects of the country image with the help of opinions, interviews and questions.

Primary responsibility for development of the country's tourism image lies with the Finnish Tourism Board (FTB). In 2007, efforts to build a tourism-oriented nation brand were stepped up.

The FTB has chosen as basic brand-communication values four dimensions beginning with the letter C, namely "cool", "credible", "creative" and "contrasts". The intention is not to use all the four Cs in communications, but the actions must support at least one of these Cs. To support the operational work there is also a brand manual (graphic instructions, advertising concept, fair and event concept, visual and narrative style instructions) and a brand book.

The first coherent attempt to create and sustain a national brand for **Poland** was initiated by the Polish Chamber of Commerce and the Institute of Polish Brand (IPB)³. In 2003 they commissioned an international team of consultants led by Wally Olins to carry out a diagnosis of the Polish national identity and articulate its core idea (central message) together with brand attributes. That was the first stage of the project. Stage two, comprising the visualisation, coordination of messages for the main national brand vectors (tourism, FDI, export and public diplomacy) and the design of systems of national brand management (institutional coordination, brand champions/task forces, building support, tracking results etc.), was meant to follow shortly.

The findings and discussion that emerged led to a core idea expressed in the phrase "creative tension". According to Olins, it was the essence of Poland at that time. He argued that Poland draws its personality, power and perpetual motion from a wealth of apparently opposing characteristics; Polish people are idealistic and also pragmatic and resourceful; the Polish character is ambitious and also realistic. Poles are calm and they are also volatile. Poles can be very charming and also

3 IPB is the independent research and development centre of national and regional branding.

tough. Poland is a country driven by these kinds of creative tensions. Creative tension stimulates a restlessness unsatisfied with the status quo. The creative tension feature is supposed to explain why Poland produces so many entrepreneurs, artists and sportspeople, why Poland is constantly changing and evolving, sometimes tumultuously, and why Poles value their past and also look to the future. The core idea is a starting point, an inspiration for every brand-related activity, for further development of the national brand identity and personality. However, the next stage did not take place and following governments were not interested in continuing the project.

According to some estimates, some 60 different organisations include in their activities the shaping Poland's image⁴.

The *Polish Tourist Organisation* (PTO) recently undertook the attempt to coordinate some of activities of the other organisations. The main goals of the PTO are to promote Poland in the country and abroad as an attractive tourist destination, especially in a cultural context, as well as to strengthen its image as a modern country, with a strong national identity built on cultural heritage and a rich natural environment. The PTO fulfils its role in various markets via its offices in 14 countries in the world. The PTO cooperates with national government representatives and local and regional governments), the Polish Chamber of Tourism, other tourism organisations, as well as with organisations in industry.

The latest PTO effort is a new marketing strategy for Poland in the sector of tourism, which also tries to combine other aspects. The strategy defines directions for promotion activities with the engagement of EU structural funds. About 30 million euros has been assigned from the Operational Programme Innovative Economy (OP IE) to the strategy project called "Let's promote Poland together", which is scheduled to be active for 3 years.

The president of the PTO says it is the first time the activities of the PTO, local governments, regional tourist organisations and the tourism sector have been combined in one coherent strategy document. The PTO's strategy is also linked and compatible with governmental development strategies and programmes in the

areas of public diplomacy, sport, culture, transport and ecology.

The strategy defines its mission as "building and strengthening the image of Poland as attractive and hospitable for tourists, with competitive tourist products of high quality". The main goals of the strategy are as follows: improving Poland's competitiveness abroad and internally, communicating an attractive image of tourist products, creating an efficient tourist information system, and knowledge transfer. According to the PTO, these aims can be achieved via creating an image based on Polish cities. The main emphasis should be put on people, not places as such, and on the present, not the past. It means that promotion will focus on unique national personality traits and presenting present-day Poland. Celebrations of the 200th anniversary of the world-famous composer Chopin's birth, the Polish presidency of the EU, and EURO 2012 are events the PTO wants to use to promote the country.

The PTO's promotional activities abroad are primarily focused on markets in Germany, the UK, France, Holland, Belgium, Sweden, Norway, Russia and Ukraine. In the campaigns, branded tourist products (with PTO certificate) are promoted. The PTO wants to collaborate with marketing and advertising agencies to implement the strategy. Apart from traditional marketing tools (such as advertising or fairs), the PTO wants to use less conventional promotional tools such as the sailing ship Frederic Chopin cruise that will call at European ports where accompanying cultural and entertainment events are planned. The implementation and creation process has just started and the detailed execution of the strategy is being prepared.

General political and economic image building lies in the hands of the *Ministry of Foreign Affairs* and the *Ministry of Economy*. The Ministry of Foreign Affairs (MFA) is involved in image promotion via public and cultural diplomacy. Economic diplomacy, also part of MFA's activities, is carried out via economic departments or economic and trade embassies as well as the departments of Trade and Investment Promotion in 26 countries.

The Ministry of Economy is currently working on a "Strategy of internationalisation of the

4 As a result there are 10 different logos that are used to promote Poland.

Polish economy". Its guiding principle is to base economic promotion of the country overseas on national export brands. These brands are meant to support brand Poland and favourable associations with Poland. Implementation of the programme is estimated at PLN 35 million.

Another important institution promoting Poland is the *Polish Information and Foreign Investment Agency* (PAIIZ), which was established in 2003 as a result of the merger of the State Foreign Investment Agency and the Polish Information Agency. PAIIZ helps investors enter the Polish market, guides investors through all the essential administrative and legal procedures involved in a project and supports firms that are already active in Poland. PAIIZ's mission is also to create a positive image of Poland across the world, promoting Polish goods and services.

The *Polish Chamber of Commerce* (PCC), made up of over 140 business organisations, acts to increase international recognition of Poland, and is particularly active in promoting social responsibility in business. The PCC organises national exhibitions, invites entrepreneurs to international trade fairs, trade missions, economic forums, and multi and bilateral business meetings.

The multitude of organisations involved in country promotion created a problem that needed solving.

The Ministry of Foreign Affairs proposed to give responsibility to the *Poland Promotion Council* to coordinate Polish country promotion. This body was established in 2004 and consists of representatives of the 10 government departments involved in country promotion. The council has only operated intermittently, even with yearlong lapses. It was reactivated in 2008, but its role is only opinion-forming.

Saint Petersburg is one of the most famous and well-visited cities in the Baltic Sea Region. The city is already renowned in the world for its beauty and treasures and it has had no difficulty in attracting tourists. A large part of the tourism promotion is done through private companies and their representatives and partners abroad. However, the *Committee of Tourism of the city of Saint Petersburg* does a great deal to coordinate the efforts to attract tourists to the city. For instance, it coordinates the representation of Saint Petersburg at tourism fairs abroad and in Russia. It has also established

a tourist information centre and gives high priority to attracting event-tourists, by organising sports events and the like. It was also in charge of the coordination of the events for the 300-year anniversary of the city, which was celebrated in 2003.

There are various slogans connected to the city. On the tourist information site www.petersburgcity.com, the city is called "the cultural capital of Russia" whereas the slogan on the official website of the city government, "Saint Petersburg: Yesterday, today, tomorrow" is only in Russian and probably aimed at the citizens of Saint Petersburg, with a view to establishing an image of a successful city with a bright future.

There have been sporadic attempts to build a Saint Petersburg brand, but no official, coordinated city-branding campaign has been launched as yet. Besides playing on the beauty of the city and the historical sites, most efforts emphasise Saint Petersburg as a city of knowledge. The city is already the largest educational and science centre in Russia, with 10% of Russia's science potential. This is one of the features which Saint Petersburg ties to emphasise in its attempt to attract investors and promote the city not as a stagnated capital of culture and history, but as a lively and industrious "Window to Europe" and a stepping stone for companies that want to establish themselves in Russia – a role Saint Petersburg has played for many investors from other BSR countries. It has an IT cluster which has played an important role in attracting Scandinavian investments. An example of an initiative created to make it easier for investors to find out about investing in Saint Petersburg is the Internet portal "Doing Business in St. Petersburg" (www.doingbusiness.ru), which was established in 2005 with support from the Danish National Agency for Enterprise and Construction. Since 2008, this portal has been connected to the Enterprise Europe Network, which is an institution established and run by the Russian government to make it easier for Russian SMEs to find partners in Europe.

Moreover, the Leningrad Region, the area surrounding the City of Saint Petersburg, is making an effort to attract investors, especially to sectors related to industry, agriculture and foresting. And the greater North-West region of Russia is a very active investment promoter through its *North-West Development and Investment*

Promotion Agency. The Agency is also responsible for creating a positive image of the region.

Its status as a “free economic zone” in the Russian Federation has made the **Kaliningrad** region very eager to exploit its proximity to members of the EU and attract investors to the region. The *Ministry of Economy of the Kaliningrad Region* has a very easily accessible website with information for investors in English and German, and they are also in charge of the development of a regional brand for Kaliningrad.

This regional branding effort has two purposes: One is to attract investors and skilled personnel to the region, and the other is to promote products from Kaliningrad. The core of this regional branding idea is to promote Kaliningrad as a business region – a region of production and service. This goal is mirrored in the aim of attracting investors and in the aim of promoting products for export and for sale internally in Russia. The associated brand mark “Made in Kaliningrad” is meant to symbolise the high quality of products and services. To ensure that this brand mark will be perceived as a quality mark, control mechanisms will be put in place for products using the mark. The mark will be available for all companies in the Kaliningrad region who can live up to the quality requirements set up by the controlling authorities.

Another part of the strategy is to measure perceptions of the Kaliningrad brand among foreigners and Russians, including the perception

of the investment climate and political and business environment in Kaliningrad. On this basis they are developing a branding strategy, encompassing all the channels of communication used to promote the brand, including advertising, participation in fairs and conferences, etc, and a brand book.

As this example shows the region is eager to promote itself as a business region, and in this context often emphasises its Baltic identity instead of the Russian identity. For example, the local business association is called the “Baltic Business Club” and has a highly informative English language site.

At the forefront of the tourism promotion of the Kaliningrad Region is the newly established website www.tourismkaliningrad.ru. This is run by the *Tourism Department of the Kaliningrad Regional Government* and it presents the region as an attractive all-round tourist destination. The wide variety of possibilities for tourists in the Kaliningrad is displayed on the website that has both detailed information about the cultural and historical sites of the Region and also information about active tourism, recreational tourism, etc. The website also emphasises the geographical location on the Baltic Sea coast and recommends tourists to do round trips to and from the neighbouring countries. As mentioned above, Kaliningrad will host the next Baltic Sea Tourism Forum, to be held in the autumn of 2010. Read more about the forum under “tourism efforts”.

Sub-national efforts: cities and cross-border areas

Major cities

The latest branding effort of **Copenhagen**, initiated in 2009, revolves around the theme of “open”. It is based on a partnership between the capital region’s investment promotion agency, *Copenhagen Capacity*, its tourism board, *Wonderful Copenhagen*, and a number of the region’s businesses and organisations. The overall message is “COPENHAGEN – Open for You”, intending to convey the idea that Copenhagen is a city of opportunities open to new input, new ideas and new thinking.

The new branding effort also expresses a vision for the future, that Copenhagen should be regarded as the most open capital in the world.

The thinking behind the effort was to establish a brand that embraces all the good arguments in favour of Copenhagen, and which can form the basis for a common profile and joint marketing. The brand is available to everyone that wishes to use it and it is supposed to be tailored to individual campaigns, as in “Open for Tourists, Business, Investments, Events, Experiences, Alternatives”, etc.

Copenhagen has also promoted itself as “the Environmental Capital of Europe”.

The latest **Berlin** capital branding campaign called “be Berlin” started in 2008.

The main organisations in charge are the *City of Berlin* and its investment promotion agency *Berlin Partner GmbH*.

The campaign aims at promoting the overall city image with a focus on themes related to art, culture, science, business and urban life. The first step was to create a positive image of Berlin among its residents and visitors from Germany with the German version of the campaign (“Sei Berlin”). In the second step since 2009, an internationalisation of the concept has been pursued, presenting the campaign abroad (e.g. with messages such as “Be Berlin in ... New

York/Brussels/Istanbul/Copenhagen, etc.”) to potential tourists, investors, businesses, artists, scientists, etc.

The key positioning employed is Berlin as a young, innovative and free city, and key messages are “be open, be free, be Berlin”; “the place to be” and “20 Years of a City of Change”. The campaign is interactive in the sense that it takes into account opinions of residents and tourists with a competition to fill in the sentence: “be [...], be [...], be Berlin”.

It is supported by a dedicated internet platform <http://www.be.berlin.de/en/>

The **Helsinki** Metropolitan Area is being developed as a unified region, marketed as a place close to nature, where it is good to live, learn, work and do business. *Greater Helsinki Promotion Ltd.* promotes and brands Helsinki as a viable option for direct foreign investment.

The Greater Helsinki region consists of the cities of Helsinki, Espoo, Vantaa and Kauniainen as well as the surrounding area represented by the Uusimaa Regional Council. Helsinki Business Hub contains and promotes these priority sectors: clean-tech, ICT, life sciences, design & creativity, KIBS (Knowledge Intensive Business Services) and logistics.

The Greater Helsinki region actively promotes its position in the Baltic Sea Region with its population of 110 million people and a GDP of EUR 400 billion.

Helsinki promotes design as a competitive edge and the creative sector is seen as reshaping Helsinki’s economy and enhancing the citizens’ quality of life. Design is seen from a broad perspective – in city planning, architecture, industrial design and service design. Based on this notion, design can play an integral role in the development of Helsinki, city services and consumer products. Helsinki will be World Design Capital for the year 2012 revolving

around the core idea “Open Helsinki – Embedding Design in Life”.

Another focus is Helsinki Living Lab, which aims to promote user-driven methods and tools for improving the real-world development of products and services. The *Culminatum Centre of Expertise Programme* in the Helsinki Region promotes the use of the highest international standard of knowledge and expertise in business, job creation and regional development. In addition, the metropolitan area profiles itself as an attractive student city with distinctive campuses and an international hub of universities.

With regard to destination branding, in the autumn of 2005, the Helsinki City Tourist & Convention Bureau introduced a project to create a unique tourism brand for Helsinki that emphasises Helsinki’s position as the capital city of Finland, its Arctic location on the Baltic Sea coast, and its cultural location where Eastern exotica meets Scandinavian chic. Helsinki also actively promotes itself as an event city with an individual and relaxed style. As for upcoming events of importance, Helsinki will host the European Athletics Championships in 2012 and the Tall Ships Race is scheduled to visit Helsinki in 2013. Efforts to develop infrastructure to offer more possibilities for events in the future are under way at present. The New Helsinki Music Centre will be completed in 2011 and the Finlandia Park entity that will be part of the city’s active core is under development.

In **Oslo**, the *Oslo Teknopol* organisation aims to promote Oslo and the capital region to attract foreign investments and talent. The region’s key knowledge-based clusters that are prioritised are maritime industry and shipping, energy and environmental technology, life science, information and communication technology, and cultural industries. In its communication, Oslo Teknopol emphasises Oslo as good place to invest, work and live, because of a mix of high concentration of knowledge-based clusters, a highly educated workforce, and a high quality of life. It frequently mentions the closeness to nature and the surrounding mountains and fjords. The name of the main promotional magazine of Oslo Teknopol is “Oslo – powered by nature”, which is intended to help promote Oslo as a top international region for business and knowledge.

Marketing of Oslo as a tourist destination is the responsibility of *VisitOSLO*, a limited company with shareholders from the city’s travel trade and commerce.

Riga’s city branding efforts have mainly focused on branding the city as a tourism destination. The first steps towards a more comprehensive promotion strategy for Riga were taken in 2001, in connection with the 800th anniversary of the city.

In 2009, a new organisation, the Riga Tourism Development Bureau (RTAB), was created to be responsible for the strategic planning and implementation of Riga tourism development, including the city’s branding efforts. Its founders and shareholders are the *Riga City Council*, the national airline *airBaltic*, the *Latvian Hotel and Restaurant Association* (LVRA), and the *Latvian Travel Agents’ Association* (ALTA).

A new branding effort named LIVE RIGA was created alongside the new organisational setup. The focus of the new effort is to promote Riga overseas as a northern metropolis to attract tourists and international business events. The associated campaign comes with the slogan “Good for Rigans, good for tourists”, which is intended to facilitate the inclusion of the local citizens in the effort.

The LIVE RIGA branding efforts also comes with the positioning and tagline, “Capital of the North”. This means that Riga, on the one hand, joins cities like Berlin and Amsterdam, whose brand positioning put the people, both citizens and visitors, and their experiences of the city in the foreground (“Be Berlin” and “I Amsterdam”). The words LIVE RIGA is supposed to invite visitors to actively experience the city in many ways, and thus can be followed by “Stay Riga”, “Feel Riga”, “Hear Riga” and “Work Riga”. On the other hand, Riga follows cities like Stockholm (“Capital of Scandinavia”) and Innsbruck (“Capital of the Alps”), which have chosen to reflect not only their geographical position but also their importance in a specific regional designation and context.

The LIVE RIGA effort will be developed and executed with support from creative agency Embassy, known for creating the “Be Berlin” campaign in 2008. To get Riga’s residents involved in marketing activities will be one of the tasks of the RTAB, hoping that it can achieve the

objective of raising the awareness of Riga and increase travellers' knowledge so that they make specific decisions to visit the city. Consequently, the Bureau will develop communication with both potential tourists and with Riga's residents. The most important target markets in the implementation of the strategy are Germany, Sweden, Finland, Russia, Lithuania, Estonia, Norway and Denmark – all BSR markets – as well as Israel, Georgia and Belarus.

To a large extent, the LIVE Riga effort is inspired by and coordinated with the nation-branding strategy for Latvia, elaborated by Simon Anholt. This strategy suggested that Riga should position itself strategically as the “New North Star”, based on an underlying policy guide developing Riga as a “new Scandinavian city”. As described in the section about Latvia, Riga is also supposed to be the main tool of the nation-brand strategy of Latvia. In the words of Anholt, “the most effective and efficient way for Latvia to achieve the enhanced international reputation [...] is by seizing every opportunity to make its capital – and by extension itself – look, and be, as natural a part of the wider Scandinavian region as possible.”

The *Riga Convention Bureau*, a member-based public-private partnership organisation, also promotes Riga and Latvia as attractive congress, meeting, incentive and business travel destination under the heading “Inspiration Riga”.

Stockholm's latest city branding effort, embarked on in 2005, revolves around the brand positioning and message “Capital of Scandinavia”. This message is intended to summarise the brand of the Stockholm region – a choice of positioning that has been a source of some irritation in the other Scandinavian capitals.

This branding message is sustained by three main arguments; that geographically Stockholm is the natural central point of Scandinavia, its financial centre, and the city which sets the cultural tone for Scandinavia.

The organisations with the prime responsibility for Stockholm's city branding are *Stockholm Business Region*, *Stockholm Visitors Board* and *Stockholm Business Region Development*, although the website of the initiative points out that use of its communication package is open for anyone

who may wish to promote the development of Stockholm as a region for new business and tourism.

In the city's investment promotion, sectors such as ICT, automation and robotics, life sciences, clean-tech, and the financial and private equity industry are highlighted.

In its communication, Stockholm makes frequent references to its geographical proximity to the expanding markets around the Baltic Sea, and asserts that the world's largest companies now view Scandinavia and the BSR as one market, as country borders in these regions are being increasingly erased.

At the same time, the political cooperation network for Stockholm and its neighbouring regions and cities, the Council for the Stockholm-Mälars Region, has tried to position Stockholm as a hub for the development of the BSR. The same applies for the cooperation forum, Stockholm Gateway, a collaboration between Stockholm Port and Stockholm Airport, whose vision it is to make the “Stockholm region the most important gateway for trade and travelling in the BSR in 2020”.

The organisation responsible for **Tallinn's** overall image building, the *Tallinn City Enterprise Board*, communicates to potential investors that Tallinn is “a city of talent and ambition”. There is frequent mention of its location in Northern Europe and in the Baltic Sea Region, and of the dynamism characterising the BSR as a growing business area in Europe. The city frequently communicates its “e-credentials” and that it is a very IT-driven city (Internet banking, M-parking, e-Tax Board, e-Customs, e-elections, digital signatures, ID ticket etc.).

The Tallinn Innovation Strategy 2009-2013 sets the framework for the long-term marketing of the city. This strategy is based on other strategic documents, such as the “Tallinn 2025” strategy and the “Tallinn Development Plan 2009-2027”, which aims to present the city as one of innovative and balanced development, fully integrated into the Scandinavian and European economic environment.

The strategy states that Tallinn needs to determine better its position in the context of the Baltic

Sea region, which will require cooperation with neighbours in the development of shared understandings and, in the longer term, common policies. It also argues that cooperation with Helsinki, St Petersburg and other Baltic Sea cities will be important to achieve the ambitions in the strategy.

The strategy focuses on six key areas: information technology, mechatronics, medicine and technology (including biotechnology), creative economy, maritime operations and logistics and financial services. For the conditions for Tallinn's long-term development to be created, the strategy prescribes activities and support measures which are based on the following four pillars: City of talent, City of partnerships, City of international capabilities, and City of planning.

The marketing of Tallinn as a tourism destination is the responsibility of the Tallinn City Tourist Office & Convention Bureau, and focuses on priority markets Finland, Sweden, Norway, Germany, Russia, Latvia and the United Kingdom.

Warsaw has recently begun planning for a launch of a systematic branding effort. The planning for the launch is under way in 2010, and is backed by thought-out strategic guidelines, inspired by the methodology of the nation-branding programme that Saffron Brand Consultants prepared for Poland, and the experiences gained by organisations such as the Polish Brand Institute and the Polish Chamber of Commerce in their work with this programme (read more about Poland in country section). The strategic document developed by the City of Warsaw acknowledges that Warsaw has the potential to develop a city brand of "global significance", but only if it is accompanied by the brand of Poland. The document also points out that all previous efforts by Warsaw to improve its brand image have been of an episodic nature. The launch of the effort takes as its starting point a brand diagnosis exercise, which will be based on research results as a part of the "Anholt City Brands Index".

Warsaw quite commonly communicates that it lies "in the heart of Europe" and wants to convey that it is a bridge between east and west. Much of its international cooperation work is directed towards central and western Europe, but the city is also an active partner in a range of Baltic Sea region cooperation forums and projects.

In Poland, 2010 has been declared "Chopin Year", celebrating the composer Fryderyk Chopin's 200th birthday. In Warsaw, the year-long celebrations, aimed at promoting the city as the City of Chopin, include a range of events that are meant to attract attention and visitors, both in Warsaw and at Polish representations abroad. Warsaw is also promoting itself quite heavily as a city of science and education, in order to attract international students and scholars. Warsaw has also joined the competition to host the 2016 European Culture Capital event.

It is said that the conscious branding efforts of **Vilnius** of today can be traced back to Arturas Zuokas becoming Mayor of Vilnius in 2001. Arturas Zuokas introduced a number of promotional initiatives and became a branding icon for the city. His efforts targeted various groups including citizens, tourists, investors and an international audience. However, a systematic marketing concept was developed and introduced into the city's governing structure only in 2007 with a restructuring of the promotion bodies of the city government and the creation of the *Division of Tourism and City Image*, which put a greater emphasis on tourism. In 2009, due to another structural change, the promotional target group was switched to citizens with the introduction of the city's *PR and Marketing Service*, responsible directly to the Mayor.

However, despite the introduction of a separate PR and Marketing Service, the City still has a rather decentralised approach to its branding and marketing. A number of structural units and city organisations deal with the city marketing, such as the PR and Marketing Service, the *Tourism Division*, the *International Division*, the *Division of Investment Projects*, the *Division of Development and Planning*, the *Vilnius Tourist Information Centre*, and the *City Tourism Board*, etc.

In terms of core ideas and messages, Vilnius wants to convey an image of being a cultural tourism city, and when Vilnius hosted the European Capital of Culture events in 2009, the concept of "culture live" was developed with the aim of attracting more culture tourists, both nationally and internationally. Subsequently, the core message that the city is "cosy, friendly and vital" has been developed, targeting citizens, tourists and businesses. There is also a focus on becoming a meeting industry destination and a city-break site.

Target markets are considered to be the neighbouring countries: Poland, Latvia, Russia and Belarus, as well as Germany, the United Kingdom, Finland, Italy, the USA and Sweden.

On the investment promotion side, Vilnius tries to attract investors into local-authority-initiated infrastructural projects or the public sector as well as encourage FDI in general, but usually the investment marketing is considered to be a national priority. The FDI areas promoted are biotech, lasers, IT and ICT as well as financial mediation, communication, commerce and transport. The major investors targeted come from Denmark, Sweden, Estonia, Finland, Germany and Poland.

A reference re-positioning from “the Baltics” to the “Baltic Sea Region” is currently under way, and the notion of being part of Northern Europe is also being introduced, which is in line with the suggestion for the recent brand positioning for Lithuania (read more under the nation-branding section).

Cross-border branding efforts with implications for the BSR

This section argues that cross-border initiatives are of particular importance as potential collaboration partners in the BSR’s marketing efforts, primarily because these initiatives can be expected to be more open to collaboration and international alliances given that they are based on international partnership in the first place.

One of the strongest regional, cross-border brands in the Baltic Sea Region is undoubtedly the **Øresund Region**. The idea of a common region between the eastern part of Denmark and the southern part of Sweden was launched by the mayors of Copenhagen and Malmö and other local politicians in the area at the beginning of the 1990s. The building of the Øresund Bridge in 2000 was a strong factor in turning the notion of a common region into a reality, and the success of the project is said to be mainly due to strong support from the Danish and Swedish authorities and businesses. The Region is comprised of the islands Zealand, Lolland, Falster and Bornholm with Copenhagen as the core centre on the Danish side and the region of Skåne with the city of Malmö as the centre on the Swedish side.

In the first years of this century, the organisation Øresund Network was created and, with the support of branding agency Wolff-Olins, it created a brand platform to support its communication activities. The launch of the Øresund place-branding effort was labelled “the Birth of a Region”, featuring images with no real connection to the local or regional heterogenic context. Instead, the images represented the borderless new economy (in biotechnology, IT and other areas) in a somewhat placeless aura. In 2006, the Øresund Region was positioned as “the Human Capital of Scandinavia” or as “Two Countries: One Region” with four core messages: (1) Technology with a Human Touch, (2) Where Human Capital Grows, (3) The Nordic Main Gate, (4) A State of Mind.

The platform also used the catchphrase “a warm welcome to a cool place”. The Øresund Network organisation was closed down in 2007 and its activities merged into other Øresund organisations.

However, a working group was formed in 2007 to handle the joint marketing issues of the Øresund Region. The idea was to function as a network in which organisations can exchange ideas and collaborate on projects. Swedish and Danish organisations from the regions, municipalities and regional authorities take part in the working group, which meets about 4-5 times a year. The organisations included in the forum can change over time. The Forum for Marketing of the Øresund Region is meant to be the comprehensive, strategic platform to ensure the joint marketing of the Øresund Region. It is a meeting forum run by the existing organisations in marketing on both sides of the strait. In 2010, the Forum for Marketing Øresund will focus its resources on the planned celebrations of the Øresund Region, 2010.

Along with the attempts to create a kind of common space and identity in the Øresund region, various destination branding attempts have also been launched, albeit not as vigorously as the identity-making attempts and, according to observers, with less political support. One of them is the *International Marketing Øresund* (IMO) project, which was created in collaboration between mainly Danish and Swedish tourism councils and businesses, such as SAS. The project aims to promote the Øresund Region for both tourists and businesses in other parts of Northern

Europe and the USA, mainly under the parole: “Copenhagen/Øresund – One destination, two countries”

Systematic efforts have also been made to position the Øresund Region as a hub and a driving force in the Baltic Sea Region. In 2004, the *Øresund Committee* (an association of political bodies in the region) decided to start working on a strategy for profiling the Øresund region in the Baltic Sea area.

The most concrete activity was the EU-supported (Interreg IIIA) project *The Øresund region in the Baltic Sea Area* initiated by the Øresund Committee and implemented during 2005-2007. Communications emanating from the project describe the region as a potential “centre and hub for the Baltic Sea Area” and one of the purposes of a Baltic Sea Strategy for the Øresund region, which the project set out to draw up, was to “position and profile the Øresund Region as a growth centre and engine for development in the Baltic Sea Area”.

Presented in 2007, the Baltic Sea strategy for the Øresund region laid down three overall goals for the positioning and profiling of the Øresund region in the Baltic Sea area: i) the Øresund region should be a centre for knowledge, innovation and creativity, ii) it should be a trading place, and iii) it should be an attractive region for people and companies.

It described itself as a strategy for trade, for increased attractiveness for visitors, investment, students and scientists as well as for handling of goods and distribution. In the strategy, education, culture and tourism play important roles as motives for regional development and the attraction of the Baltic Sea area. It is also about working for the universities of the Øresund region to increase their collaboration with universities around the Baltic Sea to simplify student exchange. The further development of networks in the Baltic Sea area for technology transfer and cluster cooperation is seen as important.

Another driving force for the creation of the Øresund region as a common space for the people of Skåne and the islands of eastern Denmark, and especially for the close co-operation between Copenhagen and Malmö, is the network organisation *Øresund Org*. It was founded at the end of the 1990s by the universities of the region

under the name Øresund University and Øresund Science Region, but these two networks joined under the common umbrella of Øresund Org in 2010. The organisation manages cross-border networks between Danish and Swedish businesses, universities and authorities and acts as an engine for growth and development in knowledge-intensive areas, aiming in this way to attract talent to the area.

The core idea of the organisation is to remove barriers to mobility. It focuses on strengthening the region itself by facilitating competitive clusters in knowledge-intensive areas, such as clean tech, food science, logistics, ICT and material science. However, it emphasises the international outlook of the region, and it tries to attract talent from other parts of the world by emphasising the productivity and international atmosphere of the region. Eight different networks are organised under the Øresund Org umbrella brand. Read more about them here www.oresund.org

One of the most important of the Øresund Org networks is the Øresund Campus. The Øresund Campus aims to attract international students as well as Danish and Swedish students to the area by offering them the option of combining study programmes in 9 universities in the Øresund region.

Another Øresund network with the task of marketing the region is the *Medicon Valley Alliance*, a cluster organisation for the Danish-Swedish life science cluster Medicon Valley. The member-based organisation serves as project leader for cross border initiatives, striving to add to Medicon Valley's position as a world-class life science cluster by creating synergy and value for its 280 members, who include universities, hospitals and human life science companies. One of its overall objectives is to “brand Medicon Valley internationally based on the region's cutting edge research, entrepreneurial business environment and high quality of life”.

Medicon Valley is also one of the founding members of *ScanBalt*, the organisation for the Baltic Sea Region Life science community and its Nordic-Baltic Expats Forum (read more about ScanBalt and the forum under section on the pan-Baltic organisations).

Helsinki and Tallinn have tried the same kind of cooperation initiative across a sea border, although the sea border is somewhat broader. The project started as a cross-border cooperation network in 1999 and established itself as a non-profit association in 2003.

The *Euregio Helsinki-Tallinn* project describes itself as a political discussion platform, an initiator of cross-border and inter-regional projects and networking and an intermediary in promoting cooperation and cross-use of regional competencies. Its partners are the *City of Helsinki*, the *City of Tallinn*, the *Government of Estonia*, *Uusimaa Regional County* and the *Union of Harju County Municipalities*.

Like the Øresund Org, the Euregio has a strong emphasis on cooperation between universities and the development of science cooperation, focusing on developing a twin region with transnational clusters of expertise.

In its 2007-2009 strategy, Euregio Helsinki-Tallinn had a strong focus on other Baltic Sea initiatives and common interests, and the need for cooperation with the St Petersburg region was recognized.

Since 2007, Helsinki and Tallinn have collaborated on tourism promotion in selected Asian countries, such as Japan and China, but also India and South Korea.

Awards, nominations and hosting of international events

When a city in the BSR receives an award or hosts a prominent international event, this can represent particular opportunities for focused place-branding efforts and can create synergy and spill-over effects for other parts of the BSR. It can also have direct or indirect implications for the positioning of the BSR as a whole and its contributions.

Starting with Athens in 1985, the **European Capital of Culture** nomination is often highly prized. As from 2011, two cities in different EU Member States will be twinned and organise a variety of activities and events.

Several Baltic Sea Region cities have hosted or will host the event in the near future. The European Capital of Culture event can offer interesting opportunities for destination-branding for the appointed cities, and for other promotion efforts in the BSR as a whole due to spill-over effects and possible synergy. According to the European Commission, a study carried out by an independent expert between 1995 and 2004 confirmed the positive media response to the event. It has improved the image of the chosen cities in the eyes of their inhabitants and helped develop culture and tourism there.

Vilnius hosted the event in combination with Linz in Austria in 2009. In 2011, *Turku* in Finland and *Tallinn* are scheduled to host the event.

Riga and *Umeå* in Sweden have been recommended as European Capitals of Culture for 2014.

The **European Green Capital** Award, also given by the European Commission, has been conceived as an initiative to promote and reward the efforts of local authorities in improving the environment, to spur cities to commit to further action, and to showcase and encourage exchange of best practice among European cities. The award winners are environmental front-runners and are intended to act as role models to inspire other cities and promote best practice in all other European cities. The European Commission offers the award

winner a communication platform that can give winning cities a dynamic and unique branding platform which, at one and the same time, benefits the cities and increases awareness of the title.

At an award ceremony in 2009, the first European Green Capitals were announced to be two BSR cities: *Stockholm* for 2010 and *Hamburg* for 2011.

Among the finalists for the 2010 and 2011 nominations were also *Copenhagen* and *Oslo*, along with cities like Amsterdam and Bristol. Among the six finalists for the 2012 and 2013 awards is *Malmö* in Sweden.

As with the Culture Capital event, when a BSR city is appointed European Green Capital, it can benefit the region as a whole.

The **World Design Capital** (WDC), awarded by the network International Council of Societies of Industrial Design (ICSID), is a city promotion project celebrating the merits of design. Held biennially, it seeks to highlight the accomplishments of cities that are truly leveraging design as a tool to improve their social, cultural and economic life. The winner holds a yearlong programme of design-related events.

According to the organising network, designation provides a distinctive opportunity for the selected city to showcase its accomplishments in attracting and promoting creative industries, as well as to demonstrate how government and industry can work in concert with educational institutions, designers and citizens to revitalise and reinvent the urban environment. Benefits are said to be that the appointed city can gain visibility as a centre of creativity and innovation, attract investors and creative people, and position itself as a leading city of design on the international stage.

Helsinki has been appointed WDC 2012. The theme of the Helsinki designation will be “Open Helsinki – Embedding Design in Life”, reflecting that design in Helsinki is the enabler of building an open city and a booster of social, economic and

cultural development. At the same time, Helsinki Design is also said to be part of world design – it is created together with the international design community and the people of the world. According to the organisers, Helsinki Design includes well-known global brands, such as Nokia, Kone and Marimekko, popular events like the annual Helsinki Design Week, first-class education and research institutions, such as the University of Art and Design in Helsinki, and strong traditions, such as the architects and designers Eliel Saarinen and Alvar Aalto.

Major sports events represent opportunities for raising the international profile of the hosting city or country.

The biggest sport event to be held in the BSR in the next few years is undoubtedly the final tournament of the **European Football Championship, Euro 2012**, which will be hosted jointly by *Poland* and *Ukraine* in June 2012, and which will attract international attention as well large numbers of visitors to these countries.

Positioning, catchphrases and slogans

One oft-repeated catchphrase for the BSR is the “Top of Europe”. The current Swedish Minister of Foreign Affairs, Carl Bildt, coined it in 2006. Since becoming foreign minister, Carl Bildt has repeatedly used the term in the media and his official speeches⁵, and he has also used the term in the context of “Northern Europe” on his blog. Its use has been quite widespread in a range of BSR settings.

The term has, for example, been used by the BDF in various contexts. One such context is as an overall theme for BDF’s summits: 2006 (“Competing on Top of Europe – the Baltic Sea Region in the Global Playing Field”), 2007 (“Global Challenges, Regional Solutions – Creating a World-Class Arena for Business and Talent on Top of Europe”) and 2009 (“Boosting Top of Europe”). It has also featured as name and theme of the annual State of the Region Reports 2006, 2008 and 2009, published in connection with the BDF Summit.

The tagline has also been used by the Baltic Sea Commission (CPMR-BSC), in a chapter of the pan-European organisation Conference of Peripheral Maritime Regions (CPMR), and the life-science network ScanBalt (read more about ScanBalt above).

Place-branding experts have argued that the term is too generic and that it might have been premature to begin using a catchphrase before the necessary research and identification of potential messages and core ideas had been undertaken. “You should not put a label on the bottle before you know its content”, was one comment⁶. The fact that it has been used before (it is the name of the Nordic Council of Ministers’ newsletter and it is also an established slogan for the Swiss holiday resort Jungfrauoch) can also make it somewhat unsuitable.

Another name that has been put forward from time to time is the “New Hanseatic League”. The name, “the Baltic Sea Region”, has also been subject to debate and it has not always been a given. Both terms – the “Baltic Region” and the “Baltic Sea Region” – are used synonymously, although the latter is winning ground. The former creates some confusion because the “Baltic Region” also denotes the three Baltic States.

At the beginning of the 1990s, a plethora of catchy names for the BSR were proposed in the public debate such as “Baltic Europe”, “Mare Balticum”, the “Amber Gateway”, etc.

⁵ See e.g. www.regeringen.se/sb/d/7417/a/84037 (in English) or www.moderat.se/web/Ostersjoregionen_kan_bli_modell_for_Europa.aspx (in Swedish (‘Östersjöregionen är på topp i Europa’))

⁶ See in Moilanen and Rainisto, 2009, p. 63

The current state of the image of the region

In the light of all this, one has to ask: Does the BSR already have a distinguishable brand image? To put it briefly, there is little evidence to support this. The few surveys that have been carried out point in the same direction: there is no clear brand image, either internally or externally.

One study, conducted by market-survey company Observer for the Baltic Development Forum in 2003, was about the media's perception of the region. It showed that the media have little interest in the BSR as an entity and that publicity was limited. The region hardly appeared as an economic entity and it was mainly taken into account in the political context.

A second study, carried out by the BalticStudyNet in 2006, took an outsider's perspective. This study reached the conclusion that the BSR has not – for the world at large – become a visible and separate identity, either in politics or as a market place, let alone as a higher education area.

Another study, published by the Swedish International Development Cooperation Agency (SIDA) in 2006, measured the Swedish public's

view of BSR integration. This study concluded that the region is not generally seen as a separate entity by the Swedish public, and that the name does not evoke all that many positive associations. Most people do not even seem to have a clear idea of which countries make up the region.

A Polish opinion poll, commissioned by the Office of the Committee for European Integration (UKIE) and to some extent inspired by the approach in the above-mentioned Swedish study, also showed that it is by no means clear in the public perception which countries make up the region. For example, only 46.9% considered Lithuania as part of the region, whereas Norway was seen as a BSR country by 53.2%. Surprisingly, 12% of respondents saw Great Britain as a country in the region.

To conclude this section, it is not difficult to imagine the challenges entailed in building an image for a place that is not really seen as a coherent entity either by outsiders or by its own population.

Final observations

As this report has shown, there are a very large number of activities, networks and organisations working to brand and market the Baltic Sea Region, or considerable parts of it or sectors in it. There are also a lot of projects and networks that seek to facilitate the building of a common identity. In addition, the countries and main cities of the region are also active in trying to build their own brands, and in promoting inward investment, tourism and attraction of talent.

On the positive side, one can argue that all this is good if we want to create a visible and attractive Baltic Sea Region. There seems to be no lack of will, ambition and drive. The fact that the region as such, and so many places in it, have been working actively with these issues for some time now creates what can be called a “mental maturity” for branding and promotion. In an international comparison, the countries and cities of the BSR have probably reached a quite advanced stage in their place branding and place promotion efforts.

On the more negative side, however, it is possible to discern a fragmentation and lack of long-term

perspective. There are very few attempts to coordinate the various activities so as to convey a coherent and consistent message, or to pool resources so as to maximise the outcome of the efforts. If more joint efforts took place, the relatively small actors with scarce promotional resources could achieve both more impact and more outreach internationally. As this report has shown, there are a lot of well-designed and professional projects for marketing the Baltic Sea Region and its parts, but in many cases they are “just” projects, i.e. they only last for a few years and their long-term impact is in many cases probably limited.

To sum up, one of the main observations of this report is that the region has a lot going for it when it comes to becoming more known and appreciated, but it needs to make more effort to coordinate activities, exploit the synergy between them, and work with a longer-term perspective. It may well be that the main solution to these challenges will be the EU strategy for the BSR, because it has the potential to provide not only a framework and structure for coordination and collaboration, but also a long-term perspective.

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Annex 1: Video features about branding the Baltic Sea Region

Baltic Development Forum Summit 2006:

- **Simon Anholt, nation-branding expert, talks about the “Pearl Necklace Strategy” and his three suggestions for branding stories for the BSR:**
http://www.bdforum.org/show/english/summit/_006_summit/video_features/simon_anholt.aspx
- **Carl Bildt, Minister of Foreign Affairs, Sweden, talks about “Top of Europe” and branding of the BSR:**
http://www.bdforum.org/show/english/summit/_006_summit/video_features/carl_bildt.aspx
- **Ojārs Kalniņš, Director, Latvian Institute, talks about Simon Anholt’s branding stories and key benefits for nations in the BSR:**
http://www.bdforum.org/show/english/summit/_006_summit/video_features/ojars_kalnins.aspx
- **Børge Didricksen, Vice-President of Novo Nordisk, talks about branding to attract talents and FDI:**
http://www.bdforum.org/show/english/summit/_006_summit/video_features/borge_didricksen.aspx

Baltic Development Forum member’s meeting 2006:

- **Carl Bildt, Minister of Foreign Affairs, Sweden, argues for marketing the region as “Top of Europe”:**
http://www.bdforum.org/show/english/network/member_meetings/members_meeting_2006.aspx

Baltic Development Forum Summit 2005:

- **Kai Hammerich, former Director General of Invest in Sweden, talks about why BSR needs branding to attract FDI and about the BIPA initiative:**
http://www.bdforum.org/show/english/summit/stockholm_summit_2005/video_features/kai_hammerich.aspx
- **Christopher Beazley, former Member of European Parliament, talks about common identity, branding the BSR and the role of the “Baltic Europe” Intergroup of the European Parliament:**
http://www.bdforum.org/show/english/summit/stockholm_summit_2005/video_features/christopher_beazley.aspx
- **Pelle Törnberg, former CEO of Metro International, talks about how the BSR needs differentiation and clearer positioning:**
http://www.bdforum.org/show/english/summit/stockholm_summit_2005/video_features/pelle_tornberg.aspx



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