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Place branding in strategic spatial planning

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Chapter 6: Tourism as key strategic domain: the regional actors perspective over the tourism potential of northern Portugal (NUTS II) and its relevance for a regional branding strategy

Chapter overview

In line with the sub-research questions and objectives of this thesis (chapter 1), and bearing in mind tourism as a strategic domain for northern Portugal, this chapter aims to clarify the answers of the following questions: (1) is tourism a strategic domain with the potential to support a regional branding strategy for northern Portugal? (2) is a regional branding strategy an engine to enable economic and social transformation in the region, thus responding to the contemporary challenges such as weak economic confidence and unemployment? To answer these questions, a content analysis on the policy documents: (1) Northern Portugal Strategic Guidelines 2014-2020 and (2) National Strategic Plan for Tourism 2013-2015 has been performed. In addition, the chapter details the results of in-depth interviews conducted with two regional entities: (1) Regional Entity of Tourism of Porto and Northern Portugal (TPNP), in charge of national tourism planning and promotion and (2) North Regional Coordination and Development Commission (CCDRN), involved in regional planning and development. The findings reinforce the importance of tourism as a strategic domain to boost the economy and create momentum in northern Portugal. Moreover, tourism is seen by the respondents as a key objective in a regional branding strategy.

6.1. Introduction

In order to enhance their distinctive features, strategic domains, assets (tangible and intangible), places have long been branding themselves (Hankinson, 2010) and tourism destinations are no exception (Pritchard and Morgan, 1998). This process, known as place branding, has often been used to increase tourism revenues (Ashworth, 2011a). As identified in the earliest literature on place branding (Ashworth and Voogd, 1990; Kotler, *et al.*, 1993), as well as in previous chapters, the three main target groups of a place branding strategy, if any, are residents, companies and visitors. Throughout this chapter, tourism will be the main focus of a potential regional branding strategy to boost the economy and create momentum in northern Portugal.

Tourism has often been seen as a key element in the development of places, which have adopted branding strategies - meant to gain a competitive position and assert their identity - in their communication with potential tourists (Morgan *et al.*, 2011). However, tourism destinations, including Portugal and its regions, are facing an ever-growing array of challenges and opportunities (Fyall *et al.*, 2012). In addition, tourism destinations have been dealing with uncertainty at the environmental, financial, economic and social levels (Oliveira, 2013a). These imbalances demand the exploration of strategic domains and unique/distinctive assets by emphasizing the need for long-term strategic thinking combined with the application of active instruments, which can shape a place into its desired identity (Oliveira, 2015a, 2015b).

Defining a place branding strategy involves strategic analysis. According to Albrechts (1999), a strategic analysis or determining a strategic position for a place is the task of spatial planners in support of policy and decision-makers. Therefore, strategic spatial planners could play an important role in setting up a place branding strategy, which would facilitate the development of perceptions in the mind of potential investors, visitors, as well as tourists (Medway *et al.*, 2011).

Strategic spatial planners, geographers, urban and regional researchers could facilitate the identification of the strategic domains or the potentialities of a place (Albrechts, 1999), including the tourism potential of a place. According to Rainisto (2003) planners are also prepared to establish strategic pathways, social and professional networks with place actors, organizations and communities, thus contributing to developing and reinforcing a place's competitiveness. However, places, including the region of northern Portugal, are facing challenges in their economic, social, and political "puzzle" (Albrechts, 1999). As an attempt to address some of the regional challenges, a branding strategy is likely to be effective as an instrument to enhance the image and reputation of a region, and give it visibility as a whole as well as contribute to the attainment of strategic spatial planning goals. However, such a regional branding strategy is more likely to produce positive results for the territory when grounded in a consistent and integrated process, linked with spatial planning strategies and tourism planning initiatives. According to Van Assche and Lo (2011), the combination of spatial planning and place branding can preserve and create assets in a combination that promises a higher degree of stability.

The purpose of this chapter is to explore a possible branding strategy for northern Portugal, emphasizing its regional tourism potential. As I have previously argued, tourism has been identified by the 16 regional actors interviewed for the purpose of this thesis, as a key-regional strategic domain. This chapter aims to reinforce the strategic advantage of tourism in supporting economic, social and spatial transformation and as a response to the contemporary challenges the region, much like the country, is facing. For instance, financial and economic imbalances, and high levels of unemployment have consequent negative impacts on purchasing power.

This chapter employs a qualitative methodology. An inductive approach was adopted to address the research aims that are subjective in nature and are located within an interpretative paradigm. First, a content analysis was performed on the policy documents:

(1) National Strategic Plan for Tourism 2013-2015 (Tourism of Portugal, 2012);
(2) Northern Portugal Strategic Guidelines/Operational Programme 2014-2020 (CCDRN, 2014d).

Secondly, two in-depth interviews were conducted in March 2014 with representatives of:

(1) Regional Entity of Tourism of Porto and Northern Portugal;
(2) North Regional Coordination and Development Commission.

The chapter is structured as follows; after a brief literature review, the chapter starts by setting out the current economic and social scene, and highlighting the importance of tourism at the national (Portugal) and regional levels (northern part of the country). Further, it will proceed with the current branding attempts in Portugal and with the interviewed entities' perspectives on the relevance of the potential of regional tourism. Final remarks and managerial recommendations are presented in the concluding part.

6.2. Regional branding focused on tourism as a key strategic domain

The focus of this chapter is on the tourism potential of northern Portugal, broadly defined in terms of its contribution to a regional branding strategy. It formulates a place branding definition in the vein of Ashworth's (2011a), Van Assche and Lo's (2011) ideas. According to Ashworth (2011a) only a few other instruments, usually used to manage places, have such a wide range of possible applications, such as flexibility in spatial contexts or responsiveness to change, as place branding has. However, only recently was place branding added to the instrument/tool box of strategic planners and place managers (Ashworth, 2011a). Following the research of Ashworth and Voogd (1990), Kotler *et al.* (1993), Ashworth and Kavaratzis (2010), Hankinson (2010), and Van Assche and Lo (2011), place branding has been shown to better prepare a response to macroeconomic unevenness, general economic and social imbalances, and unemployment (through investment attraction, job creation, boosting tourism). After some theoretical clarifications, regarding the application of branding techniques for tourism purposes, this chapter sets the current status of the Portuguese tourism economy and discusses some of the ongoing challenges at the national and regional levels.

The application of place branding to tourism destinations (for example countries, cities and regions) is identified as destination branding (Pritchard and Morgan, 1998). Regions such as Wales (Pritchard and Morgan, 1998), Western Australia (Crockett and Wood, 2000) and Florida (Brayshaw, 1995) have been branded as well with an emphasis on their tourism potential. However, the line between branding a country, a city, a region or a destination is narrow (Herstein, 2012). Moreover, countries, regions, and cities could be, or have already become tourism destinations and, therefore, apply branding techniques.

According to Buhalis (2000), a destination is a geographical unit which is understood by its visitors as a unique entity, with a political and legislative framework for tourism planning, marketing and branding initiatives. Tourism destinations are inherently complex and a range of social, economic, legal, and technological policies affect their appeal, attractiveness, competitiveness and sustainability (Brent-Ritchie and Crouch, 2011). To be successfully promoted in the targeted markets, a destination is likely to benefit from a favourably differentiated image from its competitors, or positively positioned, in the minds of the consumers and potential visitors. According to Echtner and Ritchie (2003), a key component of this positioning process is the creation, management and communication of a distinctive and appealing image, and one that can be developed by a consistent branding strategy.

The spectacular growth of tourism has had a significant impact on the development of accommodation, transportation, leisure, services and hospitality within a spatial context (Gu and Ryan, 2008; Wilkinson, 2007). Governments and public entities, in several countries, including Portugal had started formulating strategic plans for tourism planning and development by the 1990s (Hall, 1994), particularly for its economic benefit (Oppermann, 1997). However, the territoriality of destinations also changes rapidly with unplanned, informal and uncontrolled tourism dynamics, which often lead to environmental degradation (Loumou *et al.*, 2000) and socio-economic imbalances among citizens (Chai *et al.*, 2009). Hence, it is vital to find the right synergies and to implement branding as a whole process with strategic thinking - and placing the strategic domains'/unique potential of each territory, such as tourist assets, tangible and intangible elements, landscape and built heritage at the heart of the process.

6.3. Setting the scene for a regional branding strategy for northern Portugal

In Portugal, despite the fact that the tourism sector provides a large amount of the country's GDP and overall employment, while enhancing competitiveness, and generating social impacts, the recent lower indicators of economic growth and current account deficits have characterized the Portuguese economy as a whole. As a consequence, this has influenced the economy of the northern region of the country. According to OECD (2012b) weaknesses in the labour market, reflected by unemployment indicators, have held back productivity making it harder to gain cost competitiveness.

The economic and financial crisis made macroeconomic imbalances unsustainable and the Portuguese economy has embarked on a challenging process of economic adjustment and reform. Exploring the most up to date macroeconomic information (Table 6.1.) from 2008-2014 the real GDP growth averaged at 0.6 per cent and unemployment rate almost doubled (OECD, 2012b, 2014a). In addition, poor export performance led to high external deficits and indebtedness.

Table 6.1. Macroeconomic indicators for Portugal.

	2008	2009	2010	2011	2012	2013	2014
GDP (USD current PPPs)	26096	26217	26924	26932	27001	27509*	28461*
Real GDP (Annual growth %)	0.2	-3.0	1.9	-1.8	-4.0	-1.6*	0.9*
Inflation rate (Annual growth %)	2.6	-0.8	1.4	3.7	2.8	0.3	-0.3
Unemployment rate (%)	8.8	10.7	12.0	12.9	15.8	16.5	14.1
General Government debt (% of GDP)	82.8	96.1	104.1	107.5	136.3	141.2	149.6
Government deficit (% of GDP)	-3.8	-9.8	-11.2	-7.4	-5.6	-4.8*	-4.5*

Source: own elaboration based on OECD (2012b, 2014a, 2015b) *Estimated value

Despite a growing tax burden, public debt has also increased markedly, reflecting chronic difficulties in managing and controlling public expenditure, of which government-directed investment projects are a good example with consequences for the job market. The national government is resolutely implementing the ambitious three-year EU and International Monetary Fund financial assistance programme of fiscal adjustment and reform (ended in 2014). According to the OECD (2012b), this is fundamental to taking control of the on-going macro-financial adjustment so the situation does not degenerate into a deeper recession. Furthermore, structural reform would be able to support the effort of minimizing the risk of unemployment becoming structural.

Unemployment in Portugal has been one of the main reasons why the incomes of many households have declined during the recent crisis years, which has led to an increase in inequality and poverty reports the OECD (2014a). According to CCDRN (2015a) the unemployment rate in northern Portugal grew from 7.5 per cent in the 1st quarter of 2005 to 18.6 per cent (in the 1st quarter of 2013) and declined to 14.2 per cent in the 1st quarter of 2015 (see Figure 6.1.). The industrial sector was responsible for the job creation that took place in this period (2013-2015).

The youth employment rate in northern Portugal (15 to 24 years) stood in the 1st quarter of 2014 at 36.5 per cent, a result slightly above the previous quarter (35.7 per cent), but lower than the same quarter of the previous year (39.7 per cent). In the 1st quarter of 2014 northern Portugal registered 291 thousand jobless individuals, representing 54 thousand less than in the same quarter of the previous year (-15.7 per cent) although higher than the values registered across the country. Despite the gap between the unemployment rate at the national and regional levels between the 1st quarter of 2005 and the 1st quarter of 2014, and particularly after 2008, the year of the global economic and financial crises, the difference has narrowed on the 1st quarter of 2015, both, in terms of general unemployment rate and youth unemployment rate (see Figure 6.1.), which demonstrates a slight recover of the economy of northern Portugal (CCDRN, 2015a).

In the 1st quarter of 2015 the employment in northern Portugal registered an increase of 1.1 per cent, which according to CCDRN (2015) was driven mainly by manufacturing and trade and overcoming the result of the previous quarter (0.7 per cent).

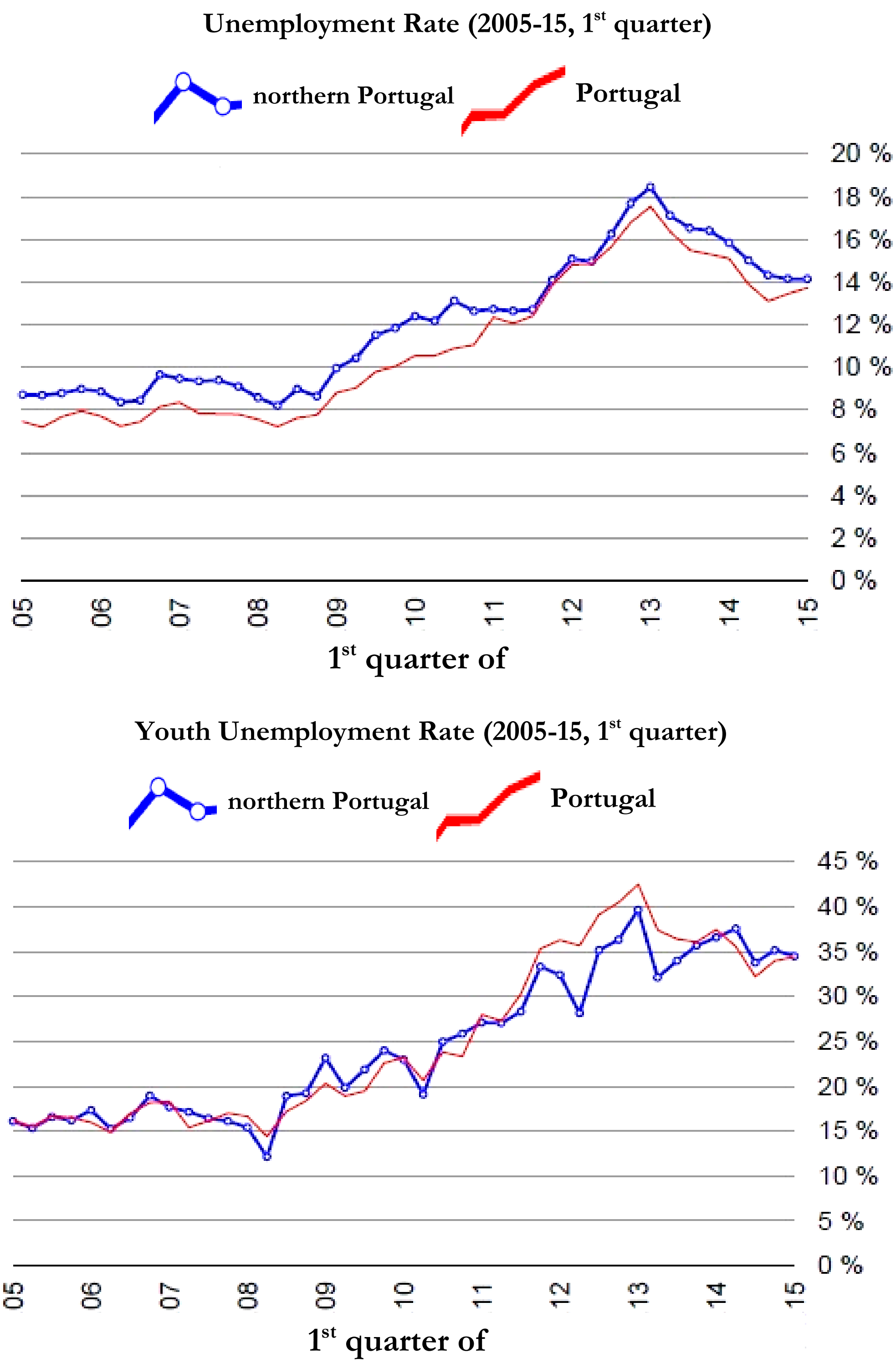


Figure 6.1. Unemployment rate in Portugal and its northern part for the period between 2004 and 2015 (1st quarter of each year). Own elaboration based on CCDRN (2014a, 2015).

According to another source, in this case - Statistics Portugal (INE, 2015) in the 1st quarter of 2015, the unemployment rate was higher than the national average in six regions of the country (Table 6.2.):

(1) Algarve (16.4 per cent);
(2) Autonomous Region of Madeira (15.8 per cent);
(3) Alentejo (15.5 per cent);
(4) Autonomous Region of Azores (14.9 per cent);
(5) Área Metropolitana de Lisboa/Metropolitan Area of Lisbon (14.2 per cent), and
(6) Northern Portugal (14.2 per cent) – altought the second lowest rate.

Only the Centre region registered a rate below the national average (11.1 per cent) and the lowest in the country. The youth unemployment rate in northern Portugal has been following the national tendency registering 34.5 per cent in the 1st quarter of 2015. Unfortunately was not possible to obtain the same indicator of youth unemployment rate for other Portuguese regions (NUTS II) for a comparison.

Table 6.2. Unemployment rate in Portugal and portuguese regions (NUTS II).

Geographical unit	2014		2015
	1st quarter	4th quarter	1st quarter
Portugal	**15.1%**	**13.5%**	↓ **13.7%**
North	**15.8%**	**14.2%**	↓ **14.2% (2nd lowest)**
Centre	11.0%	10.7%	→ 11.1% (lowest)
Área Metropolitana de Lisboa/ Metropolitan Area of Lisbon	16.4%	14.0%	↓ 14.2% (2nd lowest)
Alentejo	16.0%	14.5%	↓ 15.5%
Algarve	18.3%	14.9%	↓ 16.4%
Autonomous Region of Azores	18.0%	15.5%	↓ 14.9% (3rd lowest)
Autonomous Region of Madeira	16.4%	15.1%	↓ 15.8%

Source: own elaboration based on Statistics Portugal (INE, 2015). Note: ↓ lower than in 1st quarter of 2014; ↑ higher than in 1st quarter of 2014; → same than in 1st quarter of 2014;

The unemployment impacts the purchasing power of individuals. Another important indicator in this regarding is the average monthly net. According to CCDRN (2014a) in the 1st quarter of 2014 the average monthly net salary in northern Portugal (€744) registered a real decrease of 1.1 per cent compared to the same quarter of 2013. The average monthly net salary in Portugal is €58 higher (€802) than in the northern part of the country. This result translates into an identical change in the nominal wage in conjunction with a zero average rate of inflation in the 1st quarter of 2014. In the previous quarter, the average wage of northern Portugal had retreated 1.4 per cent in real terms. Over the past four quarters of 2014, the average monthly net salary recorded positive annual variations, both in the northern region, and at the national level (CCDRN, 2014a).

In the 1st quarter of 2015, the average monthly net salary in northern Portugal (€755) registered a lightly increase of 1.4 per cent (€11). On the same quarter of 2015 the average monthly net in Portugal registered a real increase of 2.8 per cent (€824).

Key recommendations stated in the Economic Surveys Portugal (OECD, 2012b) held that for the country and its regions, such as the northern region of Portugal, to restore growth, they should reallocate both labour and capital - essentially towards the tradable sectors as well as to find instruments to enhance the key strategic domains, such as tourism (OECD, 2012b). The reallocation of labour means narrowing the gap between - labour-offer and labour-demand as well as adjusts the labour to market needs. This, does not mean more people or more jobs, does mean add labour where is needed. The same OECD (2012b) document states that tourism, technical textiles, shoemaking/footwear and the production of various national wines are key strategic domains to boost the Portuguese economy and contribute to regional development (some of these domains have also been identified in chapter 5 which reveals an interesting fact for the societal relevance of this study).

By looking to the current economic and social scenario, integrating goals, and engaging with regional actors could play a determinant role in fostering job creation and its maintenance, attracting investment, and supporting the export sector as well as contribute to increasing purchasing power of individuals. At this level, and without exaggerated claims from the theoretical way of dealing with spatial issues postulated in this thesis - place branding by emphasizing strategic domains, as tourism - is likely to be effective in creating regional momentum an contribute to improve socio-spatial and spatial-economic condition of northern Portugal. Thus, the output growth will eventually be enhanced while avoiding high unemployment becoming entrenched and threatening. The regions of the country play an important role as well, not only as passive watchers of social and economic dynamics, but rather as mechanisms of national growth and development. According to Paasi and Zimmerbauer (2011), regions are constructs that work as background contexts for social and economic action. Regional strengths, which include tourism, built heritage, landscapes, traditional music, such as folklore, as well as regional gastronomy are part of the northern regional advantage. However, the question remains: can tourism and related sectors become that engine of growth in northern Portugal? The importance of tourism to Portugal and to the country's northern region will be further discussed below.

6.4. The tourism potential of Portugal

In Portugal, tourism is a key growth driver for the national economy and for the social, economic and environmental development of the Portuguese regions (North, Centre, Área Metropolitana de Lisboa/Metropolitan Area of Lisbon, Alentejo, Algarve, Autonomous Region of Madeira and Autonomous Region of Azores), states the National Strategic Plan for Tourism 2013-2015 (Tourism of Portugal, 2012). According to data from Statistics Portugal (INE, 2013a), tourism revenues in the country increased by 7.2 per cent in 2012 when compared with previous year. As described in Table 6.3., the total contribution of tourism to GDP was, 15.2 per cent in 2011 with €26.2 billion in total. It is forecast to fall by 2.1 per cent in 2012 and is expected to have risen by 1.8 per cent by 2022. In 2011, tourism generated 322,000 jobs directly, 6.6 per cent of total employment, and this is forecast to fall by 0.3 per cent in 2012 to 321,000 (6.7 per cent of total employment). Despite the importance of tourism to GDP and employment, the World Travel and Tourism Council's (WTTC, 2012) forecast (covering 2012-2022) shows a negative growth for the year 2012 and a lower growth of tourism by 2022.

Table 6.3. The economic impact of tourism in Portugal.

	2011 % of total	2012 Growth (1)**	2022 % of total**	2020 Growth (2)**
Direct contribution to GDP	5.3	-2.2	5.4	1.7
Total contribution to GDP	15.2	-2.1	15.7	1.8
Direct contribution to employment	6.6	-0.3	7.0	1.2
Total contribution to employment	17.8	-0.3	18.9	1.2
Visitor exports*	17.3	0.6	15.1	1.6
Domestic exports	3.8	-6.5	3.8	1.9
Leisure exports	8.7	-1.8	8.9	1.7
Business exports	1.3	-5.2	1.2	1.8
Capital Investment	11.5	2.7	12.4	3.4

***Visitor exports -** spending within the country by international tourists/foreign visitors for both business and leisure trips, including spending on transport - (% of total exports); ****forecast **(1)** 2012 real growth adjusted for inflation (%); **(2)** 2012-2022 annualized real growth adjusted for inflation (%). *Source:* own elaboration based on WTTC (2012).

An analysis of Table 6.3. underlines the direct contribution of tourism to GDP in 2011, which was €9.2 billion (5.3 per cent of the total GDP). This is forecast to fall by 2.2 per cent in 2012 and to register a 1.7 per cent growth by 2022. This primarily reflects the economic activity generated by hotels, travel agents, airlines and passenger transportation services. Nevertheless, it also includes, for example, the activities of restaurants and leisure industries directly supported by tourist activity. The total contribution to employment (including wider effects from investment, the supply chain and induced income impacts) was 866,500 jobs in 2011 (17.8 per cent of total employment). This is forecast to fall by 0.3 per cent in 2012 and increase by 1.2 per cent by 2022 (18.9 per cent of total employment) according to the World Travel and Tourism Council (2012).

The Travel and Tourism Competitiveness Report 2013 reveals the Travel and Tourism Competitiveness Index-TTCI (World Economic Forum, 2013) and states that Portugal is the 20th most competitive country/economy in the world in terms of - tourism - among 140 economies assessed. Countries such as Switzerland, Germany and Austria occupied the first three positions.

According to the same report, Portugal received close to 8 million international tourist arrivals in 2012 nearly US $11 million as international tourism receipts. Since 1997 international tourist arrivals and international tourism receipts have progressively increased (UNWTO, 2014), showing the tourism potential in the country and its regions.

According to the United Nations World Tourism Organization (UNWTO, 2014), despite economic and financial imbalances in most of the world's economies, international tourist arrivals grew by 5 per cent in 2013, reaching a record 1087 million arrivals worldwide, up from 1035 million in 2012. France continues to top the ranking for international tourist arrivals, with 83 million visitors in 2012, and is third in international tourism receipts US $56 billion in 2013). The United States ranks first in receipts with US $139.6 billion and second in arrivals with 69.8 million (see year 2013 - Table 6.4.). Europe led the growth in absolute terms, welcoming 29 million more international tourists in 2013, and raising the total to 563 million (UNWTO, 2014).

Table 6.4. World's top tourism destinations in arrivals and receipts (2012-2013).

International Tourists Arrivals					
Rank	Country	Million		Change (%)	
		2012	2013	12/11	13/12
1	France	83.0	…	1.8	…
2	US	66.7	69.8	6.3	4.7
3	Spain	57.5	60.7	2.3	5.6
4	China	57.7	55.7	0.3	-3.5
5	Italy	46.4	47.7	0.5	2.9
6	Turkey	35.7	37.8	3.0	5.9
7	Germany	30.4	31.5	7.3	3.7
8	UK	29.3	31.2	-0.1	6.4
9	Russia	25.7	28.4	13.5	10.2
10	Thailand	22.4	26.5	16.2	18.8

International Tourism Receipts							
		US$				Local Currencies	
		Billion		Change (%)		Change (%)	
Rank	Country	2012	2013	12/11	13/12	12/11	13/12
1	France	126.2	139.6	9.2	10.6	9.2	10.6
2	US	56.3	60.4	-6.3	7.4	1.5	3.9
3	Spain	53.6	56.1	-2.2	4.8	6.0	1.3
4	China	50.0	51.7	3.2	3.3	0.8	1.4
5	Italy	43.7	51.6	13.7	18.1	13.2	18.1
6	Turkey	41.2	43.9	-4.2	6.6	3.8	3.1
7	Germany	33.8	42.1	24.4	24.4	26.7	23.1
8	UK	38.1	41.2	-1.9	8.1	6.3	4.5
9	Russia	36.2	40.6	3.3	12.1	4.8	13.2
10	Thailand	33.1	38.9	16.2	17.7	15.8	17.7

Source: own elaboration based on UNWTO Tourism Highlights (2014).

Growth in absolute terms was led by Southern and Mediterranean Europe, which reported 11 million more international arrivals (6 per cent more) in 2013. The sub-region's largest destination Spain recorded a sound 6 per cent increase in arrivals to 61 million. Other major destinations such as Greece (16 per cent more) - Portugal (8 per cent more) - Turkey (6 per cent more) and Croatia (6 per cent more) also saw a robust growth in 2013 (UNWTO, 2014).

The World Travel and Tourism Council have recently released - The Economic Impact of Travel and Tourism 2015 for Portugal (see WTTC, 2015). This document provides up-to-date information on the economic impact of tourism in Portugal, thus complementing Table 6.3. The direct contribution of travel and tourism to GDP was €10.4 billion (6.0 per cent of total GDP) in 2014, and is forecast to rise by 3.1 per cent in 2015, and to rise by 2.5 per cent (per annum), between 2015 and 2025, and is expected to reach €13.7 billion (6.9 per cent of total GDP) in 2025. Some other relevant information is further provided:

- The total contribution of travel and tourism to GDP, which includes the indirect and induced impacts of travel and tourism on the economy, was €27.3 billion (15.7 per cent of GDP) in 2014, and is forecast to rise by 2.2 per cent in 2015, and to rise by 1.9 per cent (per annum) to €33.6 billion (17.0 per cent of GDP) in 2025;
- The total contribution of travel and tourism to employment, including jobs indirectly supported by the industry, was 18.4 per cent of total employment (831,500 jobs) in 2014. This is expected to rise by 3.2 per cent in 2015 to 858,000 jobs and rise by 1.1 per cent (per annum) to 960,000 jobs in 2025 (20.9 per cent of total);
- Visitor exports generated €13.4 billion (19.7 per cent of total exports) in 2014. This is forecast to grow by 2.2 per cent in 2015, and grow by 2.8 per cent (per annum), from 2015-2025, to €18.0 billion in 2025 (22.7 per cent of total). Money spent by foreign visitors to a country (or visitor exports) is a key component of the direct contribution of Travel and Tourism. In 2014, Portugal generated 13.4 billion in visitor exports. In 2015, the visitor exports and investment is expected to grow by 2.2 per cent, and the country is expected to attract around 9 million international tourist in 2015 (see WTTC, 2015).

When compared to the performance of other countries in terms of total contribution to GDP and to employment in 2014, Portugal holds the 30th position in terms of contribution to GDP - US $36.4 billion (below World and European average) and holds the position number 41st when comes to employment (above European average) (see Table 6.5.).

Unfortunately I could not access data from other sectors of activity (or for the other strategic domains identified in chapter 5), in terms of employment and contribution to GDP at the national and regional levels, to establish here a comparison with tourism. This comparison would reveal the real importance of this strategic domain to the socio-spatial and spatial-economic condition of the region of northern Portugal.

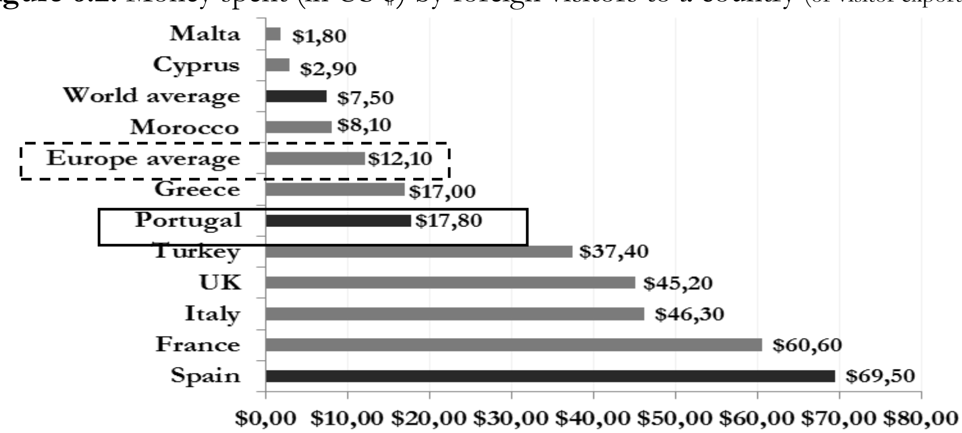
Table 6.5. Travel and tourism contribution to GDP and employment in Portugal and other countries.

Travel and tourism total contribution to GDP			**Travel and tourism total contribution to employment**		
World ranking position	Country name	2014 (US$ billion)	World ranking position	Country name	2014 '000 jobs
5	UK	309.8	11	UK	4228.0
6	France	254.8	16	France	2714.1
7	Italy	216.7	17	Spain	2652.6
8	Spain	214.4	18	Italy	2553.0
14	Turkey	95.8	22	Turkey	2130.2
World average		**58.3**	**World average**		2076.6
Europe average		**45.4**	25	Morocco	1740.7
29	Greece	39.1	**41**	**Portugal**	**831.6**
30	**Portugal**	**36.4**	**Europe average**		749.2
49	Morocco	19.1	47	Greece	699.9
86	Cyprus	4.5	127	Cyprus	82.4
103	Malta	2.9	144	Malta	51.1

Source. Own elaboration based on WTTC (2015).

In terms of visitor exports – which reflects the spending within the country by international tourists/foreign visitors for both business and leisure trips, including spending on transport, but excluding international spending on education, Portugal occupies the position 24th, with US $17.8 billion, above both, Europe and World averages, US $12.1 billion and US $7.5 billion respectively (Figure 6.2. - the highlighted black bar has been used only to emphasise Portugal and highlight two cases for comparison, in this case the world average and the neighbour country of Spain).

Figure 6.2. Money spent (in US $) by foreign visitors to a country (or visitor exports).



Source: own elaboration based on WTTC (2015).

Again, and despite several attempts, I could not access the same indicators for northern Portugal. The next section assembles and critically analyse other relevant data for the region.

6.5. The tourism potential of northern Portugal

Northern Portugal is often associated with the "green" of its natural scenery, characterized by the biogeography of the Peneda-Gerês National Park, mountainous terrain, that provides tourism opportunities (for example for rural tourism). The traditional rural way of life, the ethnography (for example handicraft, folklore, and religious celebrations) and its gastronomy (and wines) contribute to the region's uniqueness and attractiveness (Kastenholz, 2002). Four United Nations Educational, Scientific and Cultural Organization World Heritage Sites (henceforth UNESCO) are also part of the region's cultural assets:

(1) Alto Douro Wine Region (Douro river);
(2) Historic Centre of Guimarães (Guimarães city);
(3) Historic Centre of Oporto (Porto city), and
(4) Pre-historic Rock Art Sites in the Côa valley (Côa river, which is a tributary of the Douro river).

The abovementioned UNESCO sites are not inevitably part of the tourism potential of northern Portugal. I will clarify my argument here. The UNESCO's list has been created with the objective of preservation, conservation and secure future and not necessarily development. Therefore, I acknowledged that the use of these sites for tourism proposes is often limited. An example might be useful here. The Pre-historic Rock Art Sites in the Côa valley is now completely controlled so that only a handful of visitors can actually have access to it, despite that is part of the regional assets and, following the results of the interviews conducted for the purpose of this study (see chapter 5 and below), has been communicated as part of regional tourism potential.

According to the Institute of Tourism Planning and Development (ITPD 2011; 2014) the top six tourist markets in the 4th quarter of 2011 were:

(1) Spain (25.8 per cent);
(2) France (18.3 per cent);
(3) United Kingdom (15.1 per cent);
(4) Italy (9.3 per cent);
(5) The Netherlands (8.7 per cent), and
(6) Germany (6.0 per cent).

The top six tourist markets in the 1st quarter of 2014 were:

(1) France (34.8 per cent);
(2) Spain (15.6 per cent);
(3) Switzerland (14.3 per cent);
(4) United Kingdom (11.1 per cent);
(5) Germany (9.0 per cent);
(6) The Netherlands (4.1 per cent).

Visitors, with residence in one of aforementioned countries, chose to visit the city of Porto and the northern region of Portugal for different reasons (this information has been collected by ITPD at Oporto Airport, Porto, northern Portugal). According to ITPD (2011; 2014), in the 4th quarter of 2011 Spanish visitors visited the region for "business" reasons (32.6 per cent) while French visitors visited the region in the same quarter of 2011 for "leisure" reasons (18.9 per cent). In the 1st quarter of 2014, individuals with residence in France visited Porto and northern Portugal to "visit family and friends", while individuals with residence in Spain visited the region for "business" purposes the same purpose of Dutch visitors (see Table 6.6.):

Table 6.6. General reasons to visit Porto and northern Portugal (values in %) by country of residence (source markets) in 4th quarter of 2011 and 1st quarter of 2014.

2011 (4th quarter)				**2014 (1st quarter)**				
Country of residence*	**Leisure**	**Business**	**Overall**	**Country of residence***	**Leisure/ vacations**	**Visit family/ friends**	**Business**	**Overall**
Spain	**21.8**	**32.6**	**25.8**	**France**	**29.4**	**45.6**	**27.7**	**34.8**
France	**18.9**	**17.1**	**18.3**	**Spain**	**17.2**	**10.1**	**20.2**	**15.6**
UK	**16.1**	13.4	15.1	Switzerland	14.1	**18.1**	9.6	14.3
Italy	7.6	**12.3**	9.3	Germany	**14.1**	5.4	13.8	11.1
Netherlands	**9.8**	7.0	8.7	Netherlands	3.7	2.0	**7.4**	4.1
Germany	4.1	9.1	6.0	Brazil	4.3	2.0	3.2	2.9
Brazil	4.7	0.5	3.2	Italy	3.7	0.7	3.2	2.7
Switzerland	4.1	0.0	2.6	Belgium	1.8	3.4	2.1	2.3
Luxemburg	2.5	0.0	1.6	Luxemburg	0.6	3.4	-	1.4
Belgium	0.6	3.2	1.6	Angola	-	2.0	3.2	1.4
Poland	1.3	1.1	1.2	US	0.6	-	1.1	0.5
Others	8.5	3.7	6.7					
Total	100%	100%	100%	Total	100%	100%	100%	100%

Source: own elaboration based on ITPD (2011; 2014). * Is important to underline here that ITPD does not separate, from the group tourists/visitors, foreign nationals from Portuguese citizens (migrant people) that, for example, return to Portugal to visit family and friends. Of course this methodology does not allow drawing a clear picture of the nationality of the foreign individuals that visit northern Portugal (source markets).

Table 6.6. also informs the reader that in 2011 the main visitors were from Spain and in the 1st quarter of 2014 they were from France. From the total of visitors from France, 45.6 per cent visit the country to "visit family or friends" and 27.7 per cent visited northern Portugal for "business" reasons, followed by "leisure/vacations" purposes (29.4 per cent). Despite the fact that would have been very insightful to identify if different nationalities visit Portugal to do different activities, this

was not possible to identity and debate. Another critique that arises is related to the effectiveness of the data supplied by ITPD regarding the source markets. Analysing the general reasons to visit Porto and northern Portugal by country of residence (source markets), is not possible to clarify if tourists are nationals of the country of residence or not (that means that the values also include Portuguese citizens living and working abroad and return to the region for a visit).

In the 1st quarter of 2014, and according to ITPD (2014) tourists who visited Porto and northern Portugal did so due to "vacation", followed by "visiting relatives/friends" and "business" reasons. Those who came on "vacation", they travelled to the region mainly to "rest/relax", to "visit the region" or to make a "short-break". Tourists on business, they visited Porto and northern Portugal for "business meetings" / "work or sales" / other services (see Figure 6.3., 6.4., 6.5.).

Figure 6.3. General reasons to visit Porto and northern Portugal in 1st quarter of 2014.

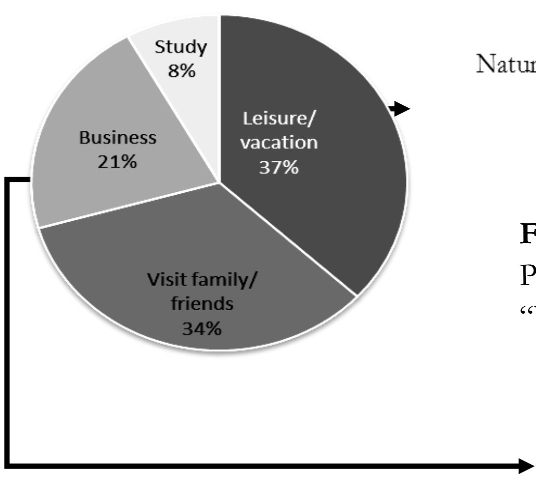


Figure 6.4. Specific motives to visit Porto and northern Portugal in 1st quarter of 2014 of those that visit for "leisure" reasons.

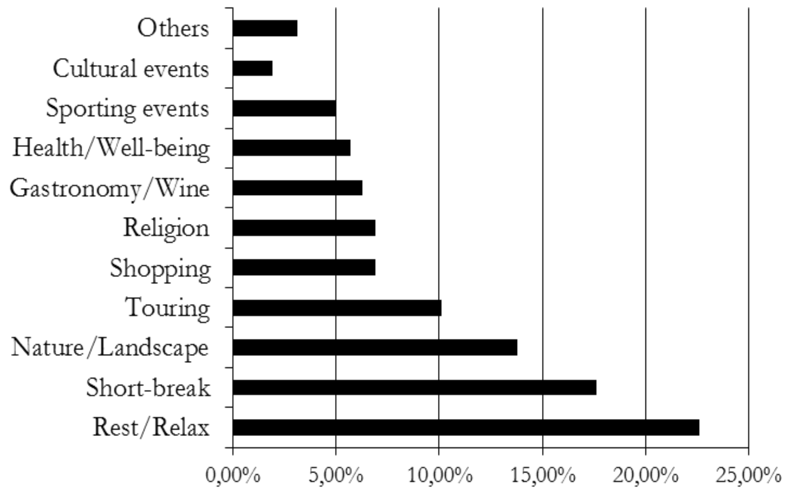
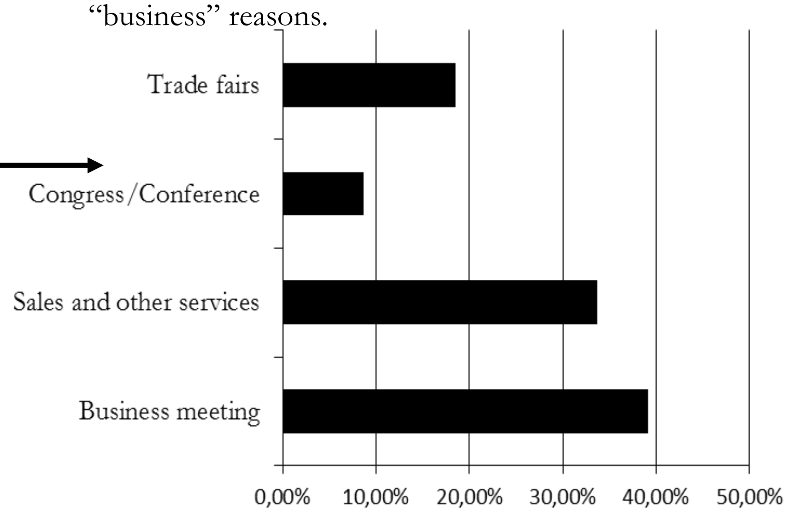


Figure 6.5. Specific motives to visit Porto and northern Portugal in 1st quarter of 2014 of those that visit for "business" reasons.



Source: own elaboration based on ITPD (2014).

In the 1st quarter of 2014, the three main specific motives to visit Porto and northern Portugal were:

(1) Experimenting regional gastronomy (an overall of 62.8 per cent);
(2) Shopping (an overall of 60.2 per cent);
(3) Enjoying the landscape (an overall of 50.3 per cent);
(4) Touring around the region (an overall of 35.5 per cent), and
(5) Night life (an overall of 34.4 per cent).

This is similar to the tourists' behaviour in the 4th quarter of 2011. However, the list of motives is so extensive which reveals the diversity of northern Portugal as whole (Table 6.7.).

Table 6.7. Specific motives to visit Porto and northern Portugal in 1st quarter of 2014.

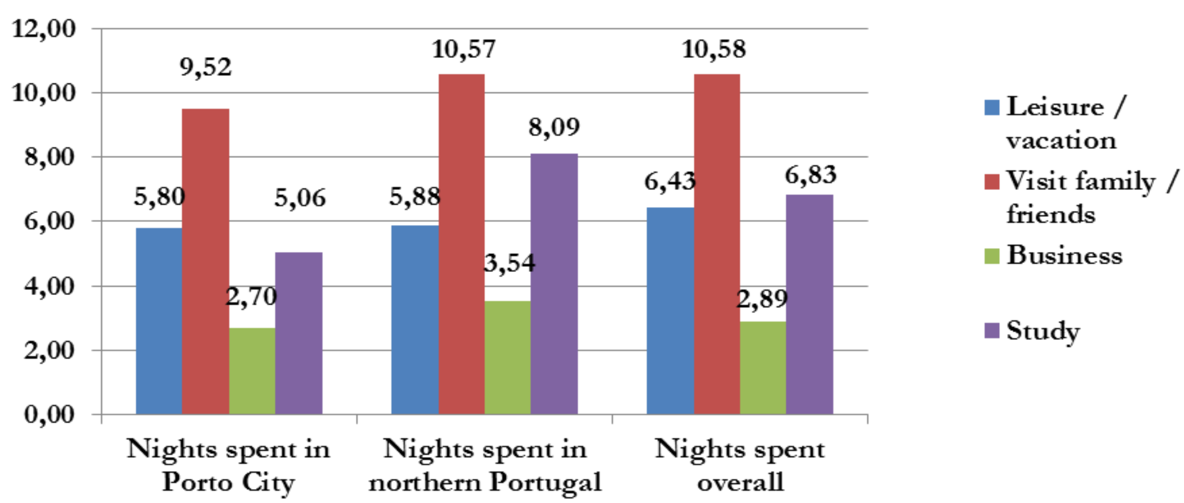
	Of those that visit the region for the following reasons (values in %)			
Motives	**leisure/vacation**	**visit family/friends**	**business**	**Overall**
Experiment gastronomy	**47.4**	**66.4**	**90.7**	**62.8**
Shopping	**67.5**	**68.9**	**37.0**	**60.2**
Landscape	**55.2**	**42.5**	**53.7**	**50.3**
Touring around the region	**35.1**	**50.8**	**9.3**	**35.5**
Night life	**26.6**	**46.7**	**25.9**	**34.4**
Douro Valley	31.8	31.1	9.3	26.7
Built heritage	31.8	25.4	3.7	23.3
Shopping handicraft	21.4	23.0	9.3	18.8
Visiting Douro river in cruise ships	23.4	20.5	1.9	17.6
Visit Casa da Musica (House of Music)	23.4	14.8	1.9	15.6
Visit beaches	15.6	19.7	7.4	15.5
Attending cultural events	15.6	15.6	1.9	12.5
Visit Serralves	15.6	14.8	1.9	12.5
Pre-planned touring by BUS	15.6	14.8	1.9	12.2
Visit museums	15.6	12.3	-	11.4

Visit Port Wine cellars	13.6	13.7	1.9	10.8
Participate of sporting events	8.4	13.8	-	8.5
Visit Côa valley	8.4	11.5	1.9	8.2
Participate of cultural events	8.4	10.7	1.9	7.7
Playing Golf	6.5	12.3	-	7.4
Visit the city of Guimarães	5.8	11.5	1.9	6.8
Participate of sportive events	5.2	11.5	-	6.2

Source: own elaboration based on ITPD (2014).

In the 1st quarter of 2014, the average stay of tourists who chose Porto and northern Portugal for "leisure/vacation" and those who chose the region for "visiting family/friends" were generally higher than in the same quarter of 2013. For "business" tourists the number of nights spent in Porto and northern Portugal were similar to those obtained in the 1st quarter of 2013 (ITPD, 2014). For example, tourists in "leisure/vacation" spent 6,43 nights in the region in the 1st quarter of 2014, while tourists in business spent in the same quarter 2,89 nights.

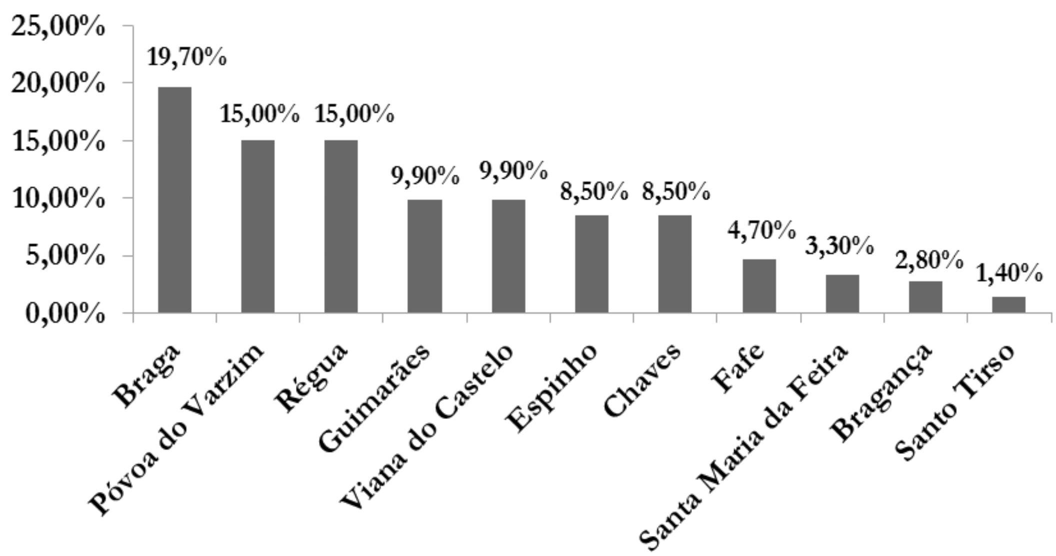
Figure 6.6. Average of nights spent by tourists in Porto and northern Portugal (1st quarter 2014).



Source: own elaboration based on ITPD (2014).

Analysing where the tourists spent the night while visiting Porto and northern Portugal, the ITPD (2014) study attempts to conclude a mixed performance (Figure 6.6.). The nights spent in the region in the 1st quarter of 2014 was 10,58 nights; higher when compared to the same quarter of 2012 (11,29 nights). Also in the 1st quarter of 2014 those tourists who have spent nights outside Porto city chose to do it in (1) Braga, (2) Póvoa do Varzim, (3) Guimarães, (4) Régua, and (5) Viana do Castelo. When compared with previous quarter, the value worth to be highlighted is that the number of nights spent in Braga that decreased from 43.2 per cent (1st quarter of 2013) to 19.7 per cent (1st quarter of 2014) (see Figure 6.7.).

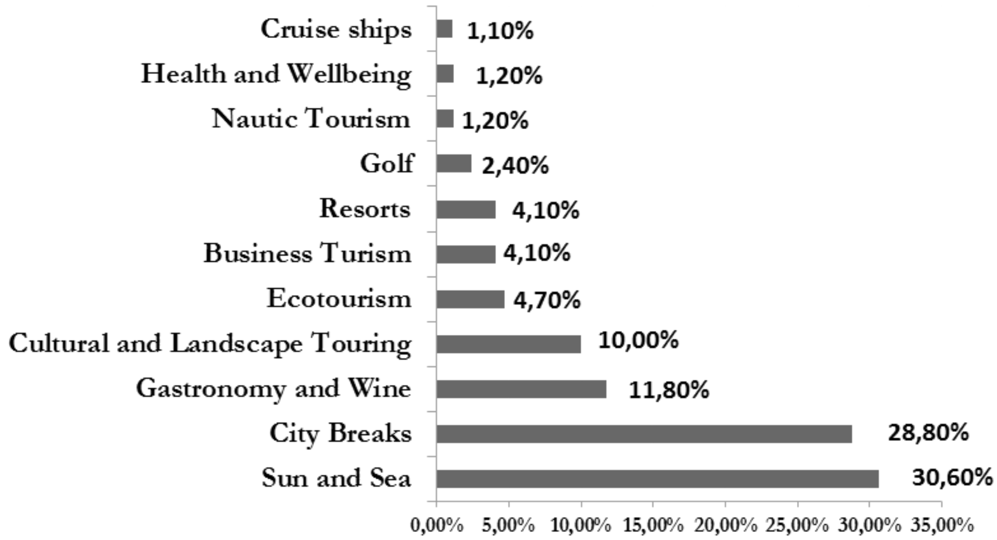
Figure 6.7. Overnight stay cities of northern Portugal, for those tourists who have decided to spend some nights out of Porto (data for the 1st quarter of 2014).



Source: own elaboration based on ITPD (2014).

According to the May 2015 edition of the Tourism Barometer produced and published by the Institute of Tourism Planning and Development (ITPD, 2015) the tourism product – "sun and sea" is the tourism product with higher impact in Portugal in summer 2015, followed by "city breaks", "gastronomy and wines" (see Figure 6.8. for full list of products).

Figure 6.8. Key tourism products for Portugal and its regions in the summer of 2015.

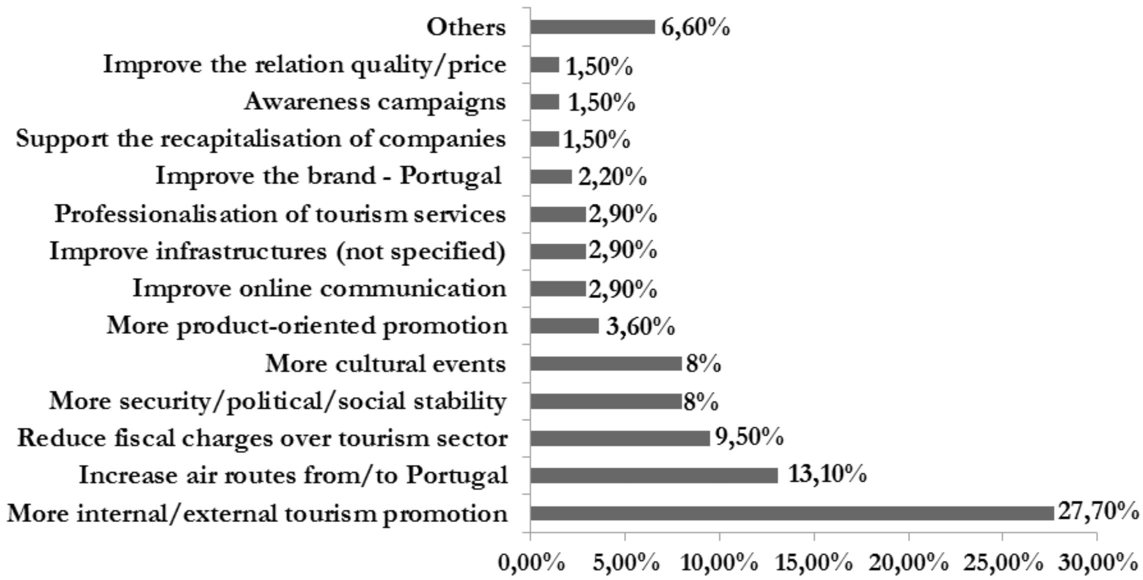


Source: own elaboration based on ITPD (2015).

Tourism also encompasses the opportunity to discover the growing number of certified products with a designation of origin (for example wines, cheese, and olive oil). In addition to wine, olive oil, smoked meats, honey and other agro-food products, as well as bobbin lace and filigree work, many other handicraft goods of extensive quality and authenticity have also achieved such recognition of origin. The built environment, the heritage and the cultural value associated with these products have additionally led to the creation of specific promotional instruments, such as the Olive Oil Route (Terras de Trás-os-Montes), the wines routes "Vinhos Verdes" and the Port Wine Route (CCDRN, 2013).

The Tourism Barometer (ITPD, 2015) also summarises the measures to boost tourism in Portugal and its regions (see Figure 6.9.). Nearly 30.0 per cent of respondents' points to internal and external promotion as the primary measure needed to boost tourism. The need to increase and diversify the air routes from and to Portuguese main airports has also been identified as priority. Only 2.2 per cent of the respondents have identified the need to invest in – "Brand Portugal" as essential to boost the tourism sector at the country and regional levels, while others respondents have identified the need to invest in internal/external tourism promotion (27.7 per cent). Therefore, one can conclude that isolated or "hit and run" place promotional campaigns receive more attention (and importance) than a place brand, for the case nation brand (Brand Portugal).

Figure 6.9. Measures to boost tourism in Portugal and in its regions.



Source: own elaboration based on ITPD (2015).

The Tourism Barometer (ITPD, 2015) is a useful instrument to understand the potential of tourism for Portugal and its regions. However, some of the indicators miss justification and are difficult to frame (even difficult to analyse and debate), such as the meaning of "awareness campaigns" or "improve Brand Portugal". In line with the same source (ITPD, 2015) the key foreign markets to promote the tourism potential of Portugal are: (1) France, (2) Germany, (3) UK, (4) Spain and (5) Brazil. A possible justification for this could be because these countries are existing markets. The next sections will help to clarify the key elements of the two main strategic documents for the tourism sector at the national and regional levels.

6.6. Research methodology employed in this chapter

In line with the research methodology of this thesis, this chapter employs a qualitative methodology, through content analysis and in-depth interviewing. Following the application of qualitative methods involving content analysis in tourist destination studies (Govers and Go, 2004; Tasci and Kozak, 2006; Govers *et al.*, 2007) and bearing in mind the complexity of branding places, a critical content analysis of the two main policy documents for tourism in Portugal and in the northern part of the country has been carried out.

6.6.1. Content analysis of policy documents for tourism at national and regional levels

In line with chapters 3 and 4 as well as the work of Krippendorff (2003) and Oliveira (2013b; 2013c) this chapter has employed a content analysis on two policy documents in terms of their approach towards the tourism potential of Northern Portugal: National Strategic Plan for Tourism 2013-2015 (section 6.6.1.1.) and Northern Portugal Strategic Guidelines 2014-2020 (section 6.6.1.2.).

6.6.1.1. National Strategic Plan for Tourism 2013-2015

The National Strategic Plan for Tourism 2013-2015 (Plano Estratégico Nacional do Turismo Horizonte 2013-2015, in Portuguese), published by Tourism of Portugal (2012), underlines the need to develop tourist activity based on the national assets (whether tangible or intangible). The document highlights tourism as an engine of social, economic and environmental development at national and regional levels, with a special potential relying in the regions of the country such as the northern part (Tourism of Portugal, 2012, p. 7). The weak economic confidence is acknowledged in the document and measures for improvement are presented. Mechanisms are identified to finance entrepreneurial projects related to tourist activity as a means to overcome economic imbalances. Six tourist products for northern Portugal are identified (without any order of importance) and measures to boost them are also clarified (Tourism of Portugal, 2012, p. 28):

- **Cultural and religious-oriented tourism** by connecting a multiplicity of sites of interest. For that to happen the need to provide better information is identified as well as the need to diversify the offer of tourist experiences;
- **Health tourism** (wellbeing, medical and thermal) by creating specialised services as well as improve the coordination between medical service and tourism;
- **Business tourism** which needs better infrastructures and supportive services to make it an effective tourist product. In addition, the national and regional tourism authorities seem to have forgotten that to have business tourism is necessary to have business – so the business climate generates value to tourism and not the other way around;
- **Ecotourism** by developing facilities and improving infrastructures, in particular to consolidate rural tourism. Improve the information and diversify communication channels is also identified as a key priority;
- **Gastronomy and wine tourism** by developing and implementing thematic circuits, develop content and experiences, particularly related with Douro and Port Wine. One of the flagship wines from northern Portugal – sparkly white wine ("Vinho Verde") is not mentioned on the document. This absence can be explained as "Vinho Verde" has a less favourable reputation among non-Portuguese people as it is a too sharp and young wine;
- **Nautical tourism (sailing and surfing)** has been identified as having a great potential in northern Portugal. However, it needs better communication strategies to position it as tourist product, both internally and externally. In addition, it needs appropriate local conditions as well as infrastructures. I have witnessed some improvements but I also see them as isolated cases without a clear strategy or aligned with branding efforts at the regional level neither they are integrated in strategic spatial planning at the national and regional levels.

The list of products presented above, however, is so general, vague and an "all-inclusive list of tourism products" that one can argue that is difficult to clearly and effectively identify the tourism potential of northern Portugal (despite that the key regional actors interviewed have underlined tourism as a key regional strategic domain). Although the National Strategic Plan for Tourism 2013-2015 states that tourism is a strategic domain to rebalance the Portuguese economy and contribute to regional development and cohesion, the document has some incongruities. For instance, it superficially emphasizes the regional tourism potential of northern Portugal and other regions. Moreover, the tourism potential of the main northern cities such as Porto, Braga, Guimarães, Viana do Castelo, Vila Real, Bragança, among others, including their natural landscapes, built environment, traditions, gastronomy and heritage are not integrated. There are references to the need to value public spaces and rationally use natural resources, as well as preserve heritage (Tourism of Portugal, 2012, p. 38). Despite that the National Strategic Plan for Tourism 2013-2015 highlights the need to align the national policies and strategies with the priorities for the tourism sector at the national and regional levels as well as better vertical coordination, which implies the decentralization of competencies, engagement with regional actors, there is, however, an evident disconnection between national policies and strategic spatial planning documents and the tourism strategy for the country (see chapter 3 of this thesis for a deeper analysis).

It is also evident from the analysis of the content of the National Strategic Plan for Tourism 2013-2015 a misunderstanding between what place branding is and what a slogan or tagline is as often the word branding is used interchangeably. According to Ashworth and Kavaratzis (2010) a slogan is interpreted as a brand which is an incorrect conceptualization. For example, regarding the tourist product "gastronomy and wines", a slogan - Taste Portugal (Prove Portugal) - is mentioned as a "brand" to be promoted (Tourism of Portugal, 2012, p. 21 and p. 57). The existence of the "brand"- Destination Portugal (Destino Portugal) - does not prevent the existence of other potential regional brands or brands for specific target markets, such as gastronomy or wines. However, Portugal and its regions will benefit more from an effective and strategic integration of a wider branding strategy and strategic spatial planning, thus making effective and responsible use of resources (natural and financial). However, it is not clear how the current strategic plan for tourism fits with strategic spatial planning documents such as Northern Portugal Strategic Guidelines/Operational Programme 2014-2020 a matter to be discussed further below.

6.6.1.2. Northern Portugal Strategic Guidelines/ Operational Programme 2014-2020

The Northern Portugal Strategic Guidelines 2014-2020 (Diagnóstico Prospetivo da Região do Norte 2014-2020, in Portuguese), published by CCDRN (2014d), is an invited investigation report that is requested from the Portuguese government from CCDRN. The aim of the document is to prepare a concise and prospective economic and social diagnosis of Northern Portugal for the period of 2014-2020, following the agreement between Portugal and the European Commission, and the respective EU Operational Programmes. The Northern Portugal Strategic Guidelines 2014-2020 intend to establish the public policies, and priorities for public and private investment co-financed by the EU (page 5 of the document).

The document follows the EU Strategy 2020 (European Union, 2010). The EU Strategy 2020 is about delivering: smart growth, through more effective investments in education, research and innovation; sustainable growth, thanks to a decisive move towards a low-carbon economy; and inclusive growth, with a strong emphasis on job creation and poverty alleviation. The Northern Portugal Strategic Guidelines 2014-2020 acknowledged the current structural macroeconomic issues. The document also underlines the potential for smart, sustainable and inclusive growth.

Tourism is identified as an activity with high potential for growth, economic restructuring and job creation (page 16 of the document). Tourism is also associated with other activities such as sea economy and health tourism, both strategic domains. A sustainable approach to territorial assets is fundamental to the whole tourism value chain (page 37 of the document).

References to place branding are missing, both for the city or regional level, as extensively argued in chapter 3. There are references to the advantage of promoting competitiveness using technological expertise developed within regional borders. The failure in the attempt to retain visitors and a need to build a regional promotional strategy is identified (page 58 of the document). The document underlines "promotion" instead of "branding" (reinforcing the key findings debated in chapter 3). Thus, it currently lacks long-term actions to re-position, re-imagine and to instigate the reputation of the northern part of Portugal. There are references to the need to develop cooperative ties but the document lacks ideas on how to operationalize this possible cooperation. It is also unclear what kind of cooperation, if sectoral or territorial with other Portuguese regions or across the border with Galicia, for instance.

In order to better understand some of these incongruences and in line with Yuksel *et al.*, (1999), who underline in their work on the tourism potential of Pamukkale in Turkey, that place actors must be involved in the decision-making processes concerning tourism development. And without their participation, sometimes, disputes can arise; two interviews were conducted with two regional actors, respectively: (1) Regional Entity of Tourism of Porto and Northern Portugal (TPNP) and (2) North Regional Coordination and Development Commission (CCDRN).

6.6.2. Analysing interviews with key regional actors

Two in-depth semi-structured interviews were conducted with two key regional stakeholders to retrieve core information and their perspectives regarding the tourism potential of Northern Portugal (TPNP and CCDRN). Both interviews were conducted by the author of this chapter at the headquarters of each institution in March 2014. The locations were; Viana do Castelo, for TPNP and Porto, for CCDRN. In both cases the respondents were professionals from each entity and responsible for planning and operations. The respondents were indicated by the presidency of each institution as being able to represent their interests and perspectives for Northern Portugal. Acknowledging the limitation of the sample, the author takes their participation as an institutional response to the posed questions.

The interview at CCDRN was conducted with the manager of the department of regional development. By using digital recording hardware, following a semi-structured interview guide (see appendix B, page 239), each conversation lasted one hour. The interview at TPNP was conducted with the manager of the department of tourism planning and promotion. Both were indicated by their respective directorates.

Tourism of Porto and Northern Portugal was created to ensure the sustainable development of regional tourism potential. This entity is in charge of enhancing tourism as a strategic sector of the economy of Porto city and the northern region as a whole. The aims of this entity are to define, monitor and assess policies and strategic business plans, as well as to provide relevant information to support public and private decisions, in order to promote the full range of activities in the tourism sector at the regional level.

The North Regional Coordination and Development Commission is a decentralized body of the central government. Its mission is to promote the conditions permitting the integrated and sustainable development of Northern Portugal, thereby contributing to territorial cohesion at the national level. CCDRN, a body which has administrative and financial autonomy, is tasked with coordinating and promoting, in the Portuguese North Region, governmental policies with regard to regional planning and development, environment, land-use management, and inter-regional and cross-border cooperation. The body's fields of intervention also encompass the management of regional operational programmes financed by EU funds supplied to provide support to Portugal, as well as other regional development finance instruments to accomplish strategic harmonization at the regional level in a very specific manner.

Instead of individualizing the different opinions/perspectives on the tourism potential of northern Portugal, this study presents a summary of the key points that were raised. In parallel with structural reforms to return to fiscal sustainability, measures to tackle excessive spending growth and better financial management tools, a place branding strategy able to enhance, in an integrative way, the tourism potential of the country and the northern region, could be effective and generate regional dynamics, and tackle regional unemployment, the respondents have emphasized. The respondents have underlined that tourism is a strategic domain for Portugal and the northern region and a branding strategy at the regional level could make sense but only if preceded by a wider territorial intervention and the definition of a consistent strategy. The need to give clarity to the long-term vision for Portugal has also been asserted. So far this has stayed close to the European Union agenda for 2020. Portugal strictly follows the EU's recommendations and strategic line. Both the TPNP respondent and the representative of the CCDRN agree that the European competitive agenda and the EU guidelines are fundamental to financing any step towards a regional branding strategy but should give freedom to explore uniqueness and inner strategic domains. Following their statement, the discussion went to the level of a potential regional branding strategy.

The opinions have underlined that the development of the regional tourism potential, better communication and an effective strategy could attract more investment. The need to facilitate the licensing of infra-structures, tourist activities and tourist accommodations, for example, has been underlined. Both respondents have agreed that participatory planning and communication tools are essential to spreading a positive message of northern Portugal to the outside world. Furthermore, it is also important to engage with the community and stakeholders, not only from the tourism sector but other sectors of activity. Ensuring the well-being and pride of local communities is of core value when conducting a place branding initiative the respondents have emphasized. However, both respondents have stated that there will be difficulties to design a regional branding strategy as the region is so heterogeneous. Bearing in mind both perspectives designing a regional branding strategy might be a tough task although possible and worth researching about it.

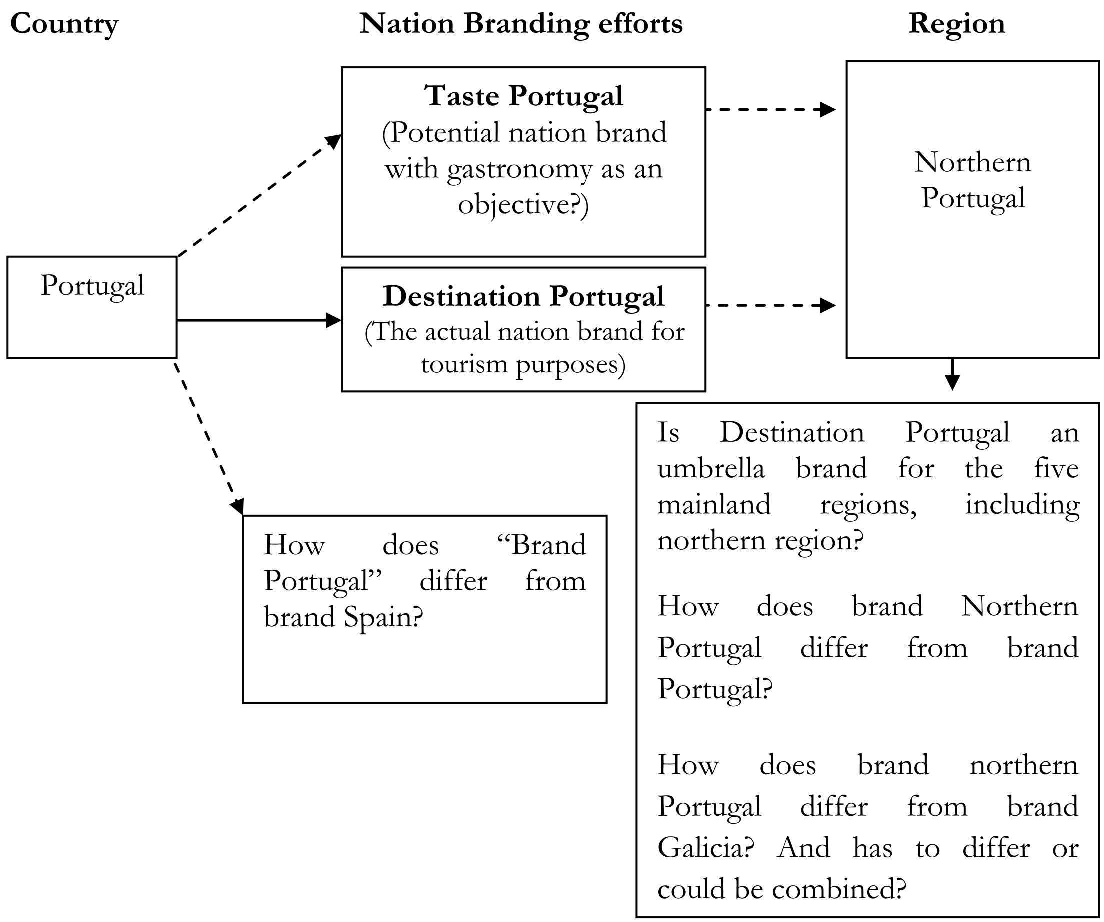
6.7. Conclusions

Bringing together the content of the two policy documents that were analysed for content and the perspectives of the two entities interviewed (TPNP and CCDRN) the results can be concluded that there are misalignments between entities, misconceptions, such as the definition of a place brand, and a nonexistence of a long-term vision for the tourism sector in the country. The economic and social context of Portugal reflects the lack of territorial organization and the definition of unique trajectories for place development and potential branding strategies. Although Portugal has started down a long road of economic adjustment to boost growth and correct an excessive reliance on debt, as stated in the document - Northern Portugal Strategic Guidelines 2014-2020 - a wide range of structural reforms is required to raise productivity and rebalance the economy. This is expected to positively impact the tourism activity in the coming years, as stated by the TPNP. As a policy recommendation it seems more likely to effectively impact the economy of the country as well as support job creation, if a tourism strategy further then 2020 could be designed.

In addition, the National Strategic Plan for Tourism 2013-2015, in line with the 2012 OECD report (OECD, 2012a), underlines that international trade and tourism are key sectors for rebalancing the Portuguese economy as a whole. An economic and social rebalance is paramount to designing a regional branding strategy, a statement that has been shared by the TPNP and CCDRN respondents. Furthermore, deeper knowledge is necessary about what is going on in Portugal, in terms of both strategies, and tactical interventions in the tourism sector. The respondents from Tourism of Porto and the North of Portugal and North Regional Coordination and Development Commission have emphasized that this is in order to support a resilient approach able to enhance national and regional competitiveness, and boost the economy. It has been clearly stated by the respondents that tourism plays a crucial role as a generator of jobs and revenues; therefore, it has been identified as a strategic domain able to integrate a wider regional branding strategy. However, how to operationalize it remains uncertain which open doors for future research.

Even though I acknowledge the value of the national plan for the development of the national and regional tourism sector, the time frame (2013-2015) is in my view a limitation to implementing a long-term strategy and an effective regional branding strategy. In addition, several questions emerge from the analysis of the National Strategic Plan for Tourism 2013-2015 (see Figure 6.10. for a graphical visualisation of some of the question). For example, what is the main distinction between the tourism brand of Portugal (Destination Portugal) and northern Portugal, as the document seldom refers to Portuguese regions? Does Destination Portugal works as an umbrella brand to support the communication of regional tourism potential as the current regional tourism brand - "Porto and the North – The Essence of Portugal"? What about cross-border cooperation between northern Portugal and the Spanish autonomous community of Galicia and possible cross-border branding synergies?

Figure 6.10. Summary of key questions that result of the above analysis on the branding attempts in Portugal and its northern region.



Neither the documents I have analysed in this chapter, nor the interviews I have conducted were useful to provide some answers to the aforementioned questions. From this scenario of doubt, it sounds reasonable to revise the National Strategic Plan for Tourism 2013-2015 and tightening it to the strategic spatial plans elaborated at the regional scale for the period 2014-2020. This revision would bring more consistency and harmonisation of the current branding efforts and would attempt to improve the social and economic conditions of Portugal and its regions.

With the abovementioned in mind, let us return to the research question stated in the introductory part of this chapter – "is tourism a strategic domain with the potential to support a regional branding strategy for northern Portugal?" Place branding in strategic spatial planning could attempt to develop regional synergies by structuring place identities and by highlighting place qualities assets and tourism potential (in line with the theoretical framework of this thesis). However, the need to re-organize the Portuguese territory, special at the regional level, remains a priority. This was emphasized by the respondents. This final remarks works here as a policy recommendation for

Portuguese authorities and it can be generalized and enhance the literature on regional branding. An appealing regional brand, supported by consistent image building and a strategic vision which are integrated in a wider territorial strategy, will allow the development of unique and distinct identities, and to establish a clear and competitive position in the tourism marketplace. The respondents have underlined that there is political will to enhance place competitiveness at the regional level; however, the strategic documents are not effective in that regard.

The second research question was – "is a regional branding strategy an engine by which to enable economic and social transformation in the region, thus responding to the contemporary challenges such as weak economic confidence and unemployment?" From the qualitative research conducted, the analysis of the two main documents and the two interviews, it seems there is a need for ways of thinking and for tools, concepts and instruments that help the central government and regional entities to cope better with challenges. The key findings from the content analysis and the opinions shared suggest that northern Portugal has the potential to explore tourism as a strategic activity to rebalance the regional economy and contribute to regional dynamics and territorial cohesion. A branding strategy able to highlight the tourism potential of northern Portugal could strengthen the position of the region and the country as a whole. As a policy recommendation, the development of a unique strategy for tourism at the national level able to integrate the regional qualities and unique tangible and intangible elements will benefit not only the tourism activity but also related sectors.

Both institutions (TPNP and CCDRN) have highlighted the cooperation between the region of northern Portugal and Galicia in northwest Spain far beyond tourism. Bearing in mind that Galicia and northern Portugal have enjoyed long periods of shared history, culture and identity roots the next chapter, by taking these two regions as an exploratory case study, directly addresses the need to develop place branding, independently of the geographical scale of application (in this case across administrative border regions) through a strategic spatial planning approach. Fulfilling, thus, the second part of the main research question of this thesis and clarify some misunderstanding that have resulted from the content analysis of the two policy documents above mentioned.