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MASTER'S THESIS

NATION BRANDING IN TOURISM: THE CASE OF MONTENEGRO

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LIST OF ABBREVIATIONS

NB – Nation Branding

NTO – National Tourism Organisation

MEDT - Ministry of Economic Development and Tourism

DNB – Directorate for the National Brand

WTTC - World Travel and Tourism Council

MONSTAT – Statistical Office of Montenegro

NBDS - National Brand Development Strategy

INTRODUCTION

Nation branding (NB) represents a concept concerned with applying branding and marketing communications techniques to promote a nation's image (Fan, 2005). There are many conceptual debates on the meaning and scope of NB (Dinnie, 2008; Fan, 2010), where even the authors who adopt the term NB offer a variety of competing definitions (Fan, 2010). For example, Fan (2005, p. 5–6) distinguishes 3 types of definitions: product related, national level and cultural focus. Product related refers to reputation that a product's country of origin gives to it (e.g. French wine, German cars). National level refers to country's brand equity – overall image and positioning (e.g. Korea as a global innovation leader in technology). Cultural focus refers to country's culture and national identity. Later on, Fan (2009, p. 6) states that NB is a process by which a nation's images can be created, monitored, evaluated, and proactively managed in order to improve or enhance the country's reputation among a target international audience. It is important to note that the authors in this field of study, although referring to the same concept, express themselves differently by using a synonym “country” for term “nation” when referring to brand or image, and therefore use these terms interchangeably or exclusively one or the other.

The term “nation brand” was first coined back in 1996 by the field's most prolific author, Simon Anholt (2011), who observed that countries' reputations are much like the brand images of products and companies and should be given the same importance. However, Anholt (2007a) indicates the term got distorted into term “nation branding” which entails that nations themselves can directly manipulate the way they're perceived by using various marketing communications techniques. He regarded this as dangerously misleading, claiming that there is little evidence to support this claim (Anholt, 2011). On the other hand, a literature review shows successful stories of NB, one of them being the case of Singapore, whose ascent from 3rd world to 1st world country in a matter of a very short time span of 30 years was made possible through a carefully coordinated NB programme (Koh, 2017).

In an ever-globalizing world countries compete fiercely among themselves in many different categories. Although NB is a relatively new phenomenon it is quickly gaining attention as its importance becomes acknowledged. Countries engage in NB for various reasons. Dinnie (2008) argues that there are three major objectives nations are trying to fulfil and those are: attracting tourists, stimulating foreign direct investment (FDI) and boosting exports. Anholt (2007b) states that the most significant communicator of a nation's brand is tourism, and it is no surprise that this sector is the one which benefits from a good brand campaign the most.

According to Bell (1976), there are 3 main approaches of studying NB: technical-economic, political, and cultural. The technical-economic approach is concerned with studies focused on the relationship between NB and economic growth, efficiency, and accumulation of capital, such as studies found in management, marketing, and tourism studies. This is the most relevant conceptual approach for my thesis. The political approach is concerned with

studies focused on international and public relations as well as international communication. The cultural approach concerns itself with media and cultural studies, focusing on the implications of NB for national and cultural identity.

Technical-economic studies take a functionalist stance and regard NB as a tool for boosting a country's competitive edge in the international market. The creation of national images, according to the prevalent argument in the critical literature, is not all that dissimilar from branding goods or businesses. Olins (2002) acknowledges that nations are indeed more complex than products, however he argues that when it comes to national identity, people can be "motivated and inspired and manipulated" with the use of the same persuasion techniques which companies use when branding their products. The authors in this category argue that the marketers appreciate the benefits of NB the most, while on the other side it is quite ill-understood by the representatives from public sector (Papadopoulos & Heslop, 2002). This caused many prolific authors in the field to defend their arguments by emphasizing the inevitability of global competition which consequently leads to NB (Olins, 2002; Anholt, 2006c; Gertner, 2007; Yan, 2003). Authors are united in the attitude that in today's world countries face global market competition and therefore there is an emphasis on creating a competitive advantage, as Rainisto (2003, p. 12) states: "The place competition is global, and all places whether located in Europe, Asia, Latin America or the USA, need to develop new capabilities to survive in the competition". Kavartzis (2005) argues that perhaps even more important is to keep existing place-users satisfied with their place.

When it comes to the effectiveness of NB, a common claim in the literature is that "any nation can be viewed as a brand" (O'Shaughnessy & O'Shaughnessy, 2000, p. 56), however some authors claim that nations have always managed their public image even though they did not specify it as "branding" (e.g. Anholt & Hildreth, 2004; Olins, 2002). Loo & Davies (2006, p.198) state that every country represents a brand by itself, and these nation brands could've developed "deliberately or by default, formed from a myriad of different sources, such as word of mouth, education, mass media, travel, product purchases and dealings with its people." NB is presented as an "organic" process which occurs with or without the efforts of the experts and there is little attention given to the history aspect of national identity, except when broad statements are made about the need for national brands to be "rooted in the nation's history, culture and policy" (Wang, 2008). Fan states that "the correlation between countries that have produced strong brands and those that are strong brands themselves is undeniable, yet the direction of causation is unclear" (Fan, 2005, p. 9). Anholt (2008) counters this claim by emphasizing the fact that NB is a long-term process which takes time to yield satisfying results. He argues that when it comes to NB there are 2 "schools" of thought: communication-based and policy-based. He points out that while the first one is more common, the second one is more efficient in producing desirable results (Anholt, 2005).

In order to measure the actual global perception of nations, Simon Anholt developed the Anholt Ipsos Nation Brands Index (NBI). Each country's brand is evaluated by 6 separate

categories: exports, governance, culture and heritage, people, tourism and finally, investment and immigration. Each nation's score across these 6 dimensions is captured in the Nation Brand Hexagon which shows the total index score, allowing for cross-country comparisons (Ipsos, 2020). Similarly, a consulting firm specialized in NB, Bloom Consulting, publishes bi-annual Bloom Consulting Country Brand Ranking issues separately for Trade as well as Tourism. According to Bloom Consulting's Country Brand Ranking in Tourism, Montenegro rates 34th out of 42 European countries and 91st out of 203 according to the world rank (Bloom consulting, n.d.).

The first objective is especially relevant for tourism dependent countries, such as Montenegro, whose economy took a hard hit due to the Covid19 pandemic. Nation branding in tourism has been studied in the neighbouring countries as well. In case of Croatia the use of NB served to dissociate Croatia from its dark history of war and its Slavic roots as well as portray the country as conflict-free, European destination (Rivera, 2008). When it comes to Kosovo, their NB campaign "Kosovo the Young Europeans" emphasized the fact that the Republic of Kosovo is one of the youngest European countries with the youngest population in Europe. The aim of their campaign was to put Kosovo on the map and present it in a positive light (Limani, 2018). On the other hand, Bosnia and Herzegovina is taking a different approach focusing on the "dark tourism" trend which implies traveling to places historically associated with death and tragedy (Vujinovic & Menteth Wheelwright, 2021).

In 2020 due to strict measures imposed by the Montenegrin government to prevent the outbreak of the virus, inflow of tourists decreased by 83.2%, which resulted in a 75% decrease in the contribution to the tourism sector of the GDP at the time (WTTC, 2021). According to a study conducted by the World Travel and Tourism Council (WTTC) out of all the countries in Europe, Montenegro's economy is the most reliant on tourism with as much as 30,8% of GDP coming from tourism sector (Investitor, 2022). Because of these reasons, exploring the topic of NB in depth can be helpful in understanding the best ways forward in developing tourism past Covid-19.

The purpose of this study is to explore how Montenegro approaches NB in tourism sector. This thesis will provide a deeper understanding of the ways the country brands itself in terms of tourism. The economy of Montenegro greatly relies on the tourism industry which is why it is pivotal to conduct a thorough analysis of its branding in the travel and tourism industry. Montenegro's tourism-dependent economy took a hard hit when the Covid19 pandemic struck which is why it needs a fast recovery and the right approach to NB could potentially be the key to this issue. Therefore, this thesis will help better understand how NB in tourism is approached in the case of Montenegro and how Montenegro's brand might potentially offer solutions for bridging the gap in tourism revenue from Covid.

My research goals are:

- To critically review the existing literature on NB
- To analyse tourist inflows in Montenegro and tourism trends
- To analyse Montenegro's legal framework and related activities when it comes to NB (My research sources are National Tourism Organization (NTO), Ministry of Economic Development & Tourism etc.)
- To conduct primary research in the form of an in-depth interview with chosen official from NTO or the Ministry of Economic Development & Tourism
- To provide suggestions to the Montenegrin government on the ways the country can approach NB in tourism

The Master's thesis will be conducted in a form of exploratory case study through use of both primary and secondary data. It will consist of two parts: first the theoretical part, which provides an overview of the most relevant literature in the field of study, followed by an empirical part consisting of an expert in-depth interview combined with content analysis of the related content.

In the theoretical part, my goal was to familiarize the readers with the relatively new concept of Nation Branding. Critical literature review relied on scientific papers and journals issued by research scholars and universities, as well as publications by the prolific authors in the field of study. In the empirical part, I used both primary and secondary data. For my primary data I conducted an expert interview in the form of a semi-structured in-depth interview with a representative from National Tourism Organisation (NTO) of Montenegro, analysed using thematic analysis. The secondary data relied on online research of the legal framework of NB in Montenegro as well as related articles and official channels of Government of Montenegro analysed using content analysis. By combining these two types of data I tried to gain a deeper understanding of the matter and potentially discover gaps for improvement.

The thesis is structured in the following way. The first chapter outlines a comprehensive literature review on NB. This chapter covers the definition, the reasons why nations choose to brand themselves, how do they engage in it and how effective it has proven to be as well as different types of measuring scales. The second chapter provides an overview of tourism industry in Montenegro, its significance for the country, issues encountered and trends in the industry. The third chapter focuses on the NB in Montenegro in general. This implies the analysis of the history of NB efforts in Montenegro as well as its legal framework. In the fourth and final chapter the focus is on tourism aspect of NB in Montenegro. This chapter presents the methodology of the research followed by the findings of qualitative empirical research analysed with thematic analysis.

1 NATION BRANDING

1.1 Defining Nation Branding

In today's highly globalized world branding has expanded its domain from the sphere of physical goods to the sphere of geographical places including cities, provinces, regions and ultimately nations (Roozen, Chia & Raedts, 2017). According to Merkelsen and Rasmussen (2016) NB became the favoured strategic communication framework when it comes to targeting foreigners. Sasikumar (2017) states that NB serves to enhance distinct attributes of a nation in the eyes of its target audiences and therefore it is being associated with those attributes. In order to obtain a competitive advantage by promoting a positive image, countries as well as multinational corporations now attempt to design and implement NB strategies (Sun and Paswan, 2011). Governments utilize branding techniques in order to differentiate their countries in an effort to become more competitive globally (Lee, 2011; Sasikumar, 2017; Merkelsen and Rasmussen, 2016; Silvanto and Ryan, 2014) and to obtain a competitive edge over other nations in the hope that a strong country brand will support the nation's sustainable long-term growth (Frig and Sorsa, 2020; Fetscherin, 2010).

Despite the fact that NB gained remarkable attention among researchers, a consensus on formal and unified definition of the concept is yet to be determined. A comprehensive literature review shows that an integrated NB model has not been established by academics in the field of research (Rojas-Méndez & Khoshnevis, 2022). Nation branding models which are effective must take an integrative approach to the development of NB theory (Lee, 2011).

Although Anholt (2006a) first coined the term "nation brand" back in 1996, and later on conceptualized its derivative "nation branding", the author introduced 6 dimensions for the concept, however he did not argue about its causes and effects. This field of research is relatively still in its early stages which is demonstrated by a lack of generally accepted definition (Hao, Paul, Trott, Guo & Wu, 2019). Rojas-Méndez (2013) argues that the lack of a generally accepted definition is most likely due to the complexity of the concept itself and the fact that it is often confused with terms place branding, destination branding and country branding. Fan (2005) points out that the terms country branding and NB are used interchangeably, although they are in fact different terms (Frig and Sorsa, 2020). Consequently, the subtle distinctions between the two concepts are frequently overlooked.

Both researchers and experts in the field benefit from the development of an integrated NB model. It allows researchers in the field of NB to test the variables in different context on one hand, and on the other it enables experts to apply the strategies more effectively. This is crucial because developing comprehensive and coherent nation brands is very important for countries. Amujo and Otubanjo (2012) support this claim by stating that countries which decided to apply nation rebranding strategies managed to disassociate themselves from the

unfavorably perceived image emerging from events such as natural disasters, genocides, political upheavals etc.

Motivated by a clear lack of a generally accepted definition of the term nation branding Rojas-Méndez & Khoshnevis (2022) conducted a study with the aim of ultimately proposing a comprehensive definition. Rojas-Méndez & Khoshnevis (2022) conducted a systematic literature review focusing on identifying the main definitions of the concept. In his study he found 11 specific definitions of the concept which he then analysed in order to establish a comprehensive definition. The analysis of the existing definitions revealed that there are large differences when it comes to focus as well as the purpose and the outcome of branding a nation. Some authors argue that NB serves as means to enhance or alter a nation's reputation or image, while others believe it serves to establish distinct identity or to promote political and economic interests abroad and at home. Therefore, the definitions taken into account are deemed not comprehensive enough as each of them puts an emphasis on a specific aspect of NB.

For instance, Florek (2005) does not consider the outcomes and the target audiences of NB, rather his focus is on creating positive perceptions and associations. When it comes to Gudjonsson (2005) NB is seen as a useful tool to achieve political goals and to create a positive environment allowing nation brand to compete. Fan (2005, p. 6) perceives NB as the application of "branding and marketing communications techniques to promote a nation's image". Similarly, Kania-Lundholm (2014, p. 607) suggests that the concept represents a "practice where nation states and brand consultants execute marketing campaigns" with the aim of creating attractive nation brands. Fan (2010, p. 101) defines NB as "process by which a nation's images can be created or altered, monitored, evaluated and proactively managed to enhance the country's reputation among a target international audience", while according to Schwak (2016, p. 1) the concept represents "an apparatus of discourses and practices carried out by cooperating private and public sectors, aiming to create a highly competitive national image in the global marketplace of nations". Both Fan (2010) and Schwak (2016) exclusively consider international target audiences overlooking local NB ones. Anholt (2008, p. 22) argues that NB represents "the systematic process of aligning the actions, behaviours, investments, innovations, and communications of a country around a clear strategy for achieving a strengthened competitive identity" and therefore by only focusing on competitive identity, he fails to also consider nation image as its primary purpose. De Chernatony (2008, p. 16) offers a simple definition stating that NB represents a "cluster of values that enables a nation to make promises about a unique and welcoming experience" and thus ignores its result as well as the target audiences. Szondi (2010, p. 5) believes NB is "the strategic self-presentation of a country". He interchangeably uses both terms, nation and country, even though these terms are not quite the same. In a similar manner, Pappu and Quester (2010) and Jansen (2008) ignore the difference between the two terms and simply concentrate on creating identity and not the brand image. In this case creating identity is

achieved through the strategic use of “ name, logo, and other branding elements” (Pappu and Quester, 2010, p. 277).

In order to gain a deeper understanding of the concept, a handful of authors each offer different definitions of NB, however the systematic literature review exhibits that there is still a need for individual theoretical definition which provides a comprehensive description of the concept. In order for the academics and the experts to be able to study and utilize NB, the concept needs to be clearly defined and distinguished from other closely related concepts. For example, only few authors acknowledge the fact that NB represents a strategic process (Anholt, 2008; Florek, 2005; Fan, 2010;). Furthermore, only a couple of authors recognize that in order to reach domestic and foreign audiences both private as well as public sectors need to be involved (Schwak, 2016; Kania-Lundholm, 2014). None of the definitions offered include the pivotal role of NB to position a nation and differentiate it from the rest., while only De Chernatony (2008) acknowledges that NB is crucial to communicate the values of a nation and to promote its image and improve its reputation. Finally, hardly any authors point out the benefits of an effective NB strategy (Anholt, 2008; Schwak, 2016; Gudjonsson, 2005).

Rojas-Méndez & Khoshnevis (2022, p. 8) concluded that an incomplete operational definition of NB is a result of the lack of a comprehensive theoretical definition and therefore, based on prior definitions and previously omitted elements, proposes an extensive NB definition:

"Nation branding is a systematic strategic process of involving public and private sectors to design a branding strategy for the nation, communicate the nation's core values and national identity, and apply branding strategies and tactics to promote a nation's image, improve the country's reputation among all different audiences, differentiate a nation from other nations, and reach economic, social, political, business, and international competitiveness."

1.2 Why countries engage in nation-branding

Much like developing and maintaining a strong, positive corporate brand is vital to managing a firm, managing a country also involves growing its reputation globally. In today's highly globalized world brands became ubiquitous, however the largest brands in the world are nations. Good nation brand means great prosperity for its citizens and its future which is why there is a growing interest among countries to practice NB (Reibstein & Bedi, 2018). There are various reasons why countries decide to engage in NB.

According to Dinnie (2008) there are three major objectives nations are trying to fulfil and those are: attracting tourists, stimulating foreign direct investment (FDI) and boosting exports. In addition to this, talent attraction is another essential objective, which is why countries compete among themselves to attract skilled workers as well as higher education students. Temporal (2009) suggests that, in addition to the above-mentioned key goals, NB

can also "increase currency stability; help restore international credibility and investor confidence; reverse international ratings downgrades; increase international political influence; stimulate stronger international partnerships and enhance nation building" (Dinnie, 2008).

A nation's identity is how it wants to be perceived, while its reputation is the image that foreign audiences form of the country (Rojas-Méndez & Khoshnevis, 2022). Nation branding contributes to creating both nation's reputations as well as identities through the use of symbols, individuals, colours and slogans in order to construct a distinctive personality (Barr, 2012).

Fetscherin (2010) argues that NB might also stimulate stronger international partnerships, increase international political influence and restore flawed international credibility. According to Fan (2008) NB also allows a nation to increase its soft power, which is defined as the ability of a nation to influence the behaviours and preferences of various actors internationally. Additionally, NB may also help national governments better manage and control the image they project to the outside world and draw in investment, business, tourism and talent (Amujo and Otubanjo, 2012; Hao, Paul, Trott, Guo & Wu, 2019). Lee (2011) argues that different industry sectors can benefit from NB which essentially is a tool used to develop a core message related to a nation. It builds a holistic product-country image toward audiences globally which ultimately ensures country-of-origin effects evolving in a favorable direction.

According to Anholt (2006b), one of the most common reasons for NB is to simply prevent the image of a nation from lagging too far behind its rapidly altering reality, which is especially true for developing countries. The brand images of nations naturally tend to evolve at a very slow pace and therefore a nation's image being outdated and no longer useful for supporting its developmental, economic or political goals is almost a universal problem nations face. Morgan, Pritchard & Pride (2004, p. 20) also support this claim by stating that "The reason why nations continue both explicitly and sometimes implicitly to shape and reshape their identities or, if you prefer, explicitly and implicitly to rebrand themselves is that their reality changes and they need to project this real change symbolically to all the audiences, internal and external, with whom they relate".

In today's highly globalized world it has never been more important for a nation to create meaningful differentiation in order to gain a competitive advantage over other nations. Nation branding allows a country to reposition itself more favourably which is why nations worldwide increasingly utilize various branding techniques in order to achieve this.

1.3 How countries engage in nation branding

Nation brand image is typically communicated through a complex blend of the nation's tourism promotions and offerings, its domestic products or businesses, its social, cultural, and political scene as represented in the media globally, as well as its famous and infamous citizens (Anholt, 2006b). National government's core responsibility is managing national image and therefore this entails that the measures for accomplishing this must be incorporated into governance's daily business as well as into daily operations of all major stakeholders of national reputation (Anholt, 2007b).

Anholt (2007b) states that nation brand and national identity are essentially the same thing: nation brand is national identity made useful, meaning tangible and communicable. In addition to this, Anholt (2007b) argues that unless the overall nation brand strategy is based on what is fundamentally true about the nation and its citizens then there is low likelihood that it will be endorsed or believed by the population, let alone the rest of the nations. Gilmore (2002, p. 284) also supports this claim by stating that when it comes to branding a nation it is important to realize that it must be "an amplification of what it is already there and not a fabrication". Strategic positioning of a nation can never be an artificial creation and therefore Gilmore (2002, p. 284) argues that repositioning does not mean "whitewashing the canvas, painting the desired picture of it, and expecting that picture to sell". The nation's brand should be grounded in fundamental truths and in reality of the nation and it must foster connections amongst people.

Nation branding is a complex process as it encompasses multiple dimensions, disciplines, and levels beyond conventional branding. It requires the involvement of numerous stakeholders and is complicated, with multiple levels, disciplines, and components (Fetscherin, 2010). Pop, Baba, Anysz & Tohanean (2020) acknowledge the fact that NB, unlike product branding, is a longer, more complicated process which involves a multitude of stakeholders and in order to achieve the common goal all of them should be equally involved. They suggest that the effects of NB are not immediately visible and that often it takes years before the results of a change become apparent. This lengthy process requires a sustained investment and effort and perhaps the most challenging element is the ability of the stakeholders to successfully cooperate.

Aronczyk (2013) distinguishes 4 steps involved in the NB process: evaluation, training, identification and implementation/communication;

Evaluation

Evaluation is the first step of a NB process. In order to develop and implement a strategy current perception of the nation needs to be evaluated as a starting point. Here a range of research approaches are used to gather and utilize various perceptions. The most widely popular and recognized survey is the Nation Brands Index (NBI), developed by the field's

most prolific author, Simon Anholt, which he describes as "a unique barometer of global opinion". Today governments all over the world regularly use the index to gain support for spending, trade, and policy decisions. The other acknowledged measurement instruments include Bloom Consulting Country Brand Ranking, Brand Finance Nation Brand Report and The FutureBrand Country Brand Index. All of the indices / models demonstrate slight differences in the variables used and therefore complement each other.

Training

Upon establishing an evaluative portrait, the representatives of a nation choose a branding consultancy whose goal is to develop the nation brand strategy. The branding consultancy convenes a working party consisting of stakeholders coming from both private and public sector to assist in the selection and implementation process of the nation brand vision. In this step it is important to note that involving private sector is key. The consultants assemble their chosen brand representatives ranging from the head of state / government, Ministers, CEOs of prominent global corporations, some type of civil society representative (famous e.g. professional athlete) with the aim of "training" or "educating" them in order to invest these stakeholders with the various techniques of nation brand stewardship.

Identification

Developing a "brand essence", also referred to as "core idea" is the third step in NB process. Once the "brand essence" is developed the brand strategy/vision follows. Determining the essence of a nation brand is perhaps the most demanding task of the branding process as it implies reducing all the diversity to a single criterion representing brand identity.

Implementation / communication

Regardless of how well the strategy has been developed by the consultancy, ultimately the primary responsibility for nation brand success lies with individuals including citizens of the nation as well as diaspora members living abroad. The key function, for citizens of the nation particularly, is to "live the brand" which is reflected in performing behaviours and attitudes in line with the national brand strategy. Therefore, it is up to the individuals to take up the role of brand ambassadors. Although the nation brand might be augmented through its logo, slogan and promotional campaigns ultimately this form of communication is not effective without the candid and committed participation of its representatives.

1.4 Measuring Nation Brands

Nation branding has been the subject of a considerable body of literature, rapidly increasing in scope and number, however measurement has not received as much attention. Evaluation is the first step in NB process. Current perceptions of a nation by both foreign as well as domestic audiences need to be established in order to identify the areas for improvement. To

do so, a variety of research methodologies are used to gather and harness diverse perceptions (Aronczyk, 2013).

Nation brand indices and models are shaped and applied to nations in order to measure and/or assess the perception and reputation of a nation worldwide. In their analysis, nation brand models and indices employ diverse or not dimensions and variables. Each of these measurement instruments have their own main purpose, which implies they use a specific data set, samples, research approaches and rationale design. Despite the fact that some of the dimensions and variables are identical across different measurement instruments, they are clearly made up of different ones. Each of them has certain accuracy and rationality advantages and disadvantages and regardless of the fact that they employ various techniques, methodology, samples, and data, it is thought that these indices mutually support and complement one another (Mariutti & Tench, 2015).

Good measurement scale is characterized by accounting for all dimensions of country brand, however due to the very complex nature of the concept creating an all-encompassing measurement scale is a very challenging task. In addition to this, a nation also must be able to provide the data which such a model or index requires in order to perform analysis.

Therefore, further study is required to analyze the concept of nation brand using more thorough and sophisticated metrics. Since few studies have looked at relative weight or hierarchy of each of the dimensions, future study might also look at the relative importance of each NB dimension (Hao, Paul, Trott, Guo & Wu, 2019).

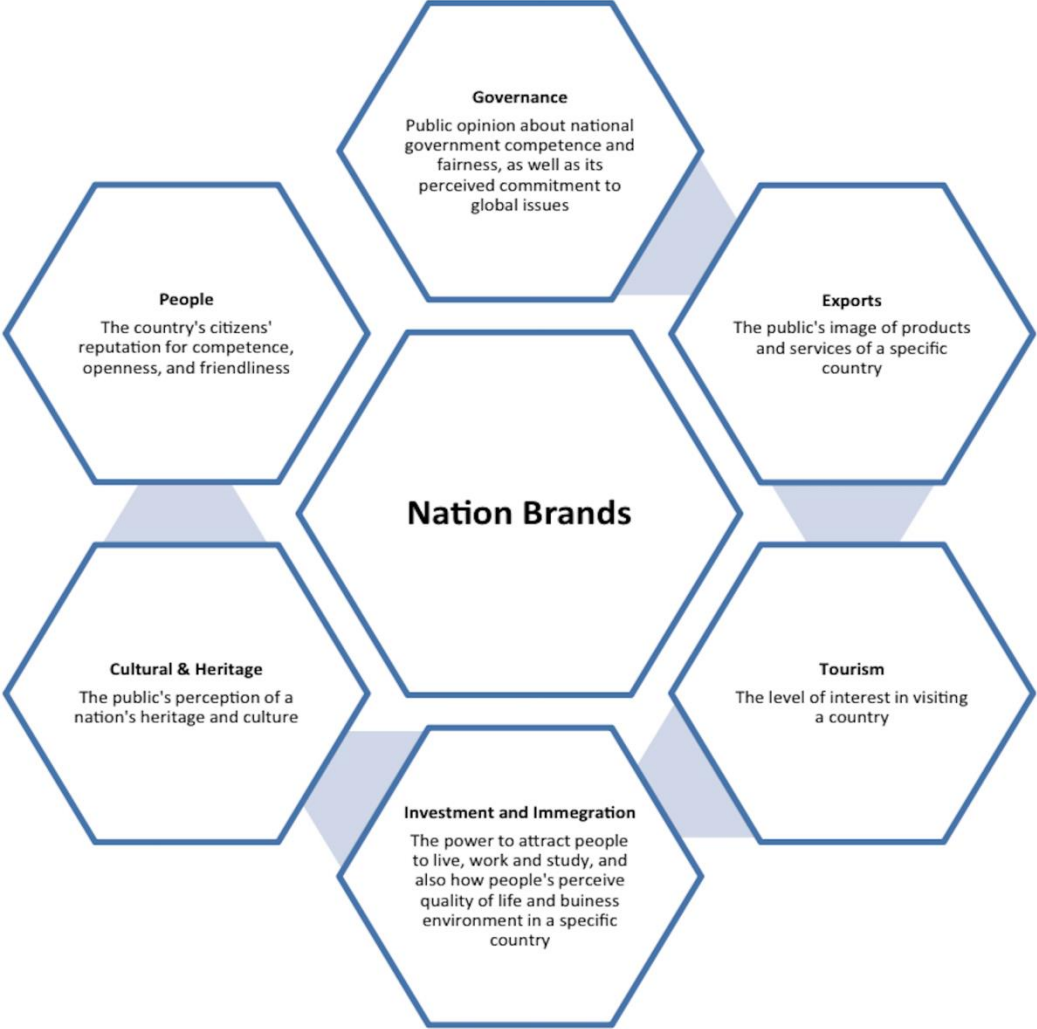
1.4.1 Anholt Ipsos Nation Brands Index (NBI)

Anholt Ipsos Nation Brands Index (NBI) is a global nation brand survey developed by Simon Anholt, the field's most prolific author. The NBI is performed annually by evaluating the image and reputation of 60 nations globally and it involves the completion of over 60,000 surveys conducted online (The Executive Office, 2022). Anholt developed the index in 2005 as means to measure the reputation and image of the individual nations and to track their rankings over time in order to determine whether they rise or fall (The Scottish Government, 2019). Since 2008, Anholt partnered up with the world's third largest market research company, Ipsos, with whom Anholt has been working to deliver the annual study ever since (Ipsos, 2020).

The aim of this measurement system is to assess how global citizens perceive different nations as well as cities and regions. Anholt Ipsos Nation Brands Index (NBI) is used to evaluate and create brand strategies for nations, cities and regions. It offers the global and local insights required to improve a location's reputation and the performance of its tourism, trade, and business sectors. Governments, organizations and enterprises can better understand, assess, and ultimately develop a strong national image and reputation with the

help of the index. By combining the following six dimensions, as seen in Figure 1, it assesses the strength and value of each nation's "brand image":

Figure 1: The Anholt-GfK nation brands hexagon



Source: Hassan & Mahrous (2019).

The Nation Brand Hexagon, which displays the overall Index score, concisely summarizes each nation's performance across the six dimensions. With the help of this tool, various key factors affecting reputation of a nation can be compared across countries in a consistent manner in order to determine how well a country's brand is performing and why. Anholt Ipsos Nation Brands Index (NBI) is one of the best instruments available today to assess and manage the reputation of a nation abroad, with clients ranging from large, developed economies to smaller, emerging economies which aspire to establish new identities and/or monitor the perception of their country over time (Ipsos, 2020). NBI does not include Montenegro in its survey, however Montenegro is included in Anholt's Good Country Index – index which measures what countries contribute to other countries in the world and what

they take from other countries. Montenegro ranks 42nd out of 169 countries taken into account for the purposes of this survey (The Good Country Index, 2022).

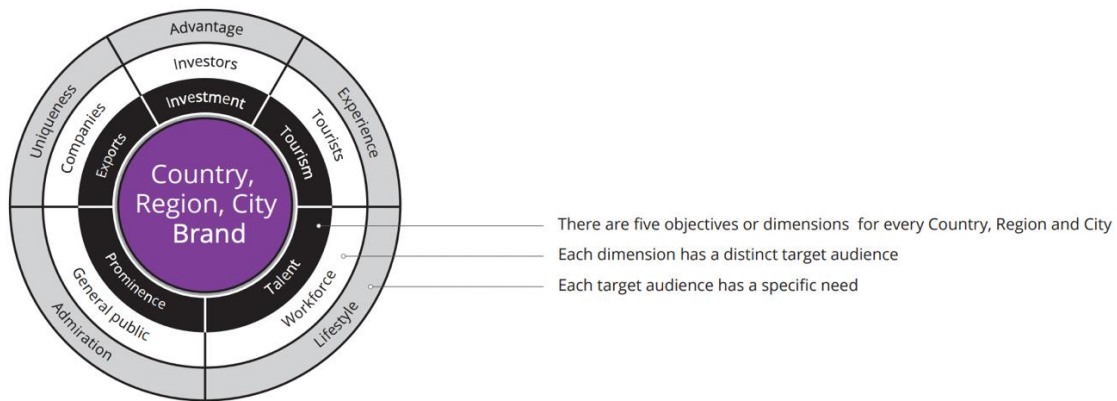
1.4.2 Bloom Consulting Country Brand Ranking

Bloom consulting is a company specialized in Nation Branding, City Branding and Placemaking, and it is one of the most globally renowned and advanced companies engaging in this field of research, working for countries, cities, and regions since 2003 (Bloom consulting, 2022). The company bi-annually publishes Bloom Consulting Country Brand Ranking reports for Trade and Tourism respectively, in which it extensively analyses each nation's brand performance including almost 200 countries worldwide. Its Place Analytics division developed an intelligence tool which analyses and measures a nation's "digital identity", which is a new concept in the field of Nation and City Branding. Country Brand Ranking is used to evaluate the impact of Country Brand strategies. According to Bloom Consulting's Country Brand Ranking in Tourism, Montenegro rates 34th out of 42 European countries and 91st out of 203 according to the world rank (Bloom consulting, n.d.).

Unlike the other rankings, which often focus on soft data, such as expert opinions and surveys, this ranking focuses on tangible data analysed with relevant statistical models and in-house D2 - Digital Demand software. Bloom Consulting's D2 - Digital Demand © is proprietary software which has been developed with the aim of measuring and quantifying the total volume of global searches for tourism-related and nation-specific keywords in more than 20 different languages. According to Bloom Consulting's Digital Country Index, powered by D2, Montenegro ranks 88th in the world when it comes to tourism-related searches.

The significance of a country's digital identity is emphasized more than ever in the latest edition of Bloom Consulting's Country Brand Ranking. Country brand success is greatly influenced by its online performance and appeal, which is why both online performance variable as well as D2 variable have a greater impact on a country's final rating. Furthermore, unlike the other rankings, Bloom Consulting divides its Country Brand analysis into separate dimensions from its Brand Wheel (as seen in Figure 2). Therefore, rather than creating a combination of factors it provides a more extensive and in-depth analysis of each particular area (Bloom consulting, 2022).

Figure 2: Bloom Consulting's Branding Wheel



Source: Bloom Consulting (2022).

The focus is placed on attracting investment, talent, and tourism, while strengthening exports and prominence (implying increase of public diplomacy efforts). The Country Brand Ranking is derived from Bloom Consulting's proprietary algorithm, whose 4 variables (Economic performance, D2 - Digital Demand ©, Country Brand Strategy - CBS Rating © and Online performance) create a comprehensive overview of country rankings.

1.4.3 Brand Finance Nation Brand Report

Brand Finance is a global leading brand consultancy which performs brand valuation as well as develops strategies for nations in order to improve their brand (Brand Finance, 2020). This consultancy performs an annual study known as "Brand Finance Nation Brands report" which examines world's leading 100 nation brands ranked by their strength and value. It also organizes an annual Nation Brands Forum where the consultancy offers practical insights into managing nation brands (Brand Finance, 2022).

In order to measure the value and strength of the nation brands of top 100 countries Brand Finance uses a method which is based on the royalty relief mechanism employed to value the largest corporate brands in the world. The valuation starts off with the analysis of Nation Brand Strength which is determined through evaluating brand performance, investment, and perceptions. Following this step royalty rate is established by relying on the Brand Strength Index. Once royalty rate is determined revenues are analyzed based on the forecasts of GDP of each country involved in analysis. After this step, Weighted Average Cost of Capital (WACC) is computed to take into consideration the risk associated with each national economy. The analysis is concluded with Brand Valuation by discounting the brand-related post-tax GDP streams, determined in the third step, to a net present value using the discount rate (Brand Finance, 2022).

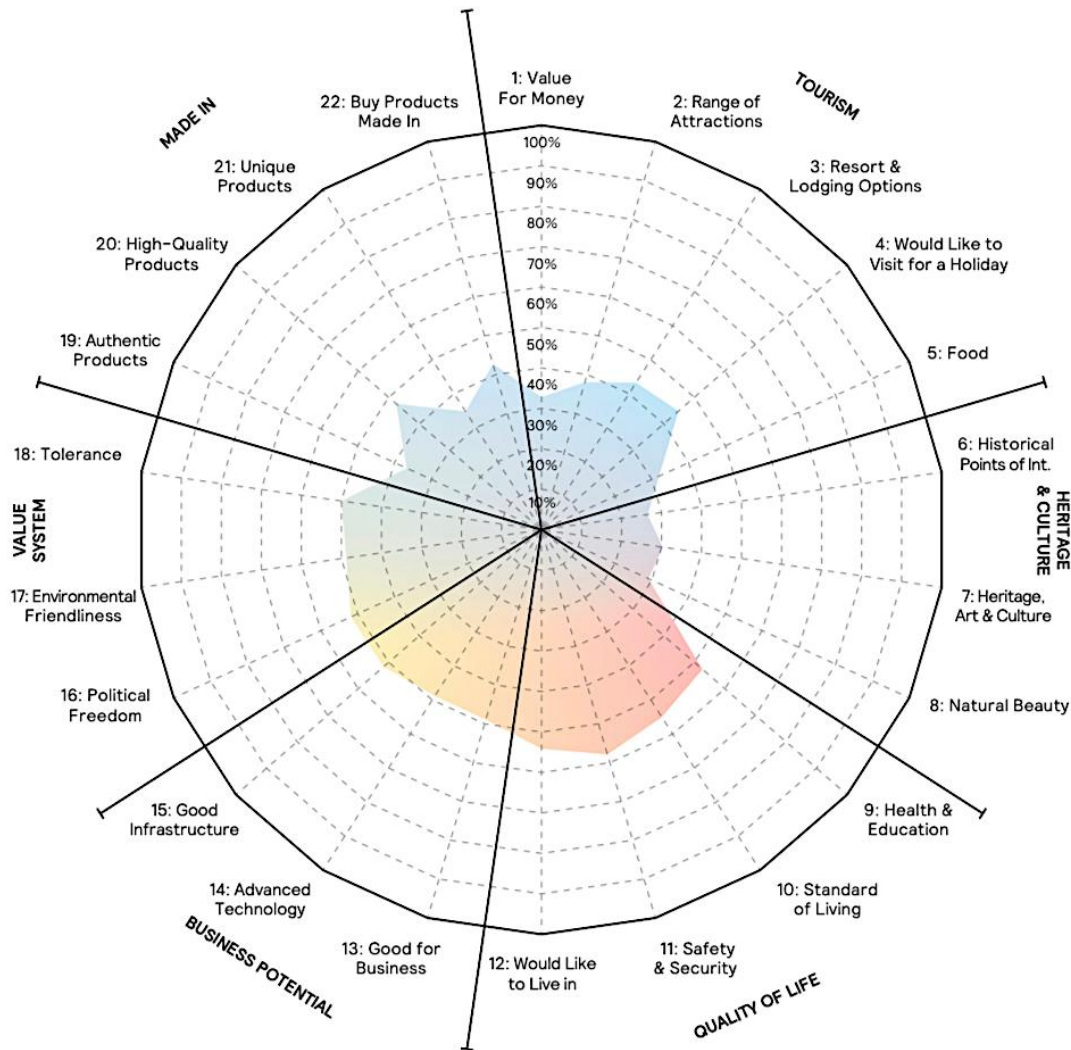
According to Brand Finance Nation Brands 2022 report Montenegro ranks 97th in the world when it comes to Global Soft Power Index, which is defined as the world's most comprehensive research study on perceptions of 100 nation brands from around the world (Brand Finance, 2022). The Index includes opinions of both general public and specialists in the field, collecting responses from more than 100,000 individuals across more than 100 countries.

1.4.4 The FutureBrand Country Brand Index

FutureBrand is a global brand transformation company, and it is one of the top leaders globally when it comes to country brand management and strategy (FutureBrand, 2022). The Country Brand Index (CBI) was first introduced by FutureBrand in 2005 with the aim of measuring perceptions of the country brand strength. Its objective is to demonstrate to country brand managers how closely the perceptions match reality, and to offer a consistent and unified framework for improvement. The index also has an advisory role, emphasizing which areas might benefit from a change of strategy or a renewed focus (Adams, 2011).

The key factors which influence success are identified and the positive correlation between effective country branding and competitive advantage is explored. Unlike other surveys, the questionnaires are not randomly distributed. Instead, the survey consults leading experts in the field holding key positions and having crucial and compelling opinions. FutureBrand collaborates with QRi Consulting, an international research partner, whose three decades long experience in brand strategy makes it an invaluable asset in conducting CBI. The researched is formed from a sample of global frequent flyers who evaluate the reputation and image of the World Bank's top 75 countries by GDP. The survey uses 22 attributes (as seen in Figure 3) in order to examine what matters in terms of a nation's reputation, how the public perceives it both externally and internally and what makes a nation worthwhile of investment (FutureBrand, 2020). The FutureBrand Country Index does not include Montenegro in its survey.

Figure 3: The 22 FutureBrand Country Index attributes



Source: The FutureBrand Country Index (2020).

1.5 Effectiveness of Nation Branding

When it comes to the effectiveness of NB, a common claim in the literature is that "any nation can be viewed as a brand" (O'Shaughnessy & O'Shaughnessy, 2000, p. 56), however some authors claim that nations have always managed their public image even though they did not specified it as "branding" (e.g. Anholt & Hildreth, 2004; Olins, 2002). Loo & Davies (2006, p.198) state that every country represents a brand by itself and these nation brands could've developed "deliberately or by default, formed from a myriad of different sources, such as word of mouth, education, mass media, travel, product purchases and dealings with its people." Nation branding is presented as an "organic" process which occurs with or without the efforts of the experts and there is little attention given to the history aspect of

national identity, except when broad statements are made about the need for national brands to be "rooted in the nation's history, culture and policy" (Wang, 2008).

Fan states that "the correlation between countries that have produced strong brands and those that are strong brands themselves is undeniable, yet the direction of causation is unclear" (2005, p. 9). Anholt (2008) counters this claim by emphasizing the fact that NB is a long-term process which takes time to yield satisfying results. He argues that when it comes to NB there are 2 "schools" of thought: communication-based and policy-based. He points out that while the first one is more common, the second one is more efficient in producing desirable results (Anholt, personal interview October 13, 2005). Undeniably, the success of NB project depends on numerous factors, however, the most essential factor is the quality of the "product" the nation is trying to market.

Success stories from the post-Yugoslav era, such as those of Slovenia and Croatia, are frequently referenced. Upon their respective secessions both nations launched aggressive marketing campaigns. In their NB campaigns Slovenia emphasized its scenic landscapes, while Croatia focused on dissociating itself from its dark history of war and its Slavic roots and portrayed the country as conflict-free, European destination (Rivera, 2008). Both campaigns proved to be remarkably successful, and the countries quickly established themselves as popular tourist destinations. A campaign which stands out is "Cool Britannia", a campaign led by Tony Blair with the aim of rebranding Great Britain as a modern, young and diverse country. Another success story is one of Singapore, whose ascent from 3rd world to 1st world country in a matter of a very short time span of 30 years was made possible through a carefully coordinated NB programme (Koh, 2017).

Although there are many success stories there are also some less fruitful NB projects. One of the countries which was dissatisfied with the outcome of its branding campaign was Switzerland. Following the public accusations of holding Nazi gold, Swiss banks, Switzerland launched a branding campaign. The country collaborated with a branding consultancy firm, however, eventually abandoned the effort. Since the accusations were proven to be true, Swiss government paid \$60 million (250 million Swiss francs) in gold into a fund for European reconstruction as a settlement, however the damage to their reputation was irreparable which ultimately led to dropping the branding efforts (Whittlesey, 1997). Another example of a failed NB campaign is one of Belgium, which abandoned its branding initiative after not experiencing rapid progress. Van Ham argues that in such specific instances the branding campaigns are not to blame, but rather the impatience of the countries expecting instant results. The issue, he states, is that "policymakers don't have the patience, and politically they don't have the time" (Council on Foreign Relations, 2007).

There are other reasons why branding campaigns fail as well. According to Thomas Cromwell, head of a NB consultancy, successful NB requires collaboration of both the government and the private sector. Anholt also supports this claim by stating that without a

collaboration between these agents a nation's many brands can potentially work at cross-purposes. This leads to different agents giving off entirely different messages about the nation (Council on Foreign Relations, 2007).

2 OVERVIEW OF TOURISM INDUSTRY IN MONTENEGRO

2.1 Significance of tourism industry to the development of Montenegrin economy

Montenegro is a country distinguished by its richness in natural diversity. Occupying a rather small territory, it is a country of contrasts of South and North, with 5 UNESCO World Heritage sites, 5 national parks, 6 nature parks, 2 marine protected areas, 3 Ramsar sites and plenty of lakes, with rich historical, cultural, and multicultural heritage, as well as authentic cuisine. Despite these facts, Montenegro is yet to valorize its potentials adequately and fully, by establishing itself as a year-round tourist destination. Tourism represents a strategic economic branch, crucial for further development of Montenegrin economy. Up until 2020, a year marked by the outbreak of Covid19 pandemic, throughout the years tourism industry in Montenegro experienced a continuous rise in the number of visitors, overnight stays, investments, and total revenues.

The main indicators covering the economic contribution of tourism in Montenegro, stated in the report of the WTTC (WTTC, 2021) are following:

- In 2019 total contribution (direct & indirect) of tourism & travel sector to the gross domestic product (GDP) was 30.8%, the total contribution to employment was 31.9% and the share of tourism in total exports was 52.6%
- In 2020 total contribution (direct & indirect) of tourism & travel sector to the gross domestic product (GDP) was 7.7%, the total contribution to employment was 22.1% and the share of tourism in total exports was 14.4%
- In 2021 total contribution (direct & indirect) of tourism & travel sector to the gross domestic product (GDP) was 25.5%, the total contribution to employment was 26.4% and the share of tourism in total exports was 68.4%

In 2019, out of all European countries Montenegro had the largest total contribution of tourism & travel sector to the GDP, which was also considerably larger than Croatia who came in the second place at the share of 24,8%. This fact demonstrates the magnitude of importance of this sector to Montenegrin economy, which is why it is pivotal for Montenegro to engage in NB. In 2020 Montenegro's annual GDP growth rate decreased by 15.3%, which was the highest decrease out of all European countries. In the following year it increased by 12.4% which was the second highest increase in Europe, followed by Ireland whose annual

GDP growth rate increased by 13.5%. As the current data indicates, in the second quarter of 2022 Montenegrin GDP growth rate increased by 12,7% which is the highest increase in Europe (Eurostat, 2022). Once again, this proves the tremendous impact the tourism industry has for Montenegro. Looking at the statistics from 2009 to 2019, it can be concluded that the number of overnight stays increased by 91%, the number of tourists by 119% and the total revenue increased by 92%. The data also shows that more than 90% of tourist arrivals are in the coastal area and the visits mainly happen during brief summer period, from June to September (MONSTAT n.d.).

2.2 Key problems and barriers of tourism in Montenegro

Tourism in Montenegro is mainly characterized by high seasonality, low average prices and limited tourist offer. Montenegro features a typical "sun and sea" tourism model: guests staying relatively long, concentrated in the coastal area during the summer months. In that regard, Montenegrin tourism is not an exception - Despite the fact that Mediterranean countries have a rich historical and cultural legacy, most visitors come to enjoy breath taking coastal landscapes and warm climate. On average the duration of tourists stay equals 5.55 days (MONSTAT, n.d.).

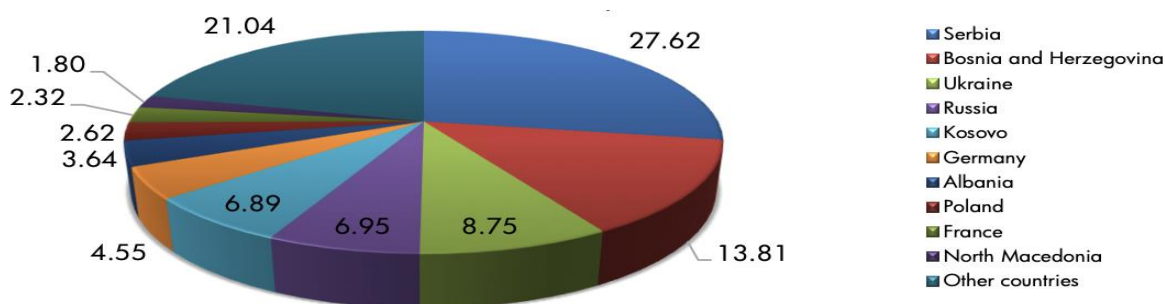
More than 75% of tourist overnight stays are realized in the months of July, August, and September, which means that in Montenegro, seasonality is more pronounced than anywhere else in the European Union (EU). This prominent seasonality of tourist arrivals represents a major challenge for the companies which operate in the travel & tourism sector and, it confines the spill-over effect to other industry sectors. This issue is especially detrimental to infrastructure with substantial fixed costs, for example large hotels. The occupancy rate of hotels in August is 100%, while in February and December it does not even reach a 20% rate (MONSTAT, n.d.). High seasonality represents an issue also for traders and producers offering their goods and services, as they must cater to the substantial yet transient demand of tourists (Vlada Crne Gore, 2021).

This is one of the factors that contribute to tourism's high import dependence – the positive impact the tourism sector makes on other sectors domestically is limited considering that the short summer seasons provide insufficient motivation to expand the production capacity. Furthermore, the accommodation offer in Montenegro is mainly focused on private accommodation, as it requires less labour and therefore it is preferred. This might explain the relatively small employment share in the tourism sector, in comparison with the overall tourist consumption in GDP. Another issue related to the high seasonality is that it prevents stable employment during the year, and therefore the season workers make up as much as 50% of the overall number of employees in this key sector (Government of Montenegro, 2021).

2.3 Structure of tourists in Montenegro by country/nationality

The ten most relevant source markets in 2021 with regards to arrivals from least relevant to most relevant, as seen in Figure 4 below, were: North Macedonia (1.8%), France (2.3%), Poland (2.6%), Albania (3.6%), Germany (4.5%), Kosovo (6.9%), Russia (6.9%), Ukraine (8.7%), Bosnia and Herzegovina (13.8%) and finally, Serbia (27.6%)

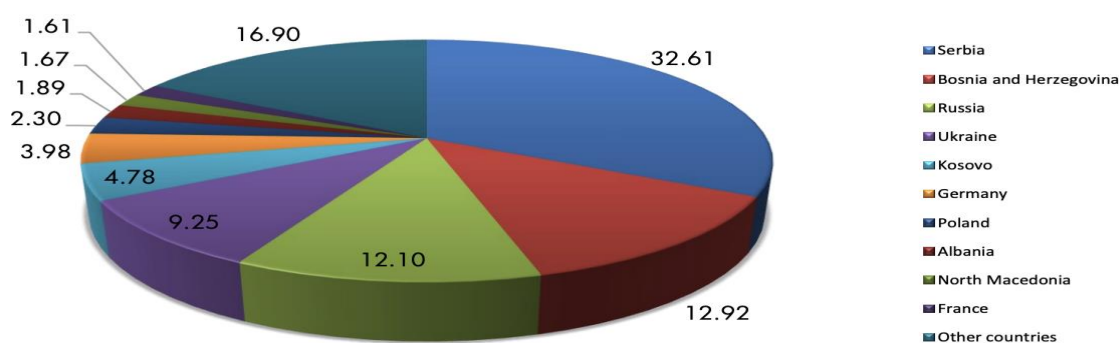
Figure 4: 10 Most relevant source markets in terms of arrivals in 2021



Source: MONSTAT (n.d.).

The ten most relevant source markets in 2021 with regards to overnight stays from least relevant to most relevant, as seen in Figure 5 below, were: France (1.6%), North Macedonia (1.7%), Albania (1.9), Poland (2.3%), Germany (4%), Kosovo (4.8%), Ukraine (9.2%), Russia (12.1%), Bosnia and Herzegovina (12.9%), and finally, Serbia (32.6%)

Figure 5: 10 Most relevant source markets in terms of overnight stays in 2021



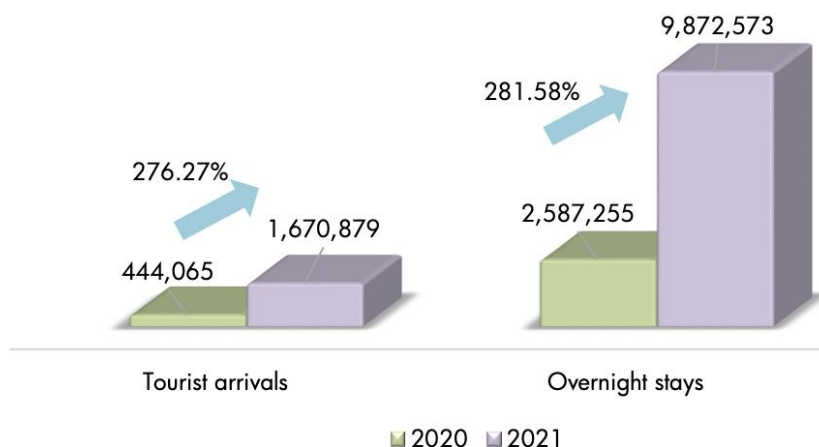
Source: MONSTAT (n.d.).

2.4 Tourist arrivals and overnight stays in collective and individual accommodation

The Statistical Office of Montenegro (MONSTAT) reports that 9,872,573 total overnight stays and 2,587,255 total tourist arrivals were recorded in 2021 (as seen in Figure 6). Compared to 2020, in 2021 arrivals rose by 276.27%, which accounts for 63.23% of the

overall arrivals recorded in the pre-pandemic year. When it comes to overnight stays the situation is quite similar with an increase of 281.58% in 2021 compared to 2020, the figures account for 68.33% of the level of overnight stays recorded in 2019.

Figure 6: Total number of arrivals and overnight stays 2021/2020



Source: MONSTAT (n.d.).

Table 1 provides an overview of overnight stays, arrivals, average duration of stay in Montenegro as well as share of overnight stays and arrivals calculated based on overall number of foreign tourists in 2021, excluding the domestic tourists. The table also includes a comparison of two consecutive years with regards to the numbers of overnight stays and arrivals. For research purposes of their agency, MONSTAT, defines a domestic tourist as an individual who has permanent residence in the country, who resides temporarily anywhere in the country, and spends at least 1 night in accommodation establishment. On the other hand, a foreign tourist is defined as an individual whose permanent residence is outside the country, who likewise resides temporarily anywhere in the country, and spends at least 1 night in accommodation establishment.

From the table we can conclude that all most relevant source markets are in Europe. Tourist arrivals from countries outside of European continent amounts to 83,627, while the number of European tourists amounts to 1,469,931, which is almost 18 times more than the non-European visitors figure. This reflects the fact that Montenegro still has a long way to go when it comes to NB and although it is slowly gaining popularity among European travelers it is yet to become known to the audiences abroad. Also, the airline connections Montenegrin airports currently have are rather concentrated on the European continent with very few to no direct flights outside Europe depending on the season (Airports of Montenegro, 2022).

Table 1: Statistical data on total overnight stays and arrivals in 2021

Region	Tourist arrivals since the beginning of the year	Overnight stays since the beginning of the year	Average length of stay in days	Tourist arrivals in %	Overnight stays in %
Europe	1,469,931	9,029,150	6,14	94,62	95,81
VAN-Europe lands	83,627	394,653	4,72	5,38	4,19
Total	1,553,558	9,423,803	6,07	100	100

Source: MONSTAT (n.d.).

Table 2 below demonstrates monthly tourist traffic for 2021, where we note a substantial rise in tourist arrivals when compared with a pre-pandemic year, 2020. The only exception to this is the first quarter – due to Covid-19 measures taken by the Montenegrin government at the time to prevent the virus from spreading. The seasonality problem is clearly demonstrated in the table below, where we note that during the summer months the number of arrivals and overnight stays dramatically increase compared to the rest of the year.

Table 2: Overnight stays and arrivals by month and in total in Montenegro in 2021

Month	Arrivals	Overnight stays
January	21,480	110,246
February	20,957	111,671
March	17,845	129,001
April	29,206	153,743
May	67,205	309,134
June	149,238	840,104
July	479,534	2,782,386
August	574,546	3,564,109
September	169,708	1,077,453
October	64,750	411,870
November	41,185	207,034
December	35,225	175,822
Total	1,670,879	9,872,573

Source: MONSTAT (n.d.).

Table 3 below demonstrates the number of overnight stays and tourist arrivals in 2021 in total and also divided by two types of accommodation respectively– collective, which

includes hotels and equivalent types of accommodation, and individual accommodation. The table clearly exhibits the issue of high fixed costs collective accommodation owners face due to high seasonality of demand, which is why private accommodation dominates the offer.

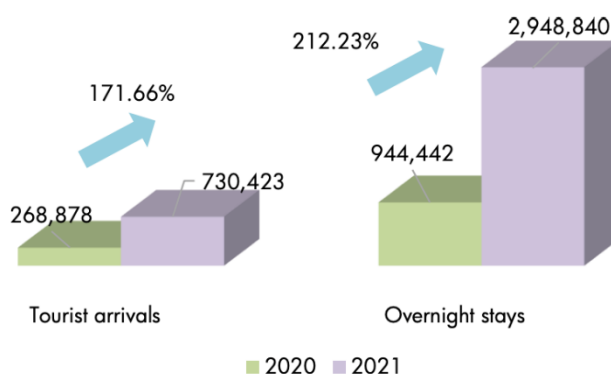
Table 3: Overnight stays and tourist arrivals by the type of accommodation in 2021

Type of accommodation	Tourist arrivals	Overnight stays
Collective accommodation (hotels and similar accommodation facilities)	730,423	2,948,840
Private accommodation	940,456	6,923,733
Total	1,670,879	9,872,573

Source: MONSTAT (n.d.).

According to the data recorded by MONSTAT, tourist arrivals in collective accommodation facilities (hotels and equivalent types of accommodation) in Montenegro in 2021 amounted to 730,423, which demonstrates an increase amounting to 171.66% when compared to year 2020, corresponding to 56.48% of the 2019 level. When it comes to collective accommodation overnight stays in 2021 MONSTAT recorded 2,984,840 stays, which also, compared to 2020, represents a quite significant increase amounting to 212.23%, corresponding to 63% of the 2019 level. The data is presented in the Figure 7 below.

Figure 7: Number of overnight stays and arrivals in collective accommodation in 2020/21

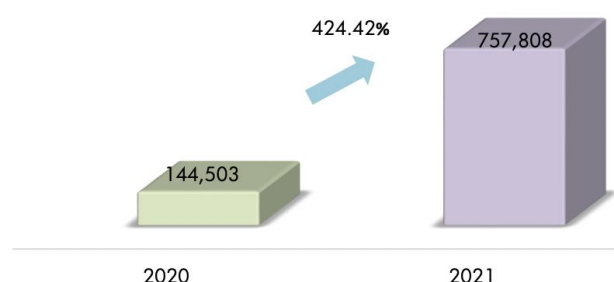


Source: MONSTAT (n.d.).

2.5 Revenues generated from the travel and tourism sector

According to the report issued by the Central Bank of Montenegro (CBCG), in 2021 the country generated €757.8 million from the travel & tourism sector, which is an increase of 424.42% compared to the year before, corresponding to 68.97% of the 2019 level, as demonstrated by the Figure 8 below. In 2019, the revenues from travel & tourism sector reached its historic peak with €1,1 billion generated, which represents a figure five times larger than the one reached in 2020, amounting to €144,5 million. The 2020 revenue figure is justified considering that this was the first pandemic year.

Figure 8: Revenues generated from travel and tourism sector 2021/20 (€ thousand)



Source: MONSTAT (n.d.).

In their annual report the Central Bank of Montenegro (CBCG) stipulates that the revenues from travel and tourism sector could potentially be higher in 2022 by around 14% when compared with the previous year. The report states that this projection is exposed to risks of various factors such as the current war in Ukraine which further hinders from stable recovery of tourism industry from the Covid19 pandemic, bearing in mind that a large proportion of tourists in the Montenegrin tourism traffic consists of Russian and Ukrainian citizens. However, as pandemic abates a revitalisation of Western tourist market as well as Middle East market is expected which then to some extent compensates for the decline from the Ukrainian and Russian markets (Centralna Banka Crne Gore, n.d.).

The latest available data published by the Central Bank of Montenegro (CBCG) shows that the revenues from tourism and travel sector in the first quarter of 2022 amount to €45.3 million which demonstrates an increase of 86% compared to 2020 and it corresponds to 96% of the level generated in 2019, which is a very encouraging start. The Table 4 demonstrates the tourism revenues by year starting from 2009 until 2021 which is the latest available data. From the table it is noticeable that with each consecutive year the revenues experienced growth, up until 2020, a year characterized by the outbreak of Covid19 pandemic, which consequently led to a significant decrease compared to the previous year where revenues experienced a historical peak.

Table 4: Tourism revenues by year (2009 - 2021)

Year	Revenues
2009	597 million €
2010	635 million €
2011	671 million €
2012	700 million €
2013	721 million €
2014	729 million €
2015	862 million €
2016	881 million €
2017	959 million €
2018	1.039 billion €
2019	1.140 billion €
2020	144,5 million €
2021	757,8 million €

Adapted from MONSTAT (n.d.).

According to the data released by Montenegrin Ministry of Finance, Montenegrin Ministry of Economic Development and Tourism (MEDT) stated that the total assigned revenues, consisting of tourist tax, occupancy tax and membership contributions, on 16th of June 2022 (culminated from the beginning of the year) amounted to €859,000. This represents an increase of 46% compared to the amount generated in the same period of the previous year. The announcement stated that compared to the same period of 2021, in 2022 all the categories of total assigned revenues experienced an increase in revenue - tourist tax by 89%, occupancy tax by 121% and membership contributions by 46% (Ekapija, 2022).

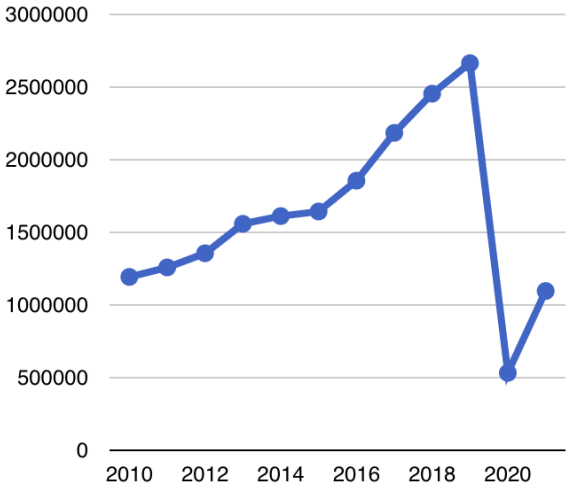
All these indicators are encouraging and reassuring that Montenegro's tourism industry is on the right track to a full recovery, as Jakov Milatovic, the Minister of Economic Development of Montenegro, with moderate optimism stipulates that the revenues generated from the travel and tourism sector will amount to 90 to 100% of the figures achieved in 2019, which was the record-breaking year when it comes to this sector (MD Realty, 2022).

2.6 Airports of Montenegro

According to statistical data provided by the Airports of Montenegro (Podgorica Airport and Tivat Airport), in 2021 passenger traffic amounted to 1,096,435. MONSTAT defines aircraft passengers as "all passengers in aircraft when the aircraft landing at the reporting airport or take-off of aircraft from the reporting airport" (MONSTAT, 2016).

In 2010, the passenger traffic amounted to 1,193,444, which compared to 2021 represents a decrease of 8.13%. Figure 9 below shows a constant increase in the number of aircraft passengers in the period from 2010 to 2019 when chronologically numbers reach its peak at a 2,664,647. As expected in 2020, the numbers sharply fell to 533,002, which is 51.40% lower than the number achieved in 2021. These figures demonstrate the fact that Montenegro has been getting ever increasingly recognized as a tourist destination and if the pandemic didn't occur this trend of constant increase in passenger traffic would continue.

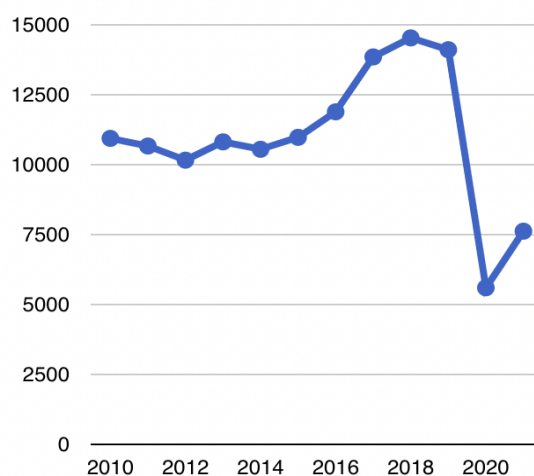
Figure 9: Passenger traffic 2010 – 2021



Source: Airports of Montenegro (2022).

In 2021, according to statistical data provided by the Airports of Montenegro, aircraft traffic amounted to 7,623. Aircraft traffic represents the number of aircrafts operating in the Montenegrin area or along the route. In 2010, this number amounted to 10,941, which is 30.32% larger than the figure from 2021. Figure 10 shows that from 2010 to 2014 there have been slight increases and decreases in the amount of aircraft traffic, however from 2014 until 2018 there has been a constant increase, reaching its historical peak at 14,533 aircrafts. In 2019, the numbers marginally differed, as the aircraft traffic amounted to 14,111. Again, in 2020 the sharp fall was expected and therefore the total number of aircrafts amounted to 5,599, while in 2021 the numbers rose by 26.6%. The aircraft traffic was greatly affected by the liquidation of the national airline, Montenegro airlines, which occurred in December 2020 due to the accumulation of heavy losses as a consequence of the Covid19 pandemic. In the following year, a new national airline, Air Montenegro, was introduced.

Figure 10: Aircraft traffic 2010 – 2021



Source: Airports of Montenegro (2022).

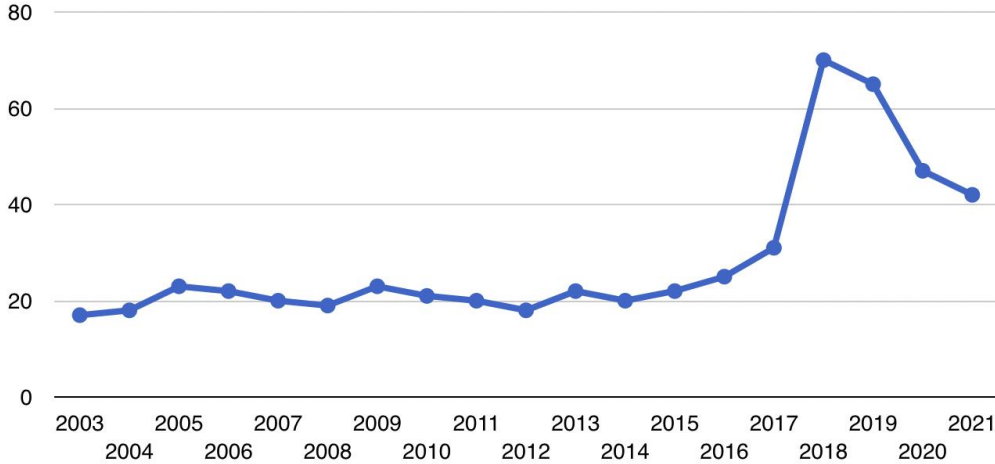
Figure 11 shows the annual number of destinations offered by the Airports of Montenegro combined. In 2003, the number of destinations was 17, which was the lowest number in the whole period examined in the figure on the following page. From 2003 until 2014 the number of destinations was varying, slightly increasing, and decreasing throughout the period. From 2014 until 2018, the number of destinations was constantly increasing with the most noticeable increase occurring from 2017 to 2018 when the number of destinations increased by 55.71%. The increase in the number of destinations was significantly influenced by the arrival of many low-cost airlines on the Montenegrin market. In 2019 the number of destinations slightly decreased to 65, while in 2020 the number sharply decreased to 47. This number further decreased to 42 destinations in 2021, because of the litigation of national airline Montenegro Airlines as well as the overall negative effects the pandemic had on air traffic worldwide.

Airports of Montenegro are continuously negotiating with new airlines who have expressed interest in operating in the country. As a product of work of the special Team for improving the aviation availability of Montenegro (original title: Tim za poboljšanje avio-dostupnosti Crne Gore), which was formed in February 2021 by the Ministry of Economic Development of Montenegro (MER) and market analysis, the management of Airports of Montenegro adopted amendments to the previously valid incentive scheme in order to adapt to the current circumstances in the global aviation industry, which is still facing the consequences of the global pandemic, but also the fact that competing airports in the area already give additional benefits to airlines in order to motivate them to fly from those destinations.

The management of the Airports of Montenegro (ACG) adopted an incentive scheme to stimulate low-cost airlines to maintain flights from the airports in Podgorica and Tivat to a total of 12 destinations, of which 9 are year-round flights and 3 are seasonal flights. The

Airports of Montenegro prepared discounts of up to 80 percent on the prices of airport services for low-budget airlines which will have year-round and seasonal flights in the next three years. The decision to improve the incentive scheme of both Montenegrin airports was made at the Montenegrin Government session held on 9th December 2021. A list of 13 strategic routes was defined, including 10 routes between Podgorica and Paris, London, Brussels, Rome, Stockholm, Berlin, Barcelona, Milan, Dortmund and Munich, as well as 3 routes between Tivat and London, Berlin, and Manchester (Javni servis, 2021).

Figure 11: Number of destinations 2003 – 2021



Source: Airports of Montenegro (2022).

3 METHODOLOGY

3.1 Research framework and methodology

The purpose of this qualitative study is to explore how Montenegro approaches NB in tourism sector. This thesis will provide a deeper understanding of the ways the country brands itself in terms of tourism. The economy of Montenegro greatly relies on the tourism industry which is why it is pivotal to conduct a thorough analysis of its branding in the travel and tourism industry. Montenegro's tourism-dependent economy took a hard hit when the Covid19 pandemic struck which is why it needs a fast recovery and the right approach to NB could potentially be the key to this issue. Therefore, this thesis will help better understand how NB in general and in tourism is approached in the case of Montenegro and how Montenegro's brand might potentially offer solutions for bridging the gap in tourism revenue from Covid.

My research goals are:

- To critically review the existing literature on NB
- To analyse tourist inflows in Montenegro and tourism trends
- To analyse Montenegro's legal framework and related activities when it comes to NB (My research sources are National Tourism Organization (NTO), Ministry of Economic Development & Tourism etc.)
- To conduct primary research in the form of an in-depth interview with chosen official from NTO or the Ministry of Economic Development & Tourism
- To provide suggestions to the Montenegrin government on the ways the country can approach NB in tourism

3.2 Data collection methods

In the theoretical part, my aim was to familiarize reader with the relatively new concept of Nation Branding. Critical literature review covered the importance of NB in tourism, why and how countries consciously choose and make an effort to brand themselves by applying different techniques to successfully achieve their goals. The data relied on publications by the prolific authors in the field of study as well as scientific papers and journals issued by universities and research scholars.

In the empirical part, I used both primary and secondary data. My primary data relied on the expert interview, which is a qualitative empirical research method used to explore expert knowledge (Meuser & Nagel, 2009). The aim of this type of interview is to discover the unknown, the interviewee's "insider knowledge". Expert interviews offer important benefits such as shortening the data gathering process, also, this data collection method offers the interviewee's valuable insight on the topic, providing intensive knowledge on the matter as well as undiscovered issues (Meuser & Nagel 2009). It is a highly effective method which is widely approved among experts (Bogner, Littig & Menz, 2009). I conducted a semi-structured in-depth interview with a representative from National Tourism Organisation (NTO) of Montenegro. For the purposes of this research a representative from NTO of Montenegro was chosen, advisor to director MSc. Dušanka Pavićević. The reason why this respondent was chosen was due to the invaluable knowledge in the field of tourism in Montenegro which stems from the fact that the respondent worked in the field since 2005 and is now an advisor to director of NTO which is the most relevant establishment involved in the implementation and development of Montenegrin tourism. The respondent was also a member of working group for the drafting the National Brand Development Strategy (NBDS) 2022 – 2026.

The secondary data relied on online research of the legal framework of NB in Montenegro as well as related articles and official channels of Government of Montenegro. For the purposes of this research the most relevant sources which I utilized were the NBDS 2022 –

2026, the Law on the National Brand (Official Gazette of the Republic of Montenegro No. 37/17), the official website of the Government of Montenegro as well as the official website of NTO of Montenegro and all its official related channels. When it comes to the overview of tourism industry in Montenegro, I combined sources provided by the official statistical office of Montenegro, MONSTAT, data provided by European statistical office, Eurostat, as well as data by the WTTC.

3.3 Data analysis methods

The interview was transcribed and analysed using thematic analysis which represents a method for identifying, analysing, and reporting patterns (themes) within data (Braun & Clarke, 2006). Thematic analysis is the most widely used qualitative research method. The most important initial step of thematic analysis is to create codes which represent patterns and meanings. For this research, upon transcribing the audio of the interview, initial codes were created. From there on, upon repeated thorough reading the most interesting excerpts from the transcript were identified and the appropriate codes were applied to them. The excerpts with the same meaning were grouped together under the same code. Consequently, all the codes were grouped together into common themes. In this research, as a result of thematic analysis, 4 themes emerged. These 4 themes were discussed in the last chapter. When it comes to secondary data, I analysed it using content analysis, which is used to analyze data within a specific context in view of the meanings someone attributes to them (Krippendorff, 1989).

4 NATION BRANDING IN MONTENEGRO

4.1 The Directorate for the National Brand

By recognizing the importance and need of national branding, in an effort to contribute to the competitiveness of the economy, as well as to affirm the national and cultural identity of Montenegro, but also to direct the previous individual efforts of representing and positioning Montenegro into a single, strategically driven approach, the Government of Montenegro established the Directorate for National Brand Development and Consumer Protection with the Directorate for Development and Improvement of the National Brand in the Ministry of Economy, in January 2014 (Vlada Crne Gore, 2019)

In the Directorate for Development and Improvement of the National Brand (Vlada Crne Gore, 2019), the following tasks are performed:

- Preparation of professional bases for drafting regulations under the competence of the Directorate;

- Proposing, determining and implementing policy in the area of development and improvement of the national brand and competitive identity;
- Preparation of strategic documents of interest for the overall development of the national brand;
- Analysis of the existing value and position of the brand of the state of Montenegro and proposing measures to strengthen its value and develop specific elements/subareas of the national brand;
- Graphic solution of the visual identity of the national brand (logo and slogan), carrying out an assessment of subjects' suitability for using elements of the visual identity of the national brand of Montenegro;
- Issuing permits for the use of the sign and slogan of the national brand and maintaining the register of issued permits;
- Research on consumers' perception of Montenegro, with the aim of improving the position and image of Montenegro;
- Cooperation with other organizations in order to promote and valorize the national brand; participation in events of importance for the promotion of Montenegro and its values in the country and abroad, in order to increase its visibility and recognition of the national image;
- The Directorate also performs other tasks in accordance with the law;

In 2020, the Regulation on the Organization and Mode of Work of the State Administration was amended ("Official Gazette of Montenegro", no. 118/20 of 07.12.2020), whereby the Ministry of Economy became the Ministry of Economic Development and Tourism (MEDT).

A new Rule book on the internal organization and systematization of the MEDT was also adopted, which changed the organizational structure and established the Directorate for the Improvement of Competitiveness, which includes: the Directorate for the National Brand (DNB), the Directorate for the Improvement of the Investment Environment, the Directorate for the Development of Small and Medium Enterprises, and the Directorate for strengthening entrepreneurship and cooperation with the business community (Ministarstvo ekonomskog razvoja i turizma, 2021).

The main activities of the Directorate for the Improvement of Competitiveness are related to the performance of tasks regarding the development of the national brand as well as policy creation aimed at supporting investment processes. Additionally, the Directorate works on establishing contacts with domestic and international institutions in order to improve foreign and domestic investments. Furthermore, the Directorate engages in cooperation with local self-government units in order to improve the business environment, as well as cooperation with the association of businessmen and other institutions that provide support for business development and entrepreneurship. In addition to this, the Directorate works on promotion of existing programs for domestic and foreign investments and coordination of activities and

cooperation of all competent ministries on the preparation of new laws and amendments to existing laws, by-laws and strategic documents (Ministarstvo ekonomskog razvoja i turizma, 2021).

A large number of institutions, in addition to the MEDT, deal with the representation and promotion of Montenegro abroad, using different strategies, starting from individual brands, i.e. elements of the national brand (tourism, culture, sports, agriculture, investments, etc.), namely: Ministry of Education, Science, Culture and Sports, Ministry of Agriculture, Forestry and Water Management, Ministry of Foreign Affairs (especially diplomatic and consular representations of Montenegro abroad), Ministry of Ecology, Spatial Planning and Urbanism, Chamber of Commerce of Montenegro, National Tourist Organization and The Montenegrin Investment Promotion Agency. The institutions in question carry out activities related to the representation of Montenegro starting from individual areas or sectors and thus creating individual brands. Accordingly, different sectors have created different visual identities in order to make it easier to remember and position individual brands, which are not harmonized among themselves and do not send a unique message about Montenegro to the foreign public. The table in Appendix 2 presents the currently valid visual identities by these institutions, both for the national brand and for individual brands. As can be concluded from the previously mentioned table, by analysing the visual identities of the individual brands, the communication goals, as well as the style and design of the individual brands that all represent Montenegro in a certain part or whole, it can be concluded that the visual identities are not harmonized among themselves, rather they are completely different. As a result, such practice has a limited, isolated and varying impact, and it demonstrates a lack of synergy in positioning all the peculiarities of the nation in the minds of the foreign public (Ministarstvo ekonomskog razvoja i turizma, 2021).

By examining the nation branding experiences of countries which have strong and developed national brands, it can be concluded that the key problem of the current functioning model of the above-mentioned institutions regarding the representation of Montenegro through individual policies of positioning and brand development arises. The issue is independent and uncoordinated action, that is, the absence of a unique visual identity and adequate brand architecture. Nation branding is a process that requires coordinated joint action at all levels and a unified representation of the state that will have a high degree of recognition, i.e. a unique brand architecture, where the national brand acts as the umbrella brand, and individual sector brands derive from it. The use of different visual identities to represent individual segments (sectors), according to the experiences of other countries, i.e. examples from practice, but also theory from this field, is not recommended in any case due to the negligible and very limited impact on the recognition and visibility of the country as a whole. By examining the NB cases with the most effective results, it is concluded that it is not only recommended but also necessary to have a unified presentation and a unique and compatible visual identity of the national brand/individual sectors in order to achieve the expected effects (Tehnopolis, 2017). Therefore, as a priority activity, the integration and coordination

of activities regarding the development of the national brand of Montenegro by the umbrella institution in charge of the national brand development policy, namely the Ministry of Economic Development and the DNB, is imposed. This implies the necessity of creating an umbrella brand (national brand) from which individual brands will emerge, whose visual identities, as well as positioning and promotion strategies are coordinated with each other starting from the umbrella strategy of national branding. The proposed architecture of the nation brand as umbrella brand for Montenegro can be seen in the Figure 12 below, and it was created according to the results of the comprehensive analysis of previous comparative practices of other countries in consultation with the experts of the Business France organization, which participated in providing guidelines for the creation of the strategy. Business France is a French Government agency in charge of the development of international investments and exports in France (Welcome to France, 2022).

Figure 12: Proposed architecture of the nation brand as umbrella brand



Adapted from National Brand Development Strategy 2022 - 2026 (2021).

As can be seen in the Figure 12, the nation brand is the umbrella brand from which all other individual brands related to tourism, investments, sports, domestic products and services, culture and historical heritage, cities or regions of the country are derived, which are mutually harmonized.

4.2 Activities taken by the Directorate for the National Brand

Since the establishment of the Directorate for National Brand Development and Consumer Protection with the Directorate for Development and Improvement of the National Brand (today known as the Directorate for the National Brand, due to systematization) in January 2014, the Directorate conducted many activities with the aim of developing and improving the national brand of Montenegro. The actions taken involved both setting up the legal framework for the national brand development as well as informing and educating the general public of the importance of a strong national brand, as well as consulting with the specialists in the field on the ways Montenegro can improve its brand.

Following the establishment of the Directorate, a work group consisting of Montenegrin nation brand specialists was formed. The first milestone of the Directorate was the adoption of the Law on the National Brand (Official Gazette of the Republic of Montenegro No.

37/17) in June 2017 which laid the foundation for the development of the national brand. In 2021 the Proposal for a Law on Amendments to the Law on the National Brand was established, enabling all the relevant changes and supplementations to the Law to take place. Furthermore, the second most important document is the NBDS 2022 – 2026, adopted in 2021. The strategy represents a document which states the current positioning of Montenegro based on comprehensive analyses and research conducted, and it outlines the strategy with specific goals, targets, and the action plan for the realization of the strategy (Ministarstvo ekonomskog razvoja i turizma, 2021).

Another one of the highly significant goals set and achieved by the Directorate was to choose a new visual identity of the national brand of Montenegro. Pursuant to the Law on the National Brand (Official Gazette of the Republic of Montenegro No. 37/17), the Ministry of Economy was obliged to choose a new visual identity of the national brand within two years from the date of entry into force of this law (June 2017).

The Ministry of Economy (now known as MEDT) since the establishment of the Directorate for Development and Improvement of the National Brand (now known as the Directorate for the National Brand) organized 4 international contests for conceptual-graphic solution for the visual identity (trademark) of the national brand of Montenegro. The first contest was organized in the third quarter of 2015 and yielded no results since none of the creative solutions proposed satisfied all the criteria stated. Second contest took place from December 2015 until February 2016 when the new visual identity of the national brand was chosen. The winning proposition as seen below in Figure 13, was designed by the Serbian architect Vladimir Kovač who reimagined the logo of the national brand as a stylization of the double-headed eagle from the national coat of arms of Montenegro. In addition, the author also used the elements of the circle, which symbolizes perfection, because he saw the country as small, yet perfect. The application of the chosen logo however did not take root. In 2019 there were two more contests regarding the same matter, however once again the contests yielded no results since none of the creative solutions proposed satisfied all the criteria stated (Vlada Crne Gore, 2016).

Figure 13: Visual identity of the national brand of Montenegro



Source: Vlada Crne Gore (2016).

In 2016, the Ministry of Economy, with the cooperation and financial support of the German Foundation Hanns Seidel, organized six conferences on national branding in the period from 2016 to 2018, which aimed to raise the awareness of various subjects about the importance of national branding, enable exchange of experiences and knowledge on the topic, as well as define the key foundations for the development of the national brand of Montenegro. In addition to this, the MEDT has developed high-quality cooperation with both national and international institutions and organizations, which was extremely important for the preparation of the NBDS 2022 -2026, as well as its successful implementation. The conferences were held twice annually and each of them had a number of panels with different topics. The conferences gathered the local, regional and international experts in the field of NB as well as representatives of numerous Montenegrin municipalities and several ministries, and organizations from the fields of tourism, culture and economic development (Vlada Crne Gore, 2017).

During the six conferences there were many discussions and presentations, as well as shared suggestions for the improvement of the national brand. The first conference consisted of discussions about the challenges and opportunities of NB, as well as a presentation on the successful examples of NB. The second conference emphasized the importance of the visual identity elements in the process of nation brand development and the national logo was introduced. The relation between national cuisine and the national brand was discussed, as well as the impact of outside events on the development of the nation brand. Destination branding was also presented as an important tool in nation brand development. In the third conference the experts from various fields of study discussed foreign public's perception of Montenegro, modern day instruments of communication in NB as well as promoting and positioning of the country through culture, tourism, innovation, architecture and sports. The

fourth conference was based on presentations – key state potentials for the development of the national brand were presented, namely in the fields of economy, sports, agriculture and tourism. In addition to the presentation of national potentials, on the previous two days of the Conference, representatives of Montenegrin municipalities presented local potentials that can play an important role in the process of creating a national brand. The Ministry of Economy included a certain number of proposals presented at the Conference in the NBDS. The fifth conference combined various discussions on what should be the focus and direction of NB of Montenegro – Mass, elite or eco tourism? Traditional or modern values for nation brand positioning? Individual athletes or national teams as ambassadors of the nation brand? The conference was concluded with a presentation on consumer ethnocentrism in relation to NB. The sixth conference was based on the discussion about the perspective of national brand development based on research results, the visual identity of the national brand of Montenegro and the logo as an important element of the visual identity of the national brand of the country (Ministarstvo ekonomije, 2018)

In addition to this the Directorate for Development and Improvement of the National Brand also organized Nation Branding Info Days. The aim of the Info Day is for citizens, legal entities, business companies, institutions and local self-government bodies, sports and cultural groups, as well as all interested entities to become more familiar with the national brand logo and the procedure for obtaining it for commercial use as well as the importance of the branding process itself, which therefore enables them to contribute to the NB procedure themselves. Info days on national branding have so far been held in three cities - Nikšić, Bar and Pljevlja in 2017. Ministry of Economy's plan was to visit all other Montenegrin municipalities during that year, however this plan was not realized (Ministarstvo ekonomije, 2017).

4.3 The Law on the National Brand

Through examples of successful NB campaigns of neighbouring countries such as Slovenia and Croatia, Montenegro recognized the tremendous significance of this practice and therefore placed the issue of national brand development in its focus. What sets Montenegro apart from the countries of the region and beyond is the adoption of the Law on the National Brand (Official Gazette of the Republic of Montenegro No. 37/17) as well as the determination of the Law on Amendments to the Law on the National Brand, which makes it the first country regionally and in Europe in general that has prepared an adequate legislative framework for the development of the national brand, which represents the foundation for the further development of the national brand (Vlada Crne Gore, 2017).

The fact that Montenegro has prepared a legislative framework for the development of the national brand, shows that it has clearly laid the foundation and determined the future direction in which it should go and in what way the national brand should be developed. The Law on the National Brand was adopted at the beginning of June 2017 and it regulates the

national brand, the conditions and procedure for the development of the national brand, the visual identity of the national brand, as well as other issues of importance for the national brand. In the second quarter of 2021, the Proposal for a Law on Amendments to the Law on the National Brand was established, which amended the provisions related to the request and documentation needed to assess the compatibility of the competences of potential users of the visual identity of the national brand with the values of the national brand, as well as defining the visual national brand identity (Vlada Crne Gore, 2017).

The national brand of Montenegro, as the Directorate for Development and Improvement of the National Brand defines it in the Law on the National Brand, represents a means of increasing the country's attractiveness in terms of being a desired place for investing, living, working, conducting business, etc. The goal of building a national brand is to increase the recognition of Montenegro as a country, as well as to create a positive image of Montenegro, which encourages competitiveness and better positioning of the country in the foreign market (Law on the National Brand, 2017). Given that the building of a national brand requires a developed interactive model between the public and private sectors (institutions, organizations, NGO sectors, companies, subjects, etc.) as well as individuals, it is necessary that they become familiar with the concept as soon as possible, and to identify with it as much as possible and to be motivated to use it.

As the Law on the National Brand (Official Gazette of the Republic of Montenegro No. 37/17) states, the national brand is established and developed in order to: increase the competitiveness and recognition of domestic products and services, as well as increase exports; contribute to promotion of national values, history, tradition and culture, as well as other peculiarities of Montenegro; raise public awareness of the importance of developing and promoting the national brand; promote domestic production, as well as improve and increase its volume; encourage an increase in the number of domestic products protected by a geographical indication of origin; improve and build a positive and sustainable image of Montenegro; encourage the promotion of tourist services on the domestic and foreign markets; encourage investments in Montenegro; promote representative sports, individual and collective sports, sports clubs, as well as promote national sports federations and sports institutions and finally to promote prominent creators in various fields of art.

The key values of the national brand are:

- Sustainability, which ensures meeting the needs of current generations without jeopardizing meeting the needs of future generations;
- Excellence, which is based on a high degree of quality or additional value of products, services, organizations, sports, prominent creators, etc.;
- Montenegrin origin of products, services or organizations;

- Innovation, which implies the improvement of business, products, services, as well as economic and human resources in accordance with market requirements
- Social progress as a contribution to improving the standard of living of citizens and general well-being.

According to the Law on the National Brand in order to develop the national brand, it is necessary to create and implement the NBDS as well as the Action Plan for the realization of that strategy. In accordance with that, a working group was formed for the development of a strategy, in which the representatives of the ministries, the Faculty of Economics of the University of Montenegro, the Chamber of Commerce of Montenegro, The Montenegrin Investment Promotion Agency (MIPA), as well as the National Tourism Organization (NTO) are involved, in order to enable a more adequate positioning of Montenegro on the foreign market through joint and coordinated action, which is accompanied by a unique visual identity, which includes the logo and slogan (Law on the National Brand, 2017).

The national brand, for the purpose of unique promotion, is represented by the previously mentioned graphic solution, i.e. the logo. The use of the logo will be possible on/in all means of communication, but also on products, subjects and objects, depending on the nature of the activity and economic activity of the user of the logo. The use of the logo is mandatory for all state and local self-government bodies, as well as organizations and agencies founded by the Government of Montenegro. The logo of the national brand is also used by the Parliament of Montenegro. Other potential users of the logo of the national brand, submit a request for the use of the logo, in accordance with the Law on the National Brand of Montenegro. In order for the logo to be applied in an adequate manner, the MEDT will distribute the Book of Graphic Standards to all users which enables them to familiarize themselves with all the relevant guidelines they must follow in order to be able to adequately use the national brand logo. Based on that, a more extensive communication campaign will be implemented to encourage state, non-governmental as well as business entities to use the logo of the national brand when representing Montenegro abroad. Activities to promote individual brands (e.g. tourism) are carried out continuously in accordance with the appropriate strategic and planning documents, which provide steps and goals for their promotion and which are realized and managed by competent state bodies and institutions (Law on the National Brand, 2017).

4.4 National Brand Development Strategy 2022 – 2026

National Brand Development Strategy (2022 – 2026) is a strategic document which consists of: the analysis of the current state of Montenegro in the field of national brand development; goals and measures for developing the national brand as well as promoting and improving the recognition of Montenegro abroad; dynamics, method and extent of realization of national brand goals; priority activities for the development of the national brand; indicative

financial means and sources of financing; other elements of importance for the development of the national brand (Law on the National Brand, 2017).

The strategy for development of the national brand is adopted by the Government of Montenegro for a period of five years, however due to the disruptions caused by the first year the Covid19 pandemic stroke, as well as unfavourable political situation in the country starting in 2020, the current strategy only covers years from 2022 – 2026, as opposed to the initial plan where the strategy was supposed to cover years from 2020 – 2025. In order to implement the NBDS, the Government also adopts an Action Plan for a period of one year.

4.4.1 Current ranking of Montenegro

There is a large number of agencies and international organizations worldwide which conduct research using different methodologies with the aim of determining the current positioning of certain countries in the eyes of the global citizens. In order to determine the current positioning of Montenegro in the eyes of the foreign public, an analysis comprising of 16 nation brand and nation brand related ranking lists which take into account different criteria was conducted. When it comes to the research directly dealing with the national brand of countries, out of 5 most relevant research studies conducted by the most significant NB agencies, Montenegro is ranked only in 2 research studies and those are Bloom Consulting's Country Brand Ranking (Bloom Consulting 2022) and Brand Finance Nation Brands report (Brand Finance, 2022). The main reason for the insufficient representation of Montenegro in the research in question stems from its insufficient visibility and recognition, i.e. unsynchronized and uncoordinated presentation, which would highlight all its competitive advantages, i.e. improve its power and influence on the foreign market and increase its attractiveness as a country that strives to develop a strong national brand. Based on the analysis of 16 ranking lists, conducted for the purposes of NBDS, it is notable that Montenegro is poorly positioned in most research studies and significantly lags behind in the process of national branding, taking into account real potentials of the country (geopolitical position, rich diversity of natural resources and values of cultural and historical heritage). In addition to real shortcomings, the fact that Montenegro is a geographically small, historically young and relatively unknown country in the world should also be taken into account (Ministarstvo ekonomskog razvoja i turizma, 2021).

4.4.2 Results of foreign media research

In order to get an adequate insight into how the foreign public perceives Montenegro, the Ministry of Economic Development, in cooperation with the Institute of Economic Sciences from Belgrade, obtained data on the publications of certain foreign media using media content analysis, based on press clippings with a combination of qualitative and quantitative elements. The unit of analysis was one media headline. The media analysis was conducted in 2017 and the first half of 2018 (January-July 2018). The analysed media were from

Germany, Italy, Russia, Serbia, North Macedonia, and Albania. Based on the results of this analysis it can be concluded that the image of Montenegro in the eyes of the global public is not sufficiently developed and that Montenegro is almost unrecognizable in the eyes of the foreign public, excluding the countries of the region. The largest number of news, if we exclude Serbia, are of a neutral and positive character where Montenegro is mostly mentioned in the context of joining NATO, while on the tourist market Montenegro as a sea and summer tourist destination is almost invisible in the analyzed media (Ministarstvo ekonomskog razvoja i turizma, 2021).

4.4.3 Research on the perception of the domestic and foreign public about Montenegro

The Ministry of Economic Development, in cooperation with the Institute of Economic Sciences from Belgrade, conducted a survey of the perceptions of domestic and foreign public in the period from June to August 2018. The aim of the survey was to aid in the preparation of the NBDS as well as to provide guidance for the selection of the new visual identity of Montenegro. The survey included 2,000 respondents (adult Montenegrin citizens), and 92 respondents from the public and cultural sphere of Montenegro, as well as 3,600 respondents from the foreign public, from 12 countries: Bosnia and Herzegovina, France, Croatia, Italy, China, Hungary, Macedonia, Germany, Russia, Slovenia, Serbia, and Turkey. The key findings of both domestic and foreign public are presented in the following section (Ministarstvo ekonomskog razvoja i turizma, 2021).

Key findings of the survey of domestic public

The domestic (internal) public perceives Montenegro as a country of great tourism potential (coastal and mountain), unique natural beauty, rich in cultural and historical heritage and hospitable people. In addition, the domestic public believes that Montenegro is an *enchanting, wild (beauty) and promising* country.

In general, the residents of Montenegro share the opinion that the existing image of the country is *favorable*. Namely, almost 45% of the surveyed general population think that the current image of Montenegro in the world is *favorable or very favorable*. This indicates, according to the opinion of the domestic public, the good positioning of the national brand of Montenegro in the world. However, it should be noted that a significant number of respondents (over 20%) do not know what the current image of Montenegro is in the world. At the same time, an almost identical number of respondents from the general population have a *neutral* attitude about the current image of Montenegro, and 14% of them think that it is *negative or very negative*. This is a signal that the state's previous activities to affirm the national brand of Montenegro in the domestic public were not enough. And although the activities directed towards the positioning of the national brand globally are of much greater importance, the results of the conducted research of the public in Montenegro indicate that in the coming period, activities towards the improvement of the national brand intended for

the internal public must be intensified, as well as efforts to deepening the knowledge of the population of Montenegro about the national brand and the state's activities in that field. The domestic public recognized corruption as the most negative aspect that damages the image of Montenegro to the greatest extent. After corruption, respondents are of the opinion that the positive image is most damaged by crime, low living standards, political situation and insufficiently developed infrastructure. According to the results of the conducted survey, respondents of the general population believe that there are three basic epithets that characterize people in Montenegro: *hospitable* (45.1%), *fun/witty* (34.8%) and *honest* (32.8%). These highly positive epithets should also be incorporated in the national branding process, through a picturesque way of showing the basic characteristics of the nation.

Key findings of the survey of foreign public

The fundamental potentials, recognized by the foreign public, on which the national brand of Montenegro should be built on are tourism, natural resources and attractions, as well as culture and heritage. When asked for the first and the most dominant association of Montenegro the largest number of respondents from the foreign public mentioned the sea (23%), followed by vacation/tourism (9%), country in Europe/south (8%), Budva (7%) and mountains/Lovćen (6%). The largest percentage of respondents from the foreign public (43%) rated the current image of the country *positively*. The current image was evaluated *very positively* by 12% of respondents, while 37% considered it *neutral*. Contrary to the positive and neutral attitude, only 7% of respondents believe that the current image of Montenegro is *negative*, while a negligible 1% of respondents believe that it is *very negative*. The largest number of respondents from the foreign public primarily associate Montenegro with tourism, which is why it is the best rated aspect by the foreign public. The attractiveness of Montenegro for tourists was rated 3.84 (on a scale of 1 to 5). When asked to rank 6 countries in the Western Balkan (Bosnia and Herzegovina, Macedonia, Serbia, Croatia, Montenegro, and Albania) in terms of their attractiveness for foreign tourists, Montenegro was ranked 2nd. The foreign respondents also ranked Montenegro 2nd, among other Western Balkan countries, when it comes to the degree of foreign direct investment attractiveness. The thing which is recognized as having the greatest extent of damage on the image of Montenegro, in the opinion of the foreign public, is corruption. After corruption, respondents are of the opinion that the following factors with a negative impact damage the positive image the most: conflicts in the region from the 90s, criminality and the political situation.

Key findings of domestic and foreign public regarding the visual identity of Montenegro

The research also includes questions concerning the existing visual identity for the purposes of easier definition of new guidelines, that is, in order to create conditions based on previous experience to choose a more adequate and improved solution that will represent Montenegro in the best way. Since the new solution should be completed with a suitable slogan, the Institute of Economic Sciences has created proposals for slogans, which could be used for

the positioning of Montenegro. The key guiding idea when creating the slogan proposal was the use of the abbreviation ME (MONTENEGRO), which is easy to combine in the creation of messages that can be used to derive sub-slogans for different areas, all of which evoke a unique association with the country of Montenegro (example Invest with ME, Eat with ME, Play with ME, etc.), which is also the goal of national branding. In general, the results of the research of both the domestic and foreign population, when it comes to the slogan, show that the ME (Montenegro) concept is extremely well accepted and as such should be utilized for the future slogan.

The slogans Explore ME, Visit ME, Discover ME and Enjoy ME, are the four best-rated slogans, and have the most diversified potential and significant compatibility with Montenegro's aspiration to be recognized as a prosperous, touristic (but also ecological) destination, unique in terms of regional contrasts in natural resources, colourful culture and rich history that is worth getting to know, exploring and discovering some hidden gems. In addition, this slogan concept has an exceptional potential to effectively promote the most significant potentials on which the national brand of Montenegro can be developed.

When it comes to the existing logo of the national brand (as previously seen in Figure 14), the foreign public rated it with an average rating of 3.5, while members of the general population of the domestic public rated the current logo of the national brand with an average rating of 3.1 (on a scale of 1 to 5). The suggestions from both foreign and domestic public proposed that the logo should be designed with brighter colours and it should incorporate the symbols of natural resources and culture and heritage richness of Montenegro.

4.4.4 Analysis of the level of employee knowledge and information in the public sector

The main goal of the research was to determine the attitudes of employees in state and local administration, public companies and employees in diplomatic and consular missions, about the national brand of Montenegro and the level of knowledge of the NB process throughout the country, with the aim of determining the level of information and knowledge of mandatory rights holders of using the visual identity of the national brand, i.e. entities participating in the creation and implementation of the national branding policy. The research included 1074 respondents from ministries, administrative bodies, agencies within ministries, companies majority-owned by the state, municipalities/Capital City/Capital, institutions and services founded by the municipality, diplomatic-consular missions and companies founded by the municipality / country. The research was conducted through an online survey, in the period from December 3rd to 10th 2020, and included 24 municipalities in Montenegro and 11 cities outside the borders of Montenegro. In the survey 59,4% of the respondents were women as opposed to 40,6% male respondents (Ministarstvo ekonomskog razvoja i turizma, 2021).

Survey results showed that the largest percentage of respondents (89.9%) have heard of the term national brand. More than half of the respondents (57.4%) answered that the national brand represents products and services of Montenegrin origin (domestic brands), while slightly more than 1/3 of the respondents answered that the national brand is an umbrella brand, the brand of the state (which demonstrates that a small percentage of respondents understand the concept national brand). A significant percentage of respondents, ranging from 70.7% to 93.9%, answered that the national brand consists of: Economic potentials, People - culture, education, science, sports, Domestic brands and Tourism and nature. The largest percentage of respondents (57.6%) answered that in Montenegro there is a special government body/directorate that deals with the policy of national brand development. A considerable percentage of respondents (39.4%) do not know whether such an authority exists in Montenegro. The survey shows that close to 4/5 respondents answered that they are not familiar with what has been done so far in terms of national brand development of Montenegro, while almost 30% of respondents answered that they are familiar with activities regarding national brand development. From the survey findings it can be concluded that by far the largest percentage of respondents (81.3%) believe that the issue of the national brand is not sufficiently represented in the media and other means of information. The best way to familiarize the public with national branding policy, according to the largest number of respondents, is organizing events dedicated to national branding (31.8%), followed by social media networks (25.6%) and educational workshops (23.8%).

Finally, almost 4/5 of the respondents (73.2%) answered that they would attend educations concerning the development of national branding, while 26.8% of the respondents answered that they were not interested in education in this area of study. The findings of this survey demonstrate the fact that there is a lot of room for improvement when it comes to educating the most important actors in the NB process (Ministarstvo ekonomskog razvoja i turizma, 2021).

4.4.5 PESTLE Analysis of the development of the nation brand of Montenegro

In order to determine the conditions of the external environment that influence the development of the national brand an external analysis was conducted using the PESTLE model which is "a management method that examines the effect that events or influences from outside may have on the performance of a company or organization" or in case of nation branding a country (Cambridge Dictionary, 2022). Table 5 shows the PESTLE analysis of the development of the nation brand of Montenegro (Ministarstvo ekonomskog razvoja i turizma, 2021).

Table 5: PESTLE analysis of the development of the nation brand of Montenegro

<p>POLITICAL FACTORS</p> <ul style="list-style-type: none"> • Montenegro is a republic based on civil, democratic, ecological, social justice and rule of law principles • There is a clear commitment of the state to the policy of national branding, but also insufficient involvement of all relevant actors (decision makers) in this process; • The absence of a body that gathers all decision-makers to influence the positioning of the national brand, that is, the state of Montenegro as a brand; • Montenegro is a candidate for EU membership and a member of the NATO alliance; <hr/> <p>LEGAL FACTORS</p> <ul style="list-style-type: none"> • The Law on the National Brand (amendments to the law) was adopted; • Passed by-laws; • Montenegro is a state of rule of law; • The EU does not prescribe legislation related to the area of national branding, so it is a matter of internal politics; • A high percentage of legal and by-laws harmonized with EU legislation; 	<p>ECONOMIC FACTORS</p> <ul style="list-style-type: none"> • Cultural and natural wealth, tourism potential; • Assessed as attractive for investments (2nd most attractive out of 6 countries regionally) • Rated as an attractive tourist destination located near European metropolises; • Focus on micro, small and medium enterprises; • Uncompetitive economy; • Underdeveloped manufacturing industry; • Foreign trade deficit; • The economic crisis caused by the Covid-19 pandemic; • Insufficient visibility and recognition of Montenegro on the international scene; • High import dependence; • Low volume of domestic production; • Insufficient visibility and recognition of domestic products on the foreign market; • Difficult internationalization of domestic products; <hr/> <p>ENVIRONMENTAL FACTORS</p> <ul style="list-style-type: none"> • According to the Constitution, Montenegro is an ecological state; • Favourable climatic conditions; • Potential for the development of a "green state"; • Insufficiently developed ecological and rural tourism;
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table continues

Table 6: PESTLE analysis of the development of the nation brand of Montenegro (continued)

<p style="text-align: center;">TECHNOLOGICAL FACTORS</p> <ul style="list-style-type: none"> • Improving the transport infrastructure and connecting the northern with the central part through the construction of the Bar-Boljare highway; • Greater use and greater popularity of digital technologies for positioning and promoting the country due to the Covid-19 pandemic; • Low level of investment in research and development; • Underdeveloped industry; • Absence of a unified presentation of the state; • Inconsistency of the visual identity of the national brand with the visual identities of individual brands; • Insufficiently used social networks for the promotion and positioning of the state; • Non-recognition of the state by scientific and technological achievements; • Level of technology obsolescence; 	<p style="text-align: center;">SOCIOLOGICAL FACTORS</p> <ul style="list-style-type: none"> • Rich cultural and historical heritage, multiculturalism, hospitality; • Absence of educations/programs of education/training/events in Montenegro that deal with the concept of national branding; • Limited opportunities for improving the knowledge and competencies of personnel involved in the process of national branding; • Insufficient number of experts in the field of national branding; • Insufficiently affirmed national and cultural identity; • Increase in unemployment; • Low standard of living, weak purchasing power of the clergy; • Health care system at a low level; • Brain drain;
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Adapted from National Brand Development Strategy 2022 - 2026 (2021).

4.4.6 SWOT Analysis of the development of the nation brand of Montenegro

Based on conducted surveys of both the domestic and foreign public, as well as interviews with individual representatives of public and political scene of Montenegro, and with decision makers of public policy in this area, a SWOT analysis of the current situation in the field of development of the national brand of Montenegro was made. SWOT Analysis is defined as a "study done by an organization in order to find its strengths and weaknesses, and what problems or opportunities it should deal with" (Oxford Learners Dictionary, 2022). Table 6 shows the SWOT analysis of the development of the nation brand of Montenegro (Ministarstvo ekonomskog razvoja i turizma, 2021).

Table 7: SWOT analysis of the development of the nation brand of Montenegro

<p>STRENGTHS</p> <ul style="list-style-type: none"> • Established institutional-legislative basis for the development of the national brand; • Attractive tourist & investment destination; • Natural potentials, beauty and wealth; • Favorable business conditions; • Cultural and historical heritage; • Variety of offers in a small space; • Products perceived as quality; • People (hospitable, pleasant, professional); <hr/> <p>WEAKNESSES</p> <ul style="list-style-type: none"> • Insufficiently developed awareness of the importance of national branding; • Absence of training on national branding • Inefficient institutional structure and inadequate coordination between individual institutions; • Limited financial resources and number of employees in the National Brand Development Directorate; • Absence of a comprehensive strategy and systemic approach • Absence of a unified visual identity of the national brand and the presentation of key information that should be used by the country to present itself at every appearance abroad. • Insufficient representation of Montenegro in the world media, as well as in the researches of world agencies dealing with national branding; • Insufficient competitiveness and recognition of a significant number of domestic products and corporate brands; • A small number of domestic experts in the field of national branding; • Underutilized capacities of individual sectors that could contribute to the promotion of the national brand of Montenegro; • Lack of information and public opinion research on knowledge of the national brand, inadequate marketing activities and skills, lack of technology and equipment; • Traffic infrastructure; 	<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Drafting of the NBDS and formulating an action plan for its implementation; • Creation of an umbrella brand and accompanying individual brands aligned with the national umbrella brand; • Positioning of the state through a unique and unified representation of the state; • Establishment of the National Branding Council/special body/institution; • Development of a national brand based on the idea of an ecological state with attractive natural resources and cultural and historical heritage; • Online communications, presentation on global social networks with smaller investments and greater marketing results; • Positioning of Montenegro as a promising country for business development; • Growing international demand for nature-oriented tourism; <hr/> <p>THREATS</p> <ul style="list-style-type: none"> • A continuous process that requires significant financial resources in the long term; • Frequent changes in the visual identity of the national brand; • Failure to understand the importance of national branding for exports, inflow of foreign investments and tourism, as well as for the reputation of the country in the world by certain entities; • Inadequate coordination and integration of the activities of all state institutions • Insufficient investment of the domestic economy in promotion on the international market; • Insufficient implementation of private-public partnership and networking of all institutions, private, public and NGO sectors and all other institutions that can work together on the process of branding Montenegro;
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Adapted from National Brand Development Strategy 2022 - 2026 (2021).

4.4.7 Strategic objective with operational objectives

Bearing in mind that building and improving the state's brand is of crucial importance for improving its overall competitiveness and the performance of the national economy, and taking into account the conclusions of the previously conducted analyses of the current positioning and the key problems, the strategic goal of MEDT is:

"Improving the country's competitiveness through the development of the national brand"

Montenegro, with all its potential and values, should develop and implement a unified representation of the country that will ensure a high degree of recognition in the world, i.e. its positive differentiation in relation to the competition, which will primarily contribute to increased exports and greater sales of domestic products and services, the intensification of foreign direct investments as well as the development of tourism because customs and traditions become more attractive and interesting to foreign visitors. In addition to this, it will contribute to the improvement of diplomatic relations, the political position of the state as well as more successful conduct of international politics, which will ultimately lead to an improvement in the standard of living of citizens, which will make the state more attractive for living, working and education. Since the establishment of the DNB, certain activities were carried out in the function of the aforementioned, i.e. in the function of achieving the strategic goal, which were related to the establishment of the institutional and legislative framework. Based on the strategic goal, following three operational goals (Ministarstvo ekonomskog razvoja i turizma, 2021) were derived:

Operational goal 1 – "Creating greater recognition and visibility of the state through the creation and use of a unique visual identity of the national brand"

Individual and uncoordinated action aimed at promoting and positioning individual sectors/areas, whose impact on the positioning of the state as a whole was limited, was identified as a key problem of the current functioning model of institutions in the process of national branding in Montenegro. Strategies for the development of individual brands and the communication of individual sectors did not produce the expected results, and required huge resources and created confusion in the minds of the foreign public about the state itself. Overcoming the given problem and preventing the wastage of time and resources is attempted to be made possible by establishing the concept of an umbrella brand - the brand of the state, with which individual brands correspond, which, through joint, coordinated and synchronized action, would enable the creation of greater recognition and visibility of the state within the key idea on which it establishes the national brand of the state itself. Therefore, the integration and coordination of activities on the development of the national brand of Montenegro by the institution in charge of the national brand development policy, namely the Ministry of Economic Development and the Directorate for the Improvement of Competitiveness, which includes the DNB, is imposed as a priority activity. The key

challenge relates to the acceptance and application of a unique visual identity and the adaptation of the previous activities of various institutions to it.

Operational goal 2 – "Improving the interest, knowledge, and information of relevant subjects about the national brand through informative and educational activities"

National branding is relatively a new field of study and an insufficiently known and represented concept in Montenegro. Insufficient representation of this concept in professional training programs, as well as education, results in limited knowledge and insufficient information both among the general public and among subjects relevant to the implementation of the national branding policy itself. The key challenge, in addition to the opportunity to improve knowledge in the field of national branding, relates to the insufficient number of employees in the Directorate in charge of implementing this policy, who could adequately carry out all the necessary activities in order to raise public awareness and improve knowledge in this area.

Operational goal 3 – "Developing positive perceptions about Montenegro through communicating the values of the national brand to improve the image"

Each country in the process of creating a national brand (the country as a brand) defines the concept of branding and positioning based on its peculiarities and competitive advantages, in order to create a corresponding perception of the country in the minds of the foreign public making it attractive and differentiated from the other countries. A prerequisite for the development of the country's effective communication is the brand's focus on its most significant potentials, which can be optimally marketed to the target public. As in the previous case, the key challenge relates to limited personnel capacities, i.e. insufficient number of employees in the National Brand Directorate. In addition to this, policy implementation from the directorate level can be a possible challenge as well.

5 NATION BRANDING EFFORTS IN TOURISM

5.1 Expert interview

In this chapter the results of my primary data analysis are presented. My primary data consisted of an expert interview. For the purposes of this research, I conducted a semi-structured in-depth interview with a representative from National Tourism Organisation (NTO) of Montenegro, as the most relevant source of information when it comes to NB in tourism in Montenegro. My respondent is the current advisor to director of NTO of Montenegro, MSc. Dušanka Pavićević. The answers provided to the imposed questions were analysed using thematic analysis. Through the use of thematic analysis 4 themes emerged. These 4 themes are discussed in more detail in the following sub-chapters.

5.2 Communication channels

National Tourism Organizations are aware of the need to create, maintain and update both their digital as well as traditional communication channels in order to engage with current and potential visitors. The application of new technologies has led to enormous changes in the tourism sector in recent years, even though the traditional communication channels are still being utilized, it is to a far lesser extent when compared with the digital ones. Considering the fact that tourism industry intensively relies on the use of communication and information technologies the manner in which NTOs communicate their message to the target audiences significantly changed in the recent years. NTOs recognize the fact that social media, such as video and photograph sharing platforms and recommendation websites represent effective tools for reaching potential tourists, conveying the national brand image and promoting the country's offerings.

When asked about what are the main communication channels NTO of Montenegro uses for promotion of tourism (digital – websites, portals, social media channels etc., traditional – television, radio, newspapers, billboards etc.) the interviewee answered the following:

"Like every NTO, we use widely recognized marketing channels. On one hand we utilize digital and on the other traditional communication channels. When we talk about digital channels, we're talking about our new web portal (Montenegro.travel) which has been around for years, however this year it was updated according to the newly released strategy. Of course, we also engage in promotion through the most popular social media networks. Regarding the main social media platforms we utilize, NTO has a team of employees who deal exclusively with this area of communication, and they consider Instagram, Facebook, Twitter and LinkedIn as the most relevant ones and would rank them respectively."

Even though today there is a large emphasis on digital communication channels, the traditional communication channels are still highly relevant when it comes to promoting the NTOs, which also reflects the fact that NTOs have target audiences varying in ages and therefore consuming different types of media content. The interviewee elaborated on the various types of traditional communication channels:

"When it comes to traditional communication channels, we organize PR activities, study visits of journalists, press conferences and various related activities. In addition, we also promote NTO through advertising in print media (newspapers, magazines etc.). NTO also does certain promotion activities when it comes to the B2B segment - we organize workshops and study visits for representatives of tour operators of the target markets. Recently, we had a workshop in Vienna which was very well attended, earlier this year in Paris... we had it in almost all the targeted markets. We participate in various tourism related fairs worldwide. There are many fairs planned for the upcoming year and significant amount of the funds is used for these purposes. NTO also organizes events for B2C segment, such as (summer / winter) Roadshow. These, however, are more applicable to the regional

countries (mostly Serbia, Bosnia and Herzegovina, Albania, Kosovo, Slovenia, and a little less in Croatia)."

Tourism is heavily dependent on media coverage since the vast majority of travel decisions are made by those who have never visited the destination themselves, which is why NTOs give special attention to organizing study visits for journalists as well as roadshows. Study visits of journalists from leading media serve as means to familiarize them with the tourist offer of Montenegro, which they will write about in printed and online articles and therefore provide Montenegro with significant visibility. On the other hand, roadshows are promotional campaigns organized by NTOs in countries / cities which are recognized as target markets with potential tourists by combining various events which take place in busy locations such as city squares and shopping centres. These campaigns also imply local media involvement in order to successfully promote NTOs current offer. Figure 14 below demonstrates a typical fair stand of NTO of Montenegro. On the following page, Figure 15 demonstrates a typical roadshow stand of NTO of Montenegro.

Figure 14: ITB fair Berlin – fair stand of NTO of Montenegro



Source: Vijesti (2018).

Figure 15: Roadshow of NTO Montenegro



Source: Share Montenegro (2022).

5.3 Activities and campaigns

Implementing various activities and campaigns is a pivotal part of NTOs functioning. When it comes to campaigns, I wanted to find out what are the most significant promotional campaigns which were carried out by the NTO of Montenegro:

"Recently, the campaign "Montenegro: In the company of nature" has been implemented. This campaign was designed during the first pandemic year which is also when the implementation started. The campaign accentuated the fact that while spending time in the nature in Montenegro you are safe from the virus."

This campaign was founded on the fact that Montenegro was the first European coronavirus-free destination at the time (May, 2020). The interviewee also emphasized that for a number of years NTO has been trying to draw attention to the fact that besides the coastal area Montenegro has significant potential when it comes to mountains and therefore various outdoor activities (hiking, biking etc.):

"It was only when the Covid19 pandemic struck that the domestic tourists truly realized and began to take more interest in and enjoy the tremendous potential we possess and yet up until now we weren't fully aware of."

In addition to the most recent campaign, there were many other campaigns which highlighted Montenegro's richness in landscape and biodiversity.

"There were several other campaigns such as "Montenegro, always different", "Montenegro, like in the movie", "Montenegro, between the mountains and the sea" Periodically, a new campaign is always being implemented, of course depending on the current budget available

to NTO. Campaigns always require significant funds to be invested, but this is of course necessary if you want to promote yourself."

Regarding the creation of the promotional campaigns, I wanted to find out who participates in the process, does it involve hiring marketing agencies or is the production done in-house, therefore by NTO.

"Depending on the financial resources available we hire marketing agencies accordingly, therefore the creation process itself is not done in-house. Marketing agencies are in charge of designing the campaigns, nevertheless the process requires the engagement of NTO in terms of determining the general guidelines and inputs - a clear picture of what the message you want to send as well as what is that target market, since they all differ, must be elaborated to the agency in order to successfully design the campaign."

During my research I found out that Montenegro is preparing a tourist offer for energy tourists and digital nomads. Energy tourists are residents of the European Union (EU) who want to relocate throughout the winter to nations where energy costs less than in their home countries (Spasić, 2022). This represents a great opportunity for Montenegro to reduce the seasonality in tourism, which represents a major problem, and to increase the revenues from tourism. The interviewee provided me with insights regarding this innovative offer:

"This offer was created in collaboration with our partners - the Chamber of Commerce and the Ministry of Economic Development and Tourism as well as businessmen who provided their concrete offers for the winter months, which we then incorporated into our promotional activities. This is something completely new for Montenegro and we have no experience with it, nor do we have any analysis regarding its potential, it is a trend, and we will see what the effects will be."

When it comes to digital nomads Montenegro worked on providing them with the best possible conditions which enables them with a comfortable and hassle-free transition from their country to Montenegro.

"Due to visa restrictions, digital nomad resides in the destination for more than 90 days (3 months), which is why changes in the Law on foreigners and by-laws were implemented. Foreigners can stay longer than 90 days and up to 2 years with the possibility of renewal of stay. A Law on the income tax of natural persons, which exempts them from taxes, is also being prepared. All this contributes to the attractiveness of the offer."

In today's fiercely competitive tourism industry it is pivotal to continuously come up with new and interesting offers. I asked the interviewee to elaborate on who is involved in the process of creating innovative tourism offers (e.g. energy tourists)

"Campaigns are done in cooperation with everyone - when we prepare a promotion plan for the upcoming period, we organize meetings with representatives of local tourist

organizations, representatives of the Chamber of Commerce, there is also a coordinating body for the preparation and monitoring of tourist seasons, so that within those bodies and through direct communication between each other we collect information about what they consider would be interesting for tourists in that period that we want to promote, especially when it comes to news – What are some new activities Montenegro offers (there must always be something new)."

It is interesting to note that in Montenegro, local tourist organizations are established by municipalities, although it is often thought that they are part of the NTO. This is not the case in Montenegro since the system is decentralized. Therefore, they are under the jurisdiction of the municipalities in whose territory they are in, and they work on the promotion and development of tourism products in their jurisdiction, while the NTO is responsible for the national level, and it was founded by the Government of Montenegro. Regardless of the architecture of this system, NTOs and local tourist organizations cooperate closely, which is why the Law on Tourist Organizations itself regulates that local tourist organizations submit their work program to the NTO for approval before sending it to their bodies, i.e. their body of the assembly for the adoption of the program.

"First they get an opinion from us and in this way NTO wants to coordinate promotional activities so that they are synchronized and that we go towards specific target markets that are recognized as the markets with the greatest potential. Therefore, from a legal point of view, they are obliged to get an opinion and consent for their work plan from the NTO."

5.4 Main markets and trends

Determining what the main markets are when it comes to promoting a country's tourism offer is crucial for reaching the desired results in the tourism industry. I wanted to discover what are the main markets NTO focuses its promotional efforts on and how do they differ. My interviewee elaborated on the topic:

"Our target markets have not changed recently, but in general during the covid crisis, of course, like all countries, we were more focused on the domestic market and the markets of regional countries. Before that our most important markets were the markets of central and western Europe. Our main target markets are German-speaking countries, France, Great Britain, Poland, Russia, and Ukraine (especially before the war), and certainly the countries of the region. Most of our funds were invested in promotion on those markets, and certain activities were also implemented when it came to other markets - for example United Arab Emirates and Saudi Arabia (due to the introduction of a new flight connecting Montenegro with these destinations). We also have certain activities when it comes to the Scandinavian market as well as some new markets where Montenegro was not so active in the earlier years."

It is important to point out that target markets depend on many factors and not just the fact that the chosen ones are favoured over the others, even though at first thought it does seem like that. From this we can conclude that it largely depends on the various present circumstances which are sometimes very unpredictable and range anywhere from currently available flight connections to Covid and war crises. On that note, the interviewee concludes:

"When the crises, both Covid19 and Ukraine war, struck we acknowledged the fact that it is not good to rely only on few markets, rather we must diversify our target markets in order to reduce the risk."

With the aim of gaining an insight of the desirable type of tourism I asked the interviewee should Montenegro focus on mass or elite tourism, mass tourism referring to a large number of organized tourists coming to popular holiday destination for recreational purposes, while elite tourism is referring to tourism for rich and/or famous guests.

"I think we need to manage the destination better. You must develop the product so that it is of high quality and then manage towards the target markets in order to have as little pressure on the coastal area as possible. It would be ideal to generate as much income as possible with as few tourists as possible so that we have elite tourism, the goal certainly is to have tourism that is oriented towards high-paying guests. Mass tourism is not desired as it represents a great pressure on us, given that we have limited resources and occupy a rather small geographical area, but of course we need to work dedicatedly on product development in order to be able to attract those high-paying guests who, have their own requirements and standards when it comes to a destination, therefore the destination must work on constantly improving and diversifying the offer. It is evident that progress towards this goal is certainly being achieved."

When we are talking about the target markets and the desired type of tourism, we must also mention the different type of tourists from these target markets. Some tourists seek adventure and therefore prefer active vacation (hiking, biking, rafting etc.) as opposed to others who prefer passive vacation (relaxing, resting etc.).

"French, Germans, and Poles are tourists who like very active vacations as opposed to tourists coming from regional countries who prefer more passive vacations. Keeping this in mind a progress has been made, for example, Žabljak and Kolašin now both have winter and summer season, with summer season sometimes surpassing the winter season precisely because of active vacation promotions."

Even though a significant progress has been made there is still plenty of room for improvement, given that seasonality in tourism is still very pronounced. The goal is to extend the tourism season to last most of the year, while the best-case scenario would be to last all year round. The improvements need to be done both in terms of product development as well as creating new and innovative offers. The interviewee added:

"That should be our focus just as much as marketing, not just marketing itself, because marketing should follow the product. You cannot promote one image if it does not reflect the real state of affairs. Marketing must first of all be honest, promotion should be based on the unique offer of the tourist destination."

As it was previously mentioned in the literature review on nation branding, marketing must be based on facts, it cannot be a made-up picture created by a nation to promote itself in a desirable way, as the NB process can only be successful when it is based on genuine values and traits of a nation.

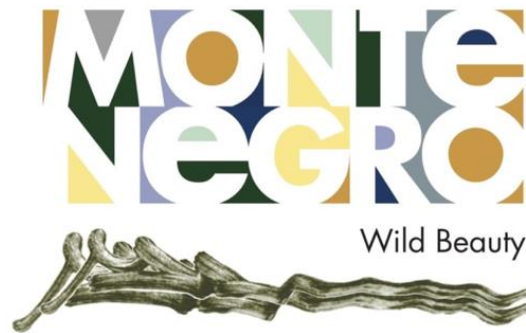
Over the years there has been a slight change of focus when it comes to NB in tourism. The focus always has been and still is on the coastal area, however in the recent years a light has been shed on the mountain landscapes of Montenegro and many activities which this area enables.

"Our goal now is to valorise the mountainous part of Montenegro as much as possible, and in this sense we are sending more and more of these messages through our activities, because during the summer months we always have a good season as far as the coastal area is concerned, however the goal now is to be recognized as a destination which offers more than just that – vacation in nature, emphasized by our slogan Montenegro – Wild Beauty."

The current logo and slogan of NTO of Montenegro was designed in early 2000s by a group of German designers and is still actively used. The 'Wild Beauty' slogan invites visitors on an adventure of exploring Montenegro's unique landscapes and it encapsulates its uniqueness. The colours of the logo stand for many geographical and cultural facets of Montenegro, and they convey a sense of untamed beauty in a way that is not totally synthetic but rather "earthy" and genuine. Underlining the brand name is a flowing line sketched loosely. The line represents the topography of Montenegro (from the mountains to the sea). Figure 16 demonstrates the current logo and slogan of NTO of Montenegro.

"It is important to conduct research now in order to determine whether the current logo needs to be corrected or modified. The current logo is good since it combines very well with all the promotional materials, therefore it is very versatile. Also, the research should determine whether the slogan "Wild Beauty" is still suitable, if not, a new one should be devised based on the results of the analysis."

Figure 16: Logo and slogan of NTO Montenegro



Source: Montenegro (2022).

5.5 Strategy

Successful development of tourism in NB is closely related to having a well-defined legal framework. In order to achieve certain strategic goals a strategy needs to exist as well as laws and by-laws which enable the system to function. When it comes to the most important strategic documents related to development of tourism in Montenegro, the interviewee answered the following:

"Currently, the most relevant document is the latest Tourism Development Strategy 2022 – 2025 (original title: Strategija razvoja turizma Crne Gore 2022-2025. Godine). There are also various programs which define certain specific topics, such as the Program for the Development of Rural Tourism (original title: Program razvoja ruralnog turizma Crne Gore), Program for the Development of Cultural Tourism (Program razvoja kulturnog turizma Crne Gore). The Ministry of Economic Development proposes and carries out these programs."

For my next question regarding strategy, I asked the interviewee to elaborate on what were the most important strategic steps taken in the direction of development of tourism in Montenegro:

"At the moment, the most important goal is to extend the duration of the tourist season, that is, to valorise what we haven't so far and there truly is immense potential (e.g. National Parks, the northern / mountainous part of Montenegro etc.). Extending the season naturally results in increased employment and revenues. Therefore, in accordance with our resources, we are working on expanding the season as well as attracting tourists from target markets with high purchasing power, considering our limited resources. Of course, the extension of the season must be accompanied by the improvement of the quality of the tourist product as well as the diversification of the tourist product (especially in the northern part of Montenegro). These are the main strategic steps in which we strived to be as successful as possible for years. There is progress, but there is also significant room for improvement."

Financial resources dedicated for achievement of specific goals and targets of the strategy are a crucial factor when it comes to successful implementation of the strategy. The official annual work program for the upcoming year has not yet been defined due to the fact that the Government budget was not defined yet. The activities that will be implemented depend on the available financial resources distributed through the Government budget, which is why NTO must first wait for the release of this budget. NTO also has many projects which are financed by European Union funds. By applying for projects which are implemented with partners, NTO attempts to provide for the lack of funds. In addition, over the years NTO has been facing a major issue regarding the distribution of finances dedicated to their establishment.

"With regard to finances, NTO has been facing a problem for years now, because the laws that define the activities of tourist organizations (Law on Tourist Organizations, Law on Residence Tax - which is also related to the financing of tourist organizations) clearly state that part of these dedicated funds (resident tourist tax and member contribution) belong to the NTO for the realization of its activities, however, in practice we have a problem with the implementation of those provisions, so instead of NTO directly receiving those the allocated funds, those funds are transferred to Government budget, so then only part of those funds are allocated to the NTO, and for years we have been trying to change that, and we hope that in the upcoming period this will be resolved."

6 SUMMARY AND RECOMMENDATIONS

6.1 Summary of main findings

Based on the research I conducted using both primary and secondary data I gained a deeper understanding of the NB process in Montenegro in general as well as specifically in the tourism industry. The following can be concluded:

The key problem Montenegro faces when it comes to the NB policy is an insufficiently developed national brand. The key causes that led to this problem relate to the limited influence of the policies of individual sectors on the positioning of the state as a whole and creating its greater visibility and recognition.

Closely related to this is the fact that there is no unified representation of the state, which results from a specially defined brand architecture consisting of an umbrella brand and sub-brands expressed by a unique visual identity, which enables sending an unambiguous and consistent message about the state (regardless of whether the country as a whole or individual sectors and areas are presented). The absence of a unified communication and marketing plan further complicates meaningful and coordinated action on the positioning of Montenegro in the minds of the foreign public, while focusing on the country as a whole with the joint action of all institutions.

Another reason for the insufficiently developed national brand stems from the low level of knowledge and information of both the public sector, which should be the bearer of this policy, and the private sector, which would have direct benefits from the implementation of this policy. Namely, in Montenegro there is still not enough representation of this field, and therefore the possibility of acquiring knowledge with the aim of profiling experts for national branding is limited.

In addition to this, specific training, and education programs, as well as conferences (especially in Montenegro) are missing, which makes it difficult to improve the knowledge of the directorate's officers, as well as potential new staff. This entails the issue of experts in this field, available in Montenegro, which imposes the need to consult and engage regional or international experts, which requires the allocation of larger financial resources. As a consequence of an insufficiently developed brand, insufficient visibility and recognition of the country, i.e., the absence of a clear connection between the country of origin and the product, stands in the foreground. Namely, it is apparent that Montenegrin products and services are not adequately positioned and recognized in the minds of the foreign public.

On the other hand, although compared to the countries of the region, Montenegro is characterized as attractive for investment and an attractive tourist destination, the question still arises as to whether it is attractive enough compared to other European countries. It should be pointed out that the research conducted by the Ministry of Economic Development in cooperation with the Institute of Economic Sciences from Belgrade, revealed that Montenegro was not recognized as an attractive country for living and working.

Nation branding is a process which lasts and requires enormous financial and human resources, so that the activities can be carried out continuously while following the best examples of practice, however, starting from insufficient knowledge of the concept by all actors necessary for the implementation of this concept, i.e. insufficiently developed awareness about the concept of national branding, Montenegro also faces the problem of insufficiently allocated financial resources, but also a small number of personnel who are systematized in the National Brand Directorate.

When it comes to tourism industry specifically, the following are the main findings:

Target markets depend on various factors and sometimes the circumstances can be very unpredictable and limiting (e.g. Covid19 pandemic, war in Ukraine etc.). Therefore, it is not recommended to rely only on few selected markets, as was the practice so far, but rather to diversify the target markets in order to reduce the risk.

Another major issue when it comes to NB in tourism is the fact that the tourism product itself needs to be of better quality in order to attract the high-paying guests, which is the goal since the pressure on the coastal area created by the mass tourism needs to be reduced. Currently, Montenegro is a mass tourism destination, however with the NB strategy it strives to further develop the tourism offer and position itself as an elite tourism destination.

Seasonality in tourism is still very pronounced which is another issue Montenegro has been tackling for a while now. Significant progress has been made when it comes to this issue, however there is plenty of room for improvement, both in terms of improving the existing offer as well as creating new, innovative offers in order to satisfy the needs of various types of tourists (e.g. adventure seeking, leisure etc.). When it comes to branding process, it is emphasized that the marketing of the offer needs to be a clear reflection of the product itself and not in any way try to deceive the potential tourists, which is an attitude supported by the theory, previously mentioned in the literature review. Extending the season also results in increased employment and revenues, which complements the motivation to resolve this issue.

Another important thing to note is the slight shift of focus from the coastal area of Montenegro to the mountainous area and all the activities which can potentially be offered to tourists. This complements the diversifying target markets argument, since there are many activities which suit different types of tourists.

Furthermore, it can be concluded that without a proper legal framework a successful development of NB cannot be executed. In this sense, Montenegro laid a proper foundation by establishing, most importantly, the DNB, which established the most important strategic documents such as the NBDS 2022 – 2026, as well as the Law on the National brand, and more specifically when it comes to tourism industry, the Tourism Development Strategy 2022 – 2025. Montenegro is one of the very few countries worldwide which created a separate department in the MEDT in order to tackle the NB process.

Finally, another issue, which could potentially arise, is the failure to implement the established law and strategies. Since the strategies have been established in 2022, it is still early to comment on their effectiveness and the successfulness of their implementation. Sometimes, even though there are laws in place, the system can fail. In the interview, the interviewee informed me of the issue the NTO has been facing for years regarding the distribution of finances dedicated to their organization which is a direct result of not practicing the law correctly. The NTO is still working on resolving this issue.

6.2 Limitations of research

Even though thematic analysis is the most widely used method for analysing qualitative data, it is still not clearly demarcated, there is no unified agreement on exactly how it should be undertaken. Therefore, this could potentially affect the results of my in-depth interview analysis.

Furthermore, in order to acquire the information regarding tourism I turned to the most relevant information source, which was the advisor to director of the NTO of Montenegro. However, even though I conducted an expert interview, a method which enabled me to

acquire interviewee's valuable insight on the topic, this resulted in my sample consisting of only one respondent.

Finally, for my primary data I exclusively focused on the content found on the website and the related channels and official documents of the Government of Montenegro. The reason why I exclusively focused on these sources was because NB process is a process undertaken by the Government of a country. This, however, could potentially represent another limitation to my study since the other sources were not included.

6.3 Implications for policy makers

The findings from the research suggest that the NB process in Montenegro has started in January of 2014 with the establishment of the Directorate for Development and Improvement of the National Brand in the Ministry of Economy. Since then, a considerable progress has been made in the process of developing the country's nation brand.

Apart from the introductory chapter which familiarizes the reader with the field of NB, this research has shown a complete summary of all the activities taken by the DNB, which includes both activities relating to the establishment of the legal framework, as well as other complementary activities. Furthermore, once the groundwork on NB in Montenegro was set, I conducted the expert interview in order to gain a valuable insight into the development of NB in tourism industry in Montenegro.

This study is the only study which summarizes the complete history of NB process in Montenegro, with a specific focus on the tourism industry, which is why it can be useful to the policy makers. As it was previously mentioned, a significant issue in the NB process is the fact that the public sector, which should be the bearer of the policy has low level of information and knowledge of this field of study. Considering this research is a comprehensive study of the NB process in Montenegro it represents a very useful tool for policy makers. On the other hand, the private sector, which would have direct benefits from the implementation of this policy, can also benefit from this research. Since there is not enough representation of this field of study in Montenegro, this research offers the possibility to acquire knowledge in a systematical manner, which is a good starting point for profiling experts for national branding. As it was previously mentioned, a lack of experts in the field is another issue Montenegro is facing.

These findings also suggest that even though a significant progress has been made in the development of tourism industry, there is still a lot of room for improvement. It sheds the light on significant issues such as seasonality, the distribution of allocated funds to organizations, as well as the importance of diversifying the target markets and the tourism offer itself. In this sense the research represents an important source of information to both policymakers and the public since the findings affect all the actors in the industry.

CONCLUSION

In today's highly globalized and competitive world it is not only desired but necessary for the countries to engage in the process of NB. This research aimed to explore how the country of Montenegro approaches NB with a particular emphasis on the tourism industry. Based on the data I have gathered and analyzed, it can be concluded that Montenegro laid the foundation for the NB process by establishing the DNB, which established the legal framework, enabling the development and improvement of the nation brand. Since this formal step in the direction of nation brand development was taken, it is evident that a considerable progress has been achieved, however there is still a lot of room for improvement. The final chapter elaborates on these issues.

Upon reviewing the critical literature on NB, I conducted my research using both primary and secondary data. The primary data consisted of an expert interview, which was in the form of a semi-structured in-depth interview, analysed using thematic analysis. For the expert interview the respondent I have chosen was a representative from NTO of Montenegro and the reason why I have chosen this respondent was because when it comes to Montenegrin tourism industry this is the most relevant source of information providing me with their valuable insight, knowledge, and undiscovered issues. For my secondary data I relied on online research of the legal framework as well as official channels of Government of Montenegro and all the related articles, which were analysed using content analysis. This enabled me to thoroughly examine all the relevant Government official documents relating to NB as well as all the related activities taken by the DNB, which I concisely outlined in my study.

Based on the conclusions, elaborated on in the final chapter, policy makers should focus on creating a unified representation of the nation enabled by the umbrella brand with sub-brands. Additionally, education programs should be included as part of awareness and knowledge creation on the matter. Policy makers should consider putting in the effort in further familiarizing both public and private sector on the field of NB. This research could potentially serve as a guide for clarification on what nation brand is and what it entails, and how it relates in the case of Montenegro. Another matter which should be resolved is the issue of funds allocation for the NTO. This should be given priority since Montenegro is a country heavily dependent on the tourism industry.

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APPENDICES

Appendix A: Povzetek (Summary in Slovene language)

Znamčenje države predstavlja koncept, ki se ukvarja z uporabo blagovnih znamk in tehnik tržnega komuniciranja za promocijo podobe naroda (Fan, 2005). V današnjem globaliziranem svetu, je meddržavno tekmovanje prisotno v številnih kategorijah in čeprav je nacionalno znamčenje razmeroma nov koncept, je njegova pomembnost vedno bolj priznana. Države se ukvarjajo z nacionalnim znamčenjem iz različnih razlogov, kot so privabljanje turistov, spodbujanje tujih naložb in izvoza. Anholt (2007b) navaja, da je najpomembnejši komunikator državne blagovne znamke turizem, in ni presenetljivo, da dobra kampanja blagovne znamke pozitivno vpliva na turistični sektor.

Namen te študije je raziskati, kako Črna gora uporablja znamčenje v turističnem sektorju. Diplomsko delo bo omogočilo globlje razumevanje načinov, kako se država predstavlja v turističnem smislu. Gospodarstvo Črne gore je v veliki meri odvisno od turistične industrije, zato je ključnega pomena opraviti temeljito analizo blagovne znamke v industriji potovanj in turizma. Pandemija Covid-19 je močno prizadela črnogorsko gospodarstvo, zato je ključnega pomena da si panoga turizma hitro opomore, k čemur bi lahko pripomogel pravilni pristop k znamčenju države. Ta diplomatska naloga bo torej poglobila razumevanje, kako bi trženje blagovne znamke Črne gore lahko bila potencialna rešitev za ponovno okrepitev turizma po pandemiji Covid-19.

Moji raziskovalni cilji so:

- Kritično pregledati obstoječo literaturo o znamčenju države
- Analizirati turistične prilive v Črno goro in turistične trende
- Analizirati pravni okvir Črne gore in s tem povezane dejavnosti, ko gre za znamčenje države (viri: Nacionalna turistična organizacija (NTO), Ministrstvo za gospodarski razvoj in turizem itd.)
- Izvesti primarno raziskavo v obliki poglobljenega intervjuja z izbranim uradnikom iz NTO ali Ministrstva za gospodarski razvoj in turizem.
- Predložiti nacine črnogorski vladi, kako lahko država pristopi k nacionalni blagovni znamki v turizmu

Magistrsko delo bo izvedeno v obliki raziskovalne študije z uporabo primarnih in sekundarnih podatkov. Sestavljeno bo iz dveh delov: najprej teoretičnega dela, ki predstavlja pregled najrelevantnejše literature z študijskega področja, sledil bo empirični del, sestavljen iz strokovnega poglobljenega intervjuja v kombinaciji z vsebinsko analizo povezanih vsebin.

V teoretičnem delu je bil moj cilj seznaniti bralce z relativno novim konceptom znamčenja države. Pregled kritične literature je temeljil na znanstvenih člankih in revijah, ki so jih izdali raziskovalci in univerze, ter publikacijah priznanih avtorjev s tega področja. V empiričnem delu sem uporabila tako primarne kot sekundarne podatke. Za svoje primarne podatke sem opravila strokovni intervju v obliki polstrukturiranega poglobljenega intervjuja s predstavnikom Nacionalne turistične organizacije (NTO) znamčenja države Črne gore,

analiziran s pomočjo tematske analize. Sekundarni podatki so temeljili na spletni raziskavi pravnega okvira v Črni gori ter povezanih člankih in uradnih kanalih vlade Črne gore, obravnavanih z analizo vsebine. S kombinacijo analize primarne in sekundarne vrste podatkov sem poskušala pridobiti globlje razumevanje tematike ter odkriti področja, ki imajo potencial izboljšave.

Appendix B: Questions for in-depth interview

Note: Each question refers to the period from the establishment of the Directorate for National Brand Development and Consumer Protection with the Directorate for National Brand Development (January 2014) until today.

*NTO – National Tourism Organisation

Communication channels:

1. What are the main communication channels NTO uses for promotion of tourism (digital – websites, portals, social media channels etc., traditional – television, radio, newspapers, billboards etc.)? How would you rank these communication channels according to their significance?
2. What are the main social media channels through which NTO promotes tourism and how would you rate them according to their significance?

Activities and campaigns:

3. What are the most significant campaigns carried out by NTO for the purposes of tourism promotion?
4. Who participated in the creation of promotional campaigns? Did the process involve hiring marketing agency specialists or is the production in-house?
5. Montenegro is preparing a tourist offer for energy tourists and digital nomads. Can you tell me more about it?
6. Can you tell me more about who is involved in the process of creating innovative tourism offers (e.g. energy tourists)

Main markets and trends:

7. What are the main markets where NTO markets its promotional content? Can you rank the top 5 most valuable markets for Montenegro?
8. According to you, should Montenegro focus on mass or elite tourism?
9. Has our focus in national branding over the years changed when it comes to tourism (e.g. changes in strategy, selection of the most important markets, etc.)?

Strategy:

10. What are the most important strategic documents related to development of tourism in Montenegro?
11. What were the most important strategic steps taken in the direction of development of tourism in Montenegro until today?
12. What are the most important goals for NTO in the upcoming months?

Appendix C: Visual identities of the umbrella brand and individual brands

Table 1: Visual identities of the national brand and individual brands

Ministry of Economic Development and Tourism	Visual identity of the national brand	 The logo features a stylized, symmetrical emblem in shades of orange and red, resembling a bird or a flame. Below the emblem, the word "montenegro" is written in a lowercase, grey, sans-serif font.
Ministry of Education, Science, Culture and Sports	Creative Montenegro program	 The logo consists of the words "KREATIVNA CRNA GORA" in a bold, red, sans-serif font. The letters are slightly irregular and hand-drawn in style.
National Tourist Organization	Tourism brand logo	 The logo features the word "MONTENEGRO" in a colorful, multi-colored font. Below the text is a green, wavy line representing a landscape or a path. To the right, the words "Wild Beauty" are written in a small, black font.
Chamber of Commerce of Montenegro	Mark of quality	 The logo is a red speech bubble with a white circle inside containing a grid of white dots. Below the speech bubble, the words "DOBRO IZ CRNE GORE" are written in a white, sans-serif font.
Ministry of Agriculture, Forestry and Water Management	Promotion of domestic products protected by the designation of origin	 The logo features a stylized, golden-yellow outline of a ham. Below the ham, the words "NJEGUŠKI PRŠUT" are written in a red, sans-serif font.
Ministry of Ecology, Spatial Planning and Urbanism	Celebrating the 30th anniversary of the adoption of the Declaration on the declaration of Montenegro as an ecological state.	 The logo features a stylized, green and blue leaf-like shape. Below the shape, the words "svaki LIST svaka KAP" are written in a small, black, sans-serif font.

Adapted from National Brand Development Strategy 2022 - 2026 (2021).