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## **Kazbegi Municipality Branding Strategy**

Developed by **Brandsellence consulting**

For

**People in Need**

And for local Action Group (LAG) Kazbegi



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 **Brandsellence**

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## **1. Kazbegi branding goal**

Local action groups may have three basic goals for creating a brand out of the Kazbegi municipality:

**Tourism development in the Municipality-** The first goal is to increase awareness about and attract more tourists to the Kazbegi region, which, in turn, will increase local business activity generating more income for the population and consequently, improving the standard of living of local residents.

**Kazbegi brand as quality sign-** The second goal serves the purpose of using the brand created by the local action group as a quality sign and the right of its use should be given only to companies or individuals that meet the standards set and approved by a local action group (LAG). This will help tourists select the service or product based on how well they meet the quality requirements.

**Improvement of local product quality.** The third goal is interrelated with the second one and implies the improvement of the quality of products found all over Kazbegi through competition – i.e. when more tourists using services and products of organizations with Kazbegi quality sign due to their reliable quality indicator lead to other companies becoming more motivated to achieve the quality of production or service that meets the standards established by the Kazbegi action group.

## **2. Branding process**

It should be noted in the first place that the branding process always results from an active interaction in the involved community, especially in such specific cases, where we talk about creating a brand for a particular region. Why specific? Owing to the fact that the branding process does not encompass one specific service or product, it should be compatible with and cover all existing services and products in the region as well as intangible values such as customs and traditions and so on. Consequently, Kazbegi branding is a challenge which can be overcome through active involvement of the local community.

The process was followed in this way – after the meetings with the Kazbegi action group, a list of local services, products, and attractions was made. Brandsellence analyzed and evaluated

the ways of commercialization of various areas and considered how to incorporate them into one brand without losing their own authenticity.

Therefore, a platform for recommended brands was created based on a two-step approach (one umbrella brand and different sub brands for products, services and sightseeing) . However, it is possible to use a one-step branding approach (only umbrella brand) to achieve the set goals. See the details in chapter four where the different versions of brand logo and slogan are discussed.

### 3. Places of interest, service, and products

According to the information provided by LAG members, the following sightseeing destinations and products can be distinguished in Kazbegi municipality:

<p><b>Places of interest</b></p>
<ol style="list-style-type: none"> <li>1. Walking tours-For instance, the Khde-Juta-Roshka-Shatili-Omalo route. It is also possible to make a relatively simplified tour for children.</li> <li>2. Touristic routes-Fansheti-Sabertse-Mkhinvartsveri route (visiting interesting places on the way – old houses, ice caves, the Codvilt Kalo) Sno-Angelozi mountain (ruins of the house of worship – monks’ dwelling place)</li> <li>3. Several unique routs in Trusso gorge which are less developed, Trusso gorge villages – village ruins, also villages such as Koselta, Gaiboteni, Toti</li> <li>4. Arshi castle, waterfalls (Arsha, Gveleti)</li> <li>5. Fansheti ruins and the two towers, Dzvelfansheta ruins and the fortress (with church ruins), caves in Fansheti (monks’ dwellings), Gharaghdbani</li> <li>6. Bethlemi caves and monks’ dwelling; Mne gorge, Suatisi, Khelitsadi lake, lake Mne</li> <li>7. Georgian army blindage in Dariali from where the 11<sup>th</sup> army retreated, Dariali castle</li> <li>8. Copper mine remnants and old ruins in Devdoraki</li> </ol>
<p><b>Food and household products</b></p>
<ol style="list-style-type: none"> <li>1. Cuisine: Khinkali with caraway, cheese and potato khinkali, khabizgina, nettle and other edible greens salad (more than ten other herbs are picked together with nettle), meat pies, and old traditional dishes such as Khavitsi, Ghalis saltwater, khali, Kobi cheese</li> <li>2. Drinks: local traditional beer, Vedza springs (sour water)</li> <li>3. Local traditional crafts made of wool such as socks and felts</li> </ol>

Gergeti Sameba church is not mentioned in the list of attractions, as it is one of the main sights not only in Kazbegi region but in the entire Georgia.

There are many potential areas to be developed in the future, for instance, diverse food and cosmetic products made from wild sea buckthorn, and alcoholic and non-alcoholic beverages, concentrates, and spices made from Alpine flowers. Among agricultural products the most prospective products that can be developed are strawberries, lettuce, broccoli, trout breeding; production of soap, liquor, dried meat and so on.

Kazbegi is also a place of attraction for ornithologists and amateur photographers due to the presence of various species of birds and its natural beauty additionally, among local rock varieties which can be used in the future; we can distinguish granite and andesite.

A logical question that arises here is – how can the above-described places and products are linked and related to a specific brand?

Any sightseeing destination or product requires relevant servicing and infrastructure. For instance, if a tourist supposedly wishes to visit Fansheti ruins, it is highly probable that they will need **a)** a tour guide’s service, **b)** a hotel, in case they want to stay overnight implying the need for hotel service and infrastructure and **c)** food and local souvenirs, such as crafts and felts. Besides, the place which the tourists wish to see should also be equipped with certain infrastructure, for instance, flagging, safety mechanisms, and so on.

A tour guide, hotel, or any catering facility can be given the right of using the brand if the local product meets the quality standards developed by the LAG based on different international norms. Consequently, the interested tourists will be able to use the products and services branded by the LAG. It should be also noted that in fact, for most part of the above-mentioned products, sights or services occur in the green box of the evaluation matrix. The red boxes in the matrix show the products that are available in other countries. Orange boxes include the products also available

Available only in Kazbegi			
Available only in Georgia			
Available in other countries too			
	Service	Product	Sightseeing

Prepared by:  Brandelligence

products that are available in other countries. Orange boxes include the products also available

in other regions of Georgia, and green boxes show the products that are unique and only typical to the particular region, in our case for Kazbegi.

#### 4. Kazbegi logo and slogan

A brand is different from a logo in the following ways - . Brand is a wider concept which covers logo as well. Brand consists of both functional and emotional aspects. Theoretically, any event or product can be branded, for example, the Georgian army blindages in Dariali. At a glance, it may seem impossible to create any brand here, but we can try.

Here we have a functional part of the brand, the blindage, and we also have an emotional component – about 100 years ago the Georgian army resisted the invasion of the Russian army and we



can express it visually by creating a logo. In this case the logo consists of a graphic component (the picture of a blindage), an indication of the location (Dariali), and a description of its function (blindage). It is necessary to add emotional part as well, for instance, use of slogans such as “100 Years of Resistance” or “100<sup>th</sup> Anniversary of Dariali Battle”. Logo and slogan together should arouse interest in a potential tourist, such that she or he searches for additional information and in case it turns out to be interesting for him or her, then the tourist plans the tour.

In the case of Kazbegi, the most famous site here is the Gergeti Sameba church, as we have already mentioned. Consequently, its use in the logo with the aim of its further promotion is rather important. Apart from graphic part, there is also text indicating the location (Kazbegi).

One strategy of the suggested branding implies creation of three different sub-brands:

**Kazbegi brand for services** (for instance, tour guides, hotels, tours in different directions)-named **Kazbegi’s Adventure**

**Kazbegi brand for sightseeing**-named **Kazbegi’s Heritage**. This quality sign can be granted to sights where apart from historical and cultural values.

**Kazbegi brand for products** (for instance, cheese, beer, felts, catering)-named **Kazbegi’s Mokhevuri**. It is worth mentioning that the historical name of Kazbegi is Khevi, but over the

time, the name Kazbegi became more dominant. So, if the name Mokhevuri is established, it will favor the restoration of the traditional name. “Mokhevuri” in Georgian means made in Khevi.



Creating such a sub-branding system and its management requires having strong internal administrative resources as well. Therefore, at an initial stage it can be feasible to create one general brand (umbrella brand) and only then (optionally) develop sub-brands based on the available resources. According to a modern approach, the consumer, especially in international tourism, does not buy only a tour and its components, (such as hotel, food, attractions) but she or he rather buys the so-called customer experience. Consequently, it is logical to use this facet of consumerism in the general logo of Kazbegi and create an inimitable Kazbegi Experience. For slogans, we could consider the following – “Kazbegi Century-old Experience” or “Unforgettable Kazbegi Experience”.



Since the Kazbegi brand in our case is targeted at attracting tourists from abroad, the text of the slogan must be written with Latin alphabet, and it will be logical if slogan is in English language.

In the due course of working, different concepts of the logos have been prepared as well, out of which the first one was given an advantage:



## **5. Recommendations for the establishment of the brand**

### **5.1. Standards in different areas**

The vitality of creating the brand depends on its designation and use. If we say that one of the main goals of the brand should be its use as a quality marker, then obviously there should be clearly set criteria on how to assign the brand logo as sign of quality. In general, there are two ways to achieve this – either by using already existing standards or creating new standards. It is reasonable to use the existing standards, since it will facilitate and accelerate the process, additionally; using international standards will add more credibility and reliability to the brand

This approach can be expressed in reality as follows – for instance, if a hotel meets the standards of a two-star hotel level according to European classification, it can be granted the right to use the Kazbegi brand logo, Kazbegi Adventure or Kazbegi Experience.

If the tour route is marked, visitors' physical safety guaranteed, and rescue service available and all this complies with the international norms of the relevant area, it can be granted the right to use Kazbegi brand, Kazbegi Adventure or Kazbegi Experience.

If the food producer has the corresponding food safety system of procedures (HACCAP) or any similar standard, it can be granted the right to use the Kazbegi brand logo, Kazbegi Adventure or Kazbegi Experience.

For tour guides too, it is possible to develop a system of certification. The ones that have professional education may automatically be given a certificate with the Kazbegi brand logo. Alternatively, the criteria for certifying the guides can be developed.

As for tourist attractions, it is possible to set the criteria in the following way – if the site has been granted the status of a cultural monument by the Ministry of Culture, it will automatically be granted the certificate with the Kazbegi brand logo like the Kazbegi Heritage or the Kazbegi Experience. The tours and sights which cannot be directly certified could be given the status of "Recommended".

## **5.2. Working groups in different areas**

Within the framework of the LAG, its members should create groups that will work in particular divisions (products, services, sightseeing). The groups will have two main objectives:

To search for or create specific standards and norms according to which the right to use the logo will be granted. It is important to have transparent, understandable, and achievable criteria which will maximally exclude the human factor to avoid biases while assessment.

The second objective is to plan and implement the activities necessary for the commercialization of a specific product or service. This can be done either utilizing the resources of the LAG members or through cooperation with relevant organizations. For commercialization, it is also necessary to search relevant information, for instance, information on Fansheti palace or the monk's cave to create an interesting story which may attract tourists to the region.

## **5.3. Web-page and social media**

Advanced information and digital technologies are widely used in everyday life and activities. Consequently, people intensively use the Internet sources to get information, be it a webpage or various social networking sites. For instance, according to statistics, in Georgia, more than a million users are registered on Facebook alone, which is really impressive.

No accurate statistics is available about the age structure of the Georgian social network users; however, given the circumstances that the millennial generation (born between 1982 and 2000) has actually grown up in the era of booming technological development, it can be assumed that this generation are much better familiar with this environment and for them, it is most natural way of conducting their personal, social or business communication.

According to the official data published by the National Statistics Office of Georgia, it is the millennial generation that makes up 27% of the total population and 44% of the working force.

In other words, if we can assume that a) the significant part of Georgia's population with the ability to work will be the representatives of the millennial generation in the near future, and b)

the majority of consumers with purchasing power will also comprise the millennial generation, then it is quite logical to create a platform with the aim of conducting business communication in an online space, which is familiar and acceptable to them.

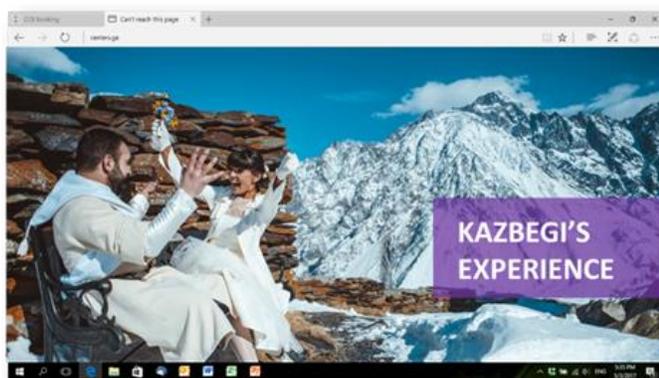
It is recommended to create a webpage and a Facebook account where an interested person can access full information about the Kazbegi brand created by the LAG and those products and services which have the right to use this logo. The domain name can be derived from Kazbegi Experience and sound like kazbex and the domain can be registered at kazbex.ge, international domain can also be registered at kazbex.com.

It is possible to consider other versions as well, for example, visitkazbegi.ge, or visitkazbegi.com. The advantage of such domains is that the domain itself contains call for attention to Kazbegi.

#### **5.4. Brand promotional activities**

Since it is recommended to place online advertising on Facebook, the relevant budget depends on the regulations and conditions of this particular platform. In the first place, it is necessary to determine the size of the accessible target audience via Facebook.

The criteria for the selection of audience can be geographical location - for instance, if we want to attract tourists from Ukraine, we should select the corresponding target audience on Facebook. It is important to identify target audience more precisely, for instance, the part of Kiev population that mentions travel as their hobby or is involved in professional or educational activities



related to travel. Let us assume the target audience selected in accordance with the above criteria is about 80,000 Facebook users. Besides, it is necessary to determine the daily budget- the higher the daily budget, the more number of target group representatives could be reached

through advertising. The table below reflects the correlation of daily budget with the coverage of target audience.

<b>FB Budget and coverage</b> <b>Daily budget USD</b>	<b>Minimal daily coverage of target audience</b>	<b>Maximal daily coverage of target audience</b>
5,00	2600	12000
10,00	4300	21000
15,00	6300	25000
20,00	7900	28000
25,00	9800	32000
30,00	12000	36000
35,00	13000	40000
40,00	13000	45000
45,00	14000	49000
50,00	14000	50000

As it can be seen from the table, the difference between minimal and maximal coverage can be quite wide. The so-called auction rule works here. This is when Facebook, by means of algorithm, determines the number of times a particular advertising will appear to a particular target group.

For instance, if a beer producer and a chocolate producer choose the same target group and if it occurs to the beer producer that according to the statistical results of the first day more viewers clicked on the beer banner than on the chocolate banner, more beer advertising

banners than that of the chocolate will appear in the future posts on the target group's wall. The logic of algorithm consists in more frequent supply of the content that is more interesting for the target group and not of the content for which a higher price has been paid.

In the initial period of the advertising campaign, let us say the first three months, advertisements should be placed very intensively, for instance, with a daily investment of USD 30. In one month it will amount to USD 900. In the following months this can become less intensive and consequently the budget can be reduced. Intensive placement is necessary for the brand's penetration into the market in a short time and for informing as many representatives of the target audience as possible.

### 5.5. Schedule and budget

The time schedule and total budget for creating the brand is represented as follows:

#	Task	Month						Budget
		1	2	3	4	5	6	
1	Setting up working groups							\$-
2	Determination of norms for different directions							\$-
3	Preparation of webpage/Facebook page							\$5,000
4	Printing flyers (10,000)							\$500
5	Distribution of flyers							\$300
6	Preparation of online advertisements							\$500
7	Placement of online advertisements							\$2,700
8	Brand presentation							\$500
<b>Total budget:</b>								\$9,500

The total length of the project can be approximately 6 months, and the total budget, the equivalent of approximately 9,500 USD.

## **6. Other activities**

For the promotion of the brand, along with the above-mentioned plan, it is possible to carry out the following activities<sup>1</sup>.

### **6.1. Legends of Kazbegi**

In this region, there are many legends connected with particular locations or events. It is possible to collect the stories, compile them and publish a book with the same title under the sponsorship of the new brand.

### **6.2. Kazbegiada-Khevi games**

It is possible to organize various traditional folk games, for instance, open competition in Lakhti (sports game) or archery (with strictly observed safety rules) and establish it as a tradition. This can be called Kazbegiada which sounds similar to Olympiad, Universiada, Spartakiada, or just call them Khevi games.

Along with these activities, it is possible to organize a trade fair of local production which will become a source of additional income for the local population. The event can be carried out in cooperation with the Ministry of Culture, Tourism Department, and Ministry of Agriculture. Over time other sports events can be added as well.

Khevi Games may have its own mascot. As LAG members have noted, the mascot can be created based on a well-known Kazbegi legend about a dragon.

### **6.3. Beer festival**

A beer festival can be held, where the beer will be brewed by the participants in a traditional way, after which the participants (or a selected category) will be granted the right to use the brand. It will be a good idea to hold the so called blind tasting and grant the winner the right to

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<sup>1</sup> At this stage, it is impossible to determine an estimated budget.

use the brand and to award certificates with Kazbegi's new brand to everyone for their participation.

#### **6.4. Hotel branding**

If a local hotel or guesthouse is rated higher than 7.0 at booking.com, it can be directly given the right to use the brand and a light box with the brand logo can be installed on the hotel building. Also, we can demand a picture featuring the light box to be posted on booking.com.

#### **6.5. Naprala award**

According to the information provided by the LAG, there is a story about a dog, called Naprala, that had once been found in the mountain and was extremely loyal to people. The Naprala award can be given to a distinguished lifeguard in Georgia. This event can be held in cooperation with the Emergency Service of Georgia. According to an idea by the LAG members, a statue of Naprala can be erected. At the opening event of the statue, it can be announced that the best lifeguard will be awarded the Naprala prize.

#### **6.6. Kazbegi Book of recipes**

A newly published book of Georgian traditional dishes by Vakhushti Batonishvili enjoys great popularity in Georgia (it is a restored and updated version of the book). It is possible to prepare a book on local dishes on a smaller scale and publish it using the new brand name.

#### **6.7. Temporary Facebook page**

Before a professional webpage and Facebook page are prepared, LAG members can create a temporary Facebook page. There is sufficient competence and qualification among LAG members to prepare high quality informative texts and place them in social media.

#### **6.8. Developing tour route**

Kazbegi development group can devise one itinerary with their own resources and then plan the necessary infrastructure – destination and locations markers, road signs, and information

boards. LAG members can also provide the service of tour guides to interested groups. For instance, they can prepare a tour to Dariali blindages.

## **7. Conclusion**

In conclusion, it can be said that the Kazbegi branding strategy presented above is a recommendation as it is beneficial to the local business and population, and its successful practical implementation directly and solely depends on the resources used by the local action group and their competence.

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