

# YEAR 2016-2017 MASTER IN INNOVATIVE HOSPITALITY MANAGEMENT

# **RESEARCH THESIS**

The influence of hosting mega-event on destination branding in terms of tourism in private sector point of view. Case study of Olympic Games in Sochi (Russia), 2014.

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#### ABSTRACT

Destination branding is an emerging and argued subject in the fields of management, marketing, tourism and politics. Hosting mega-events is associated with a certain degree of benefit for host destination. Little number of researches, however, investigated the opportunities of hosting mega-event in terms of destination branding.

This study, therefore, is aimed to identify the strategic branding opportunities created by hosting mega-event for a host nation based on the case study of Sochi (Russia) hosting Winter Olympic Games in 2014. Big amount of Sochi's residents are involved in tourism and hospitality activities. Olympic Games in Sochi are considered to be the most expensive ones in the whole history of Olympic Games, private sector representatives were one of the main group of investors. That is why legacies in terms of tourism from private sector's point of view are considered in current research. The study used qualitative method of data collection by conducting semi-structured private sector stakeholders (n = 12) of the area three years post the event. Sochi is the main resort area in the county.

When answering the major research question of this research the major impact on Sochi's brand of hosting winter Olympic Games in 2014 was discovered. That impact is observed by the "fresh air" brought to the area, new people (both tourists and hosts) coming to Sochi, higher level of standards set, new opportunities for tourism appeared, Sochi is becoming known worldwide and also new responsibilities of maintaining and developing the existing level of quality established. Some other key findings were discovered while performing this research as well. The findings of current paper might be considered as useful ones by future host destinations and Sochi's stakeholders (destination marketing organizations, event managers and tour operators).









#### ACKNOWLEDGMENTS

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### TABLE OF CONTENTS

1. INTRODUCTION	5
1.1. BACKGROUND AND RATIONALE OF THE STUDY	5
1.2. THE PROBLEM STATEMENT (RESEARCH QUESTION)	6
1.3. RESEARCH AIM AND OBJECTIVES 1.4. ORIGINALITY AND CONTRIBUTION TO KNOWLEDGE	6 6
2. LITERATURE REVIEW	8
2.1. DESTINATION BRANDING 2.2. PRIVATE SECTOR INVOLVEMENT IN DESTINATION BRANDING	8 10
2.2. PRIVATE SECTOR INVOLVENTIN DESTINATION BRANDING	10
2.4. LEGACIES OF HOSTING MEGA-EVENT	11
2.5. USING EVENT AS A TOOL FOR DESTINATION BRANDING	13
2.6. SOCHI. OLYMPIC GAMES	15
2.7. LITERATURE MAP	16
3. CONCEPTUAL FRAMEWORK	18
4. METHODOLOGY	20
4.1. RESEARCH DESIGN	20
4.2. DATA COLLECTION TECHNIQUES AND RESEARCH INSTRUMENTS	22
4.3. RESEARCH CONTEXT AND PARTICIPANTS	23
4.4. DATA ANALYSIS APPENDICES 4.5. ETHICAL CONSIDERATIONS	24 24
5. FINDINGS AND DISCUSSION	24 26
6. CONCLUSIONS 6.1. CONCLUSIONS	<b>36</b> <i>36</i>
6.2. RECOMMENDATIONS	30 38
6.3. LIMITATIONS AND FURTHER RESEARCH	39
7. EXECUTIVE SUMMARY	40
8. REFERENCES	60
9. APPENDICIES	69
9. 1. APPENDIX A: EXPERT A	69
9. 2. APPENDIX B: EXPERT B	72
9. 3. APPENDIX C: EXPERT C	75
9. 4. APPENDIX D: EXPERT D 9. 5. APPENDIX E: EXPERT E	77 79
9. 5. APPENDIX E. EXPERT E 9. 6. APPENDIX F: FXPFRT F	81
9. 7. APPENDIX G: EXPERT G	83
9. 8. APPENDIX H: EXPERT H	86
9. 9. APPENDIX I: EXPERT I	90
9. 10. APPENDIX J: EXPERT J	95
9. 11. APPENDIX K: EXPERT K	97
9. 12. APPENDIX L: EXPERT L	99
9. 13. APPENDIX M: THE POST-OLYMPIC USE OF THE KEY SPORTING FACILITIES BUILT FOR SOCHI	101
2014. 9. 14. APPENDIX N: ETHICS FORM	101 103
J. 17. TUT LINDIA IN. LITHIGJI ONINI	100







#### 1. INTRODUCTION

#### 1.1. BACKGROUND AND RATIONALE OF THE STUDY

Hosting such mega-events as Olympic Games has great influence on tourism progress in the host cities (Getz, 1997; Hall, 1992; Weed, 2008). Events play a serious role in modeling tourism product (Bob and Swart, 2010), therefore tourism (and not only) destinations are forced to host mega events in order to attract visitors, develop infrastructure and increase competitiveness comparing to other tourism destinations (Cornelissen, Bob and Swart, 2011). Moreover, hosting Olympic Games is a showcase for country (Auruskeviciene, Pundziene, Skudiene, Gripsrud, Nes and Olsson, 2010) so people around the whole world learn about that place.

However, the cost of such event as the Olympics is huge, for instance, more than 1 billion euro in Norwegian Olympics in 1994 and more 3 billion dollar in the South Korean Olympics in 1988 and about 14,4 billion dollars for the Olympics in Rio 2016 was spent (Auruskeviciene, Pundziene, Skudiene, Gripsrud, Nes and Olsson, 2010). Therefore, it is logical to consider these funds not only as a cost of hosting the Olympic Games, but also as investments into the future development of the destination.

The mega-event's effects are definitely also enclosed in intangible legacy: social, cultural and political outcomes, growth of the community interest to the destination, etc. (Ferrari and Guala, 2015). Hosting mega-events is one of the strategies to attract tourist (Bob and Swart, 2010), on the other hand, mega-events are temporary occasions, which require special infrastructure, which has to be used in the future in order not to become abounded. Due to the importance of predicting the outcomes, the role of planning events in city branding is quite significant (Getz, 2008). In addition, the presence of a brand represents a link between customer and brand (Pulik, 2015), it outlines the existence of a certain relationships between two parties, what makes the connection between tourist and destination stronger. In other words, brand is a very useful tool for destination and it might be improved with the use of hosting events.

The impact of hosting mega event has been studied a lot around the world, but effect of the Olympic Games on Sochi's city branding after 2014 has not been the subject of study yet. Although, Sochi is the latest host of winter Olympic Games. That is why the purpose of this paper is to explore the impact of the Sochi's Olympic Games on the city branding as a tourist destination. Private sector's point of view will be explored as place brand must be generated from a conversation between public and



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private sectors (Warnaby, Ashworth and Kavaratzis, 2015). According to that approach destination branding is a result of co-creation and collective thinking (Kavaratzis and Hatch, 2013), destination's brand is a result of collaboration of private and public sectors (Gotham, 2007). However, the higher level of private sector involvement in destination branding can be observed (Alekseyeva, 2014).

### 1.2. THE PROBLEM STATEMENT (RESEARCH QUESTION)

Hosting any mega-event leads to certain changes in host destination's infrastructure and image like attracting worldwide interest, for example (Weed, 2008). Due to the scope of mega-events, beforeafter comparison can be done based on big variety of different indicators and could be measured according to different rules. In other words, because of the uniqueness of each destination and each event, that comparison has to be done in a unique way every time, taking the entire specific into consideration. In this case question «What consequences brought hosting the Olympics to the city branding of Sochi in terms of tourism?» will be considered. The point of view of private sector will be the subject of the greatest focus.

#### 1.3. RESEARCH AIM AND OBJECTIVES

As the main goal of current research is to investigate the impact of hosting Olympic Games on Sochi's brand as a tourist destination, following objectives have to be achieved:

- 1) To explore and to understand the definitions and relationship of destination branding, private sector point of view on destination branding and mega-events;
- 2) To investigate the history and conditions of winter Olympic Games in Sochi 2014;
- To conduct interviews with the representatives of private sector to get related data in order to analyze the consequences of Sochi's destination branding in terms of tourism after hosting Olympics;
- 4) Based on the findings, to formulate the main consequences hosting the Olympic Games brought to Sochi's as a tourist destination.

#### 1.4. ORIGINALITY AND CONTRIBUTION TO KNOWLEDGE

Destination branding is an attractive field of study for a number of researches. For instance, Boisen, Terlouw, and Gorp in 2011 explored the conceptual understanding of destination branding through discovering to what level destination branding indicates a degree of selectivity of target





audience of destination and how this is related to the place identities. According to their findings, place doesn't exist by itself only, but with a connection to its audience; destination branding represents that connection. As it was mentioned before, destination can improve its image, for instance, by hosting mega-event (Weed, 2008). However, some mega-evens are not realizing all the opportunities and the potential of host destinations, Jago, Dwyer, Lipman, van Lill and Vorster (2010) examined the reasons why. Destination branding can be used in order to increase the level of attractiveness in terms of tourism – issues related to this have been explored by Shalygina, Selyukov and Kurach (2013). Following that, different approaches and points of view on destination branding are examined. Cerda-Bertomeu and Sarabia-Sanchez (2016), for instance, analyzed different stakeholders' perceptions of destination branding and observed the role of public sector in it. Herstein and Berger (2013) showed the overall importance of sport mega-events in destination branding strategy.

It is easy to notice now that destination branding became very popular activity to consider all over the world. Destination branding in a connection with hosting mega-event occupies a separate area of expertise. Therefore, most of the researches are based on case studies of hosting mega-events. Zhang ans Zhao (2009), for example, examined the effectiveness of Beijing's brand in connection with the Olympic Games. Case study of two cultural events in Croatia made by Trošt, Klarić, and Ružić (2012) represents the main factors while using events as a marketing tool. Ferrari and Guala (2015) reviewed the host destination of mega-events in Italy (Genoa, Milan and Turin) and their legacies. Furthermore, legacies of hosting FIFA World Cup in Port Elizabeth in 2010 were explored by Nyikana, Tichaawa and Swart (2014) and legacies of hosting Olympic Games in 2012 in London were explored by Nadeau, O'Reilly and Heslop (2015). Sochi (Russia) was a host city of winter Olympic Games 2014. However, Sochi itself and in connection with Olympic Games as well hasn't been studied a lot. Vetitnev and Bobina (2015) explored the residents' perceptions of the 2014 Sochi Olympic Games. Azzali (2016) investigated the legacies of Sochi 2014 Winter Olympics, by developing a post-occupancy evaluation of Olympic park in Sochi. However, the views of private sector's represents as stakeholders of destination image of Sochi, haven't being studied in the connection with hosting Olympic Games in 2014.

Following that, we can conclude that the impact of hosting mega event has been studied a lot, but effect of the Olympic Games on Sochi's city branding after 2014 has not been the subject of study yet. The research gap lays in exploring Olympic Games' influence on Sochi's city branding from private sector point of view.



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#### 2. LITERATURE REVIEW

#### 2.1. DESTINATION BRANDING

There are many definitions of destination branding: destination branding is the process, which is using in order to develop a unique personality different from all competitive destinations (Morison and Anderson, 2002, p. 17). Or "a network of associations in the consumers' mind based on the visual, verbal, and behavioral expression of a place, which is embodied through the aims, communication, values, and the general culture of the place's stakeholders and the overall place design" (Braun and Zenker, 2010, p. 3). There is another definition as well, which states that destination branding is "a set of marketing activities that (1) support the creation of a name, symbol, logo, word mark or other graphic that readily identifies and differentiates a destination; that (2) constantly convey the expectation of a memorable travel experience that is uniquely associated with the destination; that (3) serve to consolidate and reinforce the emotional connection between the visitor and the destination; and that (4) reduce consumer search costs and perceived risk" (Blain, Levy and Ritchie, 2005, p. 337). Combined together these activities create destination profile, which affects potential visitors' choice (Trošt, Klarić and Ružić, 2012) as generates a certain picture or stereotype about destination.

As it was mentioned above, destination branding is a process, so it has to consist of some steps or stages. 7A concept (Baker, 2007) describes seven phases of branding touristic destinations: *assessment and audit* of a destination's market position, *analysis* of that information, *architecture* of connections between destination and it's image, *articulate* – to design verbal and visual distinctive features of a destination, *activation* as an implementation of instruments of marketing communication strategy, *adoption* of brand application with all internal stakeholders of destination, *action* and maintaining destination image in a long-term period (Baker, 2007). This process is described in figure 1 (Križman-Pavlović, 2008) below.

However, as any process, the process of destination branding may face several challenges. According to the literature those main challenges are: leadership and control (Govers and Go, 2009), brand authenticity (Olins, 2002), communication and digital challenge (Govers and Go, 2009), ethics and sustainability (Dinnie, 2011) and evaluation and measurement of branding (Hildreth, 2011). Destinations can be described as "collaborative networks" (Fyall, 2011, p.94), so there is a need to collaborate within a certain limits. Authenticity is a contentious aspect for plenty of destinations (Olins, 2002) as it might





be challenging to find a middle ground between keeping an authenticity of destination and expanding and promoting this destination. Destination's promotion is realized by communicating with external world (Govers and Go, 2009), what makes this aspect crucial for destination branding (Fan, 2010). Therefore, how to communicate is indicated by ethical considerations (Dinnie, 2011). Finally it is critical for successful destination branding to develop, implement, evaluate and improve relevant strategy (Hildreth, 2011).

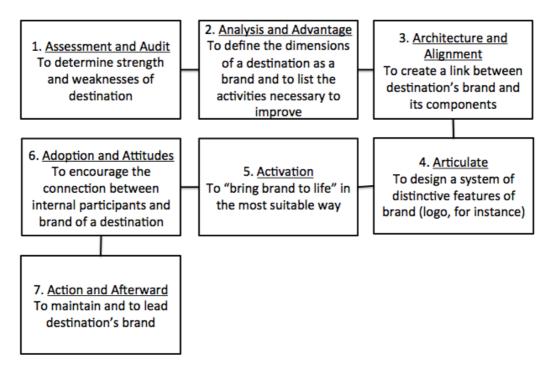


Figure 1 «The Process Of Destination Branding» (adopted from Baker, 2007).

Moreover, destination branding assumes the existence of certain roles for both external and internal stakeholders (Campi and Risitano, 2005). Gotham (2007) and Henderson (2007) claimed that destination's brand is a result of collaboration of private and public sectors as representatives of internal stakeholders of destination. Stakeholder is "any group or individual who can affect or is affected by the achievement of the organization's objectives" (Freeman, 1984, p.46). In this case destination is observed as an organization. Main groups of external stakeholders for a destination in terms of tourism are customers (tourists), supplies (OTAs) and society (Freeman, 1984). Internal stakeholders are private and public sectors of destination and civil society (Cerda-Bertomeu and Sarabia-Sanchez, 2016). Speaking about tourist destination branding, private sector point of view should be taken into consideration as the one with a very high level of involvement and, therefore, dependence as well (Alekseyeva, 2014).



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#### 2.2. PRIVATE SECTOR INVOLVEMENT IN DESTINATION BRANDING

Destination branding is supported by public, private and civil society sectors (Cerda-Bertomeu and Sarabia-Sanchez, 2016). Civil society, which can represent individuals or collectives, can be involved in the destination branding as volunteers and can be even not coordinated (Brandsen, Van de Donk and Putters, 2005). That can lead to both positive and negative outcomes, so private and public sectors use their resources to manage this. Public sector is strongly connected with government, what is represented in one of the strategies implemented by public sector in the process of shaping destination image: government lead the whole process (Hernández–Alonso, 2012). This approach assumes all the power and responsibility to be taken by government. However, there is another approach of private sector involvement into destination branding process, which assumes a dialogue between public and private sectors to co-create (Warnaby, Ashworth and Kavaratzis, 2015). Private sector contains of businesses, which play a certain role in the connection between brand of a destination and commercial companies. Private sector businesses can use the umbrella of solid place brands or be used as symbol and identity of a destination (Cerda-Bertomeu and Sarabia-Sanchez, 2016). Therefore, we can observe a two-sided connection (or relationship model) between destination branding and private sector's activities.

Thus, brand (or image) is a result of several parties' actions and goals. Therefore, not only external to the destination stakeholders but also internal (private and public sectors, civil society) ones should be attracted to the destination and interested in its development (Kavaratzis, 2012). High level of private sector involvement is recognizable from its responsibility about space, activities (such as organizing some events, for instance), products and services within a destination (Nazrin, Anuar, and Ahmad, 2012). Private sector's point of view on destination branding is important co consider due to the fact that private sector represents overall trends in the area (Alekseyeva, 2014).

#### 2.3. EVENTS

Event is a "phenomenon arising from those non-routine occasions which have leisure, cultural, personal, or organizational objectives set apart from the normal activity of daily life, whose purpose is to enlighten, celebrate, entertain, or challenge the experience of a group of people" (Shone and Parry, 2004, p. 3). This definition allows several types of occasions to be named as event, so there is a need to classify them by scale, function and form or sector. By scale events can be special, common, major, minor, mega or hallmark events (Jago and Shaw, 1998). By function events can be planned, small, large,



IN ASSOCIATION WITH:



hallmark, mega, iconic, prestige or media events (Getz, 2013). By form or sector events can be cultural, political, entertainment, business, academic, sport, recreational or private events (Getz, 2013). However, all those classifications are interrelated. Winter Olympic Games in Sochi 2014, for instance, is sport (by form) and mega (by scale and function) event.

Hosting mega-events is a unique source of attracting big amount of people and attention (Arnegger and Herz, 2016). Event is "a onetime or infrequently occurring event of limited duration that provides the consumer with a leisure and social opportunity beyond everyday experience" (Jago and Shaw, 1998, p. 29). This definition is used as including the other subcategories of events (community festivals and mega-events). Mega-event, therefore, is "an ambulatory occasion of a fixed duration that (1) attract a large number of visitors, (2) have large mediated reach, (3) come with large costs and (4) have large impacts on the built environment and the population" (Muller, 2015). Mega-events are often described in literature as a mix due to combination of many aspects. Mega-events are local due to hosting city: its growth and development, involvement of local citizens; mega-events are national as take place on a country' territory and adapt to that country norms, regulations and traditions; mega-events are international due to the involvement of participants from the whole world to that kind of event (Roche, 2000). Finally, it is important to mention that mega-events are planned, specific to a certain field of interest and characteristic to every culture or community (Tassioupoulos, 2009).

#### 2.4. LEGACIES OF HOSTING MEGA-EVENT

Mega-events' history originates back from tribal conclaves and religious festivities (Jago, Dwyer, Lipman, van Lill and Vorster, 2010) and developing by first Olympic Games founded in Greece, 776 BC (Swadling, 2002). But only in the recent years (less than 50 years) mega-events are considered and used as a source of development of a host destination (Jago, Dwyer, Lipman, van Lill and Vorster, 2010). As a result, hosting mega-event became a privilege and a reason to compete for with other potential host destinations (Malfas, Houlihan and Theodoraki, 2004). One of the greatest examples for beneficial legacies of hosting mega-event – Olympic Games in Barcelona in 1992: this mega-event was used for redevelopment of the destination. Moreover, this Olympic Games have a significant effect on the region's economy, preparations triggered public investment of US\$6.2 billion (prices of 1995 year) for redeveloping not Barcelona only, but Catalonia as well (Preuss, 2000). Thanks to being a host city Barcelona not only made a profit of \$5 million but also became a famous city for business and leisure (Herstein and Berger, 2013). Barcelona could achieve such results due to the relevant long-term planning and focusing (Herstein and Berger, 2013).





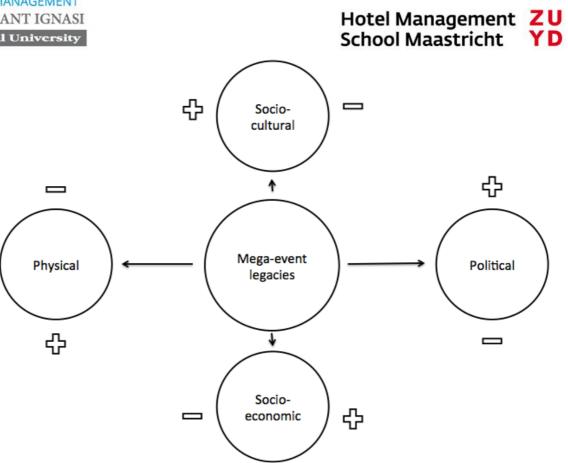


Figure 2 «Legacies Of Hosting Mega-Events» (adopted from Malfas, Houlihan and Theodoraki, 2004).

Mega-events are usually observed as a factor, which influence on local tourism and economy of host region (Roche, 2000; Hall and Hallmark, 1992; Getz, 1998). Hosting any mega-event causes certain negative and positive consequences (Jago, Dwyer, Lipman, van Lill and Vorster, 2010), which can be divided into four groups (see figure 2): socio-economic impacts, socio-cultural impacts, physical impacts and political impacts (Malfas, Houlihan and Theodoraki, 2004).

Mega-events bring to a host destination economical progress by short-term cash insertions, increasing local businesses' sales, working places creation and decreasing of poverty (Getz, 1994; Mules and Faulkner, 1996; Dwyer, Mellor, Mistilis and Mules, 2000). On the other hand, there are some negative factors of hosting mega-events in terms of economics as well: housing and services prices are increasing, resources for mega-events' needs are scooped from others economic sectors, exchange rate is fluctuating and infrastructural legacies might be negative as well (Matheson, 2002; Blake, 2005; Dwyer, Forsyth and Spurr, 2005, 2006a, 2006b; Madden, 2006; Jago and Dwyer, 2006).

Hosting any mega-event entails escalation of community pride and development of involvement in sport activities (in case of hosting sport event) among the population (Fredline, Jago and Deery, 2003). In addition, hosting mega events can contribute to transform the image of the host city (Malfas, Houlihan and Theodoraki, 2004). However, such socio-cultural outcomes as congestion, noise and crime increment can be observed as negative impacts (Matheson and Baade, 2003a, 2003b).





Physical impacts include physical changes of hosting destination. Thanks to hosting mega-event leisure, housing and sporting facilities, commercial centers, open areas, roads, public transport network are developed or created in a host region (Kitchen, 1996). Even though mega-event can cause environmental problems due to its scale.

As mega-events are international, there is a huge political participation on all stages of hosting mega-event. The main object why hosting mega-event is so significant for central constituent local, regional and central governments is that the management of such events creates troubles in covering costs for the supportive infrastructure of the event, operating costs from tickets sales, sponsorship, television rights, etc. Therefore, governments' economic contribution is usually required (Preuss, 2000).

Moreover, mega-events produce "cultural ideas, cultural identity and cultural products" (Gratton and Preuss, 2008, p.1929). Therefore, there is variety of types of consequences which hosting megaevent brings. In addition there is an independent field of knowledge related to hosting mega-events' contribution to the destination branding of a host destination. Main findings are:

- Hosting mega-event increases the level of awareness and modifies the image of host destination (Ritchie and Smith, 1991);
- International mega-event can change image of a destination in a very short time, however those changes might be temporal (Kim and Morrison, 2005);
- Hosting mega-event can cause connotations of host destination, what leads to positive consequences (Smith, 2006);
- There is a difference between event and destination image: event itself tend to be considered as more popular rather than host destination (Lee, 2010);
- Contribution of media to host destination image is still strong even after hosting an event (Lepp and Gibson, 2011);
- Not only the image of event can influence on the image of host destination, but on the contrary as well (Bodet and Lacassagne, 2012).

### 2.5. USING EVENT AS A TOOL FOR DESTINATION BRANDING

Literature demonstrates a high value of hosting events for destination branding (Jago, Chalip, Brown, Mules and Ali, 2003; Chalip and Costa, 2005; Fyall and Garrod, 2005). Events host destinations trying to use the opportunities it is bringing to increase competitive position (Black and Westhuizen, 2004). Hosting Seoul Olympic Games, for instance, helped in building positive image of South Korea



(Nebenzahl and Jaffe, 1991; Jaffe and Nebenzahl, 1993). Another example is Australia promoting nation brand with use of Sydney Olympic Games by generating positive links and experiences for people coming (Nauright, 2004). That is why the model of building brand of a destination using events was created (Johansson, 2007). That model includes six main steps or phases, which are represented on figure 3 below (Johansson, 2007). Phase 1 and Phase 2 are beginning phases: all related stakeholders come to the common vision of future of a destination and divide areas of responsibility based on the research; Phase 3 represents the role of the events in destination branding; Phase 4 represents ways and aspects of linking events to a destination; Phase 5 is brining identity of destination to life with the use of mega-event; Phase 6 is event evaluation (Johansson, 2007). The Phases 4, 5 and 6 all together outline the significance of reviewing the whole potential portfolio of events for destination branding (Trošt, Klarić and Ružić, 2012).

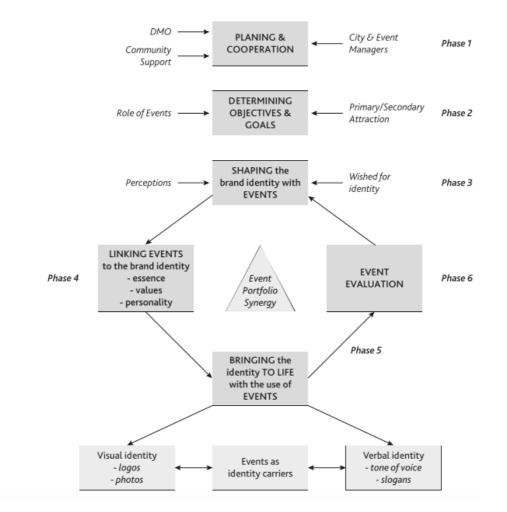


Figure 2 «The Process Of Building A Brand Of Destination With The Use Of Events» (Johansson, 2007).

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Finally, it is crucial to mention "when an event is properly branded, it has the potentials of contributing to the host destination as a feature to make the destination unique in nature and even popular to prospective visitors" (Esu and Mbaze-Arrey, 2009, p. 183). Therefore, the use of events in destination branding process have been proved and systemized.

#### 2.6. SOCHI. OLYMPIC GAMES

The 2014 Winter Olympic Games started on the 7 of February in Sochi, Russia. Sochi is the most popular resort area in Russia (Lukashina, Amirkhanov, Anisimov and Trunev, 1996). The popularity of Sochi is constantly growing, the number of nights spent in hotels located in Sochi has grown dramatically from 1541012 nights in 2002 to 19300462 nights in 2015 (GKS, 2016).

Sochi is located along the Black Sea, its territory is 3500 km<sup>2</sup>, its population is only 401291 and the majority of them are involved in tourism activities (Lukashina, Amirkhanov, Anisimov and Trunev, 1996). Sochi's resort area is growing and developing and is providing a range of services such as treatment, rehabilitation and rest. There are four administrative districts in Sochi: the Central, the Khostynsky, the Lazarevsky and the Adlersky. The Central district of Sochi, with less than 10% of the total area, is both the resort and the industrial center of the city (Lukashina, Amirkhanov, Anisimov and Trunev, 1996).

In 2014 winter Olympic Games took place in Sochi. The capital of the Sochi 2014 Olympic Games was chosen during the 119th IOC Session in Guatemala City (4 July 2007). In Russia, the Olympic Games are held for the second time. In 1980, the Summer Olympics (Moscow) took place in Russia, and in 2014 took place for the first time in the Russian Winter Olympics (Sochi). At the end of the Olympic Games on the same objects were carried out 2014 Winter Paralympics. Amount and structure of investments to prepare Sochi to hosting Olympic Games in 2014 was huge - \$833 million (Olympic Marketing Fact File, 2015). Moreover, in preparation for the Games was realized marketing program "Sochi 2014", which aims to attract extra-budgetary funding for the organization and staging of the Games. It seems to be reasonable all the costs to justify themselves. The most common residents' perceptions were increasing investments in local businesses (the majority of which is connected to tourism, as it was mentioned before), potential to attract more cultural events and promotion of Sochi as a tourism destination (Vetitnev and Bobina, 2015). That means that most of the citizens of Sochi expected winter Olympic Games 2014 to improve region as a tourism destination.

In order to accomplish those expectations, the main purpose of the Olympic project was the opening of the Sochi for the whole world, the creation of the brand "Sochi 2014" and the city recognized and finally removal of the city to the level of leading world resorts. Olympic Games 2014 took places in





two clusters: Coastal Cluster (the Olympic Park) and Mountain Cluster (Krasnaya Polyana). That decision was made due to the big difference in climate conditions of the area (Vetitnev and Bobina, 2015). Sochi was considered as suitable destination to host winter Olympics 2014 as (1) it have favorable climate for winter Olympic Games (cold enough for snow, but not too much), (2) existence of mountains, which is necessary for some kind of winter sports, (3) application of modern technologies that allow for winter sports in the subtropical latitudes and (4) the presence of well-developed transport network and the hotel supply (Vetitnev and Bobina, 2015). The number of hotels in the area increased from 160 in 2002 to 1982 in 2015 (GKS, 2016).

It is important to consider massive amount of work in preparation process for any mega-event and any Olympic Games. Sochi is not an exception, especially regarding the absence of required preexisting sports facilities and also the need to engage with various interpersonal and interorganisational networks, involving national and local stakeholders, public and private sectors, civil society (Golubchikov, 2017). Olympic Games in Sochi are believed to be the most expensive in Games' history. Anyway, it is hard to rate the expenses exactly (Kobierecki, 2016). As private sector representatives were one of the main group of investors, they tried to qualify as much of their expenditures as possible as the Olympic costs (Gibson, 2014).

#### 2.7. LITERATURE MAP

Literature map is displayed below (see figure 4). It indicates main topics discussed while performing this research. Current research's major area of knowledge is development of destination branding. Following and interconnected topics are (1) using events as destination branding tool and (2) internal stakeholders. Further investigation leads to following topics: legacies of hosting mega-events and Olympic Games Sochi 2014 as an example of sport mega-event. All these topics are aligned with each other (when it is reasonable) and with the other researchers and authors, whose papers were a basis for the current research in the literature review part. Therefore, literature map below displays the pool of involved literature connected to current research and also the links, connections and hierarchy of the literature for this research answering the research question. Destination branding and case of Sochi 2014 are two the most important aspects of research question; literature observes not only those topics, but also those, which are laying on the "way" from one to another. Private sector as a

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representative of internal stakeholder point of view is considered separately to Sochi, but in connection

#### with destination branding.

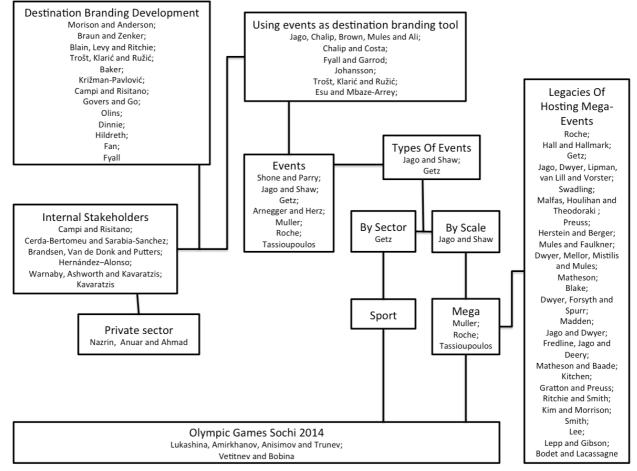


Figure 4 «Literature Map» (own elaboration).





#### **3. CONCEPTUAL FRAMEWORK**

The conceptual framework located below (figure 5) covers the main aspects of the research and the relationships between those aspects. All parts of the figure 5 are considered as relevant for current study while exploring the literature related to this research in the literature review chapter. Destination branding development is the main subject of current research. However, only several aspects of that area of knowledge are connected to this study: private sector involvement in destination branding process as representative of internal stakeholders and events as a tool for developing destination branding. Further narrowing down lead to a certain type of events – sport mega events and Olympic Games in Sochi 2014 as and example of such type of events. Finally, the legacies of hosting mega-events (destination branding is one of those legacies) were considered as well as an additional aspect of destination branding development.

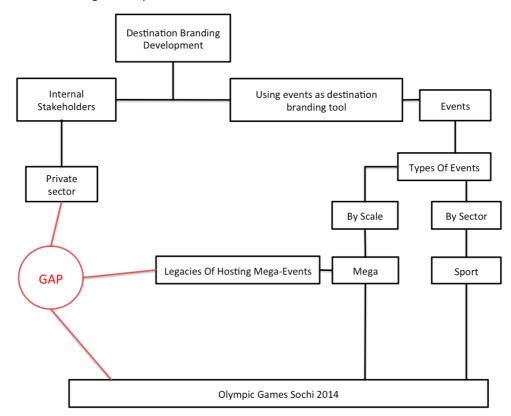


Figure 5 «Conceptual Framework» (own elaboration).

However, while reviewing relevant literature there was not found any paper describing the legacies of hosting Olympics in Sochi in 2014 for destination's branding from private sector point of view. In other words, there was no research on the topic, which would combine case of Sochi Olympic





Games 2014 as an example of mega-event, private sector involvement in development of destination branding and legacies of hosting mega-event (see figure 6 below). So conceptual framework outlines the research gap, which lays in the area of intersection of private sector point of view on destination branding development, legacies of hosting mega-events (especially for destination branding) and case of winter Olympics in Sochi 2014. So, the research gap is a private sector point of view on destination branding outcomes of hosting Olympic Games in Sochi in 2014.

The existence of the gap mentioned above led to a opportunity to create current research answering research question "What consequences brought hosting the Olympics to the city branding of Sochi in terms of tourism?".

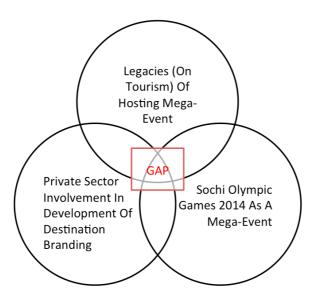


Figure 6 «Reserach Gap» (own elaboration).







#### 4. METHODOLOGY

In order to achieve expected quality of the results in investigating the impact of hosting Olympic Games in 2014 on destination branding from private sector perspective, research performance and content have to be planned and prepared. Therefore, we will further define research philosophy, approach and strategy. Moreover, data collection and analysis techniques and methods will be discussed. Research context also will be a subject to review to determine streams of the input. The exploration of methodology is provided in order to define the way of answering the research question and the way of performing the research itself. However, even detailed developed plan of the research process does not guarantee absence of further reshaping during the fieldwork itself (Altinay, Pareskevas and Jang, 2015).

#### 4.1. RESEARCH DESIGN

Research philosophy is very important to determine to choose, to apply and to create and innovate relevant research methods (Easterby-Smith, Thorpe and Lowe, 2002). There are two main research philosophies: positivism and phenomenology (Altinay, Pareskevas and Jang, 2015). Positivism promotes a more objective interpretation of external world, comparing to interpretivisim (or phenomenology). It means that applying positivism philosophy implies the world to be external and objective, while phenomenology observes the world to be socially constructed and subjective (Easterby-Smith, Thorpe and Lowe, 2002). Different philosophies imply different methods of research, research design, and the degree of involvement of the researcher, types of sampling, data collection methods and research instruments (Altinay, Pareskevas and Jang, 2015) Therefore, positivist viewpoint assumes focusing on facts, using structured and detailed plans, keeping the distance of researcher from the material researched, employing large samples, surveys and structured interviews and using questionnaires, test scores and experimentation (Altinay, Pareskevas and Jang, 2015). To contrast, phenomenology approach assumes deeper focusing on meaning and trying to investigate what is happening by evolving, flexible and involved research, using small samples, observation, open-ended and semi-structured interviews, accepting researcher as research instrument (Altinay, Pareskevas and Jang, 2015). Current research will stick to phenomenology research philosophy. That philosophy was chosen as suitable one due to the features of current paper. Exploring the influence of hosting mega-event in private sector point of view assumes deep and adapting process of investigation and before-after comparison, it



requires effective understanding of process of destination branding as well. Therefore, positivism philosophy was rejected as potential philosophy of that research.

The philosophy determines the way of constructing knowledge, to decide when (in the end or in the beginning) to construct it. It is important to define research approach (deduction or induction) to organize that (Altinay, Pareskevas and Jang, 2015). Deduction is a process of going from known to unknown (Spangler, 1986). By using deductive approach, researcher is moving from known area to a hidden one, in order to explore it using available information. Induction is a process whereby researcher's observations the "picture of the world' is constructed (Altinay, Pareskevas and Jang, 2015). Inductive research approach will be used in the current research in order to fulfill a knowledge gap mentioned before. Case study of Sochi Olympic Games 2014 assumes a creation of cause-effect link, using empirical evidences and discovering the nature of a certain phenomenon. Those reasons lead to a choice of inductive research approach.

A certain type of chosen research philosophy and research approach requires are linked to the methods of research. The positivist philosophy, for instance, is normally associated with deduction research approach and quantitative research. Current research, therefore, is a <u>qualitative</u> one. It can be characterized as not generalizing method, with more attention to words rather than to numbers. While focusing on numbers and generalization are typical for quantitative research (Altinay, Pareskevas and Jang, 2015).

A general plan, which research follows, is a research strategy. Experiment, grounded theory, ethnography, action research, survey research and case study are different types of research strategy (Altinay, Pareskevas and Jang, 2015). Experimental research is mostly used by natural and social scientists to investigate cause and effect links. Grounded theory is a qualitative research aimed on creating theory from observation (Altinay, Pareskevas and Jang, 2015). Ethnography's aim as a research is to investigate a certain group (of society) from the insider's perspective (Spradley, 1979). While implementing action research strategy researcher becomes a part of an organization during the research and exploring and changing it from the inside. To actualize survey research researcher gets information from a sample of informants by standardized questionnaire (Altinay, Pareskevas and Jang, 2015). Research strategy will be used in current research is <u>case study</u>. Case study is "a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence" (Robson, 2002, p.178). That choice was already highlighted in the title of the research due to the requirement of specifically related data and narrowing down the whole research to the case study from the very beginning. That strategy was





chosen due to ability to give answers not only on "What?" and "How?" questions, but also on "Why" questions (Morris and Wood, 1991).

### 4.2. DATA COLLECTION TECHNIQUES AND RESEARCH INSTRUMENTS

There are different approaches to receive required information. Researchers use interviews (interviewing is a way to collect data by asking questions, listening and recording answers), observation (data is collected by being present in the research setting, by saying, asking, listening, watching – by observing), questionnaires (prepared in advance set of questions is given to the respondents to fulfill) or content analysis of documents (analysis of documents published for other purposes) (Bryman and Bell, 2015). This qualitative case study research will be based on the information collected by conducting interviews.

Interviews can be conducted in different forms: structured interview (assumes full control over the interview process), unstructured interview (very flexible way of getting information base only on several broad questions), semi-structured interview (a middle ground between unstructured and structured types of interview) and focus group interview (conducting interview with a group instead of one person only) (Altinay, Pareskevas and Jang, 2015). Current research will be based on the information received by conducting <u>semi-structured interviews</u>. That technique of data collection was chosen due to the opportunity to receive all necessary, depth and up to date information from participants (Robson, 2002). Moreover, personal contact and lack of formalization contributes to the relaxed atmosphere of dialogue and increasing sincerity and personalization of answers. On the other hand, that way of data collecting might lead to obtaining subjective information (Altinay, Pareskevas and Jang, 2015). In addition it assumes dependence on the time and opportunity of investigator to interview respondents. Finally this technique is time-consuming one in terms of obtaining and analyzing information (Cassell and Symon, 2004).

Despite the lack of formalization of interviews' structure (Altinay, Pareskevas and Jang, 2015), the main guiding topics (or sections) will be defined in advance. The duration of each interview will vary form 30 minutes to 45 minutes depending on extensiveness of the information will be received from the interviewees.



BROOKES



#### 4.3. RESEARCH CONTEXT AND PARTICIPANTS

Current research will explore the influence of hosting Olympic Games in Sochi (Russia) in 2014 on destination image of Sochi. Therefore, the research will be based on Sochi area and will explore both pre- (before 2014) and post-Olympics (till the end of 2016) periods.

This qualitative research will be based on respondents' (representatives of private sector of tourism in Sochi) answers. Therefore, the respondents have to be involved in the field of destination image, tourism (as influence on destination image in terms of tourism will be explored) or hospitality business in Sochi. That is why potential participants will be defined as respondents if they (1) had an opportunity to observe Sochi from the inside before and after hosting mega-event in 2014 and (2) are involved in hospitality enterprise in Sochi. Therefore the participants are male and female Sochi citizens or owner of business in Sochi in field of hospitality, classified to be in the age group from 20 to 60 in order to be seen as workers in the industry while the research and while the event. As Olympic Games took place in Sochi in 2014, the youngest employees were at the age of 18 that moment are 20 during the research period (2016). Semi-structured interviews will be held over Skype due to lack of the possibilities to conduct them in a real life. The expected number of interviews is 12.

The contacts of potential respondents will be obtained by using snowball technique. This technique uses referrals from initial participants (Altinay, Pareskevas and Jang, 2015). Interviews will be conducted with business owner and employees in a hospitality industry in a certain area (Sochi). People living in the same territory and involved in similar kind of activities are tend to be connected somehow, to be members of the same community and so are likely to know each other. Thus, snowball sampling was chosen as the most suitable one to create current research. However, the initial idea of that sampling (that king of sampling reduces the likelihood that the sample will represent a good cross-section of the population) leads to high possibility of being biased (Altinay, Pareskevas and Jang, 2015).

As said before, the participants are male and female employees (not less than middle managerial level) or business owners working in Sochi. The twelve interviews will be conducted over Skype. All the participants are involved in private sector of hospitality in Sochi. Four main spheres within hospitality were elected: accommodation (6 interviews), travel agencies (2 interviews), transportation (1 interview) and food and beverage services (3 interviews).



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#### 4.4. DATA ANALYSIS APPENDICES

The analysis of interviews will be performed according qualitative data analysis techniques. The first step in that process is documentation (Altinay, Pareskevas and Jang, 2015) – any data has to be first of all prepared for further analysis. Interviews have to be transcribed and translated into English (from Russian), respondents' answers have to be formatted and information has to be classified (Altinay, Pareskevas and Jang, 2015). So, data analysis will follow two main stages: familiarization with the data and coding, conceptualization and ordering the data (Altinay, Pareskevas and Jang, 2015). First stage (familiarization) assumes becoming familiar with the data. Standard ways of performing this stage are: listening and noting each recorded interview or rereading the transcripts of interviews. Second stage consists of four main steps: (1) open coding, which assumes selecting and naming categories of data (Strauss and Corbin, 1990), (2) axial coding, which puts the received information together again in new ways, creating categories and subcategories (Dey, 1998), (3) selective coding by integration of abovementioned categories and subcategories (Altinay, Pareskevas and Jang, 2015) and (4) enfolding literature by comparing progress with other researches and using external sources to achieve better results (Creswell, 1998). Due to semi-structured character of interviews, the strategy of data analysis can be defined only briefly. The quality of current qualitative data analysis, therefore, will depend on creativity and theoretical background of the researcher (Altinay, Pareskevas and Jang, 2015).

#### 4.5. ETHICAL CONSIDERATIONS

Ethical issues are important to be considered on each stage of a research (Saunders, Lewis and Thornhill, 2009). As current research is not sponsored, on the stage of formulating and clarifying research topic the only ethical consideration is orientation on the most achievable results. Due to the essence of contribution of external experts (interviewees) in that research, it is necessary to emphasize ethical considerations of the current paper on the stage of designing research and gaining access. Current research uses HTSI ethics code. Furthermore, it is crucial for any research that participants are voluntarily involved in it (Saunders, Lewis and Thornhill, 2009). Each potential respondent will be asked in advance if he or she wants to participate in current research, so everybody has a right to refuse at any stage of the research (Meuleman and Roose, 2014). During the research and interviews as components of it data collection stage anonymity should be kept (Sekaran, 2003). So, such information about participants as age, name, gender and origin will be hided in order to keep anonymity (Meuleman and Roose, 2014). Furthermore, in order to achieve the most objective results, bias will be avoided and the



BROOKES





interviewees' responses and opinions will be respected during and after the interviews. In addition participants of the research should never be harmed neither physically nor emotionally (Meuleman and Roose, 2014), so the data collection way will be safe and data anonymity will be ensured. As I was mentioned before, participation of respondent will be voluntary, so the investigator has to be grateful for their time and effort (Altinay, Pareskevas and Jang, 2015). The demonstration of this is respect and gratitude to each of the participants. Finally, to make the results reliable and the recommendations reasonable all the conclusions (analyzing data and reporting findings stage) will be made on the basis of the rational data and consistent opinions of the interviewees, but not based on the author's believes or predictions (Meuleman and Roose, 2014).







#### 5. FINDINGS AND DISCUSSION

To begin with, the discovery of stakeholders' expectations preceding Olympic Games in Sochi in 2014, the perceptions of stakeholders to the destination branding of Sochi influenced by hosting megaevent are set. To conclude with, participants' reflections on implications of Sochi's experience for future mega-event host destinations are stated.

The respondents mentioned a variety of different expectations they had before Olympic Games 2014 related to development of Sochi as a city and as a brand as well. For the majority, hosting megaevent was observed as an opportunity for Sochi to improve two aspects of Sochi as a tourist destination: (1) quality of the city in terms of infrastructure and (2) brand awareness of Sochi.

1) Quality (in terms of infrastructure) of the destination

"I can say that improvement of Sochi as both beach and ski resort was the main expectation. We expected Olympics to set a high level of development of Sochi with we would have to maintain and improve as well" (Interview G).

"The main expectation, of course, was related to the changing of infrastructure in the area. Furthermore, rethinking and reorganizing some territories within the Sochi area (including dealing with some legal issues concerning some hospitality properties here) were expected" (Interview B).

### 2) Sochi's brand awareness

"The main expectation for the whole Sochi, of course, was a huge amount of people coming here" (Interview A).

"Olympics is good way to show Russian culture and sport, announce our city and make good advertisement" (Interview H).



In other words, respondents were expecting others' people opinion to come true: (1) Ritchie and Smith (1991) that discovered hosting mega-event increases the level of awareness and modifies the image of host destination; (2) furthermore, Kapareliotis, and Panopoulos argued, "The Olympic Games improve the tourist infrastructure of an Olympic city. The improvement of the infrastructure leads to the increase of incoming tourism" (Kapareliotis and Panopoulos, 2014, p. 98). Therefore, the expectations of the respondents are seemed to be reasonable. When going back to pre-Olympics period, some of the respondents mentioned positive attitude for hosting mega-event and some doubts concerning Sochi's success in it at the same time.

"Nobody really believed in hosting Olympics in Russia - there were no facilities for that. We expected large flow of people in the period of the Olympic Games" (Interview A).

"There were a lot of discussions during constructions period conserving fears that Sochi might loose its' attractiveness or unique mentality... it became modern and more convenient" (Interview J).

We can observe from that high level of worries and high level of approval and excitedness concerning the results (in terms of infrastructure and brand awareness mentioned above) of hosting winter Olympic Games in Sochi 2014. That trend is not new in terms of mega-events' perceptions: "Despite these positive expectations, stakeholders also noted an awareness of the potential risks, fears and uncertainties in the lead up to the event that could have a negative brand impact" (Knott, 2015, p. 181). Therefore, even though Sochi as an Olympic Games host destination was not considered as the best idea from all stakeholders from the beginning, but eventually the level of expectations and believes in mega-event was very high and optimistic. It is interesting to observe further if those expectations were brought to live fully and why.

Despite positive reflections on pre-Olympic period expectations small number of the experts (Interviews F, I and J) highlighted that they expected a bit more form hosting mega-event (mainly in terms of infrastructure). Expert F, for instance, stated that not all of the announced preparations were completed: "... there supposed to be more new roads to move easier across the whole Sochi. Although government prepared to do more (we saw people making preparations), not all the projects were brought to life" (Interview F).

Expert I, on the other hand, relied on higher level of Sochi's attractiveness: "... hotels weren't fully occupied ... we expected more people to come than actually came ... I don't think that management





team (of most of the hotels) was prepared good enough, there was almost no marketing, some of the hotels weren't ready on a technical level" (Interview I). However, the half of the participants (Interviews A, B, C, D, G and H) believes that Olympics reached all the expectations. Some of the participants even stated the reasons why that happened in their opinion:

"I believe that it happed thanks to a good preparation done before" (Interview A).

Expert H mentioned a good combination of increasing of Sochi as a touristic destination by hosting mega-event and growing attractiveness of internal tourism in Russia due to external policy.

Finally, the rest of the respondents (Interviews E, J and K) think that Olympics even exceeded expectations they had:

"In some aspects results even exceeded expectations of some people, I would say" (Interview E).

"Even more. I have no words to describe how excellent, interesting and dynamic everything was" (Interview K).

Exceeding expectations is what stakeholders face from time to time when talking about hosting mega-event: "there is a clear agreement among stakeholders that the event at least met, but mostly exceeded their expectations in general" (Knott, 2015, p. 187). Overall the event was seen to be successful because of the high-end infrastructure that was delivered for the event and worldwide attention to the event and to the host destination as well. General trend among the participants of current research is still positive – they believe that hosting Olympic Games brought a lot of new and positive aspects into Sochi's every day life and its' name as well. Anyway Olympic Games in Sochi were in 2014, in the past. The legacies of hosting mega-event, history and features of Sochi itself all together create a new (or renewed) touristic destination, which might be perceived in a very different way. Most of the experts, however, see Sochi as an attractive destination for both, Russian and foreign tourists. This attractiveness is manly named thanks to the uniqueness of culture and very good developed infrastructure.



IN ASSOCIATION WITH:



"I think Sochi is very attractive for potential tourists both Russian and foreign. Prices in Sochi are much low rather than prices (in rubles) abroad for the same level of service" (Interview B).

"I think Sochi is very attractive touristic destination. Nature (sea, mountains, lakes and waterfalls) and entertainment bring people here. They can easily find a lot of things to do, including sports, in a very beautiful environment. There are a lot of interesting excursions here as well. In addition there are many new hotels here and also unique ski slopes, which are high and well equipped" (Interview D).

"It is very attractive for tourists. Number of tourists has grown. Very nice climate: sea, snow and mountains in the same place! A lot of things have been done for tourism development in the region. Many sport facilities, many beautiful natural places, which are very easy to get to. I would recommend everybody to go here" (Interview L).

Participants' opinions correspond what other researches say: Strong destination image, long-term marketing strategy are build up by some cities with a help of hosting Olympic Games (Kapareliotis and Panopoulos, 2014). It is also interesting to mention that some people said about prices as low (Interviews B, I and K) and others (Interviews C, D and F) consider process in Sochi as too high and a disadvantage of the city, therefore.

"Prices in Sochi are much low rather than prices (in rubles) abroad for the same level of service" (Interview B).

"Maybe Sochi is a little bit expensive for Russians (but there are many offers for each budget), but for foreigners it is very cheap, especially taking into consideration what you can get for that money" (Interview K).

"The only weakness of Sochi, in my opinion, is quite high prices" (Interview C).

Anyway, if prices are high or low is normally defined differently for different people. Even the fact that Sochi is not seen as too expensive place by the majority of the respondents state that it is not unaffordable. High prices are not the only aspect have been mentioned as negative impact on



BROOKES



destination brand. Experts E and I are very concerned about the damage construction did to the nature and to the ecology in the area of hosting winter Olympic Games in 2014.

"Serious damage to the ecology of the city was dealt. It is much worse now due to pre-Olympics construction" (Interview E).

"Consequences of the environment are very bad. It is very sad when such things are happening, especially in so beautiful and unique places as Sochi. A big part of Olympic objected was constructed in territory of Sochi national park, where production activity is forbidden. Another one is located in protected area - the natural ornithological park in the Imereti lowland. Only imagine it is illegal to walk pets or wash cars there, but five years construction took place there. Thanks God, due to local people activeness helped to safe some natural places, but not all of them. However, there are a lot of negative consequences: new insects appeared, which are very harmful for local flora. About two hectares of forest were destroyed, now trees are dying along the trails. Previously, it was about a hundred places for spawning of Black Sea salmon, and now there are not more than ten. On some roads birds are beating against the transparent noise barriers" (Interview I).

Ecological problem while preparation for the Olympic in Sochi is mentioned by other researcher as well – Kobierecki (2016) stated that winter Olympic Games in Sochi were "ecologically unfriendly". Lukashina, Amirkhanov, Anisimov, and Trunev (1996) also highlighted the drawback of Sochi's development (fuel energetics, transport and tourism rapid growth) contributes to environmental pollution in the Sochi area

However, none of the rest experts mentioned any other significant negative aspects they faced in terms of destination branding. Most of them stay positive and see destination branding of Sochi to improve thanks to hosting mega-event by making its' name known all over the world (Interviews B, D, E, G, H, J, K and L). In addition, experts A, G, H, J and K highlighted the use of post-Olympics object for sports and other events as positive aspect of destination branding as well: it helps to bring more people from different places, increase Sochi brand awareness and help in keeping Olympic objects to be used rather that abandoned.



BROOKES



"Everything what left after Olympic Games is working now and keep developing, nothing is abandoned. Something was changed a bit in order to be used on the every day (month) basis. That opens huge opportunities for hosting other mega, big, small or any events" (Interview G).

"We were not sure what is going to happen when Olympic Games are over. But everything what was constructed is used by concerts, competitions and teams training, I think. In addition, everything moved here: I used to fly to Moscow for concerts, there is no need to do so anymore – we have all concerts and events in Sochi" (Interview J).

Golubchikov (2017) also outlines the use of the physical legacies of Olympic Games in Sochi and provided some examples of that use (see the appendix M). It is noticeable from above, that stakeholders are mainly positively related to post-Olympics period of Sochi as a city, as a touristic destination and as a brand as well. It is also significant to take opinion of tourist into consideration, but only of those who are capable to make before-after hosting Olympic Games comparison. Experts stated that visitors observe huge changed in infrastructure and especially roads (Interviews A, B, C, D, E, G, I, J, K and L), growing number and quality in places to go and things to do (Interviews A, C, D, E, F, I, K and L), overall development of services delivered here (Interviews A, D, G, H and I), nicer conditions and atmosphere to stay in Sochi (Interviews B, C, E, I and K) and, of course, Olympic objects which are the main legacy of Sochi Olympic Games 2014 (Interviews H and L). All of these aspects helped to create new image of Sochi:

"The main difference is that Sochi is an urban city now, not provincial, as it used to be. In fact, Sochi "lived" only during high tourist season summer and fall. Now it is always a season to go there. Sochi is a brand now, I would say" (Interview B).

"I think that before 2014, very few people (I mean the whole world now) knew about Sochi, but it is famous now. It is almost the same known as Moscow, which is the capital. People know about Sochi, know that it is beautiful here and that you are always welcome to come to spend some time in Sochi" (Interview E).

Summarizing the impact on Sochi, experts mainly covered that city is completely renewed in terms of infrastructure, service and its' image.





"From regional summer resort Sochi slowly, but tries become multi-functional sporting and tourist center international level with modern infrastructure" (Interview H).

That makes Sochi to become "a magnet for tourism, further sporting events, conferences and other commercial and non-commercial activities" (Goluvchikov, 2017, p. 15). In addition, new working places were created (Interview E). Sochi is associated mainly only with Olympic Games now, but it is a very good start to continue promoting it as a touristic destination (Interviews C, F, G, H and I) as people know now where Sochi is (Interviews D and K). It is doable due to the "idea" of Sochi appeared:

"Sochi Olympics changed as changed every city in which passed. In most of the cities, especially in Russia, there are no ideas. This often prevents them to develop economically and socially. Therefore, the presence of the idea - a distinctive feature, though, at least within the country, it is a prerequisite for creating the brand of the city. We were lucky: did not have to look for the brand, Olympics gave it to us. I have already said that Sochi's name became known to the world; of course, it is only because of the Olympics. And if before advertising vacation in Sochi was something like "Visit the resorts of the Krasnodar Territory", now Sochi is primarily associated with the Olympics. It turns out there is not created a new brand, but rather to change the old, it seems to be much more difficult. You know, it is always easier to work "from scratch". Creating new things are always easier and lighter than its restoration. It should be considered, if we talk about the fact that the economic success of tourism in Sochi, less than expected. In addition it must be remembered that the Olympics was three years ago, and continue to support only the name of "Sochi-2014" would be wrong. We must always think about the future development. Continue the development of tourism" (Interview I).

"Olympics helped to completed the image, the idea of Sochi which was not clear enough before" (Interview L).

The same is happening with another Olympic Games host destinations, Beijing, for instance: "There are improvements in the infrastructure of the Olympic city improving the tourist image of the Olympic city, according to its residents" (Kapareliotis and Panopoulos, 2014, p. 93). Although, there is





always a potential to improve. When answering if impact of hosting Olympic Games on Sochi's brand could be better experts mentioned that it is overall hard to think about how better it could be. The only exception is very strong link between Sochi itself and mega event, mentioned by expert I:

"It is because in the consciousness took root: we say Sochi Olympics mean, we're talking Olympics, Sochi mean, the only way, together. I'm not talking about how it was and is perceived by the inhabitants of the city. I'm talking about those associations, and even chains that occur in people's mind from Sochi as a word. If it were possible to separate a good and positive mass, a spectacular event like the Olympics of negative impurities from all scandals, corruption, politics, ecology, leave only the holiday of sports, the effect would be better, stronger or something. But all this is unfortunately impossible" (Interview I).

It is also important to mention that such positive way of thinking when going back to hosting mega-event is not always the rule: the study of Knott about FIFA in South Africa shows that "overall the stakeholders were extremely critical of the lack of planning and activity" (Knott, 2015, p. 211).

Finally, as all the respondents consider hosting mega-events as a useful tool to develop destination branding (the same opinion among the participants is mentioned by Knott (2015) as well), they see Sochi as a nice example or case to learn from in terms of security (Interviews A and F), exceeding expectations (Interviews A, H and K), how to use financial investments in a smart way (Interviews B, G and J), how to create a brand of a destination (Interviews B and D) and time management (Interviews C and K). On the other hand, three years might be "too short period to draw any definitive conclusions. Probably some time should pass for us to be able to say with certainty if Sochi is good example to follow or not" (Interview I).

To sum up the main trends among 12 participants, who are representatives of private sector of Sochi's tourism life, are:

- People were very positive about hosting the Olympic Games, they were waiting for it, they were hoping Olympics to give some new know-how, the set up new standards and to bring some fresh air to the city;
- People mostly received what they expected from the Olympics. They are grateful and ready to continue on improving and developing Sochi as a touristic destination. Moreover, they are expecting government to do so;





- Even though, local (and not only) weren't sure that hosting Olympic Games in Sochi is a good idea, they were pleasantly surprised – the results of that even exceeded their expectations;
- 4) Most of the expectations concerning legacies of hosting Olympic Games were about infrastructure development and expanding Sochi's brand awareness all over the world;
- 5) The only disadvantage of hosting Olympic Games was mentioned is a damage to the nature. However, there are much more advantages according to the experts: Sochi is known everywhere now, people are coming from all over the word, everything what was constructed for the Olympic Games is used (for winter sports, tourism, concerts, exhibitions and so on), Sochi became more developed and qualified city;
- 6) There are some reasons to learn from Sochi for future host destinations.

When answering the major question of this research paper, the research question which is «What consequences brought hosting the Olympics to the city branding of Sochi in terms of tourism?», we can state from the interviews with the participants that it brought fresh air to the area, it brought new people (both tourists and hosts), it brought high standards and it brought new opportunities for tourism and made name of Sochi known and also it brought new responsibilities of maintaining and developing the existing level of quality.

To compare findings with the paper of Knott, B. K. (2010) "The strategic contribution of sport mega- - events to nation branding: The case of South Africa and the 2010 FIFA World Cup" was chosen. This study reviews nation branding with use of hosting sport mega-events based on the case of FIFA World Cup 2010 in South Africa. Some of Knott's findings are: hosting of a sport mega-event instills a measure of pride in the host nation's citizens and confers a certain status for the nation, strategic nation branding can be distilled into two core components for stakeholders, namely competitive positioning and internal brand identity, a sport mega-event enables a host nation to capture global attention and interest on a scale and reach that would normally not be possible or affordable, the global passion and emotional attachment surrounding a sport mega-event provides a unique branding opportunity etc. (Knott, 2010). We can see them matching at some level with what experts of current study mentioned.

Findings of this research might be used by destination marketing organizations promoting Sochi in order to focus of local people view on development of Sochi and its' name. Current research might help those two parties to communicate with each other (private sector "sending a message" to destination marketing organizations). Moreover, this research can be also helpful for organizers of events of different scales both inside and outside Sochi. The example of Sochi hosting Olympic Games 2014 as (1) an Olympic host destination example for future ones to learn from the mistakes and what to prevent





and also what to achieve, (2) as a base for other events in Sochi to take Sochi's specific into consideration while organizing another event. It might be also useful for tour operators working with Sochi as one (or the only one, maybe) touristic destination – private sector point of view can help with better understanding of Sochi from the inside and, therefore, makes creating adequate tourist and event offers and targeting more reasonable and suitable.







#### 6. CONCLUSIONS

### 6.1. CONCLUSIONS

Within this research paper the influence of hosting mega-event on destination branding in terms of tourism from the private sector point of view has been explored. That was done on the base of the case study of Olympic Games in Sochi (Russia), 2014.

When answering the major research question of this research the major impact on Sochi's brand of hosting winter Olympic Games in 2014 was discovered. That impact is observed by the "fresh air" brought to the area, new people (both tourists and hosts) coming to Sochi, higher level of standards set, new opportunities for tourism appeared, Sochi is becoming known worldwide and also new responsibilities of maintaining and developing the existing level of quality established. Some other key findings were discovered while performing this research as well:

- Positive attitude to the mega-event among local people and local business. People tend to believe in Olympic Games, they expect hosting mega-event to beneficial for them in terms of infrastructure improvement, attracting worldwide attention to the destination and brining some fresh air into the destination and its' development;
- Results of hosting Olympic Games reached and exceeded expectation people had, which is not the first time in the history of mega-events' host destinations: expectations of host destination residents of FiFA World Cup in 2010 were exceeded as well (Knott, Swart and Visser, 2015);
- People in Sochi are willing to continue on developing Sochi and its' name as a brand as they associate themselves to the success of Sochi due to increasing of pride (Knott, Swart, and Visser, 2015; Golubchikov, 2017);
- 4. Local people are concerned about infrastructure development more than destination brand development, although they find its very important as well;
- Damage to the nature of Sochi is the only disadvantage of hosting mega-event people see. Although, that damage is very significant. Some of the respondents see that aspect as one for future host destinations to learn from Sochi – to try to prevent the same harmful results of hosting event of any scale (Expert E);





 People see hosting Olympics as an event which brought many positive aspects to Sochi in terms of developing infrastructure of the area and, also, improving the brand of Sochi. Therefore, based on figure 2 we can make a table 1 below;

Olympic Games Legacies	Positive	Negative
Political	- (Nothing was covered by the	- (Nothing was covered by the
	respondents of current	respondents of current
	research)	research)
Socio-economic	Created new working	Prices become too high
	places	(not all of the respondents
	Increased local business	agree)
	sales	
	New human resources	
	arrived	
Socio-cultural	Pride of locals	- (Nothing was covered by the
	Increasing of involvement	respondents of current
	in sports	research)
Physical	New sport and hospitality	Damage to Sochi's nature
	facilities appeared	
	New improved	
	infrastructure	
	High level of security	
Destination branding	• Created an image, a brand	• A need to step away from
	of Sochi	Sochi as Olympic
	• Attracted a worldwide	destination only
	attention to the host	
	destination	
	• Gave a "start" for Sochi to	
	grow and to become more	
	attractive for Russian and	
	foreign tourists and events	

Table 3 «Legacies Of Hosting Olympic Games 2014» (own elaboration based on participants' answers).

7. Private sector agrees that Sochi can be an example to learn from for future host destinations (see what is recommended to adopt in recommendations part).





### **6.2. RECOMMENDATIONS**

Following section provides some recommendations for two main groups of stakeholders: other host destinations and Sochi's stakeholders. Sochi's stakeholders are represented by destination marketing organizations, event managers and tour operators working with Sochi as a touristic destination based on the findings of current research. Recommendations are given for those groups of stakeholders as it was stated reasonable in implications part above.

It is obvious that it is better to learn from others mistakes in order to prevent yours, as it is much less painful to lean that way. That is why it seems reasonable for further host destinations to learn from Sochi's experience. The weakness participants mentioned is damage to the area's nature was done. Some of the participants found this issue very important, future host destinations, therefore, might be better to pay special attention to this aspect. However, it is still nice to learn from the success as well: future host destinations might find it useful to check how Sochi achieved (1) high level of security, (2) how Sochi used financial investments and (3) time resources in order to (4) exceed expectations and (5) create an attractive brand of the destination.

Destination marketing organizations might find it useful to use current research in order to collaborate with private sector in Sochi. People are willing the name of Sochi to grow and to become more and more popular and attractive, therefore working with private sector of Sochi might help destination marketing organizations to find a new aspects to emphasize on, while promoting Sochi as an independent destination and trying to step away from Sochi as Olympic Games host destination only. Those aspects might be wine tours, or fascinating nature discovery by combining sea and mountains with snow or local food such as honey, vegetables, fruits, herbs, tea or anything else (adopted from Expert F).

The recommendations for tour operations are similar at some point to recommendations for destination marketing organizations. Tour operators might find it useful to collaborate with private sector to provide the most customized and modern product to its customers. The recommendations for event-managers (organizers of events) in Sochi are quite similar too in terms in co-creation with private sector, however, there is one additional detail: event-managers might be also interested in putting a special attention on the use of post-Olympics physical legacies.



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#### 6.3. LIMITATIONS AND FURTHER RESEARCH

This study has focused on Sochi, Russia and Olympic Games 2014 as a mega-event hosted there. Therefore, the context of the destination and its stakeholders has an influence on the findings. Furthermore, this study began in 2016, when the Olympic Games were already over, what affects stakeholders' perceptions on pre-Olympic period expectations. On the other hand, the study is based on the responses gained two years after hosting the event, which might be considered as relatively short period of time to measure the impact on destination branding due to its intangible nature. In addition, this study did not take into consideration the costs involved in creating the destination branding opportunities, as cost on hosting mega-event is a contentious current issue. To continue with, current study is based on semi-structured interviews with twelve participants, which makes the sample not as representative, as it could be due to the complicated access to stakeholders. Finally, this research was done according to the master thesis requirements including time limitations, which have already set a certain limits for the researcher.

Following section outlines a number of extensions from this study as future research areas.

Interviews of a single case has certain limitations discussed above, therefore the findings of this research might be contrasted on the case of future Olympic Games, other mega-events and/or across a variety of event types in different destinations.

As legacy assessments are tend to be based on a long-term investigations (Knott, 2015), the destination branding development legacy of Olympic Games 2014 might be observed again in the future to test findings of current research paper.

Moreover, future research might take into consideration the costs of hosting mega-event as well to observe the complete picture.

As known, this research was based on twelve semi-structure interviews with private sector representatives. Further research can be done based on quantitative or another qualitative method and/or public sector point of view and/or larger group of participants. In other words, findings of this research might be verified by conducting the research with the same background, but with another methodology.





#### 7. EXECUTIVE SUMMARY

#### ABSTRACT

Destination branding is an emerging and argued subject in the fields of management, marketing, tourism and politics. Hosting mega-events is associated with a certain degree of benefit for host destination. Little number of researches, however, investigated the opportunities of hosting mega-event in terms of destination branding.

This study, therefore, is aimed to identify the strategic branding opportunities created by hosting mega-event for a host nation based on the case study of Sochi (Russia) hosting Winter Olympic Games in 2014. Big amount of Sochi's residents are involved in tourism and hospitality activities. Olympic Games in Sochi are considered to be the most expensive ones in the whole history of Olympic Games, private sector representatives were one of the main group of investors. That is why legacies in terms of tourism from private sector's point of view are considered in current research. The study used qualitative method of data collection by conducting semi-structured private sector stakeholders (n = 12) of the area three years post the event. Sochi is the main resort area in the county.

When answering the major research question of this research the major impact on Sochi's brand of hosting winter Olympic Games in 2014 was discovered. That impact is observed by the "fresh air" brought to the area, new people (both tourists and hosts) coming to Sochi, higher level of standards set, new opportunities for tourism appeared, Sochi is becoming known worldwide and also new responsibilities of maintaining and developing the existing level of quality established. Some other key findings were discovered while performing this research as well. The findings of current paper might be considered as useful ones by future host destinations and Sochi's stakeholders (destination marketing organizations, event managers and tour operators).

#### INTRODUCTION

#### Background and rationale of the study

Events play a serious role in modeling tourism product (Bob and Swart, 2010), therefore tourism destinations are forced to host mega events in order to increase competitiveness comparing to other tourism destinations (Cornelissen, Bob and Swart, 2011). Due to the huge cost of hosting such event





(Auruskeviciene, Pundziene, Skudiene, Gripsrud, Nes and Olsson, 2010), it is logical to consider these funds as investments into the future development of the destination as well.

The mega-event's effects are definitely enclosed in intangible legacies (Ferrari and Guala, 2015). Hosting mega-events is one of the strategies to attract tourist (Bob and Swart, 2010), on the other hand, mega-events are temporary occasions, which require special infrastructure, which has to be used in the future in order not to become abounded. Due to the importance of predicting the outcomes, the role of planning events in city branding is quite significant (Getz, 2008). In addition, the presence of a brand represents a link between customer and brand (Pulik, 2015), it outlines the existence of a certain relationships between two parties, what makes the connection between tourist and destination stronger.

The purpose of this paper is to explore the impact of the Sochi's Olympic Games on the city branding as a tourist destination and to answer research question «What consequences brought hosting the Olympics to the city branding of Sochi in terms of tourism?» from the private sector point of view. Private sector's point of view will be explored as place brand must be generated from a conversation between public and private sectors (Warnaby, Ashworth and Kavaratzis, 2015). According to that approach destination branding is a result of co-creation and collective thinking (Kavaratzis and Hatch, 2013), destination's brand is a result of collaboration of private and public sectors (Gotham, 2007). However, the higher level of private sector involvement in destination branding can be observed (Alekseyeva, 2014).

### Research aim and objectives

The main goal of current research is to investigate the impact of hosting Olympic Games on Sochi's brand as a tourist destination, following objectives have to be achieved:

- 5) To explore and to understand the definitions and relationship of destination branding, private sector point of view on destination branding and mega-events;
- 6) To investigate the history and conditions of winter Olympic Games in Sochi 2014;
- To conduct interviews with the representatives of private sector to get related data in order to analyze the consequences of Sochi's destination branding in terms of tourism after hosting Olympics;
- 8) Based on the findings, to formulate the main consequences hosting the Olympic Games brought to Sochi's as a tourist destination.





Originality and contribution to knowledge

Destination branding is an attractive field of study for a number of researches. For instance, Boisen, Terlouw, and Gorp in 2011 explored the conceptual understanding of destination branding through discovering to what level destination branding indicates a degree of selectivity of target audience of destination and how this is related to the place identities. Destination can improve its image, for instance, by hosting mega-event (Weed, 2008). However, some mega-evens are not realizing all the opportunities and the potential of host destinations, Jago, Dwyer, Lipman, van Lill and Vorster (2010) examined the reasons why. Destination branding can be used in order to increase the level of attractiveness in terms of tourism – issues related to this have been explored by Shalygina, Selyukov and Kurach (2013). Following that, different approaches and points of view on destination branding are examined. Cerda-Bertomeu and Sarabia-Sanchez (2016), for instance, analyzed different stakeholders' perceptions of destination branding. Herstein and Berger (2013) showed the overall importance of sport mega-events in destination branding strategy.

Destination branding in a connection with hosting mega-event occupies a separate area of expertise. Therefore, most of the researches are based on case studies of hosting mega-events. Zhang ans Zhao (2009), for example, examined the effectiveness of Beijing's brand in connection with the Olympic Games. Case study of two cultural events in Croatia made by Trošt, Klarić, and Ružić (2012) represents the main factors while using events as a marketing tool. Furthermore, legacies of hosting FIFA World Cup in Port Elizabeth in 2010 were explored by Nyikana, Tichaawa and Swart (2014) and legacies of hosting Olympic Games in 2012 in London were explored by Nadeau, O'Reilly and Heslop (2015). Sochi (Russia) was a host city of winter Olympic Games 2014. However, Sochi itself and in connection with Olympic Games as well hasn't been studied a lot. Vetitnev and Bobina (2015) explored the residents' perceptions of the 2014 Sochi Olympic Games. Azzali (2016) investigated the legacies of Sochi 2014 Winter Olympics, by developing a post-occupancy evaluation of Olympic park in Sochi. However, the views of private sector's represents as stakeholders of destination image of Sochi, haven't being studied in the connection with hosting Olympic Games in 2014.

Following that, the research gap lays in exploring Olympic Games' influence on Sochi's city branding from private sector point of view.



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### LITERATURE REVIEW

### Destination branding

There are many definitions of destination branding: destination branding is the process, which is using in order to develop a unique personality different from all competitive destinations (Morison and Anderson, 2002, p. 17). There is another definition as well: destination branding is "a set of marketing activities that (1) support the creation of a name, symbol, logo, word mark or other graphic that readily identifies and differentiates a destination; that (2) constantly convey the expectation of a memorable travel experience that is uniquely associated with the destination; that (3) serve to consolidate and reinforce the emotional connection between the visitor and the destination; and that (4) reduce consumer search costs and perceived risk" (Blain, Levy and Ritchie, 2005, p. 337). Combined together these activities create destination profile, which affects potential visitors' choice (Trošt, Klarić and Ružić, 2012) as generates a certain picture or stereotype about destination.

As any process, the process of destination branding may face several challenges. According to the literature those main challenges are: leadership and control (Govers and Go, 2009), brand authenticity (Olins, 2002), communication and digital challenge (Govers and Go, 2009), ethics and sustainability (Dinnie, 2011) and evaluation and measurement of branding (Hildreth, 2011). Destinations can be described as "collaborative networks" (Fyall, 2011, p.94), so there is a need to collaborate within a certain limits. Destination's promotion is realized by communicating with external world (Govers and Go, 2009), what makes this aspect crucial for destination branding (Fan, 2010). Finally it is critical for successful destination branding to develop, implement, evaluate and improve relevant strategy (Hildreth, 2011).

Moreover, destination branding assumes the existence of certain roles for both external and internal stakeholders (Campi and Risitano, 2005). Gotham (2007)) claimed that destination's brand is a result of collaboration of private and public sectors as representatives of internal stakeholders of destination. Internal stakeholders are private and public sectors of destination and civil society (Cerda-Bertomeu and Sarabia-Sanchez, 2016). Speaking about tourist destination branding, private sector point of view should be taken into consideration as one with a very high level of involvement and, therefore, dependence as well (Alekseyeva, 2014).

### Private sector involvement in destination branding

Destination branding is supported by public, private and civil society sectors (Cerda-Bertomeu and Sarabia-Sanchez, 2016). The approach of private sector involvement into destination branding process





assumes a dialogue between public and private sectors to co-create (Warnaby, Ashworth and Kavaratzis, 2015). Private sector contains of businesses, which play a certain role in the connection between brand of a destination and commercial companies. Private sector businesses can use the umbrella of solid place brands or be used as symbol and identity of a destination (Cerda-Bertomeu and Sarabia-Sanchez, 2016). Therefore, we can observe a two-sided connection (or relationship model) between destination branding and private sector's activities.

Thus, brand (or image) is a result of several parties' actions and goals. Therefore, not only external to the destination stakeholders but also internal should be attracted to the destination and interested in its development (Kavaratzis, 2012). High level of private sector involvement is recognizable from its responsibility about space, activities (such as organizing some events, for instance), products and services within a destination (Nazrin, Anuar, and Ahmad, 2012). Private sector's point of view on destination branding is important co consider due to the fact that private sector represents overall trends in the area (Alekseyeva, 2014).

#### Events

Event is a "phenomenon arising from those non-routine occasions which have leisure, cultural, personal, or organizational objectives set apart from the normal activity of daily life, whose purpose is to enlighten, celebrate, entertain, or challenge the experience of a group of people" (Shone and Parry, 2004, p. 3). This definition allows several types of occasions to be named as event, so there is a need to classify them by scale, function and form or sector. Winter Olympic Games in Sochi 2014, for instance, is sport (by form) and mega (by scale and function) event.

Hosting mega-events is a unique source of attracting big amount of people and attention (Arnegger and Herz, 2016). Mega-event is "an ambulatory occasion of a fixed duration that (1) attract a large number of visitors, (2) have large mediated reach, (3) come with large costs and (4) have large impacts on the built environment and the population" (Muller, 2015). Mega-events are local due to hosting city: its growth and development, involvement of local citizens; mega-events are national as take place on a country' territory and adapt to that country norms, regulations and traditions; mega-events are international due to the involvement of participants from the whole world to that kind of event (Roche, 2000). Finally, it is important to mention that mega-events are planned, specific to a certain field of interest and characteristic to every culture or community (Tassioupoulos, 2009).



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### Legacies of hosting mega-event

Mega-events' history originates back from tribal conclaves and religious festivities (Jago, Dwyer, Lipman, van Lill and Vorster, 2010) and developing by first Olympic Games founded in Greece, 776 BC (Swadling, 2002). But only in the recent years (less than 50 years) mega-events are considered and used as a source of development of a host destination (Jago, Dwyer, Lipman, van Lill and Vorster, 2010). As a result, hosting mega-event became a privilege and a reason to compete for with other potential host destinations (Malfas, Houlihan and Theodoraki, 2004).

Mega-events are usually observed as a factor, which influence on local tourism and economy of host region (Roche, 2000; Hall and Hallmark, 1992; Getz, 1998). Hosting any mega-event causes certain negative and positive consequences (Jago, Dwyer, Lipman, van Lill and Vorster, 2010), which can be divided into four groups: socio-economic impacts, socio-cultural impacts, physical impacts and political impacts (Malfas, Houlihan and Theodoraki, 2004).

There is variety of types of consequences which hosting mega-event brings. In addition there is an independent field of knowledge related to hosting mega-events' contribution to the destination branding of a host destination. Main findings are:

- Hosting mega-event increases the level of awareness and modifies the image of host destination (Ritchie and Smith, 1991);
- International mega-event can change image of a destination in a very short time, however those changes might be temporal (Kim and Morrison, 2005);
- Hosting mega-event can cause connotations of host destination, what leads to positive consequences (Smith, 2006);
- Not only the image of event can influence on the image of host destination, but on the contrary as well (Bodet and Lacassagne, 2012).

### Using event as a tool for destination branding

Literature demonstrates a high value of hosting events for destination branding (Jago, Chalip, Brown, Mules and Ali, 2003; Chalip and Costa, 2005; Fyall and Garrod, 2005). Events host destinations trying to use the opportunities it is bringing to increase competitive position (Black and Westhuizen, 2004). Hosting Seoul Olympic Games, for instance, helped in building positive image of South Korea (Nebenzahl and Jaffe, 1991; Jaffe and Nebenzahl, 1993). That is why the model of building brand of a destination using events was created (Johansson, 2007). Phase 1 and Phase 2 are beginning phases: all





related stakeholders come to the common vision of future of a destination and divide areas of responsibility based on the research; Phase 3 represents the role of the events in destination branding; Phase 4 represents ways and aspects of linking events to a destination; Phase 5 is brining identity of destination to life with the use of mega-event; Phase 6 is event evaluation (Johansson, 2007). The Phases 4, 5 and 6 all together outline the significance of reviewing the whole potential portfolio of events for destination branding (Trošt, Klarić and Ružić, 2012).

Finally, it is crucial to mention "when an event is properly branded, it has the potentials of contributing to the host destination as a feature to make the destination unique in nature and even popular to prospective visitors" (Esu and Mbaze-Arrey, 2009, p. 183). Therefore, the use of events in destination branding process have been proved and systemized.

### Sochi. Olympic games

The 2014 Winter Olympic Games started on the 7 of February in Sochi, Russia. Sochi is the most popular resort area in Russia (Lukashina, Amirkhanov, Anisimov and Trunev, 1996). At the end of the Olympic Games on the same objects were carried out 2014 Winter Paralympics. The number of nights spent in hotels located in Sochi has grown dramatically from 1541012 nights in 2002 to 19300462 nights in 2015 (GKS, 2016). The number of hotels in the area increased from 160 in 2002 to 1982 in 2015 (GKS, 2016). Sochi is located along the Black Sea, its territory is 3500 km<sup>2</sup>, its population is only 401291 and the majority of them are involved in tourism activities (Lukashina, Amirkhanov, Anisimov and Trunev, 1996). Sochi's resort area is growing and developing and is providing a range of services such as treatment, rehabilitation and rest.

Amount and structure of investments to prepare Sochi to hosting Olympic Games in 2014 was huge - \$833 million (Olympic Marketing Fact File, 2015). Moreover, in preparation for the Games was realized marketing program "Sochi 2014", which aims to attract extra-budgetary funding for the organization and staging of the Games. It seems to be reasonable all the costs to justify themselves. The most common residents' perceptions were increasing investments in local businesses, potential to attract more cultural events and promotion of Sochi as a tourism destination (Vetitnev and Bobina, 2015). That means that most of the citizens of Sochi expected winter Olympic Games 2014 to improve region as a tourism destination.

In order to accomplish those expectations, the main purpose of the Olympic project was the opening of the Sochi for the whole world, the creation of the brand "Sochi 2014" and the city recognized and finally removal of the city to the level of leading world resorts. It is important to consider massive amount of work in preparation process for any mega-event and any Olympic Games. Sochi is not an



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exception, especially regarding the absence of required pre-existing sports facilities and also the need to engage with various interpersonal and interorganisational networks, involving national and local stakeholders, public and private sectors, civil society (Golubchikov, 2017). Olympic Games in Sochi are believed to be the most expensive in Games' history. As private sector representatives were one of the main group of investors, they tried to qualify as much of their expenditures as possible as the Olympic costs (Gibson, 2014).

### Literature map

Literature map (figure A) indicates main topics discussed while performing this research. Current research's major area of knowledge is development of destination branding. Following and interconnected topics are (1) using events as destination branding tool and (2) internal stakeholders. Further investigation leads to following topics: legacies of hosting mega-events and Olympic Games Sochi 2014 as an example of sport mega-event. All these topics are aligned with each other (when it is reasonable) and with the other researchers and authors, whose papers were a basis for the current research in the literature review part. Therefore, literature map below displays the pool of involved literature connected to current research and also the links, connections and hierarchy of the literature for this research. Destination branding and case of Sochi 2014 are two the most important aspects of research question; literature observes not only those topics, but also those, which are laying on the "way" from one to another. Private sector as a representative of internal stakeholder point of view is considered separately to Sochi, but in connection with destination branding.

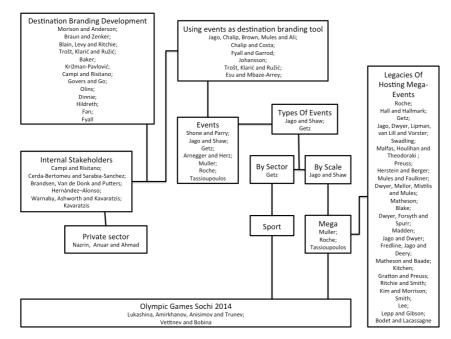


Figure A «Literature Map» (own elaboration).

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### CONCEPTUAL FRAMEWORK

The conceptual framework located below (figure B) covers the main aspects of the research and the relationships between those aspects. Destination branding development is the main subject of current research. However, only several aspects of that area of knowledge are connected to this study: private sector involvement in destination branding process as representative of internal stakeholders and events as a tool for developing destination branding. Further narrowing down lead to a certain type of events – sport mega events and Olympic Games in Sochi 2014 as and example of such type of events. Finally, the legacies of hosting mega-events (destination branding is one of those legacies) were considered as well as an additional aspect of destination branding development.

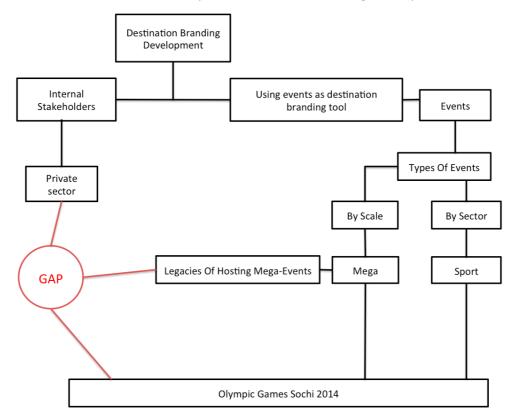


Figure B «Conceptual Framework» (own elaboration).

However, while reviewing relevant literature there was not found any paper describing the legacies of hosting Olympics in Sochi in 2014 for destination's branding from private sector point of view. In other words, there was no research on the topic, which would combine case of Sochi Olympic Games 2014 as an example of mega-event, private sector involvement in development of destination branding and legacies of hosting mega-event (see figure C below). So conceptual framework outlines the research gap, which lays in the area of intersection of private sector point of view on destination







branding development, legacies of hosting mega-events (especially for destination branding) and case of winter Olympics in Sochi 2014. So, the research gap is a private sector point of view on destination branding outcomes of hosting Olympic Games in Sochi in 2014.

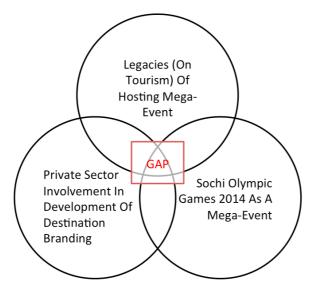


Figure C «Reserach Gap» (own elaboration).

### METHODOLOGY

### Research design

Research philosophy is very important to determine to choose, to apply and to create and innovate relevant research methods (Easterby-Smith, Thorpe and Lowe, 2002). Current research will stick to <u>phenomenology</u> research philosophy. The philosophy determines the way of constructing knowledge, to decide when (in the end or in the beginning) to construct it. It is important to define research approach (deduction or induction) to organize that (Altinay, Pareskevas and Jang, 2015). <u>Inductive</u> research approach will be used in the current research in order to fulfill a knowledge gap mentioned before. A certain type of chosen research philosophy and research approach requires are linked to the methods of research. Current research, therefore, is a <u>qualitative</u> one. It can be characterized as not generalizing method, with more attention to words rather than to numbers. While focusing on numbers and generalization are typical for quantitative research (Altinay, Pareskevas and Jang, 2015).

Research strategy will be used in current research is <u>case study</u>. Case study is "a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence" (Robson, 2002, p.178). That choice was already





highlighted in the title of the research due to the requirement of specifically related data and narrowing down the whole research to the case study from the very beginning.

### Data collection techniques and research instruments

This qualitative case study research will be based on the information collected by conducting <u>interviews.</u> Current research will be based on the information received by conducting <u>semi-structured</u> <u>interviews (a middle ground between unstructured and structured types of interview)</u>. That technique of data collection was chosen due to the opportunity to receive all necessary, depth and up to date information from participants (Robson, 2002). Moreover, personal contact and lack of formalization contributes to the relaxed atmosphere of dialogue and increasing sincerity and personalization of answers. On the other hand, that way of data collecting might lead to obtaining subjective information (Altinay, Pareskevas and Jang, 2015). In addition it assumes dependence on the time and opportunity of investigator to interview respondents.

The duration of each of 12 expected interviews would vary form 30 minutes to 45 minutes depending on extensiveness of the information will be received from the interviewees.

### Research context and participants

Current research will explore the influence of hosting Olympic Games in Sochi (Russia) in 2014 on destination image of Sochi. Therefore, the research will be based on Sochi area and will explore both pre- (before 2014) and post-Olympics (till the end of 2016) periods.

This qualitative research will be based on respondents' (representatives of private sector of tourism in Sochi) answers. Therefore, the respondents have to be involved in the field of destination image, tourism (as influence on destination image in terms of tourism will be explored) or hospitality business in Sochi. That is why potential participants will be defined as respondents if they (1) had an opportunity to observe Sochi from the inside before and after hosting mega-event in 2014 and (2) are involved in hospitality enterprise in Sochi. Therefore the participants are male and female Sochi citizens or owner of business in Sochi in field of hospitality, classified to be in the age group from 20 to 60 in order to be seen as workers in the industry while the research and while the event. Semi-structured interviews will be held over Skype due to lack of the possibilities to conduct them in a real life.

The contacts of potential respondents will be obtained by using snowball technique. This technique uses referrals from initial participants (Altinay, Pareskevas and Jang, 2015). People living in the same



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territory (Sochi) and involved in similar kind of activities (hospitality and tourism) are tend to be connected somehow, to be members of the same community and so are likely to know each other.

Four main spheres within hospitality were elected: accommodation (6 interviews), travel agencies (2 interviews), transportation (1 interview) and food and beverage services (3 interviews).

### Ethical considerations

Current research uses HTSI ethics code. It is crucial for any research that participants are voluntarily involved in it (Saunders, Lewis and Thornhill, 2009). Each potential respondent will be asked in advance if he or she wants to participate in current research, so everybody has a right to refuse at any stage of the research (Meuleman and Roose, 2014). During the research and interviews anonymity should be kept (Sekaran, 2003). So, such information about participants as age, name, gender and origin will be hided in order to keep anonymity (Meuleman and Roose, 2014). Furthermore, in order to achieve the most objective results, bias will be avoided and the interviewees' responses and opinions will be respected during and after the interviews. In addition participants of the research should never be harmed neither physically nor emotionally (Meuleman and Roose, 2014), so the data collection way will be safe and data anonymity will be ensured. Finally, to make the results reliable and the recommendations reasonable all the conclusions (analyzing data and reporting findings stage) will be made on the basis of the rational data and consistent opinions of the interviewees, but not based on the author's believes or predictions (Meuleman and Roose, 2014).

### FINDINGS AND DISCUSSION

The respondents mentioned a variety of different expectations they had before Olympic Games 2014 related to development of Sochi as a city and as a brand as well. For the majority, hosting megaevent was observed as an opportunity for Sochi to improve two aspects of Sochi as a tourist destination:

3) Quality (in terms of infrastructure) of the destination

"I can say that improvement of Sochi as both beach and ski resort was the main expectation. We expected Olympics to set a high level of development of Sochi with we would have to maintain and improve as well" (Interview G).

### 4) Sochi's brand awareness

IN ASSOCIATION WITH:





"The main expectation for the whole Sochi, of course, was a huge amount of people coming here" (Interview A).

It matches other researchers findings: (1) Ritchie and Smith (1991) that discovered hosting megaevent increases the level of awareness and modifies the image of host destination; (2) furthermore, Kapareliotis, and Panopoulos argued, "The Olympic Games improve the tourist infrastructure of an Olympic city. The improvement of the infrastructure leads to the increase of incoming tourism" (Kapareliotis and Panopoulos, 2014, p. 98). Therefore, the expectations of the respondents are seemed to be reasonable. When going back to pre-Olympics period, some of the respondents mentioned positive attitude for hosting mega-event and some doubts concerning Sochi's success in it at the same time.

"Nobody really believed in hosting Olympics in Russia - there were no facilities for that. We expected large flow of people in the period of the Olympic Games" (Interview A).

We can observe from that high level of worries and high level of approval and excitedness concerning the results (in terms of infrastructure and brand awareness mentioned above) of hosting winter Olympic Games in Sochi 2014. That trend is not new in terms of mega-events' perceptions: "Despite these positive expectations, stakeholders also noted an awareness of the potential risks, fears and uncertainties in the lead up to the event that could have a negative brand impact" (Knott, 2015, p. 181). It is interesting to observe further if those expectations were brought to live fully and why.

Despite positive reflections on pre-Olympic period expectations small number of the experts highlighted that they expected a bit more form hosting mega-event.

"... there supposed to be more new roads to move easier across the whole Sochi. Although government prepared to do more (we saw people making preparations), not all the projects were brought to life" (Interview F).

Expert I, on the other hand, relied on higher level of Sochi's attractiveness: "... hotels weren't fully occupied ... we expected more people to come than actually came ... I don't think that management team (of most of the hotels) was prepared good enough, there was almost no marketing, some of the hotels weren't ready on a technical level" (Interview I). However, the half of the participants believes



BROOKES



that Olympics reached all the expectations. Some of the participants even stated the reasons why that happened in their opinion:

"I believe that it happed thanks to a good preparation done before" (Interview A).

Finally, the rest of the respondents think that Olympics even exceeded expectations they had:

"In some aspects results even exceeded expectations of some people, I would say" (Interview E).

Exceeding expectations is what stakeholders face from time to time when talking about hosting mega-event: "there is a clear agreement among stakeholders that the event at least met, but mostly exceeded their expectations in general" (Knott, 2015, p. 187). Overall the event was seen to be successful because of the high-end infrastructure that was delivered for the event and worldwide attention to the event and to the host destination as well. General trend among the participants of current research is still positive – they believe that hosting Olympic Games brought a lot of new and positive aspects into Sochi's every day life and its' name as well. The legacies of hosting mega-event, history and features of Sochi itself all together create a new (or renewed) touristic destination, which might be perceived in a very different way. Most of the experts, however, see Sochi as an attractive destination for both, Russian and foreign tourists. This attractiveness is manly named thanks to uniqueness of culture and very good developed infrastructure.

"I think Sochi is very attractive for potential tourists both Russian and foreign. Prices in Sochi are much low rather than prices (in rubles) abroad for the same level of service" (Interview B).

Participants' opinions correspond what other researches say: Strong destination image, long-term marketing strategy are build up by some cities with a help of hosting Olympic Games (Kapareliotis and Panopoulos, 2014). It is also interesting to mention that some people said about prices as low and others consider process in Sochi as too high and a disadvantage of the city, therefore.

"Prices in Sochi are much low rather than prices (in rubles) abroad for the same level of service" (Interview B).



BROOKES



In any case, the fact that Sochi is not seen as too expensive place by the majority of the respondents state that it is not unaffordable. High prices are not the only aspect have been mentioned as negative impact on destination brand. Experts E and I are very concerned about the damage construction did to the nature and to the ecology in the area of hosting winter Olympic Games in 2014.

"Serious damage to the ecology of the city was dealt. It is much worse now due to pre-Olympics construction" (Interview E).

Ecological problem while preparation for the Olympic in Sochi is mentioned by other researcher as well – Kobierecki (2016) stated that winter Olympic Games in Sochi were "ecologically unfriendly". Lukashina, Amirkhanov, Anisimov, and Trunev (1996) also highlighted the drawback of Sochi's development (fuel energetics, transport and tourism rapid growth) contributes to environmental pollution in the Sochi area

However, none of the rest experts mentioned any other significant negative aspects they faced in terms of destination branding. Most of them stay positive and see destination branding of Sochi to improve thanks to hosting mega-event by making its' name known all over the world. In addition, some experts highlighted the use of post-Olympics object for sports and other events as positive aspect of destination branding as well: it helps to bring more people from different places, increase Sochi brand awareness and help in keeping Olympic objects to be used rather that abandoned.

"Everything what left after Olympic Games is working now and keep developing, nothing is abandoned. Something was changed a bit in order to be used on the every day (month) basis. That opens huge opportunities for hosting other mega, big, small or any events" (Interview G).

Golubchikov (2017) also outlines the use of the physical legacies of Olympic Games in Sochi and provided some examples of that use. It is noticeable from above, that stakeholders are mainly positively related to post-Olympics period of Sochi as a city, as a touristic destination and as a brand as well. It is also significant to take opinion of tourist into consideration. Experts stated that visitors observe huge changed in infrastructure and especially roads, growing number and quality in places to go and things to do, overall development of services delivered here, nicer conditions and atmosphere to stay in Sochi

54



SROOKES



and, of course, Olympic objects which are the main legacy of Sochi Olympic Games 2014. All of these aspects helped to create new image of Sochi:

"The main difference is that Sochi is an urban city now, not provincial, as it used to be. In fact, Sochi "lived" only during high tourist season summer and fall. Now it is always a season to go there. Sochi is a brand now, I would say" (Interview B).

Summarizing the impact on Sochi, experts mainly covered that city is completely renewed in terms of infrastructure, service and its' image.

"From regional summer resort Sochi slowly, but tries become multi-functional sporting and tourist center international level with modern infrastructure" (Interview H).

That makes Sochi to become "a magnet for tourism, further sporting events, conferences and other commercial and non-commercial activities" (Goluvchikov, 2017, p. 15). In addition, new working places were created (Interview E). Sochi is associated mainly only with Olympic Games now, but it is a very good start to continue promoting it as a touristic destination (Interviews C, F, G, H and I) as people know now where Sochi is (Interviews D and K). It is doable due to the "idea" of Sochi appeared:

"Olympics helped to completed the image, the idea of Sochi which was not clear enough before" (Interview L).

The same is happening with another Olympic Games host destinations, Beijing, for instance: "There are improvements in the infrastructure of the Olympic city improving the tourist image of the Olympic city, according to its residents" (Kapareliotis and Panopoulos, 2014, p. 93). When answering if impact of hosting Olympic Games on Sochi's brand could be better experts mentioned that it is overall hard to think about how better it could be. The only exception is very strong link between Sochi itself and mega event, mentioned by expert I:

"It is because in the consciousness took root: we say Sochi Olympics mean, we're talking Olympics, Sochi mean, the only way, together. I'm not talking about how it was and is perceived by the inhabitants of the city. I'm talking about those associations, and even chains that occur in people's mind from Sochi as a word. If it were possible to separate a



ROOKES



good and positive mass, a spectacular event like the Olympics of negative impurities from all scandals, corruption, politics, ecology, leave only the holiday of sports, the effect would be better, stronger or something. But all this is unfortunately impossible" (Interview I).

It is also important to mention that such positive way of thinking when going back to hosting mega-event is not always the rule: the study of Knott about FIFA in South Africa shows that "overall the stakeholders were extremely critical of the lack of planning and activity" (Knott, 2015, p. 211).

Finally, as all the respondents consider hosting mega-events as a useful tool to develop destination branding (the same opinion among the participants is mentioned by Knott (2015) as well), they see Sochi as a nice example or case to learn from in terms of security, exceeding expectations, how to use financial investments in a smart way, how to create a brand of a destination and time management. On the other hand, three years might be "too short period to draw any definitive conclusions. Probably some time should pass for us to be able to say with certainty if Sochi is good example to follow or not" (Interview I).

To sum up the main trends among 12 participants, who are representatives of private sector of Sochi's tourism life, are:

- 7) People were very positive about hosting the Olympic Games, they were waiting for it, they were hoping Olympics to give some new know-how, the set up new standards and to bring some fresh air to the city;
- People mostly received what they expected from the Olympics. They are grateful and ready to continue on improving and developing Sochi as a touristic destination. Moreover, they are expecting government to do so;
- 9) Even though, local (and not only) weren't sure that hosting Olympic Games in Sochi is a good idea, they were pleasantly surprised – the results of that even exceeded their expectations;
- 10) Most of the expectations concerning legacies of hosting Olympic Games were about infrastructure development and expanding Sochi's brand awareness all over the world;
- 11) The only disadvantage of hosting Olympic Games was mentioned is a damage to the nature. However, there are much more advantages according to the experts: Sochi is known everywhere now, people are coming from all over the word, everything what was constructed for the Olympic Games is used, Sochi became more developed and qualified city;





12) There are some reasons to learn from Sochi for future host destinations.

When answering the major question of this research paper, the research question which is «What consequences brought hosting the Olympics to the city branding of Sochi in terms of tourism?», we can state from the interviews with the participants that it brought fresh air to the area, it brought new people (both tourists and hosts), it brought high standards and it brought new opportunities for tourism and made name of Sochi known and also it brought new responsibilities of maintaining and developing the existing level of quality.

### CONCLUSIONS

### Conclusions

Within this research paper the influence of hosting mega-event on destination branding in terms of tourism from the private sector point of view has been explored. That was on the base of the case study of Olympic Games in Sochi (Russia), 2014.

When answering the major research question of this research the major impact on Sochi's brand of hosting winter Olympic Games in 2014 was discovered. That impact is observed by the "fresh air" brought to the area, new people (both tourists and hosts) coming to Sochi, higher level of standards set, new opportunities for tourism appeared, Sochi's becoming known worldwide and also new responsibilities of maintaining and developing the existing level of quality established. Some other key findings were discovered while performing this research as well:

- 8. Positive attitude to the mega-event among local people and local business. People tend to believe in Olympic Games, they expect hosting mega-event to beneficial for them in terms of infrastructure improvement, attracting worldwide attention to the destination and brining some fresh air into the destination and its' development;
- Results of hosting Olympic Games reached and exceeded expectation people had, which is not the first time in the history of mega-events' host destinations: expectations of host destination residents of FiFA World Cup in 2010 were exceeded as well (Knott, Swart and Visser, 2015);
- 10. People in Sochi are willing to continue on developing Sochi and its' name as a brand as they associate themselves to the success of Sochi due to increasing of pride (Knott, Swart, and Visser, 2015; Golubchikov, 2017);
- 11. Local people are concerned about infrastructure development more than destination brand development, although they find its very important as well;

**3ROOKES** 



- 12. Damage to the nature of Sochi is the only disadvantage of hosting mega-event people see. Although, that damage is very significant. Some of the respondents see that aspect as one for future host destinations to learn from Sochi – to try to prevent the same harmful results of hosting event of any scale (Expert E);
- 13. People see hosting Olympics as an event which brought many positive aspects to Sochi in terms of developing infrastructure of the area and, also, improving the brand of Sochi.
- 14. Private sector agrees that Sochi can be an example to learn from for future host destinations (see what is recommended to adopt in recommendations part).

### Recommendations

Following section provides some recommendations for two main groups of stakeholders: other host destinations and Sochi's stakeholders. Sochi's stakeholders are represented by destination marketing organizations, event managers and tour operators working with Sochi as a touristic destination based on the findings of current research.

It is better to learn from others mistakes in order to prevent yours, as it is much less painful to lean that way. That is why it seems reasonable for further host destinations to learn from Sochi's experience. The weakness participants mentioned is damage to the area's nature was done. Some of the participants found this issue very important, future host destinations, therefore, might be better to pay special attention to this aspect. However, it is still nice to learn from the success as well: future host destinations might find it useful to check how Sochi achieved (1) high level of security, (2) how Sochi used financial investments and (3) time resources in order to (4) exceed expectations and (5) create an attractive brand of the destination.

Destination marketing organizations and tour operators might find it useful to use current research in order to collaborate with private sector in Sochi. People are willing the name of Sochi to grow and to become more and more popular and attractive, therefore working with private sector of Sochi might help destination marketing organizations to find a new aspects to emphasize on, while promoting Sochi as an independent destination and trying to step away from Sochi as Olympic Games host destination only. Event-managers might be also interested in putting a special attention on the use of post-Olympics physical legacies.

### Limitations and further research

This study has focused on Sochi and Olympic Games 2014 as a mega-event hosted there. Therefore, the context of the destination and its stakeholders has an influence on the findings.





Furthermore, this study began in 2016, when the Olympic Games were already over, what affects stakeholders' perceptions on pre-Olympic period expectations. On the other hand, the study is based on the responses gained two years after hosting the event, which might be considered as relatively short period of time to measure the impact on destination branding due to its intangible nature. In addition, this study did not take into consideration the costs involved in creating the destination branding opportunities, as cost on hosting mega-event is a contentious current issue. To continue with, current study is based on semi-structured interviews with twelve participants, which makes the sample not as representative, as it could be.

Interviews of a single case has certain limitations discussed above, therefore the findings of this research might be contrasted on the case of future Olympic Games, other mega-events and/or across a variety of event types in different destinations.

As legacy assessments are tend to be based on a long-term investigations (Knott, 2015), the destination branding development legacy of Olympic Games 2014 might be observed again in the future to test findings of current research paper.

Moreover, future research might take into consideration the costs of hosting mega-event as well to observe the complete picture.

As known, this research was based on twelve semi-structure interviews with private sector representatives. Further research can be done based on quantitative or another qualitative method and/or public sector point of view and/or larger group of participants. In other words, findings of this research might be verified by conducting the research with the same background, but with another methodology.





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#### 9. APPENDICIES

#### 9.1. APPENDIX A: EXPERT A

**Researcher**: Thank you for agreeing to participate and to be interviewed today. I appreciate your time and effort a lot. I would like to record this interview for further analysis, so can I ask you for confirmation of your agreement for me to do so?

Expert A: I do not mind.

**Researcher**: Thank you! Furthermore, I would like to note that your response will be held in confidence and will be used for academic purposes of this study only. Your name and job will be hided, however, job might be linked to a pool of potential job title only in terms of a particular question if necessary. Feel free to response further questions in any manner you find suitable. Finally, if you would like to receive the findings of this study please let me know and I will be happy to provide it to you when the work will be done. To begin with I would like mention that current study examines connection between hosting Olympic Games 2014 and Sochi's destination branding from the private sector point of view.

Expert A: Very good.

**Researcher**: Back to the pre-Olympics period, what do you think were the general expectations of the event potential impact on Sochi?

**Expert A**: Well, everything started from the basic things. I will be peaking about a hotel or myself only, because I cannot say for all the rest. There were some main trends. I will be honest with you. Nobody really believed in hosting Olympics in Russia - there were no facilities for that. Therefore the building plan was huge: in fact, almost a half of the city was build for this event. And, as I said, nobody believed that is going to be for real; it is a lot of money, time and effort to be invested! But, of course, it was decided on a high level – Olympic Games 2014 will take place in Sochi! Main preparation for hosting Olympics took place in the last one year and a half before the Games. As a hotel, we started our preparation two years in advance. We expected large flow of people in the period of the Olympic Games. The main expectation for the whole Sochi, of course, was a huge amount of people coming here. Our hotel was fully booked for the Olympic Games period and about 80 percent of rooms were occupied during Paralympic Games. Our guest were local people, people from Russia and tourists from abroad as well.

Researcher: Do you think that Olympics reached those expectations?





**Expert A**: Yes. I believe that it happed thanks to a good preparation done before. The only aspect we expected to be different is a price limitation for the hotels during the Olympics – we did not expect it to be so strict.

Researcher: What do you think about Sochi's image as a touristic destination?

**Expert A**: I see Sochi as a very attractive destination for tourists. Now it is on the same level as top world destinations, in my opinion. I do not think that Spain, Italy or France are be better than Sochi. Well, may be I am not very objective. However, I have been abroad and have seen another countries, so I can compare, I think. The number of tourists here is very high, which indicates the existence of reasons to come here, right? Sochi is a band nowadays, it is a name know all over the world. A lot of foreigners are coming here as well as people from Russia, they choosing Sochi. For sure, city came to a new, higher level thanks to the Olympic Games. It rose threefold at least, I would say. The entire infrastructure is made to attract people here and also for any kind of international events like Soccer Championship 2018 or may be another Olympics in 15 years.

**Researcher**: Overall do you think that hosting winter Olympic Games in 2014 had a positive impact on Sochi's tourism brand destination? In which ways?

Expert A: Yes, Definitely!

**Researcher**: Do you think that hosting the event had a negative impact on destination's brand? Please specify.

**Expert A**: I think it is more of a philosophical answer... What is it hosting so huge event? It is a huge staff team and so on. An incredible job has been done. What shows an evolution of Sochi. Sochi upgraded from a regular (apart from climate, of course) touristic city to a new one. And as any process or progress, this evolution faced some negative aspects. We are forced to ignore something or turn a blind eye to something. There were a number of occasions (at least I heard about them) showing a negative attitude towards the construction and preparation for the hosting Olympic Games in Sochi. However, I would prefer not to go deeply in details, I do not see a lot of sense in discussing it. For us as a hotel, there were no negative aspects at all. There were some things to deal with, but that is it. Everything what any organization faces makes it more powerful and experienced.

**Researcher**: What do you think were the main aspects, which visitors observed in before-after comparison of Sochi as a tourist destination?

**Expert A**: it depends on which period of time exactly are you going to take into consideration: 10 or 2 years before Olympics? There is a big difference. During that period city was constantly changing becoming better or worse from time to time. Lets compare 10 years before Olympics and post Olympics period. However, even in 2012 (two years before Olympics) Sochi was very different from now. You



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wouldn't recognize it. The huge amount of new road junctions, bridges, extra roads and tunnels were constructed. Infrastructure changed a lot thanks to the huge investments in it. Roads, parks, embankments... Extra facilities such as Olympic park, Krasnaya Polyana, places to walk, to live, to have a rest... Even a person living in center of Sochi can use all those advantages and go, for instance, to Krasnaya Polyana for the vacations. Only one hour drive! Sochi proved that it is possible to combine summer leisure sea time and ski resort in one place. You can always add some excursions and sightseeing, sport events and so on. Sochi is a very diverse city. A lot of things have changed. The most important one is improving of service. It was not good enough, to be honest, there was a lot in it from the USSR period. Now I see a good service here. The amount of all-inclusive hotels is still low, but Sochi learned how to deliver good service to customers. In my opinion it is the main difference people see. In addition, hotels now are matching customers' expectations based on the amount of stars, hotels now have to deserve it.

**Researcher**: Do you think that hosting Olympic Games in 2014 created a new image of Sochi? Why/Why not?

**Expert A**: Yes, sure. However I think there is a difference in that image for foreign people and people from Russia. Russians have certain stereotypes about Sochi. For instance, Sochi always was considered as expensive place. So, Russians expected Sochi to become incredibly expensive after hosting Olympic Games in 2014. Well, nothing good is cheap. But it is not really expensive here. There very expensive places in Sochi, but you always have another option. Thousands of different accommodations here, so everyone can choose what he or she likes. I am in touch with a lot of our guests and they say see only positive city development trends

Researcher: How would you summarize the impact of hosting Olympics on Sochi?

**Expert A**: I think I answered that question before.

**Researcher**: How would you summarize the impact of hosting Olympics on Sochi as a tourism brand destination?

Expert A: I have a feeling I covered this one as well. Can we go further?

**Researcher**: Do you think that influence of Olympics on Sochi's brand, as a tourist destination could be better/worse? In what ways?

**Expert A**: It is a hard one. I would focus more not on the Olympics, which passed away already, but on what else we can do to improve Sochi's name. We have to constantly work on it. And a lot of things are happening, actually. We need to offer more of international events, do more advertising of Sochi as a destination and show how unique it is, emphasize on the unique climate of the area.





**Researcher**: Do you believe that hosting sport mega-events can be used as a tool to improve destination branding?

Expert A: Yes, of course. I think it is a must to do in terms of banding.

Researcher: Do you think that Sochi can be used as an example to learn from? Why/Why not?

**Expert A**: 100% yes! There is no other country which that much attentive to a security aspects of the event. It was on such a high level that nothing could possibly happen. I would say that security is definitely a thing for future host destinations to learn from Sochi. This was done in a big way. I even heard that some countries were afraid to participate in competition for hosting next Olympic Games, they weren't sure they can do it on the same level as Sochi did. This Olympic Games gave a lot to Sochi, even though a lot of people did not expect this. Olympics 2014 provide a huge experience to learn from for another destinations.

**Researcher**: Thank you for your contribution to this research! You are very welcome to contact the researcher for further information of results of the research.

**Expert A**: Thank you, it was interesting for me to participate.

### 9. 2. APPENDIX B: EXPERT B

**Researcher**: Thank you for agreeing to participate and to be interviewed today. I appreciate your time and effort a lot. I would like to record this interview for further analysis, so can I ask you for confirmation of your agreement for me to do so?

**Expert B**: Sure, no problem.

**Researcher**: Thank you. Furthermore, I would like to note that your response will be held in confidence and will be used for academic purposes of this study only. Your name and job will be hided, however, job might be linked to a pool of potential job title only in terms of a particular question if necessary. Feel free to response further questions in any manner you find suitable. Finally, if you would like to receive the findings of this study please let me know and I will be happy to provide it to you when the work will be done. To begin with I would like mention that current study examines connection between hosting Olympic Games 2014 and Sochi's destination branding from the private sector point of view. 1)Back to the pre-Olympics period, what do you think were the general expectations of the event potential impact on Sochi?

**Expert B**: The main expectation, of course, was related to the changing of infrastructure in the area. Furthermore, rethinking and reorganizing some territories within the Sochi area (including dealing





with some legal issues concerning some hospitality properties here) were expected. We expected increasing of number of workplaces, new level of service and overall refreshment of Sochi.

Researcher: Do you think that Olympics reached those expectations?

**Expert B**: Yes, definitely. First of all, the reorganizing of the area I mentioned... There were no real plan or structure of constructions there before and finally I was fixed. New roads were made; railway stations are looking completely differently now. Both areas for tourists and for locals improved a lot, I would say. And new, never used before territories are used now by hotels and Olympic objects. Also construction of two bypass highways changed overall picture of Sochi.

Researcher: What do you think about Sochi's image as a touristic destination?

**Expert B**: I think Sochi is very attractive for potential tourists both Russian and foreign. Prices in Sochi are much low rather than prices (in rubles) abroad for the same level of service. May be in terms of beach holidays Sochi is not the best option due to badly organized seaside and no animation in most of the areas. However, people are coming here and it is easier now thanks to a new transportation system constructed for the Olympic Games. Status of Olympic Games host destination and advertised a lot construction for this event also make people come here. People want to see how Sochi looks like now, what did Olympic change.

**Researcher**: Overall do you think that hosting winter Olympic Games in 2014 had a positive impact on Sochi's tourism brand destination? In which ways?

**Expert B**: Yes, sure. People who visited Sochi during the USSR period still probably have some nostalgia, but in 90<sup>th</sup> Sochi's reputation was damaged a little bit by too much of freedom of private sector here: high prices and low quality of service are not attractive at all. Now the picture is completely different. Sochi is much more cultural, modern and urban now. Everybody learned about Sochi thanks to the Olympics. Everybody learned how good it is to be there at any time of the year. How many things there are to do: sports, for instance. Everybody learned about the unique climate there: sea and mountains with snow at the same place.

**Researcher**: Do you think that hosting the event had a negative impact on destination's brand? Please specify.

**Expert B**: Since the Olympics no. Only positive aspects took place, I think. The only negative thing I could say is some issues related to constructions itself, maybe people who were involved in that process faced some difficulties the did not like, but it is unavoidable I think.

**Researcher**: What do you think were the main aspects, which visitors observed in before-after comparison of Sochi as a tourist destination?



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**Expert B**: Road transport network, first of all. There was only one highway to Sochi before, with not the best quality and a lot of traffic jams on it at any time of the year. Now this highway changed into a better one. And there are some more additional ones. The only one railway road there changed a lot as well, new trains with higher quality are using this road now and some railway stations were constructed there, what makes using it much easier. Changing of roads inside the city helped to reduce the number of traffic jams there. Olympic objects are attracting as well, as very big and beautiful constructions on the same territory – Olympic park (which by the way you see landing. People are very surprised by the results achieved in such a short period of time. The new level of private and public constructions as well, I think. New shopping malls and so on. It is simply more beautiful and nicer to be here.

**Researcher**: Do you think that hosting Olympic Games in 2014 created a new image of Sochi? Why/Why not?

**Expert B**: I think so, yes. The main difference is that Sochi is an urban city now, not provincial, as it used to be. In fact, Sochi "lived" only during high tourist season summer and fall. Now it is always a season to go there. Citizens and tourists have much more things to do here, locals have more places to work. Sochi is a brand now, I would say.

**Researcher**: How would you summarize the impact of hosting Olympics on Sochi? How would you summarize the impact of hosting Olympics on Sochi as a tourism brand destination?

**Expert B**: I think that I answered these questions already...I think the overall impact in defiantly positive for Sochi as a city and as a brand as well.

**Researcher**: Do you think that influence of Olympics on Sochi's brand, as a tourist destination could be better/worse? In what ways?

**Expert B**: Of course it could be worse. There is always a possibility to do things worse. Some people expected Sochi to fail hosting Olympic Games, what would damage Sochi's image a lot. Better...Well, I think it is good enough already and the only thing we have to do is to continue on increasing and promoting it. In addition I believe that Sochi is really using all the investments and developing the things were done (like roads, for example). I can even say that Sochi exceeded the expectations.

**Researcher**: Do you believe that hosting sport mega-events can be used as a tool to improve destination branding?

**Expert B**: I do. May be it is even the only way, I am not sure...Like Barcelona, right? And Brazil...Yes, I think that Olympics in most of the cases are taking the role of impetus to development and attract attention to a destination, promote the destination. Olympic Games help to create a new picture





of a host destination, I think. Also, I think that in case of Sochi, hosting Olympic Games 2014 was the only reason of brand appearance.

Researcher: Do you think that Sochi can be used as an example to learn from? Why/Why not?

**Expert B**: Sure. I think it is a brilliant example of achieving role of Olympics host destination, how to use financial investments in a smart way and how to create a brand of destination. Sochi is a unique example of that.

**Researcher**: Thank you for your contribution to this research! You are very welcome to contact the researcher for further information of results of the research.

Expert B: Thank you!

#### 9. 3. APPENDIX C: EXPERT C

**Researcher**: Thank you for agreeing to participate and to be interviewed today. I appreciate your time and effort a lot. I would like to record this interview for further analysis, so can I ask you for confirmation of your agreement for me to do so?

Expert C: Sure.

**Researcher**: Thank you! Furthermore, I would like to note that your response will be held in confidence and will be used for academic purposes of this study only. Your name and job will be hided, however, job might be linked to a pool of potential job title only in terms of a particular question if necessary. Feel free to response further questions in any manner you find suitable. Finally, if you would like to receive the findings of this study please let me know and I will be happy to provide it to you when the work will be done. To begin with I would like mention that current study examines connection between hosting Olympic Games 2014 and Sochi's destination branding from the private sector point of view.

Expert C: I see.

**Researcher**: Back to the pre-Olympics period, what do you think were the general expectations of the event potential impact on Sochi?

**Expert C**: Everybody expected improvement of infrastructure, roads. I actually think that roads' improvement was the most important issue in terms of expectations. Roads here were terrible before Olympics.

Researcher: Do you think that Olympics reached those expectations?

Expert C: Yes.

Researcher: What do you think about Sochi's image as a touristic destination?







**Expert C**: The only weakness of Sochi, in my opinion, is quite high prices. People want to earn money, I understand that, by making process incredibly high. However, those prices are that high sometimes, that some people just do not go to Sochi anymore. Local people do not spent holidays here, because it is cheaper to go abroad in most of the cases.

**Researcher**: Overall do you think that hosting winter Olympic Games in 2014 had a positive impact on Sochi's tourism brand destination? In which ways?

**Expert C**: Sure. Security aspects of course: people were afraid that something might happen, however nothing did and it definitely has some good impact. Security during Olympic Games here was on the top level. We were proud of such high level of organization, of Sochi, of Russia.

**Researcher**: Do you think that hosting the event had a negative impact on destination's brand? Please specify.

Expert C: No, I don't think so.

**Researcher**: What do you think were the main aspects, which visitors observed in before-after comparison of Sochi as a tourist destination?

**Expert C**: City is much more beautiful now. Old buildings were reconstructed. New roads and tunnels were made, what lead to lower amount of traffic jams and easier travel around the city. New shopping malls appeared. This place was a village before Olympic Games and it is a real and beautiful city now.

**Researcher**: Do you think that hosting Olympic Games in 2014 created a new image of Sochi? Why/Why not?

**Expert C**: Yes, I think so. Just as I said before, Sochi is a new and nice city now and without Olympics it would never become like that.

Researcher: How would you summarize the impact of hosting Olympics on Sochi?

Expert C: Again, it is a city now!

**Researcher**: How would you summarize the impact of hosting Olympics on Sochi as a tourism brand destination?

**Expert C**: Well, I think Sochi is still associated with Olympic Games for most of the people, not with Sochi as destination itself.

**Researcher**: Do you think that influence of Olympics on Sochi's brand, as a tourist destination could be better/worse? In what ways?

**Expert C**: I think what we have now is a maximum what we could possibly achieve. Nobody even expected such great results, so I do not think that it could be any better. We can and should improve it now anyway.





**Researcher**: Do you believe that hosting sport mega-events can be used as a tool to improve destination branding?

Expert C: Yes.

Researcher: Do you think that Sochi can be used as an example to learn from? Why/Why not? Expert C: Sochi is a great example to learn from, I think. The main lesson of Sochi I think is time management. Great results were achieved in a very short period of time. What is done is done on a high level of quality, very beautiful and taking future into account.

**Researcher**: Thank you for your contribution to this research! You are very welcome to contact the researcher for further information of results of the research.

Expert C: Thank you.

#### 9.4. APPENDIX D: EXPERT D

**Researcher**: Thank you for agreeing to participate and to be interviewed today. I appreciate your time and effort a lot. I would like to record this interview for further analysis, so can I ask you for confirmation of your agreement for me to do so?

Expert D: Sure.

**Researcher**: Thank you! Furthermore, I would like to note that your response will be held in confidence and will be used for academic purposes of this study only. Your name and job will be hided, however, job might be linked to a pool of potential job title only in terms of a particular question if necessary. Feel free to response further questions in any manner you find suitable. Finally, if you would like to receive the findings of this study please let me know and I will be happy to provide it to you when the work will be done. To begin with I would like mention that current study examines connection between hosting Olympic Games 2014 and Sochi's destination branding from the private sector point of view. Back to the pre-Olympics period, what do you think were the general expectations of the event potential impact on Sochi?

**Expert D**: Infrastructure improvement: roads, bridges and ski slopes. We had all of these before Olympics, but on a quite low, I would say. We wanted them to better and expected Olympics to do that.

Researcher: Do you think that Olympics reached those expectations?

Expert D: I would say so, yes.

Researcher: What do you think about Sochi's image as a touristic destination?

**Expert D**: I think Sochi is very attractive touristic destination. Nature (sea, mountains, lakes and waterfalls) and entertainment bring people here. They can easily find a lot of things to do, including







sports, in a very beautiful environment. There are a lot of interesting excursions here as well. The inly thing is a price – it is definitely not cheap here. However, for foreigners it is cheaper to come here thanks to the euro-ruble difference. In addition there are many new hotels here and also unique ski slopes, which are high and well equipped.

**Researcher**: Overall do you think that hosting winter Olympic Games in 2014 had a positive impact on Sochi's tourism brand destination? In which ways?

**Expert D**: Sure. The whole world learned about Sochi thank to the Olympics. Even local people leaned something new about our place.

**Researcher**: Do you think that hosting the event had a negative impact on destination's brand? Please specify.

**Expert D**: Price. It is expensive for local people to spent holidays here, which I think unfair. There are no discounts for local people, I don't think that it is right.

**Researcher**: What do you think were the main aspects, which visitors observed in before-after comparison of Sochi as a tourist destination?

**Expert D**: The city used to be greener before, now it is full of buildings and not that natural as it used to be. Level of service increased dramatically. And, finally, infrastructure.

**Researcher**: Do you think that hosting Olympic Games in 2014 created a new image of Sochi? Why/Why not?

**Expert D**: Yes. As we were hosting winter Olympic Games, a huge facilities for winter spots are here now. Sochi is not just summer and sea resort as it used to be before 2014, but people coming here during the whole year to enjoy extremely different activities in the same place. That investments would never come to Sochi without hosting Olympic Games, I think. That means that without Olympics the development of Sochi would never achieve such a high level.

Researcher: How would you summarize the impact of hosting Olympics on Sochi?

**Expert D**: Positively. Mainly in terms of infrastructure. It is easier and more pleasant now to be here for both locals and tourists.

**Researcher**: How would you summarize the impact of hosting Olympics on Sochi as a tourism brand destination?

**Expert D**: People know where is Sochi now. I think it is a lot already. The first step for tourist destination development, I think, is to become known in a good way. That is what Olympics game Sochi.

**Researcher**: Do you think that influence of Olympics on Sochi's brand, as a tourist destination could be better/worse? In what ways?





**Expert D**: We expected a bit mere in terms of infrastructure. That is the only thing – to accomplish all the plans. And, maybe, some discounts for local people would be very nice as well.

**Researcher**: Do you believe that hosting sport mega-events can be used as a tool to improve destination branding?

**Expert D**: if would be planned from the begging of preparation for the event – yes.

Researcher: Do you think that Sochi can be used as an example to learn from? Why/Why not?

**Expert D**: Yes. To learn how to do things in a good way and also learn some mistakes in order not to do them again. How to attract worldwide interest to destination might be a lesson from Sochi. Moreover, thanks to Olympic Games 2014 sport became more popular here among all generations. Developing of sport culture and patriotism in Russia. Russian people are proud for hosting Olympic Games in 2014 and trying to get the best out of it.

**Researcher**: Thank you for your contribution to this research! You are very welcome to contact the researcher for further information of results of the research.

Expert D: Thank you!

#### 9.5. APPENDIX E: EXPERT E

**Researcher**: Thank you for agreeing to participate and to be interviewed today. I appreciate your time and effort a lot. I would like to record this interview for further analysis, so can I ask you for confirmation of your agreement for me to do so?

**Expert E**: I don't mind, please record it if you need to.

**Researcher**: Thank you! Furthermore, I would like to note that your response will be held in confidence and will be used for academic purposes of this study only. Your name and job will be hided, however, job might be linked to a pool of potential job title only in terms of a particular question if necessary. Feel free to response further questions in any manner you find suitable. Finally, if you would like to receive the findings of this study please let me know and I will be happy to provide it to you when the work will be done. To begin with I would like mention that current study examines connection between hosting Olympic Games 2014 and Sochi's destination branding from the private sector point of view. Back to the pre-Olympics period, what do you think were the general expectations of the event potential impact on Sochi?

**Expert E**: We expected improvement of infrastructure and better life of the city. All our expectations were very positive and optimistic. We were preparing for a lot of things to change.

Researcher: Do you think that Olympics reached those expectations?





**Expert E**: These expectations were met to some extent for sure. In some aspects results even exceed expectations of some people, I would say.

Researcher: What do you think about Sochi's image as a touristic destination?

**Expert E**: I think that number of people coming here is a nice evidence of how attractive Sochi is for tourists. It is also important to mention, that it is more attractive now rather than is was before hosting Olympic Games in 2014.

**Researcher**: Overall do you think that hosting winter Olympic Games in 2014 had a positive impact on Sochi's tourism brand destination? In which ways?

**Expert E**: The improvement of infrastructure, roads, growing number of entertainment places, concert halls and so on completely changed the picture of Sochi in a better way. On the other hand, serious damage to the ecology of the city was dealt. It is much worse now due to pre-Olympics construction.

**Researcher**: Do you think that hosting the event had a negative impact on destination's brand? Please specify.

**Expert E**: Apart from what I have said about ecological aspects, there also were some issues like resettlement of people who lived in certain areas where you can observe Olympic objects now.

**Researcher**: What do you think were the main aspects, which visitors observed in before-after comparison of Sochi as a tourist destination?

**Expert E**: I can highlight overall positive trend here. City is more modern and attractive now in terms of infrastructure and tourism. On the other hand, little attention is paid to the suburbs nature. Some plants are simply disappearing. But still common areas, roads etc. are much better now. However, I think that it is necessary to consider all the aspects.

**Researcher**: Do you think that hosting Olympic Games in 2014 created a new image of Sochi? Why/Why not?

**Expert E**: Sure. I think that before 2014, very few people (I mean the whole world now) knew about Sochi, but it is famous now. It is almost the same known as Moscow which is the capital. People know about Sochi, know that it is beautiful here and that you are always welcome to come to spaent some time in Sochi.

Researcher: How would you summarize the impact of hosting Olympics on Sochi?

**Expert E**: New working place. There are more things to do now for tourist and for the local people, as well.

**Researcher**: How would you summarize the impact of hosting Olympics on Sochi as a tourism brand destination?

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**Expert E**: I find it difficult to answer this question.

**Researcher**: Do you think that influence of Olympics on Sochi's brand, as a tourist destination could be better/worse? In what ways?

Expert E: No, I don't think so.

**Researcher**: Do you believe that hosting sport mega-events can be used as a tool to improve destination branding?

**Expert E**: Yes, sure. Such events are making destinations popular and bring them to life in some of the cases.

Researcher: Do you think that Sochi can be used as an example to learn from? Why/Why not?

**Expert E**: I believe that Sochi's experience is an example for many countries and destinations. In the future they will learn from Sochi and try to achieve such great results as well.

**Researcher**: Thank you for your contribution to this research! You are very welcome to contact the researcher for further information of results of the research.

Expert E: Thank you!

#### 9. 6. APPENDIX F: EXPERT F

**Researcher**: Thank you for agreeing to participate and to be interviewed today. I appreciate your time and effort a lot. I would like to record this interview for further analysis, so can I ask you for confirmation of your agreement for me to do so?

Expert F: Sure.

**Researcher**: Thank you! Furthermore, I would like to note that your response will be held in confidence and will be used for academic purposes of this study only. Your name and job will be hided, however, job might be linked to a pool of potential job title only in terms of a particular question if necessary. Feel free to response further questions in any manner you find suitable. Finally, if you would like to receive the findings of this study please let me know and I will be happy to provide it to you when the work will be done. To begin with I would like mention that current study examines connection between hosting Olympic Games 2014 and Sochi's destination branding from the private sector point of view. Back to the pre-Olympics period, what do you think were the general expectations of the event potential impact on Sochi?

**Expert F**: All of us wanted infrastructure to improve in the first place. Secondly, the overall holiday atmosphere.

Researcher: Do you think that Olympics reached those expectations?







**Expert F**: In terms of infrastructure we expected a little bit more, there supposed to be more new roads to move easier across the whole Sochi. Although government prepared to do more (we saw people making preparations), not all the projects were brought to life. I guess those funds were used for security needs instead. However, we hope those preparations weren't done for nothing and one day needed roads will be constructed.

Researcher: What do you think about Sochi's image as a touristic destination?

**Expert F**: I think our city is the best one in the world. We have two seasons in one place, isn't it amazing? People coming here from another countries did not expect that, Sochi surprises them and exceeds those expectations. We have everything here: sea, mountains, tea, waterfalls, apples, honey, vine...

**Researcher**: Overall do you think that hosting winter Olympic Games in 2014 had a positive impact on Sochi's tourism brand destination? In which ways?

**Expert F**: I think yes. Bit hosting Olympic, in my opinion, is only a first step. It is necessary to develop the name of Sochi more and more. Sochi is a unique place not only for Russia, but also for the whole world and we have to promote it more, to tell about it more.

**Researcher**: Do you think that hosting the event had a negative impact on destination's brand? Please specify.

Expert F: No, I cannot name any negative aspect. Only price, but it is subjective, I suppose.

**Researcher**: What do you think were the main aspects, which visitors observed in before-after comparison of Sochi as a tourist destination?

**Expert F**: To be honest, some people did not even recognize Sochi. Mew shopping mall appeared what is good, but with that Sochi is loosing its' natural beauty, I think (rose street, for example, used to be full of roses, now there is none of them). I would prefer not to choose between new good infrastructure and historical beauty of Sochi, you know?

**Researcher**: Do you think that hosting Olympic Games in 2014 created a new image of Sochi? Why/Why not?

Expert F: Sure. It is completely new place now. Sochi is a part of something big now.

Researcher: How would you summarize the impact of hosting Olympics on Sochi?

Expert F: Everything I said before, no?

**Researcher**: How would you summarize the impact of hosting Olympics on Sochi as a tourism brand destination?







**Expert F**: Again, Sochi and Olympic Games are very close notions for now, but also Sochi is developing it's own one. Sochi is growing on a basis of Olympic Games to a new, modern and popular destination.

**Researcher**: Do you think that influence of Olympics on Sochi's brand, as a tourist destination could be better/worse? In what ways?

**Expert F**: No. Well it could be worse, but better, no. Sochi got though all the challenges while preparation for the Olympic Games, gave the best product at the end. It was so successful that people are coming to Sochi sometimes with only one purpose – to see Olympic Park and Krasnaya Polyana themselves, to touch a successes, to see a great history's place.

**Researcher**: Do you believe that hosting sport mega-events can be used as a tool to improve destination branding?

Expert F: I do.

Researcher: Do you think that Sochi can be used as an example to learn from? Why/Why not?

**Expert F**: I do. I think that other host destinations have to make a research first and act only when that research is done. I believe that Sochi will take a very important place in that research. How to train staff, how to make an even to be safe and so on are the lessons from Sochi, in my opinion.

**Researcher**: Thank you for your contribution to this research! You are very welcome to contact the researcher for further information of results of the research.

Expert F: Thank you!

#### 9. 7. APPENDIX G: EXPERT G

**Researcher**: Thank you for agreeing to participate and to be interviewed today. I appreciate your time and effort a lot. I would like to record this interview for further analysis, so can I ask you for confirmation of your agreement for me to do so?

Expert G: I do not mind.

**Researcher**: Thank you! Furthermore, I would like to note that your response will be held in confidence and will be used for academic purposes of this study only. Your name and job will be hided, however, job might be linked to a pool of potential job title only in terms of a particular question if necessary. Feel free to response further questions in any manner you find suitable. Finally, if you would like to receive the findings of this study please let me know and I will be happy to provide it to you when the work will be done. To begin with I would like mention that current study examines connection between hosting Olympic Games 2014 and Sochi's destination branding from the private sector point of







view. Back to the pre-Olympics period, what do you think were the general expectations of the event potential impact on Sochi?

**Expert G**: It depends on what you exactly mean by this question: overall impact on Russia in terms of patriotism and so on or operational and physical improvement of the area, new building and things like that. I can say that improvement of Sochi as both beach and ski resort was the main expectation. Sochi is a unique place in Russian with no substitutes by idea and level of development. We expected Olympics to set a high level of development of Sochi with we would have to maintain and improve as well. A lot of buildings here were constructed long time ago, the overall image of Sochi was very old fashioned, I would say. Hosing Olympics was supposed to change it.

Researcher: Do you think that Olympics reached those expectations?

Expert G: I think so.

Researcher: What do you think about Sochi's image as a touristic destination?

**Expert G**: I am sure that Sochi is a very attractive destination. Everything what left after Olympic Games is working now and keep developing, nothing is abounded. Something was changed a bit in order to be used on the every day (month) basis. That opens huge opportunities for hosting other mega, big, small or any events.

**Researcher**: Overall do you think that hosting winter Olympic Games in 2014 had a positive impact on Sochi's tourism brand destination? In which ways?

**Expert G**: Yes, definitely positive. New people are coming here, because the name of Sochi became known all over the world. Is not that a sign of a positive impact? Hosting Olympic Games brought fresh air in Sochi and its' image as well.

**Researcher**: Do you think that hosting the event had a negative impact on destination's brand? Please specify.

**Expert G**: I cannot think about any now. Maybe only internal things among organizers, connected to the preparation period. And increase in prices for buying flats and houses, but I do not think that it is really connected to the subject.

**Researcher**: What do you think were the main aspects, which visitors observed in before-after comparison of Sochi as a tourist destination?

**Expert G**: infrastructure development of course: new roads, highways and tunnels, airport and railways development. Car roads in the first position here, I think. Number of hotels with a strong brand behind, with a worldwide know name increased dramatically here. Better service for almost the same prices which used to be before hosting Olympic Games. However, level of service is incomparable. In



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addition know, you are able to predict what you will get, based on amount of stars of the hotels. Before it was impossible: those stars simply did not mean anything.

**Researcher**: Do you think that hosting Olympic Games in 2014 created a new image of Sochi? Why/Why not?

**Expert G**: I think yes, because there were a lot of doubts concerning climate (Winter Olympics takes place in a summer destination – that is strange), but everything worked perfectly. Everything was done 100%. That new image are coming from how good Sochi handled all the challenges and how good and beautiful it became after that.

Researcher: How would you summarize the impact of hosting Olympics on Sochi?

Expert G: Development in all spheres. New era of tourism in Sochi during the whole year started.

**Researcher**: How would you summarize the impact of hosting Olympics on Sochi as a tourism brand destination?

**Expert G**: I think that in Russia Sochi is associated with Olympic Games and will be associated for a long time in the future. Worldwide I think too, but with Russia as well. May be with Olympic logo too...

**Researcher**: Do you think that influence of Olympics on Sochi's brand, as a tourist destination could be better/worse? In what ways?

**Expert G**: People who were involved in preparation for hosting Olympics have more to say, I guess. Overall picture was very nice for everyone, so I would not say that there was any potential to improve. The only thing is mass media, I think they weren't used and sometimes made bad advertising of Sochi as Olympic Games host destination.

**Researcher**: Do you believe that hosting sport mega-events can be used as a tool to improve destination branding?

Expert G: Yes, sure.

Researcher: Do you think that Sochi can be used as an example to learn from? Why/Why not?

**Expert G**: Yes. How to create a good team and how to make that team to perform in the most efficient way. Information department, volunteer department were organized perfectly. Staff should be hired according to competencies, experience and passion.

**Researcher**: Thank you for your contribution to this research! You are very welcome to contact the researcher for further information of results of the research.

Expert G: Thank you.









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9.8. APPENDIX H: EXPERT H

& HOSPITALITY MANAGEMENT

**Researcher**: Thank you for agreeing to participate and to be interviewed today. I appreciate your time and effort a lot. I would like to record this interview for further analysis, so can I ask you for confirmation of your agreement for me to do so?

Expert H: I do not mind.

**Researcher**: Thank you! Furthermore, I would like to note that your response will be held in confidence and will be used for academic purposes of this study only. Your name and job will be hided, however, job might be linked to a pool of potential job title only in terms of a particular question if necessary. Feel free to response further questions in any manner you find suitable. Finally, if you would like to receive the findings of this study please let me know and I will be happy to provide it to you when the work will be done. To begin with I would like mention that current study examines connection between hosting Olympic Games 2014 and Sochi's destination branding from the private sector point of view. Back to the pre-Olympics period, what do you think were the general expectations of the event potential impact on Sochi?

**Expert H**: A huge work has been done before Olympics. We feel the results and will feel it for a long time. Building an infrastructure for Olympics is a chance to improve region's attractiveness. The bet was made on further city's evolution as a place where people would like to spend time all year, use existing infrastructure and spend money. Once Sochi received high quality service and infrastructure, it supposed to attract tourists both, from Russia and other countries. Problem is that people know only Moscow and Saint Petersburg, but Olympics is good way to show Russian culture and sport, announce our city and make good advertisement. It ought have good effect on tourism and tell about Sochi to all world.

Researcher: Do you think that Olympics reached those expectations?

**Expert H**: Overall yes. Sochi before and after Olympics differs highly. Point is that majority expected wonder, but wonder did not happen. There were the reasons that could not be ignored. What do I mean? First of all it is deterioration of international climate. Sanctions against Russia. Then support of Crimea in the summer of 2014. All it set Sochi poor position. Competition increased, first of all in mass segment. It is about 2014 year. Referring to the results of 2014 year I can say that unlikely somebody had high profitability. I mean separate business. So, what did we have in 2015? There were sanctions' prolongation and fall in exchange of ruble. It stimulated our internal tourism in general. Yet in the beginning of the year referring to hotels' load and price of a hotel accommodation, it was possible to talk about the dynamics. Still now there were up-to-date hotels and with new infrastructure. But the







main thing was lacking: enough solvent demand. Sochi could not compete with Egypt and Turkey in price/quality ratio. However soaring the price of foreign tours had played into internal tourism's hand and shifted price balance toward domestic product. Let's remember about flight prohibition to Egypt and Turkey. However, it was after high beach season ending, therefore it did not influence on year results, but had increased Sochi attraction on Christmas holidays. Yes, it happened not due to Olympics. But, when consumer turned face to Sochi, probably forcedly, and began analyze what Sochi can offer, creation of up-to-date all-the-year-round resort, at that creation was one-step, acted tremendous role. Almost all beach hotels in 2015 year showed revenue growth. By the way, international hospitality operators showed the highest figures. However, results of mountain hotels are discrepant: only half hotels showed operational growth.

Researcher: What do you think about Sochi's image as a touristic destination?

**Expert H**: Sochi continues develop actively, especially in the way of use of Olympic units at post-Olympics time. We have a unique potential: combination mountain and sea rest. It gives ability to create "Ideal resort", use opposed load peaks of Sochi and Krasnaya Polyana hotels.

**Researcher**: Overall, do you think that hosting winter Olympic Games in 2014 had a positive impact on Sochi's tourism brand destination? In which ways?

**Expert H**: Of course, I consider that Sochi brand existed before Olympics. Rather not a brand, we did not use such term before, did not fit with it. Nevertheless, Sochi had its own face and name. What is the next? Exclusively resort town located in subtropics changed into capital of winter Olympics. It had conduct rebranding of all Sochi. Actually, history of Sochi divides now into Sochi before and after Olympics. Sochi as USSR resort destroyed. New Sochi status undergoes transformation; it is hard to guess for me what Sochi will became, but old type certainly lost its tourist attractiveness.

**Researcher**: Do you think that hosting the event had a negative impact on destination's brand? Please specify.

**Expert H**: I am not an economist, but I think that it is very important to look to the future when so scaled process as planning and organizing of Olympics is taking place. It is necessary to calculate return on investment and profit in perspective. Olympics ought to turn Sochi from summer resort almost unknown beyond the bound of CIS to all-the-year-round resort world level. World level it means resort that has such essential things as sports units, hotels, public health objects and other infrastructure. It is essential for country and city of Olympics to keep acquired during the Olympics brand status. If it is considered that brand value measured by its fame, then there is a need to develop Olympics capital repute at world level as in post-Olympics time continuously. Olympic rings make famous any point in the

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world and organizer's task is to make this point remained in memory and wishful to visit for different country people after Olympics. Unfortunately, it does not take place.

**Researcher**: What do you think were the main aspects, which visitors observed in before-after comparison of Sochi as a tourist destination?

**Expert H**: First of all, it's Olympic objects. Beautiful Olympic park, now there is a place where people can walk: free admission, light and music show near grand fountain, cafeterias and snack bars, accessible parking. It is possible to have an excursion to Rosa Hutor and there are some other attractive points on the way: Imeretian valley, Adler, Krasnaya Polyana, Gorki gorod, Esto-sadok. What else? Service level is noted too.

**Researcher**: Do you think that hosting Olympic Games in 2014 created a new image of Sochi? Why/Why not?

**Expert H**: Sochi had been and remaining the main country resort. At present, after Olympics city forms new own myth, it positions oneself as place of national fame, corporate rest, out-of-town activities such as skiing and sanitary resort. Sochi undergoes transition from mass tourism to more high quality kind of touristic services. It can take next few years. It's highly important for Sochi to not to lost its luster, objected to oblivion, but on the contrary acquire something more, for instance, during the new activities which attract to itself a lot of audience. Even more modest, not Olympic scale, but still working for new Sochi brand.

Researcher: How would you summarize the impact of hosting Olympics on Sochi?

**Expert H**: On the whole, probably, I will be repeated, but can point next: From regional summer resort Sochi slowly, but tries become multi-functional sporting and tourist center international level with modern infrastructure. Sochi acquired up-to-date highway and railway net, modern hotels and well-furnished coastline. Within preparing to Games public and social city infrastructure changed significantly.

**Researcher**: How would you summarize the impact of hosting Olympics on Sochi as a tourism brand destination?

**Expert H**: Lot of cities were brands. What do I mean? Let us take for example such typical stamps as Paris – romance, Milan – style, New York – energy, Tokyo – contemporaneity, Rio de Janeiro – fun and so on. These city brands created thanks to history, fate of these places. Almost all city brands had created during decades. Was there any Sochi brand before Olympics? In my opinion, no. One of the multitude seaside city. Sochi image conception about city before was related firstly with sun, sea rest, all things what makes people happy. But it is not something unique. Let us add something new, new direction, I mean now event tourism that was started thanks to Olympics and which should be



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developed now. It gives some individuality, yet not brand, but distinction. Creation of a brand, image of territory owing to sport and culture activities is long and complicated process. It is necessary to change image, break stereotypes and try to form basic difference and views for both international community and commonwealth. You know, I like very much slogan of our Olympics: "Hot, winter, yours". It has individual involvement to processing events and this slogan, I think, suits not only for past Olympics, it suits to new Sochi: hot summer days, sea and beach, winter mountains and perfect skiing, and all this only for you. Redistribution of tourist traffic is taking place now. Never-ending chain of revolts, revolutions and other anxieties in countries of Arab world, crisis in Europe, other bad factors world scale. It changes preferences of the main part of tourists and redistributes tourist flows. The main thing here is to begin acting correctly and at the time. Because if somewhere decreased, then somewhere increased. For example in Greece and Cyprus. Here it is necessary to use tourist outflow from Egypt and Turkey competently. There is a need to develop what is left after Olympics. It is not enough to form new brand, image, but necessary to promote it. Correct promotion of all existent advantages is essential. In fact, brand promotion is a kind of creation of wishful reputation of the city. It ought to lead to growth direct and indirect investments. Do not forget that Russia is a tourists supplier country. It means that tourists get money out of country. We need to serve tourists necessary package of services to direct them to Sochi.

**Researcher**: Do you think that influence of Olympics on Sochi's brand, as a tourist destination could be better/worse? In what ways?

**Expert H**: I do not think that it could be better. It was necessary to introduce too much new one and change old one: as I sad, firstly existent wide spread image of Sochi as exclusively summer resort was needed to be corrected. It was needed to conduct great explanatory work and remove wonder and bewilderment about conducting winter Olympics in subtropics. It was needed to let western world know about Sochi. Actually to put city named Sochi to the world map. By the way, do you know what question was the most relevant for Europeans: "Do you know that Sochi is located on the same latitude as French Nice?" Guess what the most frequent answer was. By the way, on the background of all post cards and advertisements. I have already told you about new Sochi brand 2014. Its values and advantages: it is active, wondering and genuine. Brand promotion took place at the highest level: slogans, emblems, commercials. It did Sochi good turn.

**Researcher**: Do you believe that hosting sport mega-events can be used as a tool to improve destination branding?

**Expert H**: Forming stable favorable environment is necessary to reach high results in four essential spheres. The first one is quality of services for guests of the region, business and society. The





second is stale development. The last two are executive's foresight and image constancy. Economic efficiency after Olympics is able only if it is not separate events, but part of the long-range development plan. Any great sporting event, which is preparing according to earlier accepted plan, is able to accelerate return of investments for 10 and more years and raise living standard of local population, improve competitiveness on the world arena, promote development international business in long-term outlook.

Researcher: Do you think that Sochi can be used as an example to learn from? Why/Why not?

**Expert H**: Yes, I am sure. Let us see at least at today's use of Olympic units. Rosa Hutor – the biggest ski area in Russia. Last year world Alpine ski championship took place there. Bobsleigh track in Sochi is the only world level track in Russia. There were hosted such events as bobsleigh and skeleton world championship, European tobogganing championship. Tennis Academy is located now in Adler Arena but it is ready to hold speed skating competition now. It is enough to remove tennis-player and prepare ice. Ice palace "Bolshoi" holds KHL matches. The main Olympic stadium "Fisht" is being prepared for football world championship. Thus, four years after winter games Sochi is going to take strongest football teams on the event not less popular than Olympics.Hotels are not empty too. All hotels, which was built for Olympics, have passed certification test. Now we have 19 5-star hotels and 45 4-star hotels. Evolution is not going to stop. Next projects are being considered now: unification of ski track, new ropeway creation, and united ski-pass. It will give possibility for tourists to move around all tracks. Even after three years Sochi is not deprived of attention. Thus, Sochi will never be deserted. Summing up for today, it is possible to say that Games hadn't simply gone to the history – they gave start to development of world level resort.

**Researcher**: Thank you for your contribution to this research! You are very welcome to contact the researcher for further information of results of the research.

Expert H: Thank you.

#### 9. 9. APPENDIX I: EXPERT I

**Researcher**: Thank you for agreeing to participate and to be interviewed today. I appreciate your time and effort a lot. I would like to record this interview for further analysis, so can I ask you for confirmation of your agreement for me to do so?

Expert I: Sure.

**Researcher**: Thank you! Furthermore, I would like to note that your response will be held in confidence and will be used for academic purposes of this study only. Your name and job will be hided,





however, job might be linked to a pool of potential job title only in terms of a particular question if necessary. Feel free to response further questions in any manner you find suitable. Finally, if you would like to receive the findings of this study please let me know and I will be happy to provide it to you when the work will be done. To begin with I would like mention that current study examines connection between hosting Olympic Games 2014 and Sochi's destination branding from the private sector point of view. Back to the pre-Olympics period, what do you think were the general expectations of the event potential impact on Sochi?

**Expert I**: I think that Olympic Games began to influence Sochi long time before it was actually hosted. As soon as Sochi was elected as a host destinations for Winter Olympics 2014 number of tourists started to grow each year. It not not a secret that investments to prepare for the Olympics were very high. As a result, city got many new sport places, ski resort facilities (Rosa Hutor, for instance), new infrastructure (new railway station, reconstructed airport, train from the airport, roads). All travel agencies and our is not an exception, expected a big amount of people to come, we hoped not would be tourists not only from Russia, but foreigners as well. We expected Olympics to bring city to a new level and to make Sochi attractive at any season of the year.

Researcher: Do you think that Olympics reached those expectations?

**Expert I**: Yes and no. Sochi changed a lot, but some of the changes were revolutionary. We can observe that accommodation options here became qualitative, meeting international standards. On the other hand, even in the beginning of 2014 (which was the last pre-Olympic period) hotels weren't fully occupied. The same during Olympic Games. Imagine, during such a huge event not all of the good hotels were full. Moreover, we expected more people to come than actually came. In the beginning of post-Olympic period almost all of the hotels were empty. In addition, I don't think that management team (of most of the hotels) wasn't prepared good enough, there was almost no marketing, some of the hotels weren't ready on a technical level.

Researcher: What do you think about Sochi's image as a touristic destination?

**Expert I**: There is a phrase in a very popular Russian movie "Everybody come to Sochi at least once". I agree with that. During both seasons summer and winter Sochi is a driving direction of internal tourism. There are many nice options in terms of price, it is easy to get here by train, plane or car. Moreover here are many interesting places to visit. All of that makes Sochi a nice place to go, in my opinion.

**Researcher**: Overall do you think that hosting winter Olympic Games in 2014 had a positive impact on Sochi's tourism brand destination? In which ways?







**Expert I**: I would like to talk about Sochi not as a city hosting some events, but as a place where it is pleasant to be. Olympics made a lot in our city. Unfortunately, it ruined a lot as well. And I, as a citizen, don't like it. Consequences of the environment are very bad. It is very sad when such things are happening, especially in so beautiful and unique places as Sochi. A big part of Olympic objected was constructed in territory of Sochi national park, where production activity is forbidden. Another one is located in protected area - the natural ornithological park in the Imereti lowland. Only imagine it is illegal to walk pets or wash cars there, but five years construction took place there. Thanks God, due to local people activeness helped to safe some natural places, but not all of them. However, there are a lot of negative consequences: new insects appeared, which are very harmful for local flora. About two hectares of forest were destroyed, now trees are dying along the trails. Previously, it was about a hundred places for spawning of Black Sea salmon, and now there are not more than ten. On some roads bird are beating against the transparent noise barriers. I am very concerned about it, so I can still talk a lot about it. Well, in general, I believe that the Olympics coasted a lot to nature and caused great damage to the ecology of our city.

**Researcher**: Do you think that hosting the event had a negative impact on destination's brand? Please specify.

**Expert I**: I guess I answered that question before.

**Researcher**: What do you think were the main aspects, which visitors observed in before-after comparison of Sochi as a tourist destination?

**Expert I**: We ask our tourists quire frequently about that. It is obvious that apart of natural aspects, routine things are important for each tourist: no pits on the roads, the presence of WCs on the quays, welcoming environment and the sincere "welcome" at a meeting in the hotel. And not everything in Sochi was on the right level. Now many people come and say that the city has changed. Many new hotels in all segments are opening. Hotels are activating the scheme of Egypt and Turkey - a program very similar to the "all inclusive", or indeed "all inclusive". As for dining options, the level of eating places increased in relation to the three-year statute of limitations. Food level, the level of the wine and bar charts developed as well. That's "a la 90" quietly leaves. In general, the level of service becomes higher. And in terms of everyday life, of course, it becomes better, more interesting, and life became more intense, richer, more active. However prices have risen accordingly.

**Researcher**: Do you think that hosting Olympic Games in 2014 created a new image of Sochi? Why/Why not?

**Expert I**: Of course, yes. Many visitors are now perceived through the prism of Sochi last Olympics, this is natural. The changes that have taken place in Sochi and the Krasnodar region in the





whole, can be assessed in different ways, you can enjoy them or criticize, but the reality will not change. Today, Sochi is another city, and it is impossible not to admit that. Especially changes are visible to those who have been here before, have seen dynamic development of the city during the Soviet era, the beginning of the new century, both before and after the Olympics. For those who come to our city for the first time, especially Sochi is the sea, the mountains and this is the Olympics. In addition, often it is also of interest: what they built there? And go with this interest: to see, to evaluate, to compare.

Researcher: How would you summarize the impact of hosting Olympics on Sochi?

**Expert I**: Of course, the Olympics greatly changed the life of the city and its population. We got the obvious infrastructural bonuses, it is primarily the improvement of road transportation, communications between other points of the city, to get to that a couple of years ago, it was a trip for the whole day. Moreover, a huge sports infrastructure, the residential complexes, and, finally, thanks to the Olympics Sochi sounded for all the world got a chance for the development of sports, tourism and resort business. Now we have to use all of these in a right way.

**Researcher**: How would you summarize the impact of hosting Olympics on Sochi as a tourism brand destination?

**Expert I**: Sochi Olympics changed as changed every city in which passed. In most of the cities, especially in Russia, there are no ideas. This often prevents them to develop economically and socially. Therefore, the presence of the idea - a distinctive feature, though, at least within the country, it is a prerequisite for creating the brand of the city. We were lucky: did not have to look for the brand, Olympics gave it to us. I have already said that Sochi's name became known to the world; of course, it is only because of the Olympics. And if before advertising vacation in Sochi was something like "Visit the resorts of the Krasnodar Territory", now Sochi is primarily associated with the Olympics. It turns out there is not created a new brand, but rather to change the old, it seems to be much more difficult. You know, it is always easier to work "from scratch". Creating new things are always easier and lighter than its restoration. It should be considered, if we talk about the fact that the economic success of tourism in Sochi, less than expected. In addition it must be remembered that the Olympics was three years ago, and continue to support only the name of "Sochi-2014" would be wrong. We must always think about the future development. Continue the development of tourism. This is the basic industry of our region.

**Researcher**: Do you think that influence of Olympics on Sochi's brand, as a tourist destination could be better/worse? In what ways?

**Expert I**: Unfortunately, independent from the Olympic events have worsened the impact on the brand and the reputation of the city. It is because in the consciousness took root: we say Sochi Olympics mean, we're talking Olympics, Sochi mean, the only way, together. I'm not talking about how it was and





is perceived by the inhabitants of the city. I'm talking about those associations, and even chains that occur in people's mind from Sochi as a word. If it were possible to separate a good and positive mass, a spectacular event like the Olympics of negative impurities from all scandals, corruption, politics, ecology, leave only the holiday of sports, the effect would be better, stronger or something. But all this is unfortunately impossible.

**Researcher**: Do you believe that hosting sport mega-events can be used as a tool to improve destination branding?

**Expert I**: Not only can, but must be used carefully. The attractiveness of the region, not only in its tourist products. Brand image of the city it gets, which is created during Olympic Games is needed to save after the event. If we say that the value of the brand – its' fame, then we must continuously engage in "promotion" of Sochi as on a global level. Of course, the Olympic rings help, they make popular anyplace in the world. But when the Olympic flame is extinguished, it is necessary to continue to remember this point and make people from different countries want to visit it. How to implement this? We must continue to raise the level of attractiveness of Sochi abroad. It is necessary to use the fact that the city had became recognizable. It is necessary to bet on different target audiences: it can be professionals and sports enthusiasts, hikers, tourists, vacationers seasonal travelers, people coming for medical treatment and so on. What else? It is necessary to continue advertising the destination to increase the city's image in the eyes of world public opinion. We must continue to promote the brand of the Games' host destination as a comfortable and affordable tourist city of international level.

Researcher: Do you think that Sochi can be used as an example to learn from? Why/Why not?

**Expert I**: You know, only three years passed. It is too short period to draw any definitive conclusions. Probably some time should pass for us to be able to say with certainty if Sochi is good example to follow or not. Again, if we compare with the experience of other cities, where the Olympics were held, it seems to me, there was a successful life after the Olympic Games in Barcelona. It is possible to analyze the experience of others, to try to take into account others' mistakes and success, to take the best in the future. I think it will be right.

**Researcher**: Thank you for your contribution to this research! You are very welcome to contact the researcher for further information of results of the research.

Expert I: Thank you.



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#### 9. 10. APPENDIX J: EXPERT J

**Researcher**: Thank you for agreeing to participate and to be interviewed today. I appreciate your time and effort a lot. I would like to record this interview for further analysis, so can I ask you for confirmation of your agreement for me to do so?

Expert J: Ok.

**Researcher**: Thank you! Furthermore, I would like to note that your response will be held in confidence and will be used for academic purposes of this study only. Your name and job will be hided, however, job might be linked to a pool of potential job title only in terms of a particular question if necessary. Feel free to response further questions in any manner you find suitable. Finally, if you would like to receive the findings of this study please let me know and I will be happy to provide it to you when the work will be done. To begin with I would like mention that current study examines connection between hosting Olympic Games 2014 and Sochi's destination branding from the private sector point of view. Back to the pre-Olympics period, what do you think were the general expectations of the event potential impact on Sochi?

**Expert J**: There were a lot of discussions during constructions period conserving fears that Sochi might loose its' attractiveness or unique mentality. In fact, active part of citizens (young people, people involved in business, people taking part in different interesting projects, people who are travelling a lot) was waiting Sochi to become a new city. And we received it: new roads, new infrastructure, new schools, and new hospitals. Social sector changed a lot, it became modern and more convenient. Olympic Games itself is a great event. All local people had a unique opportunity to see and to feel it not by TV or anything, but in a real life, we were close to the history, could be part of that.

Researcher: Do you think that Olympics reached those expectations?

Expert J: No. I think that Olympics even exceeded our expectations.

Researcher: What do you think about Sochi's image as a touristic destination?

**Expert J**: I am living and working here for 15 years already. I travel a lot and I have a lot of friends in different parts of the world. Now there is a new wave of people coming here. All my friends who visit Sochi are very surprised. Most of them did not want to come due to the stereotypes from the USSR period. However, everybody likes it now. Mountain part changed completely. Level of service now is incomparable to what it used to be, because of the new air came to Sochi: international hotel chains, Moscow restaurateurs, new managers who came for Olympics and stayed here, a lot of new and enthusiastic people. I think Sochi is more interesting now as ever before.





**Researcher**: Overall do you think that hosting winter Olympic Games in 2014 had a positive impact on Sochi's tourism brand destination? In which ways?

**Expert J**: Sure. Nobody knew before where Sochi is (foreign people, I mean). Sochi is on the map now. In addition, my friend from another cities were quite skeptical concerning money spent on the Olympics, but when they came they said: Yes, Russia needed that new Sochi.

**Researcher**: Do you think that hosting the event had a negative impact on destination's brand? Please specify.

Expert J: Not really.

**Researcher**: What do you think were the main aspects, which visitors observed in before-after comparison of Sochi as a tourist destination?

**Expert J**: Infrastructure development, which I mentioned before.

**Researcher**: Do you think that hosting Olympic Games in 2014 created a new image of Sochi? Why/Why not?

**Expert J**: Yes. There were a lot of investors in pre-Olympic period and very interesting projects. The place were Olympic objects are located used to be a swamp with reeds, now it is a city. We was not sure what is going to happen when Olympic Games are over. But everything what was constructed is used by concerts, competitions and teams training. And, of course, new places for tourists to visit appeared.

Researcher: How would you summarize the impact of hosting Olympics on Sochi?

**Expert J**: New fresh air, Sochi began to move, to develop, to grow.

**Researcher**: How would you summarize the impact of hosting Olympics on Sochi as a tourism brand destination?

**Expert J**: Worldwide attention to Olympic Games in 2014 let people know about Sochi, that is the first and the most important step, I think. In addition, everything moved here: I used to fly to Moscow for concerts, there is no need to do so anymore – we have all concerts and events in Sochi.

**Researcher**: Do you think that influence of Olympics on Sochi's brand, as a tourist destination could be better/worse? In what ways?

**Expert J**: I guess...There is always a potential to grow. However, I currently do not know what else should be improved. Maybe reconstruction seafront could add some more value...That's the only think, I suppose.

**Researcher**: Do you believe that hosting sport mega-events can be used as a tool to improve destination branding?

Expert J: Sure. People are always waiting for such events to come.



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Researcher: Do you think that Sochi can be used as an example to learn from? Why/Why not? Expert J: It was not made by local people. A big team of professionals worked on building of that brand. I think it was successful only due to those people. The lesson could be how to recruit a right team. Moreover, that team also included the whole (or almost) population of Russia. Hosting Olympic Games in 2014 was very significant for our country, no one stood by.

**Researcher**: Thank you for your contribution to this research! You are very welcome to contact the researcher for further information of results of the research.

Expert J: Thank you!

#### 9.11. APPENDIX K: EXPERT K

**Researcher**: Thank you for agreeing to participate and to be interviewed today. I appreciate your time and effort a lot. I would like to record this interview for further analysis, so can I ask you for confirmation of your agreement for me to do so?

Expert K: Please.

**Researcher**: Thank you! Furthermore, I would like to note that your response will be held in confidence and will be used for academic purposes of this study only. Your name and job will be hided, however, job might be linked to a pool of potential job title only in terms of a particular question if necessary. Feel free to response further questions in any manner you find suitable. Finally, if you would like to receive the findings of this study please let me know and I will be happy to provide it to you when the work will be done. To begin with I would like mention that current study examines connection between hosting Olympic Games 2014 and Sochi's destination branding from the private sector point of view. Back to the pre-Olympics period, what do you think were the general expectations of the event potential impact on Sochi?

**Expert K**: I, personally, expected a lot of people to come. People from Russia, from other countries, famous and interesting people as well. Overall expectation was holiday feeling and improving of work (higher standards, for example).

Researcher: Do you think that Olympics reached those expectations?

**Expert K**: Even more. I have no words to describe how excellent, interesting and dynamic everything was.

Researcher: What do you think about Sochi's image as a touristic destination?

**Expert K**: I think Sochi is a very attractive touristic destination, but it can be even more attractive. Hosting Olympics changed a lot, but it is necessary to continue on developing Sochi for locals and



tourists. It is a European city now, not a small county town as it was. Very important advantage of Sochi is that there is almost no seasonality: any time of the year is good to go there. Also, everybody can easily find what to do here: new hotels and restaurants are opening here, new entertainments places, concerts, and tourist attractions. Price. Maybe Sochi is a little bit expensive for Russians (but there are many offers for each budget), but for foreigners it is very cheap, especially taking into consideration what you can get for that money.

**Researcher**: Overall do you think that hosting winter Olympic Games in 2014 had a positive impact on Sochi's tourism brand destination? In which ways?

**Expert K**: Sure. As I hear prom tourist here, Sochi became incredibly attractive for people to come. Sochi is a worldwide know brand, so I think it definitely had positive impact.

**Researcher**: Do you think that hosting the event had a negative impact on destination's brand? Please specify.

**Expert K**: I cannot say anything negative.

**Researcher**: What do you think were the main aspects, which visitors observed in before-after comparison of Sochi as a tourist destination?

**Expert K**: Roads: old roads were repaired and many new roads appeared. The city itself looks much better now: many parks and places to walk and to do sports, old buildings were reconstructed. It is very clean and cozy now. To be honest, Sochi is hardly recognizable for those who was here 20, 15 or even 10 years before for the last time.

**Researcher**: Do you think that hosting Olympic Games in 2014 created a new image of Sochi? Why/Why not?

**Expert K**: Yes. Brand of Olympic Games host destination is very attractive for many people. People are coming to see themselves all legacies of hosting Olympics.

Researcher: How would you summarize the impact of hosting Olympics on Sochi?

**Expert K**: Service changed a lot. We have more things to offer and more people came here to work, experienced people I must say. We have to match very high expectations now. Sochi itself became bigger. New era of Sochi began thanks to the Olympics. City received an impetus to development. I think that nothing would never change without hosting Olympic Games – Sochi still would be a regular city with unknown and probably uninteresting future.

**Researcher**: How would you summarize the impact of hosting Olympics on Sochi as a tourism brand destination?

**Expert K**: Sochi used to be regular resort county town. After hosting Olympic Games it became very important in terms of country and very popular in terms of tourism. Most of the names here are





written in English – what justify a huge amount of foreign people here, certify a need to do so. It is very international place now.

**Researcher**: Do you think that influence of Olympics on Sochi's brand, as a tourist destination could be better/worse? In what ways?

**Expert K**: I think that even more than possible was done. I think that most of the things were done not for the Olympics, but for Sochi, thinking about post-Olympic period.

**Researcher**: Do you believe that hosting sport mega-events can be used as a tool to improve destination branding?

**Expert K**: Yes, of course. That is how it is normally done.

Researcher: Do you think that Sochi can be used as an example to learn from? Why/Why not?

**Expert K**: Yes. Almost completely new city was done. And it is not abandoned, not even a little. Organizational process was huge, amazing and very high quality. I think that it will be hard for next host destinations to compete.

**Researcher**: Thank you for your contribution to this research! You are very welcome to contact the researcher for further information of results of the research.

Expert K: Thank you!

#### 9. 12. APPENDIX L: EXPERT L

**Researcher**: Thank you for agreeing to participate and to be interviewed today. I appreciate your time and effort a lot. I would like to record this interview for further analysis, so can I ask you for confirmation of your agreement for me to do so?

Expert L: Ok.

**Researcher**: Thank you! Furthermore, I would like to note that your response will be held in confidence and will be used for academic purposes of this study only. Your name and job will be hided, however, job might be linked to a pool of potential job title only in terms of a particular question if necessary. Feel free to response further questions in any manner you find suitable. Finally, if you would like to receive the findings of this study please let me know and I will be happy to provide it to you when the work will be done. To begin with I would like mention that current study examines connection between hosting Olympic Games 2014 and Sochi's destination branding from the private sector point of view. Back to the pre-Olympics period, what do you think were the general expectations of the event potential impact on Sochi?

**Expert L**: Improvement of infrastructure. Better transportation system, as well.





Researcher: Do you think that Olympics reached those expectations?

Expert L: 98%, I would say.

Researcher: What do you think about Sochi's image as a touristic destination?

**Expert L**: It is very attractive for tourists. Number of tourists has grown. Very nice climate: sea, snow and mountains in the same place! A lot of things have been done for tourism development in the region. Many sport facilities, many beautiful natural places, which are very easy to get to. I would recommend everybody to go there.

**Researcher**: Overall do you think that hosting winter Olympic Games in 2014 had a positive impact on Sochi's tourism brand destination? In which ways?

Expert L: Sure. Sochi as a brand raised a lot for Russia and for the whole world.

**Researcher**: Do you think that hosting the event had a negative impact on destination's brand? Please specify.

Expert L: Not really. Nothing really significant, at least.

**Researcher**: What do you think were the main aspects, which visitors observed in before-after comparison of Sochi as a tourist destination?

**Expert L**: All new and easy to use transportation system. Very beautiful building made for Olympic Games. Ski resort, of course. New hotels and restaurants. More green areas in the city. It is more modern now.

**Researcher**: Do you think that hosting Olympic Games in 2014 created a new image of Sochi? Why/Why not?

**Expert L**: I think so, especially for foreigners. Sochi used to be main summer destination for Russian people (if we a talking about internal tourism), but now it is international.

Researcher: How would you summarize the impact of hosting Olympics on Sochi?

Expert L: 10 out of 10.

**Researcher**: How would you summarize the impact of hosting Olympics on Sochi as a tourism brand destination?

**Expert L**: Olympics helped to completed the image, the idea of Sochi which was not clear enough before. Nowadays, when you ask anybody what Sochi is and where it is, you will definitely hear an answer. People know what Sochi is and they also know that there are some things to do, places to visit and reasons to travel to. It is a history and very good investment into the future of Sochi.

**Researcher**: Do you think that influence of Olympics on Sochi's brand, as a tourist destination could be better/worse? In what ways?

IN ASSOCIATION WITH:





**Expert L**: You can always improve, that's true, but in terms what was done for the Olympic games and what Olympic Games did for Sochi...I think 100% of effectiveness was reached.

**Researcher**: Do you believe that hosting sport mega-events can be used as a tool to improve destination branding?

Expert L: Sure.

Researcher: Do you think that Sochi can be used as an example to learn from? Why/Why not?

**Expert L**: Yes. But we have to take into consideration uniqueness of each destination. It is very individual. I think it would be right to make a research of what have been done (in Sochi, for example) and after that apply best practiced considering specific of another host destination.

**Researcher**: Thank you for your contribution to this research! You are very welcome to contact the researcher for further information of results of the research.

Expert L: Thank you!

9. 13. APPENDIX M: THE POST-OLYMPIC USE OF THE KEY SPORTING FACILITIES BUILT FOR SOCHI 2014.

Facilities	Post-Olympic Use
Fisht Olympic Stadium	Rebuilt as a football stadium for the 2018 FIFA
	World Cup and a training centre for Russia's
	national football team
Bolshoi Ice Dome	A multi-purpose sports centre and the host arena
	for the Kontinetal Hockely League team HC Sochi
Shayba Ice Arena	Children's Sports and Education Centre (from July
	2014), public skating
Ice Cube Curling Centre	Multi-purpose sports and entertainment complex;
	hosting the 2015 World Senior and World Mixed
	Doubles Curling Championships
Iceberg Skating Palace	Multi-purpose sports and entertainment complex;
	hosting the Russian Figure Skating Championships
Adler Arena Skating Centre	Tennis Academy (from September 2014)
Main Media Centre	Exhibition Centre
Olympic Village, Olympic partners complex	Housing complexes

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Office building for Sochi 2014 Organising	Sochi State University (from 2016)
Committee	
Rosa Khutor Alpine Centre and the Rosa Khutor	Resort destinations and sites for elite-level
Extreme Park	competitions and training
Laura Cross-Country Ski and Biathlon Centre	Training and competition sites
Olympic Villages	Hotels

«The post-Olympic use of the key sporting facilities built for sochi 2014» (Golubchikov, 2017).







#### 9.14. APPENDIX N: ETHICS FORM

#### SCHOOL OF TOURISM & HOSPITALITY MANAGEMENT SANT IGNASI

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#### **Ethics form**

Ethics forms MUST BE COMPLETED BY YOURSELF AND SIGNED OFF BY YOUR SUPERVISOR BEFORE UNDERTAKING RESEARCH.

THE SIGNED ETHICS FORM MUST BE INCLUDED IN THE FINAL RESEARCH THESIS.

Risk checklist – Please answer ALL the questions in each of the sections below.

Risk category 1		No
Use any information OTHER than that which is freely available in the public domain?		x
Involve analysis of pre-existing data which contains sensitive or personal information?		x
Involve direct and/or indirect contact with human participants?	x	
Require consent to conduct?		x
Require consent to publish?		x
Have a risk of compromising confidentiality?		x
Have a risk of compromising anonymity?		x
Involve risk to any party, including the researcher?		x
Contain elements which you OR your supervisor are NOT trained to conduct?		x
Risk Category 2		
Require informed consent OTHER than that which is straightforward to obtain to		x





Second subscript of the	SCHOOL
	<b>OF TOURISM</b>
	& HOSPITALITY
	MANAGEMENT
	SANT IGNASI
Barrison	ull University

#### Hotel Management ZU School Maastricht YD

conduct the research?		
Require informed consent OTHER than that which is straightforward to obtain to publish the research?		×
Require information to be collected and/or provided OTHER that that which is straightforward to obtain?		×
Risk category 3		
Involve participants who are particularly vulnerable?		x
Involve participants who are unable to give informed consent?		x
Involve data collection taking place BEFORE consent form is given?		x
Involve any deliberate cover data collection?		x
Involve risk to the researcher or participants beyond that experienced in everyday life?		x
Cause (or could cause) physical or psychological negative consequences?		x
Use intrusive or invasive procedures?		×
Include a financial incentive to participate in the research?		×

#### IF APPLICABLE:

List agreed actions with your tutor to be taken to address issues raised in questions Risk Category 2:

.....







#### Hotel Management ZU School Maastricht YD

**Student Declaration**: I confirm that I will undertake the research thesis as detailed above. I understand that I must abide by the terms of this approval and that I may not make any substantial amendments to the research thesis without further approval.

Agreement from the supervisor of the student:

Fernundez 6

**Risk Category 1:** If you answered NO to all the above questions, your study is classified as Risk Category 1.

- The supervisor can give immediate approval for the research thesis.
- A copy of this signed form MUST be included in the Research Thesis.

Risk Category 2: If you answered YES only to questions in Risk Category 1 and/or 2.

- You must meet with your supervisor and clarify how the issues encountered are going to be dealt.
- Once clarified, the actions taken must be stated in the form. Then the supervisor can guarantee approval for the research thesis.
- A copy of this signed form MUST be included in the Research Thesis.

Risk Category 3: If you answered YES to questions included in Risk Category 3.

- You must discuss with your supervisor how to re-direct the research thesis to avoid risks mentioned in Category 3.
- You must complete the Ethical Form again until Risk Category 1 or 2 is obtained.

A copy of this signed form MUST be included in the Research Thesis.

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