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## The role of Local Action Groups in promoting rural areas in the Małopolska region in Poland<sup>1</sup>

**Codes JEL:** R58, M38, O18

**Keywords:** rural areas, Local Action Groups, place promotion, place marketing

**Summary.** The purpose of the paper is to identify the role of the Local Action Groups in the promotion of rural areas in the Małopolska region. The authors presented the notion of place promotion and posited that Local Action Groups (LAGs) are a distinctively important subject of rural area promotion, complementary to the local government. The authors assumed that the main barriers for promotion of rural areas are limited financial and staff resources. An analysis of strategies of all 32 LAGs operating in Małopolska and analysis of reports from projects conducted by these LAGs allowed the authors to present the promotional potential of these associations and underline their significant role in overcoming the mentioned barriers that local governments encounter.

### Introduction

The main purpose of the paper has been to identify the role of the Local Action Groups in the promotion of rural areas. As the territorial approach to develop-

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ment, encouraged not only by the EU, but also by governments and local authorities in most of the EU countries, creates the need to implement development policies based on endogenous potentials of territories, the role of promotion seems to be crucial, especially in rural areas. Local Action Groups (LAGs) are one of the forms of territorial cooperation occurring in the rural areas. LAGs are intersectoral partnerships (formed by social, public and private entities) that were established as an instrument used to execute the EU's policy regarding the development of rural areas within framework of the LEADER programme. They execute a joint local strategy of development, covering an area of the whole association. The strategy should derive from the features of the territory. It is vital that the document was created in a participative way – through cooperation of the possibly widest circle of local community representatives. As LAGs are supposed to stimulate the socio-economic development based on local resources and with cooperation of the local community, they seem to be an important element of the institutional infrastructure in rural areas (Brańska, 2015, pp. 493–500). Considering the above mentioned, the promotion of the most specific resources in rural areas should take an important place in the strategies implemented by LAGs.

The main tool for the presented analysis was the critical review of the local development strategies (LDS) implemented by the 32 LAGs in Małopolska region and also the reports on completed projects. The purpose was to identify the role of LAGs in promoting rural areas.

The analysis led to a conclusion that LAGs in Małopolska play an important role in promoting rural areas, not only in the aspect of the number of different promoting actions that have been undertaken so far, but also in the aspect of the differentiation of the promotion tools and support for the rural local governments in the situation of financial and personnel limitations.

### **The essence of place promotion**

The idea of promoting places was applied in practice as early as 19<sup>th</sup> century and included settler attraction to United States (Ward, 1998, pp. 11–12), Argentina and Brazil (Mazurek, 2006, pp. 34, 41–48). The theoretical framework of place promotion derives from the studies on place marketing that may be understood as the use of marketing in supporting local development. A definition by Szromnik states that „place marketing is a philosophy of achieving the desired goals by territorial units while competing for scarce resources, based on the assumption that the appropriate client-partner orientation has a decisive influence on the results achieved” (Szromnik, 2012, p. 28). A more general definition from USA states that „the challenge of place marketing is to strengthen the capacity of communities and regions to adapt to the changing marketplace, seize opportunities, and sustain their vitality” (Kotler, Haider, Rein, 1993, p. 18). Place marketing includes a variety of potential instruments that may be used to influence the local

development of a certain place (Brańka, 2014, pp. 139–146). According to a place marketing literature review made by S. Brańka (2016, p. 57) only promotion is widely perceived as an important instrument of marketing influence available to the local (or regional) authorities.

For the needs of this paper the authors are adapting a definition by S. Brańka (2016, pp. 66–67) stating that „promotion of a rural area is a sum of actions initiated, executed or supported by the local government, that are directed at collecting market information and at communicating and promoting local benefits offered to selected target market segments in order to influence their decisions in a way to guarantee the development of a given rural area”.

### **The subjects of promotion in the rural areas**

At this point it must be clarified what subjects are involved in the promotion of rural areas in Poland. In general, in Polish conditions „it is the local government who acts as the key initiator, organizer, executor, coordinator and controlling entity of all the marketing activities, in which the territorial unit is the main source of benefits for the clients” (Szromnik, 2012, p. 48). The actions undertaken by the local government are backed by:

- the marketing actions of local organizations as well as local individuals and informal groups,
- the marketing actions of other, non-local, entities (including regional government).

A rural area may be perceived as a network that may and should be managed for the joint success of all the stakeholders. It may be argued that a certain area is a „space that forces the necessity of coexistence of many entities” creating thus „a very complex system of network relations” (Brańka, Plichta, 2014, p. 201). In another paper Brańka, Coca-Stefaniak and Plichta (2016, p. 134) try to depict „the complex interrelations that exist between key city (centre) stakeholder groups with regards to urban development”, including seven following major stakeholder groups: residents, local self-government, local entrepreneurs, investors, tourists, students, shoppers and service users. Referring to rural areas, all the mentioned stakeholder groups (but students) seem to be important.

### **Barriers in promoting rural areas**

The barriers of promotion activity are an important issue regarding place promotion. A recent study of promotion among all big cities in Poland shows that a too small promotion budget is perceived by the local authorities as the main obstacle for city promotion (80% of the big cities) (Brańka, 2016, p. 226). The lack of financial resources seems an even bigger problem for local governments in rural areas. For example a research project conducted among local authorities of 21

city communes (excluding the biggest cities) and (hybrid) rural-city communes in the Lubelskie and Podlaskie regions in eastern Poland revealed that „limited resources are the main obstacle in effective and efficient promotion” (95% communes agreed) (Zalech, 2013, p. 150). In a research study among cities Stanowicka-Traczyk (2008, p. 141) found that „too small a budget” is the main barrier for city image promotion (in 86% of cities on average). The study revealed that the smaller the city was, the bigger was the problem of the small budget (89% in the small cities compared to 85% in the medium-sized cities and 79% in the big cities). Referring directly to a research study devoted to rural areas and conducted in 2002 among 135 local governments of rural communes in the Łódzkie region, it occurs that „scarce financial resources available for the local government is the key obstacle in execution of promotion activities” (Marks, 2006, p. 109). This opinion was shared by 71% of the researched communes.

The limited budget is logically linked with organizational potential and first of all limited availability of personnel. The number of employees responsible for promotion on specific stages of Polish administration varies to a large extent. The number of people involved in promotion activities that are employed on particular levels of Polish administration is as follows (NIK, 2012, p. 15):

- a) 1 to 3 people in offices of local government in rural communes;
- b) 2 to 5 people in offices of local government in „powiats”;
- c) Multiple person teams in offices of local government in city communes (including biggest cities) and offices of regional government in regions.

Obviously the local governments in rural areas have relatively the smallest teams of employees responsible for promotion activities.

Among recently published books on marketing activity of rural communes in Poland one may find a proposal summarizing main barriers for marketing development in communes (Kuźniar, 2013, pp. 247–251). The cited author distinguishes internal and external barriers (i.e. dependent on the commune and independent of the commune). The internal barriers comprise of i.a. financial barriers and organizational barriers, including: lack of leaders, lack of strategic orientation in marketing, lack of people responsible, low level of partnership in the region.

### **The potential of LAGs for rural promotion in Małopolska region**

Currently there are 32 Local Action Groups existing in Małopolska region. Each of these LAGs associates usually several neighboring communities that can be described as having similar development determinants. The rich cultural heritage of Małopolska region, together with attractive environmental resources, determine tourism-attracting characteristics of a significant part of the region’s area. This fact shapes the goals and activity directions planned in development strategies that regulate activities of LAGs. Promotion activities, targeted mainly at potential tourists, are one of the development goals in case of 26 of 32 LAGs. For

example in selected local strategies, some of the detailed goals regarding promotion are: „Support and promotion of efficient, modern economy, including tourism, that is based on local resources”; „Improving attractiveness of the area through investment in the tourism and recreational infrastructure as well as promotion of the area”; „Promoting the area covered in the local strategy of development, including local products or services”; „The development of tourism product and services as well as their active promotion”.

Another crucial field of LAGs’ activity is the stimulation of entrepreneurship among residents and stimulation of cooperation targeted at achieving common goals of development. Because of this fact, the promotion targeted at the internal audience (residents, entrepreneurs, social institutions) plays a key role, even though in the local strategies of development there are relatively less direct records of such promotion compared to the records regarding promotion of tourism products and services. For example some of the detailed goals regarding this field are: „Strengthening of bonds, cultural and local identity, especially through integration and active life of the community”; „Strengthening of social capital and partnership promotion in the LAG’s area”; „Development of entrepreneurial attitudes and growth of self-employment”; „Improvement of the cultural, sports and recreation offer as a mean of spending free-time”; „Better social inclusion of residents in the implementation process of the local strategy of development through education, promotion and LAG partnership development”.

The goals set in local strategies of development are reached mainly through execution of projects by beneficiaries (individual persons, entrepreneurs, public and social institutions) that are funded through contests by LAGs, mainly within the Rural Development Programme. The analysis of the completed projects was executed in two separate fields: externally oriented and internally oriented promotion. Table 1 comprises examples of promotion

Table 1

Examples of promotion projects completed by LAGs in the years 2009–2014

Externally oriented promotion activities	Internally oriented promotion activities
<ul style="list-style-type: none"> <li>– publishing of the guide-songbook for the Lipnica Wielka commune promoting local heritage</li> <li>– organization of a series of workshops related to the promotion of regional traditional products, the publication of a culinary book and a newsletter summarizing the project</li> <li>– promoting local products during the Gnojnik Commune Days</li> <li>– organization of an outdoor event promoting the local values of Gródek Nad Dunajcem</li> </ul>	<ul style="list-style-type: none"> <li>– cultivating traditions through workshop organization and purchase of regional costumes for the folk band „Małe Rożnowiki”</li> <li>– tastes of childhood – equipping the rural day-room in Łęki and organization of promotional-recreational events</li> <li>– workshops for residents and entrepreneurs originating from the area of Śliwkowy Szlak LAG focused on creation, promotion and sales of local products</li> <li>– multigenerational workshops and purchase of regional costumes for the children folk band „Mali Laskowianie”</li> </ul>

<ul style="list-style-type: none"> <li>– organizing workshops based on traditional local products and promotion via a folder</li> <li>– promotion of local products through the organization of culinary workshops and the publication of information leaflets</li> <li>– establishment of the Tourist Information Center in Czchów</li> <li>– development of promotional handouts in the Commune of Gródek nad Dunajcem</li> <li>– creation of the brand „Carpathian Valley”</li> <li>– promotion of folk creators from Podbabiogóra in Maków Podhalański through presentations at exhibition stands</li> <li>– purchasing materials promoting the Czorzstyn Commune</li> <li>– „Mountaineer’s window to the world over the Internet” – promotion of the region by creating a website</li> <li>– „Taste for the Product” – showing the cultural heritage through the promotion of traditional regional cuisine products</li> <li>– Summer in Kościelisko – series of events promoting highlander folklore and the villages in the Kościelisko commune</li> <li>– Publishing the book entitled „Coby nie zoboczyć” promoting cultural heritage and Podhale and organization of culture promoting events</li> <li>– cultivating and promoting traditions of the region through the creation of the film and web site „Disappearing professions and crafts in the Podhale Region frozen in the frame”</li> </ul>	<ul style="list-style-type: none"> <li>– promotion of local production and old crafts in the commune of Gródek Nad Dunajcem through handicrafts, handicraft workshops, handicraft exhibition and issuing a book on handicraftsmen</li> <li>– tourism development in the Iwkowa commune through promotion of active lifestyle and infrastructure management in places of special significance to tourism</li> <li>– „Residents of Małopolska - dance, singing – tradition and the present day” – reinforcement of regional identity and promotion of the region’s cultural heritage</li> <li>– „Welcome guests” – improving the quality of life and developing activity of residents through promotion of tourism and recreation, healthy lifestyle, tradition and local products in the chrzanowski powiat</li> <li>– cultivation and promotion of traditional folklore in chrzanowski powiat</li> <li>– around Lords’ Mountain – developing activity and promotion of cultural and historical heritage of Balin, Luszowice i Okradziejówka through gatherings and workshops for residents aimed at creation of a multimedia almanac of the settlement</li> <li>– promotion of recreation – via a recreational Bicycle Ride – Kraków – Trzebinia 2012</li> <li>– organization of events and workshops as an instrument for development of social activity, cultural creativity and local heritage promotion</li> </ul>
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Source: own elaboration on the basis of Web pages of LAGs from the Małopolska region.

A significant part of the projects executed by LAGs are projects targeted at promotion of the region, both among tourists and the local community. The projects targeted at potential tourists refer, above all, to promotion of local: culture, products, historical attractions and nature through issuing leaflets and albums, organizing mass events and workshops. The mentioned activities may be divided into several categories:

- issuing leaflets, films, tourism folders,
- issuing albums, culinary books, promoting local heritage,
- development of Web pages,
- organisation of events (cultural, sports) promoting local traditions and tourism attractions,

- helping in the development and promotion of local products supporting the brand of the region.

The activities targeted at the local community refer, above all, to promotion of cultural and historical heritage that helps building local identity, mainly through organization of workshops, gatherings, mass-events. Moreover the resident-oriented promotional activities include revitalization of public spaces that improves integration through entertainment, recreation and education. From the perspective of local community integration around the achievement of common development goals, it is important to promote activities of LAGs, e.g. during mass-events or by highlighting best practices and promoting local leaders. Among such activities the biggest significance should be associated with:

- workshops, educational paths, promoting local heritage among residents that are helpful in building local identity, convincing of place attractiveness and inspiring common activities,
- promotion of local attractions i.a. by free entrance for residents of LAG's area,
- organization of common events encouraging to cultivation of local traditions and building place identity,
- revitalization of public spaces, increasing their quality, helping to integrate of the local community and convincing of the place attractiveness.

The identified promotion activities are often targeted at both external recipients and the local community. Undoubtedly the execution of the majority of them requires cooperation of residents, local government and various types of public institutions. This all leads to emergence of a network of cooperation of local entities that supports the establishment of social bonds, the sense of community, interest in quality of surrounding premises and all that influences the local development in a positive way.

## **Conclusions**

Taking into consideration the main barriers in promoting rural areas (financial, institutional, infrastructural, human), resulting in insufficient promotion activities, the role of the Local Action Groups in this matter seems to be significant. First of all, the promotion activities result mainly from diagnosis of local resources, ambitions and needs carried out in a participative way. They are usually concentrated on the most important local attractions such as: local heritage, local products, natural environment. Secondly, for most of the LAGs, promotion activities are a significant part of all activities. They include various promotion tools (e.g. promotional publications, events, websites), targeted to the external, as well as to the internal audience. The promotion activities addressed to the outside concentrate mainly on local heritage, tradition, natural environment resources what is important in case of tourism development in the rural areas. It must also be

underlined that all the promotion actions addressed to the local community are crucial in terms of creating its identity, as well as willingness and ability to cooperate.

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### **Rola Lokalnych Grup Działania w promocji obszarów wiejskich na przykładzie Małopolski**

**Słowa kluczowe:** obszary wiejskie, Lokalne Grupy Działania, promocja terytorialna, marketing terytorialny

**Streszczenie.** Celem artykułu jest identyfikacja roli Lokalnych Grup Działania (LGD) w promocji obszarów wiejskich na terenie województwa małopolskiego. W artykule przedstawiono istotę promocji terytorialnej oraz wskazano, że LGD stanowią wyróżniająco ważny podmiot promocji obszarów wiejskich, uzupełniający działania władz gminnych. Przyjęto, że podstawowe bariery działań promocyjnych gmin na obszarach wiejskich związane są z ograniczeniami finansowymi oraz kadrowymi. Na podstawie przeglądu strategii wszystkich 32 LGD działających w Małopolsce, a także raportów z wykonywanych przez nie działań ukazano potencjał promocyjnych tych stowarzyszeń, podkreślając ich pomocniczy charakter w przewyciężaniu wskazanych barier napotykanym przez władze lokalne.

*Translated by Sebastian Brańka*

#### **Cytowanie**

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