

**THE MARKETING STRATEGY OF THE PÉCS2010
EUROPEAN CAPITAL OF CULTURE PROGRAM**

November 2008

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1 EXECUTIVE SUMMARY

The present marketing strategy sets the general direction for the activities that ensure the accomplishment of the major goals of the Pécs2010 European Capital of Culture program and defines its basic principles and provides guidelines for the preparation and implementation of concrete action plans.

The strategy is valid for the period beginning in the autumn of 2008 and ending in the spring of 2011, when the Pécs2010 ECoC program will likely be closed.

In accordance with the agreement made between the Ministry of Education and Culture, Hugarofest Kht and the Municipality of the city of Pécs resources will be provided by the Ministry and the Municipality of Pécs. Hugarofest Kht will have to call a public procurement tender for the entire amount on the basis of the negotiated marketing strategy.

In the case of investments to be implemented with EU support the costs of publicity have been defined in proportion to the percentage value of each project on the basis of the invitation for planning and the guidelines published by the South-Transdanubian Regional Development Agency. Due to EU regulations these resources can only be used after a separate public procurement tender procedure is conducted.

When the working material was compiled, all available and relevant secondary information was utilised – with the consent of all the authors and owners of information. The opinion polls of feasibility studies and the documents prepared by the Regional Marketing Directorate of the Hungarian Tourism Rt for local tourism played an important role in this compilation. The marketing strategy contains sections of the cultural concept on communication issues prepared by the Artistic Board of the Pécs2010 programme by 30 April 2008 as well as sections of the tourism and cultural strategy prepared for the city of Pécs that affect the ECoC program. The marketing strategy also includes a document prepared by the Communication Board in the summer of 2007 that was convened by the government coordinator and the Palmer Report of the EU – a document summarising the lessons of previous ECoC projects.

The marketing strategy begins by outlining the history of the Pécs2010 program, shedding light on its role in the life of Pécs, its regional and national significance and its international aspects. It includes an analysis of the tourism market of the ECoC and discusses the featured components of the city's cultural offer. The analysis of competitors and the SWOT analysis provide a basis for

setting the objectives of the program and defining and ranking the target audience groups.

The various events to be offered by the Pécs2010 program are quite complex and can not be interpreted as a 'product.' Therefore, a three-level product system had to be created. The strategic level includes the following components: The city of Pécs, Hungary, the entire range of ECoC cultural programs and the ECoC investments. Second level: supported (pillar and supplementary) programs and other cultural and scientific events. The third level comprises the daily offers of the different program components.

The marketing communication of the program is built on three pillars – which improve the image of the city and the country and relate to communicating the cultural programs and the investment projects. In addition, it also covers the information communicated to the people, which is a mandatory part of each and every activity.

One of the key goals of the Pécs2010 ECoC program is to provide guidance for the winners of public procurement tenders to prepare their action plans.

It needs to be noted here that the ECoC program affects nearly every aspect of social life, and for this very reason it is quite difficult to meet the expectations of every interest group and contributor un full. As is defined in the marketing view too, focus is given to meeting consumer needs and demands. This is how the original goal, culture-based urban development, can be achieved.

2 ANALYSIS OF THE SUTATION

2.1 HISTORY OF THE EUROPEAN CAPITAL OF CULTURE PROGRAM

The Council of Cultural Ministers launched the European Capital of Culture program in June 1985, then called the European City of Culture, at the initiative of Melina Mercouri, the then Greek Minister of Culture.

In view of accomplishing the objectives of the framework program the European Capital of Culture project soon proved to be one of the most successful and most effective programs. Not only has the series of events lived up to expectations but it has soon become one of the favourite programs of European citizens, and as such it generated significant economic, social and cultural development in the given city as well as in the entire region.

At the beginning, in 1983 the then Greek Minister of Culture invited the ministers of culture of the Community to Athens to give voice to her opinion that culture did not receive due attention and respect. She explained that the arts and the people who were active in the cultural sector should be represented in public life just as strongly as the economy, economic experts, politics and politicians. The concept of the European City of Culture was born as a response to this problem, submitted by the Greek actress and politician to the competent ministers at the meeting mentioned above. She managed to convince her colleagues by her speech, suggesting that every year one city should be nominated as the European City of Culture.

The **goal of the series of events** is to demonstrate the cultural and artistic diversity of European cities and stress their common cultural heritage and their creative force. In addition to focusing on cultural diversity and differences the program should put a strong emphasis on facilitating the mutual presentation and familiarisation of the given cultures. These are the main objectives that the program tries to utilise every year to meet the challenge of the basic idea that called it to life, the idea that one way of bringing nations closer to one another is to learn more about the culture of the other.

On the basis of Melina Mercouri's proposal the Council adopted the draft program on 13 June 1985, and the series of programs that have since become so successful was launched soon afterwards. The title was first awarded the home city of the Greek minister of culture, Athens in 1985.

1990 saw the launching of the European Cultural Month program, which was similar to the European City of Culture program but it was shorter and was expressly meant for the countries of Central and Eastern Europe.

In 1999 the program's name was changed to European Capital of Culture, so the first city to bear this new title was Cork from Ireland.

As an exception, in 2000 ten capitals were selected. A new selection method was introduced for the period between 2005 and 2009: a city from every member state will be given a chance to bear this title during this period. As of 2007 as a rule two cities share the title every year.

If unanimously endorsed by the European Council, the jury may award the title every year to the city of a country that is not yet a member of the European Union. Thus, on 11 March 2006 Pécs from Hungary was given the title of the European Capital of Culture for 2010, in addition to Istanbul from Turkey and the Ruhr Region from Germany.

2.2 THE PÉCS2010 PROGRAM IN THE LIFE OF PÉCS

The procedure of selecting the winning city:

One of the 2010 European capitals of culture was selected from Hungarian cities.

- The deadline for submitting applications to the open competition was 3 December 2004. Altogether eleven Hungarian cities submitted their application. Budapest, Debrecen, Eger, Győr, Kaposvár, Kecskemét, Miskolc, Pécs, Sopron, Székesfehérvár and Veszprém.
- On 7 March 2005 the jury nominated Eger, Miskolc and Pécs by a unanimous decision and Budapest, Debrecen, Győr and Sopron by a simple majority.
- On 14 June 2005 the General Assembly of the Municipality of Pécs unanimously accepted the application material of the 2010 European Capital of Culture program.
- On 9 October 2005 an international jury visited Pécs.
- 19 October 2005 – the government selected Pécs as the winner. The runner-up was Miskolc, while third place was given to Debrecen.
- On November 13, 2006 the EU Council of Ministers awarded the 2010 European Capital

of Culture title to Pécs.

By winning the ECoC title Pécs has come to the end of a four decade-long development process. The city was given new impetus for development and there is now a chance for reorganising the structure of its economy on the basis of culture, leaving behind the former phase of development characterised by mining.

The dilemmas posed for the cities of Europe by the era after industrial production are also issues to be tackled by Pécs; unemployment has increased significantly in the past fifteen years, city revenues have decreased, and as a result, public expenditure has also declined, so the level of public services offered by public institutions has decreased dramatically. The population of cities has started to decline, segregation has begun in working-class quarters, and the interest of investors towards vacant industrial and mining facilities has considerably diminished.

Today Pécs is a major city in a region which has received only 2% of foreign capital invested in Hungary in the past fifteen years. These negative economic processes – with their often negative social and cultural consequences – can only be reversed if the outdated transport channels of Pécs and the region are changed and if the city and region is given new impetus for development which could place them on a new economic track and restore the self-confidence and the entrepreneurial spirit of their inhabitants. Several experts have been stressing for at least a decade that for Pécs and its region one of the sectors that could be an economic breakout point is the cultural industry and, closely related to it, tourism. From the point of view of urban and regional development the title of the European Cultural Capital means a new path of growth opening up for the tourism and creative industrial sectors of Pécs and the region, thereby creating the possibility of an economic breakthrough for a stagnating region.

The application of the Pécs2010 European Capital of Culture program

The application was based on the following five pillars which clearly outline the key features and strengths of Pécs as a city and provide a perfect tool for working out a consistent line of communication along these leading motives.

The five pillars of the application

- Pécs is the **city of lively public spaces**. It is a medium-sized city that can present a model of city life which is very different from that of a metropolis or a small city.
- Pécs is **the city of cultural heritage and cultural innovation**: it is a two thousand year-old city and the scene of artistic innovation.
- Pécs is a **multicultural city**. In the past it developed cultural layers of Latin, Turkish, German, Croatian and Hungarian origin. Today the city is the most important centre of German, Croatian and Romany culture.
- Pécs is the **city of regionalism**. There is no other Hungarian city whose name is more closely tied to the idea of regionalism and decentralisation than the city of Pécs.
- Pécs is a **cultural gateway city** that is open to the Balkans and parts of Europe which do not yet belong to the European Union.

Central themes of the Pécs application for the European Capital of Culture title:

- cultural decentralisation
- equal opportunity for the minorities
- the cultural heritage of the socialist period
- the integration of East-Central European art into the international network of cultural institutions and the international cultural market,
- the relationship of youth subcultures to European (high) culture,
- the European experience in cultural urban planning,
- the cultural constructs of “East” and “West”,
- centre and periphery in European culture.

Regions of the application

The extension of the application submitted by Pécs involves four expanding ranges:

- the South Transdanubian region, its cities and small regions, including the region of the Lake Balaton;
- major cities in the periphery of the South Transdanubian region – Baja, Dunaújváros, Keszthely, Nagykanizsa;
- Szeged, Pécs's distinguished partner city in the competition for the European Capital of

Culture title;

- the Southern Cultural Zone, including Pécs and Szeged, as well as Arad, Újvidék (Novi Sad), Eszék (Osiek), Tuzla, Trieszt (Trieste), Maribor, Zagreb and Temesvár (Timisoara).

In general the European Cultural Capital year is a memorable experience which can create a sense of community in the people of the city or region bearing the title. By using suitable communication and marketing tools this process can be facilitated effectively. Pécs contacted more than thirty cities in the region and four major cities lying on the border of its region (Baja, Dunaújváros, Keszthely and Nagykanizsa), offering an opportunity for cooperation.

Szeged is given a distinguished role as a partner in Pécs's application.

As far as foreign relations are concerned, the main goal of the European Capital of Culture program submitted by Pécs is to ensure co-operation in the Southern Cultural Zone, which includes cities in Hungary, Romania, Serbia, Croatia, Bosnia-Herzegovina and Slovenia alike. Pécs could play a mediating role among the markedly different traditions in this cultural zone.

Preparatory years

- 2006 – the year of cultural heritage
- 2007 – the year of education and learning
- 2008 – the year of environmental culture and health care
- **2009 – the year of religious culture**
- **2010 – Pécs, the European Capital of Culture**

The key goals of the preparatory years:

- establish new types of cooperation between the "capital of culture" and regional and international partners so that these new forms of cooperation should work perfectly and in harmony.
- establish international relations with the "capitals of culture" of 2005-2009 so that the cultural undertakings that began in these cities could be continued in certain cases or could be brought to Hungary.
- give a chance to the people of the winning city to get accustomed to the daily routine of the European Capital of Culture year and to become tuned to finding a common solution

to the challenge and being a proud host of the events.

- make the communication campaign that will become quite intensive by 2010 gradual. Pécs placed four comprehensive programmes in the centre of cultural events and activities during the preparatory years from 2006 through 2009, which are as important for the residents of our city as for any citizen of Europe.

2.3 IMAGE AUDIT OF PÉCS – NATIONAL VIEW¹

Basic research was conducted in 2006 on a representative national sample of 1,000 people. The results of the research showed that

- Pécs was **spontaneously recognised** as a large city by 14.6% (Debrecen 15.5%). The rate of associating Pécs as a large city linked to culture was 22.1% (Szeged 25.8%). Thus Pécs was ranked second in both cases.
- Pécs, however, was given the title of **favourite large city** (15.9%). When evaluating these results, however, it has to be noted that the rate of mentioning different cities stayed within a relatively low range (between 14 and 26%) and there was a very small difference between the rankings. On this basis it can not be said that the name of the city is clearly linked to the notion of culture or the title of "favourite Hungarian large city."
- Pécs is **definitely a likeable city** for the respondents, which is shown by a sympathy value of **4.02** on a scale of five. The only city with a higher value was Eger (4.28). This is also supported by the fact that when asked about the frequency of visiting large cities the respondents expected the smallest drop in the case of Pécs (7%, which is smaller by 4 percentage points than the rate of overall drop) for the coming three years. Despite the popularity of the city there are several signs indicating that Pécs does not have a strong and clear position.
- The survey shows sporadic associations and low rates of mentioning with respect to Pécs (the highest rate of mentioning, 6.6% is linked to the university), while in the case of the other cities (with the exception of Győr) there are values that are linked to the name of

¹ Document prepared by the Pécs2010 ECoC Marketing Board – Proposal for the marketing strategy of the Pécs2010 program, 2007.

these cities in the mind of the respondents (ranging between 13 and 40%). The same can be seen in the case of the symbols of the city. The most frequently mentioned symbol mentioned by the respondents is the TV tower with a rate of only 12%. **Thus, the city does not have a truly strong symbol.**

- The examination of special city features shows that Pécs performs quite well as compared to the average but it **lacks any salient feature**, and it is outperformed in every case by some other city. Thus, Szeged is more modern, livelier and more cultural, while Eger is more beautiful, more traditional and more attractive.
- Correspondence analysis supports the same, since culture has a distinctive force in the case of Pécs, but the city **does not have any single feature that would give it a leading position**. Moreover, the "cultural" attribute is more linked to Szeged than to Pécs, and it is Szeged's leading feature.

On the basis of all these it can be established that Pécs has a good position among the large Hungarian cities, it is essentially quite popular among the Hungarian people, but it does not have a clear position. **It is essential to build upon the existing positive foundations and create a strong position for the city.**

2.4 PÉCS-BARANYA – THE APPEAL BEHIND IT

Looking back at a history of 2000 years, Pécs is a city of Mediterranean air, renowned for its diversity, intellectual and cultural riches, hospitality, and wine gastronomy.

- **Pécs - a historic city.** Almost every century in the history of the city left invaluable traces behind from Roman times, through the Renaissance, the Turkish and Baroque times, to historicism and the avant-garde of the early 20th century. Ranked second just behind the capital, Pécs sports the second highest number of protected monuments.
 - **Pécs - part of world heritage** Unique in East Central Europe, the Early Christian Necropolis of the 4th century late Roman Empire was declared a UNESCO world heritage site; visitors to the site are welcome in a modern display area.
 - **Pécs - the city of museums** is the citadel of 20th century avant-garde and contemporary
-

fine arts. In "Museum Street" exhibitions by Victor Vasarely, Ferenc Martyn, Erzsébet Schaár, Péter Székely, and Tivadar Csontváry Kosztka follow each other in close succession.

- **Pécs - the city of arts** with the creators and performers of instrumental music, choir music, opera, dance, theatre and literature offering a wide range of products, performances, and exhibitions from all walks of artistic life.
- **Pécs - the city of the Zsolnay heritage** A museum, a factory display, and colourful ceramic-tiled buildings scattered around the city are an obvious sign that the Zsolnay name has become one with the city, the image and activities of the factory and the town are closely tied.
- **Pécs - the city of festivals** Pécs is home to national and international theatrical, film, music, folk dance, dance and student festivals from spring to autumn.
- **Pécs - the international city of vineyards and wine**, a prize-winner of the International Vine and Wine Office (OIV) has been renowned for its gastronomy, wine festivals and convivial song festivals.
- **Pécs - the academic city** with nearly 30 thousand university students spending their student years within the city walls.
- **Pécs - the city of multiculturalism**, a meeting point of national cultures and a prime example of peaceful coexistence by ethnicities, the proud winner of UNESCO's Peace Prize.

Organic supplements of Baranya County to what Pécs has got to offer:

- **Siklós** (historic heritage, the castle and the castle district – gothic monuments complete with museums, wine culture and fine and applied arts centre),
- **Pécsvárad** and region (relics relating to the Foundation of the State, national heritage, landscape and natural heritage),
- **Mohács and surrounding area** (the Battle of Mohács memorial and exhibition, national heritage, Busójárás (Busó procession), Danube gastronomy and wine culture),
- **Szigetvár and surrounding area** (castle and Turkish monuments and relics, wine culture),
- **Orfű and surrounding area** (Sikonda, Magyarhertelend, Abaliget) a region offering

active recreation and sport opportunities, an experience of nature, holiday-making on river and lake banks, and thermal water-related recreation. All these are considered additional supplements to the cultural range the city has to offer.

- The joint catchment area of **Harkány and Villány-Siklósi** comes under the same category. The range of culture products and services offered by thermal and health tourism as well as viticulture in the region is a sound addition to what Pécs has got to offer.
- As far as cultural heritage is concerned, the Árpád-era temples of the area, the intellectual heritage of the **Ormánság** are of major importance, while the River Dráva offers great opportunities for active and water tourism.

2.5 Overview of Tourism²

2.5.1 The “cake” of domestic tourism³

An analysis of the 2008 January-July data and comparison with the same period of the previous year:

tourism shows a slight 1% decline against 2007 owing to a 1% rise in foreign tourism and a 2% drop in domestic tourism. Of the 17 million visitors crossing the border, only nearly **2 million** make use commercial accommodation. According to surveys, 19% of one-day visitors arrive in the country for the purpose of tourism. **Foreign visitors' consumption comes to a gross total of HUF 449 billion**, which includes **5,617,000 guest nights**.

At the same time, **domestic tourism with 2,320,000 guests accounted for 5,591,000 guest nights**.

Hungarians in 2007 spent a total of HUF 32 billion on domestic tourism, which translates to 2.5-2.6 % of total domestic household consumption. HUF 87 billion was spent on accommodation, HUF 93 billion on catering services and food, and HUF 71 billion on transport (including fuel purchases). **2–4-day trips are gaining ground in domestic tourism**.

² On the basis of the 2009 marketing plan of Pécs city TDM organisation

³ Based on data and analyses of the CSO quick report on the first half of 2008

The gross revenue realised by commercial accommodation providers in the six months under review came to HUF 137 billion (of which HUF 78 billion accounts for the cost of accommodation alone). 7% of the revenues was realised from holiday voucher payments. At a national level, the number of commercial accommodation facilities dropped by 7% on the year before, totalling at 2,857 in July 2008 (hotels: 863, motels: 1,103, other accommodation: 891).

The main sources of tourism in 2008 (figure in brackets indicates daily spending per tourist): Germany (HUF 8,000), Austria (HUF 9,000), USA (HUF 16,000), Italy (HUF 12,000), and Great Britain (HUF 17,000), Romania (HUF 7,000 Ft). Also significant source countries are: the Czech Republic, Poland, Norway and Russia.

With respect to tourist destinations, recreation tourism accounted for 68% of tourism (11% within that was health tourism), conference tourism for 10%, and business tourism for 22% of all inbound tourism.

71% of foreign tourists tend to make private arrangements for their visits, while the remaining 29% use the services of travel agencies either in their own or in the destination countries. It is worth noting that **27% of bookings are made electronically.**

The **tourist region** most frequented by foreigners arriving in the country for more than one day in the first half of 2008 was Budapest (43%) and Western-Transdanubia (27%), with **Southern Transdanubia having a share of 5.4%**. Visitors spending more than one day in the country and those arriving for tourist purposes spend half of their expenses on accommodation and catering, but they are also the group where cultural consumption is also registered.

2.5.2 The main directions of domestic tourism

2–4-day trips are gaining ground in domestic tourism. It is worthy to note that the time and money spent on weekend trips in recent years have surpassed the same figures of longer travels. Regional differences are significantly smaller than is the case with 5-day or longer travels. **In 2007 domestic visitors made a total of 20 million 2-4-day trips** spending 58 million days on such short vacations. People living in Central Hungary travelled to Lake Balaton more than 1 million times on aggregate. **The other regions of the country were typically characterised by internal travel within the specific regions.**

Travel activity is closely related to the financial position of households. 38% of households with

passenger car made such trips, while only one-quarter of the remaining population partook in 2-4-day trips. Similarly significant is the relationship between the size of the settlements where the households are located and tourist activities.

While more than half of the proprietors of incorporated enterprises and nearly 40% of company employees made 2–4-day trips, the same is true of only one quarter of pensioners. 30% of single-member households made such week-end trips in 2007. The figure for two-, three-, or four-member households stood at 34–36%. **Within this, the travel propensity rate of couples with one or more children over 40% is exceptionally high.** These weekend type trips are less likely to be seasonal than longer holidays. While only slightly more than one-quarter of 2-4-day trips are made in Q3, half of all longer holidays are actually realised in this same period.

The period of time spent making short weekend trips by destination regions in 2007: Budapest, Central Danube region: 13 million days; Northern Great Plain: nearly 10 million day; Lake Balaton: 8 million day; Northern Hungary: 77,5 million day; Southern Great Plain: 55,5 million day; Central Transdanubia: 55,5 million days; Western Transdanubia: 4,1 million days; Southern Transdanubia: 4 million days; Lake Tisza: 1 million days.

With regards to time spent, 54% of weekend trips were motivated by the visiting of relatives. From this it follows that in 59% of such cases accommodation was provided by relatives and friends, while in 22% of cases travellers used their own second alternative home. In 28% of cases, the main motivation was entertainment and recreation. Of all the commercial accommodation types, hotels and motels were the most popular with a 9% and 3% share of the total travel time respectively. **More than one third of weekend type travel was made by the 25–44-year old generation. 71% of trips was made by passenger car,** the share of coaches and railway is roughly the same at 14% and 15% respectively.

Tourists making weekend trips spent a total of HUF 170 billion, which is a 9% increase on last year's figure at current prices. Travellers spent 21% of their expenditure on accommodation, 28% and 29% on food and transport. Average expenditure per household was 34 thousand forints; the figure comes to 75 thousand forints when the expenditure of the actually travelling parties is taken into account. Social and economic differences are also reflected in tourism-related expenses. An average household with a passenger car spent an average of 47 thousand forints on weekend trips while for other households this figure is less than HUF 18 thousand.

When the term of travel is at least **five days** away from home, the activity is considered as free-time devoted specifically to the purpose of tourism. Nearly **one-quarter of the Hungarian population** went on such longer trip at least once during 2007; however these trips were characteristically **seasonal**. There still is a tangible difference between the tourism patterns and attitudes of populations living in the eastern and the western parts of the country, the young and the old, the qualified and the unqualified, the well-to-do and the poorer groups. The population living in economically backward regions of the country is less likely to make trips for the purpose of tourism than those living in more developed regions. Among the people living in the capital and Pest County the rate of tourist travellers is 34%, whereas the same figure for people living in the rest of the country ranges between 19%-24%. As for five-day and longer trips, Budapest and surrounding area is also a major destination only overtaken by **Lake Balaton**. **Southern Transdanubia with only one-quarter of all incoming tourism is one of the last regions in the country only to be followed by** Western Transdanubia and Lake Tisza.

The composition of households also had a peculiar impact on travel patterns. 18% of singles - typically old-age, pensioners - made a trip in 2007. Out of two-member households, 31% of young couples - one and a half times more than of the elderly - made a trip. Travel propensity among couples with one or more children was over 30%. This may be explained by the fact that even poorer households make heavy efforts to have at least their (minor) children sent to at least a school camp if that's all they can afford. Holiday-making - particularly which lasts five or more days - **is characterised by heavy seasonality. Year after year, nearly half of such holidays are made in the third quarter of the year.** The number of trips lasting five days or more kept rising year after year from 2004 to 2007 by 5-9%. **One of the most popular domestic tourist destinations was Lake Balaton** with more than one-quarter of all travel time being concentrated here. Holiday time spent at our largest lake during longer travels expanded at a rate significantly greater than average by 17%. Lake Balaton is favoured particularly by people from the central regions and from Budapest. **All other regions were primarily characterised by trips made within the given region.** The main motivation behind travel was holiday-making and recreation and somewhat more than one-quarter of all trips was made with a view to visiting friends and relatives. **In 2007, people** spent a total of 47.8 days in the course of 6.4 million trips. During travel, passenger cars were used in 66% of all cases, coaches were availed of in 18% of all cases and trains were used in 16% of all cases. Based on total time spent on holidays, accommodation

was provided by friends or relatives in one-third of all trips, second alternative homes were used by 25% of travellers, and the share of hotels, youth and tourist hostels was also higher than 10%. **Half of all travellers came from the 25–44, and the 45–64-year old age groups with approximately equal representation.** In 2005 and in 2006 expenditure in tourism rose by about 10% at current prices, while in 2007, **the HUF 152 billion spent on 5-day or longer holidays is a 13% improvement on the year before.** People coming from Central Hungary account for more than 40% of this expenditure. The average household spent 29 thousand forints on 5-day or longer travels throughout the year.

2.5.3 Turnover of guest in Pécs in the first half of 2008 ⁴

Pécs is traditionally an important centre of tourism in Baranya County. In the first half of 2008, more than half of the visitors in the county and more than two-fifth of overnight stays were registered in the county capital.

Number of overnight stays registered by commercial accommodation service providers

	1st half of 2007		1st half of 2008	
	overnight stay total	international guest nights	overnight stay total	international guest nights
Country total	8,178,306	4,167,130	8,134,064	4,203,932
Transdanubia	721,346	198,377	701,236	185,756
Baranya County	261,289	67,313	256,054	64,853
Pécs			105,000	

2.5.4 Visitors to the city of Pécs

⁴ CSO Southern Transdanubian statistical mirror 2008/9

Similarly to the larger share of the Southern Transdanubian region, **the turnover of guests in the city of Pécs** has been steadily declining.^{5 6 7} **Pécs in 2006 was no longer among the top ten most visited Hungarian cities** (in the year 2005 it only managed to rank last - but with deteriorating figures - among the top ten cities visited by domestic tourists). In 2006 19,4% of tourist were foreign, and 80.6% were domestic.⁸ The most important sources of tourism in Pécs were Germany, Italy, France, Great Britain, Romania, and Croatia. **Domestic tourism is stagnating** (despite the fact that domestic tourism is picking up momentum nationally), and **foreign tourism is fast declining** in real terms. Falling turnover of guests is coupled with steadily declining **overnight stays** (1.8 days), i.e. visitors on average tend to spend less time in Pécs than before. In the past five years the tourism market in Pécs has been steadily shrinking both in terms of domestic and international tourism. Although Pécs is widely recognised nationally as a potential tourist destination and the respondents described the town as a "nice and cosy place", the town has so far failed to convey a characteristic image to people. It is not known abroad - except for the source countries - and even those that may have heard of it cannot place it on the map.

The main reasons behind the contraction of the market:⁹

- Poorer performance of the appeal products (particularly Pécs and Harkány) in contrast to competition.
- Lack of higher category accommodation (which prevents reception of groups with real purchasing power).
- Unfavourable location in terms of transport and geography; poor transport infrastructure. Pécs visitors are generally **highly qualified** with steady and higher incomes. The **age composition** of visitors: Pécs is most sought as a destination by groups under **30 years of age** (35% of foreigners and 42% of domestic tourists belong to this age group), while more than 18% are **over 60 years of age** (however, the elder generations have a much

⁵ ECoC Pécs 2010 - tourism development strategy

⁶ www.echopecs.hu/index.php?id=694

⁷ MT Zrt's Marketing Plan, 2007

⁸ Source: Turnover of guests in Pécs by source countries, CSO, 2006.

⁹ MT Zrt's Marketing Plan, 2007

higher representation among foreigners).¹⁰ The underlying motivations range from **culture seeking** through holiday-taking to recreation.¹¹ In a survey conducted in **2005**, the highest share of respondents ranked **city visit** the highest motivating factor with **culture seeking** also being ranked very high on the scale. Visitors to Pécs generally have high qualifications and good incomes; they tend to appraise the town's built heritage and museums; they are strongly motivated by a desire to learn of the cultural features and attractions of the town. Beside tourists, the **local inhabitants of Pécs** also show great interest in the town's cultural institutions and sights.

Summary – Visitors to Pécs on the basis of the available visitor statistics and questionnaire surveys:

The tourism cake of Pécs is worth approximately HUF 20 billion per annum, which accounts for 0.5% of total incoming foreign tourism and app. 2% of total domestic tourism at national level.

2.5.5 The Palmer report – ECoC experiences concerning tourism turnover

According to earlier ECoC experiences and as expressed by the Palmer report, tourism turnover figures did not always show clear growth. Soaring changes were only characteristic of towns where strong emphasis was placed on culture tourism. In the year of the program, figures may soar as high as around 10-20% (Bologna, Salamanca, Graz) with an average of 12.7% growth in tourism turnover. The composition of visitors in the specific town shows great divergence. In towns with a low base figure (Weimar) the rate of foreign tourists may have reached as high as 75%, nonetheless, the average was still around 10-20%. The larger share of visitors (30-40%) comprised of local habitants, while the rate of domestic guests was around 20-30%. One-day visitors accounted for about 10-20% of total tourism. The lion's share of visitors is a pool of first-time guests. The socio-demographic composition of visiting tourists was equally diverse. The range of programmes offered, the atmosphere and opportunities of the place tend to define visiting tourists along specific age groups. While Porto attracted the younger generations in larger

¹⁰ www.echopecs.hu/index.php?id=694

¹¹ Pécs as a world heritage puffer zone: presentability and reception of tourist. Feasibility study March 2005

proportions, the greater share of visitors to Bruges was of the 25-54-year-old age group with steady and high incomes. When looking at the composition of visitors to previous ECoC cities, two target groups deserve a more focused attention partly because of their dominance in terms of numbers and their travelling and spending patterns:

- 18-26-year-old higher education students, mobile, open and receptive to new things, keen on actively involving in opportunities that present themselves,
- 40-60-year-old age high-earner urban group with higher education qualifications, having at least one university/college degree, doing intellectual work and seeking unique cultural experiences.

2.6 MUNICIPALITY OF PÉCS AND THE STRATEGIC PARTNERS OF THE PÉCS2010 ECoC PROGRAMME

In order to promote the marketing-communication strategy, it is essential to strengthen existing and build new alliances and professional cooperation. Beside the cooperation with government and local government actors, the success of the project, its domestic and international repercussions largely depend on the level of motivation of the cultural, scientific, and economic actors. All actors must be able to see clearly that the success of the ECoC programme depends on **the establishment and the synchronised daily functioning of common platforms**, which make parties mutually interested in cooperating. In order to promote the successful implementation of the Pécs2010 ECoC programme, close cooperation will be essential with the following partners:

Pécs strategic partners:

- Baranya County Local Government
- Southern Transdanubian Regional Development Agency
- University of Pécs
- The Churches
- Major local economic associations
- The institutions of Pécs
- The major media organs of Pécs
- Cultural Innovation Competence Centre

- Major local tourism organisations (Pécs Tourinform Office, the future Pécs TDM organisation, MT Zrt's Southern Transdanubian Regional Marketing Directorate)

Hungarian strategic partners:

- Government actors partaking in the implementation of the programme include: the Ministry of Education and Culture, Prime Minister's Office, the Ministry of Finance, the Ministry of Economy and Transport, the Ministry of Local Government.
- National Development Agency
- National Cultural Fund
- The local governments of partner cities cooperating on the basis of concluded cooperation agreements (Regional partner cities; Szeged – top partner city; „One takes everybody else along”)
- Hungarian Tourism Ltd.
- Tourinform office network, travel agencies specialising on domestic travel
- Major cultural institutions, associations, and enterprises
- Major national media organs

International strategic partners:

- The cities of ECoC2010 – Ruhr Area, Istanbul
- Twin cities
- Network of ECoC cities
- Cities of the Southern Cultural Region
- Hungarian cultural institutes and embassies abroad
- Foreign representations of the Hungarian Tourism Ltd.
- University partnerships (Association of ECoC city universities), fellowship exchange programmes, student associations
- Foreign representation of ITDH
- International organisations and club networks

Further strategic partners

- Organisers of Pécs2010 ECoC art events
- Contractors of the ECoC investments
- Volunteers
- Ambassadors of Pécs2010 ECoC
- Messengers of Pécs2010 ECoC
- Patrons of Pécs2010 ECoC

2.7 REGIONAL AND INTERNATIONAL COOPERATIONS WITHIN PÉCS2010 ECoC PROGRAMME

The Pécs2010 programme was awarded the European Capital of Culture title with its bid titled “Borderless City.” Pécs will be the first European Capital of Culture that opens to the diverse culture of the Balkans and will play the role of a gate-town between the cultures of Western and Eastern Europe presenting the diversity of cultural experiences. This mission is greatly advanced by the fact that the title of ECoC was also granted to Essen (Ruhr Region) and Istanbul in 2010, which calls for cooperation and the unification of forces. In addition to this, the European Union expects the Cultural Cities to host events that are known Europe-wide as opposed to events winning only local or national recognition.

Pécs – Istanbul – the Ruhr region

The cooperation of Pécs, the Ruhr region and Istanbul in the European Capital of Culture (ECoC) project is important not only for the cities and the regions involved, but also from a European perspective. The three partners are closely cooperating in their preparations for the 2010 cultural year. One of the main related tasks is to synchronise the opening ceremonies. They are working out joint projects not only in the area of culture, but also in the areas of tourism and urban development. These efforts were reinforced by the meeting of the presidents of the parliaments of

the three states on 3-4 October 2008 in Budapest and Pécs. As a result of these negotiations, a joint declaration was made by the parties concerning their commitment to the three Cultural Capital project.

Pécs Ruhr region: Relations with the Ruhr region have been very intensive ever since the lead-in phase into the project. 53 cities participate in the German project, with Pécs cooperating with the key cities (Essen, Dortmund, Bochum, Gelsenkirchen), and also one or two minor ones. Since 2006 large-scale and intensive cooperation has been established between the political, intercity and cultural actors. The two partners have agreed to give each other the opportunity to regularly participate in festivals they may organise in an attempt to promote communication activities.

Pécs – Istanbul: Given the ECoC title of the two cities, relationships between Pécs and Istanbul, as well as between Hungary and Turkey have intensified. Katalin Szili visited Turkey in January 2008 with ECoC as her main agenda item. Péter Tasnádi, the mayor of Pécs and Kadir Topbas, the mayor of Istanbul signed a memorandum of cooperation on 12 June 2008 with the aim of strengthening cultural cooperation and promoting the two cultural capitals. Also on 12 June, the municipality of Pécs signed a co-operation agreement with the Beyoglu District (having a population of 400,000) in Istanbul's former downtown area, where most of the 2010 events will be concentrated.

Southern Cultural Zone

The idea of the Southern Cultural Zone was conceived together with the Pécs bid. The region demarks an area - building on Pécs's natural cultural relations - which stretches from Trieste to Arad on the other side of the southern country border and outlines the contours of a possible cultural region. The network-like cooperation between the twin cities of the Southern Cultural Zone may help the development of a regional identity by encouraging common cultural action and the more effective learning of cultural performance expanding balanced inter-cultural cooperation. These political and cultural collaborations ought to be designed to exert long-term impacts. In order to convey this message, Pécs's location is certainly ideal in terms of geo-politics and cultural traditions. The city was awarded UNESCO Peace prize, which in itself is a brand-creating component; sadly, however, the granting of the award went almost completely unnoticed by the public. This project component may assign a European role to the town which may be most pivotal in the long-term in terms of international relations.

Partner cities of the Southern Cultural Region:

- **Sarajevo:** On 11 April 2008, the Pécs 2010 Management Centre signed an agreement with the Sarajevo Winter Festival concerning cooperation under the framework of the European Capital of Culture.
- **Zagreb:** On 23 October 2008, the municipality of Pécs signed a Treaty of Friendship and Cooperation with Zagreb in which Pécs undertakes to involve not only Zagreb in the European Capital of Culture project but also Osijek, Samobor, and Pula.
- **Vojvodina-Novi Sad-Subotica-Belgrade:** Cooperation has already begun with a number of Hungarians and Serbian partners in Vojvodina. In September 2008, the Magyarkanizsa Theatre performed József Nagy's play in Pécs as part of the International Dance Song Festival. Pécs's relations with twin city Novi Sad are also of great importance within the ECoC programme. Belgrade is Pécs's key partner: invited by Jugokonzert, the Pannon Philharmonics will be performing in the internationally-acclaimed Bémus Music Festival in the autumn of 2009.
- **Further partnership in the Southern Cultural Region:** Trieste, Maribor, Lendava, Osijek, Pula, Tuzla, Temesvár, and Arad

International networks and twin relationships

The European Capital of Culture programme is a serious challenge and the cities of the title conduct regular consultations to exchange experiences and ideas. Initiated by Pécs, the European Capital of Culture Network, which is usually convened by invitation of the current Cultural Capital, has become an internationally recognised forum for the exchange of experiences. In coming years the two most important 2011 cities will be Tallin and Turku (both with Finno-Ugric roots!). 2012 with Maribor (member of the Southern Cultural Zone) and 2013 with Kassa, the twin-city of Miskolc, being the European Capitals of Cultural will also be two very important and interesting years.

ECoC cities in the network:

- 2008: Liverpool (United Kingdom) – Stavanger (Norway)
- 2009: Linz (Austria) – Vilnius (Lithuania)
- 2010: Essen/Ruhr Area (Germany) – Pécs (Hungary) – Istanbul (Turkey)
- 2011: Turku (Finland) – Tallinn (Estonia)
- 2012: Guimaraes (Portugal) – Maribor (Slovenia)
- 2013: Marseille (France) – Kosice (Slovakia)

UNEECC: It is important to mention here the University Network of the European Capitals of Culture (UNEECC), founded by the University of Pécs. The organisation is extremely active organising numerous conferences each year and visiting current ECoC cities (convened in Liverpool this year).

Twin relationship: The city of Pécs and its regional partners all have built extensive twin-city relationships. The Pécs2010 ECoC programme attempts to involve these traditionally flourishing relationships in international activities. Numerous towns are involved in the ECoC city partnerships in the Southern Cultural Region (e.g. Osijek, Arad, Novi Sad, Istanbul, Kütahya, Graz, Krakow). In addition to this, a number of cities are seeking ways to connect to the ECoC programme: e.g. Fellbach, Lyon, Dijon, Namur, Kolozsvár, Terracina, and Sliven.

Regional relations

Pécs's bid does not only represent the town of Pécs but its immediate (Southern Transdanubia)

and wider (Southern Cultural Region) environment as well. The counties, and county centres in the region are equal co-owners of the ECoC title with any of the major towns and micro regions/settlements of the region. The synchronisation and partial common planning of programme planning, marketing, communication, and international cooperation may serve as a model for the future operation of the region presently in its conception stage. More than thirty towns from the Southern Transdanubian region, together with Baja and Székesfehérvár expressed their commitment to the Pécs2010 ECoC programme and expressed their desire to cooperate. The relevant agreement was signed in Pécs on 22 October 2008. On the basis of the declarations of intent made in the bidding stage, the cooperation will also see Dunaújváros, Keszthely, and Nagykanizsa as participants.

Szeged - key partner

At the beginning of the bidding phase of the European Capital of Culture programme, Szeged and Pécs signed a strategic agreement pursuant to which Szeged refrained from making a bid for the title in exchange for being Pécs's key partner city. This way the two cities can effectively represent Southern Hungary and the cultural partners on the other side of the country's southern border.

"One takes everybody else along." In the first round of the competition for the title of the European Capital of Cuéture, eleven cities – Budapest, Debrecen, Eger, Győr, Kaposvár, Kecskemét, Miskolc, Pécs, Sopron, Székesfehérvár and Veszprém – submitted bids. At this point Pécs had already indicated that in the event of being selected, the city would be counting on the cooperation of the other towns. Ranked second in the bidding, Miskolc is responsible for the active coordination of the network. The aim of the cities is to connect to the programmes of 2010 in an integrated manner and increase their international recognition together with Pécs through the ECoC programme.

The cooperation of former Hungarian and German bidding cities, **Cultural Cities Net 2010** ties in with this. Cooperation is exemplary even at a European level: never before have the bidding cities of the partner countries met on a regular basis.

2.8 ANALYSIS OF THE COMPETITION

When planning the series of programmes and the organically related marketing communication, it must be taken into account that in certain cases we will be maintaining partner relationships with our competitors. **The touristic appeal of these foreign and Hungarian cities and their events** may draw away considerable masses of visitors from the Pécs2010 ECoC programme.

- **ECoC2010 - the two other capitals: Ruhr Area and Istanbul.** Essen is the media and cultural centre of the Ruhr Area; with heavy innovative reserves and openness towards post-modern multi-art contents. Istanbul will probably build on oriental exotism and spectacular, experience-oriented cultural projects in 2010. Independent of the title of cultural capital, both cities traditionally attract large masses of visitors annually.
- **Alternative events Central European festival cities have on offer.** This mostly includes cities such as Vienna, Salzburg, Prague, and Krakow; each of these cities has a considerable range of cultural events to attract tourists. These cities are particularly good at compiling their programmes and events to meet seasonal requirements and demand and at being open to various likes and tastes. Zagreb and Ljubljana pose strong competition with their excellent range of conferences and fairs. By 2010 Bucharest may also gain strength as a festival city.
- Here in Hungary, there is the capital, **Budapest and two or three other larger cities** (e.g. Eger, Szeged, Debrecen), and the **Lake Balaton region** that compete with each other in an attempt to attract as many tourists as they can. Some of these places focus on cultural events; others may be strong on recreation, while other places may lure domestic or international tourism with the attraction of their built natural environment. The larger share of tourists arriving specifically for ECoC is likely to arrive in Pécs via Budapest. It is worth reckoning with the fact that **Hungary will be holding EU presidency in 2011**, and - as a main rehearsal for the event - **Budapest will be offering a range of festivals and programmes** that is more concentrated and of **higher standard** than what is being offered at present.
- **The annually recurring national festivals** that normally attract more than one-hundred thousand visitors (e.g. Sziget, Valley of Arts, Budapest Parade, etc.) and the grand events targeting elite consumers present a natural competition to the programmes offered by Pécs2010 ECoC (e.g. Budapest Spring and Autumn Festival, Szeged Open-

Air Festival, Miskolc Opera Festival, etc.)

2.9 FINANCIAL RESOURCES

Cultural programmes, management

Resource	amount (HUF M)	expressed in %
Ministry of Education and Culture of the Republic of Hungary	3,629.0	40.00%
Local Government of Pécs - City with County Rights	2,993.6	33.00%
other (partners, sponsorship, NCF, other grants, marketing, other resources)	2,448.8	27.00%
total	9,071.4	100.00%

Development investments

Resource	amount (HUF M)	expressed in %
European Union resources Southern Transdanubian Operative Programme	29,410.0	85.00%
Ministry of Local Government of the Republic of Hungary	1,730.0	5.00%
Local Government of Pécs - City with County Rights	3,460.0	10.00%
total	34,600.0	100.00%
NFÜURB01/2006 support contract (in preparation)	1,000.0	90.00%
Local Government of Pécs - City with County Rights	111.1	10.00%
total	1,111.1	100.00%
GRAND TOTAL:	35,711.1	–

Pursuant to the "Cooperation Agreement concerning the tasks relating to the implementation of the European Capital of Culture 2010 programme" - concluded on 15 December 2006 and amended in June 2008 - a total of app. HUF 9.1 billion is available between 2007 and 2011 to cover the **ECoC program's cultural events and management costs** (wages, wage benefits, personal costs, administration, promotion, communication, marketing, assessment, monitoring, reserve funds). The Agreement was signed by the following four parties: the Ministry of Education and Culture and the Local Government of Pécs, and Hungarofest Nemzeti Rendezvényszervező Kht and Pécs2010 Menedzsment Központ Kht. ("Government-City contract"). Pursuant to the Agreement, the Ministry of Education and Culture contributes a total of HUF 3.6 billion to cover expenses; HUF 1.3 billion is earmarked for "promotion and marketing" while the remaining HUF 2.3 billion will be spent on "Cultural programmes and projects". According to the Agreement, the Local Government of Pécs will contribute HUF 3 billion to cover programme and management costs in accordance with the terms and conditions of the Agreement. The remaining app. HUF 2.45 billion will be raised through sponsorship, National Cultural Fund grants, product sales, direct support from the County, partner cities, and the EU, as well as from other sources (grant proposals), other donations, funds, and foundations. Any necessary funding that is not raised will have to be provided by the holder of the title, the city of Pécs.

The total costs of the **investment projects** implemented as part of the programme is HUF 34.6 billion, of which:

- maximum HUF 29.4 billion European Union funds may be called down under the DDOP (South Transdanubian Operative Programme) (85%)
- maximum HUF 1.73 billion may be called down from the Ministry of Local Government (5%)
- and the remaining 10% own contribution will be supplied by the project owners (beneficiaries). Beside the HUF 34.6 billion, an additional HUF 1 billion is also available under Support Contract NFÜURB01/2006 for the preparation of the programme from funds provided by the National Development Agency (Ministry of Economy and Transport).

2.10 The Marketing Activities of PÉCS2010 MANAGEMENT CENTRE in 2008

The marketing activities, including communication, have followed a strategy gradually evolving in the past period. Therefore in the short run, since all the invested energy and expenditure were dissipated, neither the program itself nor its effectiveness could be felt, and as a result, the project has not produced the expected results either. The effect of the activities was further weakened by the fact that only the amount ensured by the local government of Pécs was actually available for the marketing activities of 2007-2008, which at the same time was meant to cover the costs of both national and international appearance.

In the past period all kinds of unfounded and false news spreading in the local and national media have generated a negative news spiral which greatly influenced public opinion, and as a result the publication of positive news and results has had no effect. This also meant that the possibilities offered by the already existing media relations could not be used efficiently either.

The three main pillars of marketing and communication activities:

- Image communication
- Communication of artistic programs
- Introduction and positioning of investments

Strategic partners: Hungarian Tourism Zrt, Radio MR6, Pécs TV, Pécs News, MTV, Duna TV, Hungarian News Agency (MTI), Volunteers' Centre of Baranya County, New Transdanubian Journal (Új Dunántúli Napló).

Official website of Pécs2010 European Capital of Culture Program:

www.pecs2010.hu

- User-friendly site with constantly expanding functions
- Functions suitable to generate newsletters both in English and in Hungarian
- The English language version has been launched and is constantly expandable
- Future plans for other language versions

Local and regional communication

- Csészenyi Square2010 ECoC Infopoint – The information point of the Pécs2010 European Capital of Culture Program in the centre of Pécs where the plans, the models and the animated films of ECoC are presented. Enquiries are answered in connection with other future developments planned in the city as well as about the ECoC and other cultural programs; information leaflets and brochures are also available here. Beside all this the information point also functions as a venue for events:
 - Reception of international delegations and foreign journalists, professional meetings
 - Press conferences in connection with artistic programs
 - Venue for different kinds of local competitions
 - Csészenyi Summer – gives ground to civilians, thereby publicizing the ECoC program (concerts, exhibitions, playhouse, readers' nights)
 - The “Magic Tunes” series – sing-along nights on a weekly basis where anyone can freely join in.
- The „Zsolnay Future Stone” program – painting Zsolnay pyrogranite plates which will be displayed in the framework of the „Revival of public squares and parks” project.
- Public forums organized by Pécs2010 Kht
- Open House – Exhibitions in the seat of Pécs2010 ECoC Centre. From the summer of 2007 onwards there will be nine occasions enabling artistic groups to introduce themselves (Faculty of Music and Visual Arts of University of Pécs, Tibet Europe Foundation, Society of Artists of Pécs-Baranya, Lace-makers Workshop of Pécs, etc.)
- Animated films about the investments of the Pécs2010 ECoC program showing on flat screen monitors at six different locations in the city.
- Pécs News – the biweekly public newsletter of Pécs published with the logo of the ECoC program in its headline. On one occasion it published a 4-page special supplement about the investments of ECoC, and regularly reports on the ECoC programs.
- Pécs TV, as the official local television of ECoC, regularly covers the ECoC programs presenting the logo of ECoC, with weekly special editions (Just Today’s News) on the ECoC. In its program recommendations it highlights the ECoC supported programs and also regularly shows the tender film of the ECoC program, different spots and the animated films of the investment projects.

- Every Tuesday the local daily paper Dunántúli Napló reports on the Pécs2010 ECoC program in a one page supplement.
- Weekly radio programs based on the thematic recommendations of the ECOCC Centre (Rádió Aktív, MR6 rádió)
- Cooperation with Praktiker Építési-és Barkács piacok Magyarország Kft. (This includes showing the logo on the map of Pécs in the Praktiker catalogue and in the Pécs version of the Praktiker catalogue publishing 2x1 page of ECoC material, placing the ECoC flag and the ECoC molino with the ECoC logo on dates negotiated in advance for a period of two weeks every quarter; events popularizing ECOCC program in the Praktiker Department Store of Pécs (ECoC Weeks).
- Outdoors events popularizing the Pécs2010 ECoC program (e.g. University Days of Pécs, May Day programs, Rock Marathon, Devil's Pot Festival, Hunter's June Festival of Pécsvárad, Expo for Komló, Lobby Party of Szentlőrinc).
- Public tenders for civilians (e.g. Name-giving competition for future investments)
- Sending a news on a daily basis.
- Sending periodic newsletters.

Volunteer's program:

- Cooperation agreement with the Volunteer's Centre of Baranya County – trainings, professional coordination.
- Close to 300 registered volunteers as well as organizations which are registered as volunteers collectively.
- Up to the present day our volunteers have worked in more than 230 different volunteer jobs at 53 different events (distributing leaflets, interpreting, organizing exhibitions, etc.).
- International volunteer relations – the Pécs2010 Kht is a registered, accredited international organization to receive volunteers; cooperation with Vilnius and Istanbul has already been launched.
- Professional workshop assisting the volunteer program of Pécs.
- Monthly volunteer meetings – review of volunteering possibilities and responsibilities, reports on past events, concrete actions.
- Non-stop internet contact – programme guides, newsletters sent by e-mail.

Communication at the national level

- On-the-spot events, personal networking at national events, exhibitions, e.g.: National Gallop, Travel Expo, Gulyás Festival of Szolnok, Hungaricum Festival of Szeged
- TCR-campaign in the Hungarian National TV (MTV)
- Sending press news on a daily basis
- Appointment of the ambassadors of the Pécs2010 ECoC program who promote and spread the news of the program in the country.
- Sending periodic newsletters.

Communication of ECOC supported programs

The 2008 preparatory year of Pécs2010 European Capital of Culture program saw **132 official events**, presenting the Pécs2010 ECoC program in the following way:

- Logo and slogan (showing „The program of the 2008 preparatory year of the Pécs2010 European Capital of Culture program” in different kinds of publications and invitation cards
- Placing molinos and roll-ups at different events
- Opening events, welcoming the audience
- Leaflets
- Promotional materials, gifts
- Press news reports, radio programs
- Posting programs at the www.pecs2010.hu website
- Showing the Pécs2010 image film, whenever it was possible
- Greeting and farewell cards (Upon the arrival and departure of registered guests participating in conferences and other big events)

Communication of investments

The communication of investments connected to the Pécs2010 ECOC program. As part of this the following took place:

- The ceremonial announcement of the results of investment tenders and the exhibition of the tenders (generally at two different sites)
- Presentation of animated films on the investments
- Providing information at the ECoC InfoPoint, at public forums, on-the-spot events and presentations.
- Informing the television, the radio and the press on a regular basis about the most important events.
- Organizing press conferences.
- Detailed descriptions provided in informational materials.

International Communication

- Attending conferences
- International exhibitions (3 times in Brussels, once in Zagreb and Lille)
- Reception of foreign guests
- Publications in foreign publications (Israel, Germany, etc.)
- Oct. 3-5: Meeting of the Turkish, German and Hungarian Speakers of Parliament
- Direct or indirect dispatching of informational leaflets to other countries (e.g.: Austria, Germany, Turkey, Portugal, Great Britain, France, Mexico, Japan, Taiwan, Croatia, Serbia, Italy, etc.)
- Ambassadors, messengers
- Patrons

Available products with the ECoC logo/content

- Folded leaflets (Hungarian, English, German, French) – general information
- Tender books
- Badges
- Paint books
- T-shirts
- DVD image films
- Animated films about investments
- Other leaflets: stickers, stationery, balloons etc.

Available tools for on-the-spot events

- Pécs2010 media board
- Parasols
- ECoC tents
- 100-sqm installation
- Stopping signs
- Information desks (2 pcs)
- Banners (2x2 ms, 2 pcs)
- Pécs2010 Roll-ups
- Leaflet holders
- L banners
- Information signs
- Molinos – English (20 pcs); English-Hungarian (4 pcs)
- Giant molinos (2 pcs)
- Desk flags

2.11 SWOT ANALYSIS¹²

The marketing diagnosis contains the social and economic features of Pécs, its tourist facilities and infrastructure, the conditions for receiving guests, the background infrastructure and organizational structure of Pécs and how all this relates to the ECoC program, analysing their weaknesses and strengths, risks and opportunities with strategic guidance.

2.11.1 Strengths

Social and economic characteristics

- Central role in the region
- Positive migration difference
- Highly educated population; Pécs is home to one of the best universities of the country

- Traditions of a multinational population
- Regional and cross-border twin city relations.
- Facilities supporting investors and enterprises, encouraging activities based on innovation, support for small enterprises (Industrial Park with a complex infrastructure, facilities, logistic centre, entrepreneur's village, support by the local government).
- Local rate of unemployment is below the country's average.

Tourist facilities

Appeal for tourists

- World heritage site
- Monuments in the built environment, several important attractions and numerous monuments
- Nationally renowned museums, many exhibitions
- Large system of walking zones
- Attractive natural environs of the Mecsek Hills (hiking opportunities, 43 kms of hiking routes in the park forest, watch-towers)

Cultural life, events

- An almost 2000 year-old cultural past
- Colourful minority culture
- Numerous cultural program, program organisers
- A high number of cultural and recreational institutions
- Tradition of classical music, national and international fame of the Pannon Philharmonic
- Theatre and dance culture of national importance, fine arts
- Experience achieved during the preparatory years of the ECoC program
- Strong cultural basis, innovative intellectual workshops
- Home to alternative and underground art

Tourism infrastructure

¹² Based on the study: Local government of Pécs, European Capital of Culture - Pécs 2010, preparation of a project calling for EU funding, A complex feasibility study, Development strategy for tourism, November 30, 2007 - amended with ECoC aspects.

Accommodation

- Accommodation for those who prefer a familiar atmosphere (guest-houses)
- Supply tailor-made for the geographical characteristics of demand (relatively high number of rooms in the city centre)

Recreation

- Certain sports activities attract tourists (e.g.: basketball championships).
- The recreational potential of the Mecsek Hills surrounding Pécs offers attractive supplementary programmes.
- Relatively wide range of children's' programmes (zoo, terrarium/aquarium, Mecsextreme Park, etc.)

Hospitality

- Large number of high quality catering establishments, wide range of choice
- Altogether a relatively large capacity for event venues in catering establishments
- Some catering establishments offering a wide range of choice and special dishes.

Background infrastructure

Accessibility and availability

- Fleet of modern buses
- Direct bus lines, railway lines to all major settlements
- Nearby airport (with international border-opening rights)
- Relative proximity of Danubian waterways; nearby Mohács is a Schengen border crossing point and also an important harbour
- In the summer season a sightseeing small railway line runs in the city
- Pedestrian traffic (pedestrian streets, zones)

Settlement image

- Some of the parks and public spaces are quite attractive
- Relatively good condition of green zones and surfaces (according to size and condition)
- Mediterranean climate and characteristics

- Favourable natural conditions

Settlement services

- Complex system of public utilities
- Housing estate reconstruction underway
- Relatively good environmental conditions, investments in environmental protection, selective waste recycling facilities
- Relative cleanliness of public spaces
- Appropriate health care and social service
- High level of educational infrastructure, universities, knowledge-base
- Complex electronic administrative system

2.11.2 Weaknesses

Social and economic characteristics

- Dramatically decreasing population
- Dynamically aging population, migration of the younger generation
- Ceasing of traditional industrial activities, forced structural change, weak manufacturing sector
- Low number of big multinational companies (limited job creation)
- Low level of competitiveness and innovation of SMEs in spite of received support and provided services
- Proportion of the employed workforce in the field of catering and accommodation services is relatively low or close to the average.
- High rate of permanently unemployed population
- The general condition of the population in cultural terms is ambivalent: according to a comparison of six Hungarian cities, the citizens of Pécs have the lowest opinion of the cultural life of their home town and they are the least satisfied with the condition of cultural institutions and buildings and with intellectual life and entertainment or recreational opportunities.
- The satisfaction indicators of the young people of Pécs are also a bit less favourable than the country's average: young people would like to have places offering complex entertainment opportunities with service facilities and they emphasise the lack of public

spaces.

Tourist facilities

Tourist attractions

- The high priority attractions of the city are less known
- There is much room for improvement in the physical condition of museums and exhibition centres.
- Besides using traditional tools, interpretation does not apply modern solutions.
- The interactivity and amusement level of programmes are pretty low; there is a strong need for alternative or supplementary programmes.
- At present, Pécs has programs or sights to offer to tourists only for a 1 or 2-day visit.
- Opening hours do not meet the demand.
- Public places can not be accessed conveniently by the disabled.
- The system of conditions for guests is imperfect at many places (e.g. bathrooms, souvenir shops, rest rooms, bank card payment possibilities, etc.)
- The utilization of capacities is low (e.g. the cellar systems, open-cast mining)

Cultural life, events

- Due to the lack of event calendars the programs are not coordinated properly.
- Few truly attractive events of a remarkable scope.
- Few unique events that can be identified with Pécs.
- Low number of night life activities or entertainment facilities and programs for the younger generation.
- Seasonal programmes only, winter programmes are limited.
- Few periodic programs and exhibitions that are new both to the locals and to returning guests.
- Lack of local and regional program packages, guaranteed programmes.

Tourism infrastructure

Accommodation

- Limited capacity of accommodation; at times of bigger events there is no vacancy, or hotels are overcrowded.
- Low number of high quality hotels.
- The structure of accommodation does not fit demand properly.
- The ratio of price-value is not adequate.

Recreational facilities

- Low number of sporting and recreational facilities.
- Low number of EU-compatible playgrounds.
- Total lack of water-based tourist services, wellness facilities (which means a significant competitive disadvantage as compared to other large cities).

Catering

- Not enough characteristic catering establishments.
- Limited number of information and traffic signs.
- Not enough public toilets.
- Tourist information points are limited in time and space.
- Conditions of hospitality in the case of major tourist attractions are imperfect (bathrooms, souvenir shops, rest rooms, bank card payment possibilities are insufficient in many places).

Background infrastructure

Accessibility

- Unfavourable road accessibility.
- Airport is not suitable for reception of medium-sized airplanes (A 310, Boeing 737 or „low-cost” flights)
- Numerous railway lines have been terminated in the region, the trains running from Pécs to Budapest are extremely slow (worse Intercity train connection than that of the competitors).
- Coach lines within the region are unfavourable, especially in the evening hours.
- Cycling infrastructure is imperfect.

- Transport within the city runs into difficulties, parking (especially for buses) is an aching problem.
- Only very few vehicles of transport are available for tourists.

Settlement image

- Appearance of most public places leaves much to be desired (e.g. road surfaces, drinking wells, attractiveness, neatness).
- Run down streets in the city centre (pavement, road surfaces, and bad condition of trees).
- Numerous buildings even in the city centre need renovation, which degrades the cityscape.
- Certain parts of the city lag behind other city quarters.
- Neighbourhood of access roads to the city is unfavourable.
- ECoC investments and other infrastructural developments running concurrently in the city make the life of citizens and the transportation of tourists more difficult while decreasing the level of pleasure.
- The flow of negative news connected to ECoC investments.

Settlement services

- Problem of collecting rainwater (e.g. in Széchenyi Square and at the side of the Mecsek Hills).
- Relatively unfavourable public security, increasing number of homeless people.
- The older generation finds it hard to tolerate the amusement needs of young people and the noise and heavy traffic at times of large-scale festivals.
- Lack of financial resources of the local government, a significant budget deficit and debt.
- The ability of institutions to generate private income is rather modest, thus the maintenance of the institutional system by the local government means a tremendous burden for the city.

Organisational system

- City marketing is insufficient (e.g. only a small number of information materials are available at the Tourinform office; there are no advertisement films, no public ads at

highly frequented locations, etc.), both city marketing and tourism marketing activities lack a true owner.

- Cooperation between certain institutions and suppliers is pretty weak.
- Poor knowledge of foreign languages amongst local citizens, at public institutions and partly at tourist enterprises.
- Low-level network of modern IT systems.

2.11.3 Opportunities

Transport, accessibility

- Utilization of proximity to the southern national border.
- Strengthening the role of a regional centre.
- The national public-road network development program will be implemented, as a result of which the accessibility of the city will improve significantly.
- With the help of outside investment the airport will be able to receive low-cost flights and international airlines will also appear.
- Water traffic is being developed in the region, which can be utilized for Pécs as well.

Tourism trends

- General trends in tourism will continue (growing number of tourists, the role of East-Central Europe will strengthen, visiting cities as motivation will increase.)
- The position of Hungary, and within that, of South Transdanubia will improve in the tourism market, foreign guests will be attracted to the city.
- Cultural tourism will be boosted, the consumer habits of cultural tourists will be maintained (e.g. higher level of spending).
- The role of cultural tourism as a key sector at a national level will be maintained and even intensified.
- Young people will be captured.
- Habits of the population to consume culture will improve.
- Tourism as a profession will increase in value.
- The effect of the ECoC program on boosting tourism and creating an image.

Economy, cooperation

- Related investments will be realized (e.g. development of baths), thematic facilities will be built in the city and related areas.
- Development of accommodation facilities will be implemented, the supply of accommodation will meet the changes in demand.
- The development of Villány-Siklós-Harkány area will have a positive effect on the market position of Pécs in tourism.
- Strengthening of international characteristics.
- Improvement of the health care industry (a related demand for service will appear, e.g. demand for conference capacities).
- A significant amount of working capital will flow into the region.
- The competitiveness of SMEs will improve.
- Effective support systems will be created.
- The related parts and facilities of the Mecsek and the Pécs wine regions will expand the tourism facilities of the city.
- A training and re-training system needs to be developed (vacant jobs) – cooperation between education, training and the labour market will also need to be developed.
- An evolving destination management system.
- Increased nationwide and international attention to the program can be utilized for city marketing.
- Utilization of the possibilities inherent in the cooperation of the already existing twin city relations and those established in connection with the ECoC program.
- Increase of the city's international role which is based on the city's cultural-social system of relations.

Other factors

- Improvement of the settlement's environment with the help of the key project „Revival of Public Spaces and Parks”.
- Improvement of general public security.
- Measures to enhance the general standard of living will contribute to the growth of people's discretionary income at a national level (e.g. growth of real wages and real pensions).
- Measures to enhance the general standard of living will contribute to the improvement of demographic trends which also has an indirect effect on tourism (e.g. growing

mobility, growing average life expectancy, improving health care situation, etc.)

- New developmental impulse: an opportunity to reform and make the economy culture-based, leaving behind the mining-industrial stage of development.
- Breathing new life into empty industrial buildings and whole factories by settling cultural and artistic activities in them.
- Enhancing the night economy of the city centre.
- Making the everyday life of the city more interesting by artistic transformation.
- Renovation of the buildings and public places in the historical areas of the city with the help of heritage-industrial investments.
- Development of the creative industries of the city.
- Encouraging the young, creative generation to stay and attracting more young and creative people to the city.

2.11.4 Threats

Transport, accessibility

- The national road network development program is delayed, thus the city's lag is further accelerated.
- The development of other, national components of transport infrastructure is cancelled; the cut down of facilities is still going on (e.g. railway and bus lines).

Tourism trends

- The setback of catering features of Hungary in 2006 will continue, the duration of staying in the country will continue to decrease.
- Processes having a negative effect on the country's tourism (e.g. the worsening of public security, political conflicts, more and more extreme weather conditions) will continue.
- South Transdanubia will lag behind in the competition of regions.
- Liquidity will decrease.
- Other cities will have a competitive advantage thanks to their faster and stronger development projects.
- The draining effect of conference and event centres in Budapest and in other cities prevails.

- People's demand for cultural products is decreasing.
- Tourism as a profession is narrowing down.
- The locals cannot identify themselves with the program and are characterised by passivity.
- The negative press campaign continues to have its effect; the negative image of ECoC program may lead to failure.
- Capabilities still have not been fully utilised.

Economy, cooperation

- The restructuring of the economic system have not been implemented.
- The insufficient choice of programs, their failure and the lack of coordination result in an insufficient demand.
- National financing conditions are worsening; due to the change in the tendering systems the implementation of the program is getting more and more difficult.
- The region (especially Harkány) is not developing, no attractive regional program packages are created.
- Economic investors stay away, the creation of new jobs is very low.
- The financial-funding problems of the city deprive the program of financial resources.
- The program cannot become the catalyst of long term development.
- The handover of infrastructural investments may be delayed as compared to the fixed dates, thus the facilities cannot be home to events, and the city cannot utilize the promotional possibilities offered by 2010.
- Related private investments will not be completed – The capacity of accommodation facilities is insufficient and of low quality.
- The unforeseen consequences of the global economic crisis.

Other factors

- The political division of the country will likely prevail, the number of violent events may increase.
- The transformation of the taxing system does not support the endeavour to boost the economy.
- The quality of life of the population will worsen, discretionary wages will decrease.
- The decline of people's quality of life, due to rising depression, will set back personal

preferences for development and seeking pleasure.

- Global warming and its negative effects on the weather also have an unfavourable effect on tourism.
- Globalizing competition puts traditional tourist destinations in a more and more difficult position, the seeking of new pleasures greatly cuts down the number of recurring guests.
- Opinion dictators with a decisive role in the economic, social and artistic life of the city do not unanimously support the program.
- The dialogue between owners of interests is not smooth; internal conflicts and debates emerge in the press, damaging the program's image.
- In terms of appeal the program choice of 2009-2010 lags behind its competitors.

3 THE MAIN OBJECTIVES OF PÉCS2010 ECoC PROGRAM

The main objective of the European Capital of Culture idea is to demonstrate the multicoloured nature of the culture and arts of European cities and to emphasize their common cultural heritage, creative power and the promotion of mutually learning about different cultures. The ultimate objective of the program is to mutually familiarize EU citizens with these cultures.

Besides presenting national values the program should also include the mentality of European unity. With a view to the long term cultural development of the city and its region the program has to consider the “European dimension” and the “European value added” that is embodied in cooperation, constantly emphasizing the representative role of Hungarian culture in this decisive year.

The main marketing objectives of Pécs2010 ECoC program:

Increase the international fame and reputation of the city and its region through culture-based urban development – and to place Pécs on the cultural map of Europe.

3.1 THE OBJECTIVES OF PÉCS2010 ECOC PROGRAMME SUITED TO THE OBJECTIVES OF THE CITY OF PÉCS

With its economic, cultural, scientific and social achievements the objective of Pécs is to

become one of Hungary's most dynamic and most progressive cities, providing the best quality of life in the country, whose intellectual charisma reaches beyond regional and national borders. Accordingly, the objectives of the Pécs2010 ECoC program are the following:

- During the process of implementation the goal is to make the population satisfied with the range of choices offered by the new services, investments and programs, and to make them feel proud of the quality of implementing what the title of the Capital of Culture means.
- Encouraging innovation, the unfolding of talents and the development of the creativity of local artists.
- Strengthening conference tourism in Pécs and at a regional level.
- Improving the competitiveness of Pécs and its region: attracting private capital to the city and the region by culture-based urban development by the positive effects of the program.
- Transforming the economy of Pécs and the region into a culture-based economy, developing the creative industry: creating new jobs; developing the tourism industry to a sustainable level during the program and thereafter that can provide subsistence for the people but which does not have a significant negative effect on their life.
- Creating a competitive and sustainable tourist destination (highly developed tourism infrastructure, uniqueness, attractiveness, quality, unique character, hospitable and friendly atmosphere and attitude) which can attract a great number of quality-oriented and solvent visitors with an interest in cultural values all year round.
- Expanding the local audience of culture, reforming the cultural infrastructure, developing relations with other European cities and regions.

3.2 THE OBJECTIVES OF THE PROGRAMME AT A REGIONAL LEVEL

- Active cooperation with partner cities.
- Cultural decentralisation.
- The economic boost of the region can be expected as a result of other developments in connection with the program (motorway, private investments).
- Other cities in the region may also receive development resources through the ECoC

program; their tenders can be given new impetus if they are connected to the ECoC program.

- Cultural cooperation – joint events, event venues, organization of background events for tourists.
- Creation of joint service packages.
- Accumulation and utilization of the Pole program.

3.3 THE OBJECTIVES OF THE PROGRAM AT A NATIONAL LEVEL

- Presenting the city on the stage of international cultural life, thereby greatly contributing to the improvement of Hungary's tourism image and to the international extension of its own reputation: in 2010 Hungary will introduce itself through Pécs.
- Close and meaningful cooperation of Hungarian cities which also competed for the title of ECoC in accordance with the principle of “One takes everybody else along.”
- Cultural decentralization.
- In 2011 Hungary will preside in the EU, and 2010 is a preliminary year to presidency.

The achievement of the above mentioned objectives can be measured by the following result-indicators:

- By mid 2009 60%, and by the beginning of 2010 70% of the city's adult population should have a positive opinion about the ECoC program.
- By spontaneous awareness based on a national representative sample Pécs should be in the 1st place in the country, and in terms of awareness of the country at the EU level it should be in the 2nd place right after Budapest.
- Increasing the number of visitors: an increase of 5-10% in 2009 40% in 2010.
- Achieving a 5-10% rise on a yearly basis after a slight drop in the number of visitors after a strong ECoC year.
- Increasing the average duration of stay by increasing the number of guest-nights: increasing the present average 1.8 days to 2 days in 3-5 years, while in the long run achieving 2.4 days characteristic of Baranya County.

- Creating more balanced tourist traffic by mitigating seasonal effects.
- In the medium term Pécs should become one of the 10 most frequented cities:
 - In the case of the domestic segment Pécs should be in a mid-field position.
 - In the case of the foreign segment Pécs should be in the top 10.
- Restructuring the range of visitors:
 - Increasing the ratio of foreign guests: besides increasing the number of visitors (in both segments), increasing the ratio of foreign guests from the present 25% to 30% within 5 years, and to 35% in the long run.
 - Increasing the rate of quality-oriented and solvent visitors: increasing the ratio of guests staying in hotels from the present 43% to 50% within 5 years, and achieving a 60% result in the long run (thereby getting close to the indicators of Debrecen, Eger and Sopron).
 - Increasing the yearly share of visiting cities – as a motivation for travel – by 10%.
 - Increasing the yearly share of culture – as a motivation for travel – by an average of 15%.
 - Increasing the yearly rate of tourism as a profession– as a motivation for travel – by an average of 20%, getting close to a value of 2.2% in the case of the domestic segment and 4.8% in the foreign segment in 10 years.
- Organising a minimum of 3 highly frequented events (with an audience above 80 thousand) in the city every year within a 5-year time frame.

4 TARGET GROUPS

It is necessary to exactly define and weigh the target audience. This is why primary and secondary target audiences are defined based on their availability, their tourist and cultural consumption in the previous years and their involvement in the program.

	EXTERNAL	INTERNAL
Primary	<ul style="list-style-type: none"> • People of Pécs • People of the main sources of 	<ul style="list-style-type: none"> • Contributors to the implementation of the Pécs2010 ECoC program

	<p>tourists within the region and the country (who are sensitive to the consumption of culture and are interested in Pécs)</p> <ul style="list-style-type: none"> • Young mobile groups receptive to culture (backpackers aged 18-25 and foreign students studying at the University of Pécs) • Media • Opinion dictators and local patriots • Foreign tourist already in Hungary who can be lured to Pécs by travel agencies 	<ul style="list-style-type: none"> • Local contractual and professional cooperating partners • Economic players who are contracted partner of the ECoC program
Secondary	<ul style="list-style-type: none"> • Main foreign sources of tourists, people in the partner regions • The people of the country in general 	<ul style="list-style-type: none"> • Institutions of the Hungarian partner cities of the ECoC program • Institutions of the foreign partner cities of the ECoC program (contractual partner, Ruhr region and Istanbul, SCZ)

4.1 PRIMARY TARGET AUDIENCE - EXTERNAL

People of Pécs

The success of Pécs2010 European Capital of Culture programme basically depends on to what extent the people can get involved in the program, how much they can identify with it and if they can really come to like it. This is why the people of Pécs and its region constitute one of the main components of the primary target group. The goal is to involve and inform them, and furthermore, to ensure that the people of Pécs proudly and consciously represent the country.

Within this larger group the following can be distinguished:

- Opinion dictators (negative and positive “top people”)
- active citizens (they are involved through their job or contribution)

- university and high-school students
- pensioners
- artists, creative people
- citizens directly affected by investments and programs
- people of the service sector in direct contact with visitors (taxi drivers, hairdressers, shop assistants, etc)

The main sources of tourists in the region and the country

The primary market of the Pécs2010 ECoC program is Hungary, and within that a specific part of the population. In the case of the previous ECoC cities domestic tourists played a decisive role, joined by foreign visitors.

At national level the target group is made up of “active intellectuals” and students, comprising some 30% of the entire domestic market. Another target group is made up of a small number of solvent pensioners who are receptive to cultural (mostly classical music) programs.

“Active intellectuals” are mostly women with high-school graduation or diploma, residents of large cities or Budapest, aged 30-50 with a relatively good income.

Other characteristics of the target group:

- They prefer to travel inside Hungary and plan to remain active travellers in the future.
- They are definitely more active in tourism than the average and appear to be considerably open and interested.
- Pécs is appealing to them (together with Eger and Szeged), and this appeal for them will stay above the average even in the future. Still, they feel that the cultural range of choices offered by the city should be developed and improved.
- Even at present they are active visitors to Pécs and wish to remain so in the future, too. Generally they visit the city as a tourist destination but they are also characterised by the intention to study and scientific activity.
- They show a supportive attitude in connection with the program and plan to visit the ECoC events. In geographical terms, according to tourist statistics, this primarily means the region of South Transdanubia, Budapest, Kecskemét and Szeged.

In view of the “anti-trendy” character of Pécs and the results of different trend research studies it has been raised that the representatives of **LOHAS** should also be reckoned with as a target

group.

The term 'Lifestyle of Health and Sustainability' means a group of people representing new value systems and trends for whom terms like 'authentic, unique, creative, healthy, environmentally friendly, intellectually challenging', etc. are attractive keywords. This group overlaps the above mentioned, bit wider group of "30%".

So only a certain part of the Hungarian population can be considered as a target group, although the whole society must be informed and inspired.

It has to be admitted that although Hungary does not generate too much attention and interest through European eyes but Pécs can be successful among those interested in European culture as a friendly meeting point of cultures with a personal tone, with the symbol of a nice and charismatic new building, a good message and the creation of a myth.

The market, the target group can thus be extended to other European culture cities with similar size.

The Media

The media as a means of mass communication has the biggest impact on public opinion. Here the target group is not the media itself but its leading figures (media owners, editors, journalists) who compile the content of the media during their work and thus play the role of determining the daily schedule of topics (they do not say what people should say but rather what they should talk about). This is why they are one of the most important target groups.

Opinion dictators and those having strong ties to the city (local patriots)

- Important figures of the media
- Leaders of embassies and Hungarian institutions abroad
- Artists and cultural experts of national and international reputation
- PTE alumni circle (graduates of the University of Pécs, expatriates)

Foreign tourists visiting Hungary who can be lured to Pécs

The primary destination of most of the foreign tourists coming to Hungary is Budapest and the Balaton region. Statistical data of tourism show that travel agencies organize trips to Pécs

through Budapest – they should be targeted and impressed and they are worthy of strategic relations. The attraction of foreigners going to the Lake Balaton region is also an important task. Their transport routes are primarily motorways M8, M7 and M1.

4.2 PRIMARY TARGET AUDIENCE – INTERNAL

Contributors to the implementation of the Pécs2010 ECoC program

- Local Government of Pécs
- Regional Development Agency of South Transdanubia
- Local Government of Baranya County
- Government staff participating in the implementation of the program: Ministry of Education and Culture, National Development Agency, the Hungarian Prime Minister's Office, Ministry of Finance, Ministry of Economics and Transport, Ministry of Local Governments
- National Cultural Fund
- Staff of the Pécs2010 Management Centre

Local contractors, professional cooperating partners

- University of Pécs
- Institutions of the city of Pécs
- The main local tourist organizations (Tourinform Office of Pécs, South Transdanubian Regional Marketing Directorate of the Hungarian Tourism Zrt)
- Office network of Tourinform, travel agencies specialising in domestic tourism

Figures of economic life who are contracting partners of the ECoC program

- Sponsors
- Contractors
- Sub-contractors

4.3 SECONDARY TARGET AUDIENCE – EXTERNAL

Population of Hungary

The part of the Hungarian population that bears the characteristics of the primary target audience but do not live in the regions that provide the present sources of tourists for Pécs.

The population of the main sources of tourists and partner regions abroad

The secondary market on the other hand is made up of the target group of foreign visitors – those involved, intellectuals, adventurers – and the population of the twin cities and the ECoC partners (Essen, Istanbul).

As to their accessibility, the (formal and informal) relationships established with partner and twin cities, the relations of local companies and institutions with their partners and the personal relationships of the local people (acquaintances, friends) play a major role here, while foreign embassies can also be of great help too.

When planning communication directed to foreign countries it must be borne in mind that although a relatively sizeable fund is available, attention should be focussed on certain countries, while it is enough to keep others in sight only.

According to 2006 data supplied by the Hungarian Central Statistics Office the most important sources of tourists for Pécs were Germany, Italy, France, Great Britain, Romania and Croatia.

As shown in the chapter on tourism, the most of the foreign visitors traditionally come to Pécs from **Germany**. Therefore Germany should be treated as a key target country, also because of Essen as an ECoC site and of Berlin, a bustling, exciting city with a population of strong intellectual affinity.

Within that effort very intensive activity is recommended for **Croatia**. Turkey means a potential too, since it is in their interest to seek supporters during the accession negotiations, so Hungary may become quite important for Turkey.

4.4 SECONDARY TARGET AUDIENCE - INTERNAL¹³

¹³ For more details See: Chapter 2.7 Marketing Strategy of Pécs2010 European Capital of Culture Program

The Hungarian partner cities of the Pécs2010 ECoC program should be treated as a secondary target group:

- Regional partners based on signed letter of intent
- “One takes everybody else along” partners
- Szeged, the key partner city

and **the network of partner cities abroad:**

- Cooperating partners of the Southern Cultural Zone (Sarajevo, Zagreb, Vojvodina- Novi Sad-Subotica-Belgrade, Trieste, Maribor, Lendva, Eszék (Osiek), Pula, Tuzla, Temesvár (Timisoara), Arad)
- Cultural Cities Net 2010
- University Network of the European Capitals of Culture (UNEECC)
- Twin cities of Pécs

5 THE PRODUCT SYSTEM OF PÉCS2010 ECoC PROGRAM

(Ábra szövege)

ECoC STRATEGIC LEVEL

City of Pécs, Hungary

Cultural Program

Investments

ECoC Key Projects Infrastructural background

PROGRAM LEVEL

Programs

Supported Additional

Pillars Supplementary

ACTUAL PRODUCT

Actual daily choice of festivals, conferences,

Graduation ...

5.1 ECoC STRATEGIC LEVEL

The **City** itself – as a tourist destination – and the complex services provided for guests can be seen as a product at the strategic level. The attitude to life conveyed by the five pillars defined in the application (Pécs, the multicultural city; Pécs, the city full of life; Pécs, the city of cultural heritage and innovation; Pécs, the city of regionalism; Pécs, the city of a cultural gateway) – which refers to the past, the present and the future of the city alike – clearly shows what Pécs really means for the people living here and what it can mean for visitors. Hungary is placed in the foreground through strengthening the image of the city, thereby exerting a positive influence on the image of the entire country.

In addition, we treat the **cultural programs** and the **new facilities** as products too, which are complemented by several different **background infrastructural products**.

5.1.1 Cultural programs

The cultural events of the Pécs2010 ECoC program will be organised independently with program support by means of open and restricted tenders. The Artistic Board set up on 1 March 2008 prepared the cultural concept of the Pécs2010 ECoC program on the basis of which the concrete events, showing a wide variety in terms of genre, volume and target audience, are selected for the year. The program calendar of the 2010 events will likely be outlined by the end of 2008 and finalised by the beginning of 2009. The Artistic Board gave the title "RITE" to the 2010 program year, **which simultaneously bears the "ritual", crucial role of the ECoC year and the application and represents its symbolic power and active collective character**. The Pécs2010 program is the culmination of a process, a recrystallizing point of the life of Pécs before and after 2010. It is a transformation that has its ritual. A ritual involves absorption, attention, elevation and unconditional devotion, but it also entails saying good-bye, expectation, quest, concern and excitement, departure and discovery, and finally, satisfaction and celebration at the end of the process.

The RITUAL follows the phases of transformation; that is what is reflected in the three-phase structure of the ECoC year:

- retaking stock of the cultural heritage
- strengthening the sense of community by means of collective experience
- creating a receptive city that is once again open and full of life

The division of the 2010 year in accordance with the concept: the three major stages of the RITUAL, the three main phases of 2010:

Taking stock: 2010 January – May

The goal is to identify and present the values of the city, to process the phases of the past from which the community wishes to move away and to preserve for the future everything that it wishes to save as a historic document of the age or to continue by means of renewal. The programs in this phase focus on the cultural heritage of the city, the presentation of the "classical" forms of different genres and the cultural traditions of minorities as well as on "hidden values" that constitute the built and the intellectual heritage, the canons of the city.

A riot of events: 2010 June – August

This time the focus will be on the contrasts inherent in city life, on programmes that represent the reversal of roles. Summer time is not everyday life for the city; it is the time for vacation, so in itself it is a liminal phase. In this phase the city-dweller becomes an artist, traditionally non-cultural spaces transform into a cultural space and non-canonised genres become performable. Order ceases to exist so that a new order can be established. The summer offers a great chance to organise festivals, events and performances which make minorities the majority, the invisible visible and places those living in the periphery into the centre.

Change in rhythm: 2010 September – December

"Settling in" the new buildings, the new cultural and symbolic paces is nothing else but implementing totally novel programmes and actions, producing new pieces of art that mediate European cultural patterns too and present their unique, Central European forms of realisation. This phase mainly includes programs that are implemented in collaboration with cultural players in Pécs, since this is a continuation of 2011 in the everyday and cultural sense of the word rather than the beginning of a new phase of transformation.

The following will be implemented within each phase:

1. key, pillar-like programs that define main points of juncture. They are complemented by
2. events generated and supported by restricted and open thematic tenders and
3. initiatives associated with the ECoC concept.

5.1.2 Key projects

Pécs Conference and Concert Centre

The network of musical institutions in Pécs appears to be quite complete as far as training and performers are concerned. However, there is no concert hall that could host performances in a worthy manner. For this very reason the goal of this project is to establish an internationally significant, acoustically designed multifunctional building with modern background technology that operates as a concert hall and a conference centre. Once it is built, the internationally renowned symphonic orchestra of the region, the Pannon Philharmonic and several other musical ensembles of the city will be able to continue their successful work, and thanks to the cultural space to be also established, Pécs can offer a much wider range of cultural opportunities. The conference function will make Pécs a significant middle-sized venue of the conference market in Central Europe and the city will be able to host professional conferences, fairs and cultural festivals. With the related investments (motor way, regional airport) the competitiveness of Pécs will improve significantly in the field of cultural and conference tourism. The design competition was closed in the spring of 2007. The winning proposal was submitted by the Építész Stúdió Kft from Budapest. The plans of the investment tender have been completed and the final building permit has been issued. The public procurement tender for implementation has been called by the city of Pécs. Construction work has already begun on the project site by demolishing the existing buildings. After selecting the winning tender the completion date will be finalised with the contractor.

South Transdanubian Regional Library and Knowledge Centre

The goal of the project is to build a modern regional library and knowledge centre with a floor space of nearly 12,000 m² that can meet today's user needs, provide information and documents for the people of the region and the city at European standards and host community, cultural and leisure programmes as well. The structural conditions and its modern equipment will enable the new regional library and knowledge centre to serve a lot more citizens of Pécs than ever before.

The new institution will be home to the three major libraries of the city: the City Library,

the Csorba Győző County Library and the Central Library of the University of Pécs; furthermore, it will also include the libraries of the Faculty of Law and the Faculty of Economics. The Centre will have two lecture halls, each accommodating an audience of 200, which will be used by the two faculties of the University, but the two halls can be turned into one large hall, so the Centre will be able to host quite large events as well. The knowledge centre function will be supported by several research rooms and internet workstations. Children will be welcome in the children's library and a playroom next to the roof garden. Community functions will be represented by a lounge-forum, a bookstore, an exhibition space, a café and a restaurant. The design competition was closed in April of 2007. The winning proposal was submitted by the Török and Balázs Architect's Office from Budapest. The plans of the investment tender have been completed and the final building permit has been issued. After selecting the winning tender the completion date will be finalised with the contractor.

Zsolnay Cultural Quarter

A new chapter will open in the history of the Zsolnay Factory too, whose name has nearly been identified with the city of Pécs. One of the key investment projects of the European Capital of Culture program is the establishment of the Zsolnay Cultural Quarter with a total ground floor space of some 41 thousand square metres on the premises of the reviving Zsolnay Factory. The factory currently in operation on the site will be moved to the eastern blocks, making room for a cultural and artistic area that will not only be a new patch of colour on the palette of the city but the residents of Pécs will be able to add a novel facility to their wealth that will lure people to relaxation and recreation rich in content. The Zsolnay Cultural Quarter is planned to host some 200 thousand visitors every year with its informative visitor's centre, car park, cafés, university community spaces and lively cultural life. The project will improve the quality of the park in the Zsolnay Factory that includes decorative, valuable plants, monument sculptures and vases. Together with the building complex the entire facility will be broken up into four Quarters by function:

- **Craftsman's Quarter:** This Quarter will include the most impressive buildings richly decorated with building ceramics which will be home to an exhibition presenting the history of the Zsolnay family and the factory, a secessionist café, a craftsman's street, living quarters and spaces that support artistic enterprises.
- **Creative Quarter:** This Quarter will be established by reviving the former

pyrogranite plant and its neighbourhood which will be home to exhibition halls presenting contemporary art, studios, creative workshops, rehearsal rooms and premises for organising various events for young people.

- **Family and Children's Quarter:** The heart of the Quarter will be the Bóbita Puppet Theatre that will move into the Green House and offer new, colourful programs to children and adults alike in the renewed venue. Furthermore, different arts and crafts activities, a family playground, an open-air stage and an interactive exhibition of industrial history quite similar to the "Palace of Wonders" in Budapest will make the time of visitors eventful and exciting.
- **University Quarter:** The southern section of the Zsolnay Cultural Quarter bounded by road No. 6 will be home to the Faculty of Music and Visual Arts, creating an ideal location for establishing a centre for training in the arts at a European level.

The design competition was closed in May 2007. The winning proposal was submitted by the MCXVI Építésműterem Kft. The EU tender and the application for the building permit will be submitted in 2008.

Reconstruction of "Museum Street"

Pécs became the museum centre of Hungary outside Budapest in the 1970s. That was the time when the core collections that can be seen today came to Pécs and most of today's museums were established, and it was also during this period that Káptalan Street became what today is called "Museum Street". Several museums neighbour upon one another here, including the recently renewed Zsolnay Museum, the Vasarely Museum, the Renaissance Stonework Remains, the Martyn Collection of the Modern Hungarian Gallery, the Nemes Endre Museum, Schaár Erzsébet's "Street" and finally, the Csontváry Museum just next door. So, the roots of Museum Street go far in time, making Pécs a traditional museum city. Under the project practically the entire Museum Street will be renewed and Hungary's largest unified museum structure and the most versatile exhibition space will be established here.

Preparations for submitting an EU tender related to the project are in progress.

With a total of 5,300 m² floor space, the project includes the following components:

- Renewal of the historic buildings in Káptalan Street on the basis of a new architectural and museum program,
- Development of the old County Hall and Building No. 2 of the Modern Hungarian Gallery at 5 Papnövelde Street, both of which are extremely important from a functional and cultural point of view and also because of their role in tourism and urban architecture.
- The planning site includes the public spaces in Káptalan Street, the museum gardens and the public spaces in Papnövelde Street adjoining to the real estates involved in the project.

Revival of public spaces and parks

The central goal of the project called the "**Revival of public spaces and parks**" is to give public spaces a new community and cultural function that can facilitate growth in international and domestic tourism as an attraction and can also host several outdoor cultural events in the 2010 cultural season. More than 70 public spaces will be revived in the city during the preparations for the Pécs2010 European Capital of Culture program: the entire city centre of Pécs, the central sections of the suburban city quarters – Uránváros, Meszes, Kertváros – as well as the suburban Budai Quarter in the east of the city centre and the Tettye Quarter. The planned revival works focus on creating a link among the different planned investments and on establishing a unified and attractive image for the city. The central goal of the project is to give public spaces a new community and cultural function that can facilitate growth in international and domestic tourism as an attraction and can also host several outdoor cultural events in the 2010 cultural season. The pavement of public spaces, street objects and green areas in the city will be renewed and new, high quality recreation centres will be established by bringing underground waters to the surface and presenting them in an attractive, true-life fashion.

Main criteria of transformation:

- minimise traffic
- manage pedestrian and bicycle traffic in a practical, safe and barrier-free way – removing barriers
- provide proper spaces for holding smaller or even large-scale events, opportunities for recreation, entertainment and learning – for any old or new form of city life

- designate sites that are suitable for permanent and temporary catering, commercial and other functions
- increase the amount of green spaces
- bringing karstwater to the surface The design competition proposals for the different public spaces have already been completed. After the completion of the plans and the design competition, renewal works will begin in the late summer of 2008. Renewal work will take place in accordance with a schedule and the revival of the first public spaces will be completed by the autumn of 2009. Revival of public spaces and parks, Phase I: The EU tender and the application for the building permit were submitted and accepted. The public procurement tender has been called. Revival of public spaces and parks, Phase II: Submission of the EU application: 31 January 2009.

5.1.3 Background infrastructural products

It is important to take into account that there are several background infrastructural products which are organically linked to the products defined at the strategic level. There are several already implemented and currently planned investments in addition to the existing infrastructure using EU and private funding, such as hotels, restaurants, motorways and dual carriageways, renewal of roads inside the city, facilities serving tourists.

5.2 PROGRAMME LEVEL

The actual programs and events of the product described at the strategic level to be implemented in the city in 2010 belong here. These will not be communicated as a single message but rather separately in the light of individual events.

Program structure

(ábra szövege)

Pillar

programs

Programs of restricted tenders

Programs of open, thematic tenders

Programs falling under the 'ECoC umbrella'

Other regional and local programs or initiatives

5.3 ACTUAL PRODUCTS

These include cultural programs and tourist attractions which are timely and are communicated on a daily basis. The range of these products may constantly grow, so they should be handled with flexibility. The main product lines include:

- Art: film and the media, performing art (theatre, music, dance, literature, fine arts)
- Science
- Built heritage
- Festivals; gastronomy
- Other: partner city programs, opening ceremonies, handovers, exhibitions, fairs ...

6 PRICING POLICY

6.1 CULTURAL PROGRAMS

Decisions of pricing policy are strongly limited by the fact that the pricing of cultural programs is not within the competence of Pécs2010 Kht but is decided by the program organizers. The Artistic Board may have some room in enforcing a pricing strategy to some extent during the process of tender evaluation.

6.2 MERCHANDISING PRODUCTS

The sale price of materials (T-shirts, baseball hats, mugs, pens, etc.) popularizing the Pécs2010 ECoC program and the individual events is set by Pécs2010 Kht. The price of products made and marketed for the purpose of enhancing the image of ECoC program should be set at a middle price-value rate. Merchandising products popularizing cultural events should be made in accordance with the solvency of the target audience. Products related to high prestige events (e.g. Opera Gala Concert – scarf) should be marketed at a high quality and at a relatively high price, while a T-shirt advertising a rock-concert should have a lower quality and price.

6.3 SPONSORSHIP CATEGORIES

- **Classical sponsorship packages:** the following terms reflect international practice. However, the international practice often uses specific terminology (reflecting the value of a given project to be sponsored) assigned to individual categories.
- **Key (general) sponsor:** the highest sponsorship category, excluding any competitor in the same category. Traditionally they are communication, financial or state owned – less often FMCG companies. They have full control over the entire communication of the program but it is also possible for them to be present at particular programs.
- **Main sponsor** (assigned to a project): projects individually set up for the given purpose – chooses an event or investment to be sponsored from a catalogue, may even give a name to the particular project. In this case, the size of sponsorship may come very near to the premium category.
- **Media sponsor:** as part of the communication public procurement procedure the goal

may be to create as much publicity surface for free as possible for the media that have a share of the ECoC budget. The negotiation of this is the joint responsibility of the organization conducting the communication public procurement procedure, the agency establishing resources and the staff the Pécs2010 Management Centre Kht overseeing these activities.

- **Sponsor:** may be a cooperating partner who contributes to the success of the ECoC program with his service or by helping the merchandising process (fleet of cars, hotel chains, catering establishment, ECoC partner shops).

The individual categories are permeable in accordance with the structure of the given project.

Quantifying the content of sponsorship categories will be carried out jointly with the partner chosen in the public procurement procedure.

6.4 USE OF TRADEMARK

The use of the logo is regulated by the provisions regarding the use of trademarks set forth in Director's Order No. 2007/26 of the Pécs 2010 Management Centre.

7 SALE CHANNELS

In the following we discuss the sales of ticket for the cultural events of Pécs2010 ECoC program and the commercial channels used for the sale of products with the ECoC logo, surfaces offered to sponsors and the use of the logo:

7.1 TICKET SALES OF CULTURAL PROGRAMMES

The Pécs2010 Management Centre has a coordinating role. Tickets for the sponsored programs can be sold through the following channels:

- The organiser, leaving out Pécs2010 Management Centre, sells the tickets through his own channels.
- The organiser sells the tickets using the channels and the assistance of the Pécs2010 Management Centre.

Ticket sale points to be used:

- Ticket sale points (Hungarian and foreign)
- ECoC Infopoint network (at present there is only one but the development of the network is underway)
- Internet – own homepage
- Network of civic organizations
- Event venues
- Partners selling tourism products
- Professional partners

7.2 MERCHANDISING

Merchandising means the selling of products with the ECoC logo. Products may be sold through a number of channels depending on the “manufacturer” of the given product. The manufacturer can be the Pécs2010 Management Centre or it can be another company distributing a product related to the Pécs2010 ECoC program, which in that case may use the ECoC logo for free.

Accordingly, sales can take place through the following channels:

(Ábra szövege)

	Homepage, Infopoint	
Manufacturer - Pécs2010 Management Centre	Mediator Product sale programs Retail stores (bookstores, department stores)	Buyer

:

Touristic

Direct sale points

Manufacturer - Mediator Buyer

Other company Complex sales network of the manufacturer,
Sale channels of the Pécs2010 Management

7.3 ACQUISITION OF SPONSORS

The collection of sponsorship resources by the Pécs2010 ECoC program is two-way process:

- Local sponsorship
- Nationwide and international sponsorship

The channels of sponsorship are defined jointly with the partner chosen in the public procurement procedure. These may include:

- personal contact (personal visits, telephone calls)
- use of the media (internet, direct mail, commercial materials)

7.4 USE OF THE LOGO

The use of the logo is regulated by the provisions regarding the use of trademarks set forth in Director's Order No. 2007/26 of the Pécs 2010 Management Centre.

8 MARKETING COMMUNICATION

8.1 THE COMMUNICATION OBJECTIVES OF THE STRATEGY

A general evaluation of communication up to the present

The preparation phase of the Pécs2010 European Capital of Culture programme was extremely

time-consuming, and the actual work process and the communication of the ECoC program broke away from each other for several reasons. Communication within the organization, between organizations and with the citizens was extraordinarily poor at the local, national and international levels. In certain cases it was contradictory, even degrading the image and weakening relationships. Instead of being conscious and proactive, the communication of the ECoC was characterised by finding excuses and running late.

The primary short term communication objective is to change of the above described situation by mid 2009 the latest.

Sub-objectives:

- A comprehensive introduction of the Pécs2010 ECoC program, ensuring its acceptance and gaining social support for it.
- Strengthening cooperation with professional and civic organizations and encouraging active cooperation.
- Strengthening the already existing, strategically important media relations, seeking and developing others. Achieving active media support.
- Making the cultural programs and important events connected to the investments of the preparatory year of 2009 “visible.”

From mid 2009, the primary focus of communication will gradually be shifted to increasing the reputation and appeal of Pécs as a tourist destination and to popularizing the Pécs2010 ECoC programs.

The system of objectives of the ECoC marketing and communication from the aspect of

Activity modules	Target groups	Types of activities
<p>“Increasing the international reputation of the region and the city, placing Pécs on the cultural map of Europe’ Creating an image</p>	<p>National and international</p>	<p>Pécs, the attractive tourist destination, the castle of culture – image formation building a brand, eg: Zsolnay Vasarely Martyn - modern fine arts Music – the Philharmonic (Gyermán, Jandó...) Dramatic art (POSZT - National Theatre Festival of Pécs)</p>
<p>"Boosting of tourism, increasing the number of tourist visits” luring visitors to the city</p>	<p>Primary target group</p>	
	<ul style="list-style-type: none"> • The people of Pécs and its primary area • Main sources of tourists in the region and the country (sensitive consumers of culture with an interest in Pécs) • Mobile young people receptive to culture (backpackers aged 18-25) • Foreign tourists already in the country who can be lured to 	

	<p>Pécs</p> <ul style="list-style-type: none"> • Media • Opinion dictators and people tied to the city 	
	Secondary target group:	
	<ul style="list-style-type: none"> • Main foreign sources of tourists • Foreign partner regions • Reviving latent consumption within the country (university students, people living in large cities representing a secondary source who consume culture), the people of the country in general 	
<p>“Increasing tourism revenues ...” Keeping ECoC guests n the city and receiving them</p>	<p>Foreign/domestic/elderly/young,/ groups/with friend/with family</p>	<p>System of providing information locally at the city level</p>
		<ul style="list-style-type: none"> • Tools of stimulating sales (e.g. coupons, discounts, cards ...) • Tools for receiving guests • System of selling program packages • Orientation of gests, flow of visitors
<p>“Socialisation, acceptance”, inclusion of the local people</p>	<ul style="list-style-type: none"> • Cooperating professional partners • Opinion dictators • Active residents, volunteers • Artists, civic organisations • People affected by and 	

	<p>suffering the investments</p> <ul style="list-style-type: none"> • Residents in direct contact with guests 	
<p>“Boosting economic life, strengthening creative industry, inclusion of the private sector in the ECoC project”, enhancing economic activity, inclusion of resources</p>	<ul style="list-style-type: none"> • Potential sponsors, already existing sponsors • Financial institutions and insurance companies participating in the financing of investments • Players of the local and regional cultural and creative industry <p>KIKK (Cultural Innovation and Competence Centre)</p>	
<p>Internal communication of the project</p>	<p>Primary internal</p>	
	<ul style="list-style-type: none"> • Contributors to the implementation of the Pécs2010 ECoC program • Local contractual professional cooperating partners • Players of the economic life who are contractual partners of the ECoC project 	
	<p>Secondary internal</p>	

8.2 PRIORITIES OF COMMUNICATION STRATEGIES, MESSAGES

In order to achieve the goals described in the chapter “The Objectives of the Pécs2010 ECoC Program” it is necessary to draft the communication objectives and the content of the messages in line with target groups – breaking them down to three parts similarly to the structure of the

strategic levels of the product system.

8.2.1 Image Communication

The application submitted to the European Union is entitled **Borderless city**. “Should Pécs become the European Capital of Culture, it would like to represent Hungarian culture and receive the countless shades of European and world cultures, presenting the culture of a European frontier region and at the same time showing that culture knows no borders.”¹⁴

Besides this motto, and considering the image audit described in Chapter 2.3, it is necessary to formulate the slogans of the program along the segmentation of the target groups, which is the of responsibility of a creative agency.

In view of the fact that the Pécs2010 program is also a national issue, attention should be given to nationwide mobilization: the cooperation between Pécs and Hungary is a must in order to compete successfully in 2010.

8.2.2 Communication of cultural Programs

The communication of cultural programs is realized on two levels. On one hand, as part of image communication in accordance with the image of the Pécs2010 program (annual program guides, targeted cultural recommendation in the media, et.) which can be elaborated in detail following the acceptance of the cultural concept of 2009 and 2010; on the other hand, at the level of individual programs through targeted, unique communication tailor-made to particular programs based on consultations with the organizers.

8.2.3 Communication of investments

The communication of investments is realized in different phases in accordance with the individual working phases with a view to their communication needs.

The communication of the preliminary phase of investments is a rather sensitive field since it is the period of working processes that are not visible to the general public. This is why people might easily think that “the project is in delay.”

Intensive communication in this period is not possible; however, serious efforts should be

made to give publicity to all publishable information immediately. In order to drive back rumours result-oriented communication (strictly sticking with publishing mere facts) should be pursued and pieces of news and stories should be generated proactively.

The objective of the communication of investments is to inform the target audience about the developments and to gain support for them.

The period of executing investments

Execution entails disadvantages that directly affect the population: traffic restrictions and diversions, traffic jams, noise and air pollution, etc.

In this period great attention should be attached to the communication directives of the EU regulating the appearance of the image since the slightest violation of these rules would have serious financial consequences when making the financial support available.

Communication objective:

Having citizens accept the changes and temporary inconveniences affecting them, activating their cooperation in particular cases

Target group: the citizens of Pécs

Communication of the handover of investments

The communication of the handover and the introduction of investments within the framework of Pécs2010 ECoC program will be realized on the basis of a plan worked out in cooperation with the future management organizations, based on individual communication strategies. Feasibility studies approved on 13 December 2007 give guidance regarding the individual investments.

Communication objective:

Introduction of the new projects being implemented within the framework of the Pécs2010 ECoC program

Target group: primary and secondary, external and internal target groups

¹⁴ Application document – Preface, p. 7

Financing the communication of investments

In the case of investments implemented with EU support the costs incurred by the obligation to disclose information are defined in the percentage ratio of the value of individual investments based on the invitation to submit plans and the provisions of the guide issued by the Regional Developmental Agency.

Due to EU regulations these resources can only be used after conducting individual public procurement procedures.

Since the communication of the investments and the program requires separate public procurement procedures, it is important that the agencies responsible for the communication of these two fields do their job in accordance with the principles defined in this strategy.

8.3 MEANS OF COMMUNICATION

Choosing the proper media is only possible if specific survey data (television audience ratings of AGB Hungary, readers' ratings of newspapers, traffic count data carried out in the vicinity of giant posters, etc.) are available after cost-effectiveness and quality indicators have been assessed. This is a task to be performed during media planning, which is aimed at shaping the media structure that is the most suitable for the objectives (decision on the selected media, timing of appearances). Preparing the concrete creative content – along the strategy – is also the responsibility of communication agencies.

The following tools should be used with different intensity in the different phases of the ECoC program.

Prorgam phases	Tools/means	Intensity
Lead-up 2008	ATL	continuous
	BTL	cyclical
	Events – fairs, delegations, presentations, etc.	cylical
	Online marketing	contnuous, dynamic
Direct run up 2009	ATL	dynamically running up, then

		pulsing
	BTL	cyclical
	Stimulating sales	continuous, dynamic
Program year 2010	Events – fairs, delegations, presentations, etc.	minimal, cyclical
	Online marketing	continuous, dynamic
	BTL	cyclical
Run down year 2011	Events – fairs, delegations, presentations, etc.	keeping the same level at a reduced pace
	Online marketing	continuous, dynamic

Visual appearance

Harmonizing the image and physical appearance of the Pécs2010 ECoC program with quality objectives is a primary task. Expectations regarding the appearance include the following:

- represents a basic message;
- is suitable for the target groups (results in identification with the project), partly distinguished according to target groups but still following a unified policy;
- is unique, distinguishable;
- ensures stability and continuous improvement at the same time.

Consequently, the creation of Corporate Identity is a long term concept that requires precise, careful consideration and a strategic approach. Part of this is Corporate Design, which is the external appearance, picture, face of the organization. The detailed description of the Corporate Identity needs an improved handbook containing formal and substantive principles of the program's image identity:

It sets the rules of communication and the guidelines of form that constitutes the design aspect of appearance. **It is partly completed but still needs further marketing and creative work along the guidelines above.**

8.4 MONITORING

The task of the monitoring system is to supply adequate information about the operation of the Pécs2010 ECoC program, the number of guests and their satisfaction, the effectiveness of communication and merchandising channels and the activities of competitors.

Requirements defined for the monitoring system:

- collecting precise, up-to-date and relevant information;
- objectivity, quantifiable data;
- ensuring the processability of information;
- two-way process (collection and communication of information).

The system requires well-organized, continuous collection of information, processing and analysis of data and a feedback on the results. Possible sources of information and methods:

- Analysis of secondary data: the use of surveys and studies containing relevant data but made for different purposes.
 - Statistical data, analyses of the trends regarding the consumption of culture, cultural and professional tourism (data supplied by the Hungarian Central Statistics Office, Hungarian Tourism Zrt., trade unions, surveys and publications of local tourist organizations)
 - Strategic use of life-style research and other studies (motivational analyses of visitors, trends of needs and expectations)
 - Monitoring (e.g. following the developments of other cities, getting to know new market entrants, etc.)
- Collection of primary information
 - Conducting own research (assessment of visitor satisfaction by on-the-spot and on-line questionnaires; by asking event organizers, by operating a guest book, asking professional tourism partners by phone, etc. – the willingness to answer questions may be encouraged by offering prizes!)
 - Deep interviews with event organizers
 - Observations, recording the experience of sales staff
 - On-the-spot visits (for the evaluation of competitor institutions)
 - Internal sources of data: internal invoices and databases related to running the project
 - Assessment of revenues (according to the number of visitors and their distribution in terms of event type, size, period and target group)
 - Assessment of expenditure (history and distribution of costs in terms of cost

category, event type, size, period and target group)

- Evaluation of the profitability of certain services
- Evaluation of certain assignment groups
- Evaluation of colleagues in terms of their performance, analysis of Corporate Culture
- based on formal and informal conversations with colleagues, subcontractors, representatives of merchandising channels, etc.