Cidades Como Marcas: O Papel da Estratégia de Comunicação no contexto do Marketing Territorial

Cities as Brands: The Role of Communication Strategy in Place Marketing Context

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Abstract

This paper acknowledges the role of place marketing and city branding as driver of economic development. It is a very important strategic decision for a place to start systematic place marketing in order to increase the competitiveness aiming to attract the scarce sources of wealth. This paper aims to contribute to the conceptualization of the city branding theoretical framework. The importance of the destination self-congruity in the creation of a tourist-destination brand relationship is related with the concept of innovative salient experiences as a key success factor in a place marketing strategy. Also the benefits caused by image transference from city brand image to city-of-origin products are discussed.

Introduction

In the third millennium, the competition for wealth is settled at a global scale, mainly as result of e-business development. This goes for the capture of foreign inward investment, and human and technology competencies as it goes for tourism revenues.

It is a very important strategic decision for a place to start systematic place marketing in order to increase the competitiveness aiming to attract the scarce sources of wealth.

According to Kotler, Hamlin, Rein & Haider (2002, p.183), place marketing means "designing a place to satisfy the needs of its target markets. It succeeds when citizens and business are pleased with their community and the expectations of visitors and investors are met". The creation of value-added implies that the place needs to communicate its features and benefits through a vigorous image and communication program (Rainisto, 2003). This framework, however, presents a challenge that led to key concepts of place branding and city branding communication strategy.

Therefore public policy makers must acknowledge the role of city branding as a developmental strategic tool that contributes to clarify the identity and the positioning

perceived by non residents target publics and at the same time increasing the sense of belonging in the city residents.

Literature Review

2.1- Place Marketing, Destination Branding and City Branding

A place is a "nation-state, a geopolitical physical space; a region or state; a cultural, historical or ethic bounded location; a central city and its surrounding populations; a market with various definable attributes; an industry's home base and a clustering of like-industries and their supplier; a psychological attribute of relations between people" (Kotler et al., 2002, p.4).

The term "place" is used to mean all kinds of places like cities, city-regions, regions, communities, areas, states and nations. There is now a consensus about the suitability of marketing for places, and that places, indeed, should be marketed as efficiently as firm's market products or services (e.g. Kotler et al., 2002; Kearns & Philo 1993; Rainisto, 2003; Witt & Moutinho, 1995). Place and space are increasingly being recognised as socio-cultural constructions (Pritchard & Morgan, 2001). Tourism sites, attractions, landmarks, destinations and landscapes are seen as spaces through which "... power, identity, meaning and behaviour are constructed, negotiated according to socio-cultural dynamics (Aitchseon & Reeves, 1998, p.51).

Place marketing in general is a major field of study. In this paper two doctoral thesis are acknowledge as important contributions to this marketing field: the study of success factors of place marketing developed by Rainisto (2003) using the examples of Helsinki, Stockholm, Copenhagen and Chicago; and the research made by Kastenholz (2003) about the role of destination image in tourist behavior and the marketing implications focusing the case of the North of Portugal.

The elements of place marketing are synthesized in model called Levels of Place Marketing developed by Kotler et al. (2002). The process comprises three levels: a) The target markets which mean the selected segments to which the marketing communication will be send; b) The marketing factors that include the attractions and infrastructures of the place, its people and image and quality of life; c) And the planning group is responsible for the planning and control process.

According to Rainisto (2003, p.16), the creation of value-added processes has four major marketing steps: 1) The basic services must be provided and infrastructure maintained to the satisfaction of citizens, businesses and visitors; 2) A place may need new attractions to sustain current business and public support and bring in new investment, businesses or people; 3) A place needs to communicate its features and benefits through a vigorous image and communication program; 4) A place must generate support from citizens, leaders and institutions to attract new companies, investments and visitors.

This framework, however, presents a challenge that led to key concepts of place branding and destination branding. Branding is natural starting point for place marketing, as it forces a place to determine the essential contents of marketing (Rainisto, 2003). Branding related to places has been discussed mainly in context of nations and countries (Anholt, 2002; Olins 2001; Gilmore, 2001; Kotler & Gertner, 2002), while only a few authors have discussed the branding of regions, cities or locations (eg. Hankinson, 2001; Morgan, Pritchard & Pride, 2002; Rainisto, 2003).

2.2- City Branding theoretical framework

The City branding strategy model theoretical framework implies the integration of multidisciplinary knowledge areas. This paper proposes an integrated model that synthesizes the contributions of several models found in the literature review:

a) Destination choice model: The Model of Traveler Destination Choice of Woodside & Lysonski (1989)

b) Brand identity: the brand identity planning model of Aaker (1996); the brand box model of De Chernatony and McWilliam (1989)

c) Brand image formation: Baloglu's (1996) model of destination image formation

d) Destination self-congruity and relationship marketing: Self-Congruent Advertising Response Model (SCARM) of Azevedo (2003); Global model of destination image formation and effects (Kastenholz, 2003, p.199)

e) The concepts developed by Locum Consultant (2003): Tourist Universe and Locum Funnel.

Successful branding requires an understanding of how to develop a brand identity, a brand differentiation and a brand personality (Aaker, 1996). Core identity is also a

central driving force in place branding, including the major elements of place attraction (see Keller, 1998; Kotler et al., 1999).

There are several strategic decisions in the branding process for a place (Rainisto, 2003):

(l) the choice of the brand name is often obvious and the name of the city situated in the center of the region is most often selected;

(2) brand positioning is a fundamental strategic decision and a place should position its unique attraction image among the other places in the desired segment. Positioning identifies the brand in the market in relation to the competition;

(3) the whole marketing program-objectives, strategies and tactics is derived from brand positioning.

When geographical locations are branded like products and services, the brand name is then often the actual name of the location. A branded place makes people aware of the location and connects desirable associations (Keller 1998, p.19). Places comprise many components, such as name, symbols, packaging and reputation (Shimp, 2000).

Recently Caldwell and Freire (2004) also addressed the differences between branding a country, a region and a city, proposing the application of Chernatony Brand Box Model to countries, regions and cities. An exploratory study was developed in order to understand and clarify whether the same branding techniques should be applied to these three different types of places. The results point to differences between countries when compared with regions and cities. Countries are so functionally diverse they should leverage the emotive or representational parts of their brand identity, while regions and cities, being smaller in scale, should leverage their more functional facets. It seems that regions have more in common with cities from a branding point of view, and this has implications for branding strategies for all three types of tourist destinations.

2.3 - Destination Self-Congruity and customer-destination brand relationship

The notion of self-image congruency was developed by Sirgy (1980, 1982), who claimed that consumer preferences are determined by a cognitive matching between consumer self-image and brand image. Tourism destination is a category with high

levels of conspicuousness and product involvement, which implies that self-congruity, is the dominant persuasion route (Sirgy et al., 1991). Self-concept and brand personality congruency seems to be an important mediating variable in advertising processing and brand choice. Its importance has been acknowledged by (Aaker 1997, 1999; Mehta 1999).

Azevedo (2003) also developed a theoretical framework, designated as Self-Congruent Advertising Response Model (SCARM). The model makes a synthesis of the advertising processing models, aiming to explain the brand adoption and equity generation process, at the early stage of brand building - the "embryonic" brand. It postulates that, accordingly to an integrated marketing communication policy, the advertising copy strategy communicates the branding input variables, namely the brand personality-identity construct and brand origin. Then the consumer, carrying specific demographic and psychographic characteristics, a repertoire of previous experiences and category knowledge, tends to process cognitively and emotionally the new brand advertising, under a certain involvement level. During this process the consumer recognizes and compares the brand personality with his (ideal) self-concept.

Kastenholz (2003, pp.300-301) concluded that destination-self-congruity may be considered more relevant for affective image than for a holistic also cognitively determined image. Its relevance for behavioral intention was confirmed via correlation analysis, even though the suggested moderating effect of psycho-graphic traveler type was not visible. It is interesting to note that, in general, the effect of destination-self-congruity on the probability to return was slightly more important than the effect on probability to recommend.

The importance of destination congruity as a relationship marketing strategic tool in place marketing has been stressed by the study of Prahalad & Ramaswamy (2003) that proposed a network of experiences also designate by innovative salient experiences which consist in a routing or sequence of programs that are designed in a customary way and which may be achieved through several attractions.

2.4– Image transference from place branding to product branding

On other hand, in the global market, more products are introduced with a clear place-brand origin (Verlegh & Steenkamp, 1999). A well-chosen place brand makes the product more identifiable for the place buyer, and brings added value. Examples of such place origins are "Port Wine", "Metz", "Dublin Guinness beer" or "Paris Channel perfume". Some regions create their image on the basis of images of particular companies and products. Transferring image on another object is the base for sponsoring utilization. It is possible to use a positive image of a region and transfer it on regional products ("Limiano" cheese). It is possible to assume that an image can create demand for regional products. Most country images are in fact stereotypes, extreme simplifications of the reality that are not necessarily accurate, and might be based on impressions rather than facts, but are nonetheless pervasive (Kotler & Gertner, 2002).
Branding is also a potential option for places to establish a place with desired associations. Successful places attract new investment and create a positive success circle. According to Kotler et al.(1999), for instance Portugal is a associated to five images (Port wine, the cock of Barcelos, Lisbon, explorers and Algarve).

3- City Branding Model development

Adapting Aaker's (1996) brand identity planning model, a new city branding theoretical framework for public policy makers is proposed in Figure 1 that suggests four stages of progress:

a) level 1 comprehends a SWOT analysis in order to identify the sustainable competitive advantages, the external opportunities and threats in order to develop a strategy, a vision and an integrated action orientated toward the different target markets.

b) Then, in level 2 a brand identity system is defined both in terms of tangible/functional attributes and emotional/representational benefits, that aims to build a relationship between the city brand and the target market based on self-congruity drivers.

c) The level 3 is the execution and building of the identity system through the construction of physical infra-structures of the Universe that surrounds a particular target market, and through a vigorous communication and relationship

marketing program that enables a salient image and positioning in the information sources and choice alternative sets.

d) Finally in level 4, the benefits from place marketing are optimized in terms of economic development, namely through image transference from place branding to products/services brands of the economic activities developed within the city geographic boundaries.

Several issues may be further researched: the promotion and development of products using place-based strategies in some relevant clusters like the wine or agri-food clusters (See also Thode & Maskulka, 1998); or the development of relationship marketing strategies derived from crossing the product brand customers' database and the tourists' database (e.g. Glass Route released the visitor "passport" which at the same time traces and informs the visitor about the routing through the alternative stopping points, including the factory shops.

Figure 1- City Branding Strategy Model.

Level 1- Brand strategic analysis (Planning group)		
Target market analysis Tourists Corporate headquarters Investors Exporters Manufacturers New residents Residents	**Concurrence analysis** Identity Brand image Positioning Opportunities Threats	**Internal analysis** Existing image Heritage and reputation Competitive advantages Strengths and Competences Culture and Values Marketing Factors (attractions, infrastructure and people)

Diagnostic SWOT analysis, vision and integrated action →

Level 2- City brand identity system			
Brand identity			
Functionality		Representationality	
City brand as product: tangible attributes Tourism Universe Context costs	City brand as an organization Local vs Regional Political vs economical	City brand as a person / intangible emotional benefits Brand personality Self-congruity City-target market relationship	City brand as a symbol Visual imagetic Logo

Relationship city-target market- Self-congruity Positioning/, Value proposition, credibility →

Level 3- City brand identity building system		
Brand and Integrated marketing communication strategy Presence in the information sources / Alternative in choice mechanisms Awareness and Salience Positive associations CRM database	**Marketing factors:** Attractors Innovative experiences Infra-structure Skills and Business Support Organization City-of-origin Products	**Performance measurement and monitoring** Awareness Benefits

City image formation Presence in alternatives set →

Level 4- Benefits from city branding: City brand as developer
Capture of investors, manufacturers, and corporate headquarters Tourism revenues City of origin products/ services revenues Image transference from place image to products/ brands image Merchandising products revenues Increase of resident's sense of belonging and resident's self esteem

Economic development, Territorial cohesion →

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