



**WP 1 results:**

**Governance and new narratives - city image, branding and marketing**

*Hanns-Uve Schwedler*

## 1. The dilemma in this overview and the dilemma of city marketing

Although there are some EU supported projects dealing with aspects of city marketing and city branding, no EU-wide projects focusing on this topic could so far be identified. On the other hand, 80 per cent of towns and cities claim that they do some kind of city marketing. Thus this paper is based to a major extent on the experience of individual cities, on scientific research on the topic and on results from an Op-Act workshop.

Here a second dilemma occurs: many publications have been written by marketing experts in the economic sector, and, as such, especially in the initial phase, many marketing campaigns for cities have been designed by such experts. Thus, the well known 'Four 'P's', (product, place, price and promotion)<sup>1</sup> have dominated (and in some cases still do dominate) city marketing and branding activities.

Although without any doubt, urban decision makers can learn from professional marketing campaigns in the commercial sector, city marketing is certainly quite different:

"Urban promotion involves the selling of a location not only for business but also as a place to live ... these images of lifestyle tend to be predominantly anchored around two things, culture and environment"<sup>2</sup>.

In addition, there are several other basic differences:

- Whilst a motor car manufacturer is competing with a handful of other producers, town and cities are competing with thousands of other communities, towns or cities. This is particularly true in a globalising world.
- As the function and also often the 'product' of cities do not differ very greatly, any city marketing strategy has to close the gap between sameness and difference.
- As cities are people, in a way, city marketing means marketing people. They need to be incorporated - with their varying interests and opinions - into the city marketing process.

Merely as a result of these differences there arise a number of pre-requisites for successful city marketing:

- an honest product that is accepted and shared by people (as is the overall marketing strategy itself)
- including all relevant stakeholders
- an integrated approach
- transparency
- no overall dominators in the process (i.e. not serving particular interests)
- secure resources (staff and money; many approaches often organised on a voluntary or semi-voluntary basis have failed)
- accountability
- key (initial) projects and activities (in order to bring more and more people on board)

---

1 Jerome McCarthy (1960): Basic Marketing: A managerial approach, 1960

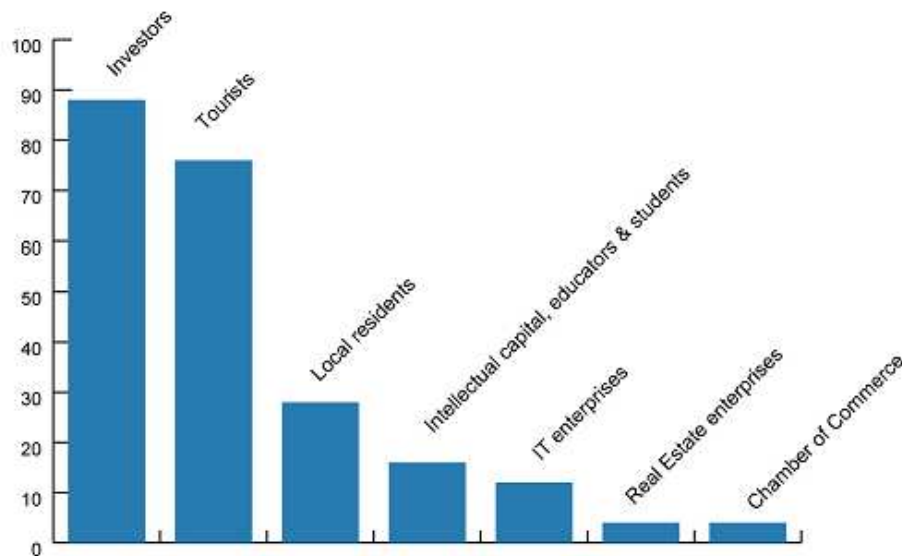
2 Bradley, A. and Hall, T. (2006): The festival phenomenon: festivals and events and the promotion of small urban areas; in Bell, D. and Jayne, M. (eds.) Small Cities: Urban Experience Beyond the Metropolis, London: Routledge)

## 2. Aims in city marketing - attracting money and people

Any city marketing aims to attract money and people. Investors, new residents, commuters, customers and tourists are thus the main target groups in any marketing strategy. In shrinking cities there is an additional, important target group: the inhabitants, in order to keep them 'in town'.

A study on city marketing in European cities<sup>3</sup> analysed target groups and aims in marketing strategies and came up with the following results:

**Fig. 1: Target groups for city marketing**



*Source: Seisdedos (2006)*

Thus city marketing has an 'internal' and an 'external' focus. In the case of promoting tourism, a third focus needs to be considered: a regional focus (this might be true in other fields, too, but in the case of tourism it seems to be a 'must'). With the exception of the German city of Rothenburg ob der Tauber (and similar cities which are in themselves a brand mark), promoting tourism is likely to fail if one does not succeed in developing a strategy for a tourism region. Here cooperation with other municipalities (etc.) is essential.

## 3. The process of city marketing

Case studies show that there is often a gap or even a diametrical contrast between the perception of a city by the 'outside world' and by inhabitants. Often there are additional disparities that may be described as 'incontemporaneities of views'. A city, for instance, is still seen by decision makers - but also by inhabitants - as an industrial city, whilst its main function has changed many years ago in the direction of trade and commerce, for example.<sup>4</sup> Not only for this reason, a profound knowledge and reflecting on the perception of a city is essential in order to develop a successful marketing strategy.

The process of developing such a strategy can be summarised in an ideal typical way as follows:

---

<sup>3</sup> G. Seisdedos(2006): State of the Art of City Marketing in European Cities

<sup>4</sup> We find these 'incontemporaneities of views' (a-synchronicities) in several Op-Act cities. This is not at all surprising, as several of the cities used to depend on only a few major industries. Their decline is the main reason for shrinking in these cities.

## **Perception**

- how the city is perceived by the 'outside world'
- how the city is seen by the inhabitants

## **Overall aims**

These aims should be developed by all relevant stakeholders. More specific aims have to be developed in the course of the project.

## **Strength and weaknesses**

Several successful cities used a SWOT analysis for developing their marketing strategies and to formulate overall aims: Besides the "SWOT questions" the following key questions seem to be essential:<sup>5</sup>

- What is already in place?
- What has to be changed?
- What has to be improved?
- What has to be invented / newly developed?

## **Branding**

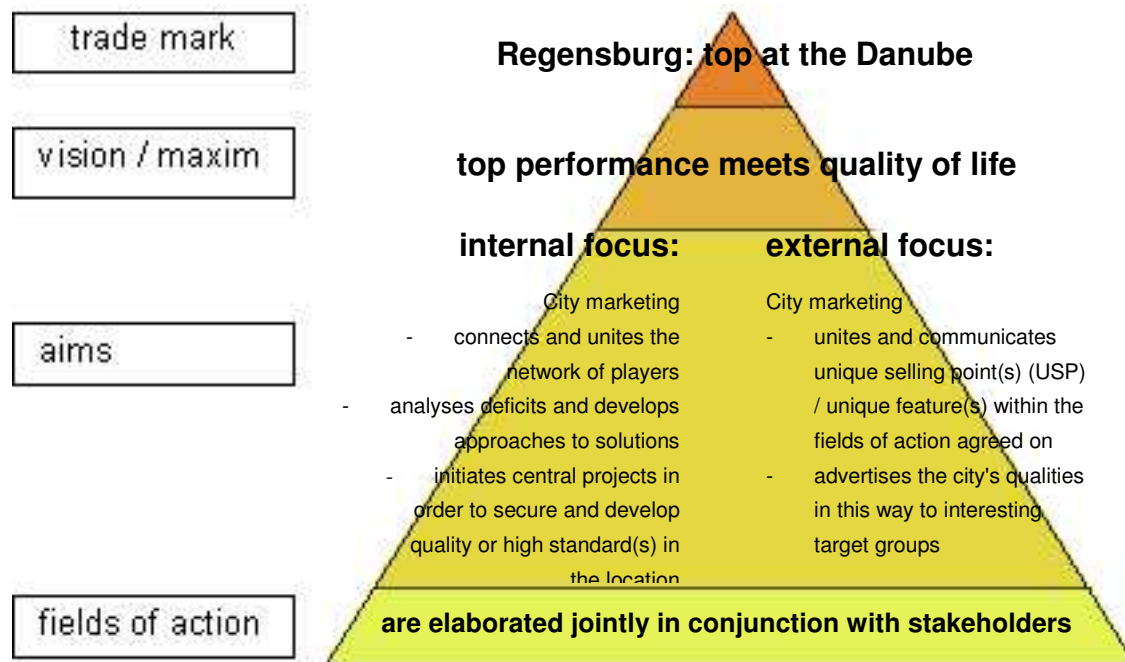
In the best case scenario, at the conclusion of the development phase a central or core idea has emerged, a brand or trademark, on the basis of which concrete projects may be elaborated. Many cities summarise the idea in a slogan. In this context it is not easy to strike a balance between 'narrowness' and 'breadth'. It is therefore helpful to adopt a participative approach. After all, the local residents need to accept this key idea or notion and stakeholders need to be able to identify with it.

The following scheme (derived from the city of Regensburg) summarises developing a marketing strategy, in which internal and external dimensions (cp. above) are also considered:

---

5 cp. for instance (in German): Bayerisches Staatsministerium für Wirtschaft, Infrastruktur, Verkehr und Technologie (2009): Best-practice-Leitfaden Stadtmarketing

**Fig. 2: City marketing in Regensburg - a model**



Source: <http://www.stadtmarketing-regensburg.de> (translated by the author)

All this is not 'cast in stone'. Not only do these different steps and elements mentioned above interlink and overlap in a real world process. During the implementation phase in such a strategy (while implementing concrete projects), changes and feedback, additional views and altered priorities will most likely come into play. City marketing is thus a process rather than a product.

#### 4. Organisational structure

In smaller cities and in the early stages in city marketing, the task is or was often taken on either on a voluntary basis (for example by business people) or by a number of staff members from the local authority as additional duties. Due to a lack of continuity this has frequently shown itself to be a false step.

Forms of organisation in successful city marketing may be very varied. What they have in common is that they are intended to be permanent or long-lasting. From an empirical point of view the following organisation forms predominate:

- a unit within the city administrative body or bodies
- tourist office
- joint venture organisations (not only PPP, but also PSPP (public-social private partnership) and joint ventures with citizens' groups etc.)
- new entities / companies set up by business umbrella organisations / associations
- new entities / companies set up by the municipality

All these forms of organisation have a variety of advantages and disadvantages, the most significant of which are listed in the following table:

**Table 1: Organisation forms - advantages and disadvantages**

<i>Organisation form</i>	<i>possible advantages</i>	<i>possible disadvantages</i>
(1) unit within the city administrative body	- can easily be set up - control exerted by (democratic) entities	- lack of knowledge of stakeholder needs - lack of stakeholder support - lack of continuity and accountability (new priorities, extra burdens)
(2) tourist office	- can easily be set up - using existing structure - using existing networks and working connections	- partial aims and priorities - lack of knowledge of stakeholder needs - lack of stakeholder support
(3) joint venture organisations	- including relevant stakeholders (if not pure PPP) - developing comprehensive (and accepted) aims, strategies projects (if not pure PPP)	- time-consuming in the beginning - need to set up a comprehensive financial structure
(4) new entities / companies set up by business umbrella organisations	- close to business sector needs (with possible quite fast positive effects as regards job creation) - fast and effective (in a narrow sense)	- partial aims and priorities - lack of acceptance by other stakeholder groups - city image dominated by business - lack of steering / control by democratic entities
(5) new entities / companies set up by the municipality	- can quite easily be set up - control exerted by (democratic) entities	- - lack of knowledge of stakeholder needs - lack of stakeholder support

The most promising of these seem to be joint venture organisations. However, in this context frequently recourse is taken to pure PPP models. As far as efficiency and effectiveness (in a narrow sense) are concerned, these may provide a number of advantages, nevertheless, they also have significant disadvantages:

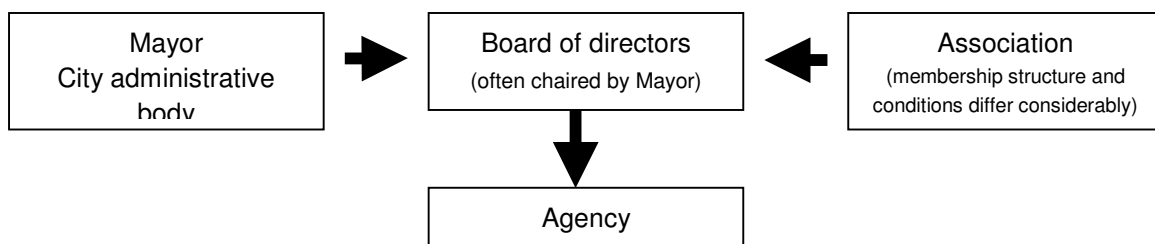
**Table 2: PPP for city marketing - advantages and disadvantages**

<i>possible advantages</i>	<i>possible disadvantages</i>
<ul style="list-style-type: none"> <li>• know-how</li> <li>• interests / needs</li> <li>• improved cost effectiveness</li> <li>• reduced public sector risk</li> <li>• faster project delivery</li> <li>• improved budget certainty</li> <li>• better use of assets</li> </ul>	<ul style="list-style-type: none"> <li>• differences between public and commercial interests</li> <li>• particular interests dominate the process</li> <li>• interests of other stakeholders are not taken into account</li> <li>• information and know-how deficits in the public sector</li> </ul>

It is vitally important that, in any case, steps are taken to ensure that steering and control is kept in the hands of the city (authority).

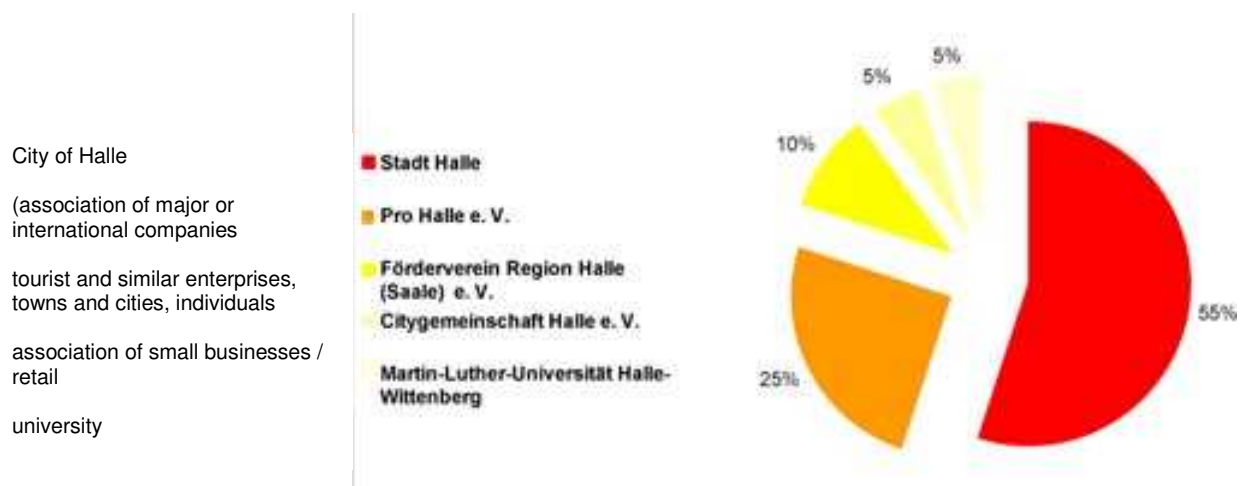
Whatever form of organisation is applied, it is important for permanence/sustainability in city marketing for both political decision makers as well as all the relevant stakeholder groups to be involved. The easiest way to do this successfully is to put in place an agency which is managed (controlled) by the municipal authorities and representatives of civil society and of commerce (businesses). Specific organisation depends on local and legal conditions. In general terms this may be represented as follows:

**Fig. 3: A common structure in joint venture marketing agencies**



The second pre-requisite for any successful form of organisation – i.e. involving all relevant stakeholders – may be exemplified here using the City of Halle on the Saale river in Germany. They were able to bring on board several existing institutions / associations as members of the organisation thus representing a wide spectrum of stakeholders.

**Fig. 4: Membership structure - involving relevant stakeholders**



(Source: <http://www.stadtmarketing-halle.de>)

## 5. Financing city marketing

City marketing is funded in a wide variety of ways. No indications have been found to suggest that particular financing patterns or models are more promising than others. However, in any event steps must be taken to ensure permanent / long-term finance support. After all, marketing and branding are not procedures which lead to success from one day to the next.

The following financing models are those to be found most frequently:

- city budget
- fees from members / co-owners
- independent income generation (for instance, through events)
- sponsoring

In the majority of cases there is a mix of these financing methods.

There is just as much difference as between financing models as there is in the costs of city marketing. For smaller and medium-sized towns and cities in Germany, costs in the region of between 3 and 4 € / inhabitant are indicated (cp. footnote 5). A Europe-wide survey ascertained costs amounting to 4 € / inhabitant.

This may be exemplified by looking at budgets in two German towns:

**Table 3: Budgets for city marketing organisations - two examples**

	Karlstadt (16 000 inhabitants)	Schwabach (41 000 inhabitants)
members' fees	25 000 €	56 000 €
events	36 000 €	
city	8 000 €	64 000 €
total	69 0000 €	120 000 €

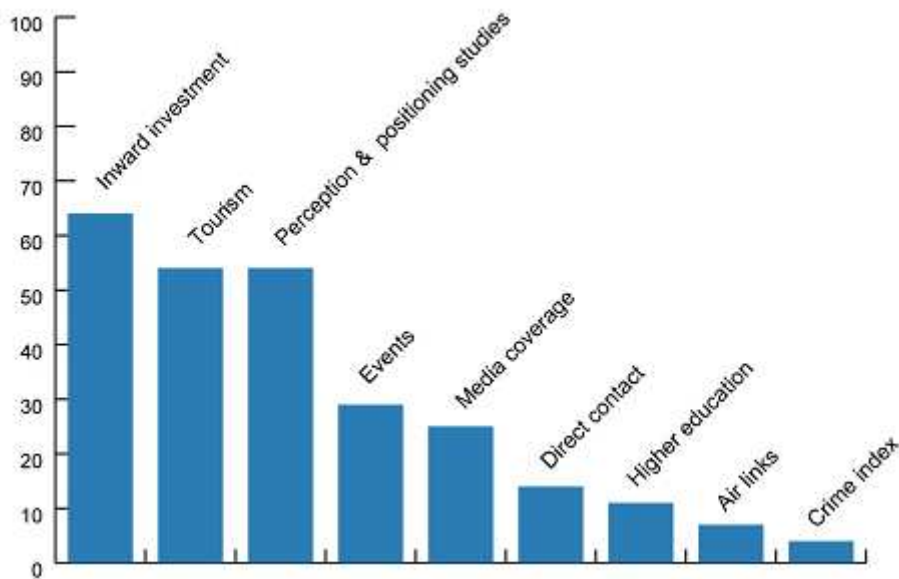
*Source: Bayerisches Staatsministerium für Wirtschaft, Infrastruktur, Verkehr und Technologie (2009): Best-practice-Leitfaden Stadtmarketing*

## 6. Monitoring and measurement

To ensure that marketing strategies are successful they need to keep on measuring, in tangible terms (for instance, increases in visitor numbers, inward investment, perception by the 'outside world' and by inhabitants, customer statistics and surveys etc.).

The following indicators (indicator fields) are most frequently applied:

**Fig. 5: Key performance indicators**



Source: Seisdedos (2006)

Both quantitative and qualitative indicators should be used. They depend to a major extent on the concrete strategy and on implementing this through projects. Many cities have monitoring and strategy meetings/ working groups already in existence, which are held on a regular basis.

## 7. Tools and means

Without at this time being able to go into greater detail, nevertheless those most frequently used instruments in city marketing should be mentioned:

- printed and visual material (the latter is often overestimated)
- internet
- press / media campaigns
- events
- fairs, exhibitions etc.
- cooperative design, logo, slogan
- lobbying, competitions, awards etc.
- various actions / supportive actions  
(depending on aims / concrete tasks / projects: citizens' bus, vouchers, ...)

Detailed descriptions and case studies may be found for example in the following documents:

- (in English) <http://www.city-regiomarketing.nl/publicatie/pub10.pdf>
- (in German) <http://www.stmwivt.bayern.de/fileadmin/Web-Dateien/Dokumente/wirtschaft/Best-practice-Leitfaden.pdf>

## 8. Outcomes of an Op-Act workshop

In the next sections, the outcomes of three Op-Act working groups addressing this topic have been brought together.

### Working group 1

*Cities involved:*

Dabrowa Gornicza - Poland (130 000)

Legazpi - Basque Country, Spain (8 700)

Nagykálló - Hungary (10 000)

*Key conclusions:*

- It is useful to have one specific symbol of the city, this could be a building, an institution, a work of art, an event, etc. - the more specific, the better. This symbol can then embody the city image (like the Eiffel Tower in Paris).
- Inhabitants need to believe in the city and in the image, if they don't - it is not an honest image and will not work in the long run.
- Do not have an unrealistic image, if there is a contradiction between the image and reality - it will very soon spoil the image!
- To have a positive image, it is important to have good living conditions (housing, public spaces, green areas, cultural opportunities, etc.)

*Measures needed:*

- Public participation: involving the local residents from the very beginning in creating and communicating the city image - if they believe and are committed to the image, they can become the best sales agents.
- Maintain traditional values and build on them: "don't forget where you come from". It is no use creating a trendy, hip image that is not in line with your values - it will always remain an artificial image without roots.
- Plan your image and image building / communication process carefully. Don't stop there, though! Each person has a drawer absolutely full of wonderful strategies. Put your plan into action - start to implement it!
- Use the tools of Web 2.0; whenever people look for information, a service or a product, they turn to the internet. So when you market your city, you can't avoid using Web 2.0 tools. When you do this, though:
  - take it seriously, plan, prepare for it
  - before you start, have a clear idea of your 'brand', 'brand promise(s)'
  - be patient: it takes time and a lot of work to get results
  - don't use just one tool, use various tools in an integrated way

## Working group 2:

Ancona

Heerlen

Leoben

Eberswalde

*Ancona:* the city is suffering huge problems because of the presence of the harbour. The port, representing the core of the city (the city centre has grown around it) causes inconvenience due to the high amounts of freight traffic and the presence of high numbers of immigrants (just passing through Ancona or living in the city). Regional level and decision makers see Ancona as the leading city in the process of creating an Adriatic macro-region, because of its geographical location and close links with Balkan countries. Residents are not aware of this city image, it is more of an external image, directed towards the European Commission and to neighbouring countries. There is a lack of a city strategy, a need to build up a common strategy.

*Heerlen:* in the city there are about 33 different nationalities living together (e.g. people from Morocco, Turkey, Italy, Spain, Poland, the Karlstadt former Yugoslavia). There are high numbers of undocumented workers and lots of social problems (domestic violence, school drops out, criminality, difficult intercultural dialogue, etc.). Unemployment problems: workers are unskilled, cannot find jobs in the high-tech and medical industries present at local level. Heerlen is also seen as a commercial city, and a place where people go to find drugs easily. A wish of decision makers to make Heerlen more attractive to young people.

*Leoben:* Leoben has been changing a lot in the past 15 years, from an industrial city it is becoming more and more a cultural centre. The biggest industrial sector is the steel industry, where there are still a lot of people employed (about 2000), although in the last few years numbers have declined (3000 workers in previous years). Because of the presence of the University, Leoben is becoming a city with a good cultural image. The city strategy is to make Leoben more attractive for young people: at the moment students leave the city after graduating as they move to more attractive cities like Graz or Vienna. With this in mind, a strategic plan for up to 2020 has been developed, to improve cultural and economic aspects and for university students to continue living in Leoben (rather than attracting new residents from elsewhere).

*Eberswalde:* a major change in the city image in the past years: it was previously seen as an educational and university city, whereas now the image is linked more to industry. For the local administrative authorities it is difficult to find one single image to promote the city as there is not one single sector on which to concentrate: industrial diversification is very high, and a major role is played by the 'green' economy. Attempts to improve the cultural image, organising high quality cultural events. One important target group is tourists (promoting Eberswalde as greener and cultural city).

After discussions between city representatives in this group, the main results were summarised in the following table:

City	internal image	external image	strategy
<b>Ancona</b>	mainly linked to problems and challenges (freight traffic passing through the city, immigrants)	regional image as the leader city in the process to create an Adriatic macro-region	lack of strategy at local level

<b>Heerlen</b>	mainly linked to problems and challenges (immigrants, social problems, high-tech industry but lack of skilled employees)	mainly linked to the drug trade	making Heerlen an attractive city for young people
<b>Leoben</b>	industrial and cultural city young city because of the university	cultural city	making Leoben an attractive city for young people improving the lifelong learning system
<b>Eberswalde</b>	not easy to find a unique city image, because of industrial diversification	on the way to being a cultural city	'green' city

### Working group 3:

*Heerlen, Province of Limburg, the Netherlands:* The City of Heerlen is changing its negative image - from a 'drug and ugly city centre to a dynamic, cultural city. It is the only Dutch city that has not cut back on its culture budget and is currently experiencing a period of 'cultural spring'. Inhabitants are gradually becoming prouder of their city - but this takes time. It appears that the shrinkage process has decreased in the last two years, but this cannot be said to be related to the current 'cultural spring'. The 'WE ARE HEERLEN' campaign specifically targets public participation in 'making' the city. The city shrinkage in Heerlen affects economic growth since it influences attracting new companies to the city. The city is working to improve living conditions and is using urban farming/pocket parks, e.g. setting up vegetable gardens and fruit trees on empty areas with social aims as well. People in the surroundings of Heerlen, the Euregion, the Province of Limburg and Randstad (the Netherlands' economic core, comprising Amsterdam, Rotterdam and The Hague) are beginning to gain a better image of the city, although more focus is needed on promoting what the city offers. Measures were taken to keep young, higher-educated people in the area and to attract young higher-educated people to move to the city. Research is underway with Zuyd University of Applied Sciences and with Maastricht University. Future aims include looking for a way to work on Heerlen city's external image. Is the Zuid Limburg ([www.zuidlimburg.nl](http://www.zuidlimburg.nl)) campaign enough for this, or do we need to start our own campaign? Additional South Limburg cities are involved in changing the South Limburg image. Randstad is also to be brought to look to South Limburg as a economic area, not only as a holiday/retirement area.

*Altena, South Westphalia, Germany:* The city image is negative given the decreased services offered by the city. Trade and industrial sectors are declining and many enterprises have either closed down or relocated. The general image – internal and external - is negative. Politicians and inhabitants have to work together (Altena 2015) and a large civic campaign was set up for this. Improvements in the city image include redeveloping townscapes (bus station, river bank) and developing two terraces. The city is working on attracting retail trade, i.e., via a groceries village (arts and crafts site) and constructing the 'Altena experience lift' to ride up to the castle (2013); a medieval festival which started in 2005 has had much success; city

marketing in cooperation with a publicity group is also working well. Like Heerlen, it is hard to promote the city image in conjunction with the region, e.g. promoting walking or hiking in area. The hope is to make Altena a tourist destination.

*Dabrowa Gornicza, Silesia, Poland:* The Silesian region has 80 major towns or cities and 40 small towns. It is a post-industrial area – unattractive and polluted in the minds of outsiders, but that is not necessarily the true picture. City and region need an attractive and innovative campaign to improve the image throughout Poland and so a professional marketing firm, already successful in Poland, was hired to lead the campaign promoting the 'positive energy' of Silesia. The campaign includes TV, radio and specific campaigns about young people. Follow-up research shows that the campaign was successful.

A representative from the Region of Styria in Austria (Jochen Werderitsch) was present, but he did not have the opportunity to specify too much, except to speak from a regional cooperation perspective. For this reason, his perspective is included below. Overall concern:

- Recognising urgency to work together involving a diversity of stakeholders, not just politicians
- Focus on soft factors, e.g. culture or social issues which bind people whereas economic issues often induce competition
- Public participation at the local level is working relatively well but people need to learn to think 'regionally' too
- Look for ways to promote 'natural' regions rather than forcing (too many small) localities to work together
- Involve different stakeholders at regional and provincial level
- Think business-specific; use regional organisations for regional marketing and business and investment (e.g. a formal company)

## **9. Summary**

The following chart summarises the results of desk research and the working groups. In so doing, it aims to set up an ideal typical model of a successful city marketing process.

*Fig. 6: The process of city marketing*

initiative



- search and contact potential partners and multipliers
- raising awareness, developing a common understanding of city marketing
- establishing a project and coordination team
- determining the approach (project plan)

analysis



- analysing existing data base (e.g. statistics, expert opinions, polls, concepts in previous urban development processes ...)
- image and location analysis in the context of competitive cities
- strengths-weaknesses-opportunities-threats SWOT analysis

vision  
strategy  
concept



- defining goals, mission statements (spatial and thematic priorities)
- defining the action areas
- developing policies and drafting an implementation plan (priority, responsibility, deadlines, resources)
- developing an organisational concept (organisational structure, range of power in various actors ...)
- project planning and financing

implement  
management



- establishing and institutionalising city marketing
- appointing (a) city marketing manager(s)
- recording activity and implementing measures
- networking with stakeholders

controlling

- establishing control mechanisms (qualitative and quantitative)
- evaluating implemented measures
- regular feedback vis-à-vis urban marketing strategy objectives
- if necessary, adjusting the strategy