

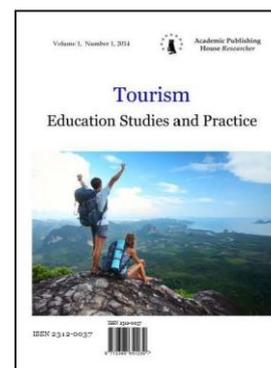
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Perspectives and Problems of Place Branding Development (the Case of Saint Petersburg)

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Abstract

This research project is devoted to investigation of the process of territory branding. Firstly, it reviews existing resources presenting mainstream theoretical concepts on the topic. Then, the observation of the real cases, as well as conducted comparative case study analysis contributes in identifying the current problems in the field of place branding and assists in putting forward proposals for its elimination in the context of St. Petersburg. The main conclusion is that the application of the systematic approach to the branding policy is the first step towards successful implementation of branding strategy.

Keywords: branding development, city branding, strategy.

1. Introduction

Nowadays competition between territorial units (towns, cities, regions, countries) for material, human, financial, labor and other types of resources is steadily intensifying due to the advance of globalization. Under these circumstances, the creation and development of territory brand is an important task faced by various states and territorial units, because the formation of a strong brand has a positive impact not only on the economic development of the territory, but also provides strong social and political effects.

The application of brand theory to geographic entities derives from commercial practice. However, because of the necessity to attract different groups of stakeholders such as visitors, settlers, traders, customers, investors, places have been promoting their images and attractions throughout history by creating a competitive advantage, e.g. production of unique products, holding fairs, the presence of unique natural and cultural objects, places of pilgrimage, etc.

Although, the processes, which are called now place or territory “branding”, have existed for a long time, place branding as an object of scientific research has appeared relatively recently, therefore it requires the creation of common conceptual and categorical apparatus (Mazurenko, 2014). Currently, the interest towards territory branding is growing rapidly, which is manifested in increasing number of successfully implemented branding projects. Moreover, branding is regarded as a necessary component of national and regional policies of many countries. Thus, studying the experience of place branding is considered actual.

In order to investigate the problem, it is necessary to clarify fundamental notions. The first one is place or territory branding, which is the process of discovering or creating the uniqueness, which differentiates the place and enables to gain a competitive brand value (Anholt, 2010).

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Secondly, it is necessary to draw a distinction between such identical concepts as place branding and marketing. Place marketing is aimed at promoting the interests of the territory, whereas place branding is its tool aimed at creating brand (Vizgalov, 2011).

This project is driven by the following research question: what are the main directions of the improvement of place branding practice at the city level? The hypothesis is that the improvement can be realized by the application of the systematic approach to branding policy with the involvement of experts in this field, high quality implementation of all branding stages and the consideration of theoretical developments and global experience.

The purpose of the research is to analyze the process of territory branding, identify major problems in this field and to develop recommendations to improve place branding practice based on the case of Saint Petersburg.

The structure of the research proposal is the following. First of all, it is literature review where the notion of territory branding, perspectives of its development, instruments and approaches to studying are observed. The second part contains the presentation of the research methodology. In the next part, there are the findings of the research. Finally, the conclusions are drawn.

2. Literature review

Over the last years interest in place branding is growing rapidly. The application of brand theory to places has been discussed by both academics and practitioners. Due to the fact that place branding as an object of scientific research and the element of place development has appeared relatively recently, many theoretical and practical aspects, concerning place branding are understudied.

In accordance with the purpose of the research, this work examines the critical review of five articles, concerning important aspects of place branding, such as dominant concepts on the substance of place brand and place branding process, its instruments and models of formation. The views of academics and practitioners are presented. More than that, the case studies of South Africa, Norway and Italy are observed.

The first paper, "Place branding research: a cross-disciplinary agenda and the views of practitioners", produced by G.Hankinson and published in 2012, contains the comparison of a thematic review of the mainstream place branding concepts in literature with field interviews with 25 senior managers in place branding organizations. The second article, "Putting city branding into practice" by Erik Braun, published in 2012 is focused on implementation of city branding in the context of urban governance. The third article, "Place brand architecture: strategic management of brand portfolio" written by G.Dooley & D. Bowie in 2005 observes the concept of umbrella brand by providing a case study of South Africa, discussing the principles used to develop it. The fourth paper, "Place, organization, democracy: three strategies for municipal branding", produced by A. Waeraas, H. Bjorna & T. Moldenaes and published in 2014, develops a typology for analyzing branding process on the example of Norwegian municipalities. The last article "The image of the creative city, eight years later: Turin, urban branding and the economic crisis taboo" written by A. Vanolo published in 2015 examines the evolution of urban branding on the example of the city of Turin, Italy and evaluates the influence of crisis on the branding process.

In brief, the work presents the literature review and overall assessment of five articles, discusses the findings of papers and their contribution to the research proposal on the whole.

The article "Putting city branding into practice" written by Erik Braun in 2012 is focused on implementation of city branding, whereas most academic research in this field are focusing on the concept of city branding or the transferability of branding concepts for cities (Kavaratzis, 2008). The central idea underpinning the analysis of the article is that the implementation of city branding takes place in the context of urban governance, therefore the political and administrative dimension of city branding is highlighted by the author.

The article identifies eight factors that can affect the implementation of city branding in positive or negative way. These factors are relevant in urban governance context, where city branding occurs. The first four factors, distinguished by the author, are important for reinforcing the significance of city branding in relation to the city's traditional policies. They are: the inclusion of city branding strategy in the political programs; a shared majority view on city branding among the city's political leadership; political responsibility; stakeholder management.

The remaining four factors relate to the substance of the brand and the approach to building the brand. These factors, on one hand, may assist the implementation of city branding, but at the same time, the wrong choice of these factors can negatively affect the progress of the branding practice, and sometimes even create considerable political problems. These factors are: genuine and credible city branding; umbrella city branding versus sub-brands; strategic co-branding with strong brands in the city; the balancing act between distinctiveness and wide support for the brand.

These eight factors proposed by the author can be used as a guideline by the city branding practitioners. However, the research is conceptual, and the hypotheses put forward should be tested empirically to be more credible. It is necessary to notice, that these factors can be applied only to such territorial units as cities. What is more it is not mentioned in the research, how these factors should be used in practice. What can be derived from the article is that establishing city marketing or city branding agencies without a link with the city's political leadership is counterproductive.

The concept of umbrella place branding was mentioned by E. Broun in the previous article as the key factor assisting in implementation of place branding. Place brand architecture: strategic management of brand portfolio" (2005) written by Gregory Dooley & David Bowie observe the concept of umbrella brand by providing a case study of South Africa, discussing the principles used to develop it. The paper examines the four types of place brand umbrella strategy contrasting relevant place examples with corporate examples and mentioning the advantages and disadvantages of each strategy.

According to the concept of place umbrella brand, the architecture of national brand consists of three levels: national brand, brands of separate spheres, which are determined by the national brand (tourism, politics, exports, sports, investments, etc.) and independent brands of cities, regions, educational and cultural centers, also brands of national goods and services (Dinni, 2008).

Therefore, the results of the research scrutinize useful techniques in brand architecture development relying on the concept of umbrella place branding. It makes recommendations for places considering applying similar strategies. However, it is necessary to remember that every place has its uniqueness and there is no unified set of branding strategies, which can be copied.

The next article "Place, organization, Democracy: three strategies for municipal branding" (2014) by Arlid Waeraas, Hilde Bjorna & Turid Moldenaes develops a typology for analyzing branding process in such units as municipalities, which are treated not only as geographic places but also as service-providing organizations and political institutions. Using such method as logistic regression, authors analyze present branding priorities of Norwegian municipalities and the variation in their profile.

The importance of this article for the research proposal lies in expanding the view of municipalities as places, taking the debate on the branding of cities, regions and municipalities in a more nuanced direction, concerning organizational and political contexts. Despite the fact, that the conditions, under which organizational, democracy and place branding strategy should be used, are not mentioned.

Lastly, relying on the obtained data, it was concluded that many aspects of urban branding have changed since the economic crisis. This is particularly visible in the case of internal dimension of branding (messages directed to inhabitants and city users) and its external dimension (messages directed to external target audience). The partial loss of adherence between internal and external branding messages which relate to food and to the image of Turin as the "smart city" is observed.

The article is relevant to the research proposal as it demonstrates the difficulty of the branding strategy, in which two slightly different brands for the two different audiences are developed. What is more, it allows to evaluate branding process in dynamics, and shows the influence of crisis on the created brand and ongoing branding events.

The literature review covers most of essential aspects related to the concept of territory branding and makes the great contribution to theoretical basis of the research proposal. More than that, the examined case studies help to identify current problems in the field of place branding and assist in putting forward proposals for their elimination. However, it is necessary to remember that every place has its uniqueness and there is no unified set of branding strategies, which can be copied.

3. Methodology

This part of the research proposal is aimed to present the methods that will be used in carrying out the study. The goal of the research is to identify existing problems in the field of city branding and to develop recommendations for improvement of place branding practice in the context of Saint Petersburg. The comparative case study analysis is considered the most convenient for the following paper, as it investigates a contemporary phenomenon within its real-life context, assists in identifying distinguishing characteristics of the processes, helps to compare and contrast (Yin, 2013). Within the research a variety of methods during collection, analysis and comprehension of information will be used.

The data will be obtained mainly through the analysis of written documents from the extensive literature on the topic focused on case studies of individual cities, such as reports of Destination Marketing Organizations (DMO) and Associations (DMAI), Place branding Organizations (PBO), foundations and non-profit organizations contributing to the development and implementation territory branding strategies, the branding strategies published on city's official web sites. The cases of specific cities will be selected with the help of Anholt City Brands Index – CBI, which evaluates the effectiveness of city branding implementation. The comparative case study will be conducted determining the following issues:

1. The history and background involved in the case.
2. The major issues, describing the current situation.
3. Goals, policies, strategies and actions led up to the present situation.
4. Stakeholder analysis.
5. Constraints and difficulties faced in the way, techniques of handling them.
6. Alternative courses of action.
7. Currently contemplated course of action.
8. Optimal course of action with the regard of tradeoffs and constraints involved.
9. What needs to be implemented with the help of new and existing resources.
10. Major existing sources of problems or pitfalls.
11. The criteria of success, the way by which it will be recognized and applied.

To summarize, the usage of the described above case study method will be significant not only in comparing St. Petersburg with other cities in a systematic way, but also in identifying existing problems and constraints in the field of city branding . On this basis, the aspects of the improvement of branding practice in St. Petersburg will be developed.

4. Results

The following research is going to demonstrate, that despite the existing range of problems and constraints in the field of place branding, it is possible to outline the directions of the improvement of place branding practice at the city level. The preliminary results of the following research are:

1. There is a set of problems that hinders the successful implementation of the branding programs:
 - Absence of the common conceptual and categorical apparatus in the field of place branding;
 - Lack of interest and awareness of the latest developments in the territory branding on the part of the authorities;
 - Mean interaction between academics and practitioners of place branding;
 - The implementation of separate, unrelated programs and activities in this field, the absence of a systematic approach;
 - Homogenization and standardization of branding programs, regardless of the place peculiarities and its identity.
2. The application of the systematic approach to branding policy with the involvement of experts in this field, high quality implementation of all branding stages and the consideration of theoretical developments and global experience might be crucial in the designing of a branding strategy.
3. The municipal authorities should pay more attention to the place branding as an effective tool for the enhancing competitiveness and become the major initiator of branding programs due to the wide range of resources and authority for its effective implementation.

4. It is significant to take into consideration that the implementation of branding programs should comprise a parallel development of the territories.

5. Successful implementation of place branding in Russia requires the establishment of cooperation mechanisms between the territories, which will facilitate the exchange of experiences and best practices.

6. The development of place branding in Russia requires the creation of the legal framework in this field, as well as the establishment of new bodies and positions in the system of state and municipal governance.

5. Conclusion

Cities, regions and countries all over the world are faced with the increased competition among places, which is apparent in various levels and fields of activity. In the effort to respond to the demands of competition, to attract the desired target groups and to develop territories, marketing and branding practices are widely applied.

Nowadays, it is strongly important for Russia to ensure comprehensive development of territories. In this sense, place branding can be regarded as a valuable tool, which allows to increase the attractiveness of the territory, to create a unique competitive advantage, to improve the quality of life and as the result – to provide the long-term and favorable positioning in a competitive market. For this reason, the problem concerning the implementation of the place branding practice in the context of Saint Petersburg has emerged in this study.

The literature review of the proposal assembles a thematic review of mainstream concepts concerning territory branding, contributing to theoretical basis of the paper. Moreover, it scrutinizes useful techniques in development a place brand. In addition, the observation of the real cases, as well as conducted comparative case study analysis contributes in identifying the current problems in the field of place branding and assists in putting forward proposals for its elimination in the context of St. Petersburg.

Therefore, the purpose of the research is achieved, that is to analyze the process of territory branding, identify major problems in this field and to develop recommendations to improve place branding practice based on the case of Saint Petersburg.

The results of the research could be used in the process of the creation the brand of St. Petersburg, which might positively influence not only the economic development of the city, but also provide strong social and political effects. However, the substance of the place branding process is still understudied and requires the future considerations, which can be related to the exploration of the degree of adaptation of corporate branding concept to the sphere of territory development. Moreover, there is a need to investigate the new areas of branding beyond the commercial practice and corporate branding theory, such as management of stakeholders and applying organizational culture to the field of territory development. These are the points for the next researches.

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