

PRE-PUBLICATION draft

EXCERPT from Chapter 2 Changing Cities

The marketing of a city destination is very different from the marketing of a normal product. Any other product can be seen, tested and compared with other similar products. For cities it is the consumer, and not the product, that moves with the product being sold before the consumer actually sees it. This makes place marketing of crucial importance as one can have a great city but unless that is recognised by potential buyers, the number of visitors will be limited. Just as the reputation of commercial companies may rise and fall with the quality of their products and effectiveness of their marketing, so too may a city's reputation fluctuate according to local conditions (such as infrastructure, services and safety) and the effectiveness of the city's place marketing efforts. ¹

In marketing, the product and its benefits are matched with the needs and desires of the consumer. This matching is easier for a business as it can alter its product or even create a new product to meet consumer needs. Of course, the process of developing a city as a tourist destination follows a different sequence as the product already exists. The architecture, urban spaces, parks, scenery, history and ethnic heritage of the residents are already in place. These features can be enhanced but they cannot be fundamentally changed. Businesses are able to research the consumer before developing a product. In contrast tourism marketers first analyse the city's existing features and the benefits and then identify potential tourists who will be interested in what the city has to offer.²

A further complication in the marketing of cities is that different segments of potential tourists will want different features and benefits from the tourist experience. For instance, for travellers on a budget, reasonable prices in the city and the availability of low cost accommodation are important considerations when deciding upon a travel destination. A family with children will seek out cities that have attractions that are enjoyable to both children and adults. There are many people who are keen on walking and hiking. For this group of people a town surrounded by extensive countryside and having a network of nature trails would be very attractive. Because potential tourist segments will need and desire different benefits from

visiting a city, marketers must first carry out a product analysis of what the city has to offer. Only then will the tourism marketer have the information needed to decide which potential tourist segment to target.³

According to Kolb⁴ marketing theory defines a product as consisting of three elements namely a tangible physical good, an intangible service or an experience. She argues that, in terms of being a product, a city is unique because it is composed of all three. The architecture, the parks, the streets and the monuments are the physical element whereas services are provided by cultural facilities, visitor attractions, accommodation, catering and other service providers. The physical element and the service provide for the overall experience of the tourist at the city destination. Whatever the type of city destination, these three elements- physical, service and experience- provide the basis upon which the city's image and the marketing approach are developed.

To be effective a place marketing plan has to be based on a proper understanding of the product. Marketing and product should not be divorced as no marketer can draw up a proper marketing plan of a product about which they know little or nothing. Marketing is the process of matching the features and benefits of the product with the needs, desires and expectations of the consumer.⁵

Place marketing is a process by which place is associated with some desirable qualities that resonate with particular audiences. This can be achieved with targeted enhancements in the city's built fabric and urban spaces coupled with communication strategies that focus on select aspects of the city's local identity, history and culture.⁶ Place marketing should not be detached from the actual development of the place.

To develop its tourism product, a city destination needs to do market research. On the demand side it needs to understand what kind of experience the visitor would wish for. On the supply side it needs to identify the tourism product opportunities and investigate their potential. It is then through a targeted market campaign that the tourism product (the supply) will be made known and promoted with potential visitors (the demand).

Integrating place marketing with the regeneration of the urban fabric provides for a more integrated approach to city development. The enhancement of public spaces and the urban fabric is an integral part of tourism product development which has the objective to upgrade the city environment and make it a pleasant place to live and visit. Place marketing normally falls within

the responsibility of the city authorities as do city planning and management. There is an increasing understanding that this facilitates coordination and the development of an effective symbiotic relationship between these two activities.⁷

In developing a place marketing strategy it is essential that the city is understood as a whole, and not merely as a piecemeal list of attractions.⁸ In Germany during the late 1980s the notion of ‘stadtmarketing’ (city marketing) started to enjoy wide popularity amongst city authorities as they were facing increased economic and fiscal stress due to low growth and rising unemployment. By the mid-1990s sixty per cent of German cities had explicit strategies of city marketing that were worked upon by specialized consultants or dedicated city marketing organisations.⁹ In the Netherlands in 2016 eighty per cent of municipalities had policies related to place marketing. Thirty two per cent of municipalities had established organisational entities tasked with place marketing, branding and/or place promotion.¹⁰

When business people decide in which city they will invest they inevitably consider economic factors such as labour supply, labour costs and property rent values. There are however also non-economic factors that they consider such as the lifestyle that the city offers to its personnel. The influence of lifestyle opportunities is likely to be greater if the firm has a high proportion of professional and managerial staff.¹¹ How the city is perceived is important in economic decision-making and hence the enhancement of a city’s image is relevant not only for tourism but also to attract inward investment.

Apart from reframing the image of the city, place marketing boosts a spirit of renewal and reinvigorates the sense of pride and identity amongst city residents. A spirit of renewal also entails embellishment, upgrading and sometime rebuilding of the urban environment. Such efforts are designed to present cities as places to live in, invest in and visit.¹²

¹ Holcomb, B. (1999) Marketing cities for tourism. In D.R. Judd & S.S. Fainstein (eds) *The Tourist City*. Yale University Press.

² Kolb, B. (2017) *Tourism marketing for cities and towns: Using social media and branding to attract tourists*. Routledge.

³ Kolb, 2017.

⁴ Kolb, 2017.

⁵ Kolb, 2017.

⁶ Colomb, C. (2012) *Staging the New Berlin: Place marketing and the politics of urban reinvention post-1989*. Routledge.

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- ⁷ Campelo, A. (2017) The state of the art: from country-of origin to strategies for economic development. In: A. Campelo (ed.) *Handbook on place branding and marketing*, (pp. 3 – 21). Elgaronline.
- ⁸ Kolb, 2017.
- ⁹ Colomb, 2012.
- ¹⁰ Boisen, M., Terlouw, K., Groote, P. & Couwenberg, O. (2018) Reframing place promotion, place marketing, and place branding – moving beyond conceptual confusion. *Cities*, 80, 4–11.
- ¹¹ Law, C. (2002) *Urban Tourism: The Visitor Economy and the Growth of Large Cities* (Second edition). Continuum.
- ¹² Lorentzen, A. (2009) Cities in the Experience Economy. *European Planning Studies*, 17:6, 829-845.