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## CITY BRAND IN THE EYES OF VALUES

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### Abstract

Cities have always been trying to create certain attractions in order to flow together different kinds of capitals like financial, human resource, investment, economics, free time, educational, energetic, cultural, social, and other capitals. Expansion of cities causes the outgrowth of their historically known scales. Increasing complexity demanded deeper consideration about the city position in the competitive environment. This is why cities began to use marketing tools and more and more implement praxis of brands and branding while positioning their cities among competitors. One of three most important component of city brand perception is values (besides perceived attributes and personality characteristics) which create perceptual dimensions, meaning shaping city's brand position in the eyes of stakeholders. This paper focuses on values and their impact on the city brand perception. A qualitative research study of five Slovene cities: Ljubljana, Maribor, Celje, Koper, and Nova Gorica, was conducted. Research displayed an immense difference in perceptions among explored city brands and showed a significant impact of values to their competitive position. The existent research can stimulate city managements to explore perceptions of their cities.

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### Key Words

Perception; city brand; values; city brand position; competition among cities.

## **INTRODUCTION**

Cities have always been a kind of brands although they were not aware of that. (Kavaratzis, 2009). Theoretically, we can discuss city brands from various angles. They can be: a) product brand (city is a product and therefore is sellable), b) destination brand, when city is regarded as an identity that has a geographic position, c) social brand, when it represents a certain community or d) interest brand when it represents specific groups of people with clear interests (Pompe, 2015,). However, city brand is a clearly recognizable phenomenon every city needs if it intends to compete with competitive cities (Kalandides, 2011). It is an indispensable builder of stakeholder's perceptions. Competition among cities developed to a state that branding became vital. Because of a substantial lack of marketing and branding comprehension among city brand management, there is a discrepant usage of brand instruments. The problem is the false understanding that marketing and branding equal with selling (Berglund & Olsson, 2010, p. 2) The focus bases, not on the complexity of the city as a marketing and social corpus but is mostly directed to isolated targets. Therefore, they put efforts in search of new buyers but not having a clear understanding of their need and wishes. The focus on marketing and branding is to optimize the social and economic functioning of a city, always in tune with strategic development goals (Ashworth & Voogd, 1990). The mentioned definition stresses two important aspects why marketing a city: 1) economic goals, social functions and identification and 2) as connection tool for existing and potential users of a destination or city. (Zenker, 2011). The closest comprehension of a city being a brand gained those cities that began to market themselves as a touristic destination. Still, this kind of thinking is too narrow and branding can be very useful in other fields of city functioning. (Ashworth & Kavaratzis, 2009).

## **THEORY**

### **City marketing and city brand**

City marketing could be understood as a process where marketing tools are integrated what is supported by users focused philosophy: its mission is communicating, delivering and exchanging city offers (products) that are valuable for particular city consumers and also for the entire city, a city as a whole. (Braun, 2008). In last decade, in positioning a city, we are recording a shift from marketing to branding. (Kavaratzis, 2008). City brand managers became aware of a better city development, position, and promotion. To achieve that, a creation of as many as possible positive associations in minds of city consumers is required (Zenker, 2011). Positive associations play beside external city consumers, a significant role for internal city consumers for they use the city as their residence, the possibility of survival, a place for different adventures and basis of their development. These includes all specifics of residence, education, recreation and all supporting

services, required for a demanded level of city living. How the city faces all these categories reflects the values that city stands for. Marketing of a city by using a city brand to which certain planned and during development recognized values are related, co-creates an attraction for both, existing and potential stakeholders. We find the following existing and potential city attractions: (a) investment, (b) migrations and (c) living conditions, (d) economic development, (e) tourism and recreation, (f) culture, (g) education, (h) science and (i) others (Pompe, 2012). Regardless in what shape a certain city is, it at a certain moment reflects a specific perceptual feeling. This is just because it has its own pulse and its own self (Savitch, 2010). Cities are entering the competitive market with their own "offer". The city as a complex corpus can satisfy demands of numerous different stakeholders and can therefore, find for each of them a specific meaning and sense. Each of them can get an answer to their demands and can get fulfillment and satisfaction.

The quality of urban space is getting more and more important and its dimensions are multi-layered. Each of these layers functions and communicates in a specific way. The consequence of them is a perception that a city stakeholder holds are also determined by perceived values Urban space, in the cities that are aware of their mission and need of competitive positioning, is designed and shaped in the way that it fits as close as possible to human needs. These are both, material and immaterial. Immaterial adjustments reflect through perceptions of city products. Communicated values strongly affected these perceptions. Immaterial city dimensions encompass immaterial goods that city delivers and are part of city equity – added-value that a city brand delivers. (Merrilees, Miller & Herington, 2011). Adjustment of urban space according to expectations of city stakeholders has an extensive influence on growth and flowering cities. All these has an important impact on city status and market position. Today, cities are getting more and more aware of this fact but the question is whether Slovene cities are aware too.

### **Soft strategic factors**

Cities possess features of the »universe«, they incorporate numerous different elements (Okano & Samson, 2010); their character is cosmopolitan. A more holistic description of a city brand as a competitive corpus was described by Papp-Vary (2011). In defining a city brand, he used Anholt's model City Brand Hexagon (Anholt, 2006), suggesting six key measures:

- city position and its status – general recognition and reputation;
- urban space, delivering living environment, cleanliness and attractions, architectural and urbanism solutions;
- (residents and living necessities – basic city qualities (living conditions, health, education, transport, recreation and sports);
- residents and their behaviors, warmth, kindness, openness and culture;
- (pulse – attractions, new discoveries, novelties, socializing, lifestyles;

- city potentials in the field of business and education.

All listed soft factors reflect the quality of living and working environment, culture and residential supply at the location, safety, visible attractions, moving speed and comfort. The result is achieved city reputation and its uniqueness (Pasquinelli, 2013). The more a city is capable stand put with its perceptive uniqueness the stronger is can beat the competition. The more a city is recognizable by its advantages, the stronger is its brand (Parkerson & Saunders, 2005). The consequence is better image and respect in the eyes of stakeholders – investors, non-governmental organizations, suppliers, designers, merchants and storekeepers, tourists and residents. Different stakeholders have different expectations from the city. The relevance of each of these fields is broad. Multilayered city contents allow inside identification of residents and daily uses of a city. This can reflects in loyalty and expressions of pride and belong and allows a multi-cultured community to personalize with the city.

### **City perceptual dimensions**

Each city has its own perceptual dimensions. With help of perception, people translate sensory impulses and stimulus in a coherent and unique view on the city around them. These perceptions, in fact, define reasons why somebody lives in a city. Perceptual dimensions have an impact on establishing of certain city and its brand position in the eyes of its stakeholders. The more these perceptual dimensions differ and gain the status of uniqueness, the better the position of a city and its brand. The focus of the article is perceptual dimensions of residents and visitors, divided into two distinctive dimensions: a) the one that affects rational perception, and b) the one that has the influence on emotional perception. We can observe a city as a story, as a pattern of relations among groups of people, between production fields, distributional space, and physical shapes. Everything connects to a multitude of decisions and multitude of conflicts. I conducted the research of five Slovene cities on basis of relevant and adequate collection of values. Cities differ to each other on basis of how we perceive them. Because perceptions affect a) values connected to the city, b) attributes that can be ascribed to cities and, c) recognized profiles of personalities that are characteristic of the cities, a unique research method was used (Tuškej, 2015). I studied brands of Ljubljana, Maribor, Celje, Koper and Nova Gorica. For the needs of this paper, we are processing values.

### **Values study**

Value as a concept, characteristic, paradigm or problem has always been a subject of study and interest of all scientific research fields. It is a matter of anthropology and observes the man and his attitudes towards a) other people, b) phenomenon in the environment, c) thinking patterns, d) points of different views towards the world as whole and creations of nature and man. Values are results of perceptions of surroundings, life experiences, upbringing, and education. Emotional perceptions, coming from environment

and experiences, mostly shape values. They are beliefs of goals and phenomena that we respect most. We can consider them as a kind of living guides that direct our interests and in many occasions behavior. We consider them as categories of phenomena that we appreciate or beliefs of what is good or what is bad and for what is worth to strive. (Internet 13). As Jan Musek says, values also influence mental welfare (Musek & Strniša, 2005). Because of theirs, dimensions values are an extensiveness important connector to man's decision making. (Musek, 2002).

Values study bases on a principle where respondents ascribe single values to brands. Only a single value they can ascribe to just one brand, to the brand for which they believe a chosen value is characteristic. For finding out what is the brand core, it is crucial to recognize the density of values, space where most values gather. Our research BPS (brand perception study) has a decade and a half of successful proofs and it has established that already after some dozens of completed questionnaires, the results do not change significantly. This establishment led us to the recognition that there is no need for a big research sample. Similar happened with research of values of city brands of Slovene cities.

## **METHODS**

### **Brand Perception Study and focus on values**

It is a necessary for a city brand that its strengths base on quality of internal perception (Giblin & Amuzo, 1997). Therefore, my focus were internal stakeholders, residents and city visitors. I measured city brand perceptions with Brand Perception Study tool which is the first professional research tool for performing perception studies of brands (Tuškej, 2015). The usage of the integrated platform allows creations of tailor-made research, data collection, results analyzing that enables clear presentation (also by using images) to interested publics. BPS helps and allows discovering of the brand reality in the eyes of stakeholders and defines brands position on the competitive map. The brand position is determined via its core characteristic, values, and personality. The article focuses on values of city brands of researched Slovene cities.

### **Values linked to city brand**

City values have an important impact on perceptive city value. The city is a kind of a story, a pattern in people interrelations, among production and distribution spaces and physical forms. Everything relates to the multitude of decisions and multitude of potential conflicts. Values imprint all these metaphors. A city with a strong brand has clear and positive values approved and lived with by residents and visitors. Values affect all stakeholders and create attractions for everyone, for instance, a private-public partnership for investments or for tourists to visit the city. Every feeling that arouses when facing a certain phenomenon is always connected to

experiences with values. That means that feelings are a consequence of certain values.

### **Perception study of five Slovene city brands**

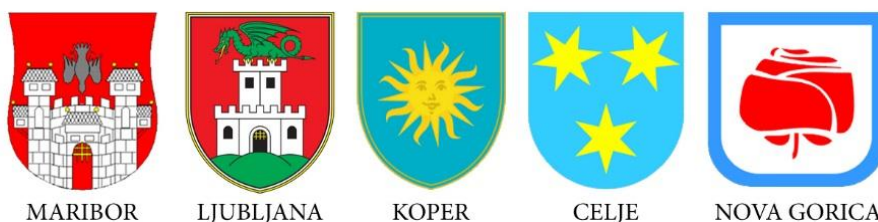
Criteria for establishing competitiveness of brands can differ. We can originate from brands market shares or shares of stakeholders; criteria can also be the congeniality with brands considering their position among users. Brands can compare according to technical characteristics in the assortment of products under a certain brand or according to the average price of products in the category. We link these data and analyze them. Therefore, a logical answer is obtainable for the question: who is the real competitor among all competitors. Study bases on theses that a) researched cities compete, b) that they do not know their competitive advantages and do not know their position in existing competitive environment. I am not observing city brands on basis of comparing them but on considering where and what are their main characteristics, what makes them different, what are their strengths and weaknesses and how do their profiles look like.

### **Research data**

We realized the research by using a web application, developed in marketing agency Formitas d. o. o., Ljubljana, Slovenia. Respondents were coming from all five researched cities, providing necessary research balance via equal shares integrates into researched samples. From each of cities fifteen respondents were selected, plus, fifteen from other areas in Slovenia. In whole, the research integrated ninety respondents what fulfills the conditions of BPS study that in years of several usages and testing proofs no need for larger numerus. The only condition for a limited sample was that respondents were strongly familiar with their brand.

The survey captured five Slovene cities that were in research defined as city brands. For it was impossible for all of them to identify unambiguous and characteristic identity I used their city coat-of-arms. Some of them are a very good base for creating a strong and recognizable iconographic starting point for creating an attractive and convincing visual identity. Respondents were, besides five city brands, also offered the sixth possibility called "none of the discussed cities". The researched city brands embody official coat-of-arm (figure 1):

**Figure 1:** City brands included in research



When selecting values we chose: a) intrapersonal (personal) and interpersonal (social) values (Rokeach, cited in Temeljotov Salaj & Zupančič, 2006, p. 38) and b) terminal values (goals) as well as instrumental values (means). All chosen values relate to interactions between city stakeholders and city as uniform but a complex brand. Both, positive and negative values were selected, what enabled polarization of opinions. The following values were included: active, ambitious, no criminal, carefree life, ingenuity, socializing, audacity, equality, harmony, with inspiration, sincere, charisma, conflict, creative, cultural, beauty, tranquility, silence, tension, irresponsibility, danger, modern, admiration, charming, responsible, open, optimism, development, friendship, authentic, rational, entertaining, neat, tidy, old-fashioned, self-sufficient, harmonious, natural, clean, respect, relaxed, happiness, freedom, comfort, dirty, refined, arty, kind, obliging, irrationality, harmonic, loyal, upbeat, exciting, progressive, health, knowledge, science, pessimism, nervousness, noisy, family friendly, and individual (Pompe, 2015).

### **Position and competitive positioning of city brands**

To specify competitive positions of studied brands we used correspondence analysis, described as »multivariate method of data processing, intended to display interconnections of in multidimensional tables«. (Rovan, 2006). In our case, we used two-dimensional contingency tables. »By usage of correspondence analysis tables morphs in graphs that together with belonged numerical indicators mean the basis for content analysis of researched phenomenon. The position of dot in graph reflects connection between two phenomena. Dots in graph, that are positioned close to each other represent combinations that appear more frequently than in situations when between two phenomena is no connectivity.« (Rovan, 2006) Correspondence analysis has shown as an ideal tool to analyse perceptions of brands and ascribed values, attributes and personality features, for it allows graphically clear interconnections of ascribed elements. From created perceptual map, we can discern how individual brands differ according to a single studied variable; or which are those elements that are most characteristic for an individual brand or what is the interconnection among brands and a single studied phenomenon. (Tuškej, 2013).

## **FINDINGS**

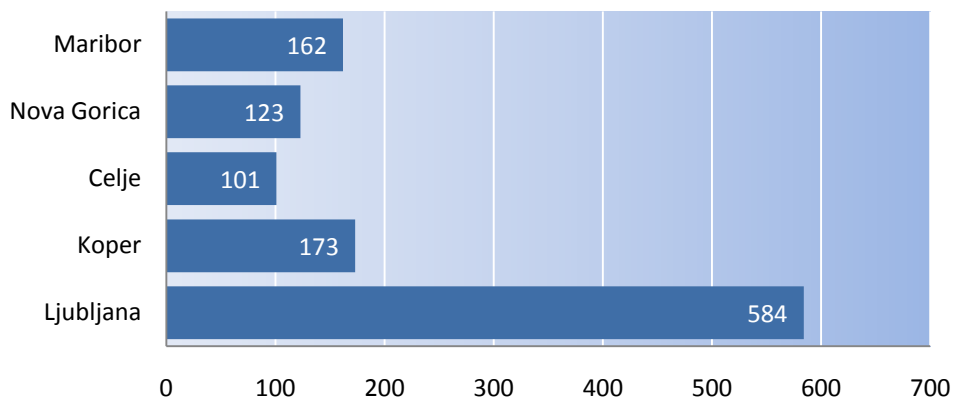
### **Perceived city quality**

Perceived city quality is an answer to a question saying: which of the researched cities has most positive, average and negative ascribed values. This is how we obtain a measure to evaluate which of them possesses more or less quality. Research focused on (a) terminal values and (b) instrumental values, and the examination how much they interact between city stakeholders and city itself as a unique but complex brand.

The results were not promising. Poor results are not only a consequence of small percentages of positive ascribes (exception is brand Ljubljana with 30 % positive attributes) but also because of high percentage of ascribed negative attributes and values. Among all brand Celje is considered as worst counting 30 % of negative ascribes, followed by brand Maribor (34 % positive ascribes) and brand Nova Gorica with some less than 25 % of negative ascribes (36 % positive ascribes). Closest to brand Ljubljana is brand Koper that has one fifth of negative.

If we exclude positive ascribes of attributes and values, the picture of researched city brands perception changes and the differences became less specific. The calculation of indexes is based on calculating shares of each city brand positive ascribes divided with the share of all positive ascribes of all city brands together.

**Figure 2:** Number of ascribed positive values to city brands Ljubljana, Koper, Celje, Nova Gorica and Maribor



Source: Pompe, 2015.

However, brand Ljubljana is standing out with index 120. According to criteria of quality this positions it over the average rate of positive ascribes. The worst position has brand Celje, close to average rate own Koper ( $I = 92$ ) and Nova Gorica ( $I = 88$ ), a bit worse is positioned brand Maribor ( $I = 85$ ).

**Quality level of values ascribed to city brands Ljubljana, Koper, Celje, Nova Gorica and Maribor**

One of the three important elements for determining the quality position of brands are values that respondents ascribe to a certain brand. Which of the studied brands possesses more qualities according to ascribed values? According to a number of positive ascribes again brand Ljubljana is superior. With help of communications, urban design solutions, relation to residents and environment, culture and security it has managed to create numerous positive values.



## **Values, ascribed to individual city brands**

Ascribed values are one of the components that define the focus of a researched brand. The results of study introduced a clear picture of how much focus each of the researched city brands has on gaining its desired position. The brand focus bases on the analysis of all three contents of the study: ascribed attributes, values and personality features. This paper focus values.

### ***Brand Ljubljana***

Among all, the following five are the most frequently ascribed values:

knowledge and science 91 % ascribes

art 73 % ascribes

active 71 % ascribes

culture 63 % ascribes

fun 63 % ascribes

Beside mentioned there are also some others positive values, all in the similar percentage zone (55 % to 63 % ascribes). These values are ahead of time, socializing, ambitious and refined.

### ***Brand Maribor***

Among first five values, we find next:

conflictive 38 % ascribes

tension 33 % ascribes

pessimism 33 % ascribes

authenticity 28 % ascribes

friendship 23 % ascribes

In the same percentage zone (from 22 % to 23 % ascribes) we find beside positive also negative values (likewise among first five). These values are devotion, nervousness, old-fashioned and socializing.

### ***Brand Koper***

Among first five values, we list the following:

relaxed 31 % ascribes

carefree life 29 % ascribes

cheerfulness 27 % ascribes

optimism 23 % ascribes

harmony 23 % ascribes

In the same percentage zone (from 18 % to 22 %) we find next values: health, daring, freedom, thrill and authenticity.

### ***Brand Celje***

Among first five values, that define value focus, are:

old-fashioned 31 % ascribes

boring 28 % ascribes

rational 17 % ascribes

tranquility and silence 14 % ascribes

natural 14 % ascribes

The closest percentage zone includes also values: family, sincerity and close to me.

### ***Brand Nova Gorica***

Out of all ascribed the following five stand out:

boring 29 % ascribes

tranquility and silence 28 % ascribes

opened 21 % ascribes

family 21 % ascribes

friendship 18 % ascribes

In the same percentage zone, we find also value clean.

### **Position and competitive positioning of city brands Ljubljana, Maribor, Koper, Celje in Nova Gorica**

Data, analyzed and represented with correspondence analysis, are the basis for conclusions of how strong and of what type is competitiveness between brands. It also gives a great help when preparing brand profiles and their core perception. Very important is also the possibility that by using

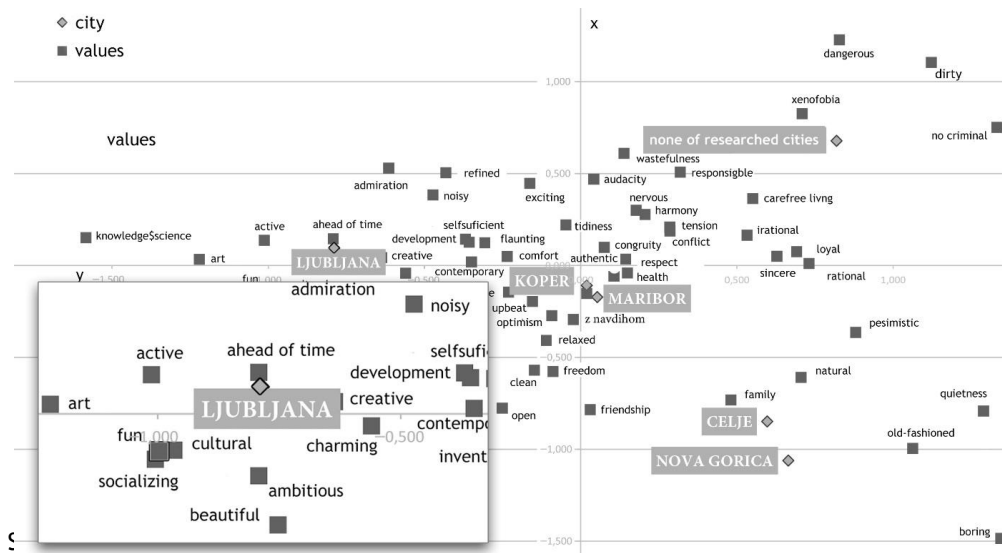
correspondence analysis we can define the most relevant content that would define the strategy of a certain brand.

### Positions of city brands Ljubljana, Maribor, Celje, Koper and Nova Gorica according to ascribed values

Correspondence analysis gave us groups of values that are grouping according to their similarities. From perceptual maps we can see discern density of different types of values.

In right-upper part of the map group values of »interruptions« that are stressing interrupting social, environmental and managerial elements (dangerous, dirty, xenophobia, irrationality, wastefulness, nervousness, etc). In right-down part gather so called »status quo« values that have no affinity to changes (boring, family, natural, old-fashioned, tranquility and silence, pessimism, friendship, etc). On the other side of map we can find values of »progress« as drivers of overall development (culture, art, knowledge and science, ahead of time, etc), in the middle are values of »optimism« that stress bright look in the future (creative, modern, developing, trilling, upbeat, etc) and finally, middle-right values of »selfness and empathy« find their place (health, respect, harmony, orderliness, etc). Positions of city brands on perceptual map shows their strong and clear connection to certain groups of values. The clearest, focused and unambiguous position has city brand Ljubljana, Celje and Nova Gorica. Brand Ljubljana is surrounded by values of »progress«, while Celje and Nova Gorica are traditional. Brands Koper and Maribor are on crossroads of »optimism« and »selfness and empathy« values. None of the brands has a vivid negative position.

**Figure 3:** City brands competitive position according to ascribed values



## CONCLUSIONS

Generally, cities offer similar conditions for living and are functioning in similar way but differ with their peculiarities, express themselves with city atmospheres, urban and architectural solutions, historic heritage, economic position, culture and education, create possibilities, provide comparable diversity and create potential for creating impressions of uniqueness. Diversity and uniqueness are the conditions and possibility for a city to create their own position in competitive environment. A significant role in this process play values. This is how they can focus towards points, where they will be able to attract investments, high quality human resources and visitors, and on the other hand, play its unique role in long-term development as creators of city brand perception and high quality consumers of city services. These are the basic things on which a city builds or can build its brand.

Qualitative research showed that differences between city values effect on the position of city brand. Differences between city brands in the eyes of residents and other city visitors displayed their different perceptions. These perceptions base on ascribed values. Results showed significant differences between studied cities and their brands. An important conclusion is also that respondents have been answering on basis of their knowledge about researched brands. It showed up that those brands that are more focused and more active in communications gain a higher degree of perception and therefore a more clear position.

Analysis of ascribed values of studied city brands displayed that brand Ljubljana is the first also in this field of research and that the calculated ratio of values is high over average. The clearest position of brand Ljubljana, perceived by stakeholders, witness values of development and two key assembly attributes – diversity and perspective. Brand Maribor surround values of optimism and relations toward self and other people. Brand Koper is characteristic by values of optimism and inter-people relations. Brand Celje is predominated by values of tradition and »nothing going on« while brand Nova Gorica, like Celje, is positioned in the area of traditional values.

## RESOLUTION

City brands Maribor, Koper, Celje and Nova Gorica are unsuccessful in competing with Ljubljana for there are not enough positive or authentic values that would reinforce their market position in right manner. City brand managements of studied city brands will have to put much more efforts if they would like to be successful in the competitive battle in Slovenia as well as in Europe or in other parts of the World. There will be a potent need for more interdisciplinary harmony and more clearly defined vision and mission. Only when this completed it will be possible to step to the right development directions. Discovered negative values are an opportunity for all to make changes in their functioning and focusing on values that will be unambiguously recognizable and properly communicated to life and

communication city space. This will be the proper basis for building a strong city brand.

## IMPLICATIONS

The more ascribed positive values a city and its brand has the better is its position and competitiveness. Unsuccessful city brands are results of bad management with intellectual city property hidden in city brand. Principally there is insufficient knowledge in city management about what the phenomenon brand, a city brand is. This became clear because most of the studied city brands are unfocused and substantially unclear what offers numerous opportunities for a city brand, with the usage of known and tested procedures of brand management knowledge, to gain an enviable and unique position in the competitive environment.

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