

DESTINATION BRANDING for SMALL CITIES

SECOND EDITION

by Bill Baker

INTRODUCTION

Close emotional ties exist between people and the places they live, visit and work. This brings an added dimension to consider when it comes to introducing practices such as place branding and marketing to a community. This is a reality that owners and marketers of consumer goods rarely face. Whether as residents or visitors, we have very special bonds to places and this can lead to a very tricky planning process.

Cities must constantly adjust to changing circumstances, all the while maintaining a balance with the values and vision of their residents. Those ambitious places wanting to increase their well-being and reputation through tourism and economic development should first answer some basic questions:

- What do we want to be known for?
- How can we stand out from the crowd and be more competitive?
- What thoughts and feelings do we want to come to mind when people are exposed to our name?
- How can we gain improved results from our resources?

These questions are at the heart of branding. To successfully answer them the city needs to be customer-focused, strategic, open-minded, and imaginative in order to reveal the brand in a way that will generate positive feelings, respect, and loyalty. It must be crystal clear about what it is, what it does, why it is interesting, and why it should matter to specific audiences.

Places are not homogenous. Branding these complex entities takes much more than a cookie cutter approach or an afternoon brainstorming session. What may work in revealing and building the brand for one place, may not necessarily work in another. The processes outlined herein provide tools that can be adapted to a variety of circumstances.

While branding has been applied to consumer products for decades, the concept of destinations and places formulating brand strategies only began to appear during the 1990s. A strategic approach to destination branding was first introduced at a national level. The nations of Australia, Hong Kong, and Spain were among the first to truly embrace the practice. It was then adopted by major cities such as Seattle, Las Vegas, and Pittsburgh who were among the early American adopters. These innovators introduced branding to compete more effectively in an increasingly competitive world, create a strategic decision-making framework, and to address the calls on behalf of stakeholders for increased accountability in the marketing of places.

According to Jeremy Hildreth, head of place branding at London agency Saffron, “We have a tendency to think of a city’s star as permanently fixed, in reality the fortunes of places rise and fall over time. Our perceptions shift too, but they are imperfectly correlated with reality. We continue to think positively of a place even if it no longer deserves it. It seems we’ll forgive a place anything provided it’s sexy and going there gives us something to talk about when we get home. A city’s brand is an overall image and set of associations that resides in people’s heads and branding means the deliberate actions taken to alter or improve an image.”ⁱ

Most forward thinking places now regard branding as an essential component of their tourism and community development toolkits. It has been elevated in importance to the point where Destination Marketing Association International (DMAI), the world’s largest official destination marketing organization, has designated the development of a brand strategy as one of the critical items needed for

accreditation in the Association's "Destination Marketing Accreditation Program".

While place branding is being successfully adopted around the world, there are some who mistakenly regard it as a fad. In examining their critique, I often find that they don't really understand the concept and often can't get much beyond the logo and tagline. They don't consider its benefits in providing a strategic framework. Malcolm Allan at Colliers International in London has an interesting perspective on this, "Place branding is a relatively new discipline and its small but growing band of adherents and practitioners have often been received with disdain and disbelief by people from established professions in town planning, economic development and tourism, numbers of whom regard it as a passing fad, just a new way of sexing-up traditional approaches to city planning, marketing and place making. As a qualified practicing town planner and economic development professional for over thirty years, I see it very differently. For me the key word is *strategy* as in place, city or development brand strategy. I have often been struck by the power of major lasting brands to meet the changing needs of their customers whilst remaining true to their purpose and values – they provide a much needed (and proven) strategic guidance system."

Realizing the power of a brand strategy to make their cities more competitive and successful, leaders are embracing the branding techniques that were once the domain of commercial products and services. Even so, not all place brands are successful. Too many fall short of their objectives. In the coming pages, I will address the common pitfalls and how to avoid them.

The thoughts and associations that come to mind when a city's name is heard or read can have huge financial, political, and social value. Too few city leaders think about the number of jobs, businesses, and other organizations that directly benefit from their city's image and reputation. The level of esteem that a city's name evokes has a direct impact on the health of its tourism, economic development, prestige,

and respect. Unfortunately, a city's image and reputation often go largely unrecognized, unappreciated and unmanaged. They rarely get measured and never appear on a balance sheet or the job evaluation of a Mayor, City Manager or elected official. With so much riding on its image and reputation, it makes sense to have a strategy to nurture, manage, and protect these most valuable of city assets.

You've Got Company

The USA has approximately 20,000 cities, 3,400 counties, 126 America's Byways, and 12,800 designated National Historic Districts. That does not include the states, regions, resorts, and neighborhoods that are also clamoring for attention. No wonder most small and mid-sized cities find it hard to be seen and heard in this crowd! Then we can add thousands of cities, regions and destinations in other countries all wanting their share of global tourism, trade and talent.

It may be hard to believe that 90% of incorporated cities in the USA have a population of less than 50,000 residents.ⁱⁱ Actually, 80% of them have less than 10,000 residents. This means that the struggle to gain attention is not limited to those with large populations and large marketing budgets. The "little guys" are also competing against other enterprising small cities in lower profile, but no less intense, battles with the prizes being more family wage jobs, new businesses, high-spending travelers and talented newcomers.

Today, cities of all sizes find themselves competing against places and organizations on the other side of the world. This global contest has brought even small-town America onto the radar of global corporations. At the same time, international visitors to countries worldwide have shown an increasing inclination to go beyond the traditional major gateway cities to discover more of the authentic, distinctive qualities in small cities and regions. This new paradigm means that ambitious communities must compete by using the same marketing and branding principles that were once the exclusive domain of corporations and nations.

Choice is not limited to the battle between one city and another. Locations within cities are also in fierce competition with each other, i.e. city centers vs. neighborhoods, big box retailers vs. Main Streets or High Streets, shopping malls vs. traditional downtowns, and suburbs competing with all of the above. We even find modern shopping centers in the suburbs that are built to look like traditional downtowns and Main Streets. Examples of this can be found at Bridgeport Village in Portland OR and The Streets at Southpoint in Durham NC. This heightened competitive environment makes it imperative for places, no matter their size or composition, to clearly differentiate themselves and convey why they are the most relevant and rewarding options.

We've all had the experience of discovering the reality of a place being different from the perceptions and expectations we hold. Those perceptions may have been shaped by our travel experiences, education, comments from friends and relatives, social media and even movies, books, songs, and television. A complex web of factors such as its distinctive location, geography, economy, climate, history, culture, religion or architecture has produced the city's actual character. The challenge for all communities is to bridge and manage the gap between the externally held perceptions and the reality of the place. Many are even trying to compete with an image that is out of date, inaccurate, or unbalanced.

To the annoyance of many city leaders, the commonly held view of their city may be out of sync with what they see as its reality. While the city may have invested millions of dollars in infrastructure projects, public works, promotions, urban design, and events, an outdated or bland image may still be widely held after many years of positive change within the community. This gap can mean lost income, jobs, tax revenues and reputation.

The biggest challenge that many places face is taking control of their identity and reputation which have been unmanaged for a long time. Without a brand strategy, a city may bounce from one set of

images and associations to another without considering what the city should be known for.

Then there is the “blank slate” problem identified by Andy Levine, President of Development Counsellors International, who estimates that 70 to 80 percent of all cities in the U.S. have no dominant image at all in the public mind. Thus, finding a core differentiating asset, or ‘unique selling proposition’ as he terms it, becomes even more important.

Fortunately, communities are becoming increasingly conscious of the need to proactively shape and influence what the world thinks of them and to position and market themselves with strategic intent, not simply by what seems like a good idea at the time. An important starting point is for city leaders to recognize that there is a direct link between the city’s image and reputation and its attractiveness as a place to visit, live, invest, and study. An even greater realization for some is that inaction is not a viable option if they genuinely want to improve local prosperity.

Malcolm Allan of Colliers International makes the point, “Competing on tax breaks, tax credits, free land, soft loans and other financial incentives to attract investors and to shore up local industries is a zero sum game and clearly a race to the bottom and one that is impossible to sustain. What is needed is a frank rethink about what the city offers of value and will offer in future. City branding is about being very strategic about the value and nature of the city’s strengths and experience, both of which need to be distinctive, and then deliberately creating, developing and demonstrating their value through appropriate on-brand actions.”

Successful place branding takes a concerted effort to attain a vision where the reality experienced by its customers matches the positive expectation or promise being conveyed by the city and its partners.

ⁱ European City Mayors: City Brands August 28, 2008

ⁱⁱ US Census Bureau, “Statistical Abstract of the United States”, December 15, 2006