UNIVERSITE DE DROIT, D'ECONOMIE ET DES SCIENCES D'AIX MARSEILLE AIX MARSEILLE UNIVERSITE INSTITUT D'ADMINISTRATION DES ENTREPRISES

CENTRE D'ETUDES ET DE RECHERCHE EN GESTION D'AIX MARSEILLE

CITY BRAND MANAGEMENT: THE ROLE OF BRAND HERITAGE IN CITY BRANDING *

Fabien PECOT**
Virginie de BARNIER***

W.P. n° 952

February 2015

Toute reproduction interdite

L'institut n'entend donner aucune approbation, ni improbation aux opinions émises dans ces publications : ces opinions doivent être considérées comme propres à leurs auteurs.

Institut d'Administration des Entreprises, Clos Guiot, Puyricard, CS 30063 13089 Aix-en-Provence Cedex 2, France Tel.: 04 42 28 08 08.- Fax: 04 42 28 08 00

^{*}Paper presented at the 14th International Marketing Trends Congress IMTC, ESCP-Europe, Paris, 22-24 January 2015.

^{**}Doctorant en Sciences de Gestion, AMGSM-IAE Aix, CERGAM (EA 4225), Aix Marseille Université, Clos Guiot, Chemin de la Quille, CS 30063, 13540 PUYRICARD Cedex, France

^{***}Professeur, AMGSM-IAE Aix, CERGAM (EA 4225), Aix Marseille Université, Clos Guiot, Chemin de la Quille, CS 30063, 13540 PUYRICARD Cedex, France

City Brand Management: the role of Brand Heritage in City Branding

Abstract:

City Brand Heritage (CBH) articulates the emergent concept of Brand Heritage for city branding to meet identified challenges such as standardisation, poor value proposition and the exclusion of many stakeholders. This paper presents the existing literature on the transferability of marketing techniques to the promotion of cities as well as heritage in branding. A two steps methodology made of qualitative interviews and quantitative data analysis help eliciting the elements composing CBH for the city brand of Marseilles, and leads to identify five dimensions for the construct with a significant although small difference between residents and tourists valuation.

Keywords:

City Brand Heritage, City Branding, Brand Heritage

Cities have been using branding techniques for decades, raising many questions about how to put to use the knowledge accumulated in branding when discussing the promotion of locations (Lucarelli & Berg, 2011; Zenker & Braun, 2010). Brand heritage is an emerging research field which could bring significant contributions to some of the city branding issues, such as standardisation (Griffiths, 1998; Hannigan, 2003), poor value proposition (Ashworth & Kavaratzis, 2007) and the exclusion of many stakeholders from the branding process (Trueman, Cook, & Cornelius, 2007). Indeed, brand heritage activation increases distinctiveness, strengthens the value proposition and the stakeholders' relationship (Urde, Greyser, & Balmer, 2007).

The aim of this paper is to show brand heritage makes sense for city brands and discuss its implementation, following three objectives. The first is to uncover the elements of CBH (City Brand Heritage). Building on existing methods, it suggests a methodology to uncover a city's heritage through brand associations. The second objective is to show CBH is multidimensional through quantitative data analysis, namely PCA (Principal Component Analysis). The third is to check possible differences in residents and tourists perception of those dimensions, as suggested by Merrilees, Miller, & Herington (2012).

1. LITERATURE REVIEW

As pursuing the objective of operationalizing brand heritage for the use of city brands, this paper deals with two issues: the transferability of marketing techniques to places, the use of heritage – and more broadly of past elements – in branding. A clarification on both topics paves the way to the introduction of City Brand Heritage.

1.1. The transferability of marketing techniques to city promotion

Cities compete to attract investment, tourists or residents (Ashworth & Voogd, 1990; Gold & Ward, 1994). City managers use marketing tools to develop and manage cities in that context of competition, branding is one of them (Ashworth & Kavaratzis, 2007).

Managers can achieve their marketing objectives outside the branding scope: advertising, participation to tourist fairs, launching a new logo cannot be considered as branding per se

(Ashworth & Kavaratzis, 2007), but can be – and are – used by cities to succeed in the competition. Nevertheless, it should be clear that this paper deals with branding understood as the management of perceptions associated with the city's name: the brand (Ashworth & Kavaratzis, 2007).

Therefore, this research does not put emphasis on particular promotional tools such as advertising, logos, or slogans. Nor does it deal with issues such as product of origin marketing or destination branding. It focuses on the city's name understood as the brand, and consistently with Keller's CBBE, defined as "a network of associations in the consumers' mind based on the visual, verbal, and behavioural expression of a place, which is embodied through the aims, communication, values, and the general culture of the place's stakeholders and the overall place design" (Zenker & Braun, 2010, p.3). This practice exists but raises three kind of criticism from diverse fields of social sciences: standardisation (Griffiths, 1998; Hannigan, 2003), poor value proposition (Ashworth & Kavaratzis, 2007) and exclusion of many stakeholders from the branding process (Trueman et al., 2007).

Specialists suggests the use of "intrinsic and distinctive characteristics" to achieve a successful place branding (Kavaratzis & Ashworth, 2005, p.510), heritage could be those characteristics. The question of transferability is mainly academic as practitioners do transfer. Now, the existence of this transfer raises issues, some of which heritage could help to overtake. This paper will have to explain how heritage can be introduced in city branding.

1.2. Heritage in branding: the emergence of brand heritage

Marketing and brand management are naturally forward looking activities, nevertheless, a so-called "historical turn" is identified in organisational studies (Clark & Rowlinson, 2004). Companies start to see the past as a manageable asset. Specifically in marketing, there has been a growing interest in practice since the eighties (Hudson, 2011), more recently in research (Brown, Kozinets, & Sherry, 2003).

The broad interest for the past in marketing can be broken into three different streams of research, each one corresponding to a different starting point (brand, consumer or corporation) and developing different concepts:

- Brand: retro brands (Brown et al., 2003), iconic brands (Holt, 2004), brand heritage (Urde et al., 2007).
- Consumer: nostalgia (Holak & Havlena, 1998; Kessous & Roux, 2012)
- Corporation: corporate heritage identities, corporate brand heritage, business history (see Burghausen & Balmer, 2014 for detailed definitions of all past and corporate-related concepts)

This work takes the brand's perspective, and more specifically brand heritage. The past, and its management through heritage, appears as a valuable asset for the brand, distinct from history (Lowenthal, 1998).

Brand heritage is defined as a dimension of a brand's identity "found in its track record, longevity, core values, use of symbols and particularly in an organisational belief that its history is important" (Urde et al., 2007, p.4).

Several published research work operationalise the brand heritage concept in particular contexts: repositioning (Hudson, 2011), in interaction with cultural heritage (Hakala, Lätti, & Sandberg, 2011) or family businesses (Blombäck & Brunninge, 2013). Following Aaker (1996) and Keller (1993) brand equity models, this paper considers brand heritage to be a set of brand associations. The activation of brand heritage has acknowledged benefits: increase distinctiveness in positioning, add depth, authenticity and credibility to the value proposition and generate pride and commitment among internal audiences (Urde et al., 2007). Additional research show positive impact on brand image (Wiedmann, Hennigs, Schmidt, & Wuestefeld, 2011), perceived value (Wuestefeld, Hennigs, Schmidt, & Wiedmann, 2012).

Brand heritage offers a conceptual frame to introduce heritage in city branding. Table 2 summarizes brand heritage's acknowledged contributions to city branding challenges on a theoretical basis.

Table 2 - Brand heritage contributions to city branding challenges

City branding challenges	Benefits from Brand Heritage activation (Urde et al., 2007)
Evans (2003) notes the ways cities are regenerated through culture and entertainment tends to make them look the same. Hannigan (2003) wonders to what extent the Guggenheim effect can work again and again. Movement, allusion to industrial tradition, a great location for business, local quality of life Griffiths (1998) indicates that the same images are regularly included in or excluded from cities' promotional tools, "making sameness."	Increase distinctiveness in positioning
"Many of the innovations and investments designed to make particular cities more attractive as cultural and consumer centers have quickly been imitated elsewhere, thus rendering any competitive advantage within a system of cities ephemeral" (Harvey, 1989, p.12).	
Many cities claim to be brands even though they only have a slogan and a logo which lacks depth as long as corporate branding is concerned (Ashworth & Kavaratzis, 2007). According to Harvey (1989), place marketing is the triumph of image over substance.	Add depth, authenticity and credibility to the value proposition
Residents are a crucial target of place branding (Braun, Kavaratzis, & Zenker, 2013) Regeneration should be based on the empowerment of local communities (Trueman et al., 2007), but current branding processes exclude significant parts of the population (Hannigan, 2003).	Generate pride and commitment among internal audiences

1.3. Introducing City Brand Heritage

This paper introduces the concept of "city brand heritage" defined as the set of brand associations grounded in the past and relevant to a particular city's present and future. City Brand Heritage (CBH) is distinct from heritage marketing being the use of marketing techniques for the promotion of heritage sites (Misiura, 2006). The objective of CBH conceptualisation is to operationalise brand heritage knowledge for the use of city brands. For regular brands to achieve the status of heritage brands, existing methods recommends to uncover, to activate and to protect the brand's heritage (Urde et al., 2007).

- Uncover: list the beliefs about the brand performance and values.
- Activate: depends on the perceived differentiation potential of heritage elements and their translation into value proposition and positioning.
- Protect: is related to the mission of the brand stewardship.

Here, we only focus on the first stage (uncover) and adapt it to a city's reality. There is a consensus about cities (as other places) being particularly complex organisations (Kavaratzis & Ashworth, 2005). Academics acknowledge the diversity of stakeholders involved in city

branding (Zenker & Beckmann, 2013) and of the different meaning they attach to the city brand (Merrilees et al., 2012). One could therefore expect CBH to have different dimensions and two groups of stakeholders (such as residents and tourists) to value CBH's dimensions differently.

2. METHODOLOGY

Our research field is the city of Marseilles, we conducted two sequential studies, one qualitative and one quantitative.

Study 1 is a set of twelve in-depth interviews conducted with experts of Marseilles' heritage to uncover the CBH. The experts are people whose professional, academic or artistic careers are linked to the city's heritage issues (3 sociologists, 3 historians, 2 artists, 2 key economic players, 1 journalist and 1 urban planner). The interview guide was structured as follow: first part about the definition of heritage as a concept, then of a city's heritage and finally their definition of Marseilles' heritage. Each interview lasts between 45 and 100 minutes, they were all conducted between May 2013 and May 2014.

Study 2 analyses data collected through an internet survey between the 4th of August and the 2^d of September 2014 (n=365). The questionnaire was structured as follow:

Twenty-four elements (CBH associations) extracted from Study 1 are evaluated on three 7 points Likert scales (one for strength, valence and differentiation as recommended for brand associations, Keller, 1993).

Respondents indicate if they are residents or tourists. Existing work attest the influence of some respondents' characteristics on attitude towards the city brand (Merrilles et al., 2012) or the city brand knowledge (Zenker and Beckmann, 2013). They suggest focusing on the difference between residents and tourists, two traditional stakeholders' groups in city branding as the use they have of the brand in very different from one to another.

Demographics (age, gender and revenues). The structure of the sample is detailed in the appendices.

3. FINDINGS

This research shows CBH is multidimensional and that being a resident or a tourist partially modifies the importance of each dimension. The first study focuses on the elicitation of the CBH of Marseilles. Sixty six elicited heritage elements appeared in the pre-analysis of the twelve experts' interviews but only twenty-four were mentioned by 4 or more experts and were used in the analysis to be more conservative (minimize the probability of generating difference in Study 2). In total, 171 meaning units were coded for those 24 CBH associations (see Table 3).

In study 2, we collected a strength, valence and differentiation scores for the 24 CBH associations. Those three scores were summed in a new variable to create an overall evaluation score for each association. A PCA conducted with this overall evaluation variable showed five dimensions (K.M.O. / M.S.A. is .823, Bartlett test is significant .000 and 57.77% of variance is explained). Only one association (Calanques) does not score at least 0.5 on any dimension.

Table 3 - The 24 associations of Marseilles CBH

Experts mentioning the element	Coded units	Elements
10	22	Notre-Dame de la Garde (Church)
5	13	Harbour
7	12	Sea
6	8	Marcel Pagnol (writer)
6	8	Soap
6	8	Olympique de Marseilles or O.M. (football club)
6	7	Palais Longchamp (Museum and monument)
6	7	Vieux-port (Old port)
7	7	Sun
4	6	Mucem (State museum built in 2013)
6	6	Saint-Victor (Abbey)
4	6	Canebière (The city's main Street)
6	6	Vieille-Charité (Museum and monument)
5	6	Pastis (Local alcohol)
5	6	Pétanque (traditional game, form of lawn bowling)
4	6	Natural light
4	5	Quartiers Nord (Northern and sensitive neighbourhoods)
4	5	Accent (Marseilless accent in French)
4	5	Life outside
4	5	Calanques (National Park in the city)
5	5	Vélodrome Stadium (Football stadium)
4	4	Easiness (lay-back lifestyle)
4	4	CMA-CGM tower (Skyscraper)
4	4	COMEX

We crossed with the qualitative data extracted from the interviews, to interpret those five dimensions which should apply to any city brand:

- Elite: gathering economic aspects and prestigious monuments that were identified in the interviews as the heritage recognised by the most affluent or intellectual, as opposed to modest people who would focus on more obvious heritage according to the experts interviewed.
- <u>Lifestyle:</u> those elements refer to our city example lifestyle, with a strong presence of natural elements (sea, sun, light) and being outside. In a non-Mediterranean city, one could find a different version of this dimension with theatres, pubs, cafés, mountains...
- <u>Cliché:</u> that dimension gathers the stereotypical elements identified in the interviews
 as the most obvious elements, what comes to mind in the first place, especially outside
 the city.
- <u>Popular (unpretentious):</u> the the working class vision of the city's heritage, as opposed to the elite one. In a different city, one could find factories, other sensitive neighbourhoods.
- <u>Famous places:</u> the most famous places, not necessarily the most prestigious but those well known by the majority.

Table 4 - Principal Component Analysis dimensions and loadings

	Dimensions				
	Elite	Lifestyle	Cliché	Popular	Famous places
	23.85%	12.86%	10.22%	5.66%	5.18%
Palais Longchamp	,757				
Vieille Charité	,734				
St. Victor	,829				
Tour CMA CGM	,735				
Port	,619				
COMEX	,745				
Mer		,719			
Lumière		,718			
Vie Dehors		,715			
Vie Facile		,537			
Soleil		,809			
Pagnol			,606		
Savon			,697		
Pétanque			,770		
Ricard			,687		
Accent			,677		
Stade Vélodrome				,750	
O.M.				,796	
Quartiers Nord				,676	
N-D. Garde					,584
Mucem					,593
Vieux-Port					,525
Canebiere					,582
Calanques					

To be able to compare the importance of each dimension for tourists or residents, new variables were coded with the factorial scores for each dimension. We then conduct ANOVAs and T-test on those scores between the two groups (residents and tourists) to identify the differences in the importance of each dimension. Results show a significant difference for three dimensions (Elite, Popular and Famous Places), but with a relatively small effect, except for the first dimension (Elite) where the effect is large.

Table 5 - ANOVA between factorial scores means on each dimension for residents and tourists

	Means		ANOVA scores		
Dimensions	Mean Resid	Mean Tourist	t	Sig.	η2
Elite	0,4556	-0,6003	9,060	,000	0,25
Lifestyle	0,0948	-0,1249	1,663	,098	0,01
Cliché	-0,0877	0,1156	-1,638	,103	0,01
Popular	0,1537	-0,2026	2,621	,010	0,03
Famous places	-0,1658	0,2185	-2,927	,004	0,03

4. **DISCUSSION AND IMPLICATIONS**

This research conceptually articulates the concept of brand heritage for the use of city brands. It introduces the concept of City Brand Heritage as the set of brand associations grounded in the past and relevant to a particular city's present and future and shows CBH is made of five dimensions (Elite, Lifestyle, Cliché, Popular and Famous Places).

Existing research suggests residents and tourists should have a different perception of the CBH, as it has been proven that different stakeholders have a different attitude towards the city brand (Merrilles et al., 2012) or a different city brand knowledge (Zenker and Beckmann, 2013). Study 2 shows there is a difference in the importance residents and tourist give to the five dimensions although this difference is relatively small, except for one dimension.

The large difference for the elite dimension must be due to the fact some residents hold a complex and rich representation of what CBH is whereas tourist do not know the city enough to valorise those elements, they tend to focus on more obvious elements (Famous Places dimension). It is particularly surprising that we do not find a significant difference in the evaluation of the cliché dimension, meaning the residents recognise those associations as part of the city brand heritage, at least as much as tourists do.

4.1. Limitations and future research

This first research in bringing together city branding and brand heritage has limitations due to the numerous possibilities that such exciting fields allows. A bigger sample could give more validity to the results.

This research takes the example of Marseilles, working on other examples could confirm the existence of those five dimensions. It would also be interesting to test the difference between other city brands stakeholders: investors (private or public), students, media... as well as demographic variables such as the revenues or the political opinion.

4.2. Managerial implication

This research may help cities willing to base their brand strategies on their heritage as a source for differentiation or to bring more substance to the city brand. Paris, London or New-York are living examples of the importance of cities brand management strategies based on brand heritage.

It introduces the concept of CBH as a multidimensional set of brand associations grounded in the past and relevant to a particular city's present and future. The five dimensions are not equally evaluated by tourists or residents, a city willing to communicate to both tourists and residents could emphasise on some stereotypical elements or others identified as lifestyle. On the contrary, a campaign whose aim would be to reach residents would be more efficient with elite elements. Public sector consultant and consultancies working with cities could also use the CBH five dimensions to compare cities and their brand heritage.

References

- Aaker, D. a. (1996). Building strong brands. New-York: The Free Press.
- Ashworth, G., & Kavaratzis, M. (2007). Beyond the logo: Brand. *Journal of Brand Management*, 16(8), 520–531. doi:10.1057/palgrave.bm.2550133
- Ashworth, G., & Voogd, H. (1990). Selling the city: marketing approaches in public sector urban planning. Belhaven Press.
- Blombäck, A., & Brunninge, O. (2013). The Dual Opening to Brand Heritage in Family Businesses. *Corporate Communications: An International Journal*, 18(3), 327–346.
- Braun, E., Kavaratzis, M., & Zenker, S. (2013). My city my brand: the different roles of residents in place branding. *Journal of Place Management and Development*, 6(1), 18–28. doi:10.1108/17538331311306087
- Brown, S., Kozinets, R. V., & Sherry, J. F. (2003). Teaching Old Brands New Tricks: Retro Branding and the Revival of Brand Meaning. *Journal of Marketing*, 67(3), 19–33. doi:10.1509/jmkg.67.3.19.18657
- Burghausen, M., & Balmer, J. M. T. (2014). Corporate heritage identity management and the multi-modal implementation of a corporate heritage identity. *Journal of Business Research*. doi:10.1016/j.jbusres.2014.06.019
- Clark, P., & Rowlinson, M. (2004). The Treatment of History in Organisation Studies: Towards an "Historic Turn"? *Business History*, 46(3), 331–352. doi:10.1080/0007679042000219175
- Evans, G. (2003). Hard-Branding the Cultural City From Prado to Prada. *International Journal of Urban and Regional Research*, 27(2), 417–440.
- Gold, J. R., & Ward, S. V. (1994). *Place promotion: the use of publicity and marketing to sell towns and regions*. John Wiley & Sons Ltd.
- Griffiths, R. (1998). Making Sameness: Place Marketing and the New Urban Entrepreneurialism. In N. Oatley (Ed.), *Cities Economic Competition and Urban Policy* (pp. 41–57). Sage.
- Hakala, U., Lätti, S., & Sandberg, B. (2011). Operationalising brand heritage and cultural heritage. *Journal of Product & Brand Management*, 20(6), 447–456. doi:10.1108/10610421111166595
- Hannigan, J. (2003). Symposium on Branding, the Entertainment Economy and Urban Place Building: Introduction. *International Journal of Urban and Regional Research*, 27(2), 352–361.
- Harvey, D. (1989). From Managerialism to Entrepreneurialism: The Transformation in Urban Governance in Late Capitalism. *Geografiska Annaler. Series B. Human Geography*, 71(1), 3–17.
- Holak, S. L., & Havlena, W. J. (1998). Feelings, Fantasies, and Memories. *Journal of Business Research*, 42(3), 217–226. doi:10.1016/S0148-2963(97)00119-7
- Holt, D. B. (2004). *How Brands Become Icons: The Principles of Cultural Branding*. Harvard Business Press.

- Hudson, B. T. (2011). Brand heritage and the renaissance of Cunard. *European Journal of Marketing*, 45(9/10), 1538–1556. doi:10.1108/03090561111151880
- Kavaratzis, M., & Ashworth, G. (2005). City branding: an effective assertion of identity or a transitory marketing trick? *Tijdschrift Voor Economische En Sociale Geografie*, *96*(5), 506–514.
- Keller, K. L. (1993). Conceptualizing, Measuring, and Managing Customer-Based Brand Equity. *Journal of Marketing*, *57*, 1–22. doi:10.2307/1252054
- Kessous, A., & Roux, E. (2012). NOSTALGIE ET MANAGEMENT DES MARQUES : APPROCHE Nostalgie et management des marques: approche sémiotique. *Management et Avenir*, 4(54), 15–33.
- Lowenthal D. (1998). Fabricating heritage. History & Memory, 10(1), 5-24.
- Lucarelli, A., & Berg, P. O. (2011). City branding: a state-of-the-art review of the research domain. *Journal of Place Management and Development*, 4(1), 9–27. doi:10.1108/17538331111117133
- Merrilees, B., Miller, D., & Herington, C. (2012). Multiple stakeholders and multiple city brand meanings. *European Journal of Marketing*, 46(7/8), 1032–1047. doi:10.1108/03090561211230188
- Misiura, S. (2006). Heritage Marketing. Routledge.
- Trueman, M. M., Cook, D., & Cornelius, N. (2007). Creative dimensions for branding and regeneration: Overcoming negative perceptions of a city. *Place Branding and Public Diplomacy*, 4(1), 29–44. doi:10.1057/palgrave.pb.6000073
- Urde, M., Greyser, S. A., & Balmer, J. M. T. (2007). Corporate brands with a heritage. *Journal of Brand Management*, 15(1), 4–19. doi:10.1057/palgrave.bm.2550106
- Wiedmann, K.-P., Hennigs, N., Schmidt, S., & Wuestefeld, T. (2011). Drivers and Outcomes of Brand Heritage: Consumers' Perception of Heritage Brands in the Automotive Industry. *The Journal of Marketing Theory and Practice*. doi:10.2753/MTP1069-6679190206
- Wuestefeld, T., Hennigs, N., Schmidt, S., & Wiedmann, K.-P. (2012). The impact of brand heritage on customer perceived value. *Der Markt*, *51*(2-3), 51–61. doi:10.1007/s12642-012-0074-2
- Zenker, S., & Beckmann, S. C. (2013). My place is not your place different place brand knowledge by different target groups. *Journal of Place Management and Development*, 6(1), 6–17. doi:10.1108/17538331311306078
- Zenker, S., & Braun, E. (2010). The Place Brand Centre A Conceptual Approach for the Brand Management of Places. In *39th European Marketing Academy Conference*. Copenhagen, Denmark.

APPENDICE: Sample structure (N=365)

Age	
< 20	1,4
20-30	20,3
30-40	22,2
40-50	16,2
50-60	20,0
> 60	20,0
Total	100,0
Revenues	
< 20.000€	20,3
20.000 - 40.000€	38,9
40.000 - 62.000€	19,2
>62.000€	6,6
Not answered	15,1
Total	100,0

Gender	
Male	44,1
Female	55,9
Total	100,0

Main Activity		
Work	31,5	
Leisure	68,5	
Total	100,0	

Situation	
Resident	53,2
Tourist	46,8
Total	100,0