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Developing a value co-creating place brand

Case TornioHaparanda

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ABSTRACT

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The main objective of this research is to study place branding development possibilities in the context of TornioHaparanda. The focus is on the holistic approach of place branding incorporated with the service-dominant logic and its value co-creation, and its utilisation as a part of the strategic plans. Additionally, the Thesis aims to learn from prior marketing operations in order to investigate how they can contribute to the place branding operations. The purposed place brand development plan implements the theoretical framework, and applies empirical information from reference case examples, and utilises the analysis of prior marketing operations in the context of TornioHaparanda.

The Thesis is based on the qualitative study approach. The theoretical framework of the research was obtained by reviewing relevant literature. Empirical data were collected thorough in-depth interviews, direct observations, and participatory observations. Multiple sources and methods of data collection were utilised to produce a complete, holistic and contextual portrait of the object under scrutiny. The data is analysed mainly by building explanation to draw empirically based conclusions.

The results of the research identify the value co-creation in the process of building the development plan for the place, but also in the future development of the place brand itself. The active and committed stakeholders are the key factors in the value co-creation. The value can be utilised in the strategic planning of TornioHaparanda to provide a solid groundwork for collaboration incorporating the brand strategy to the collaborative strategy of TornioHaparanda, Vision 2020. To build the brand strategy a development plan for the TornioHaparanda cross-border context is presented. The plan comprises the needed resources, operations, finance, and timetable. Eventually, a new and increasingly focused and organised business model needs to be created to contribute to the positive development of TornioHaparanda.

Keywords: place branding, service-dominant logic, value co-creation

CONTENTS

1 INTRODUCTION

1.1 Motivation and background

During the last decade place branding has become increasingly important among practitioners and academics (Hanna & Rowley 2008, 69). There are two main impulses leading to the place marketing and branding. Firstly, citizens of a place want their place to be filled with opportunities to exercise their individual skills and needs. Citizens want to have a 'pride of place' creating a drive to improve their place. Secondly, people and resources are increasingly mobile as a result of advances in technology and globalisation. (Kotler 2004, 12; Anholt 2010, 3.) Additionally, contemporary trends of increased emphasis on image and service attributes, and outsourcing production and services, which are also reflections of the generalisation of the service-dominant logic introduced by Vargo and Lusch (2004), increase the importance of consumers' perceptions as distinct from reality (Nebenzahl 2004, 13). Tourism destinations are even suggested to emerge as fashion accessories becoming expressive devices communicating messages about identity, lifestyle and status (Morgan 2004, 19; Caldwell & Freire 2004, 51). People build images and perceptions about places. The place branding approach ultimately aims to influence on those images and perceptions in the way the place itself considers important and beneficial.

This research focuses on place branding in the context of two towns Tornio and Haparanda, which have a combined population of about 32 500. The towns are situated uniquely on the border of Finland and Sweden in northern parts of the countries as is illustrated in figure 1. Thus, they have a long history of transaction between towns and especially between their residents. The transaction stage started from the establishment of the national border in 1809. The closer cooperation between the two towns has started in the middle of the 1960's as they agreed on the common usage of the Haparanda swimming hall. In the cooperation stage the common goals were unidentified and the working together was based mainly on the actual needs of another party. Since then the cooperation has spread to technical, educational, health and social services. The office of cooperation, Provincia Bothniensis was established in 1986. The individual tourist offices of the two towns were merged in 1998. During the same year

the first collaborative vision 2010 was established. (Provincia Bothniensis 2006.) The collaboration stage with commonly set goals started.

Several researchers recognise the importance of the identity in image formation, which is vital in successful place branding (Aitken & Campelo 2009, 6; Anholt 2005, 4; Cai 2002, 722; Hall 2008, 63; Moilanen & Rainisto 2010, 6). According to Boo et al. (2009, 227), the image should fully reflect the unique characteristics of the location and further differentiate it from its competitors. Tornio alone does not possess any unique identity, which could be used to build a brand with differentiation. Neither does Haparanda. However, the location and the traditions of collaboration provide an opportunity to stand out and generate value for the place itself, but also to all stakeholders.

Figure 1. Location of Tornio – Haparanda (Provincia Bothniensis 2006)

In 1995 Finland and Sweden entered the EU. At that time Tornio and Haparanda started to utilise the location to deepen the cooperation. The towns started a joint project På Gränsen – Rajalla, i.e. On the border). The aim of that project is to develop the area between the old town centres, former border zone, into a new joint centre for the twin town. The project evolved from an architectural competition in 1997 into an implementation phase that started in 2003. Two years later the first street between Finland and Sweden, built by the two municipalities, was opened to the public traffic. Ikea and Ikano Retail Park were opened in November 2006 and Rajalla På Gränsen shopping centre in October 2008. In addition, about 120 apartments were built in the area by 2008. The construction work of the public infrastructure continues and by the end of 2011 most of it was opened for the public. As a technical director of the town of Tornio I have been closely involved with the development of the area. The cooperation between Tornio and Haparanda has contributed to a positive development of the two tows and it has been utilised for marketing purposes too. However, it seems that there is

still a plenty of potential in marketing activities, which could be utilised by increasingly effective and focused operations.

Tornio and Haparanda have conducted separate individual marketing operations during the past decades the cooperation stage with questionable success. At the beginning of the 2000's first initiatives for joint marketing operations emerged. In September 2005, Provincia Bothniensis' business and tourism team decided to launch a competition for designing a joint marketing profile for Tornio and Haparanda. The competition was aimed at six advertising agencies, three from both countries. Provincia Bothniensis' Board selected two of the agencies to develop their ideas further. Finally in February 2006, the Board decided to employ JOB Reklambyrå Ab advertising agency to develop a joint logo according to their proposal and further with the help of the towns' press officers to set guidelines for the kick-off and utilisation plan of the trademark. The Handbook of TornioHaparanda trademark was launched later in the same year. (Nousiainen 2011.) The handbook with its graphic profile presents the joint logo of the towns and outlines for its usage. The core idea of the logo was, and still is, that in Haparanda it will be used in the form of HaparandaTornio and in Tornio the appearance is TornioHaparanda, all other graphical details remaining the same (TornioHaparanda 2006, 16). In this thesis the TornioHaparanda print, which is presented in figure 2, is used when addressing the Tornio-Haparanda area as one geographical entity.

Figure 2. TornioHaparanda trademark in the form used in Tornio (TornioHaparanda 2006, 1, 16)

In 2009, TornioHaparanda started the first collaborative place marketing project to develop experience-service businesses in the region, i.e. the so called Destination - project. It was funded by EU Structural Fund's Interreg IV A Nord program. The project aim at stimulating businesses for the development of their products and services to further increase the attraction of TornioHaparanda as an international meeting place of trade and tourism. The primary goal of the project is to start and stimulate processes both in business life and community, which develop tourism and create new businesses.

The planned activities of the project include for example definition and description of the joint identity. In addition, a joint marketing strategy is to be designed. The project continues until September 2012. (Länsstyrelsen Norrbotten 2009, 4-5.)

The Tornio town strategy 2021 defines municipality-marketing activities among the measures to address its two strategic goals; sustainable and pleasant residing and living environment, and reinforcing income (Tornio 2009, 23, 25). However, no further description of the activities is presented nor such actions conducted in a coordinated fashion. Further the TornioHaparanda's joint vision updated in 2010 determines the effective internal and external marketing as one of the goals to support the critical successfactor of the first class business conditions (Provincia Bothniensis 2010, 8). Measures to achieve this goal mostly depend on the Destination project.

As described in the previous paragraphs, substantial investments have been made in the TornioHaparanda area during the past decade, which are mainly private in nature, but also public infrastructure has been heavily developed. The physical framework of the twin town is starting to achieve its form by the unification of the town centres. Communication enhancement and collaborative public town environment enable to increase cooperation between residents, businesses and other organisations. It could be stated even that the changes during the last decade have started to redefine the place. The infrastructure is starting to meet with the cross-border identity. The development in infrastructure is important before starting any brand identity promotion (García & Gómez & Molina 2011, 12; Qu & Kim & Im 2011, 474; Rainisto 2004, 14).

However, the cooperative marketing efforts so far have been disperse and vaguely managed. There are several enthusiastic operators conducting individual measures, but no collaborative plan exists to holistically guide the operations. Additionally, marketing competences are lacking and advertising agencies are employed to do the job. The current situation reminds of Simon Anholt's (2005, 22) description of superficial transactions in his suggesting that "The politicians and civil servants notify that 'having a brand' is fashionable; but they are confused about the differences between its external signs in the commercial context, such as logos and slogans, and the complex fundamental strategy and long-term behavioural change. Thus, the advertising sales people and the marketing firms easily control them." To avoid the development above, solid groundwork for joining the marketing efforts need to be defined in the way that

collaborative internal and external communications contribute to the positive development of the twin towns.

The positive development of a place creates value to the place itself, but also to its residents, businesses and visitors, i.e. stakeholders. The value is co-created in the processes where different kind of service is used eventually to the benefit of another party. This a fundament of the service-dominant logic introduced by Vargo and Lusch (2004). In addition, contemporary trends of increased emphasis on image and service attributes of products, and outsourcing production and services also reflect the generalisation of the service-dominant logic. Expansion of service-dominant logic on the other hand increases the need for place branding, but also supports the value creation in the place branding processes. To understand value co-creation the concept of service dominant logic needs to be explicated. The concept of service-dominant logic was introduced by Vargo and Lusch (2004) and has since become a widely discussed, adopted and utilised perspective or logic among practitioners and academics. There has been substantial concurrence, debate, dialog and inquiry, which have led to refining and enhancing the original specifics (Vargo & Lusch, 2008, 1-2). To understand service-dominant logic it is essential to differentiate services from service. Service-dominant logic suggests that the application of service for the benefit of another party is the foundation of all economic change. Service reflects the process of using one's resources for the benefit of another entity as in the more traditional approach of marketing, i.e. goods-dominant logic; services reflect a special type of output – intangible product. Service-dominant logic has three core notions, i.e. service is the fundamental basis of exchange, service is exchanged for service, and customer is always a co-creator of value. (Vargo & Lusch, 2008, 4-6.)

The economic and social actors in the network interacting and exchanging across and thorough networks create the value. Consequently, value creation takes place within and between systems at various levels of aggregation. (Vargo and Lush 2008, 2, 4-6.) Service-dominant logic and related value co-creation are explicated more clearly in chapter 3.

According to Baker (2007, 23) and Moilanen and Rainisto (2010, 6-7), a brand is an impression in a client's mind of a product or a service. It is a sum of all tangible and intangible features, which makes the selection authentic. A brand adds value by

promising intangible qualities (Baker 2007, 23). Branding itself is creating or developing customers' impressions about product, service or as in this study a place, e.g. TornioHaparanda. In place branding context, the three essential concepts of identity, image and communication that are related to brands. The sender itself defines identity of the brand, whereas the brand image is the real image developed in the receiver's mind. Brand identity means how the place marketer wants it to be experienced. On the other hand, brand image refers to how the brand is being experienced in reality. The message is developed by the chosen factors of the identity that needs to be communicated to the target audiences as attractive factors. (Moilanen & Rainisto 2010, 7.) As described above the customers', i.e. stakeholders role in brand formation is essential, which is analogic with the service-dominant logic. Vargo and Lusch (2004, 6) state that collaborating with and learning from customers and being adaptive to their individual needs supports that value is defined and co-created with the customer rather than being embedded in output. Involving stakeholders to the place branding emerges value co-creating processes. In these processes place branding operator uses its resources for the benefit of stakeholders, which is aligned by the description of service-dominant logic by Vargo and Lusch (2004). Concepts of place branding are described in detail in chapter 3.

1.2   Research objectives and research questions

This Master's Thesis deals with place branding from the service-dominant point of view in the context of TornioHaparanda twin towns. It focuses on the branding process required for the holistic, consistent and long-term place branding operations, and its value creation. Strategic enhancements provided by place branding are also discussed. To study the value creation in the place branding processes the perspectives of service-dominant logic are utilised as groundwork. Further the prerequisites of successful brand management are studied to propose business model adjustments.

Contemporary literature outlines models for place branding in the context of nations and destinations (Baker 2007, 71-74; Moilanen & Rainisto 2010, 160, 187-188). The generic branding literature is extensive, and during the last decade also increasingly in the context of place branding too. However, places have their own unique traits, which are to be considered in place branding, thus no model can be utilised in a

straightforward way. Additionally, as Rainisto (2004, 15) states the best performance in place branding has not appeared yet. In the TornioHaparanda case, the cross-border environment set the guidelines for any collaborative operations, including place branding.

The objective of this research is firstly, to explicate the holistic approach of place branding incorporated with the service-dominant logic and its value co-creation, and possible utilisation as a part of the strategic plans. Secondly, the objective is to learn from prior marketing operations in order to investigate how they can contribute to the place branding operations. Thirdly, the objective is to create a branding model for TornioHaparanda by applying some existing models of place branding. The created model enables the future development of TornioHaparanda brand, which can serve as a solid groundwork for all internal and external marketing activities of the twin town.

The research report is important for decision-making to conceptualise which measures should be taken to retarget collaborative marketing efforts to serve common goals. Any municipality have several stakeholders, who should be taken into account in the planning of a branding process. TornioHaparanda as one geographical entity, with its cross border settings, challenge collaborative branding operations adding emphasis on the consensus building. The branding model can be utilised also at the beginning of the branding process to introduce future processes to various stakeholders.

This study does not aim to generalisation. However, the results of this research may be useful to other municipal branding purposes, especially with similar rural small-town settings. It can also help to identify strengths and weaknesses of any given municipality with its marketing activities. However, the limitations of this research and contextual environment must be considered.

Asking questions and finding answers based on facts are fundamentally researching activities (Turabian 2007, 5). Curiosity that drives researchers is addressed in the form of research questions to provide sufficient direction for conducting research (White 2009, 5, 33). To achieve the objectives of this research, the following four research questions are defined:

1) How can place branding contribute to the value co-creation among the participating organisations?

To approach the research question, firstly the concepts of service-dominant logic and place branding, with related terminology, are to be defined by drawing from literature and previous research. In the service-dominant logic the exchange of service to the benefit of the other party is the foundation of all economic exchange. By employing service-dominant logic, the participating organizations are able to utilize the value co-created in the process. Place branding, with several stakeholders requiring a holistic approach in all operations, differs significantly from branding products or services. However, the differentiation of place branding from the traditional goods-dominant logic brings it closer to the modern service-dominant logic. Therefore, it is lucrative to research how holistic place branding accommodates the foundational premises of service dominant logic to identify its potential in the strategic planning.

2) How can holistic place branding support the strategic planning in TornioHaparanda?

TornioHaparanda's essential strategic plans are reviewed and this research presents how place branding can incorporate in plans in question. Place branding with its holistic approach and multiple audiences set a framework for the development of the towns' strategic planning and contribute to the brand of the place as well as to the value created to the participating organisations. Place branding operations can also serve as a pivotal factor in dispersion of the strategies.

3) How can TornioHaparanda's prior marketing operations contribute to the branding operations?

Prior marketing operations of TornioHaparanda have been dispersed and driven by individual tactical decisions without collective guidelines. However, these operations can be educative, thus they are explicated and assessed. In the assessment, an emphasis is on the operations, which are the most recent ones and comprise elements required for holistic place branding. These operations are evaluated according to a SWOT analysis to clarify the starting point of collective place branding.

4) How can a holistic place branding concept be implemented in the TornioHaparanda cross border context?

Tornio and Haparanda have a certain image and reputation today. To enhance these images and reputation collective operations should be designed to employ all available resources. Location on the border sets the framework for any collaborative actions. Hence, processes and participating organisations need to be defined to form a holistic place branding approach to TornioHaparanda. Additionally, the cornerstones of successful brand management and possible business model adaptations in the cross-border context need to be defined.

The research questions above are essential for both Tornio and Haparanda to be able to develop collaborative marketing activities in such a way that all organisations involved recognise the value created in the processes and are committed to the fundamental collaborative identity, and further to the message that all internal and external communications derive from. Additionally, at the present state an unidentified sum of money is invested in marketing purposes of various projects and measures by municipalities individually in the name of the twin town. The focus and effectiveness of these measures remain equivocal. Determination of a process for collaborative place branding contributes to the strategic planning. Collaborative place branding enables optimising future marketing activities improving focus for marketing investments, which further increases returns.

1.3   Structure of the thesis

This thesis is a research report of a case study. Its composition is based on the linear-analytic structure. The results of the research comprise of empirical data presented in narrative form.

Chapter 2 explicates the methodology used in this qualitative case study research. It describes and motivates the selected methodology in general and the procedures of data collection and analysis. In chapter 3 the description of the essential concepts of place branding and service-dominant logic, including co-creation, are provided. Chapter 3 also answers to first research question. Chapter 4 covers the strategic perspective of the

work. The contemporary town strategies are reviewed and suggestions for adjustments are made according to the findings in chapter 3. The research question number two is also answered. Reference cases of Rovaniemi and Oulu are described in the chapter 5. Chapter 6 studies the previous marketing operations made in TornioHaparanda. Thorough an analysis, the third research question is answered. Chapter 7 utilises the data from the previous chapters in the proposal for the plan to develop the place brand for TornioHaparanda. The status quo of the perceptions on TornioHaparanda is described to serve as a base of the plan. Additionally, a recommendation to adjustments for the business model is made to serve the place brand management. Finally, the findings of the research are presented in the conclusions in addition to the suggestions for future research and development.

2 RESEARCH METHODOLOGY

This chapter describes the research methodology starting from the selection of the research method and concluding to description of the data collection and data analysis. Additionally selected methodology and research techniques are motivated. Explication of the methodology improves research's credibility (Zalan & Geoffrey 2004, 522-523) and enables others to evaluate it (Zalan & Geoffrey 2004, 532; Ghauri & Grønhaug 2005, 35), which is also an objective of this chapter.

2.1 Qualitative case study research

This study is based on qualitative research. Many elements of the study justify the use of qualitative method. Firstly, the purpose of this study is to learn from the case TornioHaparanda about place branding, and knowledge from two separate place branding cases are utilised. Secondly, this thesis is a report of the research, thus portraying as a product of the learning process. Thirdly, the results of the research are expressed in words and they cannot be translated into numbers. Finally, the research does not provide any generalisation derived from the research problem despite the fact that the results of the research can be useful to other similar cases. In the following, there are explained and justified the methodology, which further support the qualitative approach of the research.

Yin (2009, 8) identifies three preconditions that should be observed in the selection of a research method, i.e. type of research question, the extent of control researcher has of behavioural events, and the degree of focus on contemporary as oppose to historical events. Type of research question is widely adopted research selection criteria. Most suitable research method for answering 'why?' and 'how?' research questions is the case study method (Yin 2009, 10; Ghauri 2004, 111). Yin (2009,11) also advises to observe the extent of control over behavioural events and degree of focus on contemporary as opposed historical events. In this research author cannot control behavioural events in data collection and analysis. Additionally, focus of the research is on contemporary events.

According to the above, case study is justified method for this research. This is supported by the fact that data needs to be collected from various sources to reduce likelihood of misinterpretation and to increase researchers understanding and explanation. Using multiple data sources, i.e. triangulation, is one of the defining features of a case study (Ghauri 2004, 115). The fact that the study is conducted in cross-border and cross-cultural settings, although Tornio and Haparanda do have many cultural similarities, also supports the use on case study as a research method (Ghauri 2004, 111). Eriksson & Kovalainen (2008, 117-119) identifies two types of case study, intensive and extensive. This case study research is intensive in type, because it focuses on understanding and learning from one unique case, i.e. TornioHaparanda, from the inside.

2.2 Data collection and analysis

Relevant data for this research exists mostly in qualitative form, i.e. knowledge of key persons or different kind of documents. Turabian (2009, 25) divides sources of evidence to primary sources, i.e. the first hand data, and secondary sources, i.e. books and articles utilising primary sources. The data for this research is collected mainly from the primary sources. However, secondary sources are applied to learn from other researchers. Yin (2009, 101-102) identifies six sources of data, i.e. documents, archival records, interviews, direct observation, participant-observation, and physical artefacts. This research data was collected mainly from documents, e.g. prior relevant researches, previous studies and strategies, archival records, e.g. image surveys, business life indexes and in-depth interviews with key informants. Author's involvement with the town of Tornio as an employee and a resident enabled also direct observations and participant observations during the research. Thus multiple sources and methods of data collection were utilised to produce more complete, holistic and contextual portrait of the object under study.

Literature review focused on most recent relevant researches both national and international. Additionally, both marketing strategies and strategies concerning generic development of the towns were utilised. Existing collaborative marketing plans and materials were reviewed. Previous studies and surveys about municipal services, image and business life indexes provided data for contemporary brand. The Rovaniemi and

Oulu branding processes are presented and analysed as reference cases of different implementations on place branding. Data from example cases was collected from public sources and complemented by interviewing key persons involved in corresponding operations.

Interviews are one of the most important sources of empirical data in case study research (Yin 2009, 106; Eriksson & Kovalainen 2008, 125). In-depth interviews are also suitable for cross-border settings when researcher aims to understand the motivations of decision-makers in different cultures (Ghauri 2004, 111). Thus this study added emphasis on the interviews. Data collected from the literature and other documentation was implemented in construction of questionnaires for the in-depth interviews. The purpose was to target interviews to the most relevant research topics. Interviews were focused in nature (Yin 2009, 107) following mainly the questionnaire, which I prepared beforehand. Also room for conversational discussions was reserved. Interviewees were selected based on their position and involvement in the prior marketing processes. Key persons with long involvement were selected. Interviewees were asked for both facts and their opinions about the events. Additionally, interviewees provided propositions about the processes they were interviewed about. These propositions were discussed during the interview in more detail and addressed later during the research. In example cases of Rovaniemi and Oulu I studied public data from the Internet was studied to familiarise myself with the processes prior to interviews. Prior to interviews I also sent the interviewees main topics of the interview beforehand for them to able prepare themselves. Thus, interviews were fluent and focused on the research topic. After the interviews I sent transcriptions to the respondents for verifying. Due to the public nature of the organisations and information, the transcripts of the interviews are presented in appendix 1.

Working as a technical director of Tornio I am not directly involved with the marketing operations of TornioHaparanda. The communications of the technical services, which are on my account, contribute very little to the collaborative marketing of the towns. However my triple role as a technical director and a resident of Tornio and a researcher of this study enabled direct observations and participant observations defined by Yin (2009, 109-113). Direct observations about development of TornioHaparanda were made daily and as a researcher visits to Oulu and Rovaniemi provided such

opportunities. Participant-observation emerged from my pivotal role in the development of TornioHaparanda. It also contributed to the accessibility of data.

As described above multiple sources of data were utilised to increase validity. New findings or conflicting information were verified through complementing data during the research process, again multiple sources were exploited.

Analysing qualitative data is perhaps the most difficult task while doing case study research. The core concept is to understand the point of view of the individuals being studied and additionally authentic data has to be interpreted against the framework of the context. (Ghauri 2004, 117.) In this research data collection and data analysis were interwoven from the beginning of the research process. It enabled increasing focus for the future steps of the process, thus contributing to the effective use of time and resources. Additionally, validity of data could be estimated immediately increasing reliability and quality of the overall research.

According to Yin (2009, 126), data analysis is recombining the evidence to draw empirically based conclusions. Recombination can occur by examining, categorising, tabulations or some other way (Yin 2009, 126). Yin (2009, 136-160) further specifies five analytic techniques; pattern-matching, explanation-building, time-series-analysis, logic models and cross-case synthesis. Analysis of the data in this study is based mainly on the explanation-building due to the explanatory approach of the research. Additionally this research's central aim is to provide a plan for future brand building operations and a platform for more detailed studies, thus developing ideas for further research. Some of the explanations are narrative but many of them are justified with theoretically significant propositions.

3   LITERATURE REVIEW

Chapter 3 explicates the main concepts of branding in the context of place branding. Reviewing relevant literature on the topic provides a framework for the entire research. Additionally this chapter answers to the first research question: How can place branding contribute to the value co-creation among the participating organisations?

3.1   Concepts of place branding

Defining and discussing relevant concepts is important to distinguish between brand and branding. There are many descriptions of a brand as a concept. Moilanen and Rainisto (2010), who have also been involved in constructing a brand development program for the Finland Promotion Board, provide one definition. According to Baker (2007, 23) and Moilanen and Rainisto (2010, 6-7), a brand is an impression in a client's mind of a product or a service. It is a sum of all tangible and intangible features, which makes the selection authentic. Brand is created and formed in the customer's mind. Brand exists when enough people belonging to the target group think the same way. (Moilanen & Rainisto 2010, 6-7.) It is often argued that the owner of the trademark is not the owner of the brand. The brand does not reside in the company offices and headquarter, but in the mind of the customer (Anholt 2005, 5).

Successful brand is credible and reflects local assets and characteristics, i.e. identity, (Hall 2008, 63) satisfying the rational and emotional needs and expectations of the customer (Moilanen & Rainisto 2010, 13). Good reputation can create a cycle of success, whereas bad reputation can encourage companies, associations, and individuals to avoid the place leading to slow degradation. Thus, bad reputation can create a cycle of decline. (Aula & Vehkalahti & Äikäs 2007, 13.) Strong brand provides added value to both seller and buyer, which makes branding as a concept a dominant strategy among organisations and businesses (Cai 2002, 723). In the place branding context added value thorough strong brand is divided among all stakeholders, i.e. residents, businesses, and visitors, contributing to the cycle of success and generating intangible value attached to the place in question.

Branding itself is creating or developing customers' impressions about product, service or as in this study a place, i.e. TornioHaparanda. In place branding context there are three essential concepts that are relater to brands, i.e. identity, image and communication. In the view of the concept communications the sender itself defines identity of the brand, whereas the brand image is the real image developed in the recipient's mind. Brand identity means how the place marketer wants brand to be experienced, whereas brand image refers to how the brand is being experienced in reality. The message is developed by the chosen factors of the identity that needs to be communicated to the target audiences as attractive factors. (Moilanen & Rainisto 2010, 7.) The relationship between the concepts of identity, image and communication are visualised in figure 2.

Brand contacts are essential in the formation of the impressions and contacts emerge from communication. Customer relates to the flow of the brand messages from various sources emerging a relationship between the customer and the brand (Grönroos 2007, 331). This brand relationship gives the place a meaning in the minds of the customers. Moilanen and Rainisto (2010, 14, 174, 178, 181-182) present a puzzle metaphor for brands emerge. Each time a customer is in contact with a product, a service, an advertisement, a news or any other personal experience that can be related to a brand he/she pieces together a puzzle. When enough pieces are collected the image is ready. These pieces are collected from multiple sources thus highlighting the importance of widely adopted brand identity and coordination of communications and organisations involved. Moilanen and Rainisto (2010, 14) divide brand sources into four categories (figure 2). Planned messages include advertising, brochures and other operations planned by the place-marketing organisation. Product messages for example physical settings, features are set by the manufacturer or in the place concept the environment provided by the community. Service messages are created in the process of interaction between service providers and customers. Unplanned messages emerge for example when customer shares personal experiences with a friend (word-of-mouth) or there is a newspaper article concerning the entity in question. Place marketer has the first two brand sources mainly under control, however marketing messages can also fail due to the enormous amount of information creating distraction to customer. The level of control decreases in service messages. These messages are created in the interaction where place marketer is not present and the transmission of brand message and the communication is depended on the abilities and commitment of the service provider. In

unplanned messages place marketer has hardly any role as the communication emerges without its awareness and beyond its reach.

Ashworth (2009, 10) has identified almost analogic areas of contacts when people form their perception about places. Firstly are the perceptions and images obtained thorough accumulated experiences of how they use places, secondly, thorough forms of place representation (films, novels, news, etc.), and thirdly thorough impacts of deliberate policy interventions such as urban design (Ashworth 2009, 10).
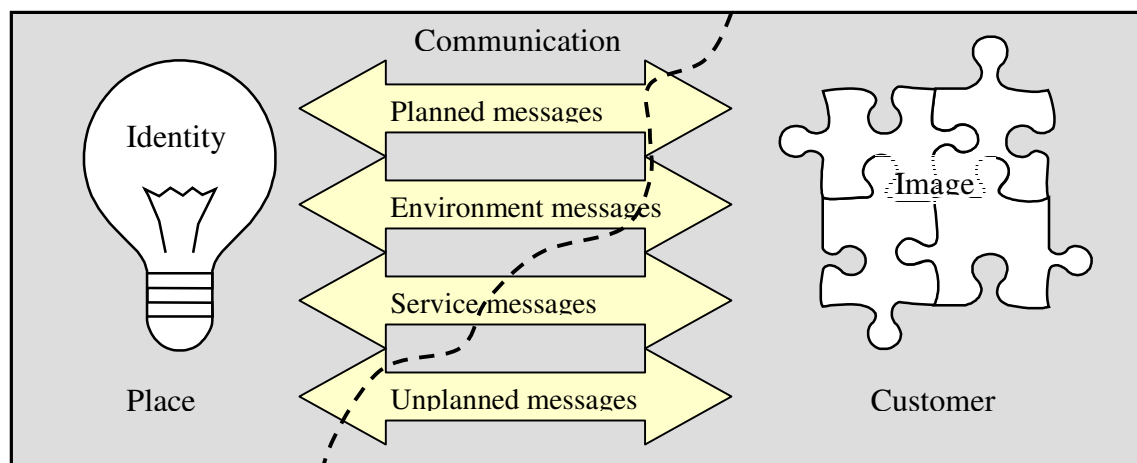
Figure 3. Brand identity, image and communication in the context of place branding

In the figure the dashed line separates place branding organisation from the customer. On the left side of the place branding organisation can operate, but on the right side the customer is the only authority

Anholt (2005, 4) defines branding as a process of designing, planning and communicating the name and identity in order to build or manage reputation. Image formation is not branding, although the former constitutes the core of the latter. Image is one step closer, but it sill remains critical missing link, the brand identity. (Cai 2002, 722.) Identity of a place takes shape when similar perceptions are shared across the community (Aitken & Campelo 2009, 3) or across the stakeholders in general (Moilanen & Rainisto 2010, 6). Qu, Kim and Im (2011, 474) argue that brand identity needs to be created and developed based on the image consumers have formed. Their research focused on tourist destination and the approach is somewhat different in the holistic place branding, which emphasis the role of the local stakeholders.

Rainisto (2006) introduced place branding term in the academic research context in his licentiate's dissertation in 2001 (Rainisto 2006, 11). Ever since place branding has had increasing interest also among academicians. In 2005 Simon Anholt launched and Palgrave Journals published a Place Branding and Public Diplomacy –journal containing case studies, student papers, and 'thinking pieces' from the leading authorities in the field (Anholt 2009). Terminology used in the researches is broad and there has been discussion about the term 'place' and its associated vocabulary, i.e. location, country, nation city and region (Anholt 2010, 1, Hanna & Rowley 2008, 61). Hanna & Rowley (2008, 67-69) studied the terminology use in place branding analysing 59 papers in 11 journals. They found that the focus of discussion for place branding has shifted from tourism to branding and business. 'Destination' was used predominantly in the tourism literature and accounted for majority of the case studies, second to which was 'place'. 'Place' and 'location' are the most dominant terms used in branding and business. Consistent to findings of Hanna & Rowley this research uses the term 'place' referring to the entity of TornioHaaparanda comprising all customers that are important for the holistic approach.

3.2   Development of a holistic place brand

Branding places is getting increasing attention because of the development of economical integration and advances in communication technologies. Growing power of international media, falling costs of international travel, rising consumer spending power, threatening place parity, scarce pool of international investors, competition for skilled and professional immigrants and growing consumer demand for diverse culture supply (Hanna & Rowley 2008, 63; Kotler 2004, 12) lead to increasing choices for target groups making location easily substitutable and harder to differentiate (Pike 2005, 258). Locations such as nations, cities, tourism destinations or even towns face increasing competition among residents, businesses and tourists.

Branding as a concept with its versatility is powerful for locations because it captures so well the idea that places need to understand and manage their internal identity and external reputation (Anholt 2007, 7). However branding is not easy. Branding as a term implies to some distinct and direct method for building a brand equity, which is incorrect an unjustifiable because there is no such method (Anholt 2010, 10). It consists

of chain of consistent long-term measures, a process focusing on communicating the carefully selected and managed identity to customers. For a brand to be a successful in long-term it should be believable and reflect local assets and characteristics (Hall 2008, 63).

Even though some researchers state that places can be branded in much the same way as consumer goods and services (Caldwell & Freire 2004, 50-51), differences are generally recognised and admitted that branding places cannot be done at the same way that products services or companies can and branding is more demanding (Anholt 2007, 5; Braun & Zenker 2010, 4; Kotler 2004, 12; Pike 2005, 258). Pike (2005, 258-259) identifies six reasons why branding places is more complex and challenging than goods and services. These reasons are related to multidimensionality of destinations, heterogeneous interest of various groups of stakeholders, politics and decision making, danger to get stuck between community consensus and brand theory, brand loyalty, and funding of the project.

Rainisto (2006) has studied place marketing in his doctoral dissertation. He has identified 13 success factors of place branding, which are divided in three dimensions The first dimensions are related to fundamental structures in place marketing procedures (planning group, vision and strategic analysis, place identity and place image, public-private partnership, and leadership). The second dimensions are factors that help facing challenges in competitive environment of place marketing (political unity, global marketplace, local development and process coincidences). Finally, Rainisto (2006) identifies success factors of 'how and capability' (strategic exploitation, organising capacity, existence of substance, and measurement and follow-up) (Rainisto 2006, 20-22, Moilanen & Rainisto 2010, 22-23.)

The best performance in place branding has not appeared yet. In order to succeed branding must be responsibility of the top management and involve all levels and stakeholders, thus leadership will be the greatest challenge for places in place branding. (Rainisto 2004, 15.)

Rainisto's (2006) success factors and challenges identified by Pike (2005) were implemented in this research firstly, to assess previous marketing activites and

secondly, to implement the holistic place branding to the TornioHaparanda entity. These factors also provided the framenwork for the data collection and analysis.

Destination branding can be defined as selecting a consistent element mix to identify and distinguish it thorough positive image building (Cai 2002, 722). This is done thorough brand contacts from various sources. Only part of the brand contacts comes from the planned communication. Additionally importance of planned communication is typically smaller than word-of-mouth, i.e. puzzle pieces from one source can be bigger than from another. In the brand development process for physical products, the most important factor is typically planned communication, which is implemented by the marketer and transmitted through the media. In the context of service foundation of a service brand is the customer's participation in the process. Thus the core of the service brand development is the development of the service process so that customers will receive positive brand contacts, which lead to positive brand relationship. One conclusion is that the first audience to which service company should sell its brand is company's own personnel. (Moilanen & Rainisto 2010, 15-17; Grönroos 2007, 335) Figure 3 illustrates the difference of branding focus between physical products and services. Management of a product branding (figure on the right) concentrates on the external communication, where as the management of a service provider (figure on the left) communicates brand message both external and internal (Moilanen & Rainisto 2010, 16-17).
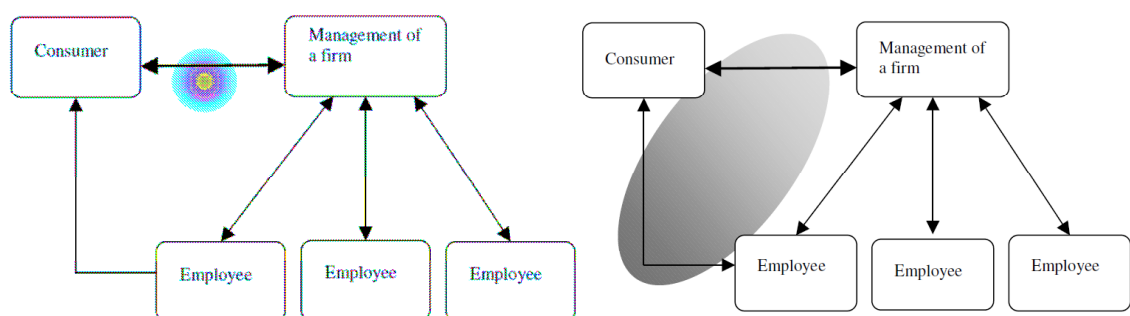
Figure 4. Branding of products and services (Moilanen & Rainisto 2010, 16-17)

In place brand creation process the focus is similar to service companies. However, there are several stakeholders (companies, municipalities, residents, associations, etc.) involved in the process thus multiplying interface of brand contacts with the customers. Figure 4 explains the place branding creation as a case of networked service entities. Service entities include phenomena such as places, destinations and alike. Emphasis is

added to collaborative coordination of the branding process. Often a collaborative organisation with representatives from different parties is established to coordinate stakeholders' activities. (Moilanen & Rainisto 2010, 18-19.)
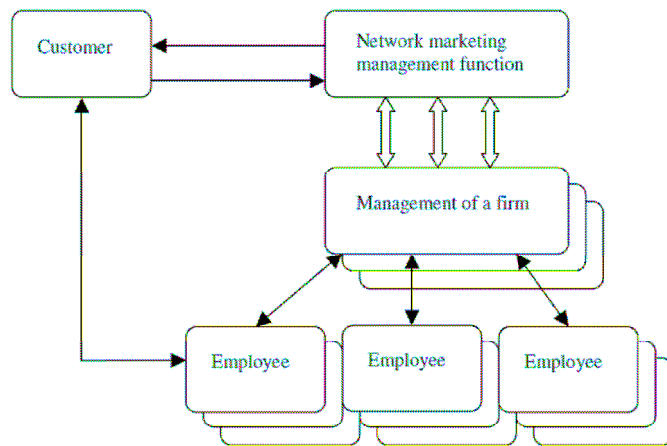
Figure 5. Brand creation of networked service entities (Moilanen & Rainisto 2010, 18)

Recent researches include more holistic approach to place branding models (Garcia et al. 2011; Braun & Zenker 2010) than previous researches (Boo & Busser & Baloglu 2009; Konecnik & Gartner 2007), which were conducted only from the visitors' point of view. García et al. (2011, 12) state that place marketing organisation must develop two-stage strategy, focusing firstly on the stakeholders closest to the destination (entrepreneurs and local people), and secondly on the visitors. Above-mentioned order is also emphasised. Involvement and education of people and the creation of co-branding agreements with the entrepreneurs are means to commit local stakeholders to the process. Aitken & Campelo (2009, 1) also support above, stating that core of the brand is culture and people who create it. García et al. (2011, 13) suggest precise measures for place marketing organisation to deal with essential brand dimension identified in their study. These recommendations for each component, which are meant to orientate place marketing organisation in regional tourist destination context, are presented in table 1. According to Braun & Zenker (2010, 6), these measures can vary between target groups and even target group specific sub-brand is likely to increase the identification of the brand by different target audiences.

Table 1. Recommended actions for each brand component (applied from García et al. 2011, 13)

Brand dimension	Recommendations
Presented Brand	Participation or collaboration of entrepreneurs and local people in advertising efforts (campaigns and communication).
Brand Awareness	Recognition of the brand by all three groups. Identification of destination brand inside destination (visualisation in every place a visitor may pass) in collaboration with local stakeholders.
Brand Meaning	Transmission of brand values through public slogans, destination's real images (reflecting the reality of the region) and theatrical actions at tourist points to simulate values of identity.
Brand Equity (loyalty, quality, word-of-mouth)	Remember loyal customers with lower prices, drawings, gift certificates, health treatments or free routes. Defining quality seal of guarantee collaboratively with stakeholders.

Ashworth (2009, 11-18) presents three main local planning instrument that are widely used throughout the world in various places and various combinations. These are personality associations, signature urban design and event hallmarking. Personal associations can be constructed based on a named individual hoping that unique qualities of individual are transferred to the place associations. It is necessary to build a link between a place and a person and fight off other similar links with the same person. One famous example of this kind of operations is Santa Claus, which has been linked with several places, Rovaniemi being most popular among visitors (Hall 2008, 66). Signature buildings and design is undeniable instrument of brand planning. Local place planners have considerable control of the appearance of the local urban environment. It contains flagship buildings, which are architecturally notable or designed by named architect, design elements in the public built environment (buildings, spaces, streetscape), and signature districts (specific district inside a city with a special function). Places can organise events in order to obtain publicity and recognition, i.e. event hallmarking. These can be permanently recurring or once in a lifetime events, such as Olympic Games. Altogether, Ashworth (2009, 21) emphasises the holistic

nature of place branding by concluding that one instrument alone seldom leads to success. Mixture of all the instruments supported by several conventional place planning and management measures is needed.

Ashworth (2009, 10), Braun and Zenker (2010, 8), and Rainisto (2004, 14) have also identified the importance of physical settings of the place. Promoting brand identity without fixing the contradicting elements would create negative word-of mouth communications due to the conflict between perceptions and experiences (Qu et al. 2011, 474). Rainisto (2004, 14) even suggests that branding operation should be postponed until the infrastructure meets with the chosen identity. Steps of branding operational plan for destinations by Moilanen and Rainisto (2010, 187-188) can be applied to TornioHaparanda entity, due to the analogic scope.

Caldwell & Freire (2004, 52, 59-60) suggest different approach for branding countries than for branding cities or regions. They studied people's perceptions about various counties, cities and regions applying Brand Box Model by DeChernatory. According to the model, brands can have two dimensions. Representational dimension presents attributes linked to the individual's self-expression, i.e. consumer uses brand to help them to express something about themselves. Functional dimension includes aspects of the destination – sun, reef, sky, river, salmon, etc.). Study shows that countries are so functionally diverse that they are perceived in terms of their representational parts of their brand. Cities and regions are perceived more from the functional point of view. Additionally study showed that different nationalities are more alike in their assessment of functional aspect than representational ones when the brand is a region or a city. (Caldwell & Freire 2004, 52, 59-60.) Even though, the study included well known cities and destinations in the survey, the result seem reasonable also in the context of smaller towns and less known regions such as TornioHaparanda.

TornioHaparanda has developed its public environment during the last decade the way that its support the unique traits place has to offer. On the border has been built collaborative Victoria Square with border canal pedestrian, and border arc pedestrian areas. Several statues and monuments have been revealed in collaboration with the towns. Additionally, the on-going construction development of the new collaborative town centre pursues to establish a building that could function as a landmark. This work should be continued. When the events are considered, in TornioHaparanda take place

several events every year, e.g. music festivals and ice-fishing competition, which are known in the neighbouring regions on both sides of the border. However, the scope of these events is too narrow to attract visitors from afar, thus more greater events should be considered, even occurring more seldom, but with more broader scope and wider attraction power. An example could be a housing fair, which is organised annually in Finland and draws substantial national attention.

Moilanen & Rainisto (2010, 149, 166) suggest two separate general operational plans for creating and sustaining a country brand or a destination brand. Steps of plans differentiate based on the entity in question, but main five stages are equal, i.e. set up and organisation, research stage, forming brand identity, making, executing and enforcing the plan, and implementation and follow up. (Moilanen & Rainisto 2010, 149, 166.)

The first three stages do not fundamentally differ much in branding nations or destinations. However, the stage of making, executing and enforcing the plan, and implementation and follow up, more emphasis is added on the internal dimensions when destination branding is considered. Internal communication needs to be developed. Additionally, service processes and physical infrastructure need to be transformed, where appropriate, to support destination brand identity. (Moilanen & Rainisto 2010, 160, 187-188.) These differences can be related to the limited scope of operations in destination branding, which enables brand-supportive actions.

Baker 2007 (71-74) introduces a 7A destination branding process, which is aimed at small cities with limited resources. Baker (2007, 71) emphasis on the process itself. "Sometimes it is not only a matter of what you do, but how you do it." Statement highlights the importance of the support of the key stakeholders. The success of the operations is dependent upon that support. The first step in the Baker's (2007, 73) 7A branding process is assessment and audit finding the answer to the critical questions what is the brand's place in the world? Analysis and advantage phase answers the question what will the city be known for? In the alignment phase the critical question is what are the brand's relationships? Articulation phase pursues to answer how can brand be expressed visually and verbally? In the activation phase it is critical to determine how will the brand come alive? In the adoption and attitudes phase crucial is to determine how can stakeholders support the brand? In the action and afterward phase

the critical question is how will the brand be kept fresh and relevant? (Baker's 2007, 73.)

Before starting the place branding operations Baker (2007, 57-68) advices to determine the leadership and organisational issues of the process, which is aligned with the starting point suggested by Moilanen and Rainisto (2010, 166). The first actual step of the process contains researching about the current status and of the place's marketing and image, where it came form and the position in needs to occupy in the future. The research can be conducted using various methods such as interviews, workshops, forums, and surveys. The second step is for analysing the data collected in the phase one. It will provide a realistic picture of the brand's dimensions and what may be needed to address any shortcomings. The third step concentrates on the brand architecture and alignment, which define the relationship between place's internal entities. Fourth phase involves the design of the visual and verbal identity systems. In the activation phase communications and on-brand actions are orchestrated to elicit the desired responses from customers. The sixth step concentrated to the commitment of the stakeholders, which should be supported by the collaborative working during the previous steps. In the phase seven the actual work really begins. Branding is long-term and cumulative. Hence, it is an ongoing organising and management needing continuous shaping and dispersion to maintain the brand relevant and attractive. (Baker 2007, 75, 78-79, 91 119, 129, 143, 161-162, 169.)

Due to the extensive interaction related to the place brand formulating it is likely to take five to more than twelve months (Baker (2007, 71; Moilanen and Rainisto 2010, 166). Process of developing a country brand often takes 10 to 20 years, whereas developing destination brand can be conducted in a shorter period of time, 5 to 10 years (Moilanen & Rainisto 2010, 148, 165). However it should be noted that creating a place brand is a long-term process and requires consistent actions and patience to be successful.

Developing a place brand creates value to the place itself, but also to its residents, businesses and visitors, i.e. stakeholders. The value is co-created in the processes where different kind of service is used eventually to the benefit of another party. This a fundament of the service-dominant logic introduced by Vargo and Lusch (2004). In addition, contemporary trends of increased emphasis on image and service attributes of products, and outsourcing production and services also reflect the generalisation of the

service-dominant logic. Expansion of service-dominant logic on the other hand increases the need for place branding, but also supports the value creation in the place branding processes. To understand value co-creation the concept of service dominant logic needs to be explicated.

3.3 Service-dominant logic and value co-creation

Vargo and Lusch (2004, 3-5) introduced the concept of service-dominant logic, simplified to service logic by Grönroos (2011, 240) in 2004. It has since become a widely discussed, adopted and utilised perspective or logic among practitioners and academics related mainly in marketing, but also in other business context. Vargo and Lusch (2008, 4) identify two factors behind the need for service dominant logic. Firstly, the ability to separate, transport and exchange information apart from goods and people. Secondly, increasing specialisation allowing increased outsourcing. (Vargo and Lusch 2008, 4.)

There has been substantial concurrence, debate, dialog and inquiry, which have led to refining and enhancing the original specifics (Vargo & Lusch, 2008, 1-2). Customer is in the core of the service-centred view of marketing. Vargo and Lusch (2004, 6) state that collaborating with and learning from customers and being adaptive to their individual needs supports that value is defined and co-created with the customer rather than being embedded in output.

To understand service-dominant logic it is essential to differentiate services from service. Service-dominant logic suggests that the application of service for the benefit of another party is the foundation of all economic change. Service reflects the process of using one's resources for the benefit of another entity as in the more traditional approach of marketing, i.e. goods-dominant logic services reflect a special type of output – intangible product. Service-dominant logic has three core notions: service is the fundamental basis of exchange, service is exchanged for service, and customer is always a co-creator of value. (Vargo and Lusch 2008, 4-6.)

The economic and social actors in the network interacting and exchanging across and thorough networks create the value. Consequently, value creation takes place within and

between systems at various levels of aggregation. (Vargo and Lush 2008, 2, 4-6.) Value for customer is created thorough the relationship by the customer, partly in interaction between the customer and service provider. Consequently value for customer is partly created solely by the customer when using product or service and partly co-created by the two parties. The focus is on the customers' value creating process, where value appear and is identified. (Grönroos 2007, 27.) Customers can participate in company's production processes engaging themselves with the firm's work of processes and become co-producers. Service is to support customers' practices and business outcomes with a set of resources and interactive processes (Grönroos 2011, 241-242). Customers do not search for goods or services as such; they want solutions that serve their own value creating processes (Grönroos 2007, 4). Thus, the interaction with the customer, e.g. a service process must appeal to the customer in a way that customer benefits from participation and commitment. In business-to-business relationship value for the customer can be measured financially. Additionally, value has also intangible dimension such as trust, commitment, loyalty and attraction (Grönroos 2011, 242). These dimensions of value are applicable to the place branding processes.

The concept of customer in the place branding context is overlapping with the concept of stakeholder, which is analogical to the service-dominant logic. The concept of stakeholder in the place branding development phase includes all local actors such as municipality organisations, clubs, residents and business representatives, not only the ones participating in the organisation responsible for the operations. These stakeholders, at least most of them, become later customers of internal branding.

The core essence of municipalities is to provide public, non-profit services. The eventual responsibility of arrangements lies on the town Council, which has democratically elected members. Further the authority to organise practices are assigned to different Boards, which also consist of politicians. Service is fundamental basis of all exchange. Customers are always co-creators of value. However, they can also engage themselves in the service processes, thus being co-producers. Democratically elected politicians, who involve in the processes thorough Boards can be pointed out as an example. As described above service is the fundamental basis of exchange, service is exchanged for service, and customer is always a co-creator of value. Thus, service-dominant logic is rather comprehensively applied in municipal organisations. Any place branding operations initiated, participated or executed by municipality can be claimed to

embrace service-dominant logic, where value is co-created within multiple interfaces of brand contacts with stakeholders; residents, businesses, associations, tourists, students, and so on. Also Vargo and Lusch (2008, 6) state that service-dominant logic is especially compatible with social and non-profit marketing.

3.4   Value co-creation in place branding

To explicate value co-creation in place branding it is necessary first to understand the brand value concept. Eventually value co-creation emerges in the same processes as the value of the brand is created. According to Baker (2007, 27), a successful brand adds its own value and reputation by consistently satisfying its customers. This value is referred to the brand as brand equity, and is its accumulated loyalty, awareness, and financial value. Brand equity is used to describe the value of a brand to the firm (Grönroos 2007, 334), i.e. place in the context of place branding.

According to Grönroos (2007, 330), the importance and involvement of the customer for the service branding process is essential. The situation is analogical with place branding operations, e.g. in the TornioHaparanda case as described in chapters 3.1 and 3.2. In the context of place branding all stakeholders who participate in formulation and building the brand, e.g. residents, businesses, associations, clubs, educational institutes, politicians and visitors should be accounted customers. The importance of customer participation in place branding is undeniably recognised by several researchers. Customer participation is a prerequisite in developing the place brand. Thus the customer, citizen, or any other stakeholder is a co-creator of value in the process. (Grönroos 2007, 330.) This is supported by the notion that brand resides in the consumers' minds. The customer participation creates a commitment and contributes not only to the place branding, but also to the strategic planning, which is discussed in chapter 4.

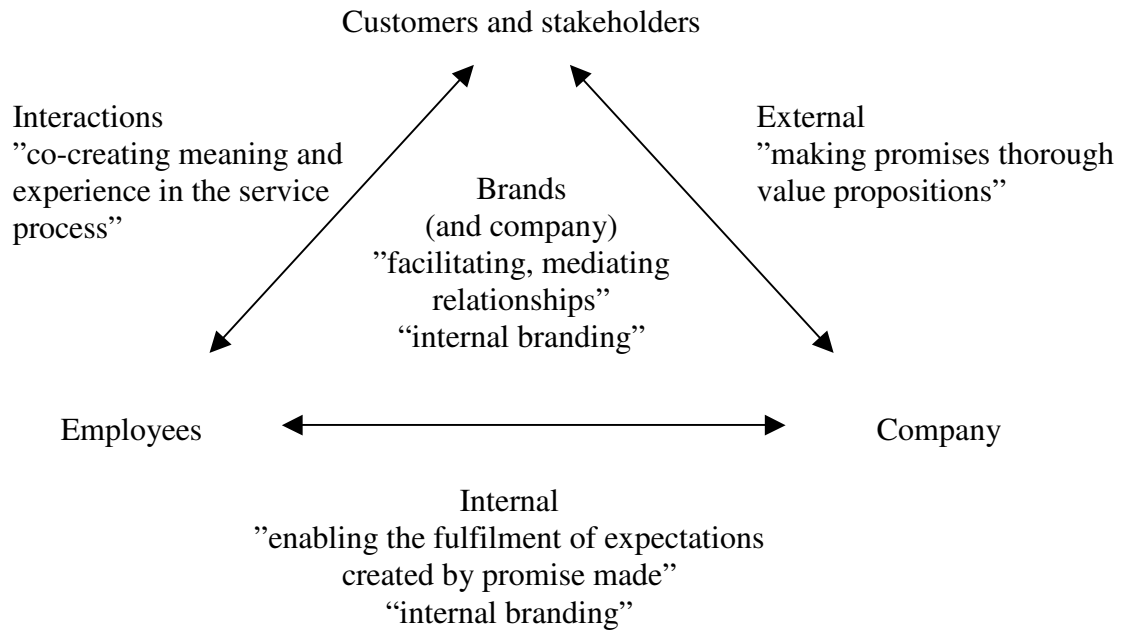Brand value to customer is the basis for achieving sales and thus for creating value to the firm out of brand, the value of brands to customers is important. The more customers consider a brand valuable, the more sales can be expected, which increases the brand value to the firm. (Grönroos 2007, 334.) In the place branding context brand creates value to the place when it attracts visitors, talented people, or businesses to the

place. The more visitors, talented people and businesses consider the brand of the place valuable the more appealing the place becomes increasing the value to the place.

If brand relationship is maintained so that customer feels attached to the given services or a place and believes that that this service or place is different from competing offerings, active word of mouth can be expected to follow. Customer feels motivated to talk about this service or a place and will do so. Thus marketer has achieved brand involvement from the customer, which makes the customer an effective marketer of the service or a place. (Grönroos 2007, 334-335.) Voluntary activities as described above indicate the co-creation of value emerging in place branding.

Figure 6 illustrate the multi-faceted aspects of brand creation, customer value creation and emerge of brand equity in service businesses. However, it is analogical to the value creation in place branding too. The right side of the triangle indicated that a company, or a place, thorough external communication creates brand awareness among stakeholders. The base of the triangle shows that the company, of the place, has to take internal actions to align externally communicated brand with the internal values of the organisation and its employees. In place branding context it would comprise all the internal stakeholders, and García et al. (2011, 12) suggest that internal branding should be launched before external efforts are made. Eventually the interactions that occur between customer and employee, or in the place branding context between customer and all internal stakeholders, are the puzzle pieces, which Moilanen and Rainisto (2010, 14, 174, 178, 181-182) refer to and which eventually are the foundation of the brand. Brand image formation creates brand value for the customer and brand equity for the company, i.e. the place. (Grönroos 2007, 338.) In place branding context value co-creation emerges in all of the described interactions. However, the interface between local stakeholders and customers is multiple in comparisons with other interactions, thus gendering most of the co-creation.

Customers and stakeholders

Interactions
"co-creating meaning and
experience in the service
process"

External
"making promises thorough
value propositions"

Brands
(and company)
"facilitating, mediating
relationships"
"internal branding"

Employees

Company

Internal
"enabling the fulfilment of expectations
created by promise made"
"internal branding"

Figure 6. The service brand relationship-value triangle in the service businesses (Grönroos 2007, 337)

People tend to form close emotional ties between themselves and places, whether they are residents or visitors (Baker 2007, 13). These bonds lead people wanting to have a pride of place, and create a drive to improve their place (Kotler 2004, 12; Anholt 2010, 3). Emotionally attached people are easier to involve in the place branding. These people are rewarded by satisfaction when an opportunity to participation exists. This satisfaction is value created for the participant during the branding process. On the other hand the participant shares his/her views with other participants and becomes committed to the work, which results in value creation. In the end the brand is created and all participants harnessed to support it, which creates value for the brand itself.

The value created in the place branding is not only intangible. Every business decides its establishment based on several factors. These can be related to emotional reasons, such as family ties, or geographical location, which can be comprised form the location of customers, skilled workforce, raw-material, and so on. Once the company has established on a location for one reason or another, it is in a way tied to the place. Company has most surely made investments and searching for the best possible return. Successful brand contributes to the overall interest towards the place, thus leading to the growth of the values invested in real estates and other fixed assets. The growth of the values eventually are monetarily measurable. By understanding the tangible value

creation, also entrepreneurs want to participate in place branding and become a co-creator if an opportunity is provided.

From the discussion above can be concluded that every new means to involve stakeholders to the place branding creates a new value co-creating process. In these processes place branding operator uses its resources for the benefit of stakeholders, which is aligned by the description of service-dominant logic by Vargo and Lusch (2004). In place branding context value thorough strong brand is divided among all stakeholders, i.e. residents, businesses, and visitors, contributing to the cycle of success and generating value attached to the place in question.

4   STRATEGIC PLANNING OF TORNIOHAPARANDA

Chapter 4 introduces the strategic planning of Tornio and Haparanda and discusses strategic options in the perspective of place branding. Further, some enhancing suggestions are made by answering the second research question: How can holistic place branding support the strategic planning in TornioHaparanda?

4.1   TornioHaparanda vision 2020

Tornio and Haparanda have created collaborative vision, which was updated in 2010, i.e. vision 2020. Vision is constructed with leading words or phrases, which are further dispersed to critical success factors. The main goal of the vision is that TornioHaparanda becomes the international centre in the Barents region. This goal is tackled by five different approaches; borderless education, logistic centre, dynamic entrepreneurship and business, sustainable environment, and exciting shopping and visiting stop. All approaches above are conceptualised with the help of critical success factors. Further objectives and measures are identified for respective success factors. Collaborative vision of TornioHaparanda is illustrated in figure 7. (Provincia Bothniensis 2010.)

Figure 7. Collaborative vision 2020 of TornioHaparanda (Provincia Bothniensis 2010)

4.2   Tornio town strategy

Tornio updates the town strategy once in four years, i.e. once in every council term of office. The contemporary Tornio town strategy 2021 was updated in 2009. The emphasis in the revision has been on the objectives and operations from 2010 to 2013. The strategy is based on the balanced scorecard planning and management system, which is used to monitor and evaluate strategy implementation. The critical success factors, their objectives and measures are defined in four different perspectives, i.e. financial, customer and effectiveness, internal processes, and personnel. The TornioHaparanda vision 2020 is utilised as a background material and the main vision of the Tornio strategy is partly aligned with the collaborative strategy. Where the TornioHaparanda sets the vision as 'The international centre in the Barents region', The Tornio town strategy's vision states 'The international twin city with unlimited opportunities at the Bothnian arc.' The visions are not contradictory, but clearly show the independent nature of the papers.

The Tornio town strategy 2021 gives framework for all complementary strategies and programs, which aim to determine specific objectives of a certain field of service. (Tornio 2009, 12-13, 19-27.)   From the perspective of Tornio the TornioHaparanda vision 2020 outlines only objectives for the cooperation between Tornio and Haparanda. The Tornio town strategy's 2021 summary is presented in the appendix 2.

The measures concerning identity or marketing are presented in the Tornio town strategy dispersed manner. The measures concerning actions above can be identified under two perspectives customer and effectiveness, and financial. Further, they are presented as measures in four different success factors, i.e. sustainable and pleasant residing and living environment, reinforcing business and innovation activities, committed municipal development, and reinforce income. To achieve the desired population marketing is planned to target to remigrants, new residents and students. No other audiences are presented. (Tornio 2009, 22-27.) The dispersion of the brand related measures, i.e. concerning identity, image or marketing, reflects the lack of understanding of the holistic place branding. On the other hand it underpins the importance of such activities. However, these activities should be dispersed in a coordinated fashion also to other remaining perspectives of customer and effectiveness, and personnel.

The strategic control during the council period is conducted mainly by the administration, the Board and the Council. The town strategy is updated every four years in the beginning of the council period. The analysis of the validity of the town strategy occurs mainly during the updating process that involves widely both politicians and public servants. More detailed strategies and programmes are conducted by the administration or the service sectors to provide solid groundwork for the development of detailed service. These papers are aligned with the town strategy. The strategy planning and control in Tornio municipality is presented in figure 8.

The municipal election will be held in the autumn 2012. Additionally, the Tornio town strategy 2021 is reviewed. The revision enables the dispersion of the TornioHaparanda brand development. The TornioHaparanda place branding process should be conducted prior to the strategy update. Implementation of the most essential goals and measures in the strategy provides a platform for the dispersion of the branding operations. The most essential strategies, programs, and plans of more detailed status will be updated according to the strategy. Thus, the challenges related to the management of the branding execution in the early phase from design to action are significantly lower. However, the emphasis must be added to conveying the core of the brand to the Tornio town strategy.


Figure 8. Strategic planning and control in Tornio municipality (Tornio 2009, 30)

Typically the more detailed strategic plans are aligned with the town strategy 2021. However, the place branding offers a new scope to the strategic planning, where

branding strategy can contribute to the overall town strategy. This is described in more detail in chapter 4.4.

4.3   Haparanda town strategy

Haparanda revises its strategy annually and it is published as a part of the town budget. The budget and strategy plan focuses on the coming three years and instead of the Balanced scorecard, it is based directly on the structure of the TornioHaparanda vision 2020, which is dispersed according to the town steering model presented in figure 9. The strategy defines values and guidelines, which are based on the five different approaches of the TornioHaparanda vision 2020. They function as a fundament for the operations of different boards during the period in question. (Haparanda 2011, 3-5.) From the perspective of marketing or branding, the current budget and strategy plan for 2012-2014 defines marketing and developing HaparandaTornio as an attractive trading, visiting and living place is as one of the measures under the approach of exciting shopping and visiting stop. It is appointed as a responsibility of the town Board. (Haparanda 2011, 5, 21.)
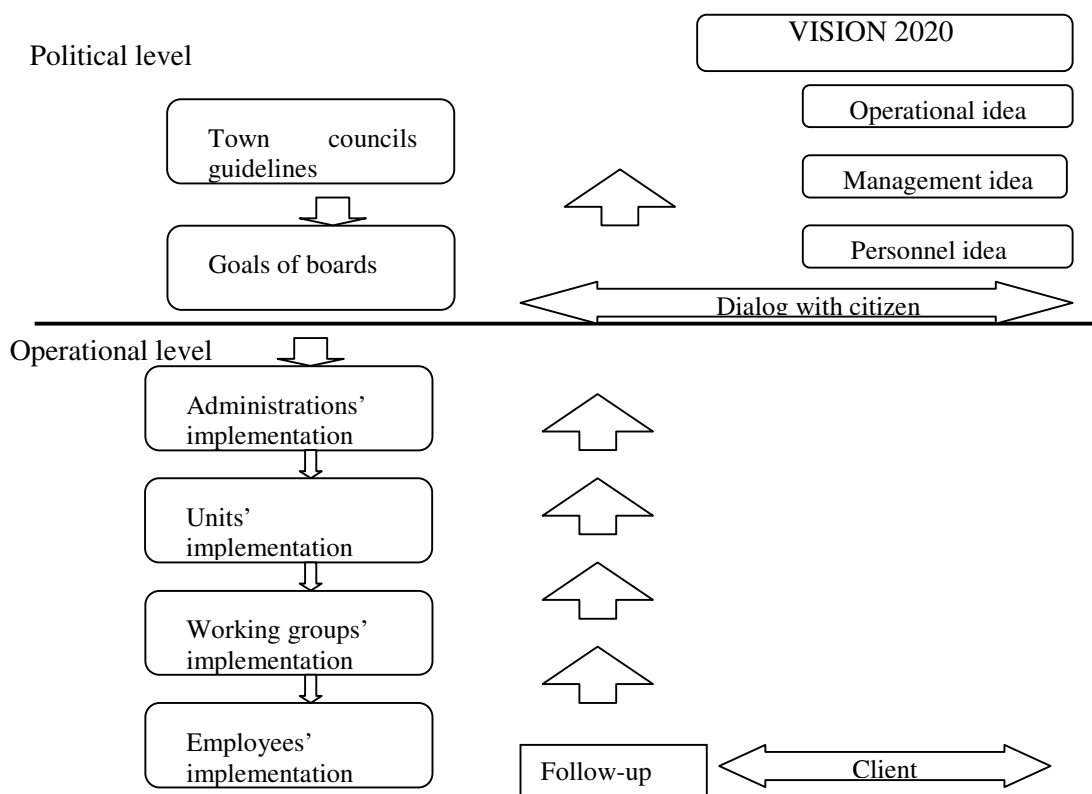
Figure 9. Steering model of the Haparanda town (Haparanda 2011, 7)

4.4   Reconsidering strategic planning

Haparanda strategy is more bound to the TornioHaparanda vision 2020 than the Tornio town strategy 2021. Thus, the Haparanda stretegy gives more emphasis on the collaboration between the towns. The Tornio town strategy 2021 is composed of the four scopes of the balanced scorecard strategic planning and management tool. The approach differs from the vision 2020, which is based on five leading words or phrases. All of these goal-directed statements would go under the customer perspective in the balanced scorecard strategic management tool. Thus, the vision 2020 clearly determines the objectives of the collaboration of the towns in the perspective of the customer, which could be used as a base for the common place branding strategy. However, the Tornio town strategy 2021, similarly to the Haparanda town budget and strategy plan for 2012-2014, does not include any specific operations which would serve a common goal of place branding. The both strategies similarly and clearly indicate the lack of a collaborative marketing or branding plan.

To increase the value of the vision 2020 as a steering strategy of both towns some adjustments should be considered. The current vision 2020 describes many objectives on a generic level, thus the planned operations also remain partially open. Sharpening the objectives of the collaborative vision 2020 in a way that they are specific, measurable, acceptable, reasonable, and time bound would facilitate the implementation of its strategic guidelines.

Identity can be expressed through values. Vision 2020 fails to specify values, thus collaborative image building accordingly remains inaccessible. To empower joint branding operations the vision 2020 should be revised to add emphasis on the explication of the identity. However, Provincia Bothniensis should not determine identity on its own, but in collaboration with other stakeholders, e.g. residents, students and businesses, preferably thorough a process described in chapter 7 in this thesis. Defining values and expressing who are we, in a clear way that most can identify themselves with, is important. These values and identity should be dispersed to the town strategies as an example to other stakeholder organisations to increase awareness and gain momentum for the branding activities.

The most effective way of implementing the place branding strategy in TornioHaparanda would be integrating the brand strategy and the vision 2020. Already today the focus of the vision 2020 is on the customer, who plays a central role in forming the place brand. However, the strategy should include also a closer scope, which would address the local stakeholders.

The core of the holistic place branding process is the commitment thorough participation. Only imagination sets limits for the means of engaging various stakeholders to the process. Expressing their ideas, taking stance on matters, drawing and creating something to be utilised generate a sense of ownership towards the result, i.e. brand identity. If the town strategy is redefined according to the outcomes of place branding, there will be strategy supporting stakeholders ready to pursuit and further disperse common goals. The process described above is an example how place branding can contribute to strategies from the bottom to the top.

The main objective for place branding should be diversification (Baker 2007, 85; Moilanen & Rainisto 2010, 173; Cai 2002, 722; Qu et al. 2011, 466). Embarking a unique identity supported by the communications that stakeholders identify themselves with is a promising start for a building a strong brand. Instead of focusing on beating the competition, the focus can be on making the competition irrelevant by creating a leap in value for stakeholders opening a new uncontested marketplace (2005, 12). The strategy above was introduced by Kim and Mauborgne (2005) and named as the blue ocean strategy. The creation of the blue ocean strategy is about driving costs down while simultaneously driving value up for the customers (Kim and Mauborgne 2005, 17). Brand strategy based on the unique and place related identity supports the creation of uncontested market place, and making competition irrelevant, which are the key features of the blue ocean strategy defined by Kim and Mauborgne (2005, 18). The value creation of place branding itself was discussed in chapter 3.4.

5   REFERENCE PLACE BRANDING CASES

This chapter describes the branding processes conducted in Rovaniemi and Oulu. Rovaniemi, which is an administrative capital of the province of Lapland aims to develop its Christmas related brand. The city of Oulu is in the process of developing from a technological centre to the metropol of the northern Finland on a national level and to the capital of Northern Scandinavia on an international level. Both example case processes are fairly recent, and the approaches acknowledge the holistic nature of place branding. The focus is to identify the best practices of place branding, which could be applied in answering the fourth research question: How can a holistic place branding concept be implemented in the TornioHaparanda cross border context? Additionally, the pitfalls of the processes are revealed to be avoided in the future place branding operations.

5.1   Case Rovaniemi

Two separate processes concerning place branding have been conducted in Rovaniemi during the last five years. The processes were loosely connected. Also the management and organisation was conducted in a different way. From the initiative of the town of Rovaniemi a branding process was launched in 2008 to create a branding strategy. The town of Rovaniemi coordinated actions and the Rovaniemi Tourism and Marketing Ltd (T&M) had a central role in the work. According to the service agreement with the town of Rovaniemi, T&M is responsible for all marketing activities, and T&M actually organised the working process. A consultant was also employed to the work. (Rovaniemi 2009, 3; Kortelainen 2012.)

A working group was established to run the operations. In the working group a good coverage of representatives from the businesses, and not only tourism industry, the town of Rovaniemi and the T&M participated. Also some of the members of the Board of the T&M participated in the working group, and some of the group members were politicians. The participants were not so actively involved as they were during the other process that was started later. Thus, the level of commitment remained more vague. The work was conducted in workshops, where the decisions were made. The outcomes were presented to the Board of the T&M in the final phase. (Kortelainen 2012.)

As an outcome of the process, which was financed by the town of Rovaniemi, a Brandbook was published in 2009. It became very extensive plan, but the coordination and resourcing for its dispersion remained equivocal. The building of the brandbook was conducted as a project with no agreements on the continuation or the funding of the future activities. Additionally, there were changes in the key personnel involved in the process. Thus, according to Kortelainen (2012), the T&M had a panic to start utilising the work done, and the Christmas brand process was launched 2010 in cooperation with the Lapland Centre of Expertise for the Experience Industry. (Kortelainen 2012.)

The operations of developing the Christmas brand were organised in the same way than in the previous process, but the amount of participating organisations in the working group was more heterogeneous. The focus of the process was to clarify the "Rovaniemi-the official hometown of Santa Claus" –concept. One of the targets was also to determine how it could be realised and dispersed not only among tourists but also in everyday life. A consultant, Imagian Ltd, was employed to act as a facilitator for the process. Many different stakeholders participated in the working group. There were representatives from the town of Rovaniemi's communications and various service sectors, the third sector associations, clubs, volunteers, and companies, both tourism and others, and the T&M. (Kortelainen 2012.) Additionally, various forms of communications were utilised during the process to involve more audiences to the process, such as interviews, seminars and social media (LEO 2010).

In the brandbook –project target groups were identified as residents, tourists and businesses (Rovaniemi 2009, 5-8). However, the involvement of two of the three in the process itself remained weak. Whereas in building the Christmas brand emphasis was added to the participation of various stakeholders, especially local residents. In both processes the town of Rovaniemi's communications, the T&M professionals and the consultant represented marketing substance. The participating companies reinforced the substance. (Kortelainen 2012.)

In the process of building the brandbook leadership was not addressed properly during the processes. It has surely had effects on the commitment of the stakeholders. This is also supported by Rainisto (2004, 15). He argues that in order to succeed branding must be a responsibility of the top management and involve all levels and stakeholders. Thus,

leadership will be the greatest challenge for places in place branding. Additionally, the literature and the interview gave me the impression that in building the brandbook the decision-makers partially fell into the trap, which Anholt (2005, 22) has identified. They notified that having a brand is fashionable, but were confused about the holistic approach and were too controlled by the advertising agency. Therefore the outcome was too extensive, no long-term involvement in building a brand was made and as Kortelainen (2012) identified a link between the work and everyday life was missing. In the Christmas brand development process the prior pitfalls were averted. It was partially due to a professional facilitator, who acknowledged the concept of holistic place branding. However, according to my observations, the topic for the identity was selected without deeper analysis or interaction between audiences, which could have caused the lack of commitment. Nevertheless, it is very understandable to use the Santa Claus and Christmas, because according to Boo et al. (2009, 227), destination marketers should develop promotion campaigns that emphasise the distinctive characteristics and the attractive components of tourism destinations, based on the components of visitors' self image. Furthermore, the image traits should fully reflect the unique characteristics that differentiate an operation from its competitors. The Santa Claus and Christmas are one of the strongest brands worldwide. Thus, their utilisation as the core of the brand building in Rovaniemi is reasonable.

The Rovaniemi town strategy has provided support for the activities. Branding processes have also contributed to the strategy building. In the Rovaniemi business development strategy Christmas brand definition is the fundament for the elements and values that are used in the marketing and communications. It is emphasised particularly when the development and the increase of international marketing is considered. (Kortelainen 2012.)

5.2   Case Oulu

The mayor and the Board of Oulu initiated the development of the Oulu place brand in 2009. In the autumn of 2009 bids were publicly asked for the project management of the marketing process. However, the negotiations around municipality mergers postponed decisions. The process was newly launched in 2010 and eventually a consultant, Place

Marketing Ltd (Place), was employed to operate as a project manager. (Keränen & Valppu & Metsäpelto 2012.)

The organisation of the process was divided into a management group and a marketing group. Additionally, final decisions were made by the city Board. The management group consisted of eighteen members, of whom five were politicians, four officials of the city of Oulu, two directors of the governmental bodies of the region, two rectors of the universities, three directors of companies and business associations, the mayor of the neighbour municipality, and the CEO of the local newspaper. The marketing group had twelve members. (Saivosalmi & Ruohonen & Sorainen & Vaura & Veijonen 2010, 7.) According to Keränen et al. (2012), in the forming of the marketing group the innovativeness and the creativeness of the members were weighted. Eventually about the half of the members in the working group can be counted to represent creative domains. There were also marketing substance in the forms of the city of Oulu's communications director, the communication managers of the Oulu University and the Oulu University of applied sciences, and the communication manager of the Centre of Internet Excellence. Also the consultant brought its marketing expertise to the process. The rest of the members were representatives of business and tourism development. (Saivosalmi et al. 2010, 7.)

Building the Oulu brand was interactive process. The consultant conducted several interviews. Additionally, a web survey activated more than 3000 people to answer with more than 9550 different suggestions and views. There were organised two different forums where different actors in the area worked together. The mid-term report was publicly presented to about 100 participants and feedback was collected. (Saivosalmi et al., 7.) Wide participation was partially due to the guidance of the city of Oulu's representatives. As Keränen et al. (2012) stated: "Place provided the plan how the process should be conducted, and during the process we adjusted the plan, and for example we wanted more groups into the workshops. The groups of young and creative were included after our initiative. We added participation, which is a part of the commitment." The wide participation is a good example of co-creation of value in the place branding process, which in the Oulu case has contributed to the implementation of the brand strategy.

In Oulu the consultant had a big role in the process. In the end the consultant's representative gave face to the process, which caused critics. According to Keränen et el. (2012), residents did not like a consultant from Turku being in the focus of the process, when the identity of Oulu was discussed. Also, the local newspaper wrote critically about the matter. (Keränen et al. 2012.) Thus, the mayor and the Board who intiated the process should have been more active during the work. Rainisto's (2004, 15) statement about branding being the responsibility of the top management seems to cover the whole process and reguire constant participation of the manament.

As an outcome of the process a mid-term report was presented to the city Board on 30.8.2010 (Saivosalmi et al. 2010, 4). The mid-term report included "the wild thing", which came up very clearly during the process. However, the Board decided to erase it from the report. It was said to bring too much negative reflections. (Keränen et al. 2012.) The incident is a good example of the factors such as politics and consensus building, identified by Pike (2005, 258-259) and Rainisto (2006, 20-22), which are involved in place branding, but are lacking in the branding of products or services. Eventually the final report was presented in the end of November 2010. In addition to the branding strategy, the report includes the plan for the organisation and the implementation of the cooperative marketing in the Oulu area (Saivosalmi et al. 2010, 15, 23, 35, 45).

The process was mainly funded from the budget of the city of Oulu. Additionally, business development unit participated financing. Now that the work has proceeded and the collaborative marketing of the area has started the funding is organised thorough a separate development fund, which is used for various development projects. The fund itself is increased by the investments of the city of Oulu, thus it is not depended upon the city budget. The annual share of Oulu 700 000 euro comes from the fund. According to the initial plan (Saivosalmi et al. 2010, 22), the public funding was planned to cover 65 % of the costs in the starting phase and the private funding the remaining 35 %. However, already in 2012 the portion of private funding exceeds 50 %, thus proving the underlying need for collaborative marketing of the area. (Keränen et al. 2012.)

During the brand building process a merger agreement between Oulu, Haukipudas, Kiiminki, Oulunsalo and Yli-Ii became valid. Since then the agreement has been the guiding document for the operators and the Oulu city strategy is no more valid. Thus,

there is no support from the strategy to the branding or vice versa. The situation continues until new Council will start its work in the beginning of the 2013. However, building a new strategy in 2013 is a good opportunity to utilise results from the branding operations to commit the decision makers to the work. (Keränen et al. 2012.)

6   PRIOR TORNIOHAPARANDA MARKETING OPERATIONS

Chapter 5 described the two example cases of Rovaniemi and Oulu, which differ significantly from the case of TornioHaparanda. The focus of the chapter 6 is the TornioHaparanda context. The cross-border location of TornioHaparanda provides a unique platform for the development of the place brand. There are some experiences of collaborative marketing activities from the past. Chapter 6 describes the history of the collaborative marketing of TornioHaparanda and the most recent marketing and promotion related operations that have been conducted to utilise and develop a collaborative TornioHaparanda brand. Additionally, TornioHaparanda branding environment is analysed. Evaluation is conducted with the help of SWOT-analysis to identify possible measures to exploit in the construction of the place branding plan presented in the chapter 7. Eventually the analysis answers to the fourth research question: How can TornioHaparanda's prior marketing operations contribute to the branding operations? It supports the implementation of the holistic place branding in TornioHaparanda by explicating the cross-border context.

6.1   Marketing operations

The location on the border has on the other hand divided Tornio and Haparanda, but also provided unique possibilities for cross-border cooperation. The cooperation has been always in the interest of the media. Thus, various operations have been conducted to feed the interest and to gain reputation in order to differentiate among other municipalities. These kinds of activities can be dated back to the 1987 as the cooperative organisation Provincia Bothniensis was established. The launch of the organisation gained a lot of media attention. At the end of the 80's the flag of the Provincia was introduced as a symbol of the cooperative organisation and actions related to it. In 1995 Provincia Eurocity Haparanda-Tornio trademark was established and a logo was published in a two-day seminar. However, the trademark was never used actively in Tornio and eventually it faded and at the beginning of the 2000's the first initiatives for joint marketing operations emerged. In September 2005, Provincia Bothniensis' business and tourism team decided to launch a competition for designing a joint marketing profile for Tornio and Haparanda. Competition was aimed at six advertising agencies, three from both countries. The Board of Provincia Bothniensis

selected two of the agencies to develop their ideas further. Finally, in February 2006, the Board decided to employ JOB Reklambyrå Ab advertising agency to develop a joint logo according to their proposal and further with the help of the towns' press officers to set guidelines for the kick-off and the utilisation plan of the trademark. The Handbook of the TornioHaparanda trademark was launched later in the same year. (Nousiainen 2011.)

During the years Tornio and Haparanda have also conducted some marketing operations in order to gain visibility and attract tourists. These operations have not beet systematic nor have they been based on a solid plan. The operations have been accomplished with collaborative materials. Team Botnia Oy, which is the business and tourism development organisation of Tornio, have been responsible for the actions in Finland and Haparanda have accomplished corresponding activities in Sweden. During the 2000's TornioHaparanda has for example participated annually in the travel fair in Helsinki by the Team Botnia. At the same time Haparanda has taken care of the fairs in Sweden, e.g. in Skellefteå and Gothenburg. The TornioHaparanda trademark has been visible in the Oulu ice-hockey hall and also in about 200 golf courses in Finland. The activities have been initiated by the Team Botnia or Haparanda and handled in the tourism cooperation team of TornioHaparanda, which has mainly consisted of people from Team Botnia and Haparanda, but occasionally also by the representatives of tourism businesses in the area. (Valtanen 2011.)

In 2006 the marketing communication strategy for the town of Tornio was introduced. Strategy was conducted as a Bachelor's Thesis, which was assigned by the town of Tornio. In addition to the marketing communication strategy formulation, thesis studied prospects of the cooperation between the educational institutes and public-private partnership. (Ajanki, 2006, 4.) Marketing strategy is built on the Tornio town strategy. Even though strategy is visually based on the TornioHaparanda trademark and the importance of the cross-border cooperation is acknowledged, the focus of the paper is only on Tornio. Ajanki's (2006) findings suggest that Tornio could utilise cooperation between educational institutes to increase resources and marketing substance. Ajanki (2006) supports public-private partnership in marketing communication. (Ajanki 2006, 33-39.) However, the commitment of businesses in the Tornio remains indefinite, due to the sample of only two companies included in the study. At the end of the day the marketing communication strategy has never been utilised. The dispersion of the

strategy has never been conducted. Thus, the commitment to it is weak and no operations have been conducted according to it. To reflect its outcomes with the needs of today the most significant fault of the paper is the lack of Haparanda's participation. Any place marketing actions should be based on the unique location on the border and on the associated collaboration.

In January 2009 Tornio business and tourism development organisation Team Botnia, and Haparanda with respective entrepreneur organisations (Tornion Yrittäjät and Gränsföretagarna) applied funding from EU Structural Fund's Interreg IV A Nord program for a destination development project. The aim of the project was to stimulate businesses to develop their products and services to further increase the attraction of TornioHaparanda as an international meeting place of trade and tourism. The primary objective for the project was to start and stimulate processes both in business life and community, which develop tourism and create new businesses. The named target groups were inhabitants in the northern Sweden, Finland, Norway, and remaining Barents region. The planned activities of the project included for example definition and explaining of the joint identity. In addition, joint marketing strategy was to be designed. (Haparanda 2009, 2-3, 6-7.) The funding for the project was granted in September 2009. However, the funding decision by Interreg IV A Nord program cut costs presented in the budget of the application from 660 000 euros to 396 000 euros (Haparanda 2009, 10; Länsstyrelsen Norrbotten 2009, 4-5.) The project continues until September 2012.

The Kemi-Tornio development centre in cooperation with the Lapland Centre of Expertise in the Experience Industry launched a Kemi-Tornio-Haparanda brand development process on 4th of October in 2011. Representatives from municipalities, companies, educational institutes, and other stakeholders participated the kick-off. I was also present. Imagian Ltd, Teemu Moilanen was employed as a consultant for the process. He presented general information about branding and set guidelines for the process. During the November and December 2011 the consultant conducted stakeholder interviews and organised workshops to identify a common identity for the whole area that the brand could be built upon. On 15th of December a draft report of the outcomes was published for the municipalities and other stakeholders to comment on. In the end of the 2011 Kemi-Tornio development centre did not have resources to disperse the work. Thus, the work has not achieved much of attention in the media. It has been on the local newspaper only in the kick-off phase. In May 2012 the town of Tornio

declined the participation to the development of the Kemi-Tornio-Haparanda brand due to the lack of common identity.

Provincia Bothniensis have made a decision to update the TornioHaparanda trademark. The first meeting to start the process was held in March 2012. The working group, in which I have been part in, plans the needed operations for decision-making. The first step was decided to be the introduction of the plan of the holistic place branding for TornioHaparanda. It will be presented for Tornio and Haparanda collaborative Board meeting in May 2012. Chapter 7 covers the plan in question.

6.2   Organisation and decision-making

Prior marketing activities have mainly been organised thorough Provincia Bothniensis. Collaborative organisation has been a natural operator in the cross-border processes. Provincia Bothniensis has contacts to all the stakeholders on both sides of the border and the knowledge of their organisations and possible national characteristics. Both Haparanda and Tornio, by the town Tornio or Team Botnia, have initiated prior operations. There is an exception in the marketing communication strategy for the town of Tornio, which was conducted entirely in the guidance of the town of Tornio only. These organisations have also been responsible for financing. There has been several sources of finance, budgets of Haparanda, Tornio and Team Botnia. During the last decade there have been challenges in the public economy and also marketing budgets have been on the cutting lists. For example the annual marketing budget of Team Botnia in 2011 is equal to the budget of 2002, lacking the increase by the cost of living. (Nousiainen 2011, Valtanen 2011.)

Various working groups have been preparing activities. In some of them also local businesses have participated, mostly tourism companies. In the cross-border cooperation the operators have strived to find corresponding organisations on both sides of the border. (Nousiainen 2011.) Thus, in the terms of equality and consensus the establishment of a working group might become extensive compared to any corresponding municipality, which is not conducting cross-border cooperation in marketing.

The working groups have presented their work for the decision-making via cooperation secretary to the Provincia Bothniensis' Board. The Board is not a legitimate decision-making organ in Tornio either in Haparanda. Thus, separate decision-making in the Boards of the towns and even further in the Councils are required. The organisation of cooperation and decision-making are established and found functional by experience. The decision-making processes support building political unity, but can compromise consistency. (Nousiainen 2011, Valtanen 2011.)

6.3   Analysis of TornioHaparanda branding environment

The holistic branding approach requires analysis of several factors influencing outcomes. This thesis focuses on the findings from the interviews and from the literature review. The 13 success factors presented in the chapter 3.2 identified by Rainisto (2006, 20-22) are used as background material. Table 2 presents the analysis of TornioHaparanda's cross-border environment significant from the place branding aspect. Major strengths and weaknesses in the table 2 are derived mainly from the interviews. Opportunities and threats mostly stem from the findings of the literature review.

Table 2. SWOT analysis of TornioHaparanda in the context of place branding

Strengths	Weaknesses
+ Established planning group to address needs for holistic branding + Established models and connections for cross-border cooperation + Established trademark + Collaborative goals set (vision 2020) + Organisation and decision-making procedures (PB, the Boards of the towns) + Common history to utilise in identity building	- No clear support in the towns' strategies - Multiple layers of strategies - No collective plan behind operations - No guaranteed long-term finance - Limited collaboration with private businesses - Organisation and decision-making procedures (PB, the Boards of the towns) - Not sufficient marketing substance - No single leader for the whole entity
Opportunities	Threats
+ Resources of both towns + Unique location to exploit + Media interest towards collaboration + Reputation enhancement + Collaboration with strong brand enterprises + Active and diverse businesses	- Resources wasted on dispersed operations - Differences in the strategies on different levels - Desertion of collaboration - Insufficient long-term finance - Multiple stakeholders lead to consensus - Language issues hinder processes

The utilisation of the SWOT –analysis in the place branding plans of TornioHaparanda can be conducted using confrontations of strengths and opportunities, strengths and threats, weaknesses and opportunities, as well as weaknesses and threats. On the result of the confrontation offensive, reactive, adjusted, and defensive strategic options can be identified. Between these options can be chosen place brand strategy most suitable for TornioHaparanda cross-border environment. Table 3 illustrates the strategic analysis based on the confrontations of strengths and opportunities, strengths and threats, weaknesses and opportunities, as well as weaknesses and threats. The emphasis on the future place branding strategy should be on the offensive strategy.

Table 3. Confrontation Matrix

ANALYSIS	OPPORTUNITIES O1: Resources of both towns O2: Unique location to exploit O3: Media interest towards collaboration O4: Reputation enhancement O5: Collaboration with strong brand enterprises O6: Active and diverse businesses	THREATS T1: Resources wasted on dispersed operations T2: Differences in the strategies on different levels T3: Desertion of collaboration T4: Insufficient long-term finance T5: Multiple stakeholders lead to consensus T6: Language issues hinder processes
STRENGTHS S1: Established planning group to address needs for holistic branding S2: Established models and connections for cross-border cooperation S3: Established trademark S4: Collaborative goals set S5: Organisation and decision-making procedures S6: Common history to utilise in identity building	Offensive strategy S2, S3, S4, S5, S6, O1, O2, O3, O5, O6: -TornioHaparanda capitalise its cross-border network to build firstly the organisation require for the place brand development, and secondly to entice stakeholder to participation -Utilisation of the common history and tradition of cross-border cooperation to build the identity definition -The launch of the operations is communicated publicly to gain media attention and to evoke public discussion	Reactive strategy S1, S2, T1, T2, T3, T5: -The build of consencus blurs the core of the brand -Place branding remains out of the strategic planning -Place branding is conducted based on individual tactical decisions and collaborative plan is abandoned

WEAKNESSES	Adjusted strategy	Defensive strategy
W1: No clear support in the towns' strategies W2: Multiple layers of strategies W3: No collective plan behind operations W4: No guaranteed long-term finance W5: Limited collaboration with private businesses W6: Organisation and decision-making procedures W7: Not sufficient marketing substance W8: No single leader for the whole entity	W1, W2, W3, W4, W6, W7, W8, O2, O5, O6: -Try to create place brand together with the Haparanda and Tornio town organisations and the dispersion is done from top to down -Everybody acts as they see best for them and for the whole community only from their own perspective -Place branding operations are launced, but the leaderhips issue is negleted - Capitalising marketing substance of the stakeholders - Building a brand strategy in line with allocated resources	W1, W2, W3, W5, W6, T1, T2, T5: -Stragic refinements will be abandoned -Trying to copy a brand or an identity from another place and adjust it to the TornioHaparanda context

7 DEVELOPMENT PLAN FOR TORNIOHAPARANDA BRAND

Firstly, this chapter introduces the starting point of the place branding in TornioHaparanda by shortly reviewing the situation of image and the perceptions of the place as it is today. Secondly, a plan is presented to the development of holistic place brand for TornioHaparanda. The plan is conducted by implementing the concepts and models presented in the chapter 3, best practices applied form the reference cases presented in chapter 5, and previous marketing operations in the TornioHaparanda cross-border context presented in chapter 6. It comprises the necessary resources, operations, finance, and timetable. Thirdly, suggestions to the adaptations on business models are made from the perspective of place branding. These adjustments are purposed from the brand management point of view. Altogether, this chapter answers the fourth research question: How can a holistic place branding concept be implemented in the TornioHaparanda cross border context?

7.1 Perceptions of TornioHaparanda

7.1.1 General perceptions

There can be identified several surveys and indexes, which describe the image different stakeholders have about Tornio or Haparanda. The data used in the chapter 7.1 cover the most recent existing information. The aim is demonstrate how the information about image or perception that are owned by the audiences could be utilised in brand development processes. Additionally, it outlines the current state of the TornioHaparanda brand, prior any coordinated place branding operations. The information provided in this chapter can also be used in the future to measure the success of the upcoming branding processes. Image or reputation is important for any place, because as Aula et al. (2007, 13) states, good reputation can create a cycle of success, whereas bad reputation can encourage companies, associations, and individuals to avoid the place leading to slow degradation. Therefore, being aware of the image or the perceptions of the target groups is vital for any place branding operator.

The oldest information source utilised in this context is the municipality image survey 2005, which was conducted by the Taloustutkimus Oy (Turja 2006). Since the research by Turja (2006), the operational environment has changed a lot due to e.g. the commercial investments made in the area such as Ikea, Ica maxi supermarket, Prisma supermarket, Rajalla – På Gränsen shopping centre, and Cape East hotel and spa. The data provided by Turja's (2006) research should be implemented with the notion that it is based on the phone and Internet survey conducted 2005, and it reflects the situation about six years ago. However, there is no newer such data available.

The target group of the survey was municipal decision makers. The overall impression of the municipality was rated with a scale from 4 to 10, the latter being the best possible score. The different factors used to evaluate the image were business development, infrastructure, municipal development activity, the commercial services of the centre, success in municipal cooperation, municipal economy, municipal services, leisure opportunities, location and traffic connections, and technological activities. The ranking of Tornio among 38 municipalities was 12 with the score of 7,55, average being 7,41. Tornio received very good ratings from business development, municipal development activity, and location and traffic connections. Clearly image-enhancing rating was given also from leisure opportunities. Somewhat positive rating was given from the commercial services of the centre and municipal services. Infrastructure was rated neutral. All other factors were rated to decrease the overall image. (Turja 2006.)

In 2010 Tornio participated in a research about willingness to migrate. Taloustutkimus Oy conducted the research (Ryyppö & Pajunen 2010). A letter survey reached 4035 respondents ageing from 15 to 79. The total amount of posted forms was 19 000. In a scale from 4 to 10, the latter being the best score, Tornio scored 6,18 as an overall grade. The average of all scores was 7,90. Tornio's ranking among 36 towns was 31. Among the current and former residents Tornio scored 7,03. In comparison with the other towns, Tornio's strength among nine image factors was the factor of growing environment for children and weakness was the factor of municipal services. From the image factors Tornio reached its highest grade in the factors of growing environment for children and cosy living environment. All nine included image factors were job opportunities, studying possibilities, location, good growing environment for children, good leisure possibilities, municipal services, developing economical area, diverse

cultural offerings and cosy living environment. (Ryyppö & Pajunen 2010, 3-4, 37, 84-85.)

Haparanda has participated in a Swedish trademark research with the HaparandaTornio trademark. In 2011 Haparanda participated in two different researches conducted by a market research company via different journals. In November the research was conducted through a national business journal (Dagens industri) and in December thorough a TV-guide (Sverige mätningen – TV-bilagan). The awareness of HaparandaTornio based on the trademark or the logo among the participated readers of the business journal was 25,3 % and among the readers of the tv-guide 34,7 %. (Svenska Marknadsundersökningar AB 2011a, 8; Svenska Marknadsundersökningar AB 2011b, 8.) The awareness as such reflect the current awareness of the HaparandaTornio brand in Sweden. However, as the research method indicates, the forum of the respondents affect considerably to the results. Thus, to measure the development of the awareness same forum should be used consistently.

7.1.2   Perceptions of tourists

Taloustutkimus Oy conducted a research about towns as travel destinations in 2011 (Toivonen & Mattila 2011). The research was based on a letter survey. Total 20 000 sent questionnaires reached 3997 answers from a population aged from 15 to 79. In a scale from poor (4) to excellent (10) Tornio scored 7,51 as an overall grade, the average of all scores being 7,98. Tornio's ranking among the 35 towns was 31. The perceptions of respondents were calculated according to the 13 factors influencing the overall image. These factors were the price and the quality level and the quality of accommodation services, the price and the quality level of restaurant services, the diversity and the sufficiency of events, attractions, traffic communication inside municipality, availability by public transportation, the cosiness of the guest harbour, tourism Internet pages, and brochures and tourist information.   Tornio's strengths among the 13 factors were identified as the price level of restaurant services and the quality of accommodation services. The greatest weaknesses related to the diversity and sufficiency of events. (Toivonen & Mattila 2011, 3-4, 39, 98-99.)

7.1.3   Business image

The Confederation of Finnish industries published a municipal business climate survey in 2011, which also Tornio participated. The survey is composed from statistical data, which describe municipality characteristics, economic status, the generality of entrepreneurship, and business activity. The statistical data was complemented by the business managers' opinions about the quality of business climate, location suitability and the functionality of business policies in the company's resident municipality. The survey is based on the pilot survey conducted in 2010. 1927 business managers responded to the survey. Total index describing the business climate in Tornio was 61 as the indexes of the 50 participating municipalities ranged from 18 to 86. Tornio's ranking was 15. (Elinkeinoelämän keskusliitto 2011, 5-6.) The result can be considered to be somewhat positive considering that Tornio out surpassed 35 municipalities and only 14 remained ahead.

A similar business climate survey is conducted in Sweden annually by the Confederation of Swedish Enterprise. In 2011 121 companies replied to the survey in the Haparanda covering 61 % of all companies. Additionally, 24 politicians aswered, which covers 69 % of the politicians in the Haparanda municipality. The respondents estimated different aspects infuencing the business climate in a scale from 1 (poor) to 6 (exellent). The questions covered four aspects on attitudes towars entrepreneurs, municipality's services and infra, dialog and information, and the availablility of labour with the relevat competences. The overall judgement based on the aspects above was 3,1 among companies and 4,1 among politicians, corresponding to the average of 3,6. (Svenska Näringsliv 2012, 1-7.) Haparanda's ranking among 290 municipalities was 185 (Svenska Näringsliv 2011).

Another quantitative survey was conducted in 2011 to explain how companies perceive municipal services in Haparanda. Five fields of service were explored, i.e. fire inspection, building inspection, land utilisation, environment- and health inspection, and cafeteria permissions. Questions about the quality of the services were asked from these five areas. The questions focused on the quality paramaters such as information, availability, response, competence, justice, and efficiency. From the answers a happy client index was counted. Haparanda's overall index was 72, while the average of the municipalities in Sweden was 66.   According to the report, the goal for Swedish

municipalities is 75, which indicates that companies are very pleased with the services in the municipality. (Sveriges kommuner och Landsting 2011, 3-4; 11.) The reasearch which focuses on the factors that municipality itself have an impact indicates that Haparanda is very close to the goal determined by the Swedish association of local authorities and regions.

7.1.4 Summary of the data

The data concerning how different audiences perceive TornioHaparanda, i.e. the image they have about it, is scattered. The national border between municipalities seems to be significant factor in the different surveys or indexes. In the present situation there is no such surveys exceeding the border. Thus the brand status of TornioHaparanda as a whole must be build from the data available of the towns individually. However, there is a lot of national data that is applicable in the measuring progress of the branding operations. The table 4 and 5 present the summary of the most recent data available of the perceptions of Tornio or Haparanda.

Table 4. Tornio image and reputation

Variable	Score / ranking	Reference
Image [1]	7,55	7,41 (average, scale 4-10)
	12	38 (no. of municipalities researched)
Travel destination [2]	7,51	7,98 (average, scale 4-10)
	31	35 (no. of municipalities researched)
Move in destination [3]	6,18	7,90 (average, scale 4-10)
	31	36 (no. of municipalities researched)
Business Climate [4]	15	50 (no. of municipalities researched)

[1] Turja 2006
[2] Toivonen & Mattila 2011
[3] Ryyppö & Pajunen 2010
[4] Elinkeinoelämän keskusliitto 2011

Table 5. Haparanda image and reputation

Variable	Score / ranking	Reference
Trademark awareness[1] [2]	25,3 % 34,7 %	Among business journal readers Among TV-guide readers
Business Climate [3] [4]	3,6 185	1-6 (scale) 290 (no. of municipalities)
Happy client index [5]	72	66 (average, goal 75)

[1] Svenska Marknadsundersökningar AB 2011a
[2] Svenska Marknadsundersökningar AB 2011b
[3] Svenska näringsliv 2012
[4] Svenska näringsliv 2011
[5] Sveriges kommuner och Landsting 2011

The data from the tables 4 and 5 indicate mainly the image of TornioHaparanda in the perspective of the local companies. Three indicators of seven reflect the business related perceptions. Three indicators have a general perspective and one indicates perceptions of tourists. Half of the scores or rankings surpass the average of the survey in question. Other half of the scores remains below the reference values. One variable reflects the awareness of the HaparandaTornio brand in Sweden. The data presented in the tables 4 and 5 clearly point out the average nature of the image of TornioHaparanda. According to the presented numbers, the image of Tornio does not differentiate from the other municipalities nationally neither does Haparanda respectively. It also reveals that different stakeholders have different perceptions about TornioHaparanda. The alignment of the perceptions of various stakeholders is needed, because according to Aitken & Campelo (2009, 3), the identity of a place is composed when similar perceptions are shared across the community or across the stakeholders in general (Moilanen & Rainisto 2010, 6).

Further research is needed to gather broader grasp of the current perceptions of various stakeholders. It is also needed to define the facts of the location in a quantitative manner. Quantitative data can be utilised to measure the performance of the branding operations. According to Kortelainen (2012), in Rovaniemi the basic indicators of marketing are used as measures, i.e. concrete brand related actions, media hits, the number of travellers, the development of new business partners in the branch, the number of Internet hits, and the number of references in the social media.

Saivosalmi et al. (2010, 46.) define several numerical objectives for the brand development. The final report of collaborative marketing in the Oulu area identifies variables such as new residents, new job opportunities, new businesses, new investors and investments, travellers, the participants of congresses and meetings, the participants of events, media visibility, the amount of users in various communication channels, and proving cost-efficiency.

In Oulu a separate research is conducted to describe thoroughly the attraction of the city in 2011, which is planned to serve as a starting point for the development. The research will be repeated regularly to indicate the progress in quantitative manner. (Keränen et al. 2012.) The similar type of baseline research should be accomplished to define the TornioHaparanda brand today. It can be composed from the data available in the national surveys, but also gathering and combining data locally.

7.1.5   TornioHaparanda identity

Several researchers recognise the importance of the identity in place branding (Aitken & Campelo 2009, 6; Anholt 2005, 4; Cai 2002, 722; Hall 2008, 63; Moilanen & Rainisto 2010, 6). Further Qu, et al. (2011, 474) argue that the brand identity needs to be created and developed based on the image consumers have formed. There is very little research conducted about the identity of Tornio or Haparanda. Ajanki (2006, 26) identifies border and cross-border cooperation as the most essential factors in image formation of Tornio. Cross-border cooperation is also acknowledged in the TornioHaparanda vision 2020 (Provincia Bothniensis 2010), in the Tornio town strategy 2021 (Tornio 2009, 28), and in the budget and strategy plan of Haparanda for 2012-2014 (Haparanda 2011, 5). However, to add emphasis on the cross-border context in the place branding the new alignment of the strategic planning is required in the form of brand strategy combined with the TornioHaparanda vision 2020 as discussed in chapter 4.4.

According to Boo et al. (2009, 227), the image should fully reflect the unique characteristics of the location and further differentiate it from its competitors. Cross-border cooperation is undoubtedly unique among municipalities in Finland, Sweden, or in the whole Europe, providing fundament for diversification. It is also a functional aspect that is more easily associated to the identity of cities and regions (Caldwell &

Freire 2004, 52, 59-60). However, further qualitative study is needed to be able to determine TornioHaparanda identity and establish general commitment to it. Committed stakeholders generate multiple brand contacts in comparison with any place-marketing organisation, thus their input is vital for successful place branding.

7.2   Branding plan

7.2.1   Establishing the organisation and decision making

To start branding any location an organisation should be set to do the work. The existing cross-border networks should be used to create needed organisation. TornioHaparanda will appoint a steering group that holds the responsibility for the process. It will make bottom-line decisions and will be accountable for those decisions. Finally, the steering group will monitor the progress being made. It also supports networking between stakeholders and assists in securing the finance. The steering group also handles the reports made by the working group and is responsible for the dispersion of the work. The chairman of the steering group should be selected carefully. He/she should be a person that would be easy to identify with on the both sides of the border, is well known and has time and will to give the face to the project. The chairman should attend public events during the process as much as possible. All external communications should be directed via chairman. He/she should be the leader of the brand. As Rainisto (2004, 15) argues, leadership will be the greatest challenge for places in place branding. This challenge starts from the setting up an organisation for the development of the place brand. No consultants should appear in the media. The other members of the steering group should be employed to gather a broad sample of TornioHaparanda's stakeholders. The number of potential participants in the process can be extensive. In the TornioHaparanda cross-border context stakeholders from both sides of the border should be considered for inclusion in the steering group, i.e. the political and the operative leaders of the towns, business executives, business development executives with needed staff for the arrangements, local media, opinion leaders, and the leaders of the educational institutes.

The concept of stakeholders in the place branding development phase includes all local actors, not only the ones participating in the project organisation. These stakeholders, at least most of them, become later the customers of internal branding as presented in figure 6. Thus, the concepts of stakeholders and customers are overlapping, which is analogical to the service-dominant logic.

The working group conducts the branding plan in cooperation with a consultant and represents its results to the steering group. In staffing the working group TornioHaparanda should be considered as a one geographical entity. Members will not be convened in terms of equality and consensus but rather in terms of their competencies. In the working group is beneficial to employ innovative and active stakeholders to create fruitful point of departure for the work. In building a branding plan it should be utilised some of the marketing expertise in the TornioHaparanda area. It can be realised by inviting the marketing personnel of the local companies in the working group. The working group should not be too large to ensure efficient working. Approximately 10 to 15 participants would suffice. The steering group can be somewhat larger. In the working group various stakeholders should be represented, i.e. business development units, the communications people of the two towns, downtown associations, local businesses, tourism businesses, and cultural operators.

To meet the requirements of the needed resources a consultant will be employed to the work. The consultant acts as a facilitator of the process conducting data collection and analysis for the working group to evaluation. In the data collection phase it is important that various method are utilised, thus the consultant should posses required competences. Additionally, the consultant represents marketing substance. However, it is notable that the consultant should not be an advertising agency. Rather the knowledge and skills about strategy building should be emphasised. Mastering both languages, Finish and Swedish is not compulsory, but recommendable, as long as the leader of the brand, i.e. the chairman of the steering group is active, available, and bilingual.

Emphasis must be added to committing politicians of the twin towns to the process to obtain a political unity and consistency. It can be reached thorough an intensive interaction with both Councils, utilising different types of approaches, e.g. seminars, workshops, and surveys. In the end, the results, i.e. the brand strategy, have to be presented to the Councils of the two towns for decision-making. The Boards of the

towns should decide upon the draft of the brand strategy. Preferably the decision upon the draft should be made in the collaborative meeting of the Boards.

7.2.2 Research phase

After the organisation is set a media bulletin should be launched to get media attention to the project and raise discussion around the topic. The actual work begins by employing a consultant to start researching the core essence of the collaborative TornioHaparanda. Qu et al. (2011, 474) argue that brand identity needs to be created and developed based on the image stakeholders have formed. It requires extensive interaction between the steering group, the working group, and the stakeholders. This is also confirmed by the reference cases of Oulu (Keränen et al. 2012) and Rovaniemi (Kortelainen 2012).

Even though the essence of the TornioHaparanda identity is clearly connected to the cross-border cooperation, there should be conducted a qualitative study to be able to answer the core question of the TornioHaparanda area: Who are we? The broad and diverse interaction is emphasised to start committing stakeholders as discussed in chapter 7.1.5. The methods of interaction that should be considered include interviews, Internet surveys, seminars, workshops, and public presentations. The means of interaction should be decided in the working group and they could be incorporated to other appropriate events to capture different audiences.

Qu el al. (2011, 474) add emphasis on the image consumers have formed in the identity formation. With the consumers Qu et al. (2011) refer to the customers of a tourist destination, which their research was focused on. The approach is different in the context of a place, which is not a tourist destination per se, and in addition to tourists, strives to attract talented people and businesses. This is supported by García et al. (2011, 12) claiming that the focus should first be on the stakeholders closest to the place (entrepreneurs and local people), and secondly on the visitors. The focus of the research phase in TornioHaparanda brand development should be on the local stakeholders. Additionally, the views of visitors can be included, but they should not be overstated.

This is the phase where the value co-creation in place branding truly begins. The actors in the network interact and exchange across and thorough networks creating value. Consequently, value creation takes place within and between systems at various levels of aggregation. (Vargo and Lush 2008, 2, 4-6.)

7.2.3 Analysing the results

After the research it is time to go through the information and data collected. Here the role of the consultant is highlighted. The results should be summarised to the working group for evaluation. The working group selects the elements of the brand identity, i.e. the core idea, positioning, and the promise of value. In the determination of these elements the criteria of a strong brand defined by Baker (2007, 93) should be considered, i.e. differentiation, relevance, and truthful. The brand must stand out form the crowd, positioned on strengths that are valued and connected to the key audiences, and true to the place itself. According to the findings of Caldwell & Freire (2004, 51), cities and regions are perceived more from the functional point of view, which should be noted in defining the elements.

It is crucial that the groundwork for the identity and the commitment of the stakeholders in the previous phase can be utilised in a way that committed stakeholders share the perception of identity. It would be harmful for the place if stakeholders hold different images and pursue different goals. These differences are aligned in the analysis phase, where additional interaction is conducted.

After the conceptualisation of the brand identity with its elements the preliminary results will be presented to the steering group for decision-making. The steering group presents the outlines to the stakeholders in a public presentation, where additional comments and opinions are collected. In the coming processes adjustment can be made accordingly.

7.2.4   Creating the brand strategy

Based on the identity identification and expression in the previous phase a brand strategy is required. Defining the graphical look for the brand launches the composition of the brand strategy. In my opinion the graphical look of the brand should be based on the TornioHaparanda trademark presented in chapter 1. Despite it is already six years old, the dispersion has been vague. It is based on the logo of On the Border –project, thus it has a history more than fifteen years and local actors are slowly starting to adopt it. Nevertheless, any refinements should be considered with open mind and outlines for the remaining of the identity supporting graphics and the manuals of usage should be included.

The strategy should define vision, objectives, and measures. Additionally, the most essential indicators of performance should be explicated for future measurement. The definition of values is also important due to their central role in conveying identity. The focus of the strategy should be firstly on the stakeholders closest to the destination and secondly on the visitors. Above-mentioned order is also emphasised (García et al. 2011, 12). From the experiences of the Rovaniemi (Kortelainen 2011) the measures aimed at the local level should be small and they should be plenty. It provides broad engagement with branding and contributes to the co-creation of value. Eventually the branding strategy should be incorporated into the vision 2020 as discussed in chapter 4.4. To ensure the usability of the strategy it should not bee too extensive and theoretical. The scope of the objectives on the local level can bee about two years, but the scope for the objectives set for outside the area can be more. The brand management in the TornioHaparanda cross-border context should take place under a collaborative organisation, which is described in the chapter 7.4.

The draft of the brand strategy will be presented to the Boards of the two towns for decision-making. It is possible to arrange a collaborative meeting despite its unofficial nature. After the decision making of the Boards the final refinements are made and the Boards present the final brand strategy to the Councils, which also confirms the official decision-making of the Boards upon the matter.

The most crucial phase in the place branding development processes seems to be the step from the reporting of the place brand strategy to the execution of the planned

measures. Several reasons can be identified. There lies the danger of exhaustion after a widespread, holistic and interactive planning process, which can turn out to be a problem if the planning organisation as such is also responsible for the actual execution. There should be appropriate organisation and resources appointed to the subsequent long-term work. However, the core persons' involvement is important and should be continued to the execution phase. Further, the finance should be sufficient both quantitatively and timely. Additionally, the extensive and theoretical report may offer only little resemblance to the reality reducing its applicability. Thus, the importance of addressing the core of the brand during the planning process is emphasised. The design of the actual measures should not be too extensive, but rather a collection of small practical actions, which are easily applicable to the everyday lives of various stakeholders.

Even though Nousiainen (2011) and Valtanen (2011) do not regard language as a problem or obstacle for the cross-border cooperation, it still needs some extra attention. As discussed earlier in the holistic place branding the participation of various stakeholders across the border is crucial for the successful outcome. Among the stakeholders surely are people with only Finish or Swedish skills. The commitment of those participants occurs only thorough their native language. Thus, all material should also be prepared both in Finish and in Swedish. Additionally, seminars, workshops, forums, etc. should take place both in the Haparanda and in the Tornio to attract widest possible participation.

7.2.5   Finance

In Rovaniemi the costs for construction of the brandbook were about 20 000 euro. Later as they made the Christmas brand definition the budget was 10 000 euro. (Kortelainen 2012.) In the Oulu the total cost of the project was about 100 000 euro. In addition to the brand strategy, project included the design of the operational model and the strategy for collaborative marketing of the Oulu area (Keränen et al. 2012.) In both cases the towns were responsible for the costs.

Based on the experiences of Rovaniemi and Oulu the budget for the TornioHaparanda brand development work can be estimated to settle between 20 000 to 30 000 euro. The towns should fund the process collaboratively.

7.2.6   Timetable

To build the organisation for the work requires approximately 2 months. It is notable that some of the stakeholder organisations require internal decision-making for the participation, thus sufficient time is needed to get the troops in order. The presented brand development plan is illustrated in the figure 8. Illustration comprises the relevant organisations, the steps of the process and timetable.
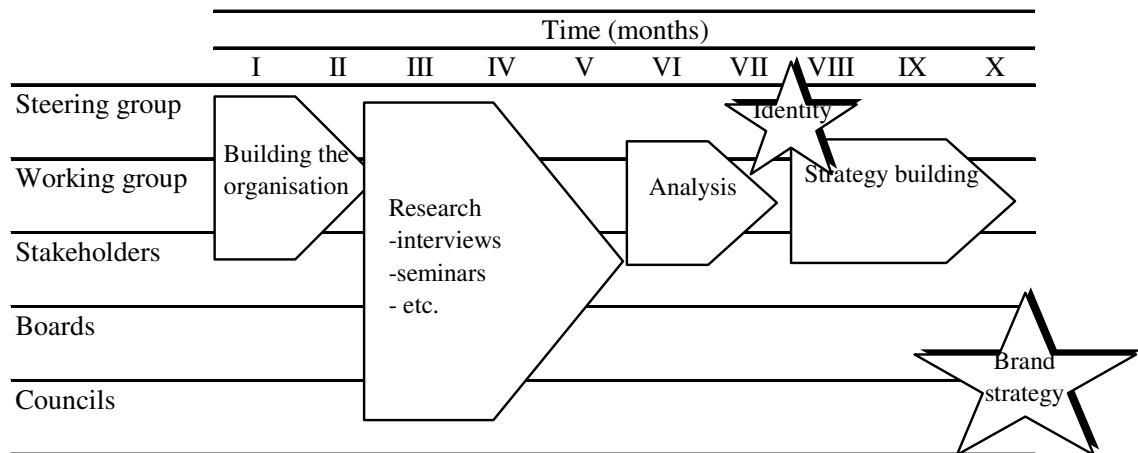
Figure 8. The place brand development plan for TornioHaparanda

The research phase starts by employing the consultant. The public bids procedure can be started partially during the organisation building, but it alone takes totally 2 months. For the interaction itself required for the research is good to reserve 3 months.

The Analysis phase includes internal meetings with the working group and also decision making of the steering group. Further, room for adjustments is required. The time required for the phase is approximately 2 months.

The strategy-building phase with required decision-making takes 3 months. The timetable for the work is about 10 months, which is in the timeframe of 5 to over 12 months provided by Baker (2007, 71), and Moilanen and Rainisto (2010, 166). The

needed time is depended upon the extent and the form of the interaction. The events are time consuming to organise, whereas online participation is more fluently adjustable. However, it should be noted that the phases where interaction between different stakeholders is most active should not be launched during the summer time, when different actors are on their holidays and e.g. students and educational institutes are hard to involve in the process.

7.3   Brand management

Brand strategy alone does not suffice to ensure the planned development of the place brand. The brand management is also needed. It consists of chain of consistent long-term measures, a process focusing on communicating the carefully selected and managed identity to the customers. Resources have to be appointed to conduct the planned measures. Additionally, emphasis must be added to the collaboration with the local stakeholders to maintain commitment and to activate brand-supporting activities. One person needs to be appointed to do the work. The person acts as "a police" who supervises the use of brand elements according to accepted guidelines in the way that they support the brand message and the chosen identity. It is equally important to know what to do, and not to do. The brand manager, who Baker (2007, 172) names a brand steward, should be selected in the beginning of the development process.

Four brand sources, i.e. planned messages, environment messages, service messages, and unplanned messages were described in chapter 3.1 and illustrated in figure 3. The brand steward has the first two brand sources mainly under control, however marketing messages can also fail due to the enormous amount of information creating distraction to customer. The level of control decreases in service messages. These messages are created in the interaction where the place marketer is not present and the transmission of the brand message and the communication is depended on the abilities and the commitment of the service provider. In unplanned messages the place marketer has hardly any role as the communication emerges without its awareness and beyond its reach. Moilanen and Rainisto (2010, 178) define the competence of coordinating the different organisation, with their independent resources and capabilities crucial.

In the current situation the only collaborative organisations of the TornioHaparanda, which are at least partially involved with the collaborative marketing related issues are Provincia Bothniensis and tourist information. The collaborative tourist information actually consists of employees from both Team Botnia and Haparanda business development unit sharing the premises, the materials, and the responsibilities. Additionally, both towns have their own communications responsibilities. However, both responsibilities of internal and external marketing are today dispersed and vague. Therefore, establishing an organisation, which is accountable for the TornioHaparanda marketing, should highlight responsibilities related to the collaborative marketing. This requires some adjustments to the current business model.

According to my observations, natural environment for joining the place marketing, i.e. place branding responsibilities are the organisation responsible for the business development and the tourist information. As discussed in chapter 3.1 and 3.2, the holistic place branding involves both businesses and visitors as a central stakeholders or customers. Eventually, conducting marketing aimed at businesses and tourists according to the place brand strategy, is overlapping with the marketing aimed at other target groups, only nuances of messages differ.

In Tornio Team Botnia is responsible for the business development and tourist information, whereas in Haparanda the corresponding responsibilities are pointed to the business development unit. The two organisations are suggested to merger. The new organisation would be responsible for the business development, the tourism development, and the marketing. It consists the place branding management, i.e. the total responsibility of the TornioHaparanda marketing. Additionally, the towns' organisations continue communicating on their own official matters and service, but the scope stays on information rather than marketing. However, also the towns' communications should follow the guidelines of the brand strategy.

To gather the actors involved in the marketing related issues under the same organisation also the Provincia Bothniensis secretariat would be appropriate to include in the merger. Business development activities often require knowledge of the towns' organisations, public servants, and proceedings, which could be available cross-border inside the organisation. The resources of Provincia Bothniensis are utilised in the towns' cooperative development, but also in the arrangements of collaborative seminars,

events, and visits of important persons. These public relations efforts are also a central part of the place branding activities.

Figure 9 illustrates the suggested organisation. The organisation operates on a single budget, which could be constructed from the individual budgets of Team Botnia and the Haparanda business development unit. The place branding activities which the person responsible for marketing development, i.e. the brand manager controls are horizontal function included in all action of the organisation. The new organisation would operate in the front-line of the place branding. The most essential guiding document for the new collaborative organisation would be the updated vision 2020 integrated with the brand strategy. Eventually, more focused and organised business model contributes to the efficiency of the operations, thus no immediate need for increasing budget emerges.
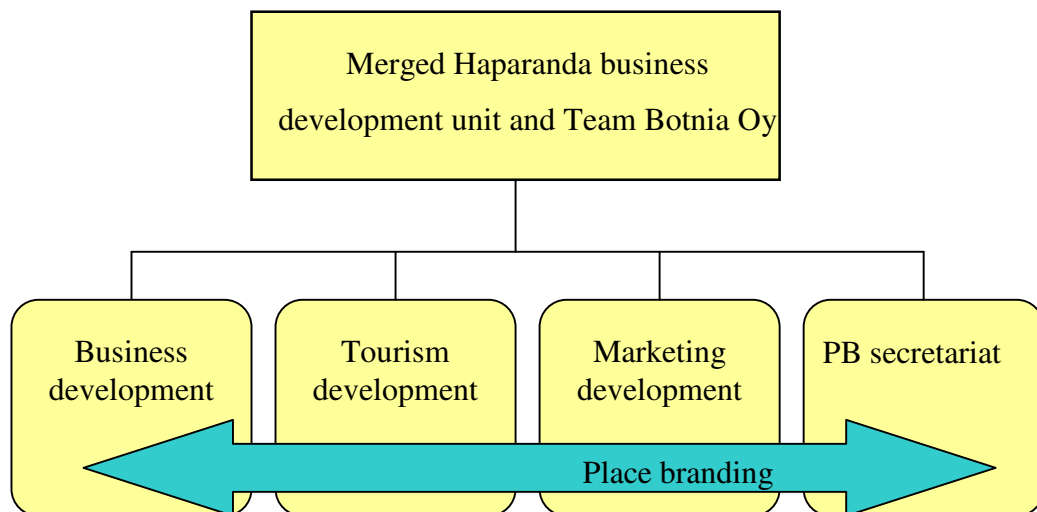
Figure 9. New organisation for place branding management

To be able to identify the performance of place branding monitoring and evaluating quantitative data should be collected on regular basis. The chapter 7.1 describes the current perceptions of Tornio and Haparanda and pinpoints some parameters, which are measurable and reflect the brand performance. The data do not exist in a collective way combining cross-border statistics, thus separate research initiated by the brand manager would be needed.

8   CONCLUSIONS

To conclude the research the empirical findings are discussed in this chapter. First, the objectives of the study are described and the essential findings related to the TornioHaparanda case are explicated. The conclusions of the research are derived from the theoretical framework and empirical findings. Then, measures for the future development are suggested according to the findings of the research. Finally, suggestions for future research are proposed.

The aim of the Thesis was to capitalise holistic place branding from the service-dominant point of view for the development of TornioHaparanda. The objective of the research was firstly to explicate the value creation in the holistic place branding processes. The theoretical framework of place branding and service-dominant logic were utilised as a foundation for identification of the value creation processes. Secondly, the research objective was to identify the possibilities place branding offers to the strategic planning of TornioHaparanda. The current strategies were reviewed and a modification was presented accordingly. Thirdly, the Thesis analysed the prior marketing operations and as a result presented strategic options, which can be utilised in the development of a holistic place brand of TornioHaparanda. Finally, the objective of the research was to present a development plan for the TornioHaparanda brand. By applying the theoretical and empirical data collected during the research an implementation of theories, best practices, and experiences was suggested.

Public organisations embrace the service-dominant logic, which adds emphasis on the service. Service is the fundamental basis of all exchange and customers are always co-creators of value. Place branding operations initiated, participated or executed by municipality, i.e. TornioHaparanda can be argued to embrace service-dominant logic, where value is co-created within multiple interfaces of brand contacts with stakeholders. The role of the stakeholders is essential in holistic place branding. The stakeholders form images about places, which place branding operators try to influence by communicating messages based on the chosen identity.

The value creation in the place branding starts in the development plan phase, where various stakeholders are invited to the organisation set for the development work. The participation of stakeholders is crucial in determining the essence of the

TornioHaparanda identity, which all branding activities derive from. In the TornioHaparanda cross-border context the stakeholders need to be convened from both sides of the border to ensure collaborative participation. The value is co-created in the place branding processes both in internal branding, i.e. through the communications inside the place, but also in external branding, i.e. through the communications the place aims at the external target groups. Eventually, the interaction between the internal stakeholders and external target groups further co-creates value. It can be argued that every new means to involve stakeholders to the place branding creates a new value co-creating process. In these processes the place branding operator uses its resources for the benefit of stakeholders.

The value co-created in the place branding processes can be tangible or intangible. The commitment of various stakeholders acts as an example of intangible value, which can be utilised in the strategic planning. Committed stakeholders who have participated in the place branding processed are harnessed to support the created brand. By implementing the brand to the strategic plans of TornioHaparanda, future strategic planning reaches more local audiences than today. The collaborative vision 2020, which serves as an umbrella strategy for TornioHaparanda and focuses on the customer perspective, should be integrated with the brand strategy. It would contribute to the dispersion of the strategy to the community.

TornioHaparanda have been lacking a collaborative marketing plan. Thus, the marketing operations in the past have been poorly managed and dispersed. However, the analyses of prior operations contribute to the knowledge of the local cross-border context and to the implementation of place branding in TornioHaparanda context. TornioHaparanda should capitalise its cross-border network to commit stakeholders to the branding processes. Further, common history and the tradition of cross-border cooperation should be utilised in identity formation. Additionally, the media interest towards the TornioHaparanda collaboration should be utilised for the place branding purposes.

For the future development to build the TornioHaparanda a plan is suggested. Firstly, the organisation for the work needs to be established by convening relevant stakeholders from both sides of the border to the process. Secondly, after the organisation is set to do the work a research phase is launched. The purpose is to

identify the core essence of the collaborative TornioHaparanda, the identity. Even though the essence of the TornioHaparanda identity is clearly connected to the cross-border cooperation, a qualitative study should be conducted to be able to answer the following core question of the TornioHaparanda area: Who are we? This is the phase where the value co-creation in place branding truly begins. The actors in the cross-border network interact and exchange across and thorough networks creating the value. Finally, based on the identity identification and expression in the previous phase a brand strategy is required. Defining the graphical look for the brand launches the composition of the brand strategy. In my opinion the graphical look of the brand should be based on the contemporary TornioHaparanda trademark. Nevertheless, any refinements should be considered with open mind and outlines for the remaining of the identity supporting graphics and manuals of usage should be included. The strategy should be used as a tool to communicate the desired messages derived from the chosen identity to the target audiences. The communication should affect stakeholders image formation in a way that the place branding actors in TornioHaparanda regard important.

The most crucial phase in the place branding development processes seems to be the step from the reporting of the place brand strategy to the execution of the planned measures. Due to the lack of collaborative marketing organisation it is even highlighted in the TornioHaparanda cross-border context. According to my observations, more focused and organised business model could be built thorough the merger of Team Botnia and the Haparanda business development unit. The place branding activities, which the person responsible for marketing development, i.e. the brand manager controls, are horizontal function included in all action of the organisation. The new cross-border organisation would operate in the front-line of place branding. The most essential guiding document for the new collaborative organisation would be the updated vision 2020 integrated with the brand strategy.

In addition to the qualitative study needed for the determination of the TornioHaparanda identity, further research is needed to define the brand value depicting facts of the location thorough quantitative methodologies. In the current situation there are no data available in forms of indexes or surveys about TornioHaparanda as one geographical entity. Quantitative data can be utilised to measure the performance of the branding operations.

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APPENDIX 1: TRANSCRIPTS OF INTERVIEWS

Interview of cooperation secretary Ritva Nousiainen on 16th of November 2011 in Gula Huset, Haparanda.

PRIOR MARKETING AND PROMOTION ACTIVITIES

Name some marketing activity conducted during the past decade concerning Tornio or Haparanda?

"If we start from the beginning the cooperative organisation Provincia Bothniensis was established in 1987. The launch of the organisation gained wide media attention without any specific marketing activities. About two years later the flag of the Provincia was introduced and has been used since as a symbol of the cooperative organisation and actions related to it."

"In 1995 from the initiative of towns' business development agencies and Provincia Eurocity Haparanda-Tornio trademark was developed to serve as a part of the business development marketing activities. For the publication of the logo or the trademark a two-day business development seminar was arranged. Eurocity trademark was used and adopted in Haparanda very actively, but in Tornio it faded. Eurocity trademarks went on living its own life and eventually interest towards it faded in both towns."

"In 2005, actions to search for a new trademark and a brand for Haparada-Tornio were launched. Provincia Bothniensis' business and tourism team initiated a competition for designing a joint marketing profile for Tornio and Haparanda. Competition was aimed at six advertising agencies, three from both countries. Provincia Bothniensis' Board selected two of the agencies to develop their ideas further. Those days På Gränsen – Rajalla logo existed and it was used as a platform for new logo. Finally in February 2006, the Board decided to employ JOB Reklambyrå Ab advertising agency to develop a joint trademark or logo according to their proposal and further with the help of the towns' press officers to set guidelines for the kick-off and utilisation plan of the trademark. I acted as the most active controller as the suggestions of the advertising agency were evaluated. I did not accept all the material that agency

produced. In my mind is has succeeded and at least I have a feeling that it has strike thorough well and is already quite widely known."

"Now we have this very active, by itself operative advertising agency, I don't know from whose initiative or order, creating a marketing strategy. We have been criticising the way the operations have proceeded. A year ago we had couple of meetings regarding the issue and now all of the sudden in this fall agency presented a new strategy and updated trademark handbook. As in Sweden they use the term trademark and we in Finland use brand. We have criticized the way the paper is conducted, for instance the long term goals have been drawn from the hat and one instantly knows they are not possible in any way. Although one must be a visionary, one also has to be realistic. I have been considering and also informed my superiors that we should do this work by ourselves without advertising agency, because we have to be committed to it too."

Organisation and decision making

Who initiated activities?
"Initiator has in almost all cases been the Board of Provincia, although in the most recent activities the actual initiator has remained unclear."

Who was in charge of the operations?
"The Board has been in charge of the operations. I have conducted the actual execution."

How was decision-making organised?
"I prepared the issues for the Provincia's Board for decision making. Provincia's Board cannot make legitimate decision. It further proposed issues to the Boards of both tows for decision making."

Was politics involved in decision-making?
"Yes, Board of Provincia consists of politicians from both Tornio and Haparanda. This way all actions have been anchored among different politicians"

Was marketing substance present in the planning/executing organisation?

"Yes, in the form of advertising agency, but otherwise no. All the materials have been prepared by advertising agency."

Stakeholders and commitment

Which stakeholders participated activities?
"Of course public servants and politicians have been involved, also business development agencies and entrepreneur associations from both tows have participated. There have been some occasions concerning updating TornioHaparanda trademark where also local entrepreneurs have participated."

Were they actively involved?
"Politicians have been active in the decision-making phase and updating vision. Business development agencies have recently become more active."

Did they participate in the financing of the operations?
"No."
Were expectations or interests among stakeholders conflicting?
"No, there have not been such conflicts."

In your opinion, did the final results suffer from consensus building?
"No."

Funding

Who funded operations?
"Municipalities."

Was funding sufficient both timely and quantitatively?
"There has always been a struggle about finance. Provincia does not have any specific marketing budget. Finance for the marketing activities has been collected from other accounts."

How funding was secured?

"There has been some finance reserved for marketing purposes in the budgets of the tows' Boards, which has been under Mayors' control, however this finance has been decided on annual basis too. There has not been any long-term finance for marketing activities."

Strategy

Were actions designed according to towns' strategies?

"In the most recent suggestion of the updated trademark the comprehensive background has been the collaborative vision 2020. Operations as they are now are quite dispersed. We have business development agencies, tourist office, and then we have this Destination –project, in my mind it seems to lack a joint operator. First operations in the past, e.g. Eurocity, were conducted without any strategic background."

Were planned actions in congruence with town strategy?

"In a way we are all marketers of our own town. I think we all should have a joint training about how we should portray our towns to target audiences. We should have something shared that should be emphasised not only by superiors, but also employees in all levels. So if some visitor turns to a porter in the town centre, even he knows how to treat visitors."

Did operations contribute to the strategy building? If so, explain how?

"Distribution of the joint message to all levels of organisations should be continued in the town strategies. Collaborative rules how to market TornioHaparanda should be made and whole organisation should be trained to deliver desired message. This is something that has never been finished. This has actually stopped to the service sector managers. Managers have not distributed message forward to their employees. We could actually speak about distribution of identity. In my mind we have quite strong identity, which has never been written out."

Others

Were there any internal or external coincidences, which could not be controlled, yet affecting operations or results?

"Operations have always been in so small scale that they have not been affected by any coincidences."

Were objectives of the activities achieved?

"In my opinion TornioHaparanda trademark has strike through and is probably known in the whole Sweden and whole Finland, and partially in Europe too. It symbolises the cross-border cooperation that is know especially in the EU. In that sense the success has been far better than e.g. in the Eurocity campaign, which could not be identified solely to TornioHaparanda."

Were results measured or followed in some previously planned manner?
"So far, never."

Were there conflicts originated from the cross-border environment? If any, explain which kind?

"On the contrary. It has always been our strength. Our trademark is based on the cross-border environment we have."

Did operations benefit from the cross-border environment? If so, explain how?
See previous answer.

FUTURE BRANDING OF TORNIOHAPARANDA

Organisation and decision-making

Which organisations or audiences should be represented in planning and executing TornioHaparanda brand?

"This is under considerations as we speak. It should be made a proposition to the Board how we should proceed. I have thought about selecting certain focus for the actions for next year, which should be developed in a working group of our own, consisting of public servants from business development, tourism and general administration, without any representation of advertising agency. Working group

should make propositions to the politicians for decision-making. It would be desirable that also long-term suggestions could be made.”

Is there an organisation under which collaborative branding operations could be organised or should a separate organisation be established?
“There is no organisation ready for that. All the operators are so dispersed. It could be developed under Provincia Bothniensis.”

How should the decision-making be organised?
“It should be conducted as it is, via Board of Provincia to the Board of towns.”

How could stakeholders be committed to the process?
“In my mind, e.g. business development agencies should distribute the work to businesses and tourists, because they have established channels for that. If we think about residents, it is a task for us all, meaning the members of tows’ organisations.”

Target groups

Which are essential target groups?
“We should reach possible returnees and businesses that could establish and invest in the area. If we talk about identity, then all the residents of TornioHaparanda are important.”

Where are they located?
“Our focus should be Sweden and Finland. If aim is to reach audiences further than that, then we should display as a part of some bigger entity, such as Lappi or Swedish Lappland.”

Why are they important for TornioHaparanda?
“Residents are important, because if we can create a joint identity, then every resident is out marketer. Returnees help us guarantee future labour force. We must have educated labour force, and not to mention about the development of population. New businesses are always very important to every place. There is no solidarity among

municipalities, when investments of businesses are considered, as long as there is competition between municipalities."

Who are main competitors?

"On the Finnish side they are Oulu and Rovaniemi and in Sweden it is Luleå."

Identity

Is there a Tornio identity, Haparanda identity, TornioHaparanda identity, or is some other identity stronger? I any exists, describe it?

"I think the TornioHaparanda identity has grown. And the more we keep telling about it, the stronger it gets. TornioHaparanda identity is hard to describe, but it is based on the mutual history, language and cross-border cooperation. During the establishment of Provincia Bothniensis there was very little joint identity. Identity is experienced nowadays in more similar manner in both towns. In the beginning of the 2000's Swedish identity was stronger in Haparanda, especially among prior Finnish citizens, which reflected in the comments like we don't need Tornio or Tornio will eat us alive. In my mind the further the development of the På Gränsen – Rajalla –project has gone, the more it has contributed to the joint identity. It is so concrete collaboration. I have never recognised Tornio identity. My work has certainly affected so that I have always seen both towns equal. In my mind, Haparanda does not have any identifiable identity of its own. The Tornionjoki River and the sea are important elements for both Tornio and Haparanda residents."

Does the physical environment support the identity? If some adjustments are needed, explain what kind?

"På Gränsen – Rajalla –project's results, eg. Victoria square and border canal, reflect the joint identity of TornioHaparanda. Additionally constructed monuments e.g. Engagement, Arc of future, Statue for children of war, and the game on the border statue emerge from the joint identity."

Cross-border context

Do cultural differences affect branding process in TornioHaparanda context?

"In my mind during the years there has developed a operational culture of our own, which has adopted good features from both cultures. For instance, in Haparanda they have decreased discussions. Some even say that decision-making is too fast now and they miss more discussions. On the other hand bureaucracy and hierarchy have decreased in Tornio. Cooperation occurs now on several levels of the organisations. So cultural differences do not play any role."

Is language a problem?

"No. In the beginning when Provincia Bothniensis was established some lifted language to the discussions, but it has never been seen as a problem. I have never heard that language has been an obstacle for cooperation. "

Are there any differences in values, behaviour or organisations in TornioHaparanda cross-border context that could disrupt cooperation?

"In my mind no. They have been smoothed during the years. There are some organisational differences, but it has never caused any problems. Organisational changes during the years have even made organisations more alike. Other authorities, official and unofficial organisations in Tornio and Haparanda are used to cooperation, e.g. events of 112-day is a good example."

If differences are found, could they be beneficial?

"I think time difference can be seen as a benefit. It increases opening hours of stores and sport facilities, gives possibility to differentiation e.g. at the golf course or new years celebration, thus contributing to the TornioHaparanda trademark."

Interview of the former CEO (2002-2011) of Team Botnia Oy Seppo Valtanen on 24th of November 2011 in the Tornio City hall.

PRIOR MARKETING AND PROMOTION ACTIVITIES

Name some marketing activity conducted during the past decade concerning Tornio or Haparanda?

"*During my time from the year 2002 biggest marketing efforts have been conducted by marketing the are in various fairs. One of them has been travel fair in Helsinki. In Sweden we have been participating fairs in Skellefteå and Göteborg, which have been on Haparanda's responsibility, but with common materials. In the neighbouring area there has been and probably still is a contract concerning advertising in the ice-hockey hall in Oulu. Today TornioHaparanda trademark is also visible in about 20 golf courses. There has also been conducted an advertising campaign in the Kauppalehti few years ago. Altogether, marketing efforts have not been systematic or continuous. If one could identify it as marketing, the development on the border has surpassed the level of the national media interest in both countries. They have contributed to positive feedback, which has not been planned, but came along the other processes.* "

Organisation and decision making

Who initiated activities?
"*Team Botnia is responsible for the tourist agency, thus it have been taking care of the marketing. Also as Sea-Lapland's travel association was established, it has been organising some of the activities too.*"

Who was in charge of the operations?
"*Team Botnia.*"

How was decision-making organised?
"*The Board of Team Botnia has decided upon activities. Additionally issues have been handled in the tourism cooperation group of TornioHaparanda too. In this forum also travel businesses have been represented. Cooperation group consists of five people from Tornio and Haparanda tourism organisations. Additionally few times a year*

larger meetings with representatives of travel businesses were held. The role of the cooperation group has been to prepare issues for decision making to the Team Botnia and the town of Haparanda."

Was politics involved in decision-making?

"To be direct, very little. In political organs, such as town Board and Council, there have been very little discussions about marketing. The connection to the town is via three representatives of town in the board of the Team Botnia. Two of those are politicians."

Was marketing substance present in the planning/executing organisation?

"Not really. Brochures and videos have been ordered from professionals. Participating travel businesses has had marketing substance, which has been utilised."

Stakeholders and commitment

Which stakeholders participated activities?

"They have been mainly travel businesses. HaparandaTornio Bandy used HaparandaTornio logo and they gained visibility. However, there were questions raised, why the team does not make it to the headlines in Finland. Outokumpu, steel form Tornio, has maintained its importance and kept Tornio name visible. All the major groups visiting Tornio also visit Outokumpu. Losing Hartwall was a small setback, but it has not been so visible outside."

Were they actively involved?

"When they participated, they were active."

Did they participate in the financing of the operations?

"Yes. There have been projects with Team Botnia and EU finance. Also Rovaniemi has participated in financing in collaborative operations."

Were expectations or interests among stakeholders conflicting?

"Yes there have been such problems. A 100 per cent unity can surely not be found. Tastes are so many and then we have this border in between as we speak of TornioHaparanda collaboration."

In your opinion, did the final results suffer from consensus building?

"No, because participants of the projects have had similar interests and those who did not share that interest simply did not take part. We have been listening mainly to the accommodation businesses."

Funding

Who funded operations?

"Team Botnia has annually had 20 00 - 30 000 euro to marketing. There is also reserved funding for projects, over 100 000 euro annually. Destination –project is actually the first marketing project, which is partially funded by Team Botnia."

Was funding sufficient both timely and quantitatively?

"No, by any means. Team Botnia finance in 2011 is equal to the 2002 budget. There have been cuts in town finance and if you look at the inflation and price increases during the nine years there you can draw the question whether the finance is sufficient. We simply have not been able to increase our resources."

How funding was secured?

"I have prepared the budget for Team Botnia and I have annually pointed the sum in question to the marketing. It has been vital because I know that town budget does not have even that for marketing purposes."

Strategy

Were actions designed according to towns' strategies?

"When we updater our new vision with Haparanda, we made sure that it's contents and structure is visible in our marketing. I read town strategies years before, but it was

often hard to find anything about the marketing. I my mind we have gone to the right direction as we made our collaborative strategy and this we have supported.

Were planned actions in congruence with town strategy?

"Yes, actions have been inline with strategies."

Did operations contribute to the strategy building? If so, explain how?

"We have brought new things to town strategies. Today town strategy is more structured than it was before. Importance of marketing is now more visible; actually it was not there at all before. However the finance of marketing today is so ridiculous that you can't do much with it and if we don't point more funding to it, it (marketing) will remain only in the strategies."

Others

Were there any internal or external coincidences, which could not be controlled, yet affecting operations or results?

"There have been different national events that have been taken place in Tornio and Haparanda and gained wide attention, such as children of war, national festival of veterans and national 112 –day. Of course a big marketing boom for us that has been supported and utilised well is the establishment of IKEA. It has been the engine for our commercial marketing."

Were objectives of the activities achieved?

"In my mind we have achieved a good amount of daily visitors outside this area. Our problem is that our accommodation capacity is not sufficient. During the high season we do not have enough beds and during the low season supply does not work in the way that it supports demand in the way that the number of visitors increases. There supply increases demand, but if we cannot increase supply then the demand remains as it is. Of course our commercial offerings have improved."

Were results measured or followed in some previously planned manner?

"Number of overnights by visitors has been monitored, its development and relation to other tourism destinations. Also number of visitors in commercial units has also been one parameter."

Were there conflicts originated from the cross-border environment? If any, explain which kind?

"Not in the way that they have hindered operations."

Did operations benefit from the cross-border environment? If so, explain how?

"Yes, in my mind. There have been more parties to deal cost."

FUTURE BRANDING OF TORNIOHAPARANDA

Organisation and decision-making

Which organisations or audiences should be represented in planning and executing TornioHaparanda brand?

"For example the town train is a good example of what businesses have accomplished. There should be found a model where businesses and the town experience that they are in a same boat contributing to the same goal. If this connection is missing, the businesses will withdraw from the cooperation eventually. Here by businesses is meant all businesses in the area. If we want to understand marketing as it is supposed to, it is a sum of all the actions concerning the image or brand visible to people coming from outside. It is also a promise that this is how we do. We have to build this whole and create a commitment and a sense of identity; this is who we are. This is not a task for any individual organisation but for all organisations. How it is conducted, should be considered."

Is there an organisation under which collaborative branding operations could be organised or should a separate organisation be established?

"I am still for the business and innovation centre even though I am not working any more. The idea was that business development organisations would be joined together and Haparanda joins Team Botnia as a stockholder. This company would then take

care of the business development and it could also take care of the marketing too. It does not mean that the company could not cooperate with the Sea-Lappland travel association. On the contrary, they should cooperate. However, the Sea-Lappland travel association should not be pointed as a head organisation under which other organisations operate. It does not work. Starting point should be to remain the identity of each area and see how it could be enhanced."

How should the decision-making be organised?

"There could be a committee under Team Botnia, which could prepare issues for decision making. The decision-making takes place in a limited liability company in its Board, which cannot be seen as a problem. Issues could be discussed beforehand also in tows' decision-making organs. This could be done also via Provincia Bothniensis' board. In this committee should participate businesses also outside Team Botnia stockholders and it could be developed under the tourist agency."

How could stakeholders be committed to the process?

"I think Tornio's living city centre association, which has a number of entrepreneurs as members, could approve issues, then they would probably be accepted also elsewhere."

Target groups

Which are essential target groups?

"Of course the first target group of which one could get more money out from is shopping tourists, which is considerably large. They range from northern Norway to Murmansk and Lappland as a whole and to the line down to Pietarsaari or even Vaasa. There are also lot of travellers bypassing TornioHaparanda during the summer and winter. Number of border crossing is so high. We should stop them here somehow. In the future we also try to get more golfers here."

Where are they located?

"In Sweden they come all the way from Umeå. The by-passers come from all over Europe. Golfers come from all over the world. We have plans now to import 120 pro-golfers to play here."

Why are they important for TornioHaparanda?

"It is important for us that they use our commercial services and would stay here longer as they do today. Golfers spend more time in the destination and also use other services in the area."

Who are main competitors?

"If we look at towns, we compete with Oulu and Rovaniemi in Finland and Luleå in Sweden. When golf is considered there is no matching destination to our uniqueness."

Identity

Is there a Tornio identity, Haparanda identity, TornioHaparanda identity, or is some other identity stronger? If any exists, describe it?

"I would like to speak about TornioHaparanda identity, which is more of the future. We can see the benefits of our twin towns in a more concrete way in the future. Tornio identity can bee seen in the Tonionjoki River and in the fight about salmon and whitefish. The border and living across border is in a way part of Tornio identity and the more the cross-border cooperation has developed the more natural and acceptable it has become. Tornio is also known from the steel and was known from the beer too. Envy of people and the negative atmosphere in Tornio has decreased and the positive development has generated positive mentality. I think that there has occurred a jump from a decreasing small town into a positively developing town with opportunities to grow and develop."

Does the physical environment support the identity? If some adjustments are needed, explain what kind?

"It must be said that fortunately some real-estate owners have enhanced their facades, but there still remains a lot to do in the old town centre. New block of flats that are built near På Gränsen Rajalla area improve the environment. Modification of Nordberg's mole area is a good improvement. The development of Green Line area has a lot of potential. Also the same is with the other side of the E4 road. Hartwall's area is another opportunity and in Miukki you have a place of thousand bucks. I think the Swedish side of the PGR area should get started."

Cross-border context

Do cultural differences affect branding process in TornioHaparanda context?
"I don't think there are any. If there has been confrontation in the past, it has decreased and today there is a seek of unity."

Is language a problem?
"No, even I speak better Swedish every day."

Are there any differences in values, behaviour or organisations in TornioHaparanda cross-border context that could disrupt cooperation?
"No. I think it is a matter of learning. To see how organisations work and act accordingly."

If differences are found, could they be beneficial?
"There is one difference that has been beneficial. If you have the strength to have discussions with the Swedes to the end where a matter is agreed on, that agreement is something you can rely on. After that there is no discussions, only actions. In Finland we could learn more about this discussion culture to commit different parties to the matter."

Interview of Sanna Kortelainen, CEO of Rovaniemi Tourism and Marketing Ltd. on 8th of February 2012 in Rovaniemi.

PLACE BRANDING OPERATIONS

Organisation and decision making

Who initiated activities?

"I think the first push to drawing up the Brandbook was initiated by town, and it has been town's project. The beginning of the project has been slightly interesting, since some of the makers changed in early stage, and then it was publicly asked for bids for expert services, i.e. advertising agency. However the idea originates to the town of Rovaniemi."

Who was in charge of the operations?

"The town of Rovaniemi coordinated operations and was the responsible actor, then it was dispersed to the Rovaniemi Tourism and Marketing Ltd, which according to the service agreement with the town of Rovaniemi is responsible for marketing activities both brand related and collaborative marketing of the area. Thus, Tourism and Marketing was in practice the operator who actually organised the meetings of the working group and so on."

How was decision-making organised?

"The operations were run by a working group, which had representatives from businesses, the town and staff from the Tourism and Marketing. Working was based on workshops and the decisions were made in the working group. Some company board members participated in the working group, but the work was presented for decision making in the board only in the final phase. This is how I have understood the process. I was not here back then, but this is based on my observations."

"Rovaniemi Christmas brand process is more familiar to me. This we have conducted in cooperation with Lapland Centre of Expertise for the Experience Industry. In a way, of course, Rovaniemi branding operations have served as a fundament for the process. There we have story telling, creativity, playfulness and openness related topics that are

also related to the core of the Christmas. Rovaniemi has obtained the official status as a hometown of Santa Claus and actually, about the Christmas brand, the idea, the basis has been to clarify what it means, what is the essence of it, what are the core values, and what happens, how are they visible, how they can be realised, and how they are dispersed, not only among tourists but in our everyday life, in our work and in our communications. In the Christmas brand process we did not employ any advertising agency. Here we had a consultant, Imagian Ltd, which has been working with the brand of Finland too, Teemu Moilanen, and he acted as a facilitator in the process. In Addition, we had representatives form the town. Not only personnel form communications and the business development, but also from the education, basic services, and sports. And there were also third sector; volunteers, clubs, associations, for example sport clubs involved, and of course companies, not only tourism businesses, and our own office which is responsible for marketing. Not until now we have started dialogue with an advertising agency, as we want the official hometown of Santa clause - slogan to be attached to Rovaniemi. It is not a question of building a logo, but examining and adjusting the appearance of the writing. There is still some work to do, but maybe next week it will be finished and we are able to launch and publish it as one of the brand results."

"There was decided to form a working group, which conducted branding process. During the main process town managed it, but later our company has acted as the brand management organisation and manages the operative work, and on its part the Board makes policy decisions. Of course, in town's organisation if e.g. enhancing of communications is considered, the needed decisions are made accordingly inside town's organisation. The idea is that when Rovaniemi communicates outside, it is done in a way related to the Christmas brand, and when it is about the matters of residents, the more traditional seal message is used."

Was politics involved in decision-making?
"Building a organisation for Rovaniemi brand was made in the form on working group. Some of the members of the working group were politicians."

Was marketing substance present in the planning/executing organisation?
See prior answers.

Stakeholders and commitment

Which stakeholders participated activities?
See prior answers.

Were they actively involved?
"If I talk about the process conducted during my time here, in my opinion, companies committed to the Christmas brand process surprisingly well. It was seen as own process and they clearly looked for assistance to their own work, because the subject was so close to all. But what I heard from the previous process, the situation there was not quite the same. The level of commitment was not, in my opinion, so high. Also the group of participants were more scattered."

Did they participate in the financing of the operations?
"They did not directly participate in financing. Operations were financed thorough cooperative organisations; Tourism and Marketing and Lapland Centre of Expertise for the Experience Industry. Companies participated financing indirectly thorough their annual collaborative marketing payments for Tourism and Marketing. Later companies financed their own concrete actions accordingly to the branding operations. Some of them have been larger and other smaller. Earlier the process of building the Rovaniemi brand was totally financed by the town of Rovaniemi.

Have companies been committed to the processes and their outcomes?
"In the Christmas brand process the guidelines will be ready soon and we will require companies to apply them. I have not identified the messages from the previous process. I have a feeling that there is a risk if key people leave or change job during these processes, the outcomes fade, and there is nobody to continue the process. There is a pressure and challenge of the sustainability, i.e. as the book is finished the work actually begins. If in this phase exhaustion for the project hits, and one wants to take a breath for a moment, it is so dangerous. It can cause expensive consequences, because all the hard work that is done remains unutilised. Nothing is as expensive as that. To be honest, we actually had a bit of a panic to utilise benefits after such a break. With the Christmas brand we dig out everything referring to tourism that was already in the

Rovaniemi brand and highlighted it to serve a small part of a whole, but very significant one. We wanted to highlight and crystallise the motives for the Christmas. The Rovaniemi brand is very extensive plan and would require coordination and resources for its dispersion. I feel that it has ambiguous, challenging and a good content, but its concretisation and maintenance requires quite an organisation and sufficient resources. If these remain indefinite, if there is no input on them, it will not work on the side."

Were expectations or interests among stakeholders conflicting?

"My guess is that in the brandbook there have been such issues in the beginning, because it is so extensive. In a way we had it quite difficult when we selected the Christmas brand as a topic for Rovaniemi's diversification and competitiveness. I, for instance, did get many phone calls in the beginning, that are you for real still going to go with the Christmas. Can't you invent anything else? There are plenty of others here, e.g. Ounasvaara etc. I have had it very clear in my mind that if Rovaniemi differentiates somehow internationally; it is with the Christmas and Santa Claus. We simply have the Christmas status, label, values, mind and good content competence. The further we go from here, e.g. to Asia, the clearer it is. It is the thing that opens the door and throws in. Not everybody do Christmas nor do they want do Christmas-like things. However what they do or where they end up, you has to get their attention with something, internationally. Why not use the most powerful brand we have. If we ourselves are tired of it, it does not mean that the whole world is. Especially stakeholders around us that do not live with the tourism daily often wondered that it is all about this one thing, and fail to see the business and its importance to the whole community. The indicators clearly show that the development has been good and there is only two years of work behind us, and not even so much done yet. There is a huge potential. But it is really long-term work. People who don't know the business lose their faith; even some people in the business lose it. It must be over and over again crystallised what we do and why. We did have the discussions about the core of the brand in the beginning of the workshop from the clear table despite we all knew that it must be somehow related to the Arctic Circle and Santa Claus. After thorough considerations in the groups, all came with the same idea, Christmas. Then it was confessed and no more questionable."

In your opinion, did the final results suffer from consensus building?

See prior answers.

Target groups

Where most essential target groups identified?

"Yes they where. We are actually launching a definition of key customers in cooperation with Lapland Centre of Expertise for the Experience Industry. If we look at customers from the collaborative marketing or tourist information point of view we have enormous amount of families with children during Christmas time, and then we have a lot of DINKs (double income no kids) who have good standard of living and lots of time. Then we have these senior travellers who mainly travel in groups during the summer time. They are either on a traditional package tour or WHOPs (wealthy, healthy older people) who have time and money to go around places that are not so familiar. Additionally there are a lot of single people, especially from Japan. They are mainly younger women on a study trip. They have learned everything about the destination beforehand and want to perform their vacation in a pedantic way. The amount of customers from Asia is growing fast and the demand for the services tailored for them is very high. We have used social media and newspapers and radio to raise local interest and gather opinions. For instance now during the Christmas we have had this operation Christmas card, where local people could make they own cards that were delivered to tourists at their hotel. It became very popular. We did get 2300 cards. This kind of small and even strange-sounding things we have done and they have been quite working. They have contributed to the pleasant discussions in the social media. It really requires time. It is like maintaining the spirit of the brand idea. One should never be left alone with it. And one should never have a lonely feeling with it. If that happens then you have lost something. One should have some small adjusting going on all the time. The group supporting the brand should be quite active, because one person really doesn't make a difference. It really requires team work."

If target groups were identified who they are and where they are located?
See prior answers.

Why are they important to Rovaniemi?
See prior answer.

Who are main competitors?

"We know that for example when the northern lights are considered, which is one of the main reasons why people from Asia to come here, Canada is our competitor. They have similar circumstances and occasionally more inexpensively reachable. Also northern Norway and sometimes northern Sweden, Jukkasjärvi, if you consider ice, testing tracks and automobile industry. I would say that Canada is the toughest competitor. In Finland our profile is so different from the other destinations in Lapland. And we want to get even more distance from the skiing destination status. We want to be a lively city, which is unique in arranging congresses and the core of the Christmas tourism."

Funding

Who funded operations?

"Brandbook was funded by the town of Rovaniemi. Advertising agency charged 20 000 euros for the operations behind the brandbook. Christmas brand was funded by Tourism and Marketing in together with Lapland Centre of Expertise for the Experience Industry. Budget was totally around 10 000 euros. Indirectly town participated via service agreement, which covers 670 000 euros as the collaborative marketing payments from companies cover 170 000 euro from the total annual budget of Tourism and Marketing, which is 1,213 million euros."

Was funding sufficient both timely and quantitatively?

"It is very common that the funding is sufficient for producing a book and then the execution requires separate project with separate funding. There is a risk of delays, which can make it difficult to blow it alive again. I think this is what happened with the Rovaniemi brandbook. We did not start building the Christmas brand based on a project, but it is more of a continuous process. When we've had the core of the brand crystallised it is transferred to the everyday work at Tourism and Marketing. In our service agreement the Christmas brand is noted and some of the funding is reserved for it."

How funding was secured?

See prior answers.

Strategy

How branding operations are taken into account in the Rovaniemi town strategy?

"It has been notified in the business development policy. They have been inline with each other. For example in the marketing and communications we have as one measure to design the relationship of the official hometown of Santa Claus trademark to the collaborative marketing. Thus international marketing is due to be enhanced. There is also mentioned, for example, that the elements and values that are not bound to the winter and snow will be developed as a year-round products and these will be based on the Christmas brand definition."

Others

Were there any internal or external coincidences, which could not be controlled, yet affecting operations or results?

"Climate has increased challenges on the beginning of the Christmas season. Changes in the weather are something that one has had to take into account in the communications. Then we have had this air traffic strike issue, which was a problem, because it popped up always during the tourist seasons, and was always a kind of a crisis. And then we had the volcanic ash problem, which messed the traffic during an Easter. Thus there has been turmoil, that have caused more dialogue and execution of reserve plans."

Which objectives have been set?

"We have kind of small objectives, which were documented under symbolic actions. They are small, everyday indications about what we are. Companies conduct these, e.g. Santa Park installed a Christmas counter by the main road. It tells how many days there are before Christmas. And also, of course, in the Rovaniemi town communications, the development of infrastructure, signs, etc. are all supporting the objectives. One of our objectives is to launch a global act, which could function as a solid statement that the Christmas is ours and it resides here. We want the opening of the Christmas to be identified, well known over the world. We have been searching for production

cooperation, where some of the prodcasting that support the spirit of our Christmas brand could be made in the Christmas destinations. Highlighting of the status of the Santa Claus is one of the objectives. Lifting the Santa Claus to the next level so that e.g. his speech becomes a significant event and would be compared to a speech by any statesman, an ambassador of a good will."

Are results measured or followed in some previously planned manner?

"Actually thorough concrete actions and, media hits. Also how many travellers there are, how many new business partners emerge in the branch, how many hits in the Internet, how many references there are about us in the social media, so, these kind of basic indicators of the marketing."

How would you describe strengths of the branding process?

"In my mind, good in the process was that the essence of the topic was found well. It was not self-evident, although it might have seen that way in the beginning. It was in the beginning of the process and of course the facilitator as an outsider had a big role in it."

"In the brandbook process the coverage of participants was good. There were representatives from various fields of businesses, not only tourism. However, I feel that what was missing here is the link to the everyday life so that it would live as a part of an everyday life. I think that the Christmas topic was adopted more easily to the everyday life."

Which parts were not so successful and in your opinion needed further development?

"In both processes the definition phases were crucial. One has to be aware what the aim is and define the frames for the process. Objectives should be set ambiguously, but to get there should be done by several small steps. Thus the goal does not feel impossible to reach. The participants should invest in the process and the timetable for the process should be set so, that there is time left for thinking. The participation into the working group is a responsible task. Members of the working group are responsible for the decisions made in the group for their background organisations. The work progresses in phases and you can't go back once a phase is passed and the focus is on the next step. In the work conducted by an advertising agency the danger is that the

used language remains too professional to adopt by anybody on the street. The discussions and the process itself should be conducted with normal language so that every grandmother you stop on the street understands about the process when you tell them about it. And this should come out in the media, regularly and in very simple manner. It should not remain as a ceremonial speech, based on concepts of a higher level. The aim should be set high but it should be reached with concrete actions. However, the tourism marketing and destination branding are still quite docile, and it would not disturb to have some more edge and diversification."

Interview of Communications manager Sirkka Keränen, Communications specialist Sari Valppu and Project manager, producer Heli Metsäpelto of City of Oulu on 24th of February 2012 in Oulu.

PLACE BRANDING OPERATIONS

Organisation and decision making

Who initiated activities?

"It was the mayor and the Board of Oulu who initiated activities. In autumn 2009 we publicly asked for bids to project management of the marketing process, but the circumstances changed due to the negotiations around municipality mergers and we did not make any decision about it back then. The process was newly launched in 2010. We did not search for an advertising agency with graphical expertise, but a project management organisation, which was able to conduct strategic planning and execution of the process. Eventually Place Marketing Ltd (Place) was selected as a consultant for the process. Place provided the plan how the process should be conducted, and during the process we adjusted the plan, and for example we wanted more groups into the workshops. The groups of young and creative were included after our initiative. We added participation, which is part of the commitment."

Who was in charge of the operations?

"The management group."

How was decision-making organised?

"The marketing group prepared issues for the management group, which further presented issues to the city Board for decision making. The idea of the heterogeneity of the management group was to commit creative people with different views and will to influence."

Was politics involved in decision-making?

"Five of eighteen members of the management group were politicians. Additionally final decisions were made in the city Board."

Was marketing substance present in the planning/executing organisation?

"Mainly in the form of the consultant, Place."

Stakeholders and commitment

Which stakeholders participated activities?

See final report page 7.

Were they actively involved?

"Yes they were. Members of the marketing group had a strong view about what are our strengths and what kind of city we should be. Managing group conducted more upper level discussions, which it should. We also did an Internet-based survey at oulumaine.fi where people could select from multiple choices their preferences of the Oulu identity. Additionally, there were 9550 written opinions about how people perceive Oulu. There were also large amount of answer outside Oulu area."

Did they participate in the financing of the operations?

"It was totally funded by the city."

Were expectations or interests among stakeholders conflicting?

"In our mind, no. Stakeholders were overwhelmingly unanimous. It came only later when collaborative marketing started and financing companies became partners with their individual interests."

In your opinion, did the final results suffer from consensus building?

"In the feedback obtained from audiences the "wild thing" popped up clearly and marketing group unanimously decided to include it in the mid-term report, which was presented to the Board in the August 2010. It raised a lot of discussion among the Board members and it was shot down. At the end the result was in a sense a compromise. The goal for us is the international market. We want to profile internationally. Thus "wild thing" in English sounded good, in our mind, but it was said to bring too much negative reflections. However, from the perspective of place marketing The Capital of Northern Scandinavia puts place immediately into the map, which "wild thing" would not have done."

Target groups

Where most essential target groups identified?
See final report page 10.

If target groups were identified who they are and where they are located?
See final report page 10.

Why are they important to Oulu?
"Main goal for the whole process was to create new job opportunities. All target groups have important role in it. For example, internationally our goal is to attract international investors to Oulu, and by doing so to create new jobs. We don't do this only because of the reputation."

Who are main competitors?
See final report pages 9-10.

Funding

Who funded operations?
"City of Oulu."

Was funding sufficient both timely and quantitatively?
"For the contract with the Place we had sufficient funding. Actually city Board granted a separate funding for six months, because we did not have funding in the budget for 2010. The Board admitted 50 000 euro, if I remember right, which was used to start building the plan for the whole year. Then we collected the rest from the Business Oulu, our business development unit, and from our regular budget. So the first funding for the year 2010 was actually collected from various sources. Now we have actually first year that we have budgeted funds. However, our funding is not in the city budget, but it comes from a separate business development fund, which is used for various

development projects. The annual share of the city of Oulu, 700 000 euro, comes from the fund. The fund itself is increased by our investments, e.g. dividends from the Oulu ICT. The funding is secured for marketing purposes in the long span. Our goal was to decrease Oulu city's share from 60-70 % down to 50 %, and preferably beneath. This year we are actually already there. We have over 50 % private funding for our collaborative marketing. It is entirely due to the Place's efforts, which has collected partners. This year is crucial, because we have plenty of funding and several partners with high expectations and only one-year contracts. The negotiations and contracts with companies are hard work. The plan we have has to be adjusted all the time. We have already promised something for the companies. We already know that some of the companies participate only one year and they try to get the benefits during the year. However, it is now easier to start making longer agreements with companies as we have the city funding secured. Also university is committed to the process with a long contract. "

How funding was secured?
See prior answer.

Strategy

How branding operations are taken into account in the City of Oulu's strategy?
"The situation altogether is quite confusing. Now that the merger agreement came valid we do not have any other guiding strategy at the moment. At the end of this year when new Council becomes elected, we start working with a new strategy building. It is decided to be the only guiding strategy in the city and all the others will be programs and so on. This strategy will set guidelines for the whole city concern and now we have to do the coordination. At the moment it has been a problem as our city strategy has not been supporting branding and vice versa. The merger agreement itself is not conflicting. There is mentioned e.g. Metropolis of networks and so on, but the terminology is different and you just have to commit the stakeholders this way. Building a new strategy is a good opportunity to commit everybody. It is kind of a second round of interaction committing new participants to the work. They most likely want something new to it. Just as an example, there is on the table an initiative signed by 41 councillors, that Oulu should be constructed to tierna and terva city. So, it surely won't be easy to

commit all of them. However, it is important that the extensive process we have behind us would not be necessary every four years. After all, this is a long span work."

Others

Were there any internal or external coincidences, which could not be controlled, yet affecting operations or results?

"Not really. We have actually for a long time known that Nokia will decrease its functions and that we are dependent upon Nokia. It has been a big thread that it will disappear totally. Luckily it has not happened so extensively. Actually, to cite our mayor, it should have happened two or three years earlier to benefit Oulu even more. It has raised new activity and former Nokia employees establish large number of new companies. I heard a rumour that by now there would be over 100 new companies established by ex Nokia employees. It has brought a new kind of will to entrepreneurship. Nokia was for a long time too good to be true. Employees have obtained dismission wages, which many of them use to start their own businesses. Altogether, it was a threat throughout the process that what will happen, in an economic sense."

Which objectives have been set?

"New job opportunities are the core of the work. We do of course wrap it up into a silk paper, but it is the ultimate objective, which is used to measure our success."

Are results measured or followed in some previously planned manner?

"We have conducted an attraction survey 2011, which was made by Innolink. It is planned to serve as a base for our development. It will be repeated regularly and we will compare the results to previous surveys. We have even tested a little bit about the Capital of Northern Scandinavia. And it was surprisingly well identified to Oulu in addition to Helsinki and Stockholm. Of course, the employment is also another way to measure, but there are so many other things affecting it."

How would you describe strengths of the branding process?

"Above all it was the extensive participation. We were able to manage working groups, workshops, surveys, press conferences and more official occasions; we were able to

arrange participation possibilities in many ways. Additionally, process was timed well and the acceptance was good, and we were able to get the needed decisions in time, at least in most parts."

Which parts were not so successful and in your opinion needed further development?

"I would not put consultant forward at all. That we did badly. Oulu residents started to comment that somebody from Turku comes and tells us what we should be. The faces of the process belonged to the consultant. We should have had somebody from the upper management, e.g. the mayor. It has caused a lot of problems that the process has identified to the consultant. It is clearly something that I would do different now. This change and the processes are long. Back then our upper management was busy and there was a change in the Board chairmanship. Kaleva was very interested about it and wrote a lot and critically about it."

APPENDIX 2: TORNIO TOWN STRATEGY 2021

Tornio town strategy 2021

VISION 2021
INTERNATIONAL TWIN CITY WITH UNLIMITED OPPORTUNITIES
AT THE BOTHNIAN ARC

STRATEGIC GOALS

OPERATIONAL
ENVIRONMENT

| **Tornio with development and increasing internationalism** | **Tornio with sustainable municipal economy** | **Tornio with modernising and efficient service processes** | **Tornio with healthy and competent employees** |

Globalisation

KRITICAL SUCCESS FACTORS OF DIFFERENT PERSPEKTIVES

Technological
development

CUSTOMER AND EFFECTIVENES

FINANCIAL

INTERNAL PROCESSES

PERSONNEL

Climate change

Sufficient high-quality basic services

Financial management

Reinforcing income

Adopting process development

Programmed human resource management

Sustainable and pleasant residing and living environment

Ageing population

Sustainable and overall economical investments

Utilisation of new technology

Thriving work environment

Reinforcing business and innovation activities

Competent employees

Centering of population

Successful Tornio town's corporation control

Cooperation between public servants and politics

Rewarding and motivating leadership

Successful border, municipal and areal cooperation

Welfare state and work

Committed municipal development

Values and attitudes

OPERATIONAL OBJECTIVE

Town of Tornio promotes its residents well being through

1) Developing the quality of residing and living environment in sustainable manner

2) Arranging sufficient basic services from the perspective of the customer

3) Creating conditions for internationally competitive knowledge and business environment