

How to build successful city brands? Case Cities: San Francisco and Los Angeles

Rabin Gauli

Kumarsingh Nadan

Sonja Hyytiäinen

Thesis
HOSBA
October 2014



Degree programme in Hotel, Restaurant and Tourism Management

<p>Authors Rabin Gauli, Kumar Singh Nadan, Sonja Hyytiäinen</p>	<p>Group or year of entry RBM-3</p>
<p>Title of report How to build successful city brands? Case Cities: San Francisco and Los Angeles</p>	<p>Number of report pages and attachment pages 45+2</p>
<p>Supervisor Teemu Moilanen</p>	
<p>The idea of place branding has received a wide attention in the recent years and has now grown beyond slogans and ad campaigns. This thesis aims at finding the key competences for successful place branding and the factors affecting the success of place branding. This thesis is a part of an international research conducted by Dr. Teemu Moilanen which includes 25 different cities from 5 different continents. The thesis contains two sections theoretical section and the case studies of cities. The theoretical section of the thesis contains three subsections namely, concept of branding, brand management and place branding. The case studies of cities include the different aspects of place branding with respect to two cities. The study is based upon qualitative research method. Firstly, the four key decision makers in the branding process of the two cities were interviewed. These interviews were recorded, transcribed and analyzed. The analysis was then used to create cases for each city. This thesis highlights the case studies of cities San Francisco and Los Angeles. The steps in branding process which are planning, implementation and monitoring are analyzed for each city. The responses from the interviewees are analyzed further to deduce the key competences needed for place branding.</p>	
<p>Keywords city branding, place marketing, brand management , place branding, competences, San Francisco, Los Angeles.</p>	

Table of contents

1	Introduction.....	1
2	Concept of a brand.....	2
2.1	Brands' importance and history.....	2
2.2	Defining a brand.....	3
2.3	Brand equity.....	4
2.4	Identity and image.....	5
3	Brand management.....	7
3.1	Brand building.....	7
3.2	Brand management paradigms.....	9
3.2.1	Product Paradigm.....	12
3.2.2	Projective Paradigm.....	12
3.2.3	Adaptive Paradigm.....	12
3.2.4	Relational Paradigm.....	13
4	Place Branding.....	14
4.1	Introduction to Place Branding.....	14
4.2	Importance of place marketing.....	15
4.3	How to brand a city?.....	17
4.4	Challenges in city branding.....	19
5	Research Methods.....	21
5.1	Research process.....	21
6	Case Studies.....	22
6.1	Case: San Francisco.....	23
6.1.1	The brand of San Francisco.....	23
6.1.2	Concept of Place Brand.....	23
6.1.3	Organization behind Brand Management.....	24
6.1.4	Brand Planning process and Implementation.....	26
6.1.5	Faced Challenges and difficulties.....	26
6.1.6	Monitoring.....	27
6.1.7	Competencies.....	27
6.1.8	Brand Paradigm.....	29

6.2	Case Los Angeles.....	29
6.2.1	The Brand of Los Angeles	30
6.2.2	Concept of Place Branding	31
6.2.3	Organization behind brand management.....	32
6.2.4	Brand Planning process and implementation	33
6.2.5	Faced challenges and problems	33
6.2.6	Brand performance and monitoring	34
6.2.7	Competencies.....	35
6.2.8	Brand Paradigm	36
6.3	Comparison.....	37
7	Factors affecting successful place branding.....	41
	References	43

1 Introduction

In this modern era, like everything else, cities are facing a huge competition from each other's. Place marketing is promotion of a place by its ability to offer something totally different from other places. It is a process of creating the image on a visitor's mind that is very attractive but realistic. (Gilmore 2002, 4-5)

Brands are crucial. They increase attractiveness. (de Chernatony, McDonald & Wallace 2011, 19) Branding is not just a logo, a slogan or a symbol. It is all the perceptions that come to customer's mind when thinking about a certain brand. (Moilanen & Rainisto 2009, 6)

Place branding is a relatively new concept which has many challenges in it. Building a brand for place is different from branding consumer goods. (Moilanen & Rainisto 2009, 19) Moreover, there is not much research done. There is a need to study more place branding.

This thesis aims to find success factors of branding a city. It is part of an international research that includes 25 cities from five continents. The research is directed by Dr. Teemu Moilanen. Cities included in this thesis are Athens, Madrid, Copenhagen, Dublin, Zurich, Geneva, Helsinki, Stockholm, St. Petersburg, Petrozavodsk, Sao Paulo, Las Vegas, Los Angeles and San Francisco.

The objective of this thesis is to find out the organizational and managerial competencies necessary for successful city branding. Interviews taken with the key informants in the cities are analysed in order to find out what works and what does not while building a successful city brand.

This thesis starts with the theoretical framework. It is divided into three parts. The first part talks about the concept of branding. Correspondingly, the second part is focused on brand management. The last chapter of the theoretical background is focused on place branding. It defines the concept of place branding and discusses its importance.

The fifth part of this thesis introduces the qualitative research method which the study was based on. The questions asked were set by Dr. Teemu Moilanen. The primary data sources are the interviews conducted with the persons responsible for branding of their respective cities. The interviews were recorded, transcribed and analysed.

In the sixth chapter the analysis of the interviews is done as case studies. Each case demonstrates the brand of the city, competences needed in place branding, the branding processes for each cities and the problems associated with it. Monitoring of the brand is also included in this chapter.

2 Concept of a brand

2.1 Brands' importance and history

It is not factories which make profits but relationships with customers. Company and brand names secure these relationships. (de Chernatony, McDonald & Wallace 2011, 17) According to a study carried out by Harvard Business Review in 2005, 90 percent from 30 000 new products launched in the USA failed due to the poor marketing. The remaining 10 percent became successful brands. (de Chernatony, McDonald & Wallace 2011, 3)

Accordingly, it is not easy to build brands in today's environment. The brand builder may be inhibited by substantial pressures and barriers, such as competition on prices, proliferation of competitors and fragmentation of media and markets. Several factors influence on brand building's complexity. (Aaker 1996, 26-27) It also requires a corporate long-term involvement and a high level of resources and skills. (Kapferer 2012, 31)

Nevertheless, for companies brands are crucial. Successful brands help profitability by adding values that entice customers to buy. They also provide a base for expansion into product improvements, additional services and new countries. Moreover, brands increase company's attractiveness which enticements new work force and business partners. They also help to protect companies against intermediaries. (de Chernatony, McDonald & Wallace 2011, 19)

2.2 Defining a brand

In this thesis we have tried to show brand as brand is a link between the consumer and the organization's value proposition because it represents the functional and emotional advantages of the concept, which capitalise on the needs, ambitions and aspirations of the consumer. A successful brand has the greater chance to develop a meaningful relation. A brand creates a preference over the available alternatives, loyalty and willingness to invest. (Jansen, 2006)

A brand can be defined as a name that influences buyers (Kapferer 2012, 11).

The meaning of a word brand can be drawn back to early Greek and Roman times where shopkeepers hang pictures of items sold above their shops. In the Middle Ages, craftsmen began to stamp their marks on their goods. By then differentiating between suppliers became more common. (de Chernatony, McDonald & Wallace 2011, 39)

Also, cowboys in Wild West denoted ownership of livestock which also refers to branding. The rancher identified the animals as his by leaving a clear imprint on the skin of an animal in a red hot iron. Nowadays, companies are repeating the same relationship by registering brands. (Hammond 2011, 11)

When a man buys to his woman a box of chocolates he does not do that because the woman is hungry. While choosing the specific box he selects a brand that communicates something about his relationship with her. (de Chernatony, McDonald & Wallace 2011, 28) A brand comprises all the impressions perceived in a client's mind of a product or service. It is a promise of something. (Moilanen & Rainisto 2009, 6) These impressions make a man's selection of chocolate boxes unique.

What makes a brand difficult to manage is that it is formed and shaped in customers' minds. Developing logo, symbol or slogan is not enough. (Moilanen & Rainisto 2009, 6) A brand is a set of added perceptions (Kapferer 2012, 10) so it comprises a lot more. It embodies all the

thoughts which come to a customer's mind when thinking about a product (Moilanen & Rainisto 2009, 6). While marketers instigate the branding process and the buyer forms the mental image of a brand, it is crucial to recognize that there may be differences. The outcome of a brand may not be what the company intended.

There is a legal definition for a brand:

A sign or set of signs certifying the origin of a product or service and differentiating it from the competitor. (Kapferer 2012, 10)

When does a brand exist then? According to Kapferer a brand exists when it has acquired power to influence the market. That is a time-consuming process and sometimes the power can be lost, if the brand has been mismanaged in comparison with the competition. (Kapferer 2012, 12) Another definition for brand existence is that a brand exists when enough people think the same way about the brand's personality (Moilanen & Rainisto 2009, 7).

In order to build a strong link between a city's name and its benefits, tourism marketers can apply the concept of branding. Branding is the process of creating a slogan from a message and then designing a symbol or logo that together with the slogan will communicate to potential visitors, the image of the city along with the features, benefits, and values it has to offer (Kolb 2006, 219).

2.3 Brand equity

Brand equity can be defined as a set of assets linked to a brand's name or symbol that adds to the value provided by a product or service to a company and its customers. In case the name or symbol changes, at least some of the assets would be affected or lost. The major asset categories affecting the brand equity are brand name awareness, brand loyalty, perceived quality and brand associations. Each of them creates value in their own ways. (Aaker 1996, 7-8)

Brand equity has both financial and consumer aspect. From financial perspective it considers the importance of brands in terms of asset value. Correspondingly, from a consumer perspective brand equity measures brand awareness and attitude towards the brand. These might result eventually to loyalty to the brand. (Elliot & Percy 2007, 79)

2.4 Identity and image

Brand identity is a unique set of brand associations that the brand strategist aspires to create or maintain. These associations represent what the brand stands for and imply a promise to customers from the organization members. (Aaker 1996, 68) In other words, it is a vision, the key belief of the brand and its core values (Kapferer 2012, 171).

Brand identity is a relatively new concept which has slowly gained recognition. It answers to questions like

- what is brand's particular aim?
- what makes it different?
- what need is the brand fulfilling?
- what values it represents?
- what are the signs that make it recognisable? (Kapferer 2012, 172)

As illustrated in figure 2 by Aaker, there are different perspectives of brands which companies should consider; a brand from product, organization, person and symbol point-of-view. Their goal is to help strategists to find brand elements and patterns which help to clarify, enrich and differentiate an identity. (Aaker 1996, 78)

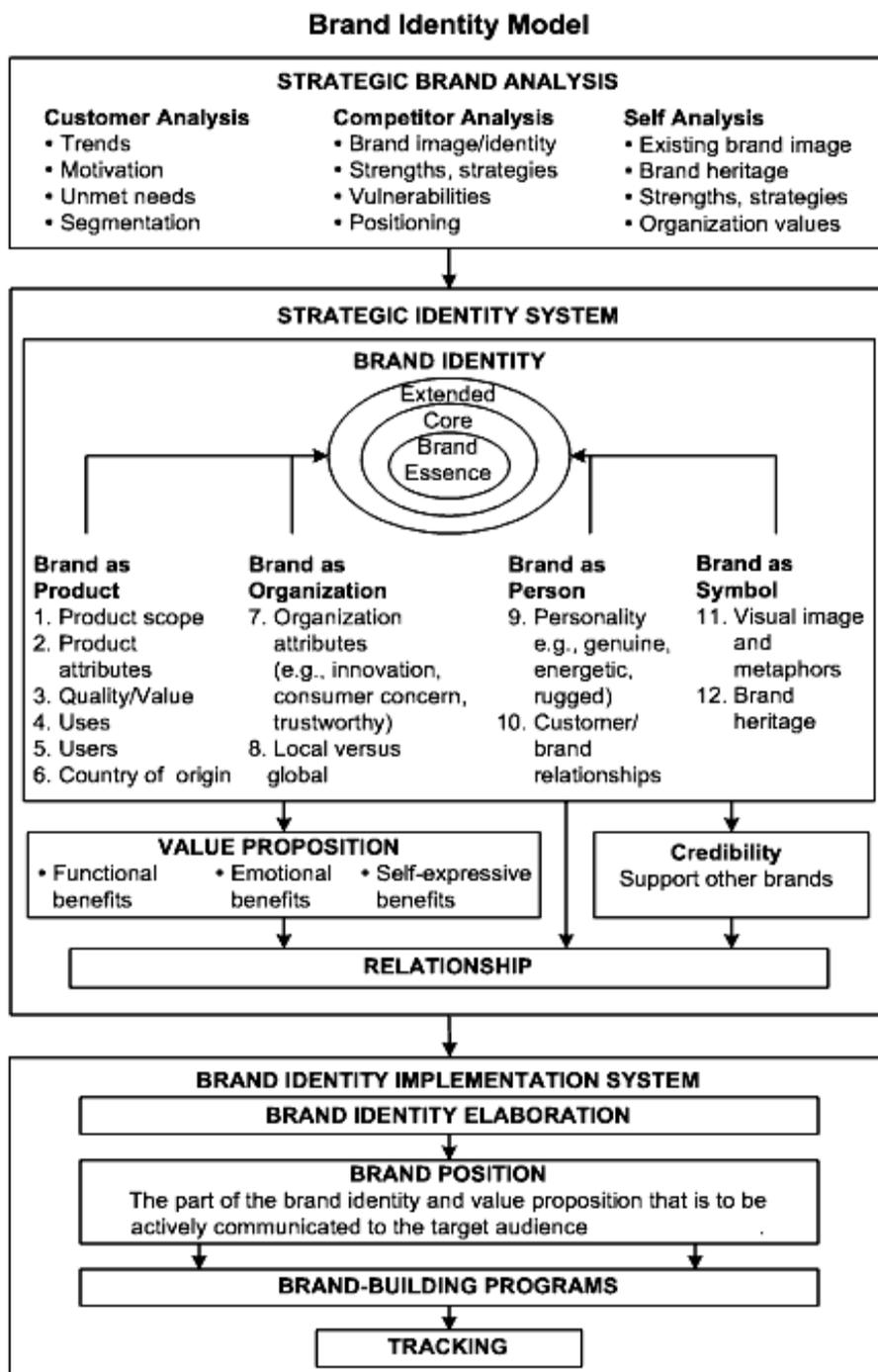


Figure 1. (Aaker 1996, 79)

Indeed, brand identity is a brand from company's point of view. Then again, brand image determines how customers and others perceive the brand. Image research focuses on the way in which certain groups perceive brand, company or city. It refers to the way of decoding all the signals coming from the products, services and communication covered by the brand. Firms spend large amounts of money measuring image even though in terms of brand management,

identity precedes image. Before putting emphasis on image, company should form a clear identity. Also it should consider how to communicate the vision to customers. (Kapferer 2012, 174)

3 Brand management

Brands only exist in the minds of the customers. Therefore management of brands is all about the management of perceptions (Elliot & Percy 2007, 4). The customer creates an individualized image based on small pieces of information he receives from the brand (Moilanen & Rainisto 2009, 14). Some brands create more emotional value and are therefore symbolic brands, whereas some are used mainly due to their functionality (Elliot & Percy 2007, 4).

3.1 Brand building

Building a strong brand takes time. Many times building a brand has not been the purpose for their founders. Instead, an innovation or business idea has turned into a brand little by little. It gained brand personality and awareness and started to represent values. (Kapferer 2012, 55)

Often the number one brands are not the best products. Does Apple produce the best devices in the market? Is Coca-Cola the best beverage to drink? Who knows? The leading companies have understood what are the current market values and then launched a functional product or service which has a clear identity. (Kapferer 2012, 57)

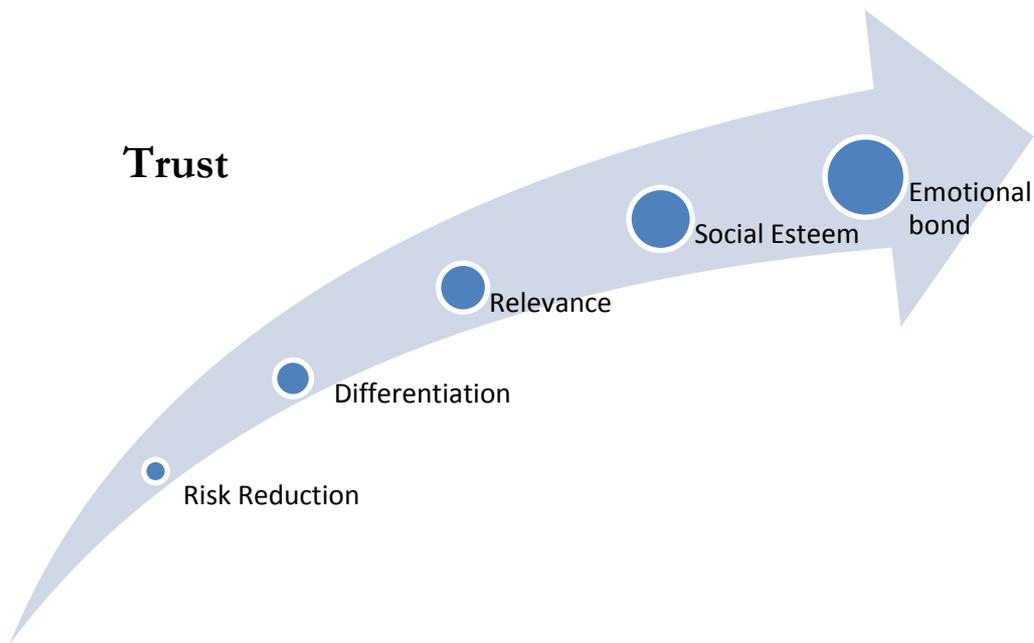


Figure 2. Building a brand in mindspace (Elliot & Percy 2007, 133)

The journey of all branding processes begins with the progress of brand consciousness or recognition. Brand awareness is a vital demand to consider for all the stakeholders during the branding of a city.

- Brand stage 1- Risk reduction
The development of brand awareness increases the intuitive understanding and insight of the brand, hence lowers the risks associated in the mission of convincing potential buyers. Brand awareness can trigger constructive perceptions of quality to the targeted segment in expanding an appreciation for the calibre or nature of the brand's execution.
- Brand stage 2 – Perception of differentiation and personal relevance
Three perspectives must be expanded so that customers' awareness of the brand is enhanced by its real distinctive characteristics:
 - The brand is independent and unassociated with other brands
 - This point of contrast belongs solely to that specific brand
 - The brand is unique in a sense that it has value for money.
 If there is a drop in those perceptions of differences, it indicates that a fully developed prosperous brand is about to dwindle.

Relevance perceptions demonstrate that the brand owns an attribute which is a benefit to the targeted audience.

- Brand stage 3 – Social esteem and social bond

While devising the branding strategies of that particular city, it is wise to consider the atmosphere of the current internal society. Status levels of the society count in a sense that different people will analyse a brand in various ways. A specific segment of the market will nature an emotional contact with the brand based on an individual customer-brand bond while others will consistently expand their belief and assurance in the brand. (Elliot & Percy 2007, 131-134)

3.2 Brand management paradigms

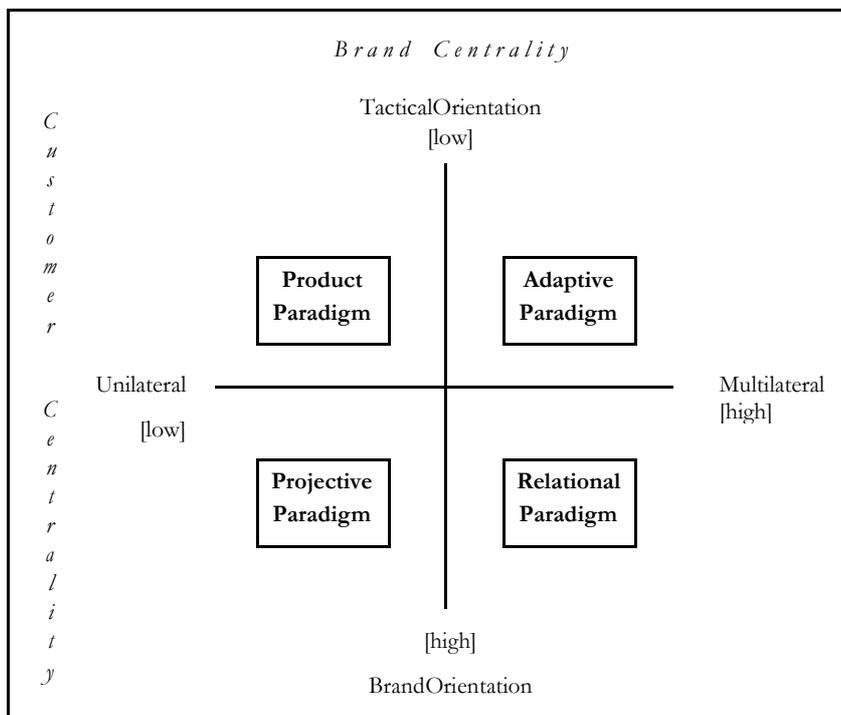


Figure 3. Brand management paradigms.

Brand management constitutes a central organizational competence, which understanding is vital (Louro & Cunha 2001, 850). Brand management paradigms may ease that process. Each paradigm clusters a specific set of theories, premises and practices regarding the value of brands and nature of brand management (Louro & Cunha 2001, 850).

The brand management paradigm may be defined as following:

A deep-seated way of seeing and managing brands and their value, shared by the members of an organizational community marked by a common culture. (Louro & Cunha 2001, 853)

The four brand management paradigms are affected by the two dimensions; the role the consumer plays in the branding process (the customer centrality dimension) and the extent the brand holds a strategic position in the company (the brand centrality dimension). In unilateral dimension consumers are perceived as passive recipients whereas in multilateral perspective they are viewed as active contributors. (Louro & Cunha 2001, 855)

		Product	Projective	Adaptive	Relational
Metaphor		Silence	Monologue	Listening	Conversation
Marketing Focus		Product orientation	Brand logic	Customer orientation	Relational orientation
Brand Management	BRAND MANAGEMENT FOCUS	Marketing Mix	Brand Identity	Brand Image	Relationship
	BRAND DEFINITIONS [de Chernatony & Riley 1998a]	<u>Logo, legal instrument</u>	<u>Identity system, company</u>	<u>Image, shorthand device, risk reducer, adding value, value system</u>	<u>Relationship, personality, evolving entity</u>
	BRAND ROLES	Product-centred roles supporting communication, advertising and legal protection.	Firm-centred roles associated with the unilateral creation and sustenance of competitive advantage through differentiation and/or efficiency (cost-leadership)	Consumer-centred roles facilitating decision-making, reducing risks inherent to product acquisition and providing emotional value	Symbolic partner co-configuring the relational domain for firm-customer interaction
	DIMENSIONS OF BRAND MANAGEMENT	<u>Marketing program, brand elements as residual decisions</u>	<u>Organizational Strategy, Brand Identity Charter, Brand Elements, Marketing Program</u>	<u>Brand Image, Brand Elements, Marketing Program</u>	<u>Organizational Strategy, Brand Identity Charter, Brand Image, Brand History, Brand Elements, Marketing Program</u>
	PERFORMANCE METRICS [Kaplan & Norton 1992]	Product-based [Financial Perspective]	Brand-based [Internal Perspective]	Consumer-based [Customer Perspective]	Process-based [Balanced Scorecard]
BRAND MANAGEMENT STRUCTURE	<u>Functional, Product/ brand management</u> Product/ Market	<u>Functional, Product/ brand management</u> Product/ Market	<u>Functional, Market management</u> Product/ Market	<u>Customer management, Entrepreneurial brand management</u>	
Core Capabilities [Day 1994]		Inside-out capabilities	Inside-out capabilities	Outside-in and spanning capabilities	Inside-outside, spanning and co-opting capabilities
Strategy Formation	STRATEGIC ORIENTATION [Hoskisson et al. 1999]	Internal	Internal	External	Internal/ external
	STRATEGIC FOCUS	Products and Positions	Resources and Capabilities	Contexts and Consumers	Integration and Interactions
	STRATEGIC PROCESS [Mintzberg & Waters 1985]	Planned Strategy	Planned/ Ideological Strategy	Imposed Strategy	Umbrella/ Process Strategy

Figure 4. Brand management paradigms: structure and content. (Louro & Cunha 2001, 857)

3.2.1 Product Paradigm

According to Heding, Knudtzen and Bjerre, “the product paradigm reflects a product-centered approach to the brand management. The product and its functional benefits are central to the profitability of the organization in the product paradigm. The brand holds two primary functions: the statement of legal ownership, and as a communicative tool upholding visual identification of differentiation in the marketing of the products of the company. In this brand management paradigm, brand equity is seen as something created by having the optimal marketing mix; the right price, right product, placement and promotion.” (Heding, Knudtzen & Bjerre 2009, 252).

3.2.2 Projective Paradigm

When the brand is kept at the centre for the overall strategy of the organization, but with same conception of the customer, Louro and Cunha have labelled it as the projective paradigm. The projective paradigm focuses on the usefulness of the brand on a strategic level as opposed to the tactical approach to branding reflected in the product paradigm. The brand is seen as a strategic entity that should be used as a template for the overall business model. Thus, the brand reflects purpose, ethics as well as core competences in an organization and vice versa. The projective paradigm is a resource based concept because of which the value and the brand meaning are found internally. In this paradigm, competitiveness of the business is based on the organisation’s ability to find its internal strengths and cultivate them with the purpose of creating a unique business culture and unique competences which are difficult to imitate. The idea of creating a unique concept based on the sender identity is the nerve centre of the projective paradigm in brand management. (Heding, Knudtzen & Bjerre 2009, 253)

3.2.3 Adaptive Paradigm

The adaptive paradigms a total opposite approach to the projective brand management paradigm. This approach emphasizes on the role of the consumer as central conductors of the brand’s meaning. It says that the brand is the result of consumer’s reaction to the product, and the consumer is the most important player to create and sustain a certain brand. So, according

to this idea we can assume that a brand identity will change depending upon the consumer's reaction. (Louro & Cunha 2001, 863)

In this paradigm the competitive advantage for a business is conceptualized as a result of its ability to satisfy its consumers in a particular competitive context like changes in market trends and opportunities of new market. (Louro & Cunha 2001, 864)

3.2.4 Relational Paradigm

The relational paradigm provides possibilities that can tackle the weaknesses in both the projective and the adaptive paradigms; for example, the projective paradigm is criticized in failing to describe the active role of consumers in the development of the brand meaning (figure 5). Relational perspectives describe brand management as a continuous active process, without a clear beginning and ending, in which brand value and meaning is co-created through interlocking behaviors, collaboration and competition between organizations and consumers (Louro & Cunha 2001, 866).

Within the relational perspective, brands are interpreted as characters that evolve in the context of consumer-to-brand relationships. Fournier (1998) structured her studies' analysis and arguments based on four core conditions:

- The brand as a relationship partner

One important relationship for many brands is a friendship link identified by trust, dependability and caring (Aaker 1996, 160). It is worth to perceive about the brand as not just a passive object of marketing transactions but as a dynamic, contributing member of the relationship process. One way to justify the brand-as-partner is to highlight ways in which brands are animated and somehow personalized. (Fournier 1998, 344).

- Relationships: Providing Meanings in Psycho-Socio-Cultural Context

Relationships are purposive, involving at their core the provision of meanings to the person who engage them. They create a purpose and structure a meaning in a person's life. Three important sources of meaning - the psychological, the socio-cultural, and the relational- are identi-

fied each serving as a context that shapes the significance of the relationship for the person involved (Fournier 1998, 346).

- Relationships as Multiplex Phenomena

The relationships range across several dimensions and take many forms, providing a range of possible advantages for their participants. They provide socio-emotional benefits which involve psychosocial identity functions like reassurance of self worth, announcement of image, and social integration (Fournier 1998, 346).

- Relationships in Dynamic Perspective

“They evolve and change over a series of interactions and in response to fluctuations in the contextual environment” (Fournier 1998, 344). Relationships are comprised of a series of frequent exchanges between two known parties (Fournier 1998, 347).

There is on going process of interaction between a company and consumer within the relational perspective (Louro & Cunha 2001, 866). Berthon, Hulbert and Pitt (1999) suggest the designation of a customer-management structure, whereby customer-portfolio managers would be responsible for managing relationships with individual customers and brand/product managers would perform a supporting role as brand experts helping the maximization of customers' lifetime value through product/brand development (Louro & Cunha 2001, 867).

4 Place Branding

4.1 Introduction to Place Branding

Place branding is an action of selecting all the positive factors of a place and then differentiating the place from others to promote its new image. When a place is branded, the name of a place brand is relatively fixed by the actual geographical name of the place. (Cai 2002, 720-742)

Place branding aims to link place identity and perceived images through memorable place experiences and projected images. It is an idea of bridging the gap between reality and perception using experience and communication. (Govers & Go 2009, 43)

Globally, places are being marketed as attractive locations for tourism, trade, talent(employment) and treasury (investment opportunities). Each of these four categories include product or factors which enhance the market potential of the place. (Govers & Go 2009, 67)

Potential tourists are purchasing something intangible when they are making a decision to visit a place somewhere. The place's image and reputation are very important for them for making the decision. It is extremely important to create a positive image of the place since if the place has a positive brand image, it is much cheaper for a stakeholder. On the other hand, if a place has not created a brand image, it is expensive just to attract tourist in that place. (Baker 2012, 35-36)

Place branding is about being strategic about the value of city's strengths and experiences, both of which need to be distinctive and then deliberately creating, developing and demonstrating their value through appropriate on brand actions. Things such as competing on tax breaks, tax credits, free land, soft loans and other financial incentives attract the investors. (Baker 2012, 22)

According to Moilanen and Rainisto different places, states and cities can also develop brands, just as companies do, and when brands are strategically implemented they can become the most central competitive factor. A place can be branded when the right tool, the identity, has been chosen which makes it stand out from its competitors'. (Moilanen & Rainisto 2009, 3)

4.2 Importance of place marketing

According to Jeremy Hildreth, head of place branding in London agency Saffron, "we have a tendency to think of a city's stars are permanently fixed, but in reality the fortunes of places rise and fall over time. Our perceptions shift too, but they are imperfectly co-related with the

reality. We continue to think positively of a place even if it no longer deserves it. It seems we will forgive a place anything provided if it is sexy and going there gives us something to talk about when we get home.” (Baker 2012,18)

A place’s brand is an overall image and set of associations that resides in people’s head and branding means the deliberate actions taken to alter or improve image. (Baker 2012, 18)

Place branding mobilizes the value adding partnerships and networks among public and the private sectors which creates a coherent product. It also creates a communication bridge with the potential tourists and guarantees the emotion-laden place experience that the customers are looking for. It creates an image of the destination when a tourist can make assumptions of what he will be getting from visiting the place. A place brand represents the identity and builds a favorable image which will ensure the brand satisfaction and loyalty. It creates name awareness, increases quality and makes it easier to reach the customers. (Govers & Go 2009, 16-17)

If a city has a good reputation and a respected name in the tourism community, it becomes much easier for the city to become more competitive. City branding will help in highlighting the good qualities and benefits that are associated with the city. It will act as a major pull factor for businesses and citizens to feel obliged to visit the place. (Baker 2012, 36-37)

City branding helps to give a purpose for the visit. A city can be either large or small, city branding will define and manage its competitive identity and channel the energies and resources of partners to achieve the best results from their combined investments. Just imagine of creating an image in people’s mind as soon as they hear the name of the place. That is the power of place marketing. (Baker 201236-37)

Successful brands follow a progression of creating a distinctive appeal versus the competitive places and building awareness and esteem based on that appeal. The distinctive appeal comes from an understanding of how core values, attitudes, behaviors, and competencies of the city and how these fit with emerging trends in economic, environmental, social and technological developments. When a city has number of points of credibility for investment, it needs and ongoing and consistent communication with its investors. The investors need to know about

the new opportunities of investment that the place has to offer. Place branding brings out the competitive assets that are to be put in front in the market. It conveys an integrated and consistent message. (Middleton 2011, 25)

City branding process may help to create a positive image of a place, even if the place has a bad history or it was not a big player in the industry. The brand images of famous tourist destination countries such as Great Britain, France and the United States have been built on economic and political success from a long time. These days, in order to compete with these countries, new places or countries need to define themselves. Countries such as Spain and Croatia did a great job in creating a brand. That was also done in a very short period of time. A successful brand strategies with enough resources and a clear vision will help any place and put them in the place of Spain and Ireland. (Moilanen & Rainisto 2009, 6)

4.3 How to brand a city?

According to Bakers, “cities must constantly adjust to changing circumstances, all while maintaining a balance with the values and vision of their residents. Those ambitious places wanting to increase their well-being and reputation through tourism and economic development should first answer some basic questions like, what do we want to be known for? How can we stand out from the crowd and be more competitive? What thoughts and feelings do we want to come to mind when people are exposed to our name? How can we gain improved results from our resources? These questions are at the heart of branding. To successfully answer them the city needs to be customer focused, strategic, open-minded and imaginative in order to reveal the brand in a way that will generate positive feelings, respect and loyalty. It must be crystal clear about what it is, what it does, why it is interesting and why it should matter to specific audiences.” (Baker 2012, 17)

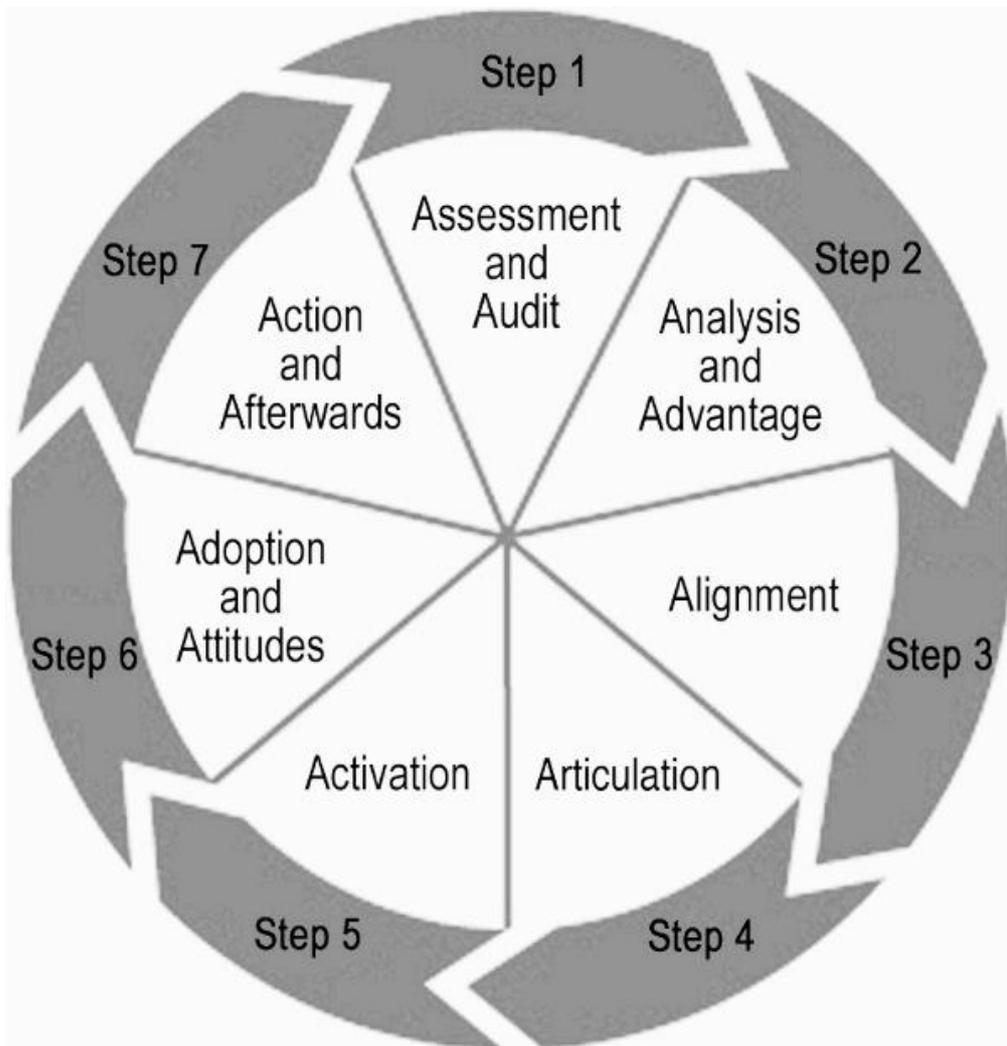


Figure 5. The 7 'A' destination branding process (Baker 2012, 88)

The 7 A Destination Branding Process recognizes the nature of community based branding. It was actually developed for tourism but it is applicable to all forms of branding, including place because it gives a holistic approach that harnesses stakeholder buy in from the start and examines the world in which the brand must excel. This is essential to generate understanding and enthusiasm for the new brand. Importantly, it reinforces the need to build the brand from the inside out and ensures that planners are exposed to the heart and soul of the community, as well as the strengths of competitors and dynamics of the marketplace. 7A is based upon the four principles; strategic research and analysis, brand strategy, competitive identity, and brand communication and delivery. (Baker 2012, 88)

The first step of the processing figure 6 is assessment and audit. During this step the city's branding officials must know the city's position in the world of tourism. They have to realize

how people see their city as of now. The second step involves analysis and the advantages. This step involves finding out the best things the city has to offer. As well, it involves making a decision of picking the best advantage of the city by which it will be known for the whole world. (Baker 2012, 89-192)

The third step of figure 6 is alignment. In this step it is important to know the relation of the brand with the city. They should match with each others. On the fourth step the process involves deciding how to create a verbal and visual expression of the city. It is very important to create a slogan that is different and easy to remember. The fifth step is activating the brand. It means bringing the brand into life through marketing. The sixth step is seeing how the stakeholders, such as hotels and tourist agencies, adopt the brand and provide necessary assistance to them. Finally, the last step is managing the brand and keeping it lively, fresh and relevant. (Baker 2012, 89-192)

A city's brand should be clear, distinctive, ambitious and should have a realistic brand positioning. The brand positioning should be based on the population's values, attitudes, behaviours and characteristics. The brand should be reflecting the clear strategy and its points of emphasis regarding skills, resources and capabilities. It should adapt effectively to deliver benefits to the target groups. Key influences should be communicate with the brand easily. There has to be a efficient communication with the media. And the brand needs to be consistent. (Middleton 2011, 20)

4.4 Challenges in city branding

The cities are competing with each other for trade, investment, and tourism. There are thousands of cities in the world that are trying to find a place in the world. It is not easy for every city to attract people. Each year there are cities coming on the spot light and just like that they vanish. They cannot handle the pressure of continuous promotion. As well, many cities lack the fund for such a big project. There are media which are unknowingly reinforcing the negative sides of the place. (Baker 2012, 43-47)

People generally think that branding a product and a city is the same thing but, however, that is not the case. When branding a city, there has to be a different approach since a city has many faces and identities. The other problem is that an important leader does not have a strong marketing credential or a customer-focused perspective. A city needs to face all the test of time, public debates, political heat and the media questions. While branding a city, the challenge of including all the stakeholders under the same brand is not easy. Indeed, there is a chance that someone somewhere is always unhappy. (Baker 2012, 43-47)

The city has also another challenge and that is its reality. Often, it happens that the real face of the city is hidden and the city is projected as another. A strong brand is created only if it is built on trust. The brand promise and the actual experiences should match each other. (Baker 2012, 43-47)

City branding is a relatively new concept in practice. People are still skeptical about its full range and usage. In place branding the city branded has many dimensions which have complex nature. It is therefore very difficult to have a well-defined character including all those dimensions and complexities. That is why there are many elements in the marketing mix of city branding. (Moilanen & Rainisto 2009, 19-21)

The official branding party for a place has no power in controlling how the city is being branded by other stakeholders. It is possible that the place is being marketed with different and sometimes even opposite arguments. Hence, it has the challenge of controlling. (Moilanen & Rainisto 2009, 19-21)

Politics has a major effect upon the branding of a city. The governments keep on changing the brand image created by a previous government which might not be agreeable to a new government. This way the whole idea is short lived. Nature also gives a challenge in branding a city. Same place might not be branded in a same way in different season, e.g. Paris is not the same in summer- and wintertime. As mentioned above, city branding has different parties involved. So the profit, whether it is tangible (money) or intangible (trust and good image), is very difficult to share among the stakeholders. (Moilanen & Rainisto 2009, 19-21)

5 Research Methods

5.1 Research process

This thesis is based upon the qualitative research study. The thesis is directed by Dr. Teemu Moilanen. As the part of data collection, the students from Haaga-Helia University of Applied Sciences interviewed the responsible persons for the brand creation and management in 14 different cities from different parts of the world.

The process of data collection started by contacting the persons responsible for the brand management of each city. During the process there were cases in which the initial person recommended someone else who has more knowledge about the topic.

The interviews were studied in detail at first. The main topics that were going to be in the main topic of Case Studies (topic 6). such as brand of San Francisco, concept of Place Branding, Organization behind Brand Management, Brand Planning process and Implementation, faced challenges and difficulties, competence and monitoring etc were set. Then the interviews were coded using the codes of attachment number 1. All the similar codes which would fall under the same sub topics were collected in each of the sub topics respectively. The selected quotes from the each code topic were analyzed. During the analysis process the coding finds the connection between the data(in this case the direct quotes from the interviewees) and keeps them into a same group. Then in the next step the logical explanation of these data with regards to the theoretical background is made to find out the similar patterns .

The terms and the words spoken by the interviewees regarding city branding are well explained in the theoretical part in order to create a solid foundation for the understanding of the research.

The research is done by using the qualitative research method. The qualitative research was chosen because the thesis asks qualitative questions such as “why, what and how”. Quantitative technique would not be capable to answering such questions and does not reveal the ideas of the people. Qualitative research instead, is a research strategy that usually emphasizes words

rather than quantification in the collection and analysis of data. The qualitative research collects all the answers and presents them in an order. (Bryman & Bell 2011, 386-388)

5.2 Validity and reliability

The questions in the interviews were set by Dr. Moilanen. The interviews are relevant and the interviewees are the source of information themselves as they are experts in their field of work. The interviewer tried to minimize the biasness as much as possible. They were neutral to the interviewee and their views. The transcripts of the interviews are attached.

The aim of the research was to find out the best practices in managerial and organizational arrangements and discover required competencies in successful city branding. In other words, the research is about identifying what works and what does not. Nevertheless, the cities compared are distinct from each other and the findings cannot be accurate for each city.

The qualitative research method requires understanding the respondents' point of view. It has to be neutral and should not react to their opinions. The respondents should not feel pressured as this might influence their trustworthiness. The factors such as researchers and the respondents' moods, language skills, the environment on which the interview took place and time affect the answers. The quality of the research depends upon the researcher's skills. Moreover, this research has multiple researchers working on it. The results are subjective and they can be applied only in this case.

6 Case Studies

In these chapters the interviews from the Case 1: San Francisco and Case 2: Los Angeles will be analyzed. Each case represents the idea of city brand and explains the brand planning process,

implementation process and monitoring of the brand performances for a successful city branding.

6.1 Case: San Francisco

6.1.1 The brand of San Francisco

San Francisco is a world class brand. It has good weather, neighbourhood, cuisine, gay friendly attitude and a green and sustainability initiatives. Although the city is not known for its big structures other than the Golden Gate Bridge but have a variety of things to offer to a visitor. “Only in San Francisco” the Brand slogan was developed in order to position San Francisco in the global market and to promote the city to the visitors by letting them know there are things here which can be found nowhere else. It works well with the sophisticated and educated visitors who come to San Francisco. The brand is about uniqueness and what the city is about. The brand of San Francisco had been developing ever since the day the gold was discovered there. From that day on, people were attracted to the place. There was not much left to be done to with creating a good brand position of the city but the focus had to be shifted on the marketing side as to survive the cut throat competition with the national and international cities.

“Only in San Francisco”, is about the uniqueness and the different experience a person can have while visiting the city such as natural beauty, ethnic composition and the variety of cuisine, shopping experiences etc. (Lonne, 2011)

6.1.2 Concept of Place Brand

A brand is a way to tell people who we are and why they should choose us, what the unique feature about us is and why we are better than others. A brand should be able to excite people. A brand is the perception that an individual might have about the product or service. The same brand can mean different things to different people. (Stiker, 2011)

A brand has to be having a broad appeal. It has to attract a lot of people from different segment in order to become a successful brand as it will include all the features. The brand needs to provide a memorable experience as well. (Lonne, 2011)

The clarity in the product or the service is an important aspect. A brand needs to be authentic and the authenticity needs to come from the place of credibility. The builds a trust among the people towards the brand. A brand needs to stay true to what it is representing. (Lonne, 2011)

6.1.3 Organization behind Brand Management

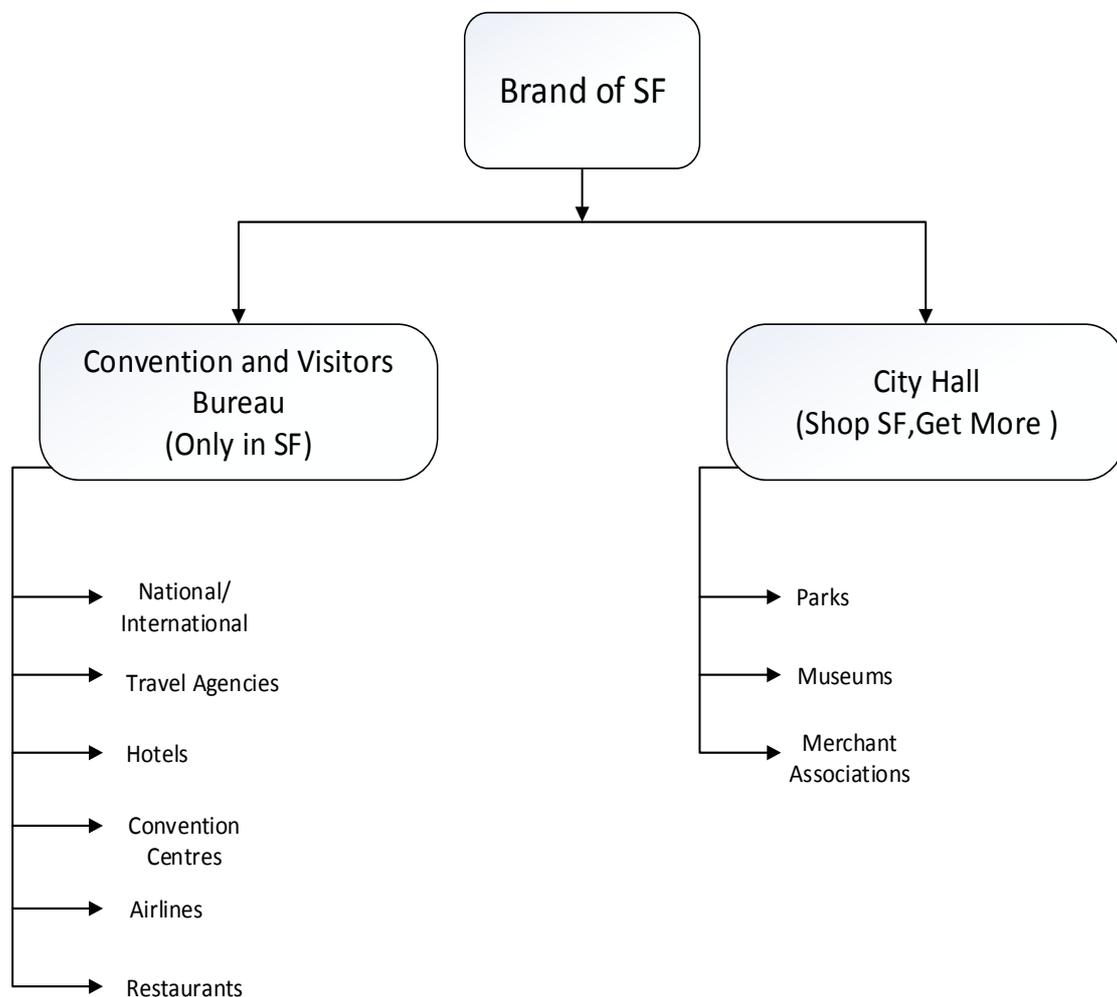


Fig 6. The organizational chart of the Brand Management of San-Francisco

The main authority responsible for branding San Francisco is San Francisco Convention and Visitors Bureau (SFCVB). It works hotels, convention centres, restaurants and airlines etc.

The main aim of the Bureau is to get more visitors in the city and create more room nights. There are international partners such as travel agencies and airline companies marketing San Francisco outside the country.

The other key player in the brand management is City Hall. The main aim of City hall is to promote the less known and less developed areas of San Francisco and help the economy to grow. It aims people to go to these neighbourhoods and discover the uniqueness in each neighbourhood. The local merchant association is working with the city hall in a campaign called, “Shop SF, get more”. It encourages people from the bay area to come in these neighbourhoods and spend more in the retail shops, bars and restaurants. Both of the organizations are working together in order to generate more tax. The city hall does not have much activities related to tourism so it is working with the bureau and provides technical support and financial assistance as well.

The San Francisco Convention and Visitors Bureau is branding the city as “Only in San Francisco” as a tourism destination and the City hall is trying to get more visitors in the areas of the cities that have not been in the spotlight, so the City hall officials and the Bureau came together to promote the campaign of the City hall named as “Shop SF Get more”. So basically the main organization behind the branding is San Francisco Bureau of Convention and Visitor Bureau going with the main brand slogan and the city hall is being supported by the Bureau and vice versa to make sure that the less known neighborhoods are being developed and supported that they pay attention to how they develop as a destination.

It seems that the Convention and Visitors bureau is bringing more visitors and the City Hall is trying to get those visitors to go to the less known neighborhoods and spend the money over there.

6.1.4 Brand Planning process and Implementation.

The occupancy rates in the city's hotels are good and the funds for the bureau come from the hotel room night's revenue. Depending on the zones they get anywhere from 1 % to 1.5% of the hotel revenue. The city hall is providing grants to the neighbourhoods which will be creating mini brands and promoting them. The city hall also helps them to develop their own tool kit such as brochure making. It makes sure that these neighbourhoods are in the maps as a visitor destination. The authorities in the bureau and the city hall are checking how the resources are being allocated. A collaborated effort is developed inside the bureau on this process.

The SFCVB has 1600 members; this huge team includes all the stakeholders such as travel agencies, hotels, restaurants, convention centres, and local shops. These members are led by the board of directors of the bureau and they are the ones who come with the ideas and the implementation. They make sure that each stakeholder get the sense of ownership with each decision and programs they make by consulting with the team leaders from each stakeholder groups.

6.1.5 Faced Challenges and difficulties

- Lack of resources

The bureau and the city hall have a budget and human resources issues. They are forced to do a lot with whatever the resources that has been provided to them. The economy downfall has made the situation even worse as the taxes and the revenues are falling too. The lack of know how is also an issue for them.

- Different opinions of the stakeholders

There are many stakeholders involved in the brand of San Francisco. Everyone has a different opinion and data collection of these opinions has not been effective, so there is always someone or a group unhappy with the decision made by the board of directors in the branding team.

- Political

The political games in the city hall delay the implementation process and the powerful stakeholders always have their upper hand. There are internal management and leadership issues.

The authorities are not always cooperative. And the view of the local towards the city being branded as ‘Only in San Francisco’ is not positive in all senses as the slogan might be related to the problems that are prevailing only in San Francisco.

- Expensive city

San Francisco is considered to be an expensive city for anyone who wishes to move and live/work there. The tourist also sees it as an expensive destination.

6.1.6 Monitoring

The respondents said that the brand monitoring is not in effect officially. But if there’s going to be any then it will probably in form of hotel guest survey, visitor information survey etc. They want a direct connection to the people via Facebook and websites and check things such as how many times San Francisco has been searched in the search engines and what kind of search results are people interested in?

On the other hand they have not been able to measure the success of the program as they do not have the capacity to conduct the scientific study in how many visitors came to San Francisco as a result of the campaign. They think that they do not have the time and money to invest in.

6.1.7 Competencies

Competence is the ability to do something effectively or successfully. The following are the reasons for the branding competencies of San Francisco.

- ability to be an authentic brand: San Francisco is an authentic brand. Its trustworthy and people who come to the city can experience its authenticity.

It has got to come from a place of authenticity, it’s got to come from a place of credibility. Consumers today want to make sure that they are trusting a brand and so you want to ensure that anything that you are creating really comes from the truth about the product through the product experience. (Stiker, 2011)

- Ability to be all inclusive: The branding process has brought the less known areas of San Francisco into preferences. Since San Francisco has many famous landmarks such

as The Golden Gate bridge, there are areas lagging behind and these areas have a lot of potentiality. They have both economic and cultural values. The City council made a good strategy to bring these areas into focus so that there will be more to offer in the city

So one of things that I've been working on is to make sure that as those neighborhoods are being developed and supported, they get attention on how they develop themselves as a destination? So just thinking about how, what their national assets are, what is their uniqueness and some of the things they can offer to visitors while they are here in San Francisco? (Lonne, 2011)

- Ability to sustain business with the locals: During the economic downfall with the campaign "Shop SF Get More", the Mayor came up with the brilliant idea for keeping the economy moving by focusing on the local tourist and developing San Francisco as a short getaway destination and when people came for the visit they were encouraged to go to the less explored areas and do their shopping and eat out etc.

So we launched campaign called "Shop SF Get More", it's called Shop SF Get More and I'm happy to forward materials on that if you are interested and what that did is... the concept behind that is to try to... motivate people from the bay area to come to San Francisco, to spend their holiday season here whether that's to shop, to eat, to stay over a night or through the weekend and as a way to do that... we developed a program with all of the cities merchants . (Lonne, 2011)

- Ability to utilize the available resources: The brand management representative believes that a sufficient amount of resources such a money, time and manpower is necessary for the brand to be more competent. Despite having the low budget issues and the lack of human resources the branding team is successful in attaining the goal.

I think probably like anybody I would wish for two things probably, more time and more money. (Stiker, 2011)

- Ability to lead the stakeholders: There are many parties related with the city and it is very important to have each of them as an essential part of the team. Everybody needs to feel that the concept is for everyone and each of them has a say on the process.

So the first thing is making sure that we are creating ownership amongst the right stakeholders so particularly our board of directors. The leadership of the bureau and the leadership of the board of directors of the bureau are bringing out to our members and saying this is what we think that the brand is and have them help embrace it. From there the next circle out really is the San Francisco community more broadly. (Stiker, 2011)

- Ability to understand the competition: The City Hall knows that they are losing business to other cities as they lack infrastructures hence they are planning to invest more into the construction of convention centres and hotels etc.

There's going to be a major investment (22min05s)... coming up in the next couple of years for some significant renovations because what we are finding is that other cities, we are losing business to other cities because their convention facilities are more modern and are bigger and so we've launched this campaign to update our facilities. (Lonne, 2011)

- Ability to use the city's Diversity: San Francisco might be anything to anyone. It might be different to someone and may completely be different brand in the eye of a visitor than the brand they are selling.

That in fact it is the diversity or the serendipity of San Francisco that really is the key, we've got to figure out some way to express that that people really get, you know, my experience is going to be very different from your experience and that's ok. Personally I'm ok with that because I think that gives the individual leisure visitor some sense of ownership over that experience. (Stiker, 2011)

-

6.1.8 Brand Paradigm

The brand of San Francisco can be classified into the adaptive paradigm. As it emphasizes on the role of the consumer as central conductors of the brand's meaning. It says that the brand is the result of consumer's reaction to the product, and the consumer is the most important player to create and sustain a certain brand. So, according to this idea we can assume that a brand identity will change depending upon the consumer's reaction.

The respondents from the brand management team of the city described the brand as something which can be seen differently by each individual. The slogan, "Only in San Francisco" best suggests this idea as uniqueness about things will certainly vary from one person to another, something that might give the feeling such as , this thing is only in San Francisco cannot be true to someone else

6.2 Case Los Angeles

Los Angeles was very small in 1920's but we had an abundance of land and a beautiful climate and there was some people in the city who were very interested in getting more people to want

to come to move here and buy land and bring businesses. Beginning decades of the last century there's been an effort to market Los Angeles much of it earlier on even before Hollywood was about trying to increase population by showing the world that we had the incredible climate that we have. Then of course in the 20s and 30s the motion picture industry really took off and relocated here from New York again because of 365 days of sun, not that you would know it today but and so it became magnet for creative class to come and populate . (McDowell, 2011)

So LA has really been branding itself over and over again since most of last century and this one . Most recently the slight shift in branding has been from LA as a place of sun, fun and beach, theme parks like Disney Land to more of a cultural centre.

The Los Angeles has been developing itself as a brand constantly from the date of its from settlement. However during the course of time more and more aspects are being added to its feature to sell it as a place brand.

6.2.1 The Brand of Los Angeles

LA is a land of abundant natural beauty and a fantastic climate. For a long time the brand has been recognized for films and entertainment because of Hollywood and all the celebrities living there.

Los Angeles has been a synonym to entertainment. The brand management team wants the brand to evolve from just the sun, fun and lying around destination into something mature. They want to show the world that LA has much more to offer. So the branding concept focuses on music, art, theatres and museums etc. Campaigns such as, "Discover Arts" emphasized on the artistic side of the city.

As a result of this the city is increasingly becoming a art producing city. They have identified the cultural tourist who is ready to spend more money. As a matter of fact a cultural tourist spends almost twice than the regular tourist.

We can say that LA is trying to evolve into a mature and a serious brand. The city does not need to be sold as the entertainment capital, the city does not need to be sold as good weather and a good beaches brand, and there are many people who are doing these things. So they are focusing on the art and cultural side not just the entertainment. They are telling to the world that come here and visit our galleries, theatres and museums.

The main idea behind the branding of LA as **Arts and Entertainment Capital** of the World is that they want to change the existing image of the city. While doing so they do not want to leave the previous image but focus on the art and cultural side of the city and give other things such as sun, beaches etc a second priority.

6.2.2 Concept of Place Branding

A brand needs to be vibrant and strong enough to generate the kind of an emotional response and motivates people to visit the city. (Caperton, 2011)

A brand is a solid set of product attributes that people can refer to. A brand needs to create an interest aesthetically and intellectually. The brand should be able to give a rewarding experience. There should be the wow factor coming from the uniqueness and the authenticity of the place. The branding authority should be well known about the concept of the brand. The brand should be honest and know how people are getting the information about it. A brand is a promise and the success of the brand depends upon how successfully you fulfil that brand. (McDowell, 2011)

6.2.3 Organization behind brand management.

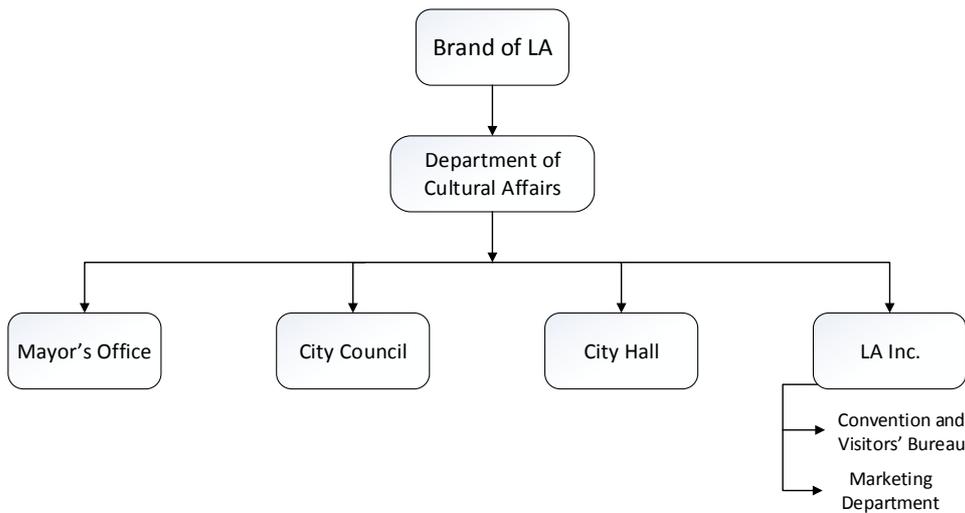


Fig.8 Organizational chart of Los Angeles Brand Management

The main organization responsible for the branding of Los Angeles is Department of Cultural Affairs. It is branding the city as the ,“Arts and entertainment capital”. It provides art and cultural services to the visitors and the residents. It also generates fund for artists. The department of cultural Affairs rents out various galleries, art centres and theatres to collect the revenue for the promotion of the brand.

It works together with the Mayor’s office, city council and the city hall in policy making and the economic development programs. The Los Angeles City’s department of cultural affairs is working with the official marketing organization called the LA Inc. They are marketing LA as a cultural and arts destination through its museums and galleries and bringing more hotel rooms and to have more visitors in their cultural centres, museums, theatres etc during the off seasons from within the city’s own local population. Within LA Inc there is subdivision. One of them is the convention and visitor’s bureau which is handling the conventions and selling the brand as a convention and meeting destination where as the one of the marketing department within the organization is selling the brand as the leisure and entertainment destination. The role of the bureau is to make sure that the focus is not just on the cultural and art and to keep the hotels and convention centres full.

6.2.4 Brand Planning process and implementation

The department of Cultural Affairs is funded by the transient occupancy tax (TOT). TOT is the tax coming from everyone who comes to LA and stays in Hotels. The other revenues come from LA Airport, Port of LA etc. The revenue goes to the department and it finances the art galleries, theatres and cultural centres. The department gives fund of three million dollars to the artists from LA who works internationally through the cultural exchange programs to expose LA to the world.

While advertising the new brand image the bureau does not want to shift away from the old image of the city but add the artistic and cultural factor to it. For example if there is going to be a picture of a museum in the advertisement there will be a picture of a beach or a palm tree as well.

The department of Culture has 26 sister cities around the world, example Berlin, Bordeaux, Ischia etc, with whom it has programs of artistic exchange, student exchange to create an international interest in LA.

During the month of January the tourist number is low so they decided to make this month as an Art month and focused on the Local people. Creating the media attention about the cultural sites and advertising and promoting the city by giving discount, give always etc in art shop, theatres etc also helped a lot in getting more visitors.

Meetings are held between the stakeholders such as hotels, airports, transport companies, restaurants etc, representatives from the Department of Cultural Affairs, governmental agencies such as city hall, Mayor's office and the board members of the convention and Visitors bureau and create a general agreement that works for everyone. The brand promotions are strategically placed during the events such as movie exhibitions. Hotels and Airlines are used as direct marketing mediums.

6.2.5 Faced challenges and problems

- Perception of LA.

LA is trying to be the theatre capital of the world but people still consider New York as the theatre capital. LA is still seen as Hollywood and Celebrities plus the good weather and beaches.

- Limited Resources.

The city has limited financial resources for advertising and lack of human resources. Competition brands have more finance and human resources.

- Unmediated Information

It is nearly impossible to control what people say about a brand and with LA it has negativity of gang violence and drugs trade. These kind of news are constantly coming in the news which creates a bad impression about the brand of LA.

- Political Issues

The main issue with branding for LA team was the political issues with the government officials, and getting a common opinion from the stakeholders (the government officials). The elected officials and the stakeholders always put a pressure upon the team for their own ideas and strategies to be formulated.

6.2.6 Brand performance and monitoring

The brand performance monitoring is done by counting the number of visitors and comparing each time periods.

The reviews of the city in social media and people's honest opinion are also taken into account. They monitor what people are saying about the city through Twitter and Facebook, Travelocity, Expedia, where people can enter their own unmediated observations. The number of visitors is the key proof of their success or failure.

6.2.7 Competencies

The LA branding team and the organizations involved in the process know what they are doing and despite having a budget limit they did their best to brand the city as a art and cultural city.

The reasons of brand competencies of LA are as follows;

- Ability to become an honest brand: LA is a honest brand . It gives what it promises. There are good art galleries and theatres and artists in LA. It is truly a art hub or the art capital.
Our destination is going to be most successful when it is first and foremost honest about what it is. So if you have too many different messages it can be confusing to people what is the real LA? (McDowell, 2011)
- Ability to maintain good relation with the bureaucrats : The relation between the branding agency and the government agency is good and despite some political issues, everyone understands the goal and are headed towards it.
So when you have city government that supports agencies, like the department of cultural affairs and like the LA convention and visitors bureau like the Mayor's and the city council's office for economic development ... You have these entities all working towards the same goal, we are all looking to improve the lives of residents here, the visitors to the city. And the brand planning and the brand, the implementation of that planning or the implementation of the branding campaign that happens, tactfully happens through our agencies. (Caperton, 2011)
- Ability to focus on creation of new identity: LA has always been known as the entertainment capital because of Hollywood. Now they want to promote it as the art and entertainment capital . But the branding team is not focused upon the entertainment side as there are others doing that job, for example Hollywood, and film studios.
We don't have to sell LA anymore as the entertainment capital, I mean that's who we are in this, I mean people do that for us. So now it's broadening that perception to arts, culture, not just entertainment (Caperton, 2011)
- Ability to use city's fame for promotion: Promotion of the city is much more effective and cheaper in consideration with advertisement. The amount of media coverage during the promotions done at a movie premiere for an example is very high. There are many high profile events going on in the city which are perfect for city's promotions.
We do very limited advertising because it's expensive and not as effective as it used to be. (McDowell, 2011)

- **Competency in Encouraging and Funding artists:** Since the main agenda is art, the city provides fund for the artist in the city and have artists exchange with other countries.

We offer program in there and in sites around the city and we give away about 3 million a year to artists from Los Angeles to provide programming in the city and we fund some work internationally through our cultural exchange program to send artists abroad and bring artists from abroad to the city to expose our residence to, you know, artists from around the world. (McDowell, 2011)
- **Ability to maintain good relation with the stake holders:** The stakeholders are very important aspect for the city's branding process as they are funding the program, allocating resources bringing visitors and business to the city. LA is successful in including all the stakeholders in the decision making process.

We will meet with all of the stakeholders individually or together, we will lay out our plan, we have a board of directors that represent a lot of interests and we will work as collaboratively as possible on trying to come up with a general way that everyone can sign off on. (McDowell, 2011)
- **Ability to have Co-relation with international companies and cities for promotions of events:** Los Angeles maintains good relation with other companies such as travel agents and hotels and cities inside and outside USA for doing promotions and advertisement campaigns.

So we'll often do sweepstakes, with, we'll get you know Air France, MasterCard and somebody else and we'll do a major promotion within France or within Germany to promote "Win a trip for two to Los Angeles" so we use a lot of cost-effective ways that are some might argue more effective than advertising but to get, to keep Los Angeles in people's minds as a desirable destination. (McDowell, 2011)
- **Ability to have effective monitoring of visitors:** The brand management team has kept a good social relation through social medias and read the reviews visitors or possible visitors leave in the social media platforms.

We have in the last 4 years had a dedicated professional just focusing on social media and what people are saying, how are they saying, what's prompting them to report good things, how do we get them to report good things, report more things. (McDowell, 2011)

6.2.8 Brand Paradigm

The brand of Los Angeles can be categorized in the Projective paradigm. As we have discussed in topic 3.2.1 in the projective paradigm the brand reflects purpose, ethics as well as core com-

petences in an organization and vice versa. The projective paradigm is a resource based concept because of which the value and the brand meaning are found internally. In this paradigm, competitiveness of the business is based on the organisation’s ability to find its internal strengths and cultivate them with the purpose of creating a unique business culture and unique competences which are difficult to imitate.

The brand management of Los Angeles fall under this paradigm because the branding team is projecting or showing a different image of the city. Los Angeles is seen as a synonym to Hollywood. The brand management team wants the world to know that there is more than Hollywood and the good weather, these things are already there. The slogan, ‘art and entertainment capital of world’, promises to communicate and differentiate LA as a creativity centre. They are focusing on the product and promise that they make is going to be fulfilled.

6.3 Comparison

In this topic, the two brands have been compared with each other on the basis of what is the brand concepts, the challenges faced, monitoring system, organizations doing the branding of each cities and the implementation system of the plans for effective branding.

San Francisco	Los Angeles
Branded as a holiday destination and place for conventions.	LA is being branded as the Arts and Entertainment Capital.
They are branding an image already created a long time ago.	The brand image is changing in case of Los Angeles
“Shop SF Get More” campaign helped create economic impact: 30-40% of total expenditure is in hotel 60-70% outside of hotel	Branding shift as a place of fun, sun and beach to more of a cultural center.
“Only in San Francisco” slogan is used to bring out the uniqueness of San Francisco in global market.	“Discover Arts” campaign emphasize the artistic and cultural side of Los Angeles not only entertainment.

Brand is perception of individual about product or service. It can mean many different things to many people.	Brand is a solid set of product attributes that people can refer to.
Brand needs to be authentic and credible. People should be able to trust and brand must be truthful in its representation.	Brand needs to be vibrant and strong enough to generate emotional response and rewarding experience. Brand is a promise that must be fulfilled.
Neighborhoods in San Francisco create mini brands and develop own tool kits like brochure making. These activities are supported by City Hall.	The department of cultural affairs fund artists from Los Angeles , who work internationally
Planning organizations make sure each stakeholder get the sense of ownership and they come up with ideas of implementation	Consulting the stakeholders are considered an integral part of the branding process.
The San Francisco Convention, Visitors Bureau and City Hall are the main organisations behind branding.	The Los Angeles City's department of cultural affairs and organization called the LA Inc. are the main forces behind the branding of Los Angeles.
Both natural beauty and modern marvels are considered strengths of San Francisco.	Warm weather and lifestyle are considered the strengths of Los Angeles.
The brand can be considered quite well despite the low investment in branding.	Second popular destination of United States.
No definite brand monitoring officially.	Brand is monitored by counting the number of visitors in definite time period.
Budget, different opinions and politics have been the major hurdles when it comes to branding.	Budget, opinions and politics among stakeholders are the challenges.
Has the competencies to be a strong brand.	Has the competencies to be a strong brand.
Brand of San Francisco can be called adaptive paradigm.	Can be categorized as projective paradigm

San Francisco is a well-known place and is already quite famous in the world as a holiday destination and a suitable place for conventions. This image was created a long time ago and there hasn't been any sort of change in the brand image of San Francisco. But in the case of Los Angeles the brand image has been changing. Los Angeles has been considered a place of sun, fun and beaches but in the recent years it is being advertised as Arts and Entertainment Capital as a primary brand. The earlier primary brand image has now become a secondary brand image.

Concept of brand

In San Francisco it is believed that a brand might mean different things to different people. Therefore, the brand of San Francisco can be flexible but the brand should be authentic and credible. In contrast, Los Angeles believes that the brand is a solid set of product attributes. It should be trustworthy and vibrant which should generate emotional response among visitors.

Organizations behind brand management

The main organizations behind branding San Francisco are San Francisco Convention and Visitors Bureau. In the case of Los Angeles, Los Angeles City's department of cultural affairs and organization called the LA Inc. are the main forces behind the branding.

Implementation

The brand implementation strategies used by San Francisco are quite smart. The city is helping the neighbourhoods to create mini brands and promote them. The department of cultural affairs fund artists from Los Angeles, who work internationally so that Los Angeles can be promoted internationally. In San Francisco, the planning organizations make sure that each of the stakeholders has a sense of ownership so that they can come up with ideas for implementation.

It is quite evident that San Francisco is branded so that it benefits the economy of the place. Campaigns like "Shop SF Get More" have helped create an economic impact. The tourists that visit San Francisco spend 30-40% in hotel but 60-70% outside of hotel at shopping, restaurants, galleries, etc. But in the case of Los Angeles, the brand image focuses on the cultural side of the place. The recent brand image of the city is trying to change the minds of people around and consider Los Angeles as a cultural place. This can be considered a very smart choice since cultural tourists tend to stay longer and spend more money.

“Only in San Francisco” slogan has promoted the unique features of San Francisco. Los Angeles has developed campaigns like “Discover Arts” to promote the artistic and cultural side of Los Angeles.

Challenges

Branding organizations of both the cities have faced similar challenges and difficulties. They have both been affected by lack of sufficient budget and differences between opinions of different officials and stake holders. They have also suffered from the impact of internal politics constantly ongoing in the organization and the city.

Monitoring

Los Angeles seems to have put some efficient steps forward in monitoring the performance of the brand. The reviews in the social media and peoples’ opinions are taken into account. They are also tracking the reviews in social media like Facebook, Twitter, Expedia, etc. The number of visitors in the city is also counted and is compared in each time period. San Francisco in the other hand has no official monitoring system. The monitoring systems which are present are unofficial aren’t already effective and still quite primitive. But the organisations involved have plans of applying hotel guests’ survey, direct contact with people via Facebook and other social sites if they find enough time and resources.

Competencies

Both the brands San Francisco and Los Angeles are considered strong. They have similar competencies and strategies but Los Angeles has focused itself into a single direction as to brand the city as arts and entertainment capital of the world but the team is working upon the art side only as the entertainment side gets the highlight from the Hollywood's presence and the media coverage.

Brand Paradigm

San Francisco can be classified as an adaptive paradigm because of its emphasis on the on the role of the consumer as central conductors of the brand’s meaning. It can be expected that the

brands image might change according to customer's reaction. Los Angeles on the other hand can be categorized as Projective Paradigm because the brand management team is projecting the image as an art and cultural centre. The Los Angeles brand management wants the world to realize that there is more to Los Angeles than just Hollywood and good weather. They want focus on the "Art and Entertainment Capital" and highlight the place as a creativity and cultural centre.

7 Factors affecting successful place branding.

From the analysis of the interviews and from the comparisons, it is clear that the branding process of the two cities is not entirely different. The managers in the both team are doing almost similar things and making similar strategies. We can conclude the following factors were the managerial and organizational competencies for a successful place branding of Los Angeles and San Francisco

- Understanding the key features of a city: Every city has many essential and unique features. The branding organizations and the managers involved in the process should identify the best features that will represent the city and make it stand out amongst the other cities of the world.
- Honesty of Brand: A brand should be honest and should be able to deliver the promise it has made. A brand should be authentic and realistic.
- Good Government Policies: In order to successfully functioning brand the central government and local government policies should be favourable and the authorities should be helpful and work together with the branding team.
- Local population: The local people should be taken into consideration while creating a brand of a city. The brand identity should be matching to the resident's point of view as well; this gives the locals a sense of ownership and will think them as the part of the brand. The branding of a place should promote the local businesses and vice-versa.
- Financial and human resource allocation: A successful brand cannot exist with the lack of good financial resources and human resources. There should be enough money for

the plans to come into action and well experienced team to formulate the brand planning.

- **Media Coverage:** The brand should be getting enough media attention so that people will know your place. Good amount of money and human hours should be invested in the media and advertisement.
- **Identification of the key stakeholders:** The brand management organization should identify all the key stakeholders which are directly or indirectly going to be affected by the branding process. Their opinions and ideas are very essential to develop a good city brand.
- **International Partnerships:** International partnerships with the cities, airlines, hotels and the travel agencies etc propels the brand marketing and gaining a much needed international recognition.
- **Knowledge of the competition cities:** Just like the city of San Francisco knows that they have outdated convention centres and the number of these centres are low, they are planning to update and increase the number of convention centres.

References

Aaker, D. A. (1996). *Building strong brands*. New York, United States of America: Free Press.

Baker, B. (2012). *Destination Branding for Small Cities* (2 p.). Portland, Oregon, United States of America: Creative Leap Books.

Borden. (1964). The concept of marketing mix. *Journal of advertising research*, 4, 2-7.

Bryman, A. & Bell, E. (2011). *Business research methods* (3rd p.). Oxford: Oxford University Press.

Cai, L. P. (2002). Cooperative branding for rural destination. *Annals Tourism Research*, 29 (3), 720-742.

Caperton, W. (15. June 2011).

Elliot, R. & Percy, L. (2007). *Strategic brand management*. New York: Oxford.

Fournier. (1998). Consumers and Their Brands: Developing. *Journal of Consumer Research*, 24, 343-346.

Fournier, S. Breazeale, M. Fetscherin, M. & Keller, K. (2012). *Consumer-brand relationships*. Oxon: Routledge.

Govers, R. & Go, F. (2009). *Place Branding; Glocal Virtual and Physical Identities; Constructed, Imagined and Experienced*. Hampshire, England: Palgrave Macmillan.

Hall, D. (1999). Destination marketing, niche marketing and national image projection in Central and Eastern Europe. *Journal of vacation marketing* , 5 (3), 227-237.

- Hammond, J. (2011). *Branding your business* (2nd p.). London: Kogan Page Limited.
- Hankinson, G. (2001). Location Branding: A Study of Branding Practices in 12 English Cities. *Journal of Branding Management* , 127-142.
- Heding, T. Knudtzen, C. F. & Bjerre, M. (2009). *Brand Management, Research Practice and theory*. Oxon, England: Routledge.
- Hosany, Ekinci & Uysal. (2006). Destination image and destination personality: an application of branding theories to tourism places. *Journal of business research* , 50, 638-642.
- Jansen, M. (2006). *Brand Prototyping*. Amsterdam: kluwer.
- Kapferer, J. N. (2012). *The new strategic brand management* (5th p.). Croydon: CPI Group Ltd.
- Kemp, Williams & Bordelon. (2012). The impact of marketing on internal stakeholders in destination branding: The case of a musical city. *Journal of Vacation Marketing*, 18 (2), 121-122.
- Kolb. (2006). *Tourism Marketing for cities and towns*. Burlington: Elsevier Inc.
- Kotler, P. Asplund, C. Rein, I. & Haider, D. (1999). *Marketing places Europe: attracting investements, industries, residents and visitors to European cities, communities, regions and nations*. London: Pearson Education Limited.
- Lonne, A. (10. June 2011).
- Louro, M. & Cunha, P. (2001). Brand Management Paradigms. *Journal of Marketing Management*, 17, 849-875.

McDowell, M. (16. June 2011).

McEwen, W. (2005). Married to the brand. New York: Gallup Press.

Merilees, Miller & Herrington. (2009). Antecedents of residents' city brand attitudes. Journal of business research 62 , 362-367.

Middleton, A. C. (2011). City Branding an Inward Investment. Editor: K. Dinnie, City Branding, Theory and Cases. Hampshire, England.

Moilanen, T. & Rainisto, S. (2009). How to brand nations, cities and destinations. Hampshire, England: Palgrave Macmillan.

Nickerson & Molsey. (1999). Branding a state from features to positioning: making it simple? Journal of vacation marketing , 5 (3), 217-226.

Stiker, M. (10. June 2011).

Attachment 1. Definitions of codes

KAUPUNKIBRÄNDIT

Definitions of codes

Draft 22.02.2010 /Moilanen

	Definition	Code
OVERVIEW		
- description		O-descr-stru
structure	Structure of the existing brand. Possible sub-brands, umbrella-brands, brand alliances.	
meaning	Brand identity. The image brand network aims to transmit to customers. Personality, positioning, strategic aims	O-descr-mea
relationships	Relationships with stakeholders; consumers, primary and secondary services and the media. SITOUTTAMINEN ON TÄÄLLÄ	O-descr-rel
- age	Length in time of purposeful attempts to develop and manage destination brand.	O-age
- age – self	Length of respondents participation in the management of the brand.	O-age-self
- concept of brand	Informants understanding of the concept of a 'brand'.	O-con
- key informants, others		O-key
PLANNING		
- participants		P-par
- organization		P-org-stru
structure		P-org-rol
roles		
- activities		P-act
- difficulties		P-dif
- ideal		P-ide
IMPLEMENTATION		
- participants		I-par

- organization		I-org
- activities		I-act
- resources		I-res
- difficulties		I-diff
- ideal		I-ide

MONITORING		
- activities		M-act
- sequence		M-seq
- organization		M-org
- ideal		M-ide
SUCCESS		
- relative to competitors		S-rel
- best in market		S-bes
- failure		S-bad
- features of 'good'		S-fgoo
- features of 'bad'		S-fbad
- ideal measures of success		S-mea
CAPABILITIES		C
- Activities, processes		
- organization		
- resources		
- other		
EVOLUTION IN TIME		E

