MANAGING “MULTI-STAKEHOLDERS” IN CITY BRANDING: ATTITUDINAL DIFFERENCES TOWARDS A CITY

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Abstract- Not only products and services compete in a modern marketplace, but also cities are eager to attract more visitors, entrepreneurs and even residents. In a city, those groups “consume” the same city attributes with different expectations and aims. Therefore, managing various stakeholders depends on understanding their attitudinal differences towards a city.

Key Words- Brand Management, City Branding, Stakeholders

I. Introduction

According to contemporary marketing, ideas, persons and places are regarded as a brand as well as products and services. Moreover, with some adjustments, strategies devoted to product brands can be applied to cities. In order to gain economic, social and cultural outcomes, many cities in the world, compete to attract more investments, to be more liveable place and to call more visitors.

The purpose of city branding is to create a destination brand for visitors or a strong brand for residents, reaffirming their decision to keep on living in the city or call new ones and to attract business investments (Merrilees et al., 2013:38). Those purposes point to a feature of city branding varying from traditional brand management. In other words, city brand management is much more complicated than conventional branding due to its nature full of various stakeholders, in contrast to traditional brand management, whose purposes and expectations contradict. The key for success of city branding underlies the management of “polyphonic choir”.

II. Literature Review

A. City Branding

Today, all organizations whether they are for profit or not, struggle with rapid change; branding is a supportive tool for them in order to have sustainable competitive advantage. Contemporary brand management can be adapted to every organization having consumers and every organization-customer relation. What’s radical is that brand management is not only a tool just for relations with customers, but also for relations between organization and public (Csaba, 2005:129).

Nowadays, both academics and practitioners regard places as things to be branded likewise products and services (Anholt, 2002; Cai, 2002; Caldwell and Freire, 2004; Hankinson, 2004a; Freire, 2005; Kaplan et al. 2010; Kavaratzis and Hatch, 2013). According to Caldwell and Freire (2004), place branding comes to mean country, region and city branding. Therefore, today places or cities are far beyond a geography that was formed by complex social organization in order to
live in. Moreover, city management philosophy turned into a brand management of city thought rather than traditional public administration (Yayınoğlu, 2010:1).

By the reason of city branding’s roots based on tourism, studies concentrate mostly on tourism and tourism (destination) marketing gives great contribution to the field. But destination branding defined as “efforts to increase tourist visits and tourist spending for a particular travel destination”(Hanna and Rowley, 2008:63) cannot set out city branding in full. In other words, city branding has broader meaning than destination branding (Yayınoğlu, 2010:7).

In plain language, city branding is “merely the application of product branding to places” (Kavaratzis and Ashworth, 2005:508). O’Leary and Iredal define it as “activities designed to create positive attitudes and behavior towards geographical places” by implying the term would be interesting in the near future (O’Leary and Iredal, 1976:156). One of the most comprehensive definitions of city branding is “all associations formed by visual, verbal and behavioral base in consumers’ mind, shaped by targets, communications, values and world knowledge of stakeholders and general design of city” (Zenker and Braun, 2010:5). Accordingly, it is commonly accepted that city branding arises in the minds of people (Kavaratzis and Hatch, 2013:2). In addition, when brand is a total of all evaluations in consumer minds (Keller, 1993), various viewpoints, likely to be heterogeneous, of different target groups must be in focus and the strategies must be developed in order to build a superior city brand (Zenker et al., 2010:4). This points to the stakeholders in city branding.

B. Stakeholders in City Branding

A significant point in city management is the ability of city to meet the expectations of its stakeholders. Hankinson (2004b) states that all relations among stakeholders must be subject to review for the success of a city brand. The reason is that a city is consumed simultaneously by various stakeholders (Hankinson, 2005:25). In this context, in order to execute a succeeding city brand, first of all, a sophisticated stakeholder management system considering entire needs is necessary (Merrilees et al. 2012:14). Yet, without considering stakeholders, a city brand strategy may not succeed (Kemp et al., 2012:508).

It is necessary to know which groups are involved in city branding by the reason of both to segment the city as a product appealing different audiences and those audiences’ being the essential element of a city brand. The easiest answer to the question above is “all the people and organisations that are important for the functioning of the city”, but this does not satisfy enough (Braun, 2008:49). But it is possible to state that three main stakeholder groups are composed of residents, entrepreneurs and visitors based on three certain function of a city as “to live, to do business and to visit” (Braun et al., 2010:2). In other saying, cities have been competing than ever to attract residents, entrepreneurs and visitors to themselves (Rehmet and Dinnie, 2013:31). Hence, cities are trying to improve their brand position as attractive leisure and business tourism destinations, locations for business and places to study and live (Parkerson and Saunders, 2005:242).

III. Methodology

Within city branding, seen as an effort to increase visits at first, a comprehensive examination regarding various stakeholders who interact with the city is demanded over time. This is because possibly different stakeholders have different expectations from and various attitudes to the city. In this context, the present study aims at identifying attitudinal differences among residents, entrepreneurs and visitors towards Muğla city, located in southwest of Turkey and known by its touristic destinations like Bodrum,
Marmaris, Fethiye and so on. Therefore, the universe of present study is residents (866,665), entrepreneurs (14,025) and visitors (3,222,315) in big five districts (Fethiye, Menteşe, Milas, Bodrum and Marmaris) of Muğla. When considering the universe, with 95% confidence interval, the statistically targeted sample size is 384. In all districts, totally 481 residents, 342 entrepreneurs and 322 visitors responded to the face-to-face questionnaire. Questionnaire used for data collection is composed of two parts: Demographics concerning related stakeholder group in the first and in the second, attitudinal items towards city brand take part. Hence the hypothesis of research,

H₁: The attitudes of stakeholder groups to city brand elements vary.

For data analysis, structural equation modeling (SEM) was employed. The reason of choosing SEM, in comparison to common statistical methods like variance analysis, MANOVA, factor analysis, regression analysis etc., lies behind its strength of modeling the relation among multi-variables (Ayyıldız and Cengiz, 2006:64). To test the validity of city brand elements scale and stakeholders’ attitude scale, confirmatory factor analysis (CFA) was conducted. The results of CFA for both scales fit with commonly used fit indices in SEM researches. Fit indices for city brand elements scale are χ²/df=3,241 (acceptable fit), RMSEA=0,044 (good fit), SRMR=0,051 (acceptable fit), GFI=0,904 (good fit) and AGFI=0,887 (acceptable fit). Indices for stakeholders’ attitude scale show all good fit as χ²/df=2,857, RMSEA=0,040, SRMR=0,009, GFI=0,997 and AGFI=0,985 (see Meydan and Şesen). Hence research model of the study designed for each stakeholder group separately is illustrated in Fig. 1 below. City brand elements constitute independent variables, whereas stakeholders’ attitudes stand for dependent variable of research model.

**IV. Findings**

According to findings of study; nature, social bonding, cultural and shopping activities are the elements that affect positively residents’ attitudes towards Muğla city (p<0.01* and p<0.05**).

![City Brand Elements Effective on Attitudes of Residents](image)

**Fig. 2 City Brand Elements Effective on Attitudes of Residents**

General environmental cleaning, parks and outdoor recreational areas of city affect the attitudes of residents towards city as well as livableness of it. The positive effect of social bonding on residents’ attitudes can be commented with social relation between residents- even with other stakeholders (see Choo and Park, 2009; Freire, 2009; Braun et al., 2010) -in the city from

*Statistically significant at p value of 0.01.

**Statistically significant at p value of 0.05.
where people utilize more than just living. This is because cities satisfy socialization need of people. The positive effect of cultural and shopping activities on attitudes of residents can be explained by the orientation of people to leisure activities. According to Braun (2008), the existence and accessibility of spare time activities have influence on liveability of a city. In this meaning, if city has shopping alternatives, various cultural activities and festivals or ambulatories, residents are tend to have positive attitudes towards a city brand.

According to the findings about entrepreneurs, nature, business opportunities and networking, governmental services influence the attitudes of those stakeholders positively (p<0.01* and p<0.05**).

Fig. 3 City Brand Elements Effective on Attitudes of Entrepreneurs

The positive effect of business opportunities and networking on attitudes is an expected result. In this direction, business opportunities like easy access to resources while doing business, sufficient commercial support and services concerning business and networking possibilities that make cooperation easier between entrepreneurs have an impact on the attitudes within business opportunities and networking. Another effective city brand element on the attitudes of entrepreneurs is nature. It may be difficult to reasonable correlation between this element and attitudes at first but natural wonders in the city, many touristic districts as Fethiye, Bodrum, Marmaris and Datça, known by their nature and majority of tourism sector in the sample clarify the relation. Moreover, the city has huge marble reserve capacity that is nature-related source for entrepreneurs. It is assumed that nature’s being effective city brand element is just because of the reason above. The last effective element on the attitudes of entrepreneurs is governmental services. According Ilgünner and Asplund (2011), services provided by the government interest residents more than other stakeholders. Furthermore, entrepreneurs in the city are residents at the same time, so governmental services’ effect on the attitudes of those stakeholders is very reasonable. In addition, governmental services include items as energy supply and security of the city that may be assumed necessary elements while doing business.

Fig. 4 City Brand Elements Effective on Attitudes of Visitors

The attitudes of visitors, last stakeholder group, are affected by accessibility of city, nature, business opportunities and networking, social bonding, cultural and shopping activities, governmental services significantly (p<0.01* and p<0.05**).

*Statistically significant at p value of 0.01.

**Statistically significant at p value of 0.05.
Only local transportation does not have any significant effect on visitors’ attitudes. Nature has the major effect on those stakeholders. It is so reasonable because Muğla, especially destinations like Fethiye, Marmaris, Bodrum, Datça, is an attraction center for visitors condensed on sea-sun-sand besides natural beauties enable nature tourism and alternative tourism opportunities as agro-tourism. Accessibility of city, means how visitors reach to the city and how easy to come, has positive effect on the attitudes. This is because the city has 2 national and international airports, 9 harbors and advanced highways. Although business opportunities and networking affect the attitudes of visitors significantly, this effect is negative. This negative effect highlights the need for improvement works in the city in terms of business opportunities and networking. In order to convert those negative attitudes to positive, convention centers and business centers may be built and some promotional efforts in national and international scales must be done to announce them. Social bonding has a positive effect on visitors’ attitudes as so residents. Social bonding’s effect on both visitors and residents clears the relation between those two stakeholders group. Many studies justify that residents play a key role on visitors’ satisfaction (Choo and Park, 2009; Freire, 2009; Braun et al., 2010; Garrodet al., 2012). Therefore social conditions like helpful and friendly people in the city, relations with others, tolerance to different cultures and ways of living affect positively the attitudes of visitors towards Muğla city brand. Another city brand element effective on visitors’ attitudes is cultural and shopping activities. National and international organisations as cultural events, fairs and festivals lead positive attitudes of visitors. International Gümüşlük Classical Music Festival, Yörük Culture and Art Festival, Traditional Bull Fighting and Camel Wrestling, Film and Culture Festival are just some of those. Moreover, when the findings of “Cluster Analysis in Tourism Industry in Muğla and Macro Level Strategic Planning” are considered, strong position in demand concerning shopping tourism in the city draws the attention (Governorship of Muğla, 2010:87). The final element effective on visitors’ attitudes is governmental services. Especially, issues as accessibility of those services and general safety of city affect opinions of visitors towards governmental services. So it is possible to conclude that Muğla city brand meets the visitors’ expectations from governmental services.

V. Conclusions and Implications

Competitiveness does not pertain to just products and services; also it has become efficient in city scale. Competition between places makes the application of brand management to cities possible. City branding concept, arose from that point, succeed if only its “multi-stakeholder” structure is understood. It is seen that three remarkable stakeholder groups are residents, entrepreneurs and visitor, when basic functions of a city- a place to live, a place to run business and a place to visit- are considered. But dominantly city branding studies focus on just visitors group and if the studies take more than one group into scope, two stakeholder groups was examined most. However, in order to develop an efficient stakeholder management system in a city, stakeholder groups must be analyzed as many as possible.

Findings of the present study clarify that different city brand elements are effective on the attitudes of various stakeholders examined in study. Hereunder, every stakeholder group interprets the city brand in terms of own purpose of existence in the city and develops an attitude accordingly. The most salient point of the study is nature’s being the only effective city brand element on all stakeholder groups. On this basis, recommended city brand element is nature in order to attract all stakeholder groups within city brand management of Muğla. While designing slogan and logo that play significant role on city management and on
brand awareness of city, natural wonders of Muğla must be highlighted. Moreover, when the contribution of products special to city is considered, it is suggested that products like honeydew honey and marble, due to city’s nature, must be promoted with videos and so on. Besides, in order to attract new residents or to increase existing residents’ quality of life, social bonding and cultural and shopping activities must be enhanced. If the target is new entrepreneurs, city brand elements like nature, business opportunities and networking, governmental services need to be improved. New visitors- as a stakeholder group- is in focus, city managers can make arrangements about accessibility of city, business opportunities and networking, social bonding, cultural and shopping activities.

References


