6th International Conference

Thought Leaders in Brand Management

Lugano - Switzerland, April 18-20, 2010

Your City, My City, Their City, Our City –

Different Perceptions of a Place Brand by Diverse Target Groups

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Abstract

Nowadays cities compete strongly with each other for attracting tourists, investors, companies, or talents. Place marketers therefore focus more and more on establishing the city as a brand and to promote their city to its different target groups. But the perception of a city (brand) can differ dramatically between those groups. Thus, place branding research should emphasize much more the city brand perceptions of the different target groups and develop strategies for cities on how to build an advantageous place brand architecture vis-à-vis its stakeholders.

In this regards, we show in two empirical studies – 40 qualitative in-depth-interviews (Study 1) and an online qualitative open-ended-question survey with 334 participants (Study 2) – using network analysis the important discrepancies between the city brand perceptions in the mental representation of different target groups for the example of the city of Hamburg. Furthermore, practical implications for place marketers are discussed.

Keywords: Place Branding, City Brands, Brand Perception, Network Analysis, Target Groups, Place Brand Management

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1. Introduction

Increasingly cities compete with each other for attracting tourists, investors, companies, new citizens, and most of all qualified workforce or so-called talents (Anholt, 2004; Hospers, 2003; Kavaratzis, 2005; Zenker, 2009b). Place marketers therefore focus more and more on establishing the city as a brand (Braun, 2008) and try to promote their city to its different target groups. Unfortunately, cities often believe that the city brand is a controllable and fully manageable communication tool. Yet a brand is per definition a network of associations in consumers' mind (Keller, 1993) and is based on the perceptions of the different target groups, thus rendering it into a multi-faceted subject. Furthermore, the perception of a city (brand) can differ significantly given the various target groups' different perspectives and interests. Hence, place branding research should focus more on the city brand perception of its different stakeholders and develop strategies for cities how to build an advantageous place brand architecture.

Also the current academic discussion shows strong shortcomings in this respect (Grabow *et al.*, 2006) – since it mainly focuses on the explorative description of a certain city brand without distinguishing properly between target groups (e.g. De Carlo *et al.*, 2009; Low Kim Cheng and Taylor, 2007; Pirck, 2003). Hence, the aim of this paper is to show the important discrepancies between the city brand perceptions in the mental representation of different target groups (with the example of the city of Hamburg), to give practical implications for place marketers how to use these results, and to identify theoretical gaps for further research.

The remainder of this article is organized as follows: In the first section we discuss common place marketing target groups, current approaches for measuring their place brand perceptions, and the chosen case of the city of Hamburg. In the second section, we show the different city brand perceptions for two different target groups (study 1) and furthermore the disparity of this image for external and internal target groups (study 2). Finally, we discuss the results and the practical implications for place marketers.

2. Place Marketing and Branding

2.1. Target Groups of Place Marketing and Branding

From a theoretical point of view, the main target groups in place marketing and place branding can broadly be divided into four target market segments: (1) visitors; (2) residents and workers; (3) business and industry; and (4) export markets (Kotler *et al.*, 1993). However, as shown in Figure 1, the groups actually targeted in recent marketing practice (Braun, 2008; Hankinson, 2005; Zenker, 2009b; Zenker and Aholt, 2008) are much more specific and complex. Because of the growing competition between cities for qualified workforce we will concentrate in the following on the second superordinated target group. In practice a rather popular target group among potential citizens is the so-called *creative class* (Florida, 2004, 2005). In Richard Florida's social and economic theory this creative class is assumed to constitute a new economic power and the so-called creative capital of a society, which is seen as the most relevant capital for economic growth in general. Richard Florida describes the ability to create meaningful new concepts and products and to turn this creativity into economic success to be typical for members of the creative class. Even though several other academic authors criticized the creative class concept and showed numerous shortcomings (e.g. Hansen and Niedomysl, 2009; Zenker, 2009b), place marketers in practice still concentrate on this specific target group. Thus, we gave attention to the city perception of the creative class and compare it to another important place marketing target group: students, or so-called *future talents*.

Figure 1: *Different target groups for place branding (sample target groups are highlighted)*
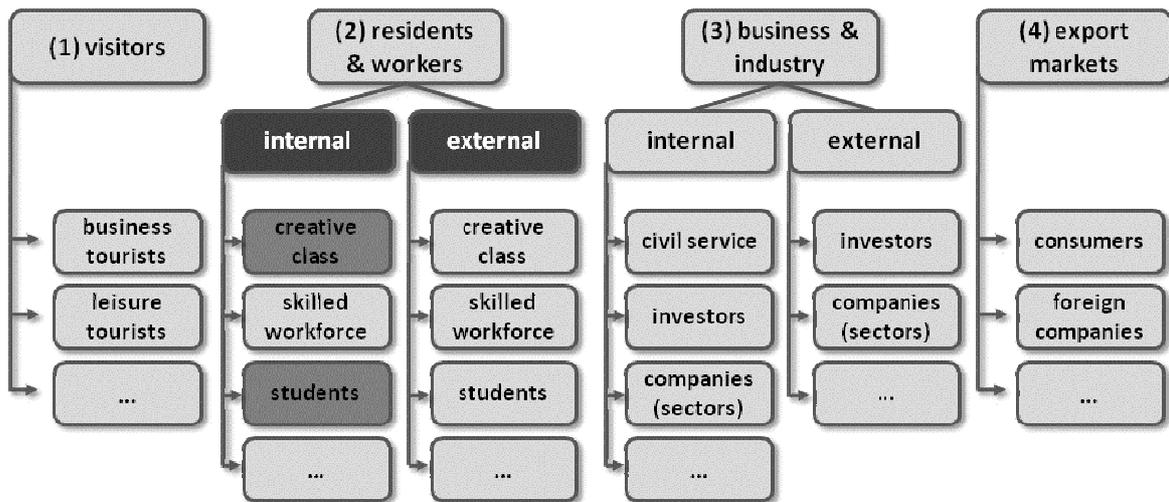
Second, we focused on the differences between internal and external target groups. Because of the different knowledge levels of the target audience we predict different core associations with a city. Based on social identity theory (Tajfel and Turner, 1979) we expected the out-group (*external target audience*) to have more common and stereotype associations, while the in-group (*internal target audience*) should have a more diverse and heterogeneous place brand perception. Therefore, brand communication for those target groups should also differ.

2.2. How to Measure Place Brand Perceptions

Exploring a brand can be divided into three main approaches: First, in form of free brand associations of target customers with qualitative methods (e.g. Calder, 1977; Supphellen, 2000), second, in form of attributes with quantitative methods like standardized questionnaires on different brand dimensions (e.g. Aaker, 1997), and third, mixed methods such as *multidimensional scaling* or *network analyses* that combine qualitative research with quantitative methods (e.g. Carrol and Green, 1997; Farsky and Völckner, 2008; Henderson *et al.*, 2002).

The extant place branding literature represents mainly the first two approaches, measuring place (brand) associations with qualitative methods, for example with focus group interviews (e.g. Hankinson, 2001; Lodge, 2002; Morgan *et al.*, 2002) and place attributes with standardized questionnaires on different location factors (e.g. Echtner and Ritchie, 1991; Merrilees *et al.*, 2009; Zenker *et al.*, 2009). The third approach of mixed methods is not yet widely used (exceptions are e.g. Loffredo and Pasquinelli, 2009; Zenker, 2009a), even though these methods have the potential to overcome general shortcomings of the two other approaches. While qualitative methods have the advantage of open questions and therefore the possibility to explore unique associations with a city or a brand in general, it is nearly impossible to compare two different cities (brands) or target groups with this data. Measuring the perception of a city with the help of a standardized questionnaire, however, leads to other problems. The results are strongly affected by the selection of attributes and thus could leave out important dimensions (Grabow *et al.*, 1995). Comparisons of cities with the help of these rankings are partly the results of the respective focus of each study (Zenker et al., 2009). Additionally, this kind of direct measurement is strongly vulnerable for different kinds of social bias (Fazio and Olson, 2003). Hence, in our point of view, a mixed method would allow both to capture the unique associations of the target group members and to translate it into a comparable brand perception structure in a reliable manner.

We therefore chose the method of network analysis (Henderson et al., 2002), because it uses data from qualitative interviews and analyses it in a quantitative approach. The result is a network of brand associations – similar to the brand definition of Keller (1993) – which can be compared with the perception of other target groups. The aim is to identify top of mind brand associations that are strongly connected in the network of image associations and to show the differences in the perception of the various target groups.

2.3. The Case of Hamburg

Hamburg is the second largest city in Germany with 1.8 million inhabitants (metropolitan region including Hamburg: 4.3 million). The city area comprises 755 km^2, including 75 km^2 of harbour (second largest European harbour). Hamburg calls itself the green metropolis of Europe with 4,700 hectares of wooded area (16.8% of the city area, though Berlin for instance has 18.1% of green areas) and is also a city at the waterfront since 8% of the city area is covered with water (Berlin: 6.7%) by three rivers and some smaller canals (Hamburg has almost 2,500 bridges, which is more than Venice). Hamburg is also a very touristic city with over 7.4 million overnight stays in 2007. Favourite tourist attractions are the harbour including the fish market, the Reeperbahn (the former red light district that is nowadays more famous for clubbing), the vibrant restaurant and bar scene, and the very diverse cultural offerings like theatres, musicals and museums. Hamburg is also an important economic centre hosting numerous headquarters from the top-500 German companies. Combined with the international trade the gross domestic product increased in 2008 to 88.5 billion Euro. With a rate of foreigners of 14.5% (Berlin: 14.0%), the city has a very international touch with nearly 100 different consulates in the city, and also a high percentage of second-generation foreigners, who are not included in the foreigner statistics because of their German passports. Moreover, the city is a students' town, with 17 different universities and over 80,000 students (Federal Statistical Office of Berlin-Brandenburg, 2009; Federal Statistical Office of Hamburg and Schleswig-Holstein, 2008; Hamburg Marketing GmbH, 2009a, 2009b).

3. Empirical Studies

3.1. Sample and Procedure Study 1

Image associations of the city of Hamburg brand were assessed using qualitative in-depth-interviews and the laddering technique (Wansink, 2003) with 20 members of the creative class – including artists, scientists, managers of relevant sectors, and urban planners (*Group A*) and 20 master students from different disciplines (*Group B*). For group A the average age was 34.4 years (*std. dev* = 7.92), 45 percent were male, and average time living in Hamburg was 12.3 years (*std. dev* = 11.35). For group B the average age was 27.1 years (*std. dev* = 2.73), 30 percent were male, and average time living in Hamburg was 13.9 years (*std. dev* = 10.1). Afterwards all interviews were coded into 97 different associations by three independent coders. The coder agreement was 85 percent, which is acceptable (Neuendorf, 2002). In the second step, we analyzed the structure of the associations with the help of network analysis, choosing the top 20 brand associations calculated by their centrality in the network – using Freeman's degree of centrality (Farsky and Völckner, 2008).

3.2. Results Study 1

The top 20 core associations for both target groups are shown in Table 1. The differences in the rankings were highlighted if the discrepancy in the centrality within the network was more than 10 ranks. Noticeable are the unique associations of trade ("Hanse" / "Pfeffersäcke") and dimensions like "rich and expensive" for the *creative class*. Additionally, "music events" is a strong association. For the group of *students* different dimensions

concerning the university and other leisure time activities like "bars and restaurants" seem to be more important. Figure 2 and 3 illustrate the brand association network of both target groups. Again the unique associations are highlighted by using a different node shape (diamonds). Interesting are the strong connections between the core associations in the student sample (Figure 3) in comparison with the broader network of the creative class members (Figure 2).

Table 1: *Top 20 core association of the city of Hamburg brand by degree centrality (study 1)*

No.	Group A (creative class)	Group B (students)
1	city at the waterfront	home / a place to settle down
2	harbour	major city
3	reserved people	harbour
4	major city	city at the waterfront
5	home / a place to settle down	multi-cultural
6	cultural offerings	Reeperbahn [red-light and party district]
7	**Alster [river]**	cultural offerings
8	multi-cultural	**nature and free space**
9	Reeperbahn [red-light and party district]	**good university**
10	**diverse**	open and tolerant
11	beautiful	**bars and restaurants**
12	Elbe [river]	Elbe [river]
13	open and tolerant	**mass university**
14	likeable and helpful people	reserved people
15	theatre	**Hammaburg [old city castle]**
16	**Hanse [historic trade union]**	theatre
17	**rich and expensive**	beautiful
18	freedom	likeable and helpful people
19	**"Pfeffersäcke" [swear word for a rich merchant]**	**musicals**
20	**music events**	**bad weather**

Note. Order by Freeman's degree centrality measurement; strong differences are highlighted

Figure 2: *Perception of the city of Hamburg brand by internal creative class members*
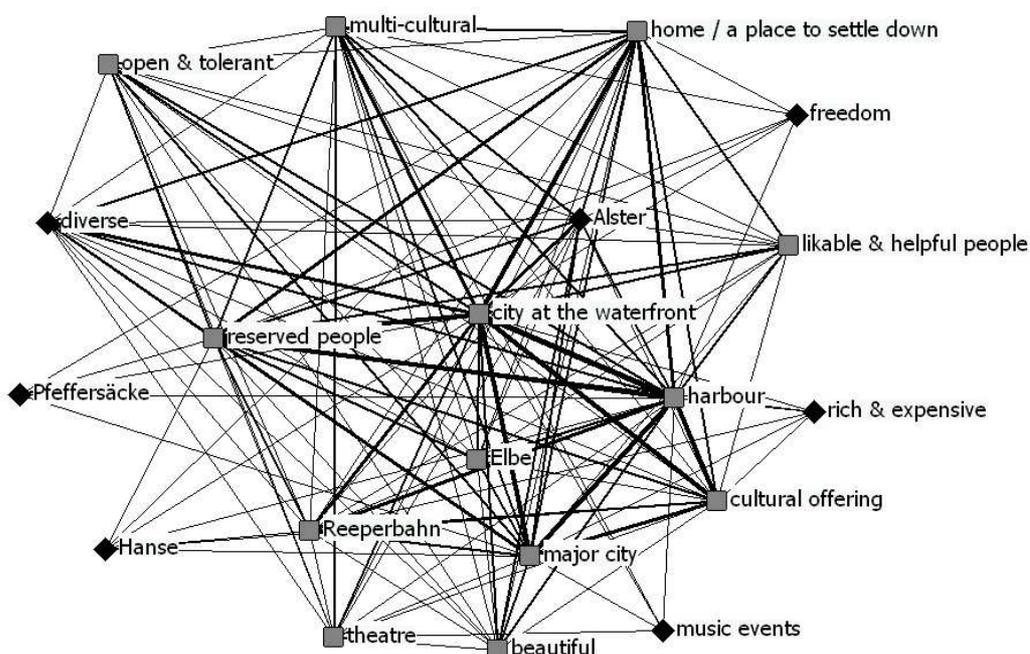
Figure 3: *Perception of the city of Hamburg brand by internal students*
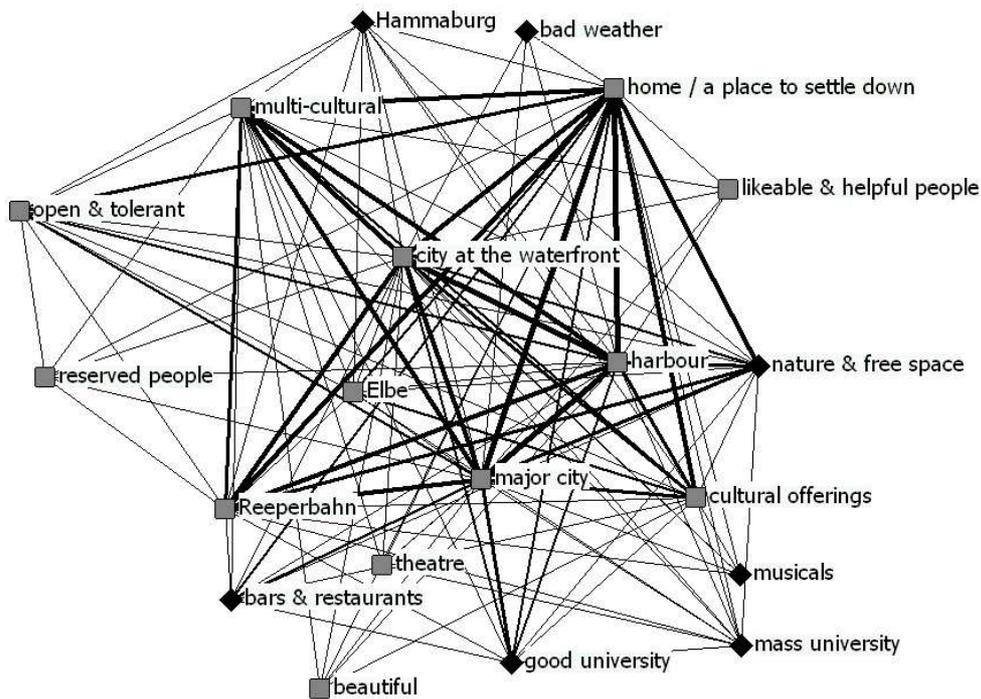
3.3. Procedure and Sample Study 2

For our second study, we collected data via online surveys in cooperation with the research panel of the University of Hamburg and the University of Cologne. In setting up the survey, we followed the recommendations given in the literature on online sample acquisition (Birnbaum, 2004; Kraut *et al.*, 2004). The Image associations of the city of Hamburg brand were assessed by using an open-ended-question survey, asking the participants for their three to five top of mind association for the city of Hamburg. Additionally, the familiarity with the city of Hamburg was measured using an adaptation of the 7-point Likert brand familiarity scale (Kent and Allen, 1994). Afterwards all qualitative mentions ($N = 1.437$) were coded into 85 different associations by three independent coders. The coder agreement was 96 percent, which is very good (Neuendorf, 2002). As in study 1, the structures of the associations were analyzed with the help of network analysis and the top 20 brand association were calculated by their centrality in the network.

Our sample consists of 334 participants, with 174 participants who have lived or are still living in Hamburg (*Group A: internal*) and 160 participants who have never been to Hamburg or just for a short visit (*Group B: external*). For group A the average age was 37.8 years (*std. dev* = 15.36), 46.6 percent were male, and average familiarity with the city of Hamburg was very high (7-point Likert scale: *mean* = 5.46; *std. dev* = 1.20). For group B the average age was 34.5 years (*std. dev* = 14.93), 49.4 percent were male, and average familiarity with the city of Hamburg was much lower than in group A (*mean* = 2.63; *std. dev* = 1.44).

3.4. Results Study 2

The top 20 core associations for both target groups are shown in Table 2. Like in study 1 the differences in the rankings were highlighted if the discrepancy in the centrality within the network was more than 10 ranks. For the *internal* target group the associations with Hamburg are much more diverse including the heterogeneous offerings of a city. As predicted the view of the Hamburg brand for the *external* target group is much more based on the stereotype
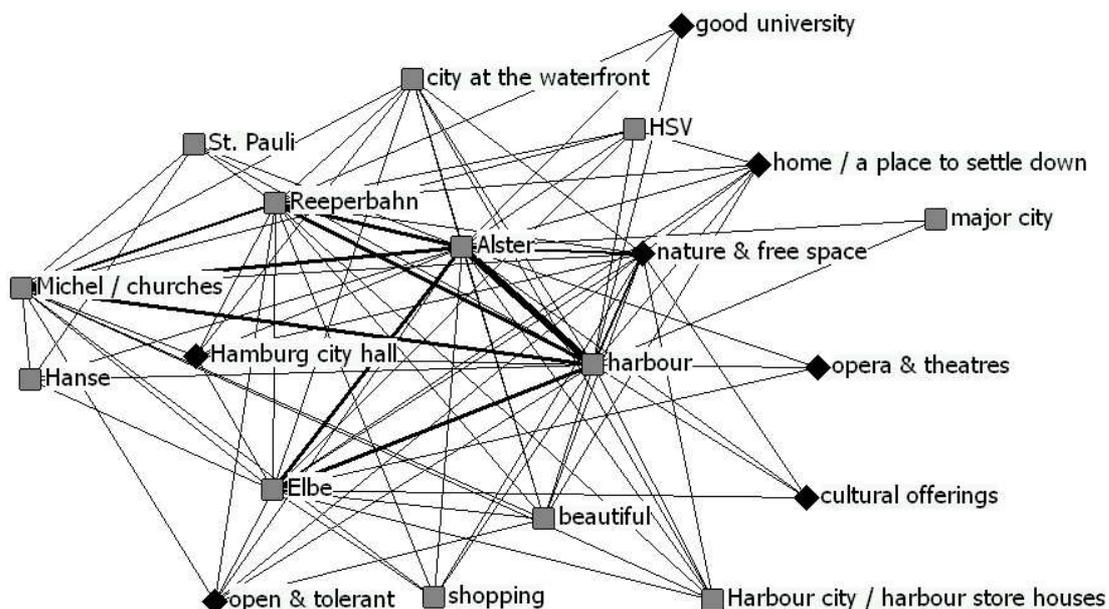
homeogeneous picture of the city (actually including the association of "ocean" even though Hamburg is located more than 100 km away from the sea). Moreover, "harbour" and "Reeperbahn" are strongly connected in this group. Figure 4 and 5 illustrate the brand association network of both target groups. Again the unique associations are highlighted by using a different node shape (diamonds). In comparison with the external target group (Figure 5) the internal target group (Figure 4) shows a much stronger network of associations (in terms of more connections between the associations).

Table 2: *Top 20 core association of the city of Hamburg brand by degree centrality (study 2)*

No.	Group A (internal)	Group B (external)
1	harbour	harbour
2	Alster [river]	Reeperbahn [red-light and party district]
3	Elbe [river]	Alster [river]
4	Michel/churches [flagship - tourist attraction]	**Fish market [weekly market - tourist attraction]**
5	Reeperbahn [red-light and party district]	**musicals**
6	**nature and free space**	St. Pauli [vibrant district and local soccer club]
7	beautiful	Elbe [river]
8	city at the waterfront	Michel/churches [flagship - tourist attraction]
9	HSV [local soccer club]	HSV [local soccer club]
10	shopping	Hanse [historic trade union]
11	**home / a place to settle down**	city at the waterfront
12	**open and tolerant**	**fish**
13	**Hamburg city hall**	**northern**
14	Harbour City / harbour store houses	shopping
15	St. Pauli [vibrant district and local soccer club]	beautiful
16	Hanse [historic trade union]	**rich and expensive**
17	**cultural offerings**	major city
18	major city	Harbour city / harbour store houses
19	**good university**	friends and family
20	**opera and theatres**	**ocean**

Note. Order by Freeman's degree centrality measurement; strong differences are highlighted

Figure 4: *Perception of the city of Hamburg brand by internal target group*

Figure 5: *Perception of the city of Hamburg brand by external target group*

4. Discussion and Implication for Place Brand Management

By means of network analysis we were able to demonstrate the complexity and diversity of the place brand perception in the mind of the consumers. We also showed that brand associations strongly differ between the various target audiences on the one hand, but on the other hand we also found shared associations between the two target groups studied here. Therefore, it seems worthwhile to differentiate brand communication contingent upon the target group(s) to be addressed, and to develop a place brand architecture with a city umbrella brand supported by target group specific place sub-brands.

Second, we showed that for internal target groups a more heterogeneous place brand communication is called for, while external target groups think more in city stereotype categories. Further research is needed for a deeper understanding of those differences between in-groups and out-groups and we are confident that social identity theory will help in identifying and explaining those effects.

Finally, we also hope to encourage further research in this still young academic field of place marketing and branding with these studies.

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