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FEATURE

Precursors and Outcomes of Place Branding: A Conceptual Framework

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Abstract. *This paper seeks to develop a conceptual framework on place branding based on the variables reflected in the reviewed literature. A conceptual approach was used in this paper to provide an analytical conceptualization of place branding to guide future empirical studies. The paper discussed the precursors of place branding along with economic development as the outcome variable of place branding. Place branding is said to be distinct from product branding which relies on brand elements. The conceptual framework presented suggested that successful place branding has precursors as well as an outcome. The major precursors for place branding were identified as people, including politicians and residents; the place's identity and heritage; spatial identity; as well as ambassador networks. Economic development was suggested as the outcome of successful place branding. The paper contributes to the understanding of the relatively new concept of place branding.*

Keywords: Place branding; place marketing; nation branding; branding of cities, regions, and counties; public diplomacy

Introduction

Place marketing and place branding are emerging disciplines in marketing with contributions on them increasing over the years. In fact, place marketing and place branding may be age-old practices, but their incorporation into mainstream marketing is fairly recent (Gertner, 2011; Gould & Skinner, 2007). A lot of money is spent by public sector institutions in sprucing up images of destinations, with the majority of such campaigns focusing on marketing communications alone (Anholt, 2008). Place branding is evidently a youthful category of branding and marketing and may be essential for place marketing, useful in attracting resources to places

including investors and tourists. Place branding is thus a potential arsenal for strategic management (Dinnie, 2004).

Gertner's (2011) tentative meta-analysis suggests that the stage has not yet been set for a 'hefty theory' to be constructed on place marketing and place branding. One of the reasons given is that most of the articles analyzed did not proffer testable models or hypothesis, nor did they discuss future research. In addition place branding is an area where practitioners are leading and academics are following behind (Dinnie, 2004). This points to a potential research gap on the subject.

From the preceding discussion, it is evident that place marketing may be instrumental in attracting resources for various locale. In addition, some of the studies reviewed reveal reliance on promotional tools as the core ingredient in place marketing. However, traditional promotional strategies alone may not suffice to alter the image of a location (Anholt, 2008). In fact, Avraham (2009) notes how the nation of Israel has failed to improve its image despite conducting a promotional campaign. However, Gould and Skinner (2007) note better results from a similar strategy in Northern Ireland.

Since 'hefty theory' had not been developed by 2012, and none could be identified during the literature review conducted for this paper, there is need to conduct studies aimed at building frameworks and typologies as well as models, in order to facilitate theory building in the area of place marketing and place branding. Further, a shift from the descriptive to the normative stage is encouraged (Funk & Wan, 2011). The considerable number of studies that are available to date make it possible for such a shift to occur. It is necessary to propose frameworks, which can be used to guide the systematic implementation of place branding and place marketing. Such frameworks will also guide debates and discussions about place branding. Place branding is not limited to the branding of nations; however, countries with a poor public image would be interested in a framework that outlines how successful place branding can be executed. Therefore, this paper attempts to analyze the views presented by different scholars on place marketing and place branding with a view to proposing a conceptual framework.

Defining Place Branding

Even though place branding is a type of branding, it should be defined distinctly from the well-known definition of branding (Anholt, 2010; Govers, 2013). Place branding is not so much about the brand elements like name, symbols and so on, as it is about making a place famous. Boisen, Terlouw, and Gorp, (2011) concur when they highlight that unlike product branding which aims to provide value to a specific product, place branding focuses on adding value to the place under consideration in a broad sense.

On the other hand, Baum, Hearn, and Devine (2008) suggest that place branding is usually contested thus pointing to its subjective nature. In fact Baum et al. (2008) and Chan and Marafa (2013) note that there is no consensus on how place branding is defined. Cleave and Arku (2015) define place branding as a policy exercise in economic development. This unique definition on place branding by Cleave and Arku, 2015 confirms this notion on the divergence of definitions on place branding.

Place brands are judged by “the things they do, not by the things they say” (Anholt, 2010:9). This points to the importance of policy issues in place branding. The place brand is assessed on the basis of actual factors on the ground rather than by marketing communication. It is assessed on the reputation earned and not just the on communicated messages. It hinges more on strategy, substance, and symbolic action than it does on marketing communications (Govers, 2011). Interestingly, such things as national art can also contribute to a country’s branding (Cull, 2014).

Marketing communication seems one of the most popular tools being used in place branding and marketing. Nonetheless, it is only one of the elements of the marketing mix. Place marketing is evidently distinct from other established disciplines like service marketing or industrial marketing which suggests that it calls for a unique approach which is more robust than just the use of marketing communication. The preceding discussion highlights policies as well as strategies, an earned reputation over time, and symbolic action as the key components of place branding. These components should thus be the focal points of any marketing and branding efforts to build a place brand.

Propositional statement 1 (P1): Place branding hinges on a place's earned reputation through value addition, policies, strategies, and symbolic action.

Place Branding and Ambassador Networks

Place brand ambassadors as well as ambassador networks are an integral part of place brand management (Andersson & Ekman, 2009). The networks are primarily based on individuals rather than organizations and have been placed into four categories (a) the citizen-focused network' (b) business oriented network, (c) fame focused network, and (d) specialized or niche based networks. The networks need coordination through organizations or individuals. Public organizations have been noted as the most appropriate coordinator of place branding and image building efforts. In addition, the value of brand ambassadorship lies in the positive word of mouth communication that it is expected to generate, as well as in the resulting cost effectiveness, and relative value it has over advertising. Finally, a place brand network ambassador coordinator is expected to possess four main categories of skills: networking skills, place branding knowledge, IT skills, and editorial skills cost (Andersson & Ekman, 2009).

Networks and word of mouth communication seem to play a key role in place marketing and place branding. Since the suggested networks are external, it may be more challenging to manage them. Still, this discussion points to one of the suggested precursor to place branding-ambassador networks. Place branding efforts can thus be directed at these ambassador networks. As rightly noted the management, supervision of influencing of the networks is by a governing body like a local authority or even a national government. Such public authorities would normally have it within their jurisdiction to initiate and coordinate efforts aimed at the ambassador networks. The ambassador network would thus be better placed to come from or coordinated from the governing authority of the place with oversight on all the networks.

Proposition 2 (P2): Place branding depends on ambassador networks, which can be monitored by a place brand network ambassador.

People and Place Branding

Places cannot be defined in isolation of the people who inhabit them (Baum et al., 2008). The people who reside in and work in a particular place are instrumental to its branding even though they may be transitory. Interestingly with nations as places, the natives are considered as 'scenery'. This suggests that they are an

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integral part of the place and lend it its character. Other stakeholders like politicians and destination marketers, as well as consumers and visitors, are equally important to place branding. Govers (2011) considers the politicians and gives the illustration of the 'Obama effect' on brand USA as an example of how politicians can affect place brands. Further, Baum et al. (2008) argue that people are a source of sustainable competitive advantage in place branding just as it is in tourism. Braun, Kavaratzis, and Zenker (2013:20) describe residents as the "bread and butter" of places.

Elected leaders have a huge bearing on place branding. Politicians can sway policies from right to left on the economic continuum. They can make decision on the topical issues of the day which may influence place branding. The speculation and anxiety surrounding the US president elect Donald Trump is a case in point. His foreign policy towards China and Russia is subject to much speculation sufficing to state that, whichever direction it will take, will change the branding of the United States as a place. Politicians at local or national level are empowered by residents to make policy choices on their behalf. Most of the policy choices have direct effect on a branding of places.

Proposition statement 3 (P3): The decisions made by politicians, spatial levels, as well as the different characteristics of the residents in the place, are components in building a place brand and influence its brand perceptions by stakeholders.

Role of Residents in Place Branding

Place branding and place marketing focuses on residents, companies, and visitors (Braun et al., 2013). Further, residents are said to have a threefold role in place branding; namely, (a) they are part of the place brand because they take part in and are a component of the social environment that is created, (b) they promote the place brand-through their communications, and (c) they shape the place brand when they participate in the political process. Residents who resonate with the communicated place brand concept will become its ambassadors. If they do not embrace the place brand concept, they can challenge it or become indifferent to it. In fact, Hakala, Sjöblom, Kantola, and Guzman (2015) suggest that residents view place brands as carriers of their heritage. However, the major challenge for residents is that their views are not homogenous (Braun et al., 2013). Domínguez García, Horlings, Swagemakers, and Simón Fernández (2013) acknowledge the important role played by residents in successful place branding.

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It is evident that if residents identify with the communicated place brand concept, then they will become its ambassadors. Residents determine the social environment that exists in the particular place that is being branded. If residents identify with the place brand concept, then they will spread positive word of mouth communication about it and that communication will determine the success of the brand. Residents affect place branding by participating in the political process when they exercise their citizen rights.

People are an embedded part of place branding. Again, they are more challenging to manage because they are external. They cannot necessarily be trained as would be the case if they were employees. Since they have been described as scenery, it would take creativity on the place brand managers to be aware of the attributes of the people so that they can be harnessed for the betterment of the place brand. For example, in the Philippines, it only takes a visit to a mall to realize how hospitality and respect seem to be a key attribute of the 'scene' - "eh-po". Residents also participate in many social activities, which give a place its personality. Politicians and destination marketers can thus harness such attributes to enhance their place branding efforts.

Proposition statement 4 (P4): If residents resonate with the communicated place brand concept, then they will become the brands ambassadors which will in turn lead to the brands success.

Place Branding and the Layering of Spatial Identities

A place is an aggregate of all the place brand perceptions of other places within its boundaries (Boisen et al., 2011). As such it is argued that places are "not distinct entities but part of a scalar hierarchy, through which identities at different scales are selectively layered" (Boisen et al., 2011:138). The layers overlap, compliment, or contradict each other. Official, planned place branding activities and people as well as unofficial unplanned activities affect branding of places. In addition, some places are said to have very strong ingrained associations, which influence their place branding. For example, France is associated with romance and cuisine so place branding in Paris may ride on these associations. However, this transfer through scalar levels is not limited to positive associations. For example, the mental picture created on a place brand in Dubai, Middle East would probably trigger thoughts on religion and women's rights issues (Govers, 2011).

The actual place under consideration will be affected by the nations' perception in this case, United Arab Emirates as well as the Region—the Middle East.

Given the suggestion that a place is a product of its aggregate spatial identities, it is only natural that such identities be specified before they can be managed for the betterment of the place brand. Again, this points to the complexity of place branding because of the multiple external entities and variables that must be coordinated to create the place brand. Stereotypes are arguably even harder to manage.

Proposition statement 5 (P5): The place brand is an aggregate of the stereotypes of other place brands within its boundaries and their brand perceptions.

Place Identity and Place Branding

History and cultural heritage are described as integral parts of place identity, infrastructure and landscape (Fan, 2014). Gould and Skinner (2007) suggest that when a country fails to manage its image, then outsiders will fill the vacuum with myths and stereotypes. They further suggest that the place will not have a uniform image and will be perceived differently by different people. Hakala et al. (2015) note that place name changes diminish the heritage of the place. The longer the history behind a name, the greater will be its meaning among the residents. Further, a strong place heritage was found to correlate with the place's name. This value placed on the heritage of a place is corroborated by Govers (2013) who suggests that place branding should have a solid foundation aside of the logos, slogans, and promotion. Thakor and Lavack (2003) suggest that place brand heritage has an effect like that of a country of origin. This implies that place brands will be evaluated more on the heritage of the place stereotype than on anything else.

History and heritage are key precursors for place branding. They are largely given and difficult to manipulate. However, politicians and place brand managers can purposefully select and highlight aspects of the place heritage and history that resonate with the intended brand mantra while downplaying those that do not. History and heritage are interrelated with the place residents and politicians.

Proposition 6 (P6): The heritage and history of a place influence its branding; hence, the longer the history behind a name, the greater will be its meaning among the residents, and greater will be the brands' success.

Outcomes of Place Branding

In a world where cities, regions, and counties have to compete for consumers, tourists, businesses, and investment, Cleave and Arku (2015) as well as Fan (2014) suggest that good place branding decisions result in economic development. Kalandides (2011) concurs and suggests that place branding is a useful tool for place development. In a competitive global market place, place marketers try to differentiate themselves in order to be successful. On the other hand, Domínguez García et al. (2013) suggest that place branding leads to sustainable territorial development. Heslop suggests that place marketing and place branding result in the creation of a positive image for the place's goods and services (as cited in Gould & Skinner, 2007). In addition, the place branding and place marketing efforts are particularly important because goods and services coming from a particular place borrow from it a country-of-origin effect. Correspondingly, Govers (2013) adds that places facilitate international marketing and trade. Tourism, investment opportunities, exported goods, cultural offerings, employment, or housing, as well as international study, are all transacted in the context of places.

It is quite easy to see how place branding can lead to economic development. Consumers, tourists, and investors are comfortable to be in a destination that is positively branded. Thus, image and country of origin effect play an important role in the matrix. Confidence is a key economic indicator and effective place branding is one of the key ways of managing it.

Proposition 7 (P7): Successful place branding results in economic development.

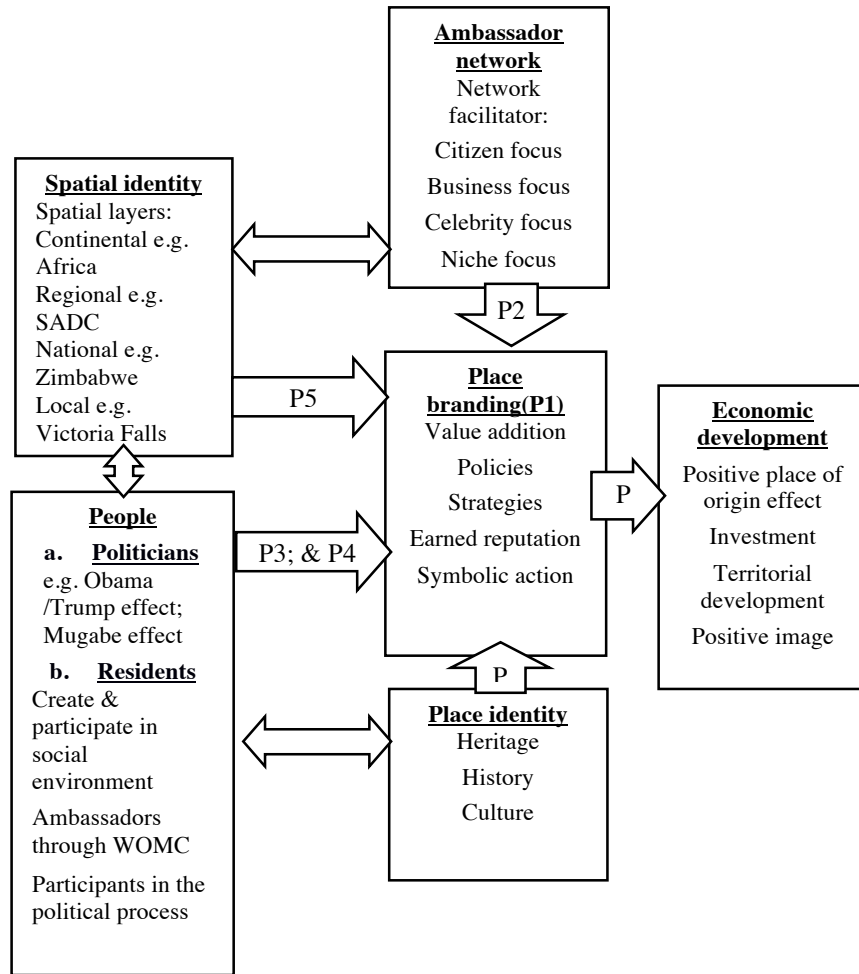
Table 1

Summary of Place branding: Antecedents & Outcomes

| Propositional Statement | Key Variables | Key authors |
|--|--|--|
| Place branding | | |
| Proposition 1: Place branding hinges on the earned reputation of the place through value addition, policies, strategies, and symbolic action. | Value addition; Policies; Strategies; Earned reputation; Symbolic action; National art | (Anholt, 2008); (Anholt, 2010); (Govers, 2013); (Boisen et al., 2011); (Baum et al., 2008); (Chan & Marafa, 2013); (Cull, 2014); (Cleave & Arku, 2015) |
| Antecedents of place branding | | |

| | | |
|--|---|---|
| Proposition 2: Place branding depends on ambassador networks, which can be monitored by a place brand network ambassador. | Network facilitator: Citizen focus Business focus Celebrity focus Niche focus | (Andersson & Ekman, 2009); (Baum et al., 2008); (Govers, 2011); (Braun et al., 2013) |
| Proposition 3: The decisions made by people in a place particularly politicians at different spatial levels influence a place's brand perceptions by stakeholders. | Politicians: e.g. Obama /Trump/ Mugabe/Duterte/Netanyahu effect | (Baum et al., 2008); (Govers, 2011); (Braun et al., 2013) |
| Proposition 4: If residents identify with the communicated place brand concept, then they will become the brands ambassadors which will in turn lead to the brands success. They do this through: | Residents; Created social environment; participated social environment; Brand Ambassadorship through WOMC; Participation in the political process | (Braun et al., 2013); (Hakala et al., 2015); (Domínguez García et al., 2013) |
| Proposition 5: The place brand is an aggregate of the stereotypes of other place brands within its boundaries and their brand perceptions. | Spatial layers: Continental e.g. Africa; Regional e.g. Southern African Development Community (SADC); National e.g. Zimbabwe; Local e.g. Victoria Falls | (Boisen et al., 2011); (Govers, 2011) |
| Proposition 6(P6) - The places heritage, history, and cultural heritage influence its branding; hence, the longer the history behind a name, the greater will be its meaning among the residents, and greater will be the brands success. | Place identity: Heritage; History; Culture; | (Fan, 2014); (Gould & Skinner, 2007); (Hakala et al., 2015); (Govers, 2013) |
| Outcome variable | | |
| Proposition 7 (P7) - Successful place branding results in economic development. | Economic development: Place-of-origin effect; Investment levels; Territorial development; Image; Tourism inflows | (Cleave & Arku, 2015); (Fan, 2014); (Kalandides, 2011); (Domínguez García et al., 2013); (Govers, 2013); (Gould & Skinner, 2007) |

**Conceptual Framework:
Precursors & Outcome of Successful Place Branding**



Discussion

In the preceding discussion, it has been established that place branding is considered to be part of branding but distinct from product branding. It was shown that even though there is no consensus on how place branding is defined, its description centers on place value addition, policies, strategies, earned reputation, and symbolic action. It was also evident that successful place branding results in the place's economic development. The suggested indicators of economic development have been identified as territorial development, investment; positive place-of-origin effect and increased tourism. On the other hand, the precursors to successful place brand management were identified as people, including politicians and residents, the places identity and heritage, the places spatial identity, as well as place ambassador networks.

The precursors to place branding have been identified as ambassador networks, spatial identity, people, and place identity. Notably all these are external elements. So, not only is place branding and place marketing of a different stock than service marketing, industrial marketing and other branches of marketing, but also is evidently more complex. It is more difficult to manage elements that are external and integral to the business environment such as the suggested elements. It also seems natural that the place brand manager be part of the governing authority at a local, national, regional or global level. It also seems logical to extend the suggested concepts to corporate branding. All the elements discussed can apply to corporations or other entities as destinations or places. The outcome variable would evolve to organizational performance in the case of corporate branding.

Conclusion

The paper collates different concepts on place branding and summarizes them in a conceptual framework as illustrated in the charts above. Place branders should place special attention on the description of place branding. In terms of branding, what works for products may not work for places. It appears that the people; heritage; bordering locations, formal and informal networks of a place play a crucial part in place branding. A managerial implication therefore is that place marketers and place branders should pay special attention to the cues provided by people, be they politicians or residents, heritage and history of a place, as well as its bordering locations when developing place branding strategies. Further, it seems that those location policy makers interested in spurring economic development for their cities, regions, or countries should seriously consider place branding as well

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as place marketing strategies. Obviously, they cannot just rely on surface issues like logos and slogans alone; hence, the suggestion provided in this paper can be used as an initial basis for a comprehensive branding place branding strategy.

Limitations and Recommendations for Further Research

This paper should be read with due consideration to its limitations. The literature review on place branding was not exhaustive. Therefore, a more exhaustive review can be conducted so that more variables as well as relationships amongst them can be highlighted. Furthermore, a quantitative study can be conducted to test the propositions stated above. However, the suggestions proffered can provide a starting point in the crafting of “hefty theory” on the subject of place branding.

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