



Dipartimento di Impresa e Management

CATTEDRA: Tourism Management

Place branding: How to build a powerful tourism brand

MATTEO GIULIANO CAROLI
Relatore

RICCARDO RESCINTI
Correlatore

692291
FALZARANO SABINO

ANNO ACCADEMICO: 2018-2019

Acknowledgements

I would like to say a special “thanks” to my thesis’ supervisor: Professor Matteo Giuliano CAROLI and to my associated coordinator: Dr. Stefano FRANCO. The coordinator had always “*ready-to-use*” suggestions to increase the value of my work. Following his tips and leads has been crucial to elaborate a clearly structured work. I really appreciated the way he has collected my unchained ideas and he put them into a well-defined framework.

The journey to edit the text has not at all been linear; I have bumped into many dead ends, and I really grappled on the indications of my coordinator to bounce back on the right path.

Notably, he gave me the freedom to develop my ideas without any constraints. I wanted to produce an authentically personal thesis and, appreciably, he has permitted that.

Notwithstanding the deadlines and the concern of issuing an inconsistent work, I never felt excessively under pressure because I know that I had by my side a great professional that has the admirable attitude to correct and to orient ideas, instead of cutting them down.

I know how frustrating could be seeing crossed paragraphs. This never happened to me under the coordination of Dr. Franco. He promptly *accessorized* my thoughts with salvific tips.

I decided to underline all those aspects because his attitude helped me a lot in remaining confident and in evoking positive feelings towards this last step of my academic adventure.

I dedicate this work to my family, that has always been supportive during my studies.

Introduction

The *place branding* can be summarized as the process to set on the “destinations’ market” a particular geographical destination with a unique identity, customer perception, meaning and image. The purpose of this process is to transform a place in a brand using all the tools provided by the discipline of “ **brand-building**”. The starting point is, therefore, recalling some principles of traditional branding theory. There is a multitude of meanings ascribed to the term “brand”; these are the shortest definitions I know, but the ones I like the most:

“ A Brand is the idea, the story that exists in consumers’ mind¹ ”

“ A Brand is what people say about you when you exit the room² ”

Under this prospective, the Brand is a living asset and It is continuously and seamlessly shaped each time a connection is created between customer and brand it-self. Consequently, it can sound weird but, since each person experience things in life differently from peers, a brand has a manifold dimension; one dimension is utterly subjective and in many cases it turns out to outrank the others.

Keeping on adopting this optic, a brand, before being a name, a sign, a jingle, a slogan, a symbol³ or the result of a plurality of “ *brand components*”, It is a lively impression, or better a story (a collection of memories and experiences). *Memorabilia* make this story being remembered by consumer/visitors. The process, that starts in the external world and that finishes in the personal and internal sphere of perception, creating a subjective brand meaning, is often unpredictable and devious. For a Company is pivotal tracking all the touchpoints with customers so it could have in its hands the control of customer journey. Obviously a full control is unfeasible. People experience and consume brands in many occasions and most of them occur outside the “*official brand spaces*”. Word- of- mouth contribute in creating a brand image, a reference or a mention in

¹ Carlo Fei - Fashion Management material 2018

² Jeff Bezos – CEO at Amazon

³ Erica Corbellini, Stefania Saviolo – Managing Fashion and Luxury companies, Rizzoli , 2009

newspapers and blogs affect the perception of a brand. Wider is the multi-channel approach, more difficult is for a company being on the top of the process. Being at the top of it for a company would mean conveying the desired message to the audience. Less is the control in the hands of enterprise, higher is the risk of a misinterpretation of the message embodied in a brand.

Our current historical era seems to be *brand-maniac*; everything is branded: products, services, people and then places. The centralization of the brand's role can be explained by the prowess it has in terms of **self-insurance**. Empirical examples can demonstrate that enduring firms are consumer oriented. The paradigm of product based vision has fallen. Creating value emotionally is the preannouncement of the measurable and tangible value transferred to buyers during the consumption of the full-fledged product. Brand encloses a promise of value, that eventually is going to be fulfilled by the branded product. Accordingly, People decision making process is triggered by the promises. *Keeping the dream going on* is the mantra of up-to-date brand strategies. A powerful brand is the most effective antibody in case of a product failure on the market, since customers tend to express brand loyalty rather than product loyalty.

Reportedly, the primal function of a brand is “**differentiating your product among competitors’ ones**”. A strong brand put your products in a different shining light. Buyers believe that only your product can meet their need. Competitors remain in the dark and they stay out of consumers’ consideration set at all. The extent of substitutability is minimum. In other words, your brand occupies a preferential position in consumers’ mind. It is not a case that top-brands are also labelled as **top-mind** brands, just to underline this property of strong brands.

To conclude our overlook on brand key-elements It is worth introducing the most impactful brand differentiator: The **heritage**.

Not a better element than your history can be found to distinguish your-self. Each person and even each brand has a unique story behind. If you manage a brand and you are pretty insecure about what your origins are, don't freak out; invent it! Who can prove you wrong?

Having a story doesn't mean grabbing a philosopher's stone; is it really worthy of being listened to? Probably not, so the next step is about creating an interesting

story to tell to the world. In order to be more professional, I will replace the generic term “interesting” with two attributes that, hopefully, marketers will appreciate more: “*Emotionally involving and charming*”.

Storytelling has been proven to be the most meaningful action to create an “**emotional bond**” with customers. Moreover They could be your unpaid narrators of your brand’s story, too.

Likewise a book’s author, The brand manager is required to set some inescapable elements for the “*plot*”:

1. Place & Time;
2. People (usually the brand creator);
3. Mythological/legendary events;
4. Iconic traits.

The result of this *mélange* is the formulation of an indistinguishable and almost immutable brand DNA. The definition of a DNA creates a sort of path-dependency since, from then on, whatever the brand manager does must be consistent with that DNA.

The positive thing of having a story, under my point of view, is that people are curious to know and they seem to love the challenge of learning new things. This aspect can be seen as a form of self-improvement. Obviously cannot be forgotten that an effective storytelling adds value to the customers experience. It is like finding a more convincing justification to the purchase.

This brief *potpourri* and synthetic recap of brand theory was required to pin the key elements that are worthwhile for all brands categories.

Keeping in mind this notions we can start to unveil the art of branding places. Just to emphasize similarities with the background theory I will denote the place as “*urban product*⁴” As traditional products, also urban products compete fiercely between them on the pre-mentioned destinations market. Be careful: Not all places are destinations!

At the top of the bucket list of a place brand manager there is the exigence to “*turn on the light*” on his destination. Also for destinations, in fact, the

⁴ Adam Mikołajczyk

differentiation is the number one brain teaser. Notwithstanding each location has unique elements, it is not so much difficult to categorize them in clusters using some elements in common. That's why practitioners prefer talking about **comparables** instead of competitors. Untruly people associate place branding solely to tourism affairs. A well-done place branding take care equally of tourists and locals people and communicate extra-value to both. Educating local people about the set of value pertaining the place where they live is pivotal to ensure a long living brand to the destination. Locals keep those value alive and they became a living materialization of them. Often the perception of local community is much more influencing than place perception. A clear example is Naples. How many times have we been listening to this sentence ?

“ I love the city of Naples but residents are so loud and unfriendly!”

Without judging the truthfulness of sentences like these, that often are silly stereotypes, it appears evident that place branding is affected by locals. Stereotypes are brand contributors, through thick and thin. Other contributors are: logos, slogans, outdoor and digital advertising, public relations, architectural and urban designs, fairs and events, heritage, public services and policy (street cleansing, housing provision, tax breaks, sewage outfalls), public art and monuments, local facilities... Everything here mentioned is packaged and sold in the form of urban product. Each staple offers a contribution to the “*placemaking*⁵”. Its contribution is a competitive advantage or a competitive disadvantage? To scale up the ranking of destinations within a predefined cluster is necessary to reduce the competitive disadvantages. Obviously each component affects differently in percentage the overall perception of tourists/visitors.

Lately, place branding is becoming a well-recognised science encompassing a plenty of professionals ranging from engineers to marketers. Each category adopts its own technical vocabulary enlarging the interests for this emerging discipline. The cross-functional approach, one-half artistic and one-half scientific, is probably on the cutting edge for the development of this subject.

⁵ Jane Jacobs (1916-2006) – Journalist and urban theorist

Whatever is the vision contemplated in the blueprint of your new or re-styled place, the final output should be creating an healthy, sustainable, enjoyable and entertaining space for guests. The final judgement will be exclusively centred on “*benefits*”. People won’t pull money out from their wallet for “*nothing*”. The challenge lies in communicating these potential benefits to potential incomers. They could be disinterested, flaky or either sceptical; More valuable is going to be your promised benefit, higher is the probability to attract them all.

The entire process should start in this way: “*Which benefits I am capable to offer and to whom?*”

When you are devising a new destination, you are not planning a “*Dreamland*” or a “*Paradise on-Earth*” where everybody can feel adequately satisfied. Trying to satisfy all customers means dissatisfy all. Hence, identifying your referred customers, on the basis of your endowments, is a good initial step. Whatever people do is stimulated by a reason, also when they travel. Their **purpose of visit** could be:

- Business
- Holiday
- Education/Entertainment (Edutainment)
- Health
- Special purposes (Religion, Honeymoon etc...)

Knowing their reason in details consent you to obtain some insights about what kind of services they require. Furthermore, the customers’ reason is the nucleus of your branding strategy.

Abstract

This work wants to achieve three different objectives. In the first chapter it aims to recollect and to set on a time-line all primordial examples in the history of “*place branding cases*”. The second chapter is aimed to offer a complete technical description of the theory regarded place branding. In it are included the instructions to properly develop a powerful brand that will differentiate a destination among competing ones. I have also included a list of some common drawbacks that can occur while shaping brand identity and brand image. Those are summarized in the 3 gaps place brand model.

The last section has a clear purpose: Identifying methodologies, KPIs and metrics to evaluate the performance of a place brand. Collecting data and computing scores is the priority of every marketers to implement a brand strategy. The described methods are grouped in two categories: Qualitative and Quantitative. The qualitative ones have a wide adoption but the capability to compare result is limited. The big challenge for future researcher is to elaborate more reliable quantitative methods. The multitude of stakeholders as tourists, residents, visitors, business travellers etc... is not a facilitation, in fact isolating specific stakeholders’ groups is not so easy. Each of them is in need of a specific performance measurement, remembering that different targets have different goals.

I hope to have offered a relevant contribution in systematizing the historiography and theory and in putting under the spotlights some grey areas pertaining the modern methodology adopted for performance measurement.

CHAPTER 1

STORY OF PLACE BRANDING

1.1 “Place branding”: A recent marketing concept with an ancient applications’ set

The use of the academic terminology “*place branding*” is notably recent, but the exigence of selling places (basically cities) prompted authorities and private entrepreneurs to put in actions some rudimental marketing strategies many centuries ago. The literature refers to these occasional and sporadic episodes as “*Place selling*” demonstrations. Place selling, theoretically, is the anticipatory status, of “*place promotion*” and, above all, of which nowadays we use to identify as “place branding”. Hence, a long learning journey has led us to the “*commodification*” of geographic places. I think that nobody is going to feel surprised in acknowledging the treatment of places and environments as objects that can be marketed and traded.

Initially the city’s advertisement was not “*tourism oriented*”; the objective of primitive campaigns was to populate some specific areas of a country or, even neighbourhoods, in case of single towns. Even if some scholars and writers (i.e Harvey) have tracked some primordial cases during Middle Age in some Italian city-states, for the sake of simplicity I’ll start my analysis in the mid-1800, a period in which can be searched out the anticipatory organized and well developed strategies of “Place branding”. Promoting campaigns were run through pamphlets, posters, handbill and, above all, newspapers. The aim of promotions was emphasizing the advantages of living of the so called “*upstart places*”.

First evident examples of place selling are rooted in the United States at the time of colonization of Northern territories. In a cruel fashion, indigenous populations were dispossessed of their lands by the federal government. Land sales was the most common theme of newspaper advertisings. Understanding the exploitation of these lands by the government is the subject of the following paragraphs.

1.2 U.S Federal Government sells the frontier

In 1773 is reported an exemplary case of lands selling by work of a governmental entity. The Governor of Georgia issued a proclamation in relation with lands secured by treaty from the Indians. The documentation underlined the fertility of

that lands, the abundance of water, the security and it offered further details about the desired settlers. Over the first decades of the new-born country, the Government managed entirely the disposal and the exploitation of lands. The available acres were directed basically to 3 kind of subjects:

- Railroad Companies;
- Small farmers;
- Yeomen and soldiers who distinguished themselves for a particular merit during independence wars.

Federal Government in Washington operated likewise an agency and in its possession were 1838 millions acres, more or less the four-fifths of the surface of the country. About 328 million acres were donated to individual states, 94 million acres were granted to railway companies, 228 million acres were implied in one of the biggest homesteading scheme ever and 61 million acres constituted a military bounty grant for veterans.

Local States became active promoters of their lands. They wanted to target the increasing mass of migrants from Europe. Competitiveness amongst states prompted political entities to experiment new fashionable promoting means. Contextually, governmental authorities supported upcoming railroad operators in intensifying connections between distant localities. The majority of migrants travelled by steamships and moved inland by trains. Therefore, the governmental economic effort was, firstly, oriented to improve and to develop transportations' infrastructures. Companies were endowed of large sizeable lands. For Instance the Illinois Central (**ICRR**) obtained almost 3 million acres of lands in 1851. At the time, was extremely common the phenomenon of squatting public areas. Nevertheless, authorities, adopting a productivist economical philosophy, didn't condemned this bad-behaviour. Since 1841 a provision called Pre-emption Act had introduced within the national body of law the so called the "*claim jumping*" by which squatters could legitimize their claim at the "*minimum price*".

Companies as **ICRR**, **SPRR**⁶, **NPRR**⁷ and **ATSFRR**⁸ competed to ensure that European migrants come to their regions. They self-financed marketing expenses; on average they spent in promotion 1/10 of their receipts. They also arranged occasional excursion trains for visitors searching for a new settlement. Would-be settlers could enjoy singular offers consisting in rebates on sale-prices or in travelling fare refunding in the case they concluded a purchase of a land. In 1856 ICRR invested \$17,000 on newspaper ads, \$12,000 on printing outdoor advertisement and \$15,000 for paying agents. The gross earning deriving from settlement business was roughly **\$2.7 million**.

Initially Companies hired agents in the main cities of US but when they realised that the business could be enlarged in Europe they settled agents all over Europe with the scope of convincing Europeans to embark for North America. The most talented agents were located in Britain, Scandinavia and Germany because from there were recorded the most numerous migrants' flows. Advertising placards representing rising American countryside circulated in the major European towns. Another common device was hiring writers specialized in travel writings. The most notable was **Sir Charles Nordhoff**⁹, the author, in 1873, of the book *California: For Health, Pleasure and Residence*¹⁰. During the last decades of nineteenth century the commercialization of places moved from prairies to the scenic landscape of mountains and desert. Tourism was seen as the prelude of settlement. Authorities controlled and dictated the contents of positive advertisement in order to avoid cases of negative advertisements. Nobody could mention negativities as : Epidemics, difficulties in braking the soil, robbery, poor drainage etc...

American archives are full of statements and quotes aimed to reinforce a positivistic image of the country's places:

“The whole number of persons in the southern half of the State, where thousands sleep all summer on the open ground, injured by snakes and poisonous reptiles, in

⁶ Southern Pacific Railroad

⁷ Northern Pacific Railroad

⁸ Atchinson, Topeka and Santa Fe Railroad

⁹ English writer and traveller (1887- 1947)

¹⁰ Dumke 1944

the last ten years is not equal to the number killed by lightning alone in one year in one county in many Eastern States”

The mentioned statements is a clear example of how the government used writers, scientists, scholars and theorists to hide all possible problematic to be faced by settlers in the frontier’s lands. The most common promotional claims were referred to the fertilities of “new lands”: “*The Fertility unsurpassed by Any on the Globe*” was the most powerful frontier message. In printed advertisement “fertility of lands” was represented always like a gorgeous maiden. This tradition of this symbolism started in South Dakota with a kind of barefoot goddess named **Miss Dakota** that was represented distributing homes to homeless people. In the representation She handled a scroll entitled “*Public Institutions*” to remark the benevolence of public and legal authority. Politicians perfectly know that the future of upstart places depended on the willingness of females to move in the frontier and to find there a dowry and aiding husband. Legal provisions in many cases favoured the conditions of women: they were granted of lands by adopting, also temporarily, one or more children¹¹ from obliging neighbours. Government, with a large series of norms, incentivised the formation of new families of farmer conceding favourable conditions to them¹². The only requirement was about the obligation of farming the land at least for 5 consecutive years. The permissiveness of government was harshly contrasted by industrialists who were not favoured by public law. Authorities in fact wanted to avoid harmful speculations to control the disposal of lands and the redistribution of resources; they wanted a profitable use of territories. Investors often had privileged information about the route of railroads so they used to buy lands and subsequently to resell them when they had to serve new railroads.

While people were gathering in the new territories, It was felt the exigence to organize administrative points where ordinary facilities as education, trade, healthcare and entertainment were assured to settlers. Hereafter new towns arose in the frontier lands. Businessmen understood that a new business’ scenario was shaping; the proximity of railroad the new town could become neuralgic trading

¹¹ Boorstin, 1965

¹² Homestead Act (1862), Timber Culture Act (1877), Desert Lands Act (1911) & Stockraising Homestead Act (1916)

points. Local investors promoted necessary offices and bureaus as Board of Trades (B.O.T), Chamber of Commerce and Town Council. To avoid that new rail links could by-pass their cities, administrations executed promiscuous pecuniary transactions in favour of Railroad directorships; In this way was secured the centrality of some towns for the railway routes. A clear example of this mechanism was the city of **Wichita**, in Kansas, also known as “*the new Chicago*”. In 1870 the town counted 50 inhabitants, eighteen years later the citizens were 40,000. Somebody talked about a “*promotional miracle*” realized by the local BOT. All local newspapers highlighted the benefits offered by the city with a romance style:

*“Wichita: Metropolis of the South West. The largest city in Kansas. A city of fine educational institutions, Magnificent Business blocks, Elegant residences and Extensive manufactures, with more railroads, more Wholesale trade, more manufacturing, more enterprises than any other city in South West”*¹³

All cities were in fierce competition to host essential national facilities as Public institutions, hospitals, Universities, headquarters. Longevity was uncertain for many cities. The instability of North America favoured a significant inter-place competitions. Lobbies between public administrations and big companies were recurrent. De facto political decisions were taken in accordance with the interests of companies; historians used the term “*Company towns*” to address all cities in which the administrations operated in favour of big and powerful companies.

1.3 Selling resorts and seaside places

In seventeen and eighteen century was common for English upper class to gather in sea-bathing places and spa resorts. Large spas with roman origins were located in Bath and Buxton, Tunbridge, Harrogate, Epsom and Scarborough. The popularity of spas was given by the diffusion of medical researches contemplating and extolling the benefits of sunbathing and thermal waters. A clear example is

¹³ Wichita Eagle, 1888

the publication of Dr Richard Russell titled “*Dissertation concerning the use of sea-water in diseases of Glands*” (1752).

Social exclusivity of places, that at that time were not easily reachable, and the exigence of sporting and recreational activities contributed in making fashionable resorts the favourite summer destinations of wealthy people. So often they stayed in resort for all the summer season to restore and reinvigorate body and soul.

Only between eighteenth and nineteenth century beaches and spas became mass holiday destinations when new railroad routes made these places being available also for middle and lower classes. Usually workers were one day trippers and excursionists. Railroad companies had a key role in promoting these places. Initially rich people spread with a costless word-of-mouth the awareness of spa resorts. From the eighteenth century on, railroad financed a plenty of forms of print advertisements; mainly guidebooks, with images, description and cultural and recreational amenities were distributed in major industrial cities to stimulate travellers. During Victorian age resorts and beaches were completely transformed in mass holiday locations.

Brighton was a pioneer city in allocating a huge budget in advertising. In fact in 1837 the number of comers was 50,000 per annum, while in 1850, after having implemented public transportation services, the visitors counted were 73,000 per week¹⁴. Almost all of them travelled by train.

Watering places attracted also poets and novelists searching for inspirational environments. Thomas Cook was, for instance, a private promoter adopting an educative and descriptive approach. After visiting Alton Towers, he wrote its “*Beautiful and Enchanting Gardens*” in 1873.

British players adopted the same marketing tools experienced in France 20-years before. The chief executive of the French regional private-owned railway **Compagnie de l’Ouest** was the Englishman **Edward Blount**. He understood that “creating” holiday destination could increase the number of railway ticket sold. He didn’t want cheap and disposable print-ads as handbill and leaflets; he decided to augment the marketing expenditures to realize permanent and artistically impressive outdoor advertisements. For the very first time appeared lithographed posters all over the France. The new pictorial posters were possible

¹⁴ Walton 1983

because of the introduction of the zinc plate, replacing the slabs of stone, into the lithography technique. Another widely adopted publicity medium were the brochures representing the main attractions of the coastline cities. The “hottest” destinations were: Trouville-sur-Mer, Boulogne-sur-Mer, Varengeville-sur-Mer, Deauville. French Businessmen invested above all in entertaining activities such as casinos and theatres to prolong the stay of tourists. French cities firstly introduced the first example of DMO known as “*syndicat d’initiative*” or as “tourist bureau”. The “syndicat” was used to harness public and private forces to develop touristic destinations.

French model was soon imported by Britain institutions that, so far, were less sensitive about the importance of running mature marketing campaigns. The city of **Blackpool** allocated the biggest budget for advertisement. The number of annual visits skyrocketed at **7 million** per annum. The major invested in entertaining activities, promenades, municipal bands, ornamental gardens to push the attractiveness of his place. To re-launch the branding of the city, the major of Blackpool arranged in the luxury Hotel Metropole an institutional meeting attended by notable political personages like the Lord Major of London, the Sheriff of Middlesex, the Majors and Lord Majors of fifty Northern and Midland towns. The event lasted one week. The city of Blackpool was a singular case about the intervention of a political entity in place advertising. The British Fiscal authority didn’t allow public authorities to finance directly or indirectly (through public levies and tax benefits) resorts, spas, strands and other entrepreneurial activities. Neither hotel and tourist tax was considered lawful. The restrictive attitude of politicians was due to the uncertainty of the profitability of tourism industry. Local directors considered Britain too attractively weak in comparison to American, French and Belgian destinations.

Sir Herbert Samuel¹⁵, in the British Parliament, publicly voiced that Britain should remain out from the international place-competition to save economical resources suitable to finance military apparatus. He also foresaw possible resentments between nations because of undignified and wasteful competition for holiday destinations.

¹⁵ Leader of British Liberal party from 1931 - 1935

Unlikely, Belgian¹⁶ destinations where both financed and marketed by national government; the entire tourism industry was state-owned. Since also railways were nationalized, often railways provided funds to near destinations for resorts development¹⁷. Belgian State Railways spending on tourism publicity was **300,000 BF**. Furthermore public authority used to devolve a percentage of gambling taxes, deriving from business of casinos, to resorts.

In 1910 advertisements of the city of Ostend – “*The Queen of watering places*” – appeared in many foreign magazines. The majority of placards and posters were created by railway companies¹⁸. All over the country were constituted French-style tourism bureaus. The first examples were located in Bouillon and Stavelot, but the most operative and notable was the **Bruge Forward – Society to improve tourism** (1900). In order to strengthen an international promotion of the country, in 1908, a new private non-governmental initiative was undertaken: *The Ligue Belge de Propagande pour Attirer Les Visiteurs Etranger*. Information centres were opened in New York, Zurich, London, Budapest, Vienna, Paris, Berlin and Stuttgart. In 1910 the Brussels World Fair was a majestic success, demonstrating the highly effective of the destination marketing campaigns exerted by the specialist bureaus.

Notwithstanding the efforts of European resorts, the most performing resorts were located in U.S; Atlantic City registered almost 10 million foreigner visitors in 1909, exceeding also Las Vegas and Florida. It was the preface of the mass commercialized tourism in the States. The dominant tourism framework consisted in the formation of **co-operative private organizations**. Each job category institutionalized its own co-operative. For instance in 1900, the co-operative of Atlantic City hoteliers raised \$16,000 to advertise their city in 60 foreign newspapers¹⁹. In 1906 all co-operatives of Atlantic City merged in the Atlantic City Publicity Bureau (**BIP**). This brand-new organism controlled in 360° the marketing policy of the city. It financed the publishing of thousands illustrated brochures destined to be distributed in affiliate offices in London, Montreal,

¹⁶ The term “spa” derives from a Belgian city or probably it is the acronym of “Salus Per Aquam”

¹⁷ Royal patronage

¹⁸ Weill, 1944

¹⁹ Funnell, 1975.

Melbourne, Berlin and Paris. A city with barely 45,000 inhabitants could be such successful only with a monumental hierarchical organization.

After the end of the Great War, British tourism plumbed abruptly and all destinations of country were depleted. A cruel financial crisis forced the government to change its mind about municipal and railway intervention in tourism business. Hence, in 1921 was issued a new “*Railway Act*”. The 120 railway companies were reorganized in 4 major group financially solid. The provision allowed partnership between railways and resorts up to 50-50 funding scheme. Seven years later respectively LMS and LNER spent £11,000 and \$16,000 in resorts advertisement. The relationship between resorts and railway companies often was not harmonious. According a Great Western Rail consultant, resorts didn’t appreciated the promotional material (guidebooks, posters, placards, handbill...) designed by railways companies; it highlighted exclusively the favourable travelling conditions. Sometimes no mentions about environment, attractions or climate were reported. Resorts’ owner defined insane and counterproductive that kind of advertisement. They complained of not having a word within the board of directors of railway companies. The financial dependency stressed an unequal decisional power. Moreover when resorts, in mid-1930, started to be reached with alternative vehicles like motor vehicles and basically coaches, railways companies cut down their investments in advertising resorts. Blackpool in 1937, during the August Bank Holiday, received 5,300 motor coaches and 40,000 cars. Coach companies could be some new loyal allies for resorts. Unavoidably the financing capability of coach companies was not equal to railway companies. This acknowledgement forced the government to provide cities of self-advertising and marketing powers (**PRO HLG 52/115**). Initially aforementioned special powers were conceded to Southend, Folkestone, Ramsgate, Bournemouth, Southport and obviously Blackpool, which had also an information bureau in London of “doubtful legality”. The Britain’s framework was assuming some similar aspects of the Belgian’s one. **Douglas Hacking**, the Minister of Overseas Travel, introduced the Travel Association of Great Britain and Ireland. It was the first example of official lawfully approved nation organization for overseas tourism. In 1927 the AMC²⁰ promulgate a governmental

²⁰ Association of Municipal Corporations

regulatory body for intervention of public authorities in advertising on the rates. The underlying principle of the whole regulation was that advertising had to involve co-operation and not unfair competition between places. From 1936 on all Health Resorts and Pleasure Resorts obtained flexible powers to sell themselves in mass advertising channels. Holiday business was becoming a huge market: 1937 was estimated that, in the country, **4 million workers** could afford to pay holidays (11 million in 1939-1940). The available budgets of destinations rises at fast pace; in 1938 Blackpool allocated for advertisement roughly £20,000, Brighton £10,000, Worthing £3,000 and Ramsgate £2,200. Resorts started to differentiate their offers: The South coast resorts targeted big spender tourists, Northern resorts focused on conferences and institutional events for off-season tourists. The themes of campaigns also were modified. Print advertisements moved from promoting landscape, environment and weather to emphasizing accommodational conditions and lodging typologies. Money were spent also for improving visual representation of posters and billboards. The usage of “*slogans*” started to become extremely popular, above all in the United States and England. Atlantic city was labelled “*The Playground of the World*”, while Blackpool was nicknamed “*The City of Health, Pleasure and Glorious Sea*”. Slogans helped people’s perception in differentiating destinations on the tourism market.

British government was finally optimistic about the potentiality of tourism market, but the initial public restrictions had weakened the Great Britain. Competing nations used to allocate more financial resources to sustain tourism; Italian and German government destined to tourism business the equivalent of £200,000, Swiss about £100,000. England was still bridging behind. International tourism was undeveloped and the national holidays’ industry at whole depended massively on domestic tourism.

1.4 Selling Suburbs

In the United states was experienced the first case of “*Suburbia*” as mass phenomenon. The reason why U.S had this primacy can be tracked in some favourable conditions:

1. Mass transportation vehicles were well developed;

2. In comparison with other national regulatory bodies, the U.S. regulation facilitated the transfer of lands' ownerships. Selling lots was bureaucratically easier and less costly than elsewhere in Europe.
3. Many Immigrants coming from European countries were exhausted by urban life.

It is worthy stressing the second point. In the mid-1800, in the Eastern side of States people started to move by electric streetcars. It was a serious competitor of railway companies. This brand new vehicle was cost saving and It was affordable also for lower echelons. Traveling from New York to Boston costed just \$3.75 on a 18 hours journey. The adoption of streetcars made possible settling amusement parks out of the cities' perimeter. Hereafter each corner of a city was connected efficiently with the centre. Many inhabitants preferred moving in suburbs in order to live a more healthy life. This attitude triggered a huge business for developers who had to service suburbs with essential facilities like schools, malls, cabinets etc...

Reportedly, in the beginning the suburbia attracted wealthy people searching for elitist and exclusive neighbours. The first clear example of rich suburb was **Brookline**, largely owned in 1886 by **Henry Melville Whitney**²¹, the pioneer of the rich residential scheme in that area. He commissioned the development of Brookline to the famous landscape architect: **Fredrick Law Olmstead**. In his mind the North Brookline would have been connected with Boston downtown. West End Company financed the main boulevard linking the two areas. Simultaneously, to avoid a not easy to manage Irish immigrants' invasion, H.M. Whitney forced the public authority to validate a covenant that limited the building of houses and blocks. The prices of apartments and standing-alone villas was kept high to secure the possessions of wealthy residents. In many cases housing trades were monitored and approved by a public officer.

In Chicago the suburbia had totally different connotations: It was exclusively a lower classes phenomenon. Urban population grew by 575% and the centre had not enough surface for all new inhabitants. Working class was attracted by higher average salaries offered by city's companies.

²¹ America industrialist. He was the founder of west End Street railway company and the President of the Metropolitan Steamship company.

The architectural building called “*balloon frame*” was a pivotal innovation that permitted to cut the cost of developing new building. Wood was the predominant material for cheap cottages and family houses. Between 1870 and 1900 were built 22,500 new lodgings. A similar plan was also implemented in **Roxbury** that was pecked of workers moving daily to Boston centre.

In late 1880s a reputable developer named **Turlington Harvey** bought lands in the south of Chicago, in an industrial area called **South Lawn**²². He started to build new lodgings among factories, creating a mixed industrial and residential zone. All over the suburb was prohibited the consumption of alcohol. This notion that could seem not relevant, in reality was a pivotal factor in incentivizing industrialist to set their factories just there. Workers without drinking alcoholic beverages were more performing and enthusiastic of their healthy lifestyle. Furthermore young mothers preferred safe conditions to bring up their children. In ten years the number of inhabitants reached 5000 units working mainly in 10 big factories.

So far there were not significant marketing strategies to sell suburbs to new settlers called “*suburbanities*”. Things started to change, becoming more professional and modernist, when a young developer arose to the prominence in Chicago: **Samuel Eberly Gross** (1843- 1913).

S.E. Gross had a speculative mind-set and He started to work as real estate promoter in his twenties. He started his own real estate activity during the rebuilding of a large area in Chicago destroyed by “ The Great Fire” of 1871. He had a central office downtown and any representative agencies spread in the country side. He provided employment to more than 250 high skills professionals (superintendents, clerks, salesman and distributors of advertising materials). Much bigger was the “ARMY” of carpenters and masons that worked under his control. In earlies 1890s he sold over 30,000 lots and 7,000 houses. In 1891 the turnover of his enterprise was **\$2,5 million**.

His tactics was buying unpopulated lands and then providing them an easy accessibility. He concluded agreements with several transit operators. He invested massively in the Equity of The Calumet electric railroad that later started to serve

²² Keating A.D, 1988

Dauphin Park and other sub-divisions. The tycoon **Charles Tyson Yerkes**²³ was also (initially) one of his main sponsoring partners. Yerkes was the owner of the streetcar lines in Chicago and his lines would have served a wide area of the Chicago suburb. Agreement ended up in litigation in 1899.

Gross ultimately involved in his scheme the giant Chicago, Burlington and Quincy Railroad (**CBQR**) that served entirely the renamed area of “**Brookfield**”.

Gross provided financial resources for sewers, gas, water, parks, trees, paved street and schools. He financed with a contribution of \$1,300 the building of the self-entitled S.E. Gross School. Commonly he used to offer loans to householders at competitive conditions; he only asked a deposit of 100\$ with monthly repayments as low as 10\$. His method boosted the presence in suburbs of people having modest monetary means.

Gross was really confident in marketing solutions and adopted many marketing tricks to promote his areas. For example his peripheral offices distributed printed posters representing the design of standard houses. It was a clear anticipation of modern *rendering*. Secondly, he paid CBQR to organise free touristic trips in the new lands. In this way excursionists could experience a sub-urban lifestyle. Touristic guides were translated also in many foreign languages because the majority of trippers were not native Americans. Advertisements appeared in Jewish, German and Scandinavian newspapers.

In 1903 is dated the last developing activity undertaken by Gross in Chicago and Milwaukee. This time his target was the upper and middle class. Unfortunately the demands didn't meet the supply and he received an allegation for bankruptcy in 1908. The same year he and his wife divorced. He died 5 years later.

American style had a notable echo in Britain, whose suburban developing, was largely influenced by Gross ideology.

During 1890s Gross and his financier, C.T. Yerkes, visited London during their European tour. In many occasions they received business proposal for Londoner capitalists that appreciated the Chicago-like development. What British engineers thought about American electric mobility business was reported in an article appeared in local newspaper at that time:

²³ American financier. He was the major investor in transport systems of Chicago and London.

“Probably few engineers on this side of the Atlantic are aware of the fact that electronic traction in the United states is encouraged primarily by estate agents and speculators. The earlier tramways and railways are suburban lines, and they are constructed before there are roads and houses, for the principal purpose of developing urban estates. The profit derived by speculation has in many instances more than paid for the electrical street railway²⁴”

In 1902 Yerkes acquired the District Railway and the whole tube system of inner London. Jointly with his American business partners, he formed the Underground Electric Railways of London (**UERL**). He soon obtain the parliamentary approve to extend the Hampstead tube to Golders Green. Here he formed a land syndicate to manage the exploitation of this new valuable piece of land. The speculative scheme of Yerkes was not fruitful as it was in U.S for a series of endemic reasons:

1. London brick-built suburban housing was more expensive to build;
2. Britain’s real income level was stagnating;
3. British reluctance of home ownership;
4. American demographic growth rates were unique and not replicable anywhere.

The tycoon died in 1905 before any of his tubes came into fruition. He was replaced, at the direction of the company, by **Albert Stanley**, a U.S raised reputable manager. He formed a new directorship team appointing **Sir George Gibb**²⁵ as Managing Director and **Frank Pick** as CMO. Pick introduced a new fashionable method to advertise the UERL. Pictorial posters appeared along the mainline railways. All promotional materials gave encouragements to suburban living. Golders Green, Osterley and Hounslow were very recurrent in place promotions.

Railways companies realized the importance of a marketing strategy when they saw their business getting eroded by electrified tramways, bus and electric tubes. From 1903 to 1909 the number of passengers in London fell by 54 million units. The hegemony of railways lines over suburban traffic was seriously threatened.

²⁴ Barker and Robbins, 1974

²⁵ He was member of the managing board of the North Eastern Railway (NER)

Companies financed the issuing of many booklets to extoll the suburban lifestyle.

The most notable were:

- *Healthy Homes* by UERLS
- *Country Homes* by Metropolitan
- *North Western Country Homes* by NWR
- *By Surrey Lanes to Sussex Shores* by LBSCR
- *Homes For All: London's Western Borderlands* by GWR

The most successful promotional campaigns was run by The Metropolitan Railway Country Estate (**MRCE**²⁶). The purpose of MRCE was preparing estates for building, planning layouts and subdividing territory into plots. The Company built roughly 800 houses and stores. *Kingsbury Garden Village*, located in the north-east of Wembley was initiated by MRCE. All lands under the possession of MRCE were advertised in periodical booklet named **Metro-Land**. It was an extremely powerful marketing tool targeting the house hunters. Brochures, richly illustrated, provided high quality description of the served area. There were also more detailed references of actual houses and private individual estates. Moreover a special ditty was recorded in the meanwhile; it was titled "*My Little Metro-Land Home*".

MRCE obtained a large exposure when, in 1924, Wembley Park was selected to host *The British Empire Exhibition*. For that occasion was issued a special edition of the Metro-Land booklet whose sales skyrocketed vertiginously. Traffic receipts grow up alongside the population and the average dividends payed by the company to shareholders experienced their highest: 8-9 per cent in the late 1920s. The booklets' publication was dismissed in 1932 when was reached a JV agreement with the publicly-owned London Passenger Transport Board (**LPTB**). The deal was finalized in 1933 and the new-born company became the biggest operator of capital's public transportation.

Acknowledging the prowess of promotional campaigns also developers and estates' agents began to publish their own handbooks with descriptive sections about amenities, schools and all kinds of services and facilities. Often they used to

²⁶ It was formed in June 1919

buy page panels into the brochure printed by railway companies. In some cases the whole material was created by specialized publishers as the Homeland Association, Acme Engraving and The Residential Centers Bureau. Publication were professional , less costly but, excessively standardized. In order to issue tailored and differentiated contents, builders and developers started to internalize the marketing procedures. The biggest building companies like *New Ideal Homesteads*, *Laing*, *Taylor Woodrows*, *Costain*, *Wates*, *Wimpey* and *Davis* cancelled their agreements with real estate agents and opened, internally, their own marketing departments. **Edwin Penney**, general manager of Davies established his own advertising agency specialized in creating advertising material for building estates. Sometimes, Companies demonstrated their inexperience and they weren't capable to keep promotional costs under control; a builder went in bankruptcy after spending £20,000 for advertising his estate of 320 dwellings on some magazines²⁷.

Developers showed an admirable creativity in experimenting new marketing tools. John Laing bought promotional panel pages on specialized national newspaper as Daily Express, Daily Telegraph, Daily Mail and The News Chronicle.

Davis gave a birth to the "Davis Mystic Oracle". The "oracle", by means of a folder provided with a magnetic dial and a metal arrow on the cover, was able to find the best lodging solutions to house seekers. Oracle, obviously, answered the requests offering a Davis' house.

Very common was the organization of bonfires and fireworks displays to attract the crowd in a particular building estate.

New Ideal Homesteads introduced a common pool system of builders to cut down the deposits. Furthermore It offered cross insurance scheme to avoid mortgage payments. Free domestic equipment was a one more promotional tool adopted by numerous companies. Davis, for example gave telephone connection for free to its customers. Laing offered financial rewards for its clients that convinced relatives or friends to buy an house from the same builder.

Builders started also to attend huge exhibitions as the one annually held by the Daily Mail at the *Earl's Court Olympia* called "**Ideal Home Exhibition**".

²⁷ Jackson, 1991

1.5 Selling Industrial Towns

Canada distinguished itself from United States and UK by the complete absence of a spontaneous industrial development. Interventions of the Government were recurrent and often decisive. Canada had in 1880s the most “generous” bonusing system in the Western world. Canadian cities competed to obtain inducements from the state. Ontario obtained the highest subsidies’ amount ever experienced: \$10.8 million. The debts associated to railway bonuses were 1/10 of total debt. Much higher than municipal debt for gas, electricity, school and sewers. Governmental framework in Canada was a three-tier type introduced during the reconstruction of government with the 1867 Act. Local authorities could enjoy a significant independence in comparison to the equivalent American and British authorities.

The inducements in favor of manufacturing activities took several forms: Cash payments, interest-free municipal loans, tax exemptions, pre-fixed (low) tax level and subsidized provision of lands, factories, buildings, water, electric power. In 1899, a survey regarding the total township’s expenses for subsidization, recorded a total expenses of \$2.3 million²⁸. The deregulation about governmental inducements created many drawbacks and misgivings (**bonusing craze**²⁹); corruption and bribery cases increased at fast pace in the 1920’s. Many cities were responsive and introduced strict normative restrictions to the money transfers between State and private sector. Maritime towns, instead, continued to be generous with enterprises in order to attract the biggest companies and assure a never-ending development. Oshawa supported all major companies headquartered downtown; particularly in evidence was the case of **McLaughlin Carriage Company**³⁰. That factory had burned down in 1900 and the city of Oshawa financed part of the reconstruction costs with a \$50.000 interest-free loan³¹.

Other cities like Fort Williams and Port Arthur³², the fiercely competing twins town on Lake Superior, adopted expansive economic policies to convince manufacturing companies to settle over there. They granted industrial bonuses of

²⁸ Probably \$3 million considering other types of assistances and omissions not included in the survey (Bloomfield)

²⁹ Naylor, 1975

³⁰ McLaughlin’s became the giant General Motors of Canada

³¹ \$11 for each inhabitant at the time

³² Later united as Thunder Bay

\$1.15 million, the greatest per-capita paid manufacturing bonus ever. Notwithstanding the massive intervention of the municipal authority, the majority of beneficiaries went bankrupt during the period of financial assistance. As you can notice the phenomenon of subsidization was popular above all in coastal cities.

Municipalities used to advertise their favorable financial conditions through newspaper, brochures and booklets. The average annual spending for advertising activities was roughly \$600 per city. Often, were established special offices and committees focused on promotion. Winnipeg City's Industrial Bureau was an extraordinary successful example: It obtained a reward from the local Council of \$112,000 for its ability to attract profitable firms.

In many cases this new municipal policy was firmly contrasted by local businesses. Locals were concerned about the violation of fair competition and the creaming-off effect over best workers. The new settled companies were able to pay higher salaries. Hence, the most skilled workers were attracted by these new companies.

The reality of facts demonstrated that the most dangerous outcome was the sudden failure of the assisted enterprises. They carried on bad risks and their production processes were, often, inefficient. Citizens started to complaint about the waste of their tax payments used solely to finance manufacturers. In Ontario, first, but later in many others provinces, the subsidization's law was changed: Incentives' approval was conditioned by the votes of all ratepayers; the sole decision of the council was hereafter irrelevant. To defend their policies, cities bought promotional spaces on local newspapers. This is an example of how Oshawa tried to legitimize the inducements to manufacturing companies:

“ In a place in the situation of Oshawa, surrounded by a very limited agricultural county, whose benefits are keenly contested for by many rival towns. There is but one outlet to prosperity – but one means by which we can attain rank among the centers of industry of the country, and that is by fostering manufacturing enterprise. Upon its attendant train of advantages, substantial and real, of population trade, circulation of money, and all the impulses of vitality which it gives the community, nearly all branches of trade and commerce which go to

*contribute to prosperity mainly depend and therefore every portion of the community is to a certain extent as deeply interested, indirectly, in the success of these institutions as the promoters of them are directly*³³.”

Generally, in towns having not a manufacturing tradition convincing people about the benefits of building an industrial network was easier. In manufacturing towns like Toronto, opposition had a huge limitative effect. Particular interest elicited the city of Hanover in Ontario. Local township encouraged, with eye-catching tax benefits the settle of factories employing numerous women³⁴. It was a sustainable initiative to assure also a demographic prosperity to the local community.

Canadian example had a wide echo in Europe, principally in Britain. Replicating the same framework, however, was not feasible because British decentered authorities had not a full independence. As described in the paragraph 1.3 of this chapter, local municipalities could not allocate part of their budget in favor of private initiatives. Notwithstanding the restrictive governmental provisions, in the later 1800's, were recorded some singular cases of industrial promotion. In 1899 the Chamber of Commerce and the Borough Council of **Luton** merged into the Industries Committee. The subsequent year the new entity produced the first Industrial Promotional Brochure: *Luton as an Industrial Centre*. The promotional effort had a successful result; the mainstay Vauxhall Cars³⁵ settled in Luton in 1905. Government, often, opposed to external financing because there was the fear of localities' overdependence from big companies. Diversifying territorial economies was a declared objective of UK. Interventions, instead, recurred in the interwar period to accelerate the process of industrial conversion. Providing a financial help to manufacturing companies was a clear solution to diminish the unemployment rate. The central government authorized the local authorities to distribute independently electricity to factories. Competition on energy tariffs was the foreseeable consequence; lower tariffs meant new factories in town. In 1908, **Rolls Royce** moved from Manchester to Derby to exploit the cheaper electricity service promised by local council. The license of utilities, in many cases, was a grey area and central authority difficultly was able to monitor the situation. Cities'

³³ Ontario Reformer, 5.12.1873

³⁴ Parr,1990

³⁵ Today Vauxhall Motors is controlled by the French group Peugeot-Citroen.

councils emulated the concession of electricity for many other utilities. For example Bristol applied ultra-competitive tariffs for its municipal docks, eliminating the competition of local railway-owned docks. We could shortly say that, in Britain, the management scheme of utilities was an unusual marketing tool. From 1926, with the promulgation of The Stoke-on-Trent Corporation Act the government provided special local powers for the surplus land preparation scheme. In one year time, the provision was fruitful: The French **Michelin** Company moved to Stoke.

In 1907 was issued the *Patent Act* to protect intellectual properties in Britain. This maneuver encouraged foreign direct investments in UK. As result, the Swedish giant **Skefco** headquartered in Luton, too.

Two years later, in 1929, despite the opposition of the Federation of British Industries, the Local Government Act exempted manufacturers from **75%** of local levies.

1931 is another date worthy of being underlined: *Local Authority Publicity Act* became enforceable. Even if it had a modest dimension in comparison with the Canadian example, it represented a clear turnaround. Local councils could, within a maximum of half penny rate, promote their territories overseas. Government wanted to limit a possible boldly internal competition between English towns.

In 1935 the government institutionalized in depressed areas, *Special Area Offices*. These new-born entities had the sheer control of financial assistance schemes to private business, they could manage freely the surplus lands. The lack of targeted financings was the cause of the failure of many restructuring plans. Paradigmatic was the case of Liverpool, a depressed town affected by a chronic unemployment after the closing of the city shipyard. The special powers provided by law, permitted an eye-catching economical relaunch. Money were promptly transferred to industrialists to reinforce their business. New workplaces were created and the mechanism of follow-on investments were triggered.

The last example of governmental constrained boosterism refers to the US South. The South contrarily to the North had few indigenous capitals; the majority of investments had to be attracted from the Northern countries. Atlanta was the pioneer in conducting an effective promotional campaign. Brochures and editorials were printed and delivered at the business club luncheons nationwide.

The city hosted numerous trade conventions so that it was labelled as “The Business City of the South”. It had to face the rivalry of Floridian cities and the city of Richmond. Competition was based on bonusing programs offered to enterprises. Often they were about tax exemptions. The weakness of many programs was due to the lack of a long-run vision; each maneuver was isolated and, by nature, not really effective. The Canadian examples were much more structured.

In 1924 the city of Atlanta made a decisive step further: The local Chamber of Commerce introduced an *Industrial Bureau* to launch persuading offers to industrialists. The Bureau put into motion a massive and aggressive promotional campaign guided by the **FAC**³⁶. The project recorded a huge number of adherents that privately sponsored the new venture. Georgia Powered financed it with \$48.000, city’s banks offered \$37.500, Fulton County offered \$30.000, Coca-Cola gave \$12,500. The amount cumulated among both large and small subscribers was **\$722.000** in 1920’s. Roughly **\$500.000** were spent on place advertisement on magazines in New York, Chicago, Detroit, Cleveland, Boston and Miami. Publishing an ad on the popular *Saturday Evening Post*, alone costed \$130.000. All around the South, many initiatives similar to the FAC were financed by governors. Tennessee issued municipal bonds for private factories, while Alabama, Arkansas and Louisiana implemented many tax exemption and utilities programs. Regarding this last case, often, water and power were given for free by governments. In many occasions, the States were too permissive and their attitude stimulated some individual opportunistic behaviors. In Tennessee a shoe factory was built with public money, declaring it to be a new city hall. In Mississippi child labour was very common.

In 1936 The State of Mississippi launched an enduring promotional initiative aimed to industrialize the local territory. It was called **BAWI**³⁷ and it was conceptualized as the reply to the world depression of 1930s. Outmigration, poverty and prices collapse were the main issue that local governments had to face off. At the basis of the project there was the issuing of municipal bonds to finance factories; often cumulated with the free taxation benefit. In order to limit

³⁶ Forward Atlanta Commission

³⁷ Balance Agriculture with Industry

the public concern, the bonds could not be issued beyond the 10% of local assessable tax value. The initiative was favorably voted by a 2/3 majority in a local referendum. To grant the lawfulness of the procedures, a new supervisory institute was constituted: The State-wide Industrial Commission. Any program required the approval of the new organism. Moreover it could verify the soundness of enterprises that received public funds. Despite of the permanent control, the project revealed to be not so effective. The workforces were constituted prevalently by low wage employees and female labour. The worse datum was the one regarding the public cost per job; roughly \$600. In 1940 the initial program lapsed. The illegal subsidization scheme propelled by Tennessee's authority, remained the lonely standing in the interwar period.

A second attempt to reactivate the BAWI was made in the late 1940's. This time municipal bonds were redeemed by rental payments rather than local taxation. The rents were particularly high to keep low the interest rate on loans. The exigence to stimulate industrial production produced a big change in regulation: In 1951 was approved an Act conceding cities to bypass intermediary agencies to directly negotiate with industrialists.

A survey executed in 1964 recorded that average invested budget in the South was 70% greater than average nationwide budget. In 1960's Atlanta launched a new boosterism plan with a totaled value of \$1.6 million.

1.6 Selling post-industrial cities

From 1965 on all negative aspects of advanced capitalism emerged; prominently, the excessive industrialization of capitals absorbing productive processes caused poverty and unemployment among working classes. Moreover, the faster technological innovation triggered a natural selection among less innovative enterprises. Dismissed industrial buildings dominated the peripheral environment. The myth of "industrial city" was collapsing.

From 1977 to 1993 U.S lost 2 million of manufacturing jobs. In Britain in 1994, the 45% of factory jobs disappeared. It was clear that many urban centers had to be redefined and re-conceptualized (**deindustrialization**). Intervention of

governments resulted in many case decisive to change the “face” of cities. Britain’s local authorities adopted numerous reforms to incentivize boosterism and touristic-oriented activities. Municipals obtained the power to levy a local tax to finance place promotion. Diversifying the urban economic activity was the priority of governments since the manual employment was swooping. Post-industrial cities were characterized by conspicuous investments in their cultural capital. Museums, art galleries, stadia, theatres and concert halls became the hotspot of urban entertainment. Cities started to be operable also at night; Night-life was a huge unexplored niche market. Restaurants, nightclubs and lounge bars popped up all over the cities attracting thousands of tourists and local citizens. Municipals bought paid promotion on magazines and journals to publish the calendar of all city’s scheduled events. Often impactful slogan were posted on magazines:

“ *Chicago would like to remember you that the first four letters of its name are **CHIC***³⁸”

Roads schemes downtown were planned to suits the new exigencies of people: Car parking slots were built outside the city centers to permit pedestrians to walk unharmed into the limited-traffic commercial areas of the cities. Giant malls and large Department stores appeared between ‘70s and ‘80s changing irreversibly the shopping behavior of customers. In 1976 a new retailing concept was introduced after the opening of the **Quincy Market** in Boston. The market scheme designed by the Baltimore developer, **James Wilson Rouse**³⁹, became the dominant model for festival marketplaces. The underlying idea was reusing historical areas, transforming them in pedestrianized shopping quarters.

Furthermore, the City of Boston was a pioneer in attracting business tourists from all over the world. The cities had under its availability a plenty of convention centers and fascinating buildings as the hugely popular **New England Aquarium**⁴⁰

Physical marketing forms were very common in promotional strategies. Huge building symptomized a genuine health of domestic finance. Between 1980’s and 1990’s the financial district of **Canary Wharf** was built in the London

³⁸ Lawson 1989

³⁹ J.W. Rouse (1914 – 1996): He was a real-estate developer and urban planner.

⁴⁰ A 75,000 square feet surface hosts annually roughly 1.3 million visitors.

Docklands. The scene was dominated by the tallest London's tower with the aim to attract attention on a remote area of the capital. Involving architecture "*Big Names*" was also a marketing strategy to conquer spaces on specialist magazines. Furthermore famous architects as **Norman Foster**, **Cesar Pelli**, **Michael Graves**, **John Portman**, **Owings** and **Merrill** were bankable and attracted worldly investments.

Another component of physical advertisement was "*Public Art*". It was popular, accessible and potentially viral. A clear example of it was the **Forward statue**⁴¹ in Birmingham's *Centenary Square*. It was flanked by a variety of integrative post-industrial elements as: international hotels, convention halls and festival marketplaces. One more paradigmatic example is the bronze **Angel of the North** settled in the city of *Gateshead*. Many other pieces appeared to celebrate the new millennium using the funds donated by the National Lottery.

Local promotion was not only a mission of public authorities; a lot of cooperation between public authorities and private entrepreneurialism were recorded to reinforce the attractiveness of cities. Partnership programs included principally tax abatements on private investments and boosterism targeted subsidizes. In Boston was issued the *Chapter 121A* that legalized the tax-abated private investments in *office towers*. The new provision resulted highly effective to build up the blue collar neighborhoods. Many commuters found job placements in the office towers. Also tourist could find some entertaining attractions in the new neighborhoods.

In 1969 Mayor White⁴² institutionalized a **Development and Industrial Commission** to stimulate new jobs for local inhabitants. Two years later he created the department called *Economic Development and Industrial Corporation of Boston*. The departments worked likewise an agency aimed to offer consultancy and supervisory to the private activities.

The public-private partnership schemes adopted in UK mirrored the ones experimented in U.S, basically in Boston and Baltimore. The biggest differences between the two framework was the smoother decentralism realized in the States.

⁴¹ The 'Forward' statue was cast in polyester resin, and it represented the march of Birmingham from its smokey industrial past into the future. Figures included Joseph Chamberlain with his monocle and Josiah Mason, founder of the University, with an armful of books. The Lady of the Arts, from the city's coat of arms, blew a kiss to the past, while an actress curtsied to the Repertory Theatre.

⁴² Kevin White held his office from 1968 to 1984

In U.K the “*locus*” of control and decision remained unprofitably centered in London. There was neither a network of regional banks capable to quickly finance local initiatives. The financial structure of Britain didn’t fit the required tourism development. The first negative comparable datum regards the allocated budget for promotional expenditures. The 1995 budget of the *Atlanta Convention And Visitors Bureau* was \$10.4 million. The majority of this amount came from the hotel tax and other tourists-targeted levies. In Britain local administration could not impose their own fiscal strain and, by consequence, the available budgets were inadequate: The largest amount was collected by the *Glasgow Tourist Board And Convention Bureau* which allocated £2.2 million.

The gap between U.S and U.K remained untouched up to the 1980’s when the British central governments put on the front line the “New Urban Development Corporations” (UDCs). These institutes had the role to laid new plans for urban promotion and to rationalize the correlated expenses.

Between 1981 and 1992 the **LDDC**⁴³ spent £28 million in direct promotional activities⁴⁴, the **CMDC**⁴⁵ allocated a budget of £17,2 million in 1992-1993 and, ultimately, metropolitan districts together spent £40 million in 1993-94.

The UDCs were assisted by *quasi-public* agencies such as municipal airport companies or convention center businesses. The framework enriched more and more of new institutes in the late ‘90s to offer a structured and well-integrated touristic development.

One of the most relevant change in communication was the increasing in public relations to sustain the development of post-industrial cities; PR comprehended all activities finalized to deal with intermediaries who shaped public perception. Concluding deal with press and other broadcasting media was the primary objective of local authorities. **Kevin White** and **Michael Kelly**⁴⁶ were well skilled in how to use public relations to improve city awareness.

In U.S was already clear the powerfulness of PR activities. Indianapolis was the top spender with an average annual PR expenditure of \$720,000 during 80’s. The

⁴³ London Docklands Development Corporation

⁴⁴ Assistance programs to investors were not encompassed in this digit.

⁴⁵ Central Manchester Development Corporation

⁴⁶ Scottish Labour politician and businessman. He is the founder of the PR company M.K. Associates.

city appeared on *National Geographic*, *Business Week*, *Financial Times*. The town was always ranked at top in special ranking dedicated to places.

Public relation resulted extremely important for international events bidding. Because of the successful “*Miles better*” campaign exerted by M.Kelly, Glasgow obtained in 1990 the nomination for *European City of Culture*. In that year investments in the city topped £53.1 million; 3 times higher than precedent annual average. Room occupancy rate increased by 35% and attendances to major local attraction increased by 80%.

A very extremely competed and profitable market was the one regarding sport events hosting. It was very clear to the mayor of Indianapolis that once stated:

“If you ask people what the greatest cities in America are, I’ll bet 99 out of a 100 cite an NFL⁴⁷ city”.

TV overall coverage and teams’ merchandizing offered a wide exposure to cities. Moreover local teams reinforce the *commitment* of citizens (fans) to their city. Before in U.S and later also in U.K local teams’ names had to recall the name of their cities. Between 1950’s and 1970’s in U.S there was a fierce competition between cities to attract teams. Not rarely teams moved from city to city. The baseball team **Atlanta Braves** moved from Boston to Milwaukee (1953) before settling in Atlanta (1966). The football team of **Colts** moved from Baltimore to Indianapolis in 1984. So Baltimore with a \$1 million deal about ticket sales brought downtown the baseball team of **Orioles**.

Also in Britain local teams nowadays are part of cities’ heritage. Manchester United and Liverpool are deeply incorporate in general place image. Sports provide a way to differently label a town; Indianapolis for examples is the city of motor races, motor racing is the first thing popping up in people minds while thinking about that city. During 1980s’, exploiting its brand, Indianapolis hosted more than 200 racing events. The acme was reached in 1987 hosting the **Pan-American Games**. The media coverage in this occasions skyrockets. Similar positive spillover effects were recorded in Sheffield (UK) during **World Student Games** in 1991 and In Edinburgh during the **Commonwealth Games** held in 1986.

⁴⁷ National Football League

Competition was manifested both nationwide and internationally. An astonishing demonstration is the Olympic bids, since countries can present only one city bid, city competed domestically to obtain the nominee. Winning the bid meant urban regeneration, generation of new job placements, increasing of city international awareness. For instance the Atlanta Games added about \$5.1 billion to the Georgia between 1991-1997. Furthermore the investments in facilities increase the probability of winning other international bids.

CHAPTER 2

PLACE BRANDING AT A GLANCE

2.1 Origin of the concept of “Place Branding”

Place branding can be shortly explained as the process to bridge between perception and reality and between perceived images and projected images. It lays its foundation in the philosophical branch of the so called *representative realism*, whose progenitor is **Descartes**⁴⁸. He contends that there are principally three sources of ideas: “*adventitious*⁴⁹”, “*factitious*⁵⁰” and “*innate*⁵¹”. In his definition, ideas are a mental representation of external things; the truthfulness of an idea depends on how the associated representation mirrors the reality of the world around. It is already established the kernel of our debate: The correlation between the “*image*” and the “*identity*” of things. Only *experience* can prove the veracity of the aforesaid correlation.

A notable theorist and commentator of experience was **Locke**⁵², who classified the qualities of objects in two categories: *Primary* and *Secondary*⁵³

Primary qualities are the intrinsic features of things (Bulk, Figure, Texture, Motion, etc.), while the Secondary qualities are the components that produce in us ideas (Colours, Sounds, Smells, Tastes, etc.). The later qualities are less immediate than the previous ones and only by experiencing objects we can detect them. By consequence, experience becomes the unique source of *knowledge*. To be fair in our theoretical report, He often in his works mentioned the so called “*sensitive knowledge*” to underline the sensorial nature of human understanding (*to be is to be perceived*). The senses could also produce *illusions*.

Immanuel Kant provided a new interpretation of the comments formulated by Descartes: the appearance of the external world depends in a certain way on the position and movement of beholder. In other words, Kant introduced in the discussion two new elements: *time* and *space*⁵⁴. These new elements give a shape to the scenario in with sensory experiences act. They have the power of personalizing the perceptions, in fact the knowledge is treated as a *private*

⁴⁸ René Descartes, philosopher (1596 – 1650)

⁴⁹ Ideas entering the mind from outside world

⁵⁰ Ideas manufactured by the mind itself

⁵¹ Ideas inscribed by God

⁵² John Locke, philosopher and physician (1632 – 1704)

⁵³ J. Locke – An Essay Concerning Human Understanding (1690)

⁵⁴ Critique of Pure Reason (1781, 1787).

construct of the knower. As idealist, Kant supposed that nothing can be known in the external reality; knowledge survives solely in human mind.

G.E. Moore⁵⁵ in his *Refutation of idealism* (1903) confuted the thesis of Kant, but he also puts in centre of his model the triangular concept identity-image-experience. Under his own point of view, the *sense-data* are not exclusively mental events, but, preferably, they are physical effects generated “*in us*” by outside objects.

During ‘90s the discussion moved from the philosophical field to the cognitive psychological one. The concept of *constructive memory* is very pertinent to the theme. Human total memory exceed the mere information; inferences, stereotypes and schemata⁵⁶ complete the description of outward events. The ultimate knowledge is filtered by two layers of humankind psychology:

1. Social psychology
2. Environmental psychology

The first one generates responses to stimuli pushed by other human beings, the second one is aimed to find response to stimuli generated by the social structure in which each individual, considered as a social psychologist himself, is immersed. Following this approach, a new triangle-shaped model is formed: *stimulus*⁵⁷-*perception*⁵⁸-*response*⁵⁹.

One of the major theorist of this model is the Professor Cornelius Bernardus Maria Van Riel⁶⁰, who introduces a new element: the extent to which a beholder is involved with an external object. The intensity of the involvement influences the *level of elaboration*. In his theory there are three reachable level: High, Middle, Low. In each level the images are conceptualized differently by inner mental process.

⁵⁵ George Edward Moore, (1873, 1958)

⁵⁶ Mental representation of a class of objects/people

⁵⁷ Identity of place

⁵⁸ Image

⁵⁹ Experience

⁶⁰ C.B.M Van Riel (1951) is Professor of Corporate Communication at Rotterdam School Of Management. He is considered the “father” of reputation management.

When the level of elaboration is *high*, the image has a complex structure and it is stored in personal memory as a network of meanings.

When the level of elaboration is *middle*, the image is an attitudinal weighted sum of beliefs about an object. Hence, it is the perception of a salient attribute multiplied by the strictly personal associated importance of the attribute itself.

When the level of elaboration is *low*, the image is merely a broad holistic impression of the space that the object occupies.

In order to find a link between this conceptualization and the themes of this thesis, I mention in the following lines the model elaborated by **J.D Fridgen** in 1984 to explain the interrelation between environmental psychology and the traveling experience phases. He identifies 4 traveling phases⁶¹:

1. **Anticipation** – tourists re-elaborate the perceived images delivered by other people and promotional means (social network pages, brochures, magazine’s insertions, etc...) to develop an anticipatory image of their travel. In the anticipation stage the tourists take relevant decisions as the spending pattern, the length of stay and the “in loco” activities pattern.
2. **Travel to destination** – Also known as the environmental perception *en route*, it is the group of images to which the traveller is submitted while reaching the destination. All images he capture from the capsule of his car or from the window of the train contribute to develop an expectation.
3. **On-site behaviour** - the Authenticity, the level of congruence between the real setting and the expected setting, generates satisfaction or dissatisfaction in the tourist. The satisfaction produces a clear fit between environment and behaviour, contrarily the dissatisfaction produces a misfit.
4. **Return Travel & Recollection** – Perceptions and impressions are stored in tourist’s mind in the form of memories, emotions and evaluations. *Ex-ante* expectations are merged with the actual experiences. The *ex-post* images of hosting community, environment and attitudes can drastically reshape the anticipatory stage’s expectations.

⁶¹ Somebody use to split the phase of Return Travel and Recollection in two sub-phases, so the overall phases become

What I have been saying so far in this chapter finds direct applications in the new marketing discipline in the era of the “*Third Wave*”⁶². New marketing strategies target a self-conscious and proactive consumer, who, because of digitalization, can enjoy a free of charge information. He is perfectly identified by modern tracking systems implemented by companies so that keeping on talking about the massification of commerce appears being senseless. The modern theory prefers referring to the *mass-individualization* of consumers, stressing the requirements of tailored offers to respond an increasingly personal demand⁶³. The futurist **Alvin Toffler**⁶⁴ coined the term “*prosumer*” to differently label the nowadays consumer. Simultaneously he is consumer and producer, in the sense that he, collecting pieces of information basically online, is capable to attain a self-serviced and highly customized product. Starting from the analysis of Toffler, **M. Bloch** in 1996 set a new stereotyped traveller. He is a frequent wisher, a full quality seeker, last minute reservation seeker, a market transparency seeker and he has a self-service mentality. In a disintermediated way, he is able to customize his own travel package.

To cope with a so *never-experienced-before* customer, providers have to adopt a flexible structure, no more centred on the hierarchical paradigm but on an *ad-hocratic* one. The so called *flexibilisation* is a clever solution for the mass-individualization of global markets. It is extremely opposed to the popular concept of mass production. By consequence, the value chain is a too linear instrument unable to fit the new requirements. More proper seem to be the value constellation model forged by **Normann** and **Ramirez** in 1993. Customer is the nucleus of the model and the value obtained depends on his preferences. The value is spread along the network and, without intermediaries, he can capture it customizing the desired product or service. This heralds the beginning of the so called experience economy, in which the added value is not given by *What* is the consumed product but it is given by *How* the product is consumed. In other words, the hedonic aspects of consumption are prominent. The emotional experience becomes the real purpose of consumption. It represents a new challenge for producers, but at the same time, is an unprecedented occasion of differentiating its own products on the

⁶² Informational age that is subsequent to agricultural and industrial age

⁶³ Werthner and Klein, 1999

⁶⁴ A. Toffler, futurist, writer and businessman (1928 – 2016)

market. This facet is highly true in the current era in which it is witnessed the commoditization of products.

Another brainteaser for marketers regards the methodologies to interact with protean customers' generations. Completely disembodied communication has demonstrated to be ineffective. The *human moment* is still impactful to stimulate sales. As the psychiatrist Hallowell suggests, the high tech is useless without an *high (human) touch* to make your business proliferate. People are still in need of social and sensual contacts to trust you⁶⁵! This notion is massively relevant to create a profitable social bond that, moreover, entails loyalty and the “*lock in*” effect of buyers. In this new scenario, dominated by the “*click-to-talk*”, the spaces for multi-ways communication are large and numerous. People like leaving comments on social media, forums, virtual communities and instant messaging tools, and doing so, they increase the interactions with brands and companies. Word-of-mouse has not become an alternative to the word-of-mouth but a sort of its evolution.

The communicative approach adopted by marketers (hosts) directly affects the formation of a place image in the mind of potential guests. The image itself is the basement of the place branding and its formative process is dynamic. Furthermore, the image is the result of a combination of components as: host-guest confrontation, perspectives through place identities, product offerings, projected and perceived image and experience.

2.2 Identity and Image: the very beginning of a branding strategy

The objective of every marketing or branding strategies is creating a competitive advantage; this is true both for companies and places. The most immediate element to assure a sustainable competitive advantage is the exploitation of a unique identity. Each location enjoys some factors that are impossible to be imitated by competitors as: climate, wildlife, landscape, cultural and religious heritage, architecture, urban design. The mentioned factors are intrinsic assets and they could be assimilated to corporations' resources and endowments. Other

⁶⁵ Huang and Yi, 2002

extrinsic assets, indeed, can be associated to the core competences of corporations; in the case of places, they are for example: capability of hosting community to offer valuable services, civil life organization of locals, domestic educational level, work ethic. Likewise competences and skills these components can be trained and taught.

All these strategic assets constitute the product offering's anchor, also known as the *identity domain*. It is explained by Van Riel as the self-presentation of an organization or a destination's disclosure of its own inimitable characteristics, behaviour, communication and symbolism.

T.B.J. Noordman proposes an alternative reclassification of the elements that influence place identity, grouping them in three classes:

1. **Structural elements** - These elements constitute the DNA of places and they are approximately unchangeable. Belong to this class elements like: geography, climate conditions and history.
2. **Semi - static elements** – These elements can be transformed but the transformational process takes a lot of time and economical effort. They regards basically components that affect the physical appearance of places like: infrastructures, architecture, land-use planning etc...
3. **Colouring elements** – These elements influence the overall perception of places enriching the precedent elements with *meanings*. Belong to this category elements as logos, slogans, symbol, local attitudes, names, emblems, flags, etc...

According to the theorist, the colouring elements have a direct manifestation in local behaviour and communication shaping the destination's *personality*. The highest number of manoeuvres to modify the place identities target this latter category of elements. Noordman states that the negative aspect to operate on the colouring elements, is that manipulating them is less effective than manipulating the other two categories.

The most remarkable incongruence between organizations and destinations is the concept of "*corpus*", to be intended as the collectiveness of bodies that take part to the value creation process. In an organization, usually, they are centrally controlled and the vision and objective are commonly shared (profit maximization).

Contrarily to the organizational framework, destinations englobe several players as municipalities, regions and countries persecuting different goals. Political instability and power struggling exacerbate the divergences between these entities. Each private or public party has its own singular vision about the place identity and the way to project it.

A common touchpoint between places and organization is, without any doubts, the pivotal role of people; for people we mean employees in the case of organizations and local residents (hosts) in the case of places. For place branding a separated discussion is worthy about the “*host culture*”, interpreted as the set of meanings identified by a single culture that sets it apart from other cultures⁶⁶.

This notion of hosting culture is the backbone of the theory of **Jeong** and **Almeida Santos** about *local festivals*. In their vision festivals are a vehicle to reconstruct, to reframe, to promote and to convey regional identities. They offer a shortcut to quickly taste the *sense of space*. In them is taken to the extremes the aforesaid commoditization of local culture for tourism purposes.

Nowadays the formation of hosting culture is less spontaneous than ever; politics use to have an unrivalled grasp on it to consolidate the power and to keep away from identity’s construction the undesired groups. Castells, in 1996, summarized this idea in a simple motto. “*Image-making is power-making*”. Since the identity often follows a top-down flow, the main concern is about safeguarding a *true identity of place*. Meeting the expectations of visitor is the superior prerogative to commercialize a truthful identity. Directly correlated with the notion of hosting culture, is the current debate about a possible *democratic deficit*. How to manage the cultural minorities coexisting in a place? Can they contaminate the integrity of traditional local culture? *Unity in diversity* seems to be the right choice as demonstrated by countries as Belgium, Canada, India and South Africa in which the cultural freedom has created richer multicultural and vibrant communities.

Democracy is not the sole question mark raised by scholars. The significance of authenticity is at the centre of an international theoretical debate. Already in 1977 **Jeremy Greenwood**⁶⁷ warned the industry that the *touristification* of places is a threat for local authenticities. The exigence to create likeable, pleasant and

⁶⁶ Keillor and Hult, 1999

⁶⁷ J. Greenwood – Macroeconomist and Professor at University of Pennsylvania

attractive destinations often entails the destruction of local DNA's traits. The output is what **MacCannell** labels as the "*staged authenticity*" to remark the fictional and the artificially contrived nature of identity. He stated:

"it is always possible that what is taken to be entry into a back region is really entry into a front region that has been totally set up in advance for tourist visitation"

J. Kerber joins the discussion assuming that is more fruitful considering the place authenticity as a moving target rather than a static and immutable element. He supports the thesis of Kitchin about the ability of people to co-create things that matter to them. Recalling the concept of mass-individualization, the new frontier of place marketing is about offering to tourists the possibility to develop their authentic personal experience. To be more precise, the authenticity must be sought internally. It regards the emotional sphere of humankind⁶⁸. This up-to-date theory requires just an integration because we are disregarding the social dimension of individuals. Gilmore and Pine theorized the human attitude of matching self-images, emotions and perception. At the end of the day, it has been proved wrong considering individual as closed systems; they communicate, they interact and they influence the perceptions and judgements of each other.

Authenticity related problems become much more severe and evident in the context of a globalized world, in which local cultures are leaving the stage to a *worldly culture*. The Americanization of the entire world is strictly linked to the phenomenon of *commonplaceness* theorized by **Jakle**. At the basis of his discussion is settled the so called "*detraditionalization*" of places. He states that domestic traditions worldwide are undermined and that many of them are getting close to extinction. It is not simply an ethical issue, because this "dark side" of globalization has its reverberations on the political stability of nations. In fact, many cases of fundamentalism have been recently recorded. The refusal of what is foreign is becoming a common dangerous trend. The coexistence of cultural pluralities it's often not really peaceful and examples of cultural clashes are

⁶⁸ Ashworth, 2007

quickly increasing⁶⁹. The situation gets even worse if we consider another possible collateral effect of globalized culture: the inconsistency of the final product marked by the missing congruence between the landscape and the *ethnoscape*. The result could be that a place is “*neither fish nor fowl*”. **Appadurai**⁷⁰, on this argument, commented that the things of places are commoditized and “*de facto*” ephemeral. The panacea of ephemerality is the imagination, which is capable to bridge between the ephemeral goods and the pleasure of senses. Its viewpoint is not so far from the concept of the experiential authenticity mentioned before.

The effects of globalization in tourism industry are evident and tangible. Concentration of operators like hoteliers and airlines companies, by means of merger and acquisition operations, is causing the homogeneity of customers’ stay everywhere. In contemporary age, hotels, in two different areas of the globe, “*look alike*” . Similarities can be tracked both on the demand side and on the supply side. The clients are culturally homogeneous and the workers/employees came from the same territories or universities. Low skilled workers usually came from Asian poor countries, while the high-skilled workers have studied in the same western universities⁷¹. They move from a place to the next serving the same multinational company. Without any place-bound sentiments of major players the motivational effects of tradition and sense of belonging are vanished⁷² and, secondly, the problem of safeguarding the autochthonous traits and the safeness of local community and environment is not conceived.

Notwithstanding the echoes of criticism, somebody, like the sociologist **George Ritzer**, is seeing globalizing effects as an opportunity to seize. He postulated the concatenated phenomenon of “*glocalization*”. It is described as the *indigenization* of foreign elements, which are reframed, reshaped, re-contextualized and redesigned. Hence, local tradition and *clichés* do not disappear but they simply, upgrade little by little. Moreover, post-modernity offers the chance to compare more effectively competing designs so that the dominant one is seamlessly implemented and re-elaborated.

⁶⁹ Magala, 2012

⁷⁰ Arjun Appadurai, American anthropologist with Indian origins.

⁷¹ The Best-known hotel schools are headquartered in Switzerland, in UK, in USA and in Netherlands.

⁷² Harvey, 1989

What contradistinguishes touristic product from the generality of goods, is the availability of pre-purchase trial only via virtual and representative enablers. In other words, the identity cannot be directly experienced anticipatory. Customers are involved in what **Fesenmaier** defines as “*virtual tours*”. What consumer can experience is the *projected image* of identity elaborated by his mind. **Beerli** and **Martin** have identified three class of *vicarious experience* delivers:

1. Induced information source (brochures, dépliants, flyers, magazines, tour operators’ printed advertisement, etc...);
2. Organic information sources (friends, family members, volunteers etc...)
3. Autonomous sources (guidebooks, online researches, documentaries, reports etc...)

The most fascinating sources are surely the first-type, since are witnessed more and more in the so called Web 2.0 age. Current marketing a communicational tools are designed to project a pre-visit image in the dynamic and versatile online environment. The real protagonists in this scenography are the inducer agents, that are the operators that influence customers’ choices. They are classified in “overt” and “covert”; in the first case the advertising message is evident and declared, while, in the second case the message is disguised and the audience is not conscious to be the targeted receiver of that message. Keeping the control of the transferred place image is an arduous task, since each experiencer and beholder contribute to the formation of the image by posting pictures, comments or feedbacks online. The new technological devices are the unrivalled main characters of the meaning transmission process. The Audio-Visual format of communication permits an on-time, a real-time and focused involvement. Information is quickly sharable and metabolized. A well-run campaign is characterized by the *virality* of the message containing the meaning.

As long as the message is meaningful the identity creators have to considerate the destination as a loosely-coupled network in which a myriad of players contribute to the supply of the hedonic product. Tourists are enable to truly experience a place if local community, landscape and imagination, a priori, fit each other. Under this novel optic, marketing activities are not merely purposed to

communicate but they, more precisely, have the objective to match up all the components affecting the place identity⁷³. The tasks of marketers are extended to all activities having as object the reconstruction of reality to better verify the official imaging⁷⁴. The vision of marketers has to be shared to local authorities in charge of providing primary facilities as infrastructures, schooling system, hospitality and subsidization.

The way a place is marketed depends on the attracted target: Tourism, trade, talent (employment) and treasury (Business and investments). Practitioners operates on the “4 As” to align their offer to the customers demand. Attractions, Amenities, Access and Ancillary services usually are designed to fit a single (or few) target, in fact each target is sensitive to peculiar conditions. For instance, business opportunities seekers are more sensitive to the introduction of some tax reliefs than an employment opportunity seeker. The comparison is completely inverted if the “*discrimen*” regards housing financial conditions.

Responsibilities and authority of marketing operators are incurring in a quick reevaluation. Recently, some critics have been moved to marketers for the misuse of technology. Technology is implied basically to reduce costs, to create new distribution channels and to collect data; rarely new technologies are adopted to improve customer experiences.

Whenever identity doesn't met reality, it is created what scholars call *place brand strategy gap*. Tourists an also local community perceive it as a self-perpetuating system of illusions. About this dismaying sensation Britton commented the following:

“The tourism industry continues to portray places as paradise, unspoiled, sensuous , or other distortions, presumably to compensate for the obvious poverty beyond the hotels or sightseeing buses. Tourism industry manifests a latent inability to represent destinations as real places. The use of distorted imagery has an adverse impact on the quality of the visitors' experience and on the receiving society”.

⁷³ Hoffman and Bateson, 2002

⁷⁴ MacKay,1996

Britton is firmly convinced that local residents are the filter that create the encounter between the guests and the domestic environment; involving them in the daily touristic activities is the most effective mean to transfer a true sense of reality in addition to a *reason-to-believe*. Data, unfortunately, record something different: marketers to fulfil the preferences and values of incomers, often, ignore the willingness of residents. At the end of the day, tourists look for reality not for extreme and improbable glamorousness.

2.3 When a Place Brand is performing well

Having clear in mind the two main concepts of identity and projected image is a fundamental step to have a grasp on the conceptualization of the place brand's performance. Summarily, we can assume that the performance is the level of matching between the two mentioned elements. When expectations really fit reality, the brand is positively performing. Probing the matching is not easy and there are many elements to be considered affecting the performance.

At the top of the list I put the *familiarity*; being familiar with a place means having a more complete and holistic knowledge of it⁷⁵. Familiarity depends a lot on the number of visits, the length of the stay and the intensity of experience. This last component represents the extent of an individual's interaction with the local physical and cultural environment⁷⁶. Hosting community can be an accelerator of familiarity because they can improve the learning process of guests. The totality of learnings (pre-visit, on-site, post-visit) accumulated by visitors has a direct impact on the intensity of experience and on the capacity to elaborate rightful expectations.

Another performance's influencing factor is the *emotional involvement*. Touristic products are emotional-laden goods, so the consumption experience is an end in itself⁷⁷. Likewise the other products, in which the hedonic consumption is prevalent, touristic products are peculiar because the imaginary elements outrank the factual ones. Imagination and emotionality are highly correlated. This singular

⁷⁵ Echtner and Ritchie, 1993

⁷⁶ Beerli and Martin, 2004

⁷⁷ Leemans, 1994

phenomenon can be explained by a metaphoric statement pronounced by **Csikszentmihalyi** in 1995:

“ The mountaineer does not climb in order to reach the top of the mountain, but he tries to reach the summit in order to climb ”.

The merely possibility to achieve a goal is an emotion stimulator, and the goal itself assumes a minority relevance. In other words, a clarified goal is just the trigger that puts individual in action, then is the “action to do something” to generate emotions. **Swaffield**, explains the power of actions, mentioning a parallelism with the Elizabethan theatre, in which audience had active roles in the plays. He says that tourists are not detached spectators but activities have to fit their skills. Detached and passive spectators can get *bored* but unexperienced and unskilled actors can move in a discomfort zone if they develop a feeling of *anxiety*. The customer satisfaction lays in the middle. Tourism operators, to avoid that guests are settled on one of the extremities (boredom and anxiety), should have a deep knowledge of tourists. Increasing the occasion of “*human momentum*” or “*high touch*” facilitates the two-way knowledge’s flow.

When the action is aligned with a certain type of requisites, it becomes *autotelic*, in the sense that it is self-rewarding disregarding the final goal. The requisites are the following:

1. Clear Goal;
2. Immediate feedback;
3. Balance between challenges and skills;
4. Actions and awareness are merged;
5. Distractions are excluded from consciousness;
6. No worry of failure;
7. Self-consciousness disappears;
8. Distorted sense of time⁷⁸

⁷⁸ Highly involving activities reduce the cognition of time (hours like minutes), Poorly involving activities stretch the time perceptions (minutes like hours)

Mossberg coined the term “*experiencescape*” to group in a single word all the elements that inject an experience. An experiencescape encompasses: Physical environment, personnel, local community (ethnoscape), other tourists/visitors, products/souvenirs, history and heritage.

A major attention is deserved by the front-line touristic employees (receptionist, taxi-driver, shopping assistant, touristic guide etc...); they represent the first touchpoint between tourists and product offerings. The services’ management often label this category of professionals with the expression “*emotional workers*” to underline its major task to initiate an emotional connection with clients. Recently, the so called people-to-people businesses have been positively reevaluated and they are the target of huge investment programme to improve their crucial performance.

Developing inspiring and emotional settings is an additional feature to deliver a more complete symbolic meaning. Nobody did better than Walt Disney in creating “*imagineering*⁷⁹” settings for their themed parks. In each constitutive element the visitor can conceive the true identity of the company.

The definition of experiencescape cannot be limited to physical elements, in fact the fast-pacing digitalization has dilated its borders. Social networks, web-site, celebrities⁸⁰, romances⁸¹ and movies⁸² offer other inputs to preliminary perceive a “*reality-like*” emotion. These up-to-date instruments infuse the same extent of “*vividness*” as well as the physical spaces.

MacKay emphasizes the evocative power of photography. It is a valuable vehicle for manipulating the imagery of beholder. Furthermore, the iconography can transform simple elements in world-class “*cults*”⁸³. It is a source of meanings that directly influences the attractiveness of a place.

Having an holistic view of the entire experiencescape permits to keep the control of the customized experiential offer. Whenever the quality and nature of experience is not consistent among the several channels or agents, the destination

⁷⁹ Imagineering is given by the combination of the terms imagination and engineering.

⁸⁰ The chief town of Madeira, Funchal, has become an attractive destination after the success of Cristiano Ronaldo, who was born there in 1985. The main local attractions and the airport are all dedicated to CR7 and his name appears all around the city. He is definitely the “main attraction” of the place.

⁸¹ The books of Harry Potter have increased the number of visitors in the places included in the narrations of J.K. Rowling

⁸² The Lord of the Rings has massively influenced the touristic affluence.

⁸³ Sternberg, 1997

underperforms. The *place brand performance gap* identifies the improving area to achieve the prefixed experiential benchmark.

2.4 How producing customer satisfaction starting from image

In the first paragraph of this chapter, I mentioned the concept of mass-individualization. The exigence of a customized value proposition (experiential offer) find its paroxysm when touristic operators want to maximize the satisfaction of tourists/visitors. Satisfaction is fulfilled in an extremely private an individual dimension; it is given by the sense of “*self-congruity*” perceived by customers in a precise space-time context. He feel satisfied when he is able to match his *self-concept* with the place image. The elaboration of a place image is rooted on three classes of components:

1. **Cognitive:** Beliefs and knowledge;
2. **Affective:** Feelings;
3. **Conative:** Psychological components that motivate the selection of a destination among others.

Problems arise when trying to assess the effectiveness of the image since it is an individual’s *mental prototype*. This is the reason why when somebody write or speak about an image referred to a place, nine times out of ten He refers to the “*dominant view*” of it.

The recognition of an individualistic assessment has entailed some changes in the measurement’ methodology. The evaluation through scales, like the seven-point Linkert Scale, have been integrated with more subjective instruments as the open-ended questions, in order to capture more detailed qualitative pieces of information. Too often the previous methods failed in capturing the level of customer elaboration of the image. According to Van Riel, it is the precondition of every kind of assessment.

As specified in the previous paragraphs the agents that affect the perceived image are grouped in two types: Induced and Autonomous. Marketers can operate proactively on the induced ones, while their reply to autonomous agents can only be reactive. Are listed among the autonomous agents all temporal, environmental and situational factors.

An earthquake, a terroristic attack, an illness epidemic and other similar events cannot be controlled or predicted by marketers. Unfortunately their impact in the short-run on audience perception is enormous. This contents get viral quickly without any human effort through “ breaking news” broadcasts and, by consequence, limiting their reverberations is almost impossible.

In all the cases in which the image of place lose credibility the third and last gap is manifested: *The place brand satisfaction gap*. It envisions the discrepancy between the customer’s expected extent of satisfaction and the actual one.

Remembering that touristic products provide, above all, psychological benefits to probe the extent of customers’ satisfaction it is required to read the customer “feelings”. Quantifying a feeling is not an easy procedure. Notwithstanding the hardships, some theorists like **Rust** have equalized the customer satisfaction to the concept of *customer equity*. This value encompasses future revenues and costs related to acquisition a retention rate. The result is adjusted for the time-value of money using a discount rate. A similar approach is also adopted to estimate the satisfaction of local citizens; in this case we will refer to the citizen equity. It is equal to tax revenues minus costs of residency. The weakness of this model is about the inability to identify the individual level of satisfaction. Because of other similar drawbacks, qualitative methods remain the most reliable. The last unanswered questions regards the categories of investor and talents: How can we estimate their perceived value? In the case of business seekers the theory borrows some concepts from brand analytics. **Jacobsen** formulated the concept of *Investor-based Place Brand Equity* (IPE). It creates a linkage between brand value drivers and the decision to undertake an FDI (*Foreign Direct Investment*). The value for talents, instead, is measured considering the percentage of salary they are willing to sacrifice to work in a particular city.

2.5 How bridging the 3 Gaps

When one or more gaps occur, the brand performance of a destination is compromised. Bridging the gaps, or, at the least, reducing their severity can be a demanding task. Operators can adopt manoeuvres on three different layers:

- Projecting the right place image by means of impactful communications;
- Directing the story that hosts share with guests to preserve consistency;
- Exploiting the power of word-of-mouth/word-of-mouth to create stories that worth being shared.

To implement the above-mentioned operations, decision-makers are in need of a load of consumers' data to be sifted and filtered. Nowadays, data and information are captured everywhere; the “intelligent environment”, predicted by Toffler in 1980, has become a reality. The customers often provide some cues and tips to implement branding strategy.

Gnoth asserts that the first correction to undertake regards the clear definition of the place essence. It is described as the sets of shared values, quality standards and pricing signals among the participants themselves. A consistent essence is attained completing both territory related tasks and product related tasks⁸⁴. The first typology aims to effectively communicate a reliable image of a geographical space, the second one, instead, is purposed to bundle offers of marketable goods and services. These tasks usually are planned on a long-term based.

The following graph represents a guide for the gap-bridging place branding.

⁸⁴ Christian Laesser, 2008

Figure 1: Gap-bridging place branding guide.
(Govers & Go)



In the picture, three different areas are identified:

1. Place Brand Analysis;
2. Place Brand Essence;
3. Place Brand Implementation

The bottom phase (Place Brand Analysis) is particularly useful to figure out which is the starting point of operations. With it, are also identified the implementations to adopt in the next stages. In the second stage, in addition to what we have said above, the aim is to establish a desired positioning of the destination. The latest stage is where the operations really take place and the project is definitely materialized.

What is probably missing is a measurement phase in which qualitative improvements can be quantified.

2.6 It's not all about branding....

Even if the brand is an essential component to rightfully position a destination on the market, it appears being limitative describing a destination simply as an “on-brand” geographical location. In other words, Having a brand and a couple of attractions is not enough. The concept of destination is something more. The most denoting trait resides in the quality and efficiency of interrelations between services providers. These interactions have to be structured, systematic, integrated, automated and (often) informal. The most novel touristic trend regards

the small local service providers who aggregate their touristic offers in order to compete with major destinations. The outcome is the constitution of spontaneous, dynamic and fluid “*Collaborative Networks*⁸⁵” (CNs). Usually the CNs are a constellation of small entities that, when are well integrated, transform an entire region, or a significant portion of it, in a niche vacation’s destination.

In the present-day reality, the CNs are a more customer-friendly solution. The locus of control over the supply side is not centralized, but mutually shared by services’ providers. The absence of excessively rigid vertical hierarchy offers an higher extent of flexibility and also efficiency to the model. The information flow is processed in each stage by a single operator who can better collect relevant data about de-massified customers. The customer journey and the customer experiences are portioned so that in each stage only a component of them is intensively processed. The higher degree of expertise of each performer, grants an high quality collection and storage of data (*collective intelligence*⁸⁶). Another competitive advantage of the CNs is the quick response to market changes. In fact the supply-chain can be differently redesigned to better fulfil customers expectation. The player joining the same value-chain can be disintegrated and reintegrated differently if market requirements evolve over the time. This is a crucial acknowledgement if we remember the exigence to offer a personalized experience to each customer. The top-down mass production approach with standardized offers is no more suitable. It is leaving the floor to a bottom-up approach in which is the customer that packages his own experience. The CNs are a proper countermove to the new customer habits of self-service and customization.

CNs are tangibly created by means of prescriptive agreements or partnerships and affiliations. In the first case, in which there is a clear formalization of the structure, the organization assumes the form of Touristic Associations, Syndicates, Consortia and Districts. Within the structure, tasks, liabilities and roles are well defined. In both cases of formal or informal structure, the output is what the theorists call “*Tourism Breeding Environment (TBE)*”. In each TBE a common long-term goal is pursued and a common set of values is shared all over

⁸⁵ Alberto Michele Felicetti, 2014

⁸⁶ Pierre Levy, 1994

the supply-chain. Control and ownership of the TBEs are transferred to a *Destination Management Organization (DMO)* that is appointed on-purpose. Without compromising the flexibility and the independence of operators forming the model, the DMO provides leadership and coordination; more specifically it creates the right environment, it invests in infrastructures, it selects human resources and, ultimately, it implement technological systems. All the participants of a TBE are so perfectly coordinated that is becoming common the usage of the term “*Tourism Extended Enterprise (TEE)*”. It has been coined to stress the ability of TBEs to operate like a single-business organization. In the perception of consumers a TEE is really a single giant unit, but, in reality, a so efficient functionality has been made possible because of a strategic series of upstream and downstream integrations.

Similar to the TEEs are the “*Tourism Virtual Organizations (TVOs)*”. The main distinction regards the duration. A TVO is formed temporarily to achieve a single pre-defined goal. In the majority of cases the purpose is to collect data in order to launch a mutually shared market research. It is labelled “*virtual*” because it is not easy to recognise from the outside the existence of a such similar organization.

Notwithstanding the numerous attempts to structure destination likewise companies, often the obsessive research of a company-like framework leads to an harmful stretch. In an enterprise the ownership, the direction and the control of the corporate brand are clear and well defined, while, in the particular case of destinations, it is barely impossible to clearly split these roles among the huge number of stakeholders. The absence of a unique locus of control, is, in many cases, the most severe cause of lack of consistency and of integrational failure. Who can identify the “marketing department” in a city?

Recollecting all these properties of destination brands, Fournier and Avery, have introduced the notion of “*open source branding*” that best suits places’ identities. It is not another meaningless trendy buzzword inaugurated by marketers. It means that a destination’s brand is influenced by a plurality of actors involved in the co-building process; in particular the tourists have a relevant impact on the projected image.

Furthermore decision-making processes in the private businesses are quicker than the ones in public domain’ entities. In the case of destinations, too often is

required the slowing down intervention of bureaucracy and legislature. By consequence, being flexible and versatile to quickly readapt its own structure to upcoming market trends, is improbable.

In the learning economy rooted on the wide use of AI⁸⁷ systems, a new role for DMOs is being brought to life: DMOs have to be rethought as learning organizations capable to collect data from all actors operating in a destination. The prevalence of its “*soft functions*” over the traditionally hard functions will be even more exalted in next years⁸⁸. We are referring to functions as: Building trust, absorbing uncertainty, fostering mutual sustenance, encouraging cooperation and long term planning. Currently DMOs are considered also as “*Knowledge Management Organizations*” with the purpose to transform tacit knowledge in explicit knowledge and to disseminate it all over the network. Building a common base of knowledge helps to share the best practises among all services’ providers. The network members develop quicker core competences and the increment of qualitative standard is the most direct evidence for consumers. An additional function, included in knowledge management tasks, is the risk monitoring and management. If all business awareness is concentrated in a single entity, it is easier predicting market downfalls. In exerting this task, a DMO behaves as a full-fledged “*persuader*” with the intent to offer advisory and consultancy to each component of its network. Theoretically the flows of information collected by a DMO are grouped in three types:

1. Stakeholder-specific: Information destined uniquely to a single stakeholder (e.g. Hotel);
2. Sector specific: information destined to a class of stakeholders (e.g. Food and Beverage industry);
3. Destination-specific: Relevant information for the totality of stakeholders.

Usually is a commitment of DMOs executing market analysis to detect weaknesses and opportunity firm-specific or industry-specific. Implementing these new functions, it is effectively completed the transition from a Destination

⁸⁷ Artificial Intelligence

⁸⁸ Pechlaner 2009

Marketing Organization to a Destination Management Destination, in which are extolled the typical practises that characterise the “*Intelligent Agents*”.

Higher is the level of complexity of network structure, higher will be the financial resources required to keep the system in motion. The financing formulas adopted by local governments to finance touristic destinations are changing to avoid too risky financial exposures. Traditionally, governments directly invested in tourist attractions and in ancillary services using a percentage of local budget. In fact, often taxpayers lamented a destruction of local resources. To bypass this inconvenient, governments are massively experiencing alternative financing methods like municipality bonds issuing. The monetary resources are collected by local or external investors and the non-recourse debt is guaranteed by a “special purpose tax (TDT⁸⁹)”. The benefit of this alternative funding is the creation of a “risk sharing” system that has a less damaging effect on each liability’s holder in case of losses. The underlying idea of the new financial approach is to isolate the tourism industry from the other domestic sectors so that its effects do not reverberate all over the entire economic system of a destination. Externalizing the risk offers the opportunity to make strategic experiments that probably will have a negative impact in the short term, but they could be profitable in the long run. An extra reason could be to unbalance the bargaining power in favour of destination municipality, since the counterparts, usually, are small private bondholders. Doing so, renegotiating the debt conditions is relatively easier.

2.7 Destination as a distributor of touristic products

Following the discussion introduced in the previous paragraph, a destination can be also seen as an umbrella brand containing a variety of sub-products that satisfy a particular need or want of tourists. In the past there was a great debate between scholars about the possibility to encircle touristic activities in an industry. Tourism contains, in fact, many divergences from the generality of conventional industries: There is not a unique and well-defined production process, we record the absence of homogeneous products and the lack of geographical confines⁹⁰. Another marked distinction between tourism product and manufactural products is

⁸⁹ Tourist Development Tax

⁹⁰ Tucker,1988

the not existence of a product development department; all activities regarding product development are englobed in marketing bureaus.

Medlik and Middleton address the touristic product as *a bundle of activities, services and benefits* that constitute a tourism experience. Somebody stated that, with this definition, the two authors described only the “*total level*” of tourism product. There is another class titled “*specific level*” activities, which are the ones offered by a single business as an airline seat.

Jefferson and Lickorish joined the discussion introducing in the precedent definition the symbolism. In their opinion the touristic product is “*a collection of physical and service features together with symbolic associations*”. The purpose of a such conceptualized product would be “*satisfying activity at a desired destination*”.

More technically, Wyckoff re-elaborated the statement of Jefferson and Lickorish splitting the tourist product in three components: physical, intangible and symbolic. The facilitating good is the physical and tangible product (e.g. food in a restaurant), The explicit intangible is the component that satisfy the basic need (e.g. nourishment provided by food) and the implicit intangibles are the extra-benefits that make a consumption a memorable experience (e.g. service, socializing, ambiance and relaxation).

Lewis retook the explanations of Wyckoff to classify the components that form a touristic product in: Factual, environmental and decorative or accessorial. During the consumption is not easy to establish a hierarchy between the three groups in terms of contribution to customer satisfaction. More precisely, the mere combination of those components doesn't assure the accomplishment of a satisfactory result. What is required is the synergic interaction among the elements.

Currently the doctrine has evolved and in a touristic product have been recognized 5 distinctive elements that influence the final performance:

1. **The physical plant:** It is the core product and it can be a site, a natural resource (waterfall, lake, shores, wild life...), or a fixed property (Hotel, resort, cruiseship). The environmental conditions like weather, crowding, and status of infrastructures are encompassed in it. In the phase of the evaluation of the plant, the customers'

judgement is highly influenced by the design of it. It can increase the sense of desirability or it can incentivize the development of negative prejudices in consumers' mind. Other sub-components are peripheral elements as the environment's protections and the accessibility of the plant.

2. **Service:** It is the set of tasks that, after being processed and performed, makes a plant enjoyable by tourists. For instance the set of tasks in an hotel are: welcoming, housekeeping, food and beverage provisions and maintenance. For each task there is a team of employees that executes the performance. The level of knowledge and education of employees directly affects the quality of service. Service is a such important element that tourist operators are implementing internal service management systems in order to gradually monitor and to implement the performance.
3. **Hospitality:** This element offers to clients an extra unexpected value. It determines how a service is performed. Processing the guests of an hotel is the service performed by receptionists, but do it in a cordial, genuine and welcoming manner makes the "*hospitality factor*" emerge. The successfulness of the hospitality tasks permits the provider to place its product/service on the market with a price-premium.
4. **Freedom of choice:** Customer satisfaction is a function of the degree of customization of the traveling experience. It can vary a lot depending on the purpose of the travel: business, education, entertainment. Usually business travels and educational trip are pre-packaged, while leisure travel are characterized by an higher extent of freedom. Higher is the freedom of choices, broader is going to be the price range. Customer can collect preferred activities shaping his own price line. To be honest, freedom is not only expressed in travel's activities, it is manifested also in the choice of providers as: hotel, airline, restaurant, club etc... The concept of freedom has a massive impact on satisfaction if we consider that the present-day tourist enjoys taking last minute decisions to avoid, for example, time constraints. Flexibility to comply with costumer desires is a required element for touristic products.
5. **Involvement:** The last component describes the possibility for consumers to take directly part to the delivery of product. Tourists delight the most in immersive activities. The indicators of involvement are deeply correlated with Hospitality

and freedom of choice; in fact, a warm environment and a wider set of choice help the consumers to better find involving activities.

Having in my these elements, it is now easier to envision the production function of a tourism product. The plant is implied at the first stage (*Primary Inputs*), service and hospitality are added in the second and third stage (*Intermediate Inputs & intermediate Outputs*) and the involvement is the element that transforms the consumer experience in the *Final Output*, which represents the last stage of production. An attentive analysis can soon denote that the involvement is the component that renders the tourism product different from the generality of commodities, in which the consumer has not an active role in the production. Another theoretical differentiating aspect is the two-folded soul of tourism product. Even if, probably, they are conceived for tourists, often they are experienced also by local community with a different meaning. It can happen that sometimes appears a strange paradox: A tourism product compete on two different marketplace. The production process is the same up to the intermediate output; the final output is effectively created by the consumer that provide to that consumption a meaning⁹¹. To be short, the difference from an ordinary routine activity and an extraordinary touristic activity is given by the consumer himself, or better by his status: local or traveller.

2.8 Public Diplomacy: A possible catalyst for place development

The relation between place branding and the Public relation tasks exerted by authoritative institution, as, for example, the ministries of foreign affairs, is object of many recent researching studies. Anholt considers the public diplomacy the true protagonist of the place identity and its interference in marketing stuff is an inevitable consequence.

⁹¹ Leiper, 1993

Gifford D. Malone⁹² defines the PD as the direct communication with foreign people, with the aim of affecting their thinking, and ultimately, that of their governments. One of its function is controlling the communication with foreign interlocutors. It extends its “*soft power*” not only to institutional and public representatives; PD’s executors practise a sort of “*moral suasion*” over whoever, also private entities, interacts externally to its territory. They have to assure a consistency in the tone used in outward communication. The so called “*public communication strategy*” should be shared with all stakeholders and its connotative traits should be maintained unaltered independently from the areas of application: Politics, Business or Tourism. The role of PD, recently, is so exalted that many theorists consider its impact more effective than the one of marketing campaigns. In reality, none of national improvements in the special ranking of places named Nation Brand Index, since its institution in 2005, can be directly associated to marketing expenditures. For all the followers of this school of thought, investing in branding places means destroying taxpayers’ money. According to them places are transformed with deeds and not with meaningless and unfounded slogans. In other words, place development is not a matter of marketing, but a matter of political choices. Diplomatic bodies follow a precise scheme of operations:

1. *Strategy*: Knowing where their place stand today, they formulate a plan to move it in the desired positioning. The plan is diffused to all actors who have to follow the same direction. The goal should be in common for all.
2. *Substance*: the strategy is substantially executed taking some actions in reforms, investments, legal provisions, structures.
3. *Symbolic actions*: Often governments undertake special actions that have a broad echo on media. They are remarkable, suggestive, newsworthy, touching or surprising. A typical examples are: the economic donation to a group of members of a State or to an entire State⁹³, legalising controversial attitude as the single-sex marriage⁹⁴, or exempting from taxation an entire category of professionals⁹⁵.

⁹² Managing public diplomacy, 1985

⁹³ Slovenian government donated financial aid to their Balkan neighbours.

⁹⁴ Spanish government did that to demonstrate that drastic change from the dictatorship period.

⁹⁵ Irish governments offered tax benefits to writers, poets, artists, musicians and other show-business professionals.

A reason why PD seems to be more suitable than branding is that it is rooted on a two-way communication where dialogue is permitted. Branding, contrarily, is a one-way and top-down communication aimed to convey an image that does not leave space to interpretations or interactions. A collateral effect of PD, instead, regards the extreme research of political interest that often does not maximize the utility in its economic significance. Politics, in fact, is not *profitability-oriented*. Having a “*return-on-investment*” thinking is typical for marketers, indeed. Somebody refers to PD as an obsolescent item that has to be replaced by the so called Economic diplomacy, which is strongly purposed to grant prosperity and to revitalize underperforming business activities. Moving in this direction means deregulating and de-bureaucratising the procedures. Removing the brand’s control to politics, would also mean offering continuity to the branding projects; too often the projects remain not concluded when a political turnaround occurs. Untying the linkage between branding activities and political parties, in other words, offers continuity to the projects.

Public diplomacy is also described as the branding technique of politicians⁹⁶. Given that branding is not the core business of a politician, this statement introduces a one more problematic facet: the *professionalism* of practitioners. Even if there are many overlapping commitments between branding and public diplomacy, without any doubt, we can affirm that, academically speaking, they are different disciplines. It is not a case that the academic centres where the two subjects are taught are very different. As preannounced before, the *forma mentis* of marketers and diplomats is really unequal as well as their core skills.

The *professionalization* is conceptualized as the capability of experts to create a closed market where their abilities are commoditized by means of educational services. Getting a look to university programs, it is evident that the study plans offered in political science faculties are not really the same of those offered in Business and Economic faculties. The suggestion of practitioners is about creating hybrid academic offerings in order to create professional profiles able to manage *tout court* the tasks regarding the place boosterism. Marketing skills and Public Diplomacy’s skills should coexist in the future professionals. Nowadays, the two

⁹⁶ Lewis, 2003

disciplines encroach each other's territory and often practitioners turn out to be unskilled in one of the two. We are moving into a new era, where public institutions are going to behave as communication and marketing agencies. The marketing strategies, to maintain the same tone of voice and goals, will rise internally and anymore delegated outwardly.

“Is it possible to put together a subject (public diplomacy) that aims *to unify* with a subject (marketing) that, oppositely, aims *to differentiate* us from others?”

CHAPTER 3

HOW MEASURING THE PERFORMANCE

3.1 How measuring performance in tourism?

The academic literature of tourism business is full of contributions offered by scholars and theorists about the marketing tools and management strategies to run a destination, but, notwithstanding the progresses recently done in manufactural industries, there is a glaring paucity of performances measuring techniques in the field of destinations. About the tourism value chain has been all theorized but a clear way to quantifiably capture the value created in the several production stages has not yet been universally identified. Probably the unique industrial sub-category that records an exception is the *hôtellerie*⁹⁷. In the hotel sector, in fact, some KPIs are adopted internationally (Occupancy rate, REVPAR, Average Daily Rate etc...). Given the interdependence of service suppliers, the measurement task is not irrelevant; the performance of each actor interferes with the overall perceived quality of the destination. Considering the new attitude of consumers to individually assemble the preferred service in their *self-serviced* tourism package, knowing the value created in each step and not only at the end of the value chain has to be prioritized. The purchasing of pre-determined travel packages is getting in disuse and this entails a rethinking of the out-to-date evaluative methodologies. An holistic view of a destination seems to be more relevant in managing stuffs than in measurement's ones. Decomposing the whole customer journey in its components it's the new approach required.

Another *impasse* is represented by the difficulty to visualize a generic target. For manufacturing companies is relatively easier to segment the market and to identify a well prescribed target. In the singular case of tourism, the target is very variegated and mixed. There is always a challenging multidimensional *experiencescape* to take into account: *Residents* and *not residents* (tourist, business travellers, talents...). Adopting the same metrics for both seems to be inappropriate since their exigencies, wants and needs could be diametrically opposed. Knowing this peculiar aspect, all type of analysis as the *Customer Based Place Brand Equity* (CBPBE), have to be multi-folded.

The starting point is surely the theory regarding corporate brands, remembering that, because of the aforesaid reasons, it doesn't fit destinations at one hundred percent.

⁹⁷ Atkinson and Brander Brown, 2001

First of all, it should be clarified what elements are measurable in the case of place brands, or better, it should be established which are the core elements constituting a place brand equity. Following the predicaments of Aaker and Keller's, the constitutive parts are categorized in:

1. Awareness
2. Image
3. Quality
4. Loyalty

Awareness is just the existence in potential consumers' mind of a destination image⁹⁸. The perceived quality captured by consumers will trigger the mechanism of selection and decision. Once a positive experience has been provided to customer, he will probably get loyal in the terms that he will reiterate the travel and he will suggest that destination to relatives, friends or colleagues. The set of the described interconnections between the elements constitutes the Place Brand Equity. In the following chart, these processes are schematized:

⁹⁸ Gartner, 1993

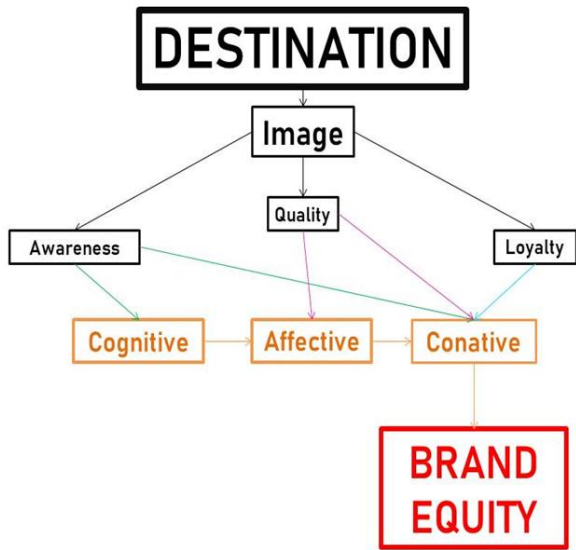


Figure 2: Destination's Brand Equity Scheme
 (Maja Konecnik & William C. Gartner)

In this graph is depicted the creational journey of the Brand Equity. The drivers (black boxes) impact on different levels of perceptions (orange boxes). The one directed stream of perceptions and feelings has as output the production of a Destination Brand Equity

3.2 Customer Based Brand Equity for a tourist destination (CBBETD)

The up-to-date evaluation methodology adopted by researchers is about estimating the value of product/service from the perspective of customer. In this way, what analyses tend to estimate is the perceived value independently from the intrinsic value of things. This new approach has a specific technical noun: Customer-Based Brand Equity. It is largely used also in manufactural goods, but it appears highly proper for the assessment of intangible items as the touristic products.

In order to offer a universal validity to this technique, scholars have had to fix some general standpoints. Otherwise a comparison between results couldn't have been executed and the entire scheme would not have been reliable. The general rule requires the selection of attributes belonging to four fixed dimensions (*See the precedent paragraph*): Awareness, Image, Quality and Loyalty. Those, in fact, are the principal equity drivers.

A list of attributes is filed and some opportune questionnaires and surveys are prepared to be submitted to a sample of respondents. The selected targeted participants, using a bipolar 5-point semantic differential *Linkert-type scale*, have to indicate the level of veracity of attributes. The two extremes are: 1 = strongly

disagree and 5 = strongly agree. Results are then collected and standardized in order to solely retain the data that have a statistic validity.

To better offer to readers an idea of the CBBETD method, I will report the experiment of Maja Konecnik executed between 2003 and 2004 to define the image of Slovenia under a dual viewpoint: German people and Croatian people. The data collection was obtained with the collaboration of two professional research agencies located respectively in Germany and Croatia. The agencies submitted in both markets telephone interviews contacting in total 2.971 units (1.437 in the German market and 1.534 in the Croatian market). The usable responses rate was 28% in Germany and 26,3% in Croatia.

In the next 2 pages are presented two tables showing the result of the surveys.

Figure 3: Measurement of Slovenian Brand Equity from the eyes of German people

(Konecnik & Gartner)

Variable	Dimension	SL	T-Value	CCR	AVE
Heard of TD (a)					
Name of Td	AW	0.71	c	0.61	0.43
Characteristics of TD	AW	0.60	40.7		
Imagining TD					
Symbol/Logo of TD (a)					
Beautiful nature	IM	0.76	c	0.84	0.47
Beautiful mountains and lake	IM	0.72	18.1		
Good beaches	IM	0.61	20.4		
Lovely towns and cities	IM	0.77	17.3		
Modern health resorts	IM	0.63	c	0.73	0.47
Interesting historical attractions	IM	0.75	20.6		
Good nightlife and entertainment	IM	0.54	c	0.74	0.42
Good opportunities for recreational activities	IM	0.79	18.3		
Friendly people	IM	0.71	14.5		
Pleasant weather	IM	0.47	15.9		
Interesting cultural attractions	IM	0.67	18.8		
Political stability (a)					
Good opportunities for adventures (a)					
Good shopping facilities (a)					
Relaxing atmosphere	IM	0.73	17.7		
Exciting atmosphere	IM	0.48	19.1		
Unpolluted environment (b)					
High quality of accomodations	Q	0.73	15.8	0.84	0.51
High quality of infrastructures	Q	0.69	16.7		
High level of cleanliness	Q	0.73	c		
High level of personal safety	Q	0.62	18.3		
Appealing local food	Q	0.80	14.3		
High quality oftourism services					
Few problem with communication					
Low prices of tourism services					
Good value for money (a)					
Number of preavious visitations	LO	0.93	c	0.91	0.84
Time of last visitation	LO	0.90	15.7		
One of preferred TDs to visit	LO	0.73	c	0.87	0.62
TD provides more benefits	LO	0.77	18.3		
Visit TD in the future	LO	0.79	22.2		
Recommmend TD to friends	LO	0.86	20.9		

Notes:
 TD: Tourist Destination
 CRR: Composite Construct Reliability
 AVE: Average variance extracted
 a: Element deleted after reliability test
 b: Element deleted after confirmatory factor analysis
 c: T-value not presented

Figure 4: Measurement of Slovenian Brand Equity from the eyes of Croatian people

(Konecnik & Gartner)

Variable	Dimension	SL	T-Value	CCR	AVE
Heard of TD (a)					
Name of Td	AW	0.83	c	0.69	0.53
Characteristics of TD	AW	0.61	30.4	0.86	
Imagining TD (a)					
Symbol/Logo of TD (a)					
Beautiful nature	IM	0.97	10.3	0.86	0.75
Beautiful mountains and lake	IM	0.75	c		
Good beaches	IM	0.54	28.1	0.90	0.46
Lovely towns and cities	IM	0.96	c		
Modern health resorts (b)					
Interesting historical attractions	IM	0.73	23.2		
Good nightlife and entertainment	IM	0.51	27.6		
Good opportunities for recreational activities	IM	0.63	22.4		
Friendly people	IM	0.68	26.7		
Pleasant weather	IM	0.66	21.9		
Interesting cultural attractions	IM	0.68	23.2		
Political stability (a)					
Good opportunities for adventures (a)					
Good shopping facilities	IM	0.58	26.4		
Relaxing atmosphere	IM	0.77	22.0		
Exciting atmosphere	IM	0.60	25.9		
Unpolluted environment (b)					
High quality of accomodations	Q	0.69	18.6	0.84	0.50
High quality of infrastructures	Q	0.73	16.8		
High level of cleanliness	Q	0.68	c		
High level of personal safety	Q	0.66	20.1		
Appealing local food	Q	0.78	20.0		
High quality of tourism services (a)					
Few problem with communication (a)					
Low prices of tourism services (a)					
Good value for money (a)					
Number of preavious visitations	LO	0.83	c		
Time of last visitation (b)					
One of preferred TDs to visit	LO	0.82	c	0.91	0.72
TD provides more benefits	LO	0.84	21.7		
Visit TD in the future	LO	0.84	24.6		
Reccommend TD to friends	LO	0.90	21.7		

In the two tables are contained only variables complying with the rule of loading factors. In fact, items recording a standardized load lower than 0.4 were automatically deleted. The explanatory factor analysis is basically a rule of thumb, but recording values lower than 0.4 doesn't mean that a variable is surely unadapt; it is an alert that further investigations have to be done before deciding if retaining that element or not. However, for the sake of simplicity, practitioners use to ignore variables with a SL lower than the aforesaid threshold. As you can notice, some variables resulted not appropriate after the reliability test so they have not been considered.

The results recorded in the two markets are quite similar; the most evident discordance regards the variable indicating "*the time since the last visit in Slovenia*", that for Croatian respondents has not an influence on the behavioural loyalty. Shortly, the image of Slovenia is given by a combination of lovely towns and cities, beautiful natural landscape, a relaxing atmosphere, cultural attractions; furthermore the quality is centred in cleanliness, accommodation opportunities and personal safety. Germans demonstrated to have a more developed attitudinal loyalty toward Slovenia in comparison with Croatians. In fact the variables ascribed under the LO dimension are in the German market more numerous than the ones observed in Croatian market.

The correlations between the dimensions range from 0.37 to 0.79 so, as could be predicted in advance, each dimension influences the others but there are not massive redundancies.

In my opinion the most challenging task of this model is collecting the most pertinent variables capable to assess the several dimensions of a destination. Adopting a standardized and international set of variables, under my personal view, could create some distortions, since each destination has its own specificities and tourists could rank elements discordantly from place to place.

Another upgrade could consist in elaborating several variables and dimensions pertaining to a single category of respondents. As repeated many times in this text, we cannot be stuck on the conceptualization of a unique and general performance. A location could differently perform in relation to tourists, residents, business seekers and employment seekers. A more selective sampling and clustering should be made.

3.3 The Wits methodology for nations' brand evaluation

In 2004 the International Marketing Council (IMC), the South Africa's unit for brand building, commissioned to the University of the Witwatersrand (Wits) in Johannesburg the objective to find a market value for the nation brand. After a 5 years period of work, the team of researchers led by *Dr. Roger Sinclair*⁹⁹ computed the brand value of South Africa close to \$58bn. The methodology that I am going to describe and comment in the next lines, has some elements in common both with the *Interbrand* method and the *Discounted Cash Flow* (DCF) method.

The team has individualized four inputs to initiate the evaluative process:

1. Financial data;
2. Dilution (Similar to the RBI¹⁰⁰ in the Interbrand method);
3. Expected life
4. Brand Knowledge Structure (BKS)

For the financial values the team collected data from the Swiss Business School IMD that every year issues a special ranking called "*World Competitiveness Yearbook*". 50 national economies are ranked in each yearly edition. The IMD analyses 110 variables before assigning the positions to nations.

The "*dilution*" is an indicator that describes the impact of the brand on consumer's choices. For the South Africa study, it has been computed being the 16% of annual national GDP. This monetary value stems from a weighted calculation of foreign financial sources as exports, foreign investments and tourism. Data show that only a paltry 7.2% of exports are driven by the "COO¹⁰¹" factor. It is a clear evidence that the national brand for manufactural goods is weak. The foreign buyers' decisions are minimally influenced by the brand, they decide on the basis of mere commodity's intrinsic characteristics. Foreign investments are not relevant in the country and only the 52% of incomers are tourists; the rest visits

⁹⁹ Professor of Marketing at University of Witwatersrand and managing director of the brand valuation consultancy BrandMetrics Limited.

¹⁰⁰ Role of Brand Index adopted in the Demand Analysis.

¹⁰¹ Country Of Origin

the South Africa for business/employment reasons or to meet relatives. Summing up all these references, we cannot be surprised by the low value of earnings attributable to the nation's brand. Numerically it amounts to \$3.74bn. The annual basis values estimated for the whole forecasting period (*expected life*), and the *residual value*, have to be brought back on the timeline up to the time zero (*present day*), using a discounting factor. In this way the principle of the time value of money is respected. The discount rate has been identified being 13.13%. It is given considering the risk premium of the nation to add to the risk free opportunely standardized (*Brand Country Risk*).

The expected life depends on the product category expected life and from the BKS. What is defined product category for general goods, in the case of destinations, is represented by the geographical region in which the destination is located; in the case of South Africa it is the sub-Saharan Africa. The region is, generally speaking, underdeveloped economically and it outperforms also politically in comparison with the rest of the world. The neighbouring countries, in fact, negatively affect the South Africa brand. To compute the level of development of the geographic area, the researching team has used 5 indicators¹⁰² :

1. Political
2. Economic
3. Social
4. Transparency
5. Protective Security

The results are expressed in function of the best performing country. For this particular nation league, the benchmark is the Norway. This means that equalizing to 100 the values pertaining to Norway, the rest are expressed as indexed on it.

¹⁰² These are the 5 level of freedom theorized by the Nobel prize-winning economist Amartya Sen

Figure 5: Table of highest and lowest scores for sub-Saharan Africa

(IMD 2002 survey)

Variables	Highest score	Lowest score
Political	88	21
Economic	33	-65
Social	68	42
Transparency	70	27
Protective security	60	20
Average	64	9

Reportedly, the maximum “*duration*” of a generic national brand has been fixed at 40 years. Considering the poor scores recorded so far, estimated expected life of South Africa’s Brand is 27.7 years. The life cycle of a whatever brand can be plotted as a curve that has an ascendant trend up to hit a peak and then it starts to decline up to the base line. The positive trend is named “*Franchise Run (FR)*” and the descendant phase is named “*Decay*”. The life-cycle of South Africa’s Brand has been broken down in 8 FR’s years and almost 20 decay’s years. Usually a power brand has at least 20 FR’s years. Improving the BKS the FR is more durable. The South Africa’s curve has a very long tail in which far-distant profits should be captured. The study demonstrates that there are foreseeable opportunities for the Nation to increase its brand value up to \$70.8bn.

In the following tabulation you will find the result of comparison between the Brand of South Africa and the international leaders adopting the criteria of the IMD. The chart investigate basically 4 dimensions.

Figure 6: Competitiveness of South Africa’s Brand

(IMD 2002 survey)

Variables	South Africa	Dominant Brand	Marginal Brand
Economic	50	75.4	24.3
Government efficiency	52.8	86.86	21.11
Business efficiency	53.84	83.35	29.57
Infrastructure	55.23	89.19	34.32

In this work I argue that, the weaknesses of this framework are related to the consideration of global leaders without grouping the nations in “*competitive sets*”. Honestly, there is not evidence of many elements in common between Norway and South Africa. The reference market should be different. Secondly, the impact of geographic area is overestimated. At the basis of the concept of identity there is the exigence of differentiating its own brand. As result, the degree of interdependence between neighbouring countries should be minimized. This model completely disregard the consumer perceptions of a nation. It is alimented solely by objective financial data. Thirdly, computing an equity mixing together the financial value of export, the financial value of tourism and the financial value of foreign investments, means disregarding the specificities of each target. As in the precedent model a clear separation of consumers’ typologies has not been executed.

3.4 Nation Brand evaluation using the Royalty Relief method.

One of the most authoritative consultancy company in the field of nation brand evaluation and strategy is Brand Finance. Founded in 1996, this independent consulting group helps companies and public institutions in assessing the market value of their brand bridging the gap between marketing and finance. Their client portfolio is constituted by notable companies and institutions as the British Council, City of Vancouver, Ghana, Italian Trade Agency, Prosciutto di Parma, Parmigiano Reggiano and Seoul Metropolitan Government.

Every year the company issues a special ranking of the top 100 most valuable nation brands and a dedicated chart to the 10 best performing nation brands. For each nation are indicated the Brand Value (in USD billions), percentage of change and the Brand Rating.

Figure 7: Top 10 most valuable nation brands
(BrandFinance)

Top 100 most valuable nation brands 1-50

Rank 2018	Rank 2017	Nation Brand	Brand value (USD bn) 2018	% change	Brand value (USD bn) 2017	Brand rating 2018	Brand rating 2017
1	1	United States	25,899	23%	21,055	AAA	AAA-
2	2	China	12,779	25%	10,209	AA	AA
3	3	Germany	5,147	28%	4,021	AAA	AAA-
4	5	United Kingdom	3,750	20%	3,129	AAA	AAA
5	4	Japan	3,598	5%	3,439	AAA-	AAA-
6	6	France	3,224	9%	2,989	AA+	AA+
7	7	Canada	2,224	8%	2,056	AAA-	AAA-
8	9	Italy	2,214	9%	2,034	AA-	A+
9	8	India	2,159	5%	2,046	AA	AA
10	10	South Korea	2,001	8%	1,845	AA	AA

The analysts to estimate the value of the national brands use a method defined “**Royalty Relief**”. Practically,

The nation brand is expressed in function of the average rate of royalty fee adopted in the agreements between corporations within each national economy. Obviously, each industry has its own royalty fee system. Probably some extra specifications on royalties are due. The institute asserted that the value of royalties represents the income fees collected by the lessor/ licensor for conceding the commercial use of its brand, trademark or patent to a licensee. Usually, the most reliable data come from the franchising agreements signed in pre-specified industries. Typically, for the evaluation of a nation brand are tracked the data from key pillar industries as Goods and Services, and Investments and Society. These are then divided in sub-pillars as Tourism, governance & people and skills. Once that the royalty rate has been calculated it is used to adjust the revenues generated by a nation. As in the Interbrand methodology, the revenues are expressed as a percentage of GDP and they are estimated on the basis of a five-years forecast. An ulterior passage is required: Deducting taxation from the brand revenues; in this way it is obtained the *brand contribution after tax*. Ultimately, the amount of net revenues obtained is discounted using the WACC¹⁰³ method to obtain the NPV¹⁰⁴ of it. The NPV of the post-tax brand revenues represents the Nation Brand Value.

Even if it is appreciable the effort to quantify, on the basis of mathematical and

¹⁰³ Weighted Average Cost of Capital

¹⁰⁴ Net Present Value

statistical outputs, an intangible element such as a nation brand, it cannot remain unspoken a relevant limitation of the model: The State is seen only as cash flow generating entity and it seems as it has not cost to be deducted to revenues. In reality the economical effort undertaken by national governments to offer sustainability and stability to their national brand is significant. So the quantification of brand revenues seems to be exaggerated. Moreover, using a royalty rate extrapolated by national companies archives, theorists are creating a very strong link between the nation brand and local corporate brands. In my opinion only a percentage of the license fees can be attributed to the country of origin. In many cases, companies could have internally generated a competitive advantage. In my opinion, the interference of national brand is overvalued.

3.5 Urban Empathy Evaluation

The architect **Agata Bonenberg**¹⁰⁵ in 2016, published an innovative paper about place brand building. Her approach is completely disruptive: She encouraged the subdivision of city in emphatic areas. According to her, the values of city is heterogeneously spread on its surface and it is captured by beholders' feelings. Traditionally, towns are divided in neighbourhoods and each of them has a specific functionality: commercial and shopping area, business centre, institutional centre or green areas...

In her proposal Miss. Bonenberg redesigns the boundaries of neighbourhoods replacing the concept of functionality with the empathetic one.

She tested this methodology on the Italian city of Catania (Sicily). Her choice was not accidental, in fact some researches demonstrate that Catania is very variegated in aesthetical appearance, culture and architecture so it really fits the experiment. In the city a visitor can perceive contrasting feelings; he can feel admiration for historical architecture and, just a couple of kilometres away from the city centre, he perceives a huge sense of disharmony given by the disorder in the street and the not homogeneous colours of buildings, sun-blinds, frames and banisters.

The backwardness of the majority of the city is contrasted by the astonishing

¹⁰⁵ A. Bonenberg, Faculty of Architecture, Poznan University of Technology, Nieszawska

modernity of the technological centre called “*Etna Valley*” that hosted some branches of several multinational high-tech companies like Nokia, Vodafone, IBM, Alcatel-Lucent and Nortel. Because of that, Catania obtained the Italian nickname of “*La Milano del Sud*”¹⁰⁶.

The architect and her team have recognized in Catania 4 distinctive empathetic areas:

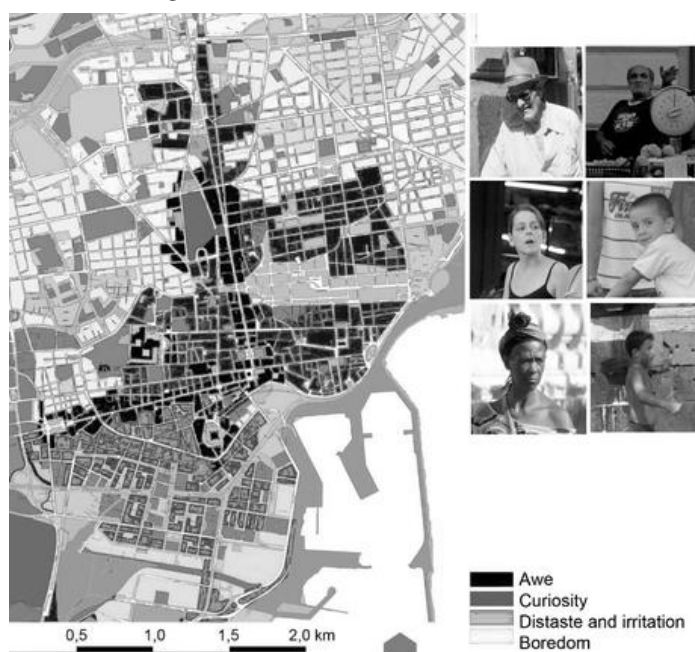
1. **Curiosity:** The narrow and winding streets of the *Consolazione* district evoke a sense of mystery and curiosity because, even when the sun is up in the sky, the black streets made with the volcanic tuff remain shadowed. This is due to the presence of high buildings on the both sides of the street and by the traditional laundry hung up between the buildings. The blocks have golden brown and oleander grey colours that create a suggestive vision mixing with colours of bougainvillea flowers. The unusual local traditions, like having figs and lemon in wooden boxes just in front of the main entrance of the buildings, stimulate the sense of interest and curiosity;
2. **Awe:** The feeling of awe is perceived in the heart of the city: in the area surrounding *Piazza San Francesco*. The urban scene is dominated by the Sicilian Baroque style. The dazzling gold and yellow of the façade of the church, cornices, balconies, decorative pilaster strips and friezes are a clear demonstration of the absence of moderation in the Baroque. This exaggeration is contrasted by the dreary dark colours of sidewalk and plinths. The sentiment is, de facto, ambiguous;
3. **Boredom:** Monotony is the main characteristic of the districts of *Nesima* and *Monte Po*. Developed during the 70s by *Federico Gorio* and *Marcello Vittorini*, the two areas are typical examples of great suburban apartment complexes. Giant blocks, horizontal windows, flat roofs and rhythmical balconies are the only boring elements of the two areas;

¹⁰⁶ Milan of the South

4. **Distaste and Irritation:** Traffic jam, noise, arrhythmical house development, run-down shopping malls, bad-looking warehouses and an high criminal rate are the main ingredients of the Catania's suburbs. Consequently, distaste is the main perceived sentiment.

Figure 8: Emotional map of the city of Catania

(A. Bonenberg)



The emotional areas are identified using a research method based on search-engine popularity rating.

The described technique could find a large application in the up-to-date *Spatial Management Projects*. Knowing the emotions that people feel in particular places, can help city developers to insert new elements that increment those perceptions. Remembering the principle that “strong” emotional moments or situations are remembered more vividly, it could be a clue to build memorable spaces for tourists and visitors. The empathetic analysis, in the future, could not

be merely a city diagnosis; I expect that a similar analysis is going to be enforced for off-brand or misbranded places, in order to strategically plan the emotional topography of urban areas. In other words, the empathetic analysis and the emotional valuation should be the starting point of a place branding strategy. At the end of the day, the final purpose of each touristic product is evoking an emotion. Moreover, the emotional studies of places, could be fruitful in tracking the cultural and historical elements that foster the emotions. Creating a story-telling, that starts from the genesis of places, behind the emotion-drivers will increase the engagement and involvement of tourists.

3.6 Evaluating the community commitment for place promotion: Amalfi Coast's case

Professor Vollero¹⁰⁷, in collaboration with Prof. Conte, Prof. Bottoni and Prof. Siano, in January 2017 presented a study case about the empirical evidences of community factors for residents engagement in promoting an historical Italian touristic site: *The Amalfi Coast*.

Academic literature is full of theoretical studies about the positive contribution of residents in communicating a destination to tourists. They lively co-create the place branding¹⁰⁸ and DMOs have to encourage their bottom-up commitment. Notwithstanding the completeness of theories, there is a paucity of empirical studies aimed to offer a quantifiable demonstration. Mr. Vollero and his team embarked on this ambitious experiment to offer a tangible contribution to future empirical researches. His work is extremely valuable to laid the basis of a more sustainable tourism, capable to create values both for tourists and local communities.

Special supplementary activities could be executed by native residents in offering a more authentic sense of place or in disclosing local narratives to offer an higher valuable meaning to tourists.

The entire study is rooted on six different hypothesis listed below:

¹⁰⁷ Agostino Vollero, Department of Political, Social and Communication Studies, University of Salerno, Italy

¹⁰⁸ Hudson, Cardenas, Meng and Thal, 2016

1. H1: Community commitment positively affects residents' engagement in place promotion;
2. H2: Community attachment positively influences residents' engagement in place promotion;
3. H3: Community commitment mediates the influence of community attachment on residents' engagement in place promotion
4. H4: Environmental attitude positively influences residents' engagement in place promotion;
5. H5: Community commitment mediates the influence of environmental attitude on residents' engagement in place promotion;
6. H6: The perceived effectiveness of place marketing communications negatively influence residents' engagement in place promotion.

The team has elaborated a questionnaire containing 21 items (variables) pertaining to 5 dimensions denoted as labels:

- CC: community commitment
- EPP: Residents' engagement in place promotion
- CA: Community attachment
- EAC: Environmental attitude toward community
- EPMC: perception of effectiveness of place marketing communication activities carried out by local policy makers.

Each respondent measured the variables using the 5 point Likert scale, 1 (Strongly disagree), 2 (Disagree), 3 (Neither agree or disagree), 4 (Agree) and 5 (strongly agree). Only for the constructs of the EPMC the team adopted the 10 point scale of Cantril. The items have been selected with the collaboration of 80 Amalfi residents using the factor analysis with a factor loading cut-offs of 0.6.

As mentioned in chapter 2, local community is part of the *experiencescape*. It has a direct impact on tourists' satisfaction/dissatisfaction. Residents are the demonstration of living local traditions and costumes. They have to be trained in involving tourists in authentic local activities. Often, the lack of synergies

between locals and tourists creates an illusory effect. The entire experience seems *staged* and fictional. Tourists have a tendency in emulating residents, so the interplay between them provides tourists the *motivation* to do something. The same concept has been exposed in chapter 2: Having a motivation is more relevant than succeeding in making an experience joyful and memorable. Tourists already know that they are unexperienced in practising local activities, but this acknowledgement doesn't affect their motivation and satisfaction. In this case, the *sense of belonging* and the *me too effects* play a major role in leading customers' decisions.

With the presented case-study, it is offered a methodology to discover, to systematise, to interpret and to implement the aspects that stimulate local community to play an active role in tourists' experience.

Furthermore, communities are the best performing and zero-cost PRs of a destination. Under this point of view, community can be seen likewise a marketing tool. It is, now, evident that public authorities and DMOs requires a methodology to measure the produced results. Amalfi Coast case offers a concrete example of *Community Performance Measurement*.

The attachment to native places is the precondition of residents' commitment. Municipalities have to facilitate the conservation, preservation and transmission of autochthonous traditions. Instilling the concept that the specificities of each territory are a source of competitive advantage and differentiation, favours the visualization of them as well as an economic asset. Each asset is valuable, scalable and quantifiable and community has to learn how to conceive the value of their heritage and how to foster it. The participation to the value creation, generate a positive attitude toward environment and it increases the attachment to residential place.

The most notable effect of a developed attachment is that residents adopt, as routine, some behaviour that positively affect the tourism business:

- Keeping the environment clean;
- Being friendly and hospitable with incomers;
- Self-learning about native place;
- Educating tourists;

- Developing the sense of citizenship.
- Developing a positive attitude toward local public institutions.

The geographical site covers a surface of 11,231 ha¹⁰⁹ and it has 15 municipalities. The total number of residents is 51,753¹¹⁰. They received back 289 out of 381 questionnaires. 116 completed survey were filed in the inner area and 173 came from the seaside zone. 41 of those were eliminated resulted invalid.

The respondent were aged between 15 and 83 and the 53% were men. 46.4% of respondents completed the high-school and about 40% were employed in tourism-related businesses.

In the next tables are published the results of the survey:

¹⁰⁹ Hectares

¹¹⁰ ISTAT 2014

Figure 9: Results of community factors analysis in the Amalfi Coast

(A.Vollero, F.Conte, G.Bottoni and A.Siano)

Constructs/items	Labels	Indicator loadings	Cronbach's α	CR	AVE	Mean value	SD
Community commitment							
I feel that it is important to serve as a volunteer in my community.	CC1	.698	.861	.906	.619	3.89	0.823
It is important to me to form close ties with others in my community.	CC2	.800				4.03	0.801
I am very concerned about the welfare of my community.	CC3	.820				4.18	0.762
I believe it is important to take an active role in the civic affairs of the community in which I live.	CC4	.867				4.01	0.898
I believe it is important to attend town hall or city council meetings and voice one's concerns about issues affecting the community.	CC5	.625				3.71	1.088
I believe that it is important to give one's time to community activities.	CC6	.878				3.96	0.799
Community attachment							
It is important to continue the traditions of the Amalfi Coast's community.	CA1	.654	.595	.720	.462	4.51	0.692
I have no emotional attachment to the Amalfi Coast community. ^a	CA2	.715				2.03	1.164
What happens in the Amalfi Coast is important to me.	CA3	.668				3.86	0.998
Environmental attitudes (towards community)							
The diversity of nature in our community must be valued and protected.	EAC1	.886	.764	.856	.748	4.60	0.629
Community environment must be protected now and in the future.	EAC2	.843				4.57	0.735
Effectiveness of place marketing communications							
Information about the cultural heritage of Amalfi Coast community	EPMC1	.936	.951	.950	.793	5.04	2.765
Welcome services/activities for tourists	EPMC2	.947				5.13	2.866
Events, shows, and exhibitions in Amalfi Coast	EPMC3	.865				5.45	2.718
Messages and content (magazines, documentaries, websites, etc.) about the heritage site	EPMC4	.841				5.30	2.798
Advertising campaigns of Amalfi Coast	EPMC5	.857				4.84	2.732
Residents' engagement in place promotion							
I am willing to engage in promotional initiatives of the Amalfi Coast.	EPP1	.802	.828	.869	.574	3.79	0.890
I would like to promote the Amalfi Coast by using posters, banner, leaflets, and other communication tools.	EPP2	.633				3.75	0.943
I would like to give a substantial contribution for the promotion of the heritage, environmental, historical sites within the Amalfi Coast (e.g., co-creating a place brand).	EPP3	.820				4.05	0.841
I would like to be engaged in contests established by local policy makers (e.g., "create a slogan, a logo, or a melody") for the promotion of the Amalfi Coast.	EPP4	.826				3.80	0.969
I would like to be engaged in creating content to promote the Amalfi Coast through different media (TV, radio, newspapers, blogs, social media, etc.).	EPP5	.685				3.93	0.932

Note. AVE = average variance extracted; CR = composite reliability.

^aReverse coded.

Figure 10: Results of Hypothesis testing related to Amalfi Coast study

(A.Vollero, F.Conte, G.Bottoni and A.Siano)

Effects	Path coefficients					Supported
	Standardized solutions	SE	t values	Two-tailed p value		
H1 CC → EPP	.388	0.168	2.310	.021*	YES	
H2 CA → EPP	.110	0.221	0.500	.617	NO	
H3 CA → CC → EPP	.313	0.136	2.298	.022*	YES	
H4 EAC → EPP	.310	0.097	3.180	.001**	YES	
H5 EAC → CC → EPP	.030	0.052	0.576	.565	NO	
H6 EPMC → EPP	-.165	0.061	-2.695	.007**	YES	

The reliability tests have confirmed 4 out of 6 hypotheses (H1, H3, H4 and H6)¹¹¹. This means that the positive impact of community commitment and of community attachment on the residents' engagement have a statistical significance. The study confirms also that the residents that are more eco-friendly have an more developed attitude toward community and, by consequence, they are more prone in undertaking promotional activities. Furthermore, contrasting the theory of Nunkoo dated 2015, when residents with an high attachment toward the local community perceive some weaknesses in marketing and communication activities proposed by local authorities, they are more motivated in undertaking promotional activities on their own. This last hypothesis is confirmed by the negative value of the correlation (- 0.165).

H2 and H5 have been rejected considering the not reliable values of correlations, respectively 0.11 and 0.03; in fact, the high results of p-values (*respectively 0.617 and 0.565*) do not permit the refusal of the null hypothesis.

Experiences teach us that when authorities give to the local community precise tasks, the level of commitment of residents increases. In other words, the ambassadorship of residents can be, in a structured and planned way, part of the promotional plan of DMOs.

Looking at the first table, we can denote that the values of Cronbach's alpha and of the average variance extracted associated to the dimension of the *community attachment* are below the cut-off thresholds indicated in the theories. Probably a more variegated set of constructs should be considered to evaluate that dimension. In any case, considering the complexity of the exercise, the measurement adopted in entire study shows a good fit and a good extent of reliability.

¹¹¹ T- value and p-value are significant.

3.7 How measuring the Place Brand Equity combining the advanced Brand Concept Map (aBCM) and the BANV

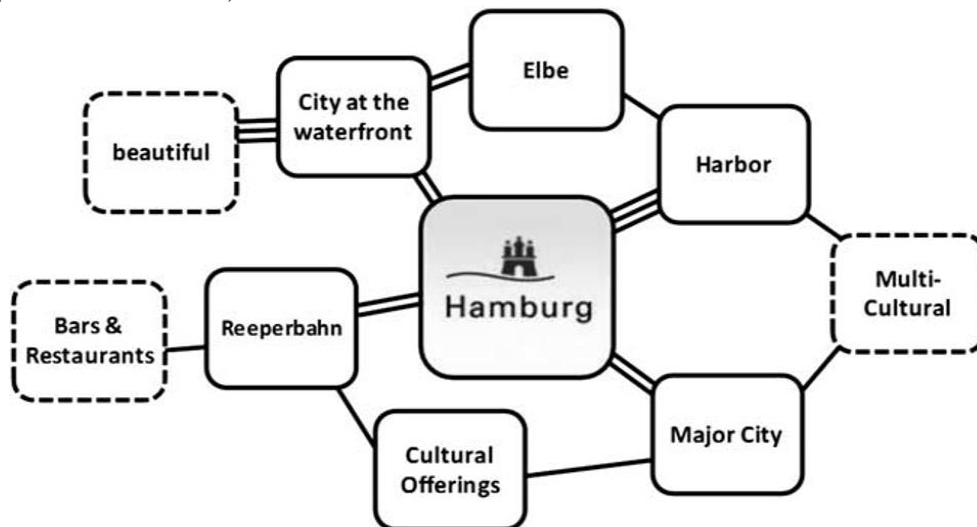
On April 2014 Professor Sebastian Zenker ¹¹² published a study executed with a group of Dutch students of a master-level course of city branding. Students had to answer before (t1) and after (t2) the 6 months course a survey about demographics and general attitude toward the city of Hamburg. 41 students took part to the project but only 20 students answered the survey both in t1 and t2. Their mission, after collecting the data was about creating an advanced Brand Conceptual Map about the associations of the city of Hamburg.

The original-BCM have been used in brand measurement since 2016 and it contained just two phases: *elicit* phase in which relevant associations were identified and *mapping* stage were respondents developed their own perceptions-based maps recalling the associations of the previous phase.

In the next figure we show how would be an hypothetical original-BCM of Hamburg.

¹¹² Visiting assistant professor at the Department of Regional, Port and Transport Economics at erasmus University Rotterdam/IHS and research associate at the institute Marketing and Media, University of Hamburg.

Figure 11: Original-BCM of the city of Hamburg
(Sebastian Zenker)



In the original model we could just distinguish the level at which each association was put in the map, the strength of linkages and the relevance of associations. First-order associations are directly linked to the rectangle containing the name of the city and the second order association are connected to first-order ones. The links are differentiated in the following manner:

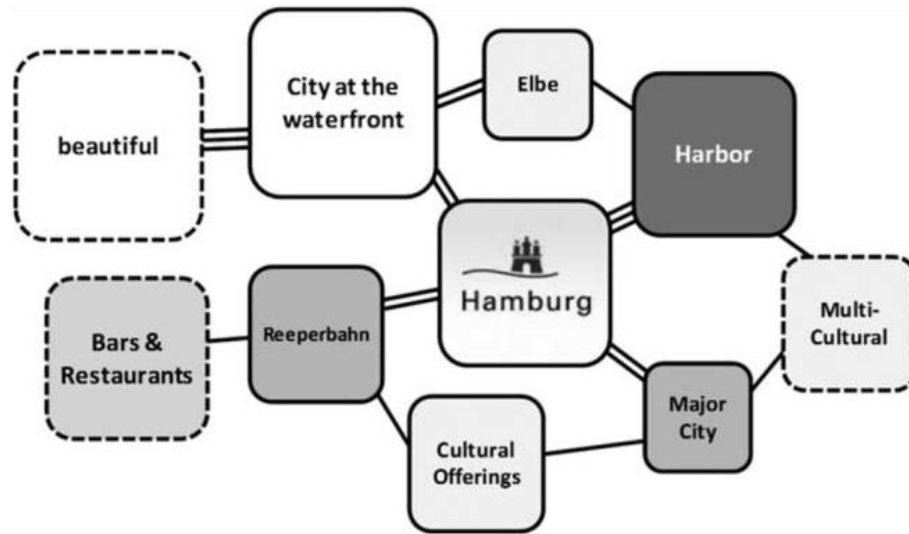
- Single-line = weak link
- Double lines = Moderate link
- Triple lines = Strong link

Furthermore solid-line rectangles contain core attributes, while dashed-line rectangles contain non-core attributes.

This original model evolved in the aBCM that permitted to recognize also the individual evaluative judgement and the individual importance of each brand association. The importance is shown through the size of rectangles, while the positivity of association is given by the colour of the inner are of each rectangle: Brighter means more positive.

All these adjustments are shown in the figure number 2 representing the revised an hypothetical aBCM of Hamburg.

Figure 12: Reworked aBCM of the city of Hamburg
(Sebastian Zenker)



A one more significant step could be added to offer a quantitative significance to this kind of exercise. It regards transforming in digits the qualitative perceptions of the map. This happens by means of a methodology known as BANV.

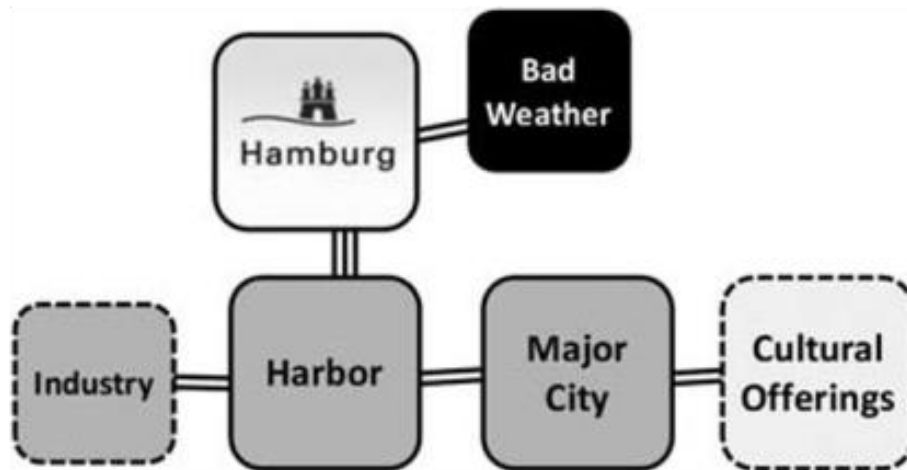
$$BANV_j = \sum_{a=1}^m E_{aj} * S_{aj} * I_{aj} * L_{aj}$$

The letter E_{aj} represents the “*evaluative judgement of an individual j of an association a*”, the S_{aj} represents the “*strength of the linkage attributed by an individual j to an association a*”, I_{aj} represents the “*importance in the decision attributed by an individual j to an association a*” and L_{aj} represents the “*level with which an individual j places in the network an association a*”.

For each variable the respondents have to express a value on a 7-point Likert scale. An higher score means a more favourable rating.

The map elaborated by the students in t1 contained few attributes and their attitudes toward the place were not very positive. Results of t1 are shown in figure 3. The average $BANV_{(t1)}$ was 1947.55.

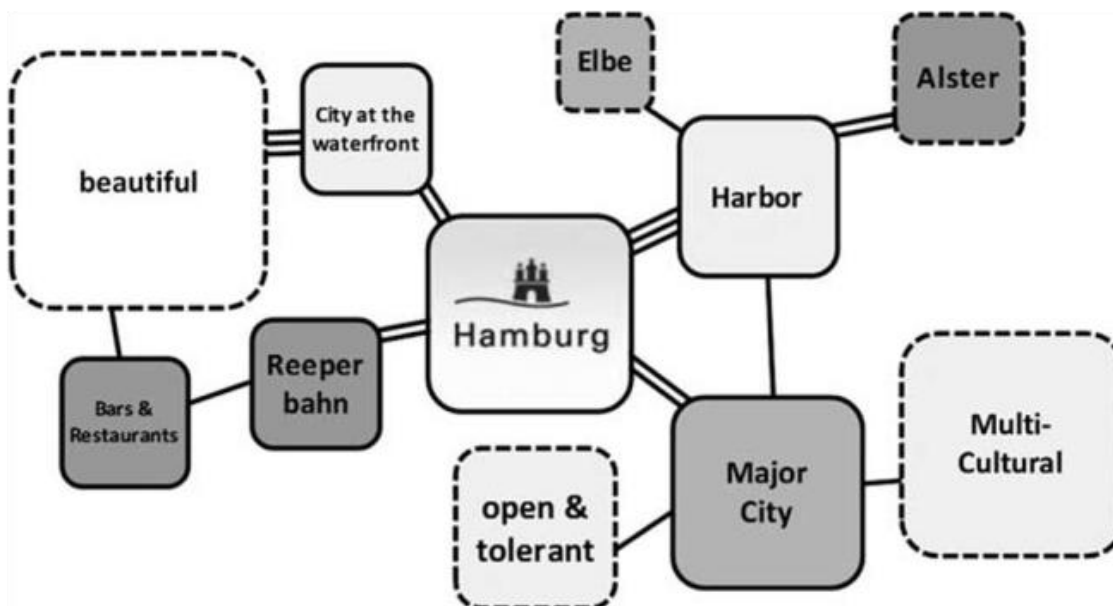
Figure 13: aBCM of the city of Hamburg in t1
(Sebastian Zenker)



In t2, after a semester spent analysing many cases about the city of Hamburg and after several visits on site, the aBCM elaborated by students is larger and completely different from the previous one. The associated average BANV is 2485.50.

Figure 14: aBCM of the city of Hamburg in t2

(Sebastian Zenker)



The environmental and cultural aspects are considered very important and positive in elaborating the image of the place. It is not a case that familiarizing with the place the positive associations outrank the negative ones. As stated many times in my thesis, helping tourists in getting more familiar with the place has a positive impact on their perceptions. DMOs could work more on this aspect. The score of BANV in t2 is an ulterior confirmation of the importance of familiarization.

3.8 Rethinking the Customer value map of B.T Gale to probe tourists' perceived value.

In 1994 Bradley T.Gale¹¹³ offered a remarkable contribute to the theory of Customer Value publishing a work titled: “Managing Customer Value”.

I really appreciated his conceptualization of the *Customer Value Map* and I am going to rework and to rethink the model to make it more reliable in the context of touristic products. The author utilizes a 2x2 matrix to

¹¹³ Founder and President of Customer Value Inc.

describe four possible scenarios that a generic customer can face in buying a generic product or service. He calls "*Price Ratio*" the ratio between the actual price of a product A and the average price adopted on the market for substitutable products. The "*Quality Ratio*" is, instead, the ratio between the actual quality of a product A and the average quality of substitutable products.

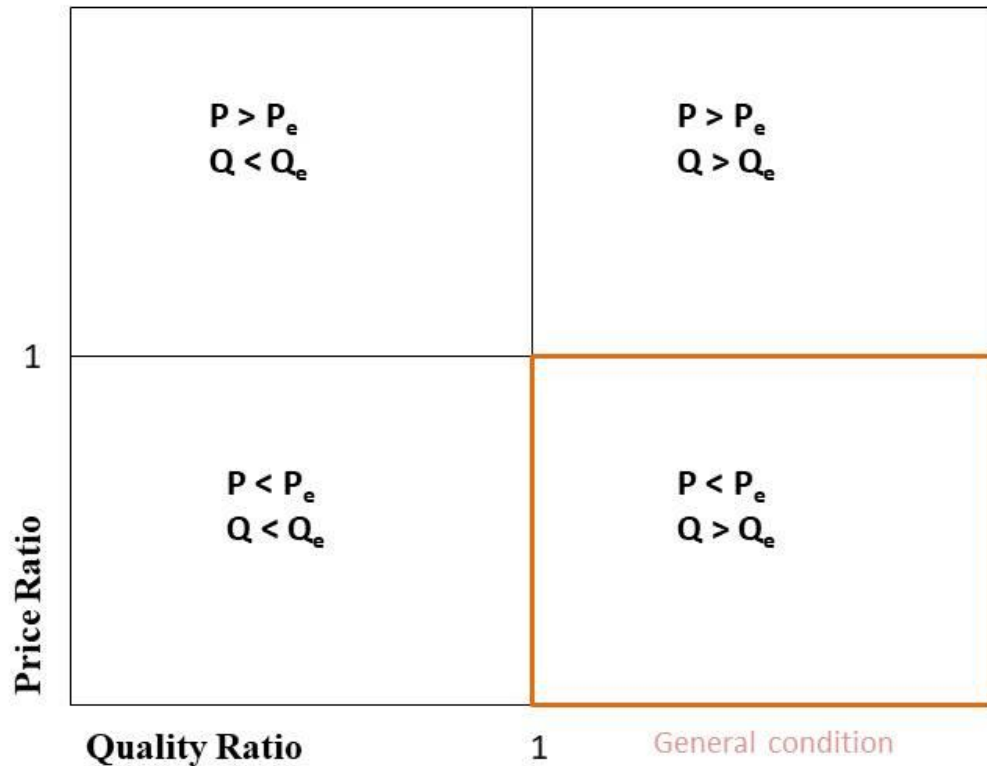
In my consideration, in the tourism industry is less significant comparing tourist products or destination with substitutable ones, because, how stated in the second chapter, the concept of substitutability is less evident and highly questionable. The subjective element is too strong. In other words, under my personal point of view, touristic products and destinations do not compete exclusively with similar ones but, principally, they compete with *themselves*, or better, with the projected image elaborated by consumers. This turnaround entails some modification on the basic matrix thought by Gale.

Price Ratio will indicate the ratio between actual price and expected price and the *Quality Ratio* will indicate the ratio between the actual quality and the expected quality.

In the following graph is represented the situation in which the perceived value for consumer is optimum.

Figure 15: Reinterpretation of Gale's Customer Value map for generic goods and services.

(Own elaboration)



P = Real price

Q= Real Quality

P_e = Expected price

Q_e = Expected quality

Intuitively, whenever the price of a good or a service is lower than expected, the utility of consumer increases. This is true as long as the quality remains unaltered, or if it increases. In fact, if the price diminishes because of a decreasing of qualitative standard, the consumer is probably dissatisfied. Then, the condition that legitimizes our assumption is that the quality is at least equal ($Q=Q_e$), than the expected one. The red box in the graph represents the described situation. It is the only quadrant in which a rational consumer achieves a satisfactory status.

A similar matrix could be useful to evaluate, under the perspective of consumers, touristic products. Knowing the price list and estimating the

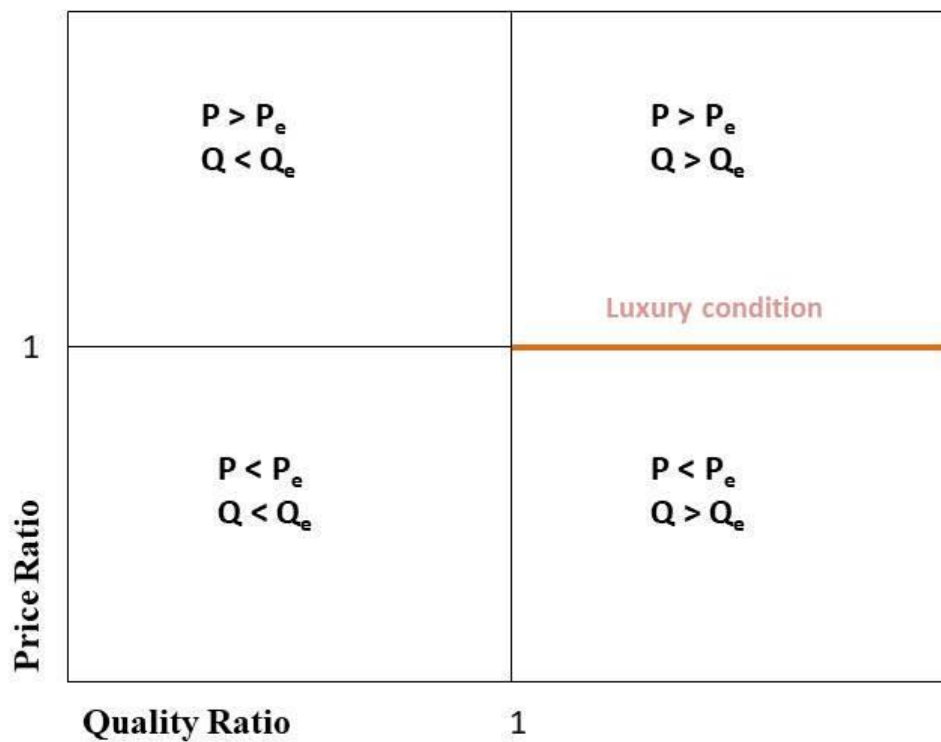
quality with a Linkert-type scale, the subjective evaluation can be quantified.

The general condition loses its validity and trustfulness in the specific case of luxury goods and services.

In the following graph, it is represented the matrix related to luxury goods and services.

Figure 15: Reinterpretation of Gale's Customer Value map for luxury goods and services.

(Own elaboration)



P = Real price

Q = Real Quality

P_e = Expected price

Q_e = Expected quality

Luxury touristic products behave differently; the *discrimen* from general products lies in the price. A luxury consumer is less price

sensitive than general consumers; he decides to buy an expensive item, basically, for an hedonistic purpose. He is willing to pay a premium price in order to purchase something exclusive and rare. High prices, often, are the biggest guarantee for exclusivity. This is why, in my opinion, a price lower than expected can erase the reason of purchase. A less exclusive price entails a less valuable product. Anyway, the luxury consumer remains a rational consumer, so prices higher than his willingness to pay or higher than his subjective price, dissatisfy him.

The only valid solution remains the situation in which the actual price (more or less) equalizes the expected price. When $P=P_e$, the Price Ratio is equal to 1. The condition by which the actual quality must be greater or , at least, equal to the expected quality remains untouched. The red line in the graph is the only solutions' set that complies with the luxury condition.

Conclusion

This work has been inspired by the necessity of a distinctive and stand-alone discussion regarding place brands. In the past the terminology of branding and the brand theory encompassed an enormous class of elements. In the modern era, given the complexity of subjects, is required a targeted discussion respectively for: Corporate brands, Place brands and Personal brands.

I have followed the canonical scheme of historiography, theory and case-studies to present a completed narration of the discipline of Place branding.

It has been challenging but, at the same time, amusing recollecting the historical pieces of place branding. In just 3-4 centuries we have moved from selling “lands” to selling “emotions”; it is really incredible that fact that, notwithstanding the traded object is drastically changed, we still refer to the same industrial market. It is probably the most distinctive authenticity of tourism industry.

The quick and unpredictable evolutions of market conditions keep the place brand theory always in motion. The sudden mutations of core product are reflected in the change of marketing strategies. The attentions have been moved from the product itself to the consumer (*prosumer*). In the era of self-serviced experiences, the consumer is, inevitably, the starting point. The greatest evidence of the new paradigm is that, the majority of market analysis procedures can be ascribed to the classes of purchase decision making analyses and customer journey analyses.

The intriguing theme of analytical tools is described in the last section of this work. Without any doubts, the third chapter deserves more attention and dedication. Measuring performances is the focal task of each management entity. Collecting data permits to upgrade new management and logistic tactics and it permits to identify the weaknesses of a business plan.

The described methodologies have been categorized in two groups: Qualitative

and Quantitative.

Qualitative analyses aim to identify the differentiating attributes of a destination that constitute its image. Scholars appreciate this kind of metrics because they are suitable for the prediction of the changing tastes and perceptions of tourists. Submitting qualitative surveys to respondents, provides to practitioners the instruments to verify the level of matching between the marketed identity and the consumers' projected image. By cons, The lack of numerical outputs, when adopting qualitative methods, doesn't not allow practitioners to compare the results between competing destination or to keep the track of data over the time. Moreover, there is also a degree of fortuity, depending on the sample of respondents. Consequently, the validity of results, notwithstanding the reliability tests, remains questionable. Another backlash is about redundancy of attributes included in surveys. Some statements included in the questionnaires are repetitive and they can alter the final score.

Quantitative metrics, are, then, more suggestable if the purpose is to compare the scores of competing destinations, but there are some controversies about the inputs to be used. The set of inputs is too vast and variegated and the selection is at the discretion of compilers and researchers.

National GDPs are, surely, the preferred ones to start any kind of analysis, but, as highlighted in the pertaining chapter, it is extremely difficult to isolate the entries that directly affect the place brand. Too often, items not related to tourism business "contaminate" the results.

A dialogue between statistics centres, universities and institution is required to homogenise the set of inputs. Results produced by different entities are still too divergent.

In any case, it is wrong trying to create an order of validity between quantitative and qualitative measures. The choice of the metrics is context dependent. Generally speaking, for marketing researches pointed at analysing customer behaviour, qualitative metrics are suggestable; instead, quantitative methods are more suitable to predict the status of the industry and the capability of governments to finance new projects. In other words, we are provided of two different lens to see the same object.

Summary

This work counts three chapters, in each one I examine a single theme. The chapter number one is dedicated to historiography of the phenomenon of selling places. It would be a mistake englobe all manifestations mentioned in the chapter into the family of “place branding theories”, since the concept of branding was still unknown to sellers.

The first case of place selling is dated 1773 when the government of Georgia secured by treaty properties and territories from Indians. The 1838 millions of acres were conceded to railroad companies, farmers and deserving soldiers.

Railway companies played a key role in promoting places and attracting new settlers. They spent 1/10 of their revenues in promotional activities. They, initially, used to buy promotional spaces on newspapers, to print booklets and to conclude endorsement deals with poets, artists and writers. Secondly, their strategies became more professional and structured; they opened foreign offices in the major capital of Northern Europe to attract European emigrants. Moreover, they offered costless tours to visitors interested in buying an house in the new lands. Transportation service was utterly given for free.

The role of Government was reduced to control that real estate prices were not speculative. Authorities wanted to favour the settlement of young women and farmers. They had to sign a mandatory contract prescribing the duty of cultivating the lands for 5 consecutive years. Industrialists were prevented to acquire these lands.

The dependence of the new towns from the financings of company was so evident that was coined the term: “Company towns” .

The second case regards the selling in UK of sea places, resorts and spas between 1800 and 1900. Starting from 1750 many scientific studies about the benefits of sea water were issued by local newspapers nationwide. Britain adopted the same marketing scheme experienced in many French localities as Trouville-sur-Mer and Varengeville-sur-Mer. It was about realizing artistic and pictorial outdoor advertisement to advertise summer places. Reaching these spots really far from major cities was pretty expensive so only wealthy families could afford it. Government could not intervene because local body of laws didn't permit external financings. Furthermore policymakers considered undignified to waste tax money in promoting sunbathing places weakly competing with French, Belgian and American places.

Railway companies, before, and, coach companies, after, were two strategic partners of coastline cities searching for funding. Mass transportation vehicles allowed lower-classes citizens to spend weekends in inshore destinations.

In the mid-1800 the innovative public transports like the electric streetcars allowed people to reach peripheral urban areas. Then, selling suburbs became a growing business for developers and speculators. The first case of high-end suburb was Brookline developed by H.M. Whitney. In Chicago the real estate promoter S.E. Gross sold many territories around the city centre after the "Great Fire" sparked in 1871. The selling technique was about providing access to suburb and developing new lodgings. This is why also in the case of *suburbanities* the transport companies played a major roles. The developer promoted the new dwellings on newspapers and he introduced the renderings to attract the attention of people. Moreover he offered financial help to family to pay the mortgage.

The financier of Gross, the tycoon C.T Yerkes, adopted the same system to create a business in London's suburbs. He managed the real estate activities by means of the UERL, the biggest railway company in London. In the same period emerged several advertising agencies specialized in promoting real estate properties.

The fourth case is about selling industrial towns. The development of industrial centre had a different genesis in Canada, USA and UK.

In Canada the development of industrial towns was not spontaneous and authorities conceded many inducements to business owners to attract new companies.

In 1899 Canadian government subsidizations totalled \$2.3 million. The bonusing system was such deregulated that local press described the phenomenon as a bonusing craze, underlining the dangerousness of the policy. In fact the fair competition was altered and the local work-forces were creamed-off. Furthermore, the companies that received governmental free-loans or municipal bonds carried on bad debts and bad risks, so the majority of them failed in the following decade.

Canadian example was replicated in UK, but there the results was more positive because local regulation put some limits to transfers from municipality to private businesses. Provisions exempted manufacturers up to 75% of levies and often authorities conceded costless utilities to companies (electricity and lands). In 1908 the city of Derby attracted Rolls Royce, in 1926 the city of Stoke-On-Trent attracted the French company Michelin. Competition between cities was the side effect of this government permissiveness.

The industrialization was a phenomenon that interested principally the Southern States of America. Contrarily to the North, the South had not indigenous capitals so the ability to attract external capitals was vital for the prosperity of that region.

In U.S were, basically, the banks to offer financial aid to public authorities. The large budget were spent to buy promotional spaces on highly specialized newspapers. In many cases these programs were criticized by tax payers that saw their money wasted. In fact the profitability of ventures were not granted and often labour conditions were illicit; low-wage workers and girlish labour were clear demonstration of the insanity of such policies. Between '70s and 80's the technological innovations deeply transformed the production process. Low performing companies disappeared from the market and the unemployment rate increased in all developed countries.

Authorities realized that diversifying activities within the cities could be a clever solution. Massive investments were oriented toward the entertainment industry; it could offer new job placements and it could improve the quality of human life. Towns never slept, also at night people delighted in clubs, pubs, concert halls, stadia and theatres. Giant malls were erected in the main cities to offer a more enjoyable shopping experience to buyers.

Municipalities also spent money to change the aesthetical aspects of cities. In many cases they recruited notable architects to gain the cover page of newspaper and to convince financial institutions to provide low-interest loans. A clear example is the Canary Wharf in London Docklands.

Sporting teams started to receive a huge attention, in fact, they have a special unifying power on citizens. Cities competed to attract downtown successful sport teams. In 1984 had a huge echo on media the move, from Baltimore to Indianapolis, of the Baseball team of Colts. Cities also compete worldwide for international sport events bids like Olympic Games. Such glamorous events had a tying effect on local economies.

The second chapter offers a deep view on the modern theory of Place Branding. It takes its origin from the representative realism of Descartes. The corollary of this philosophical doctrine is that ideas are mental representation of external objects. In 90's this concept has been modernized with the theorization of the triangle-shaped model of knowledge: stimulus-perception-response.

This assumption finds application in the model elaborated by Fridgen in 1984 to explain the correlation between psychology and traveling experience. He describes 4 phases: Anticipation, Travel to destination, On-site behaviour and Return & Recollection.

Marketers, today, have to face off a never experienced before consumer type. It is better define as prosumer to remark his double nature: producer + consumer. In fact, he, in a proactive way, is capable to assemble a tailored touristic product in a self-serviced manner. He does not require intermediations and he is a scrupulous data analyser. On the web he finds

and he compares products and offers. In the meanwhile he leaves some tracks and personal data online. This latter aspect is the vertex on an industrial transformation; theorists refer to it as a mass-individualization of market. This means that, among the mass, the single individuals can be identified and analysed because of the modern online tracking systems.

Another massive challenge is the new paradigm of the experience economy: How a product/service is consumed is more important of what is consumed. One more key characteristic of the consumers in the new millennium is that they prefer talking on the web than in real life, so the word-of-mouth is going to be replaced by the word-of-mouse.

Marketing specialists concentrate the majority of their efforts on the creation of a unique and not-easy to replicate identity. Often the process of destination's identity making was monopolized by political parties, but recently, on purpose and dedicated bureaus manage this pivotal task.

There are many reasons why an identity could not be authentic:

1. Democracy deficit: Cultural minorities don't contribute to the identity shaping process. The solution lays in the motto – "Unity in diversity".
2. Touristification and detraditionalization: To create a tourists oriented places, often marketers erode traditions of a destinations. The result is a meaningless staged authenticity.
3. Mcdonaldization: Worldly culture, basically American, is substituting local cultures. A solution could be the glocalization consisting in readapting world-class elements with a local fashion.

Anytime a projected image doesn't met the reality, we are in front of a brand strategy gap. What consumers experience is a self-perpetuating system of illusions. In all these cases brand performance can be dramatically negative.

To gain a sustainable brand performance, offering an emotional experience can really make the difference. To do so destination makers have to involve consumers in the daily activity. A good academic example is the Elizabethan theatre. Activities have to infuse positive emotions, boredom and anxiety are the extreme emotions to be avoided.

An emotion is influenced by several aspects as: Physical environment, personnel, local community, place's history and heritage. All together they form the so called experiencescape.

Front-line workers as receptionists, taxi-drivers, touristic guides and shopping assistants have the giant responsibility to initiate the emotional journey of tourists. Because of this significant task they are also labelled as emotional workers. An initial negative prejudice can negatively affect the overall judgement.

Whenever is conveyed a negative emotions, theorists refers to the place brand performance gap.

Generally we can assume that a consumer is satisfied when he is able to match his self-concept with the expected place image (self-congruity). He build his own expectation on three levels: Cognitive, Affective and Conative. Situations of incongruence generate the place brand satisfaction gap.

The 3 gaps place brand model is identified and it can be solved manipulating three different areas of operations:

1. Place brand analysis
2. Place brand essence
3. Place brand implementation

The aim of each touristic service provider is to satisfy activities in the desired destination. The final product is broken up in five distinctive elements:

1. Physical Plant;
2. Service,
3. Hospitality;
4. Freedom of choice;
5. Involvement.

Notwithstanding the entire world seems to be brand-maniac, the success of a destination doesn't depend exclusively on the brand strategy. The extent and the quality of the internal organization has a huge impact on the performance. All players operating within a destination, public and private, have to be coordinated.

Often destinations organize themselves as collaborative networks. They exploit the benefit of the collective intelligence to offer a consumer-oriented experience. Each service provider execute a precise task, so it develops a great expertise and the collected data are better elaborated. The locus of control is not centralized, by spread all over the network. Flexibility and self-learning are the most powerful characteristics of such model. Sometimes operators receive leadership and coordination by a Destination management organization (DMO). The presence of the DMO does not alter the independence of agents and the flexibility of networks. When operations are perfectly coordinated and operators are particularly responsive, the network, externally appears as a single entity. It is called Tourism Extended Enterprise. A subspecies of TEE is the Tourism Virtual Organization, in which operators share a mutual data processing program. Usually, it is used for market researches. The exigence to collect and process data is, today, so prominent that DMOs are also described as Knowledge management organizations capable to predict market turbulences.

Many destinations are financed by private investors with non-recourse granted by special purpose taxes. The idea is to create a system of risk sharing where the loss for single operators, in case of default, is minimized.

The last chapter, instead, contains a focus of the most adopted metrics aimed to measure the performance of place brands. The evaluative methodology can be grouped in two families: Quantitative and Qualitative. Qualitative ones are largely used in tourism industry but, them are not so suitable to create objective parameters for comparison between destinations. The challenge for scholars is about identifying more reliable quantitative metrics. Qualitative evaluation method, adopt the point of view of consumers, so the selection of samples is a crucial stage. Marketers use a lot

qualitative analysis to configure the right target of customers. It is really functional to CRM procedures. Differently, quantitative methods collect data from databases and from statistic firms and offices. This latter type of measurement are probably more functional to management staff.

In the third chapter I have described and showed methods pertaining to both families:

QUALITATIVE	QUANTITATIVE
Customer Based Brand Equity (CBBE)	Wits methodology
Urban Emphaty evaluation	Royalty Relief method
Community Commitment evaluation	
Advanced Brand Concept Map	
Customer Value Map	

The last methodology included in the list requires some modifications to be adapted to the touristic industry. In the thesis I have not described the original model theorized by B.T Gale. I have re-elaborated the conceptualization of his matrix and I have extended his methodology to a new class of products/services: The luxury goods. When we switch from the generic condition to the luxury condition, several changes appear.

Bibliography and Sitography

Agata Bonenberg (2016) – *Place Brand-Building: Urban Empathy as an Evaluation Method*. Springer International Publishing Switzerland.

Agostino Vollero, Francesca Conte, Gianmaria Bottoni and Alfonso Siano (2017) – *The influence of community factors on the engagement of residents in place promotion: Empirical evidence from an Italian heritage site*. John Wiley & Sons Ltd.

Brand Finance Official Website (2018) – *Nation Brands 2018: The annual report on the most valuable nation brands*.

Gracia Rubio Martin, Francisco Perez Hernandez and Conrado M. Manuel Garcia (N.S) – *Brand Valuation using Royalty Relief Method and Linear Discriminant Analysis*. U. Complutense de Madrid.

Gyorgy Szondi (2008) – *Public Diplomacy and Nation Branding: Conceptual Similarities and Differences*. Netherlands Institute of International Relations “Clingendael”.

Ismail Abuamoud, Amal Ibrahim & Ramzi Mahmoud Alrousan (2018) – *Measuring Tourists satisfaction and Loyalty: A Perception Approach*. Quality Management Journal.

Lorn Sheehan, Alfonso Vargas Sanchez, Angelo Presenza and Tindara Abbate (2015) – *The Intelligent Destination Management Organization*. 18th Toulon-Verona International Conference.

Maja Konecnik & William C. Gartner (2006) – *Customer-Based Brand equity for a Destination*. Elsevier Ltd. - Annals of Tourism Research vol. 34

Mike Rocha (2012) – *Brand Valuation: A versatile strategic tool for business*. Interbrand.com – Creating and Managing Brand Value.

Mohammad Enamul Hoque (2015) – *MICE Destination Branding from Corporate Branding Perspective*. 3rd Global Conference on Business and Social Science - Kuala Lumpur, Malaysia.

Richard Ward and Raymond Perrier (1998) – *Brand Valuation: The time are changing*. Henry Stewart Publications – The journal of Brand Management vol. 5.

Robert Govers & Frank Go (2009) – *Place Branding: Glocal, Virtual and Physical Identities, Constructed, imagined and Experienced*. Palgrave Macmillan.

Roger Sinclair (2004) – *A Brand Valuation Methodology for Nations*. Henry Stewart Publications – Place branding vol. 1

Rosaria L.G. Pereira, Antonia L. Correia and Ronaldo L. A. Schtz (2012) – *Destination Branding: A critical overview*. Journal of Quality Assurance in Hospitality and Tourism - Routledge Taylor & Francis Group.

Salvatore Ammirato, Alberto Michele Felicetti and Marco Della Gala (2014) – *Tourism Destination Management: A Collaborative Approach*. Conference paper in IFIP Advances in Information and Communication Technology.

Sebastian Zenker & Natascha Rutter (2013) – *Is satisfaction the key? The role of Citizen Satisfaction, Place Attachment and Place Brand attitude on positive citizenship behaviour*. Elsevier Ltd.– Cities: the international journal of urban policy and planning.

Sebastian Zenker & Nicole Martin (2011) – *Measuring success in place marketing and branding*. Macmillan Publishers Ltd. – Place Branding and public diplomacy.

Sebastian Zenker (2014) – *Measuring Place Brand Equity with the Advanced Brand Concept Map (aBCM) method*. Macmillan Publishers Ltd.

Simon Anholt (2008) – *Place Branding: Is it marketing, or isn't it*. Palgrave Macmillan.

Sonya Hanna & Jennifer Rowley (2011) – *Towards a strategic Place Brand-Management model*. Westburn Publishers Ltd.

Stephen L.J. Smith (1992) – *The Tourism Product*. Elsevier Science Ltd. – Annals of Tourism Research.

Stephen V. Ward (1998) - *Selling Places: The Marketing and Promotion of Towns and Cities 1850-2000*. Spon Press Taylor & Francis Group.

Sunny Bose, Sanjit Kumar Roy, Sharifah Syed Alwi and Bang Nguyen (2017) – *Measuring Customer Based Place Brand Equity (CBPBE) from a public diplomacy perspective: Evidence from west Bengal*. Elseviser Inc. – Journal of Business Research.

Tadayuki Hara (2013) – *Reviewing Tourism Funding Model for Public Infrastructure and Destination Marketing Organizations: A Case of Orlando*. Journal of Tourism Economics, Policy and Hospitality Management.

Tim Ambler and Patrick Barwise (1998) – *The trouble with Brand Valuation*. Henry Stewart Publications – The Journal of Brand Management vol.5

Yildirim Yilmaz and Umit S. Bitici (2006) – *Performance measurement in tourism: a Value Chain Model*. Emerald Insight - International Journal of Contemporary Hospitality Management.

Table of Figures

Figure 1: Gap-bridging place branding guide (<i>R. Govers & F. Go</i>)	55
Figure 2: Destinations Brand equity Scheme (<i>M. Konecnik & W.C. Gartner</i>)	69
Figure 3: Measurement of Slovenian Brand Equity from the eyes of German people (<i>M. Konecnik & W.C. Gartner</i>)	71
Figure 4: Measurement of Slovenian Brand Equity from the eyes of Croatian people (<i>M. Konecnik & W.C. Gartner</i>)	72
Figure 5: Table of Highest and Lowest scores for sub-Saharan Africa (<i>IMD 2002 survey</i>)	76
Figure 6: Competitiveness of South Africa's Brands (<i>IMD 2002 survey</i>)	76
Figure 7: Top 10 Most Valuable Nation Brands (<i>Brand Finance official website</i>)	78
Figure 8: Emotional map of the city of Catania (<i>A. Bonenberg</i>)	81
Figure 9: Results of Community factors analysis in the Amalfi Coast (<i>A. Vollero, F. Conte, C. Bottoni and A. Siano</i>)	86
Figure 10: Results of Hypothesis testing related to Amalfi Coast study (<i>A. Vollero, F. Conte, C. Bottoni and A. Siano</i>)	86
Figure 11: Original BCM of the city of Hamburg (<i>S. Zenker</i>)	89
Figure 12: Reworked aBCM of the city of Hamburg (<i>S. Zenker</i>)	90
Figure 13: aBCM of the city of hamburg in t_1 (<i>S. Zenker</i>)	91

Figure 14: aBCM of the city of Hamburg in t_2 (<i>S. Zenker</i>)	92
Figure 15: Reinterpretation of Gale's Customer value map for Generic goods and services (<i>Own elaboration</i>)	94
Figure 16: Reinterpretation of Gale's Customer value map for Luxury goods and services (<i>Own elaboration</i>)	95

Index of subjects

Acknowledgements	2
Introduction	3
Abstract	8
Chapter 1	9
1.1 “Place Branding”: A recent marketing concept with an ancient applications’ set	10
1.2 U.S. Federal Government sells the frontier	10
1.3 Selling resorts and seaside places	14
1.4 Selling suburbs	19
1.5 Selling industrial towns	26
1.6 Selling post-industrial cities	31
Chapter 2	37
2.1 Origin of the concept of Place Branding	38
2.2 Identity and Image: The very beginning of a Branding strategy	42
2.3 When a Place Brand is performing well	49
2.4 How producing customer satisfaction starting From image	52
2.5 How bridging the 3 gaps	54

2.6 It's not all about branding	55
2.7 Destination as a distributor of touristic products	59
2.8 Public Diplomacy: A possible catalyst for place development	62
Chapter 3	66
3.1 How measuring performance in tourism	67
3.2 Customer Based Brand Equity for a tourist destination (CBBETD)	69
3.3 The Wits methodology for nation brand evaluation	74
3.4 Nation Brand Evaluation using the Royalty Relief Method	77
3.5 Urban Empathy Evaluation	79
3.6 Evaluating the community commitment for place promotion: Amalfi Coast case	82
3.7 How measuring the Place Brand Equity combining the Advanced Brand Concept Map (aBCM) and the BANV	88
3.8 Rethinking the Customer value map of B.T. Gale to probe tourists' perceived value	92
Conclusion	97
Summary	99
Bibliography and Sitography	107
Table of Figures	110
Index of subjects	112

