IDENTITY AND BRANDING OF EU CITIES – INVESTIGATING ATTITUDES OF CROATIAN STUDENTS

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ABSTRACT
City branding, as well as its long-term marketing strategy, is a challenge for cities which already have strong image, as well as for those who still need to build it. In the process of branding, cities promote themselves as places good for living and as a desirable tourist destination, at the same time seeking to attract significant investments. Brands are the basis of long-term survival for every company in the market, including the cities. Creating and building strong brands requires a clear definition of brand identity and its positioning in the minds of consumers (Paliaga, 2007, 45). Marketing activities result in increased brand equity, and in the case of cities, we talk about the growth of their market recognition, and thus their image. Conducting marketing activities to build a city brand, we highlight its perceived strengths on which we want to build growth. The Creative City Index, developed by Charles Landry and Jonathan Hyams, evaluates the ‘creative pulse of places’ by exploring their urban dynamics, processes and achieved projects. It looks at the city as an integrated whole, including economic, cultural, technological and social factors, where the dynamics interweave either reinforcing or counteracting each other (Landry, 2014). Competition among cities is expressed most strongly in the field of attracting new investments and jobs. It manifests through two levels, in the global market cities are competing to attract the headquarters of new international companies, while in the national market they compete for resources and incentives from various funds, in order to invest into infrastructure, as well as cultural, economic and other development projects. The main goal of this Paper is to investigate the image of European city brands and their emotional impact on Croatian students from all university regions in Croatia as authors target research group. In order to find out their preferences, authors will conduct a quantitative research. Authors will also focus on whether or not some of Croatian cities would be included in their list of brands.

Keywords: city branding, Croatian students, competition, image, market
1. INTRODUCTION AND LITERATURE REVIEW

There is no one accepted definition of a brand. Today, brands are measured through the experience they deliver, from the emotional connection they make to how far they create sustainable business value. (FutureBrand, 2016). Brands represent a set of tangible and intangible values of the product for its users, but in terms of cities, regions and states they act as a certain label, which summarizes all of our expectations, thoughts, beliefs, knowledge, feelings and associations that we already have in our minds about a specific state, a city or a region (adapted from Paliaga, 2008).

Gren (1992) and Ashworth & Voogd (1990) have wrote about place marketing from the early 1990s. Today’s leading texts on place marketing (also Gold & Ward 1994: 9) have been published in the series of “Marketing Places” by Philip Kotler et al. (1993, 1999) (Rainisto, 62) Places can be branded like products and services (e.g. Kotler et al.1999; Keller 1998: 19; Killingbeck & Trueman 2002; Hankinson 2001). Place branding in place marketing aims especially at increasing the attractiveness of a place. Relevant areas of study regarding place branding have been urban planning, retail marketing and tourism marketing (Hankinson 2001: 128-129; Morgan et. al. 2002). Place branding brings added attraction to a place, the central issue being to build the brand identity of a place (Rainisto 2001). When geographical locations are branded like products and services, the brand name is then often the actual name of the location. A branded place makes people aware of the location and connects desirable associations (also Keller 1998:19). Places comprise many components, such as name, symbols, packaging and reputation (Shimp 2000).

According to Vicente (2004), branding cities is a part of strategic marketing that aims to promote the image of the city, its products, tourism and attract investment. At the same time, marketing of cities today constitutes one of the aspects of spatial development (Rainsto, 2003). A brand of a city enables its description, interpretation and connections with specific characteristics, values and emotions. The city brand represents its meanings on different levels, from physical to emotional, psychological (Paliaga, 2008, 9). The best city brands are actually successful because they manage to achieve synergy in building an emotional connection between them and their target groups (Williams et al, 2004, 6 from Paliaga, 2008).

The starting point for applying the concept of branding the cities is that the name of a city becomes a brand. As a result, the brand creates a psychological image in the minds of its target groups (potential investors, tourists, citizens, businessmen), helping them to assess the city's products and services, facilitating the tourists to make their decisions on the visit, affecting business decisions, influencing the residents’ decision on relocating, etc.

For the past 8 years, FutureBrand has published a report on the subject of Country Branding the Country Brand Index (CBI) - that measures and ranks countries on the strength and power of their nation’s brand. As part of the research, it has become increasingly important to understand the power and value of ‘Country of Origin’. According to FutureBrand (2014) the reputation of a country and the relationship between the product and the country’s expertise was originally the ultimate reason to buy the product. Today, things have changed. Consumers understand that legal and safety issues are equally as important. As a result of the 2013 ‘Horsemeat scandal’, all packaged products must now indicate the country or countries of origin of all production stages. This demonstrates that origin is more than ever an expression of quality and is crucial information for the consumer. Products or services that are well known in the market also have huge influence on the concept of national branding and consequently may affect city brands recognition.
Hankinson (2001, 129) comments that ‘in contrast to the marketing of locations, there are relatively few articles to be found in the academic literature with regard to the promotion of locations as brands. Trueman et al. (2001) recognise that there is an urgent need for a robust analysis of the city as a brand that takes into account a wide range of stakeholders. While some cities already have strong and recognizable brands, many cities and states worldwide take actions in their branding, in order to increase their competitiveness in the global market. They try to present their cities and states in a powerful, attractive and different way, and this activity is very similar to the marketing of products and services. Cities and even countries take efforts in branding primarily to attract high-tech companies, venture capital, tourists and skilled workforce. Therefore, the governments of many countries, and now even leadership of large cities deal with the reputation, image and identity of the country, struggling to attract investment, tourists, an increase in exports and the like (Paliaga, 2008, 10).

Graham (2002) makes a distinction between two parallel cities that exist simultaneously. The first is the ‘external city’, ‘which can, at least superficially, be encapsulated in one or two signature buildings or landmarks’. The second parallel city described by Graham (2002: 1011) is the ‘internal city’, the city of the mind. It is possible to describe the ‘internal city’ as the subjective image created in our minds, according to each individual’s experiences and priorities. The two parallel cities exist simultaneously, overlap and interact. The crucial point for the management and marketing of the city is this point of interaction. The point of interaction is the perception of the city, as formed by each individual that comes to encounters with the city. It is the city’s image (Kavaratzis, 2004). Sevin (2014) argues that place-relevant associations might be highly influenced by certain high-profile events, that is why researchers need to be careful about differentiating between long-term place associations and short-term event influences, as well as how these short-term events influence long-term associations. This is also the case with growing terrorism. There are several measurement practices and studies using various methods such as quantitative perception surveys (Anholt, 2006), interviews gathering qualitative data (Laaksonen, Laaksonen, Borisov, & Halkoaho, 2006), concept maps (Brandt & de Mortanges, 2011), repertory grid analysis (Hankinson, 2004), and importance satisfaction analysis (Insch, 2010). Even though several of these models have shown various levels of success, it is not possible to argue that they present a comprehensive model in which we can measure place brands.

According to Simon Anholt (2003, 213), cities have always been brands. Simon Anholt, a practitioner who is often credited in coining the term ‘nation branding’, started the Nation Brands Index in 2005 and partnered up with GfK in 2008 (Anholt, 2011). Following the commercial success of Nation Brands Index, Anholt started the Anholt-Global Marketing Institute (GMI) City Brands Index. The reputation of cities has been driven by their governments throughout history. Anholt believes that in addition to its economic strength, wealth and development, the city brand should also be developed in directions such as creativity, music, philosophy, confidence, wisdom, challenge and safety. The city will be able to use and benefit its strengths and weaknesses only in one condition, and that is to create such an organizational structure that will link people and resources in a harmonious unity, as an optimal way to use all available forces (adapted from Kotler et al., 1993).

Measuring brand value is an important task and it enables brand managers to plan their strategic decisions. Keller (2000) introduced the Brand Report Card in which brand managers are asked to score their brands against 10 pre-determined facets, and later presented
a Brand Tracking model, which provides a practitioner approach to brand building (Keller, 2003). This model consists of a brand pyramid which starts with “salience” at the base (to define awareness and identity), and moves through “performance”, “imagery”, “judgements” and “feelings”, towards “resonance”, denoting the relationship with the brand. The destination brand literature has complimented these typologies, often with more specific brand attributes that include the physical environment, weather and food (Embacher and Buttle, 1989), or the creation of a geographical marketing mix (Ashworth and Voogt, 1989) focusing on promotion, spatial-functional measures, organisational measures and financial aspects, whilst Kotler et al (2002) have developed a model of place improvement which embraces place as a character, the fixed environment, service provision and the entertainment or recreational value. Hubbard and Hall (1998) further include aspects such as cultural regeneration, large-scale physical redevelopments and mega events. Anholt on the other hand, has developed both a destination brand hexagon (Anholt, 2005) and a city brand hexagon comprising six Ps: Presence (familiarity and contribution to world culture), Place (physical aspects), Potential (economic and educational opportunities), Pulse (vibrancy), People (and cultural alignment) and Prerequisites (living standards and amenities) (Anholt, 2006). Vandewalle (2008) used brand building models in an attempt to explore the impact of the Liverpool campaign as European Capital of Culture 2008 on the re-branding of Liverpool, by assessing perceptions taken from the local and surrounding population. Brand building models seek to identify (and assess) the various dimensions of brands and whilst the fact that brands are multi-dimensional is not in question, according to Vandewalle, which facets are assessed remains an issue, because whichever facets of the brand are evaluated, other components will have been omitted. So he comes to a conclusion that the holistic nature of the brand will never be fully captured by these techniques. Furthermore, he proposes instead an attempt to identify and emphasise the key components in the brand building process. Awareness is clearly one of these: we cannot make judgements about a brand unless we are aware of it. Overall Brand Judgement is therefore a second key component in brand building (and is the sum of brand performance, image, feelings and so on). Indeed, gaining an emotional bond with the brand is seen as an important milestone in the brand building process. This then, leads to a third key facet, Brand Resonance, which determines to what extent we take the brand with us.

In the long run, the most competitive cities in international terms are those offering the best quality of life to their inhabitants (Sánchez, 1997). Cities that were once industrial are restructured for the service economy. The economy of cities as a whole must be competitive internationally. Powerful communication infrastructures and logistics zones, based on telecommunications have been seen to be invaluable for success (Borja & Castells. 1997: 14, 252). City branding provides, on the one hand, the basis for developing policy to pursue economic development and, at the same time, it serves as a conduit for city residents to identify with their city. In this sense the relevance of and need for a framework describing and clarifying the processes involved in city branding are equally strong for facing increasing competition for resources, investment and tourism on the one hand and for addressing urgent social issues like social exclusion and cultural diversity on the other (Kavaratzis, 2004, 58).

2. METHODOLOGY
The main goal of this Paper is to investigate the image of European city brands and their emotional impact on Croatian students from all university regions in Croatia as authors target research group. In order to find out their preferences, authors will conduct a quantitative research. Authors will also focus on whether or not some of Croatian cities would be included in their list of brands. This paper's findings are based on primary research of branded
European cities, or city brands, that have the highest brand awareness among Croatian students (faculty level). Anonymous research was conducted using the sample of 356 students that attend one of 4 main Croatian universities in Croatia (Universities of Zagreb, Osijek, Rijeka and Split) during the time frame of approximately 1 month, between March and April 2016. The questionnaire consisted of the questions below:

1. Which European city first comes to your mind?
2. Which 3 associations of that city first come to your mind?
3. Have you already visited that city?

Demographic questions: age, sex.

2.1. Research questions and hypothesis
Based on the research questions, authors will confirm or reject research hypothesis below:

1. (H1), Main hypothesis: The cities that mostly come to students’ minds (top 5) have mostly the same, repeated associations, with variance less than 25% in average.
2. (H2) More than 75% of surveyed Croatian students, when thinking about European cities, first think about a foreign European city, rather than Croatian one.
3. (H3) More than 50% of students surveyed have not been to the city that first came to their mind.
4. (H4) More than 25% of students surveyed mentioned the same European city that first came to their mind.
5. (H5) More than 50% of students surveyed mentioned the top 5 cities in this research.

Using master hypothesis authors will confirm or reject the statement that the strongest city brands (highly branded cities) in most cases have just a few extremely branded associations that are widespread among students’ minds.

Authors are aware of the potential seasonality of the results, since the time frame was relatively short to conduct the survey. The same type of research would be more representative if conducted during all 4 weather seasons (winter, spring, summer, autumn). They are also aware of short-term event influences, including the present fear of terrorist attacks in European countries which can appear as negative associations for some city brands.

3. RESEARCH RESULTS
Primary research was conducted between March and April 2016, using the sample of 356 faculty students among all major Universities in Croatia. The sample can be considered as representative. Sampled demographics are shown in chart 1 (sex) and chart 2 (age).

![Chart 1: Sample demographics - sex](image1)

![Chart 2: Sample demographics - age (Authors’ primary research results)](image2)
The cumulative list of mentioned European cities in this research is shown in table 1.

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Table 1. Cities mentioned by surveyed students (Authors’ primary research)

The dispersion by frequencies follows in chart 3.

![Chart 3: Frequency of mentioned European cities (Authors’ primary research results)](chart3.png)

3.1. Research Hypothesis results:

**H1**: The cities that mostly come to students’ minds (top 5) have mostly the same, repeated associations, with variance coefficient less than 25% in average, meaning that ¾ of all associations mentioned are roughly the same.

**Research conclusion: H1 is rejected.** The average variance coefficient between top 5 mentioned cities is 65.8 %, which is almost the opposite of H1 (variance is ¼ instead of ¼). Interestingly enough, the only partial exception to this conclusion is the city of Paris, with its Eiffel tower as the most mentioned (and branded) association out of all other associations combined together, as shown in the chart 4. No other mentioned city has as strong association as the Paris’s Eiffel tower, to be the most frequently mentioned. When it comes to Croatian faculty students, the Eiffel tower is, by far, the most branded European tourist association.
**Chart 4: Associations for Paris, France (Authors’ primary research results)**

**Table 2: Associations for top 5 mentioned cities (Authors’ primary research results)**

**H2:** More than 75% of surveyed Croatian students, when thinking about European cities, first think about a foreign European city, rather than a Croatian one.  
**Research conclusion: H2 is accepted.** Roughly 80% of surveyed students mentioned foreign European city as the first city that came to their mind (chart 5).

**H3:** More than 50% of students surveyed have not been to the city that first came to their mind.  
**Research conclusion: H3 cannot be accepted.** Although authors were quite close to assumption, the result literally showed a tie (50:50 – chart 6) between visited and not visited mentioned city per student. This means that H3 does not have to be rejected, but also it cannot be pre-assumed. The decisive conclusion could not be made.
**H4:** More than 25% of students surveyed mentioned the same European city that first came to their mind.  
**Research conclusion:** **H4 is rejected.** Although quite close to 25% (24%), the city of Paris is the most mentioned (the most branded) European city, as seen in chart 7. The second most mentioned city (London) was mentioned among 20% of surveyed students, while the third most mentioned city (Vienna) was mentioned among 9% of surveyed students. In total, the three most mentioned cities add up to 53% of all mentioned European cities cumulative.

**H5:** More than 50% of students surveyed mentioned the top 5 cities in this research.  
**Research conclusion:** **H5 is accepted.** The top 5 European cities have been mentioned among 67% of surveyed students, while all the other cities only 33% in cumulative (chart 8).

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**4. CONCLUSION**  
The main goal of this Paper was to investigate the image of European city brands and their emotional impact on Croatian students from all university regions in Croatia, as authors’ primary target research group. Research survey was conducted between March and April 2016, with the sample of 356 faculty students. Based on the research questions, 5 research
questions were to be answered. The first hypothesis (H1 - The cities that mostly come to students’ minds have mostly the same, repeated associations, with variance less than 25% in average) was rejected: The average variance coefficient between top 5 mentioned cities is 65.8%, which is almost the opposite of H1. Interestingly enough, the only partial exception to this conclusion is the city of Paris, with its Eiffel tower as the most mentioned (branded) association out of all other associations combined together. The second hypothesis (H2 - More than 75% of surveyed Croatian students, when thinking about European cities, first think about a foreign European city, rather than Croatian one) was accepted. Roughly 80% of surveyed students mentioned foreign European city as the first city that came to their mind. The third hypothesis (H3 - More than 50% of surveyed students have not been to the city that first came to their mind) could not be accepted. Although authors were quite close to assumption, the result literally showed a tie (50:50) between visited and not visited mentioned city per student. The fourth hypothesis (H4 - More than 25% of students mentioned the same European city that first came to their mind) was rejected. Although actually close to 25% (24%), The city of Paris is the most mentioned European city. The second most mentioned city (London) was mentioned among 20% of surveyed students, while the third most mentioned city (Vienna) was mentioned among 9% of surveyed students. In total, the three most mentioned cities add up to 53% of all mentioned European cities cumulative. The fifth hypothesis (H5 - More than 50% of surveyed students mentioned the top 5 cities in this research) was accepted. The top 5 European cities have been mentioned among 67% of surveyed students. For future work, authors plan to investigate which are the most branded Asian cities among Croatian faculty students. The main limitation of the research is the relatively short time frame for the survey with possible short-term event influences.

Literature