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# Places can be branded, too

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#### **AGENDA**

- Key concepts
  - Brand; branding
  - Identity
  - Image
  - Brand equity (customer-based; financial)
- Place branding



#### WHAT IS A BRAND?

B = P + AV

How to add value to a product in order to build a brand?

#### **Important steps:**

- A product has to be known in order to succeed. Generating awareness is the initial step in any branding campaign: a product with no awareness is of no value.
- Secondly, a brand is a promise of quality, related to price.
- Thirdly, the brand has to create associations. Brand associations relate to the brand's distinctiveness; customers tend to choose brands that produce the positive associations.
  - Micro associations: associations and beliefs about the products of e.g. a country
  - Macro associations: associations and beliefs about a place (Pappu & Quester, 2010)
- Fourthly, **brand loyalty**: an element of the long-term brand strength.
- These, together, comprise customer-based **brand equity** (Aaker, 1996)
- Besides, strong brands have an emotional component (Kapferer, 2005)



### THE MOST VALUED BRANDS IN FINLAND 2010

- 1. Fazerin Sininen (1)
- 2. Fazer (2)
- 3. Fiskars (6)
- 4. Hyvää Suomesta Joutsenlippu (4) alkuperämerkki
- 5. Joutsenmerkki (4) ympäristömerkki
- 6. Hackman (8);
- 7. Google (6)
- 8. Abloy (11)
- 9. Arabia (2)
- 10. Kalevala Koru (14)

**Interbrand**; **Millward Brown**; **BrandFinance BrandWorxx** 





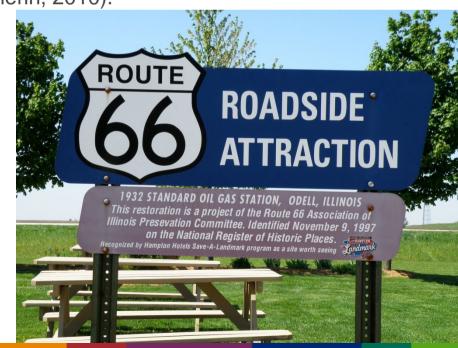
#### **BRANDING**

- Strategic issue
- Starts from the bottom
- Concerns everybody
- Ongoing process (consistency; coherence; renewal)



#### **PLACE BRANDING**

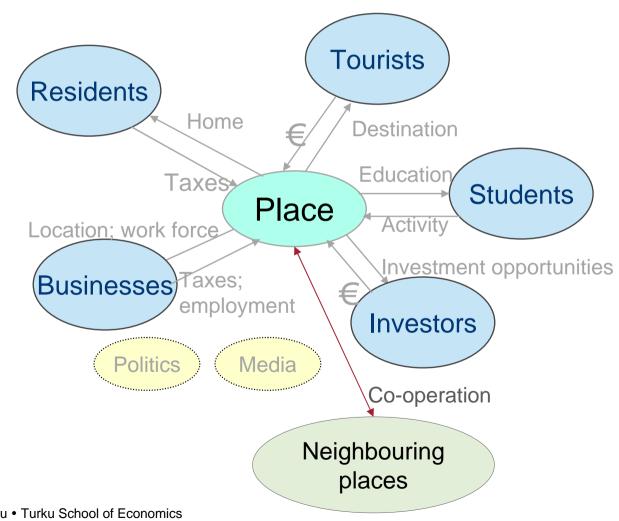
- Branding efforts of cities, city-regions, regions, communities, areas, states and nations
- Objectives: to attract tourism and other business, stimulate investments, and create positive perceptions and attitudes in the target markets (Fetscherin, 2010).
- Related concepts
  - Place-of-origin (c-o-o)
  - Location
  - Destination
  - Country
  - Nation
  - City
  - Region







#### MAIN TARGETS OF PLACE BRANDING





#### WHY BRAND PLACES?

- 1) To appeal to tourists and visitors
- 2) To attract investment and businesses
- 3) To attract talented residents
- 4) To add value to the products produced in the city/area/country > linking value
  - Product brands can operate as carriers of a place's attributes (e.g.Turun Sinappi; Raisio; Tapola)
  - If a place succeeds at developing a beneficial image to a certain line of products or services, this can be used for branding (Stock, 2009).
  - Cf. Nokia and Finland
  - At its best, a brand can affect cultural habits (McDonald's > eating habits; Nokia and Apple > ways of communicating)



#### TWO-WAY LINKING VALUE

- A place can lend support to the products produced in the area
  - Germany > cars; France > cosmetics; wine; Italy > fashion;
     Switzerland > watches
- Product brands can lend support to the place
  - Nokia > Finland; Angry Birds > Finland; IKEA > Sweden





#### MADE IN...

- A product's origin may act as a signal of product quality, perceived risk and value as well as likelihood of purchase (Gallarza et al., 2002).
- What wine do you buy? What car do you drive? What clothes do you wear?



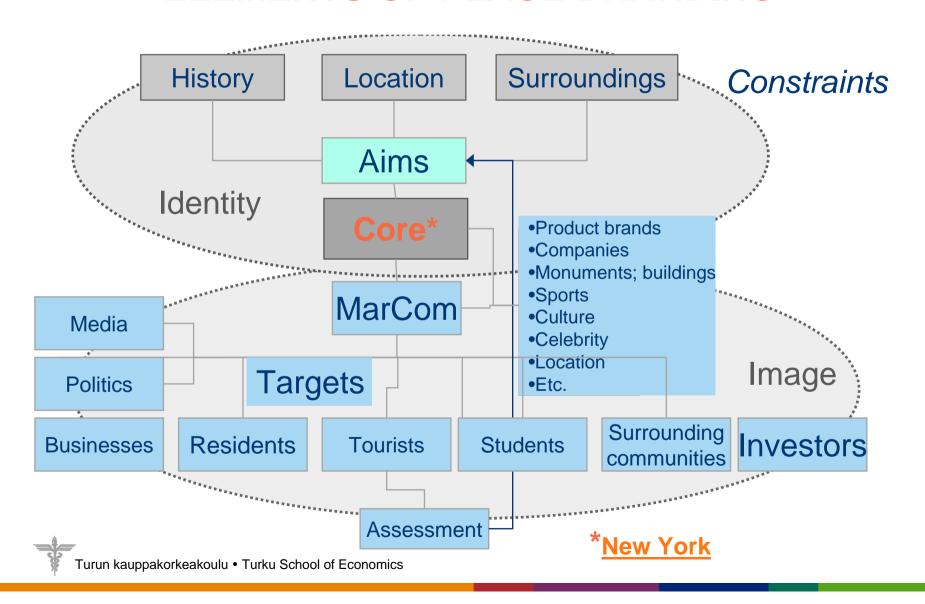




Mercedes-Benz



#### **ELEMENTS OF PLACE BRANDING**





#### **IMAGE**

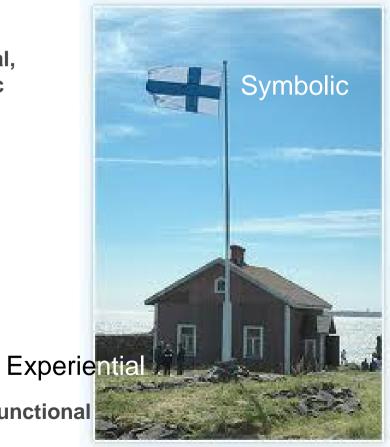
		Knowledge		Experiences		Stereotypes	
È	Symbolic	Logos;	flags; s	ymbols;	slogans	; colours	S Place intangibles
DENT	Experiential	People	e; event	S			Place relationships
Tur	Functional un kauppakorkeakoulu • T			numents ctions	s; sights,	•	Infrastructural elements of the place

Hakala & Lemmetyinen, 2010



#### **IDENTITY**

**Identity** is apparent on different levels: functional, experiential and symbolic (Gnoth, 2002).



**Functional** 



#### **FUNCTIONAL LEVEL**

• The core characteristics and the **infrastructural elements** of a place, in other words the social, economic and political conditions, which give some idea of how the inhabitants perceive the fundamental aspects of the brand.



#### **EXPERIENTIAL LEVEL**

- How people experience their place
- The ability to meet people and make friends is one of the most important factors in determining how happy people are with their dwelling place
- Cultural offerings; general openness in terms of a communal sense of tolerance and acceptance of diversity (Florida, 2008)



#### **SYMBOLIC LEVEL**



#### ✓ Brand intangibles

- Imagery and history
- Name, music, flag, symbol, logo, sign, or slogan, or a combination of these.



#### **IMAGE**

Based upon people's previous knowledge, beliefs, and experiences, or on stereotypes of its people and the social political, and economic conditions

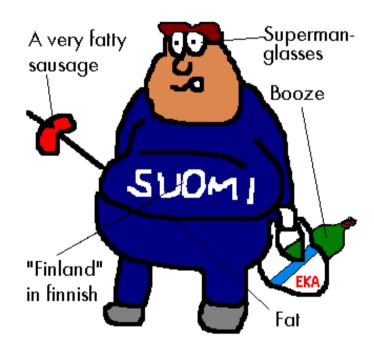






#### **STEREOTYPES**

- Mental short cuts to attitudes and intentional orientations
- Cultural artifacts such as music, films, and even products may heavily influence perceptions of stereotypes, and thus can be used for promotional purposes.





## DISCUSSION WHAT MAKES A (PLACE) BRAND?

- Identity, or essence
  - What makes one different? > differentiability
- Authenticity
- Saliency; awareness
- Trust > loyalty
- A good name; good communication; linking value (co-branding); mastering the publicity



## Thank you for your attention

