

***Network Based Branding:
A Colaborative Model
for the Development of Place Brands***

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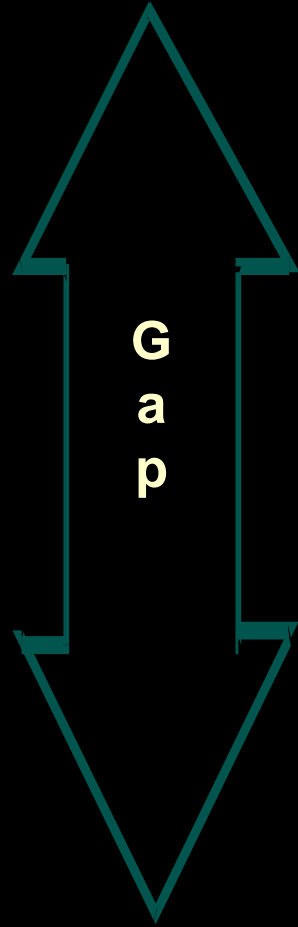
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Cities brands Breakdowns

Expectations



**G
a
p**

- ▶ Not knowing the real expectations of stakeholders
- ▶ Lack of interaction and integration
- ▶ Overpromising

Perceptions

Network Based Branding

Colaborative process that includes the important actors and their interaction in the process of creation of the place brand.

It assumes that the network developed between stakeholders and its dynamics of interaction and collective action leads to positive behaviours that values the positioning and image of a place.

PLACE BRAND

=

**Functional and symbolic
mirror of the identity**

Informative Role

Relational Function

COMMUNICATION PARADIGM

Communication model 'many to many'

Enviroment *push e pull*

Stakeholders theory
Relational marketing
Brand equity
Place marketing

This model can help to:

- Understand and consider the stakeholders and networks relevance
- Provide working procedures to help their integration in ways to support place brand equity and effectiveness.

Cities in study

Guimarães

Barcelos

Matosinhos

Penafiel

Paços de Ferreira

Lousada

Ponte de Lima

Vale de Cambra

Vizela

In-depth Interviews

Mayors

Vice-Mayors

**Directors of the main organisations
of the city - 8 to 10 per city**

	Guimarães	Barcelos	Matosinhos	Penafiel	P. Ferreira	Lousada	P. Lima	V. Cambra	Vizela	Lisboa	Porto
Population											
Population, total (most recent projection)	162.618	124.498	169.122	71.984	55.985	47.429	44.618	24.482	24.274	499.700	221.800
0-14	16,80%	17,50%	15,10%	18,90%	19,70%	19,90%	16,00%	13,40%	17,70%	13,70%	13,00%
15-24	13,80%	13,90%	11,50%	14,30%	13,50%	14,40%	13,40%	12,60%	14,60%	8,90%	10,30%
25-64	57,60%	56,70%	58,90%	55,60%	56,70%	55,60%	53,20%	56,30%	57,30%	53,30%	56,20%
65 +	11,80%	11,90%	14,50%	11,20%	10,10%	10,10%	17,50%	17,70%	10,50%	24,20%	20,40%
Education											
Population with no formal education	13,80%	14,10%	10,90%	15,20%	13,60%	15,60%	16,70%	14,80%	14,80%	10,30%	9,30%
Basic education level	67,50%	70,20%	56,80%	71,90%	74,70%	74,40%	69,70%	65,30%	71,50%	45,40%	50,00%
Secondary education level	12,20%	10,40%	18,10%	8,30%	7,60%	6,50%	8,30%	12,50%	9,50%	17,60%	17,10%
Post-secondary education level	6,60%	5,20%	14,10%	4,60%	4,10%	3,50%	5,40%	7,40%	4,20%	26,70%	23,50%
Quality of life											
Purchasing power per capita	77,5	67,1	121,2	62,7	62,9	58	58,4	74,4	69,3	216	164,3
Employment											
Unemployment rate	9,20%	4,60%	6,70%	5,90%	5,50%	4,70%	5,30%	3,30%	8,30%	5,60%	9,50%
Agriculture, forestry, hunting and fishing	0,60%	1,40%	0,70%	3,00%	0,50%	1,10%	7,00%	0,50%	0,20%	0,20%	0,20%
Manufacturing	61,20%	56,70%	18,60%	35,20%	66,80%	56,20%	22,60%	65,80%	73,70%	4,70%	9,40%
Construction and public works	7,00%	16,50%	8,60%	27,30%	4,00%	21,50%	33,10%	5,90%	4,30%	5,30%	5,30%
Employees in commerce, hotel and restaurant industry	17,30%	14,90%	30,40%	16,00%	18,10%	12,30%	20,20%	14,00%	11,50%	25,60%	31,40%
Transport, storage and communication	1,60%	1,10%	10,80%	2,60%	1,40%	1,00%	2,10%	1,60%	0,60%	10,90%	5,40%
Financial activities, real estate and services provided to con	5,00%	2,80%	19,00%	3,60%	3,70%	2,60%	4,00%	4,60%	2,60%	39,20%	29,30%
Public administration, health and others	6,50%	6,20%	11,70%	8,10%	5,00%	5,10%	9,20%	7,00%	7,20%	13,60%	18,30%
Companies economic activity											
Companies, total	6.572	4.326	8.539	2.151	1.884	1.483	1.173	787	836	59.723	20.476
Agriculture, forestry, hunting and fishing	0,70%	1,90%	0,70%	1,70%	0,30%	1,60%	3,80%	1,90%	0,70%	1,00%	0,50%
Manufacturing	29,60%	36,70%	9,00%	16,70%	35,70%	29,40%	12,30%	24,40%	38,20%	4,60%	6,20%
Production and distribution of electricity, gas and water	0,30%	0,30%	0,20%	0,20%	0,10%	0,20%	0,20%	0,30%	0,50%	0,30%	0,30%
Construction and public works	8,70%	13,50%	8,60%	25,50%	5,10%	22,80%	22,60%	10,70%	7,80%	5,80%	4,50%
Commerce, hotel and restaurant industry	37,90%	30,30%	42,30%	32,30%	37,00%	28,70%	37,40%	36,50%	35,00%	40,00%	45,30%
Transport, storage and communication	2,30%	2,60%	8,50%	4,30%	2,90%	3,80%	6,10%	5,00%	1,30%	6,00%	3,80%
Financial activities, real estate and services to companies	14,60%	10,60%	21,20%	11,90%	13,30%	9,90%	10,80%	14,40%	11,50%	31,60%	27,40%
Percentage of companies in public administration, health ar	5,80%	4,00%	9,30%	5,40%	5,10%	3,50%	5,60%	6,90%	5,00%	10,50%	12,00%
Turnover of companies, total											
Turnover of companies, total	3.354 MEUR	2.361 MEUR	8.273 MEUR	836 MEUR	660 MEUR	489 MEUR	341 MEUR	550 MEUR	336 MEUR	83.554 MEUR	15.667 MEUR
Exporting to EU	7,80%	6,60%	3,00%	3,10%	2,70%	3,50%	0,60%	4,00%	4,10%	1,00%	1,90%
Turnover on exports to EU	25,60%	18,50%	3,30%	9,60%	13,10%	22,30%	13,40%	34,90%	19,40%	2,40%	2,10%
Exporting to countries other than EU	6,90%	5,40%	6,40%	2,50%	4,50%	4,30%	1,20%	6,40%	4,60%	8,30%	6,00%
Turnover on exports to countries other than EU	6,70%	1,20%	1,50%	1,60%	2,30%	1,50%	0,20%	2,90%	3,90%	1,10%	0,80%

Stakeholders taxonomy

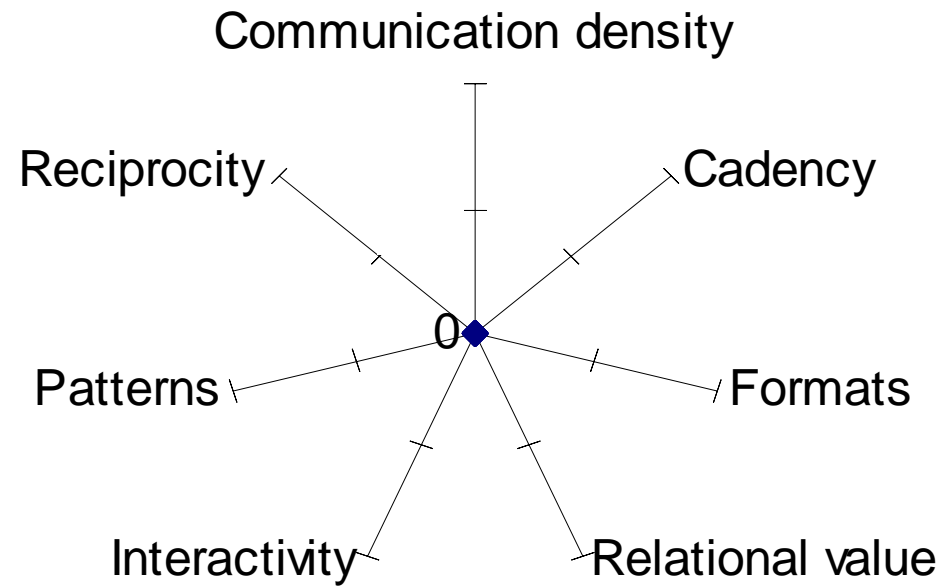
Place brand proposition

Network dynamics
(as a communication phenomenon and about the brand proposition)

Outcome

Network Dynamics

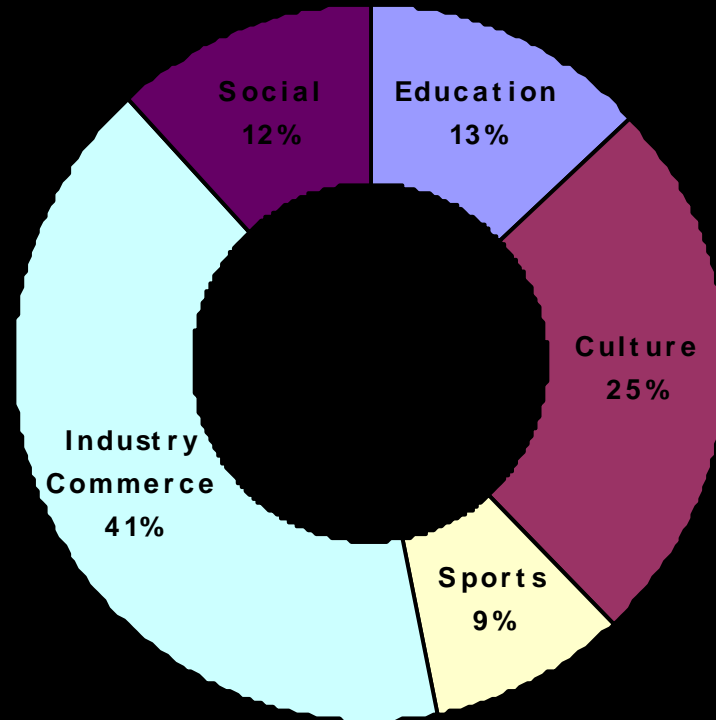
(as a communication phenomenon and about the brand proposition)

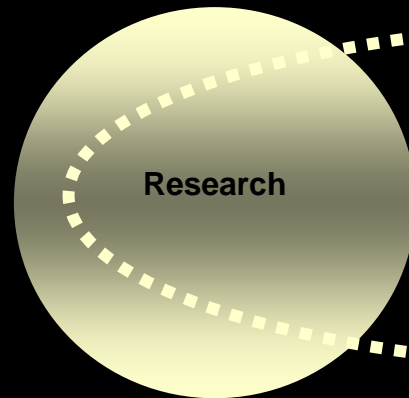


Work in progress

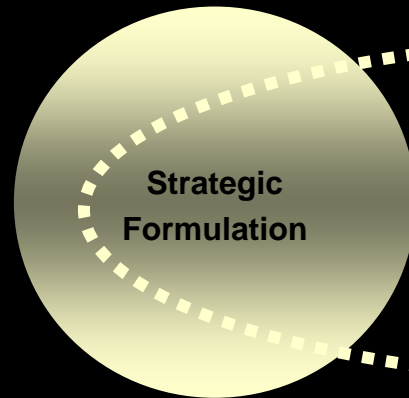
- Since October.2008: 42 Interviews

**Open-ended Questions.
Semi-structured Format.
Seek understanding and interpretation.
Conversational.**

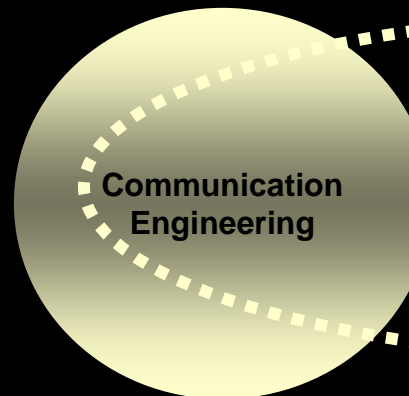




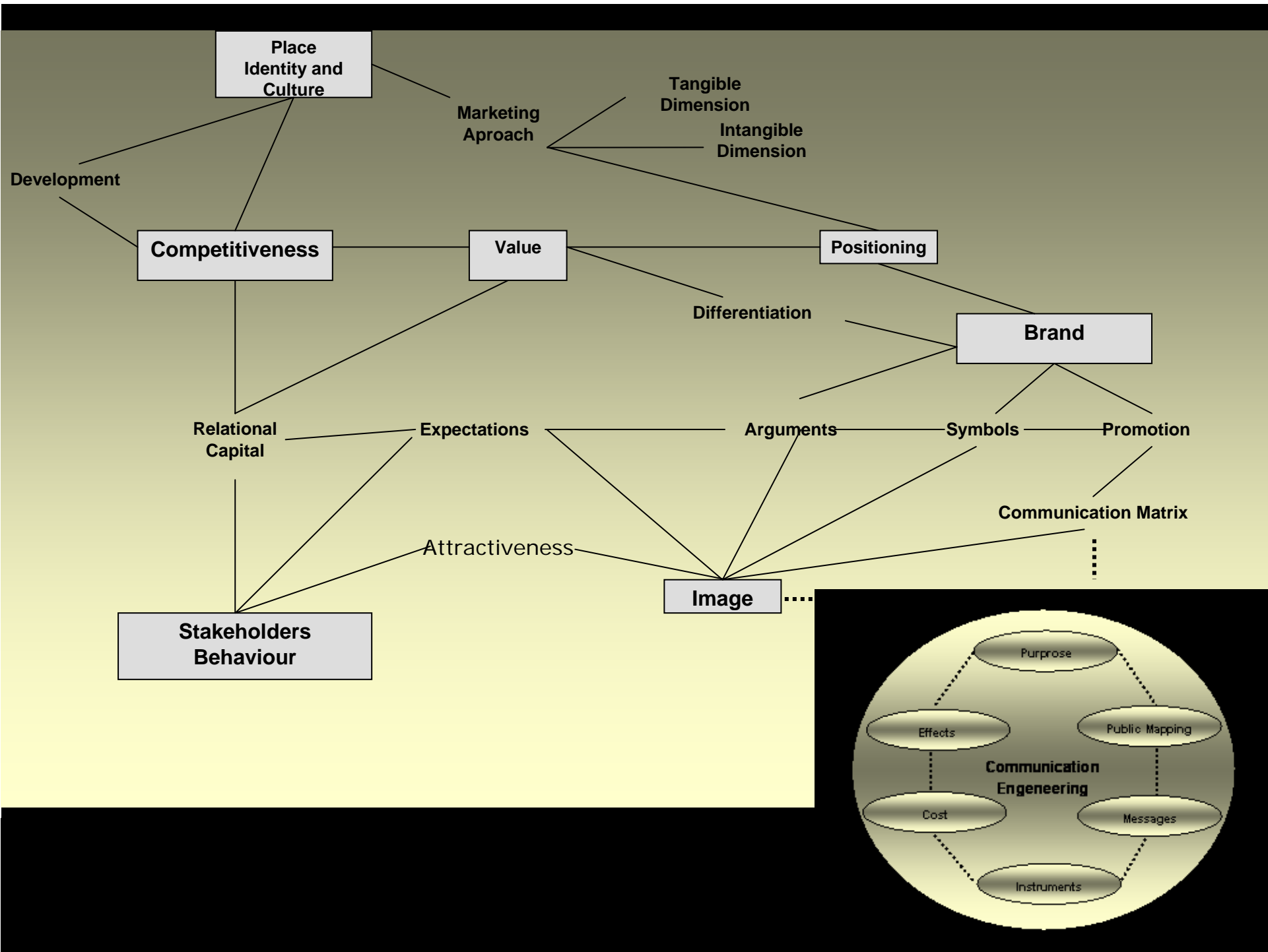
- ▶ Understanding the public's needs, heterogeneity and conflicts
- ▶ Identifying different public powers

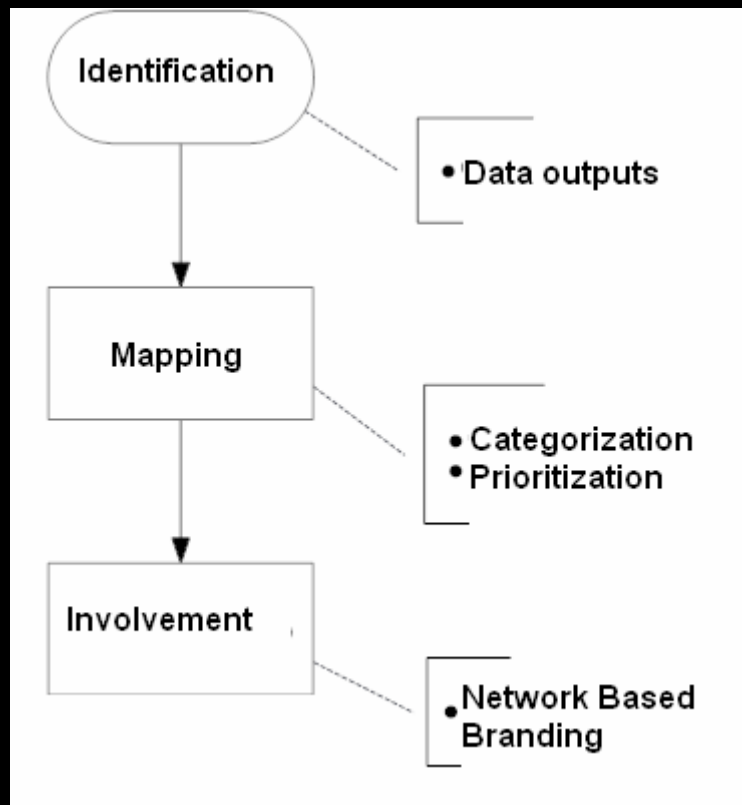


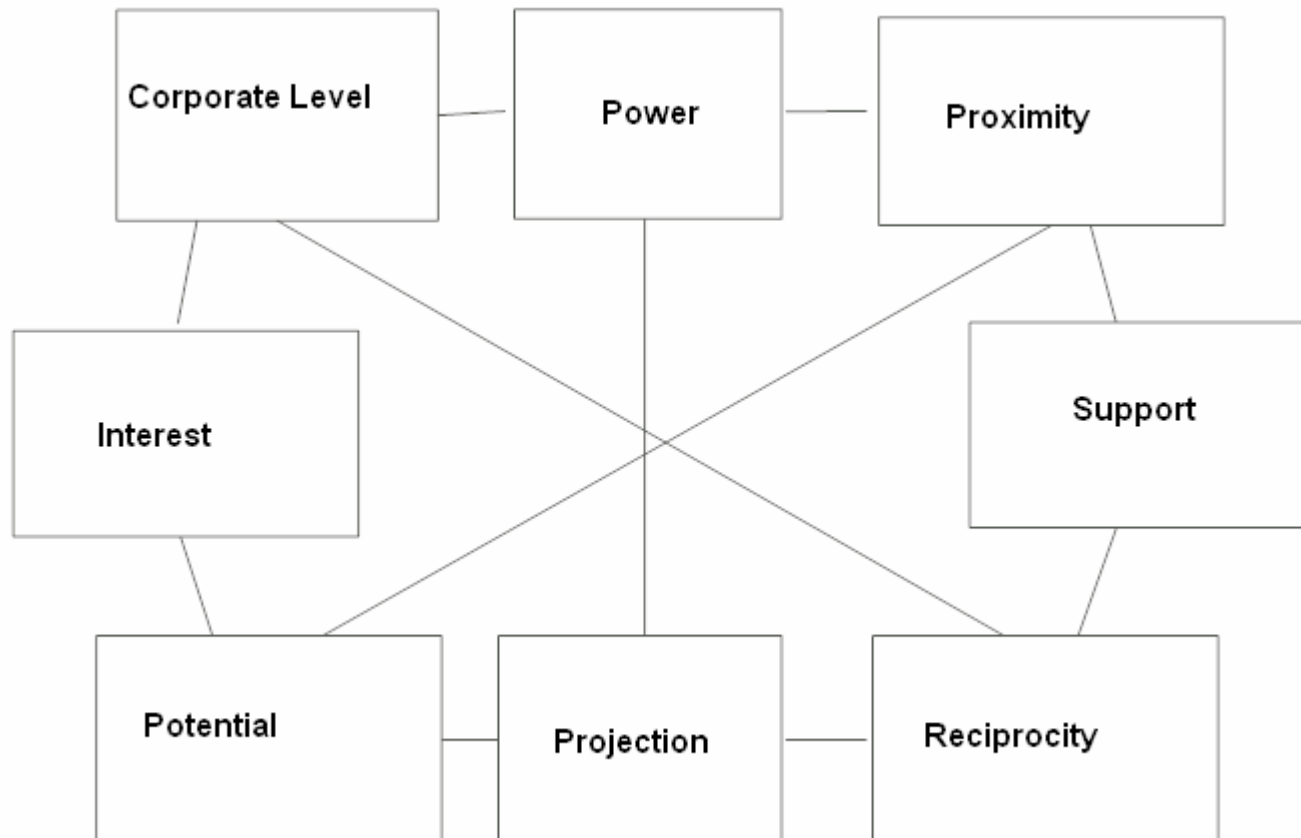
- ▶ Including different perspectives into the strategy
- ▶ Creating the Unique Value Proposition
- ▶ Managing stakeholders' expectations



- ▶ Stimulation of Dialogue and Involvement
- ▶ Motivating
- ▶ Promotion of a Sustainable Communication







- Interorganisational cooperation (informal/formal)
- Collective action
- Perceptions about the relations between stakeholders

Reasons for failure

Inadequate and insufficient market research

Inadequate and insufficient communication

Non-strategical use of branding process

Lack of interaction

Failure in connecting the tangible and intangible dimensions

Non systematic action

Goals ambiguity

Lack of network

Lack or non systematic actions of actors

Conflict

Difficulty in measuring transactions, feedback and results

Value Proposition of Cities Brand and Image in the Study

- Tourism
- Industry
- Mixed
- Difused



**CAPITAL
DO MOVEL**
PAÇOS DE FERREIRA

- **Network approach stimulates mobilisation and processes of change**
- **Inputs aggregation, care and responsibility**

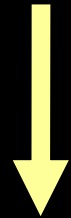
“Stakeholders must be involved in the city branding because it doesn’t make sense to communicate a distant city or against their will and without them feeling emotional involved”.

Mayor of Penafiel

“I believe that a city stakeholder should have a feeling of place and belonging. It’s only possible to develop success if we have the conscience that colective development nedds a confluence of efforts from everyone”.

Mayor of Lousada

- Perception of mutual and opposite interests and perceptions



- Mobilisation of interests

“It’s necessary to have a network broad enough but not too much because that may lead to noise and breaks”.

Mayor of Ponte de Lima

- Ability to communicate
- City rhetoric
 - Legitimation
 - Persuasion
- Image and reputation of leaders and organisations
- Emotional dimension

- Promotion and ownership
- Leadership
- Mediation
- Mobilisation
- Aggregation
- Critical mass

It's important to reflect about:

- To which extent do cities include a Network Based Branding approach;
- How big is this potential;
- How distant is the possibility from the reality.

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