



City Branding

Lessons from medium sized cities in the Baltic Sea Region

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Front cover photo

Nyköping in Sweden has signed a marketing-agreement with Ryan Air, an air travel company using the Skavsta Airport just outside Nyköping as their gateway to Stockholm.

(Photo: Municipality of Nyköping)

As globalisation and competition among cities and regions in the Baltic Sea Region intensifies, many local decision-makers choose to strengthen place-promoting activities. Today, tourist destinations and major cities are not alone in recognizing the potential in place-marketing, city branding and major cultural events as means to strengthen their competitive position. Increasingly, municipalities of medium sized cities engage in these activities as a response to the new challenges they are facing.

Below, the case of Nyköping in Sweden shows how city branding can enhance the competitive position of a medium sized city in the housing and tourist market in a metropolitan region, while the example of Randers in Denmark shows how an internal focused branding campaign has been set up to give the citizens a more positive belief in the future perspectives for their city.

• Branding cities in transition

The processes of globalization and economic transition challenge not only the economic foundation, but also the identity and image of local communities throughout the Baltic Sea Region. For a medium sized city the sudden loss of a major employer can be a blow, not only in terms of lost jobs, but also in terms of a lost identity. Especially small and medium sized cities owe their identity to one or a few local companies. When an important employer moves away citizens often feel that a part of the city's »soul« disappears. Of course, this is particularly pronounced among former employees and their families.

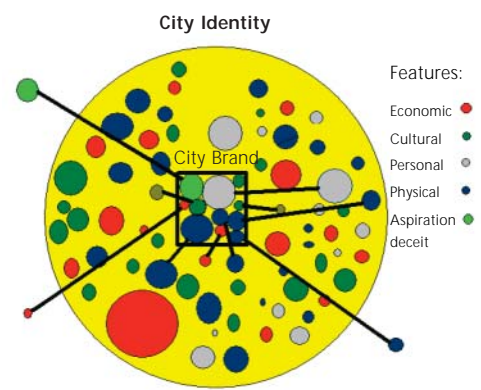
Besides the loss of jobs, economic restructuring usually marks a city with empty buildings and brown-fields screaming for revitalisation. This, added to a lack of investments, high un-

employment and out-migration, may result in a state of collective depression and a loss of hope for better times. This may give the city a negative image. As the case of Randers shows, (below) it is extremely difficult to get rid of such an image once it has been created, even if conditions in the city actually improve. A negative city image is »sticky«, not just for outsiders, but also for the citizens themselves.

Regional enlargement is another process that put many medium sized cities in a new position and, hence, in search for a new role and identity. Some of the mechanisms that have spurred this competition are improvements of physical infrastructure and improved mobility hereof, as well as the escalating housing prices in metropolitan cores. This process intensifies the competition among cities in metropolitan regions, especially as regards the housing market.

Around the Nordic metropolises it has become common that cities try to build themselves as brands in order to become the residential city of preference for people searching for alternatives in the metropolitan housing market. These cities try to define a sharp profile and make a great effort to ensure a consistent communication about the city. In this way they hope to obtain a distinct position in the market with a clear city brand. For the »average« medium sized city in a metropolitan region producing a sharper profile and promotion in various media (typically newspapers, ads, TV-commercials, internet-banners, etc) may be a necessary fee to pay in order to get more attention than neighbouring cities from potential residents.

The city brand, however, requires real action: A spectacular development project like a new major indoor arena for top cultural and sporting events may send the positive signals to the outer world that the city offers outstanding entertainment, that it is ambitious and that it has resources. A strong political line in environmental issues and a support for the local Agenda 21 work may signal environmentally consciousness and a strong commitment for public participation on different issues. Indeed, such kind of »real action« and »city



Transforming city identities into city brands
In a schematic outline, a city's identity consists of a vast number of images, characteristics and experiences of the city accumulated over time in people's minds. When designing a city brand, some of these features are usually selected, while others are dismissed. Previously unrecognised features can also be incorporated in the brand as well.

values« are important for building a city brand as well.

• The intentions of city marketing and city branding

Straightforward city marketing is about selling a city on measurable and tangible assets such as physical infrastructure, location, nature, public services and the level of taxation. Indeed, place promotion hardly represents a new phenomenon. For example, in the 1850s in USA, place-selling became a distinct feature of attracting settlers to the new frontier areas of the »Wild West«. Nor is it a new phenomenon in the Baltic Sea Region, not even among medium sized cities. Randers in Denmark launched one of the first marketing campaigns for a Danish city in 1932, accompanied by the slogan »Randers – where the sea route meets 13 roads«. Today most cities market their tangible assets in e.g. newspapers, their website and they produce various forms of information material about this for the citizens and tourist – this is standard.

City branding as a method of place promotion, however, is of more recent date and it

The origins of city identities

The ingredients that constitute a city's identity in the general public discourse are manifold. A city-identity has usually evolved over decades or centuries, shaped by historical events – or the lack thereof. Historical events, the political and economic history, sporting triumphs, disasters, famous and infamous sons and daughters, the products made in a city, cultural institutions and the city milieu are all among the essential ingredients contributing to a city's identity. Indeed, a city may have not just one but many identities.

A city brand

A city brand is more than a mere slogan or an ad campaign; rather, it represents the totality of thoughts, feelings, associations and expectations that come to mind when a prospect or customer is exposed to an entity's name, logo, products, services, events, or any design or symbol representing them.

differs from straightforward city marketing. City branding is about adding an emotional level to the image of a city and about promoting intangible qualities, e.g. the »soul« and »values« of a city, as well as the »feeling« or »mood« one experiences when visiting or living in the city. Successfully established, a city brand will be the totality of thoughts, feelings, associations and expectations that come to mind when a city's name, logo, products, services, events or any design or symbol representing a city, is somehow exposed.

City branding is particularly relevant for cities competing in markets where consumers not only make their choices based on prices, but to a considerable degree make their choices based on emotions; a soft factor. This is often the case in suburban housing markets where the »products« are more or less the same. City branding, however, is less relevant for cities competing in markets ruled by the price-factor. These cities have to promote factors like a low tax-level, cheap labour force and land, smooth municipal administration, etc.

• Nyköping, Sweden: External city branding

Transforming an anonymous city profile into a clear-cut city brand

When the first signs of a massive increase of housing prices in Stockholm could be noticed and a massive increase in commuting in the Stockholm region began in the late 1990s, a strong belief in promoting Nyköping as a residential town for people working in Stockholm got hold of local decision makers. Since then, the decision makers in Nyköping – situated about 75 km from Stockholm and hosting close to 50,000 inhabitants – have been convinced that developing and promot-



ing Nyköping as an attractive place to live is more important for the city than trying to attract new companies and jobs.

Today it is acknowledged that Nyköping has developed into an integrated part of Greater Stockholm despite the rather peripheral position in the metropolitan region. It has also been realised that benefiting from this situation requires that the city is able to stand out from its competitors in the regional housing market. Thus, it has become crucial to reach for the »point of difference« where people choose Nyköping instead of a neighbouring town. One precondition for making this happen has been spending time and resources on changing the outer world's perception of Nyköping. The city simply needed to replace the former image of a »civil servant town« (Nyköping hosts several public administration offices including the county administration of Sörmland) with an image of a city with living conditions beyond what an average Swedish town offers.

Today, Nyköping is regarded as a pioneer among medium sized cities in Sweden when it comes to city branding. The anonymous city image has been transformed into a sharp city

Brand platform

The spirit of Nyköping is communicated via a few key images. The »good life« is visualized by people (from Nyköping), who in a contemporary manner provide a feeling of safety, belief in the future, happiness and joy. The »Baltic Sea« is visualized to provide a feeling of thrill, openness and »limitlessness«. The »hub – meeting place« is visualized by one of the means of transport or a symbol for a hub, meeting or direction. This »mood branding« is very much based on creating an emotional relationship between Nyköping and the viewer.

brand. The three core qualities of the town – the good life, the sea and limitlessness – are displayed in advertisements in various Swedish media, e.g. Stockholm-newspapers, life-style magazines and websites for housing and living. The aim of the various campaigns launched by the municipality is to draw the attention of potential residents, especially from Stockholm. The City Council regards this task to be of such importance that a permanent marketing department with an annual budget of above 5 million Swedish kroner (ca 0.5 million Euro) has been established.

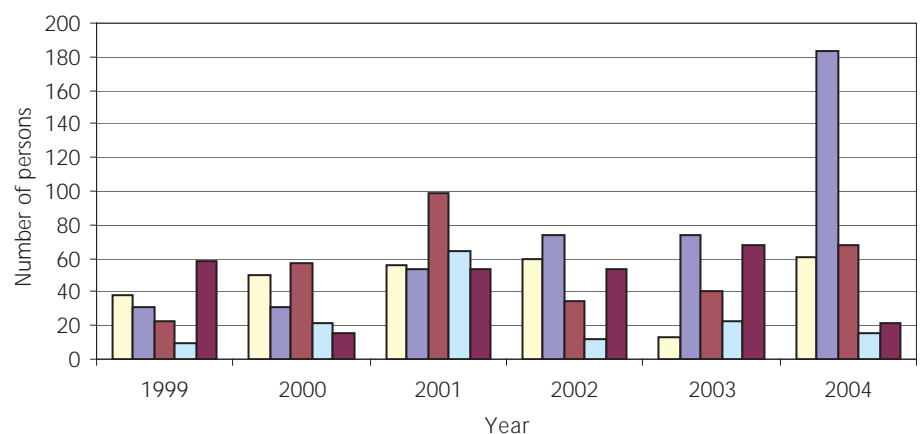
Co-branding with Ryan Air

Besides promoting the town as a residential alternative to Stockholm, Nyköping has received plentiful attention since the municipality signed a ten-year co-branding agreement with Ryan Air, an air travel company using the Skavsta Airport just outside Nyköping as their gateway to Stockholm. For the price of 55 million Swedish kroner (ca 6 million Euro), the city of Nyköping gets e.g. a banner on the Ryan Air website, advertising material in the aircraft seat-pockets, and www.nykoping.se is written on the outside of the aircrafts flying to

Migration balances, Nyköping, selected age groups

Nyköping attracts more people than it loses. In 1999 the total migration balance was + 175 persons, while the surplus in 2004 had increased to 234 persons. The positive migration balance is pronounced among people in the »productive age« (25-36 years old), which is also one of the main target groups of the city's branding campaign. Source: Statistiska Centralbyrån.

0-5 years old 25-35 years old 36-45 years old 46-55 years old 56-65 years old





Attractive living conditions in the periphery of the Stockholm region. New housing area in Nyköping. (Photo: Municipality of Nyköping)

and from Nyköping. Of course, the intention is to make the Nyköping brand unavoidable for passengers flying with Ryan Air, many of whom are Stockholmers. Furthermore, the hits on the official Nyköping website have increased more than 200% since the banner was first placed on the Ryan Air website. The media attention that Nyköping has been getting after signing the agreement with Ryan Air, has been extremely valuable in itself.¹

Attracting Ryan Air to Nyköping in the first place happened after the city in the late 1990's chose to sell the majority of shares in the municipal owned airport to a foreign private investor developing secondary airports close to metropolitan centres. Ryan Air was the first low-budget company to use the airport which later has expanded considerably, physically as well as in terms of passengers and flight-companies using the airport. Today numerous flight-companies, mainly low-budget companies, use it and the airport is currently the fastest growing airport in Sweden and one of the fastest growing airports in Europe.

The effects of city branding?

Today, after 2-3 years of intensive marketing the municipality has one of the highest numbers of in-movers in the Stockholm region, especially in-movers belonging to the target group – 25-35 years old and +55 years old. Many of them move into new attractive housing areas close to the bay and in the former harbour area in central Nyköping. Many newcomers are from Stockholm and still work there. Today there are about 800 daily commuters from Nyköping to Stockholm by train, while just a couple of years ago one could feel

quite lonesome standing on the platform waiting for the morning train.²

Furthermore, the local tourist-industry in Nyköping has grown with more than 55% from 2002 to 2004, mainly because of the growth of the Skavsta airport. In 2004, the industry had a turnover of 804 million SEK and employed approximately 580 persons and the numbers are increasing. Further, the retail sector in Nyköping is booming. Now you hear foreign languages spoken in the streets of Nyköping, and Rosvalla Event Centre – the new publicly financed major indoor arena – has hosted several major cultural and sporting events which have had much media attention.

Not only has this apparent success in promoting Nyköping meant a boost for the city in economic terms and in the physical development of the city. It has also meant a lot for civic pride. Of course, there are other reasons to why Nyköping has had this success, but the intensive marketing of Nyköping – as a residential town as well as a town for short tourist-visits – has without doubt been one precondition for the success.

• Randers, Denmark: Inward city branding

»Find the soul of the city. Find the values and the vision that can serve as the foundation for the development of the city in the years to come. Find ways to strengthen the identity of the city and create a profile that symbolizes Randers for its citizens, the business community and the outside world«.

This was the assignment given to the consultant asked to brand Randers in 2003. The strategy chosen by the City Council to fulfil

this assignment has been an inward focused branding project.

Struggling with a negative city image

For many years, Randers has represented a »perplexed city without any self-conceit«, as a board of 25 selected Randrusians expressed in an attempt at articulating the soul of the city and the reason for the identity- and image-crisis disturbing the city.

A series of political scandals towards the end of the 1990s is one of the reasons why citizens in Randers have had troubles with their city identity and were generally not proud of coming from Randers. Here, the former mayor was heavily criticized because a number of municipal employees were fired on what was said to be questionable grounds. Consequently, widespread mistrust in the local political sy-

The old city emblem and the new city logo.



Randers mod på livet

The R is being flagged from the silo of the closed Thor brewery. (Photo: Flemming Højer, Randers Amtsavis)



stem and city administration took hold of the Randrusians, and belief in constructive dialogue was consequently undermined.

Furthermore, Randers has had an image as a »city of violence«, among other things because of a significant media focus on a range of incidents of street violence and because Hells Angels have a stronghold in the city. In spite that statistics refute that Randers is more violent than other cities of similar size, many inhabitants, especially families with children, feel unsafe in Randers.

Moreover, the closure of identity-creating factories such as the Thor Brewery and Randers Rope also brought into question the identity of Randers as »an industrial city«.

In sum, there were several reasons why Randers had been heading for an identity crisis for many years. The previously proud self-concept as a successful industrial and commercial city gradually slipped into »Randers, an industrial city in crisis, plagued by violence and scandals«. A post-industrial city identity was required.

Profiling the »soul« of Randers

Today, the former city emblem has been placed in the background in favour of a new symbol for the city – an »R« partly shaped by 11 city »soul-markers«, many of which date back prior to Randers' industrial history. This R now appears on all kinds of municipal products and properties and it is also presented in various forms in the public space, e.g. painted on spots in the pedestrian area of inner Randers. On the official Randers Municipality website a design manual explains the colours

that the R should be depicted in and how local organizations and enterprises may co-brand their own logo with the R.

Furthermore, Randers has developed a set of values which citizens, politicians and municipal employees are urged to follow – a set of corporate values for the city. Among them is a guideline for how to behave when participating in public debate:

»We want to have an open dialogue, where anyone can state their opinion, and where the tone of debate is such that one is chasing the ball and not the man, and where dialogue prevails over monologue«.

Linking inner city development to city branding – and vice versa

Randers also has a »branding think tank« consisting of the Mayor, three City Council members, and five local business leaders. This group comes up with suggestions for the City Council on how to develop and exploit the new city brand in the best possible manner.

Until now, the group has proposed a thorough conversion of large parts of the harbour area in order to make Randers the »trade city full of experiences«. Here, city conversion is being closely connected to the newly designed brand. At the same time, the idea is to use the conversion of the harbour area to further develop the new city brand.

Together with the already existing attractions like the indoor Randers Rainforest, built in 1996, the harbour area may very well turn into a regional centre of the experience economy and as such add to the new city brand for Randers.

• Ensuring ownership to a city brand

It is important to stress that cities are more complex than companies and that there are several considerations to be made when it comes to setting up a branding strategy for a city compared to a company. First, a city branding process run by a municipality is to a degree subordinated to law, which makes the scope for action limited. Secondly, a city consists of competing actors who need to cooperate and understand the possibilities by standing together, at least throughout a branding campaign. And third, a city has a higher social responsibility than a company. Local decision makers cannot just think of profit, but also needs to think of providing welfare.

What is perhaps the most important outcome of city branding – whether external or internal focused – is that it often sets off a process of reflection of what kind of city the city used to be, what kind of city it is at present and what kind of city it should be in the future. It is a process where a city's identity, history, soul and values, prides and shames, and of course aspirations can be reflected upon.

A thorough process of reflection, however, requires that the entire community participates in the process, not just politicians, civil servants and consultants, but also local organizations, firms and citizens. As expressed by the Mayor of Randers, city branding is about initiating a process in which multiple groups and interests in the local community participate and express their voices regarding the kind of city they would like to have:

»Branding is primarily about initiating things, getting the good ideas and thinking the right thoughts. To figure out what you want to put your focus on, and what you don't want to put your focus on. To find the inherent soul of the city – and, very importantly: to do something. Branding is not just about telling how great you are. It is about focusing on the things you are good at, and taking concrete measures that improve the city. Listening to the citizens about what they think of their city. What they feel is good and what they feel is bad«.³

• Recommendations

Branding is most relevant for cities competing on markets affected by emotions

City branding is particularly relevant for cities competing on markets where consumers not only make their choices based on prices, but to a considerable degree make their choices based on emotions and soft factors. This is

often the case in suburban housing markets where the »products« are more or less the same. Thus, cities who wish to gain market shares in these kinds of markets should consider adding an emotional level in their promotion work – to make the city into a brand.

Branding is less relevant for cities competing on markets ruled by the price-factor

Cities competing on markets ruled by the price-factor should tailor their promotion efforts in a different manner, e.g. highlighting an attractive geographical location, low tax-level, cheap labour-force, smooth municipal administration, etc.

City branding as a »city-soul-healer«

Using internal city branding as a way to strengthen the self-perception of the citizens and their pride should be considered in cities in transition marked by collective depression and loss of faith in endogenous resources to change things to the better. Crucial for this process to succeed is »positive re-focusing« – focus should be kept on the existing positive and valuable local assets and on how they can be developed further.

The citizens should be able to relate to inward branding

A sense of ownership to a city brand is neces-

sary for internal branding to succeed. Citizens must be able to relate to the symbols and stories that build the city brand. Citizens should have the opportunity to contribute throughout the brand-building process, especially in the process of finding the soul, values and aspirations for the city.

The entire city is the brand

If a city only focuses on marketing instead of embedding the brand-values among its citizens as well as companies and local organisations, there is a risk of divergence between the real experience that e.g. a tourist or new inhabitants get of the town, and what has been »promised« in the branding campaign. If the promise is »openness« and »dynamics« and the experience is a closed local community without activities, then the city is a disappointment. A strong city brand needs to be thought of holistically – the entire city is the brand.

City branding requires commitment

City branding requires long-term commitment on the grounds that it involves long-term effort that yields incremental results. A precondition for successful city branding, therefore, is that decision-makers are not merely seeking short-term results.

Skilled staff

A competent »in-house agency« in the city ad-

ministration is important in the implementation phase of a city brand. If branding is to succeed, it is important that the persons working with branding and marketing are high skilled in communications and marketing.

Massive external marketing creates a need for internal information

Municipalities ought to take notice of the need to explain to their own citizens why and how city marketing proceeds and how money is being invested in the external marketing of the city. This can be done e.g. in public meetings or local newspapers, providing information about the activities taking place.

Show it, don't just tell it

City branding ought to be accompanied by real action, e.g. urban development projects, activities to improve the inner city environment or training in hospitality for people working in the retail and tourism sector. Show it, don't just tell it.

Footnotes

¹ Ulf Dahlqvist, Communications Director, Municipality of Nyköping, personal communication, March 2005

² Göran Forssberg, Mayor, Nyköping, June 2005

³ Randers Amtssavis 04-04-04

MECIBS

This folder summarizes the findings of a case study carried out as part of the Interreg IIIB project *Medium Sized Cities in Dialogue Around the Baltic Sea (MECIBS)*.

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Aim: Within the overall objective to foster balanced spatial development by sustaining the development of medium sized cities the project aims at: (1) understanding urban restructuring based on comparative and concrete examples, (2) forming recommendations for the interplay between local and national strategies based upon a bottom up process, (3) forming recommendations within an integrated perspective on economic, environmental and social development and (4) forming a network of medium sized cities to facilitate exchange of experiences and mutual learning.

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More information: www.MECIBS.dk



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around the Baltic Sea

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