



DOI: 10.18427/iri-2017-0064

# **The Role of Creative Cities in Achieving City Brand Loyalty**

**Lachin NAMAZ**

**Corvinus University of Budapest, Budapest, Hungary**

**Abstract.** *This study is going to investigate current trends in city branding literature and introduce the approach that can enrich city branding practices. In order to achieve prosperity it is vital to build effective relationships between place brands and targeted visitors. Thus, there is a need for holistic approach in city branding that includes socio-cultural, economic, and political aspects of a place. That is, current research intends to provide contributions in addressing existing gap in the literature. To achieve this, study is going to investigate which reasons result in brand loyalty that lead to repeated preferences of visitors toward a city. Furthermore, this study is going to bring new insight on understanding how creative city concept can be utilized in achieving city brand loyalty. Coordinating visitors and residents' points of views, their attitudes toward city brand and adapting it in branding practices may have better outcomes. Can high quality experiences such as openness, and diversity as it stated by several scholars influence the brand loyalty? Or there might be existed other antecedents that can activate these positive outcomes? Thus, taking into consideration mentioned points current study will attempt to formulate direction for the future research. This will identify visitors' (not only creative class) thinking about the city brand which in turn will give better chances to establish leading city brand. By applying this new approach the study will help to better measure city brands' attractiveness and improve their competitiveness in global area.*

## **Introduction**

This overview will help to identify future research objectives, and applicability of creative city concept for achieving city brand loyalty. In order to understand city brand loyalty issues it is worth to consider current trends in city branding research. What are the main research targets and what can be contributed to the theory, as well as which practical implementations can be suggested in city branding? Current literature review is going to uncover which factors or attributes of cities as a brand influence city brand loyalty?

## **City branding**

To achieve sustainable development and prosperity cities' policy makers are trying to increase the number of visitors, and investments into the place. This is a cause for growing number of the literature on city branding. City Brand Image is one of the concepts that is used to understand city branding problems. According to growing number of scholars in this case *Braun, Eshui and Klijn* (2014) brand image has a positive effect on place brand communication and word of mouth that is mediated by the place brand image. That is, if visitors are loyal to certain city brand they more tend to have manifestation in the form of positive word of mouth. Additionally the same authors show that both mediated effect and direct effect of place brand image have significant effect on attracting visitors. Thus, according to Braun and his colleagues (2014) logically to assume that positive image results in place brand loyalty. Another study that was focused on city brand image and positioning was conducted by *Insch and Bowden* (2014). In their research on Brisbane (Australia) it was identified that city's real repositioning was successfully applied through government policies to integrate city into global economic area, and knowledge based industries. In here, use of real repositioning was a prerequisite for phycology repositioning and competitive dispositioning. In its turn, psychological repositioning was employed to prepare target audience for the ongoing image change process.

In general, target groups of cities whether they are visitors or businesses select the city which match best to their needs. Thus, to establish successful brand as well as be competitive city authorities need to analyse, and access their position towards the competitors. In this regard, *Saez and Perianez* (2015) set up the measurement scale for European cities called Urban Competitiveness Index. With this scale it is easy to implement benchmarking that helps analyse, interpret and access competitiveness of city. Another concept that is used from the city branding context is brand equity *Gomez, Fernandez and Molina* (2016). in their study develop multidimensional construct for brand equity. This work is especially important because there are limited numbers of studies that explain antecedents and consequences of place brand equity, as this is a complex issue. In this research they develop City Brand Index that will help to quantify, and compare brand equity for cities. They mention that dimensions that play major role in establishing brand equity are attitude toward the brand, brand image, brand awareness, and brand perceived quality.

One of the studies (*Sevin, 2014*) offers different measurement model that can be used to measure city brands. Namely, this study introduces Define-Measure-Visualize model. This model indicates social network map that shows interaction between variety of targeted audience, and sub-network; also semantic network map which shows relations between associations in audience's mind. Similar approach namely netnographic analysis was demonstrated in study that was exploring attitudes toward Shanghai city brand (*Larsen, 2014*). The research demonstrated that perception and city brand image play vital role in attracting visitors,

knowledge workers and businesses. Applying netnographic approach for analysis of word of mouth communication contributed for tourists and expats understanding of city brand perception.

There are few studies that investigate brand equity from a city prospective, and among them is one that was conducted by Gomez, Fernandez and Molina (2016). Mentioned study analysed main components that determine brand equity, and the influence that brand equity has on city selection as a destination. Authors concluded with a development of multidimensional construct namely City Brand Index that gives solutions in quantifying cities' brand equity. On the other side relationship between constructs of Customer Based Brand Equity (CBBE) and destination competitiveness was explored as well (Wong & Teoh, 2015). It was proved that functional components of destination competitiveness are antecedents of CBBE. Revealed results will contribute to determining strengths and weaknesses of destinations in relation to its brand equity and competitiveness. In this context, *Larsen* (2015) was one of the scholars who recognized that there is a need in a "overarching multidimensional construct" that could be a tool in explaining perceptual organization of a city. In his study he deconstructed the already formed diverse range of city ranking indexes into their basic components, and created one that is more inclusive and comprehensive. Accordingly, this new construct contributes to city branding by formulating a framework for city brand positioning strategies, and measuring.

One of the remarkable studies from the aspect of city brand loyalty was carried out by *Xu and Zhang* (2015). In their research they focused on significance of tourists' place attachment, and one of its outcomes loyalty. It was highlighted that an urban destination's place attachment is important element to boost loyalty and social bonds to a city brand. It is worth to say that particularly cultural events can enhance personal involvement which in turn leads to a closer emotion tie to an urban destination (*Xu & Zang, 2015*).

In their study of *Zhang, Fu, Cai and Lu* (2014) investigated destination image and loyalty relationship that was carried out through meta-analysis. As cities can be also seen as a tourist destination, the study is relevant to analysing city brand loyalty. The study revealed that overall image has a most significant impact on loyalty, and other two dimensions namely cognitive image and affective image has comparatively less impact. Among factors that influence destination brand loyalty is self-image which identified in here as one of the antecedents of loyalty. According to the authors the match between destination image and tourists' self-perception increases loyalty level, and results in positive word of mouth. Thus, logic to assume that creativity in cities will match to the creative tourists/class self-perception that in turn increase chances of overall city brand loyalty for mentioned group.

Different aspect of destination branding namely tourists' aesthetic judgement was analysed in *Kirillova, Fu, Lehto and Cai's* (2014) study. According to the authors understanding of both nature-based and urban destinations tourists' aesthetic judgement will increase perspectives for

effective marketing and branding campaigns. Kirillova and her colleagues (2014:290) mention that "Tourism aesthetics is an important value adding component in tourism experience" which can influence tourists' perception of loyalty towards an urban or nature-based destination brand. Furthermore, aesthetics can be a considerable point of difference for destination brands which allows creating advantageous brand positioning strategy.

### *Creativity in cities*

Despite the fact that numerous studies criticise the statements of Florida's Creative Class concept (Florida, 2002), there are some researchers and practitioners who sees the concept as potential contributor to urban development. One of the attempts to clearly understand, and justify usefulness of his propositions was made by *Van Holm* (2014) who in his study tested suggestions concerning Florida's (2002) creative class. As a result, most of the Florida's assertions were not supported. Moreover, Van Holm mentions that despite the fact that demographics play a significant role in leisure choices, creative class concept cannot explain this phenomenon. He came to conclusion that there are not specific differences with other subcultures, and if city authorities want to create people climate it will be done in a way that improves liveability of all residents.

On the other hand, *Dorry, Rosol and Thissen* (2016) mention that for Zurich adapting creativity policy in the form of Creative Industries was successful, in terms of achieving transformation of city especially its western part. They conclude that Creative Industries foster new image of Zurich, support economic reorientation, and play significant role in attracting foreign business and new talents.

Attitudes of tourists toward creative city are also one of the important issues in creative city concept. Accordingly, *Tan, Luh and Kung's* (2014) study defines main characteristics of creative tourists in Taiwanese cities which can be helpful in understanding of creative tourism as a whole. In this research authors suggest some measures that can be useful in enhancing creative experience, and satisfying creative tourists' expectations. The study revealed that by classifying creative tourists common needs, it is easy to suggest and apply appropriate promotion targeting.

*Luo, Wang and Yun* (2016) explored the visitors' attachment to activities from the aspect of cultural creative districts. In order to analyse place attachment phenomena authors considered social bonding as one of the dimensions that represents emotional connections based on shared interests and concerns. Thus, study focused on impact of activity involvement, and place attachment on visitor's loyalty towards Cultural Creative District (CCD) in city of Guangzhou, China. Study revealed that marketers and city authorities should put more efforts on increasing place attachment and activity involvement. In this regard, "affective

involvement activities" (e.g. cultural entertainment amenities that bring more creativity to provide authentic experience) tend to play significant role in enhancing visitors' loyalty towards CCD (Luo, Wang & Yun, 2016:115). This in turn, can extend length of stay and boost visitation which is a main objective in a city tourism development.

Undoubtedly that tourists experience at the destination is a major influential factor for future behaviour towards the destination brand (Kim, 2014). From this aspect it is vital to have positive memorable experiences to achieve customer satisfaction. The main objective of the study conducted by Kim (2014) was to identify attributes of Memorable Tourism Experiences (MTE). According to the research results local culture, and activity variety, perceptions regarding locals' friendliness towards visitors, and superstructures tend to create most memorable experiences. Another interesting finding of the study was that social, ethnic, and business ties, as well as emotions are important to evoke MTE.

### *Conclusion and future research*

The aim of this article was to investigate recent research in city branding and creative city fields to identify research directions for the future. Relevant recent journal (Cities; Destination Marketing and Management; and Tourism Management) publications in the period of 2014-2016 were reviewed that helped to understand current approaches in defining antecedents of city brand loyalty. It should be mentioned that most majority of analysed studies were carried out in the context of particular destinations, and it means that this is an obstacle in generalizing the results. However, one of the main conclusions from the reviewed journals was that cultural amenities in cities, and culture related activities tend to increase visitors loyalty towards city brands. As a main underlying idea behind the creativity in cities is related to culture, it is logic to assume that creative cities impact city brand loyalty. Accordingly, to further explore city brand loyalty future research can focus on understanding which attributes of local culture can be determined as factors that increase city brand loyalty. Thus, further empirical research needs to be done to understand city brand loyalty phenomena, and practically implement its findings in order to have globally recognized and competitive city brand.

## References

- Braun, E., Eshuis, J., & Klijn, E. (2014). The effectiveness of place brand communication. *Cities*, 41, 64-70.
- Dorry, S, Rosol, M., & Thissen, F (2016). The significance of creative industry policy narratives for Zurich's transformation toward a post-industrial city. *Cities*, 58, 137-142.
- Florida, R. (2002). *The rise of the creative class and how it's transforming work, leisure, community & everyday life*. New York: Basic Books.
- Gomez, M., Fernandez, A., & Molina, A. (2016). City branding in European capitals: An analysis from the visitor perspective. *Journal of Destination Marketing and Management*.
- Insch, A., & Bowden, B. (2014). Possibilities and limits of brand repositioning for a second-ranked city: The case of Brisbane, Australia's "New World City", 1979–2013. *Cities*, 56, 47-54.
- Kim, J. (2014). The antecedents of memorable tourism experiences: The development of a scale to measure the destination attributes associated with memorable experiences. *Tourism Management*, 44, 34-45.
- Kirillova, K., Fu, X., Lehto, X., & Cai, L. (2014) What makes a destination beautiful? Dimensions of tourist aesthetic judgment. *Tourism Management*, 42, 282-293.
- Larsen, H. (2014). The emerging Shanghai city brand: A netnographic study of image perception among foreigners. *Journal of Destination Marketing & Management*, (3), 18-28.
- Larsen, H. (2015). A hypothesis of the dimensional organization of the city construct. A starting point for city brand positioning. *Journal of Destination Marketing & Management*, (4), 13-23.
- Luo, Q., Wang, J., & Yun, W. (2016). From lost space to third place: The visitor's perspective. *Tourism Management*, 57, 106-117.
- Saez, L., & Perianez, I. (2015). Benchmarking urban competitiveness in Europe to attract investment. *Cities*, 48, 76-85.
- Sevin, E.(2014). Understanding cities through city brands: City branding as a social and semantic network. *Cities*, 38, 47-56.
- Tan, S., Luh, D., & Kung, S (2014). A taxonomy of creative tourists in creative tourism. *Tourism Management*, 42, 248-259.
- Van Holm, E. (2014). Leisure choices of the creative class. *Cities*, 41, 38-43.
- Wong, P., & Teoh, K. (2015). The influence of destination competitiveness on customer-based brand equity. *Journal of Destination Marketing & Management*, (4), 206-212.
- Xu, Z., & Zhang, J. (2015). Antecedents and consequences of place attachment: A comparison of Chinese and Western urban tourists in Hangzhou, China. *Journal of Destination Marketing & Management*, (5), 86-96.
- Zhang, H., Fu, X., Cai, L., & Lu, L. (2014). Destination image and tourist loyalty: A meta-analysis. *Tourism Management*, 40, 213-223.