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## **City Branding in Cyprus: From Theory to Development**

Antonios Papadopoulos\* and Dr Angelos Vouldis\*\*

*University of West London, Nicosia, Cyprus\* & Cyprus Institute of  
Marketing (CIM), Nicosia, Cyprus\*\**

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**Abstract:** This paper is concerned with the extent of implementation of city marketing and branding in Cyprus. In the effort to investigate this, a research was conducted in three major cities in Cyprus: Nicosia, Limassol, and Pafos. The approach of the research was to construct an interview with questions posed to key players in city development and management. The questions were formed via extrapolation from five hypotheses which were based on a collection of elements derived from an integrated city branding framework. The literature review is investigated, as well as matters involving city marketing as a part of urban governance. The relevant data is analysed and an evaluation of city marketing and branding theory, implementation in Cyprus is presented. The final conclusions are concerned with matters such as the lack of understanding for the need of city marketing by local authorities, the competitive behaviour of municipalities, the lack of communications with local communities, the schism between the private and public sectors and lack of synergies, and the limitations posed to local authorities by the current legal framework in Cyprus.

**Keywords:** *City branding, City Marketing, Place Marketing, Cyprus, Municipalities*

## **Introduction**

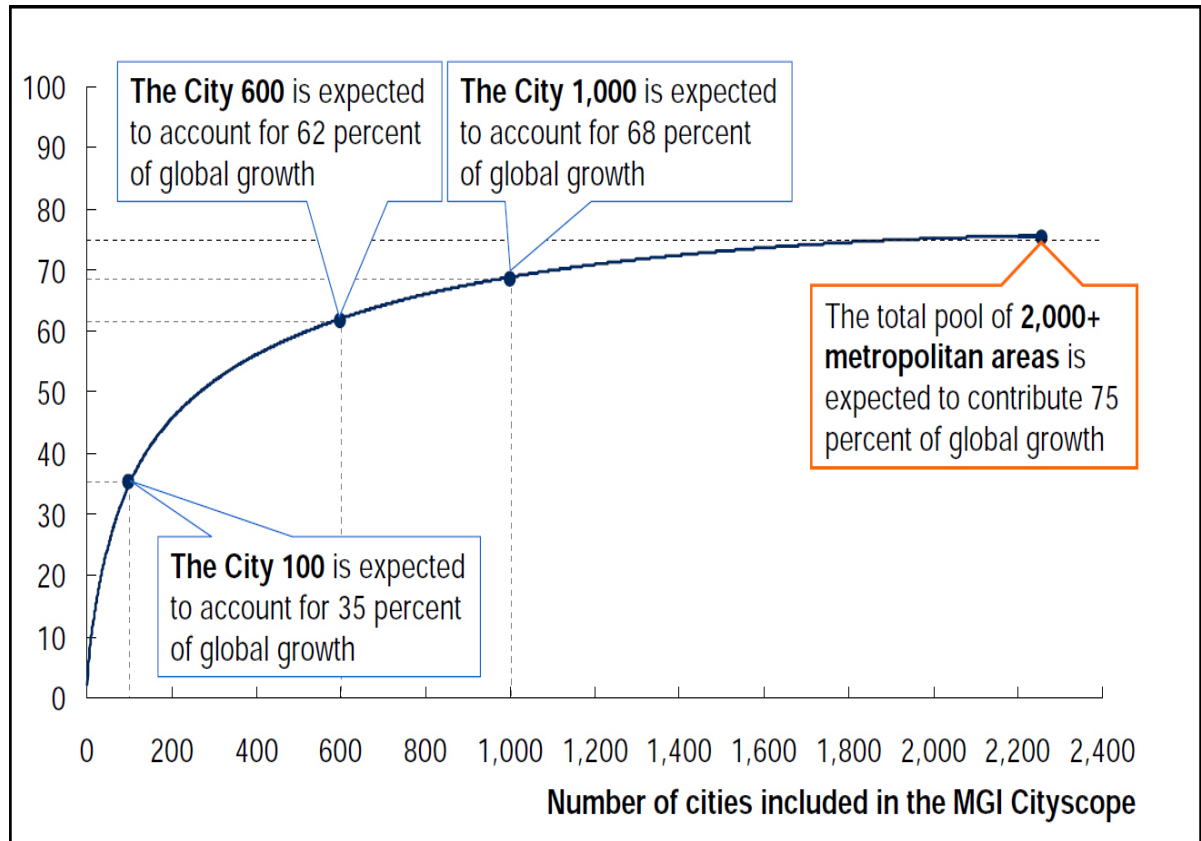
### *The Topic of the Paper*

Marketing theory has been recognized as an invaluable tool by place administrators in the task of attracting their target groups (Kavaratzis, 2005; Rainsto, 2003; Barke, 1999). A major reason for the implementation of marketing theory by cities is the rising competition among them, which is due to new conditions in which cities strive to survive. Such conditions include increased mobility of capital, increase in ease of economic activity relocation, and advancements in information technology (Kavaratzis, 2008). As a result, cities compete with each other in order to attract more visitors, tourists, foreign investors, and new residents. (Kotler et al., 1999). Additionally, urbanization has become a global phenomenon; according to The McKinsey Institute, about half of the world's population lives in cities currently, generating more than 80% of Gross Domestic Product (GDP) globally. Merely 600

urban centers containing one fifth of the total population generate a 60% of global GDP (The McKinsey Institute, 2011).

Figure 1 shows the calculated contribution to global GDP growth by the 100, 600, 1000, and 2000 largest cities in population and GDP for the years 2007 – 2025.

*Fig 1: Projected Cumulative contribution to global GDP growth, 2007-25*



Source: McKinsey Global Institute (2011)

City branding is supported by the argument that people view cities as they do brands. Namely, the image of a city is formed by the collective perceptions of people (Ashworth and Kavaratzis, 2009). Creating an image for the city is an effort to create mental, emotional, and psychological ties between the city and individuals. Branding must be looked at in terms of a “continuous process interlinked with all marketing efforts and with the whole planning exercise” (Kavaratzis, 2009) and it can serve as an example of how places should be run in the future (Anholt, 2005).

It is evident that the branding of places as well as cities has become a global trend. This spreading trend has given cause to newspapers such as The Guardian and Huffington Post, and consultancies such as the Saffron European City Brand Barometer, to collect data and provide lists of rankings of the places with the most successful branding. The ranking chart by Saffron European City Brand Barometer includes 57 cities with successful branding; the first 10 are displayed in Figure 2.

*Figure 2: The top 10 cities with succesful city branding according to the Saffron European City Brand Barometer*

<b>Ranking</b>	<b>City</b>	<b>Total Strength Out of 20</b>	<b>Buzz Strength</b>	<b>Asset Strength</b>
1	Los Angeles	18	10	8
2	New York City	17.7	10	7.7
3	London	17.3	10	7.3
4	Paris	17.2	10	7.2
5	Seoul	15.9	8	7.9
6	Barcelona	15.8	9	6.8
7	Rio De Janeiro	15.3	9	6.3
8	San Francisco	15.2	8	7.2
9	Las Vegas	15.2	9	6.2

Source: Google Spreadsheets [Edited by Author]

The criteria through which the above rankings were measured were based on two basic aspects of a city's brand. The first aspect is the city's 'assets', meaning infrastructure, accommodation, transport, public attractions, and economic health. The second is the city's 'buzz', or reputation, which is manifested through social media (such as Facebook and Twitter), or projected through advertising and public relations. Both aspects were graded out of 10, and the numbers were added later, producing the final score (The Guardian, 2014).

However, these rankings have been criticized, as they cannot be considered indicative of the truth; the reality may differ greatly from the image one may receive from looking through these rankings. For example, even though Barcelona appears in many rankings, such as the one above (where it ranks 6th - indicating a booming economy), the reality of life in a top-brand city like Barcelona includes high property prices, unstable working conditions, and suffocation by mass tourism (Oliveira, 2014).

In this light, it is important to bear in mind that city branding should be viewed as a management approach which, beyond its commercial character, aims at improving the residents' quality of life, while in parallel, integrates and aligns marketing strategies and activities, directing them toward a collective vision for the future of the city. The attraction of foreign investors, tourists, and capital should be treated as merely the means through which the life of residents can be qualitatively enhanced.

Urbanization has increased considerably, and this is also seen in Cyprus, with 67% of the population residing in urban centers (Statistical Service of Cyprus, 2012). For

the purposes of this project, three major Cypriot cities have been chosen: The capital city of Nicosia located in the center of the island, and Limassol and Pafos, which are coastal cities.

Nicosia has been chosen because of its uniqueness; it remains the last divided capital city in Europe since the Turkish invasion in 1974, which resulted in the occupation of 36.2% of Cypriot ground, including a big part of Nicosia (Ministry of Foreign Affairs of the Republic of Cyprus, 2008). Limassol has been chosen because it functions as a national modern trade center, within which a number of Russian interest organisations, among others, operate. Pafos has been chosen because it received the title of European Capital of Culture 2017 (Municipality of Pafos, 2014); in light of this, reconstruction and further development of the city is expected.

## **Literature Review**

### **City Marketing and Branding**

Kavaratzis (2008) recognizes developments in the literature on marketing theory which greatly influenced the integration of city marketing. These developments are grouped into four phases, not in chronological order, but as the evolutionary stages of the partial place marketing theory of the past, into the more refined place branding model of recent years. The first phase brings together suggestions regarding general promotional activities for the city, undertaken by independent actors involved in tourism, real estate, etc. The second phase involves activities that point towards a city marketing-mix which adds product development activities such as urban design and infrastructure development. The third phase is the realization of how important the communicative effects of a city image are, and the coordination of all marketing efforts under the vision of a desired city image, which is the cornerstone of city marketing theory.

City marketing requires a process with a wide range of activities. Starting from research and analysis of the current assets, opportunities, and audiences of a city (Ashworth and Voogd, 1990; Kotler et al., 1999), it follows with strategic planning, and proceeds with the active implementation of city marketing, such as spatial/functional, financial, organisational, and promotional activities (Ashworth and Voogd, 1990). During the process, there is constant monitoring and evaluation of each activity, which repeats the entire process cycle.

Even though cities readily implement branding, they fall into mainly two traps: They either practice a fragmented version of the entire marketing process, or confuse branding with simply the promotion of visual elements such as logos and slogans (Ashworth and Kavaratzis, 2009), which leads to unequal and cost-ineffective use of resources.

Recently, marketing activities have been implemented by the public sector and local authorities, but to a very limited extent; most marketing techniques were limited to

mainly promotional activities. Kavaratzis (2008) contends that this is due to the limited understanding of marketing by local authorities in the effort to administrate cities, the primal stage of marketing development in the public sector, and the limited understanding of the complex nature of cities by academics and marketers. The applicability of marketing theory in the administration of cities and urban governance is simultaneously a matter of great intrigue and one which demands further study and development. In this respect, attempts have been made to integrate marketing theory into place administration, in forms such as a mix of elements resembling the 4Ps of marketing. Furthermore, Ashworth and Voogd (1990) suggested a geographical marketing mix which can be defined as consisting of the following: promotional measures, spatial-functional measures, organizational measures, and financial measures. Moreover, Kotler et al (1999) distinguished among four unique strategies for place development: advertising and promotion, large-scale physical redevelopment, public art and civic statuary, mega events, cultural regeneration, and public-private relationships. According to Aaker (1996), modern marketing considers branding essential because it integrates all strategic benefits into one formula.

This paper considers the argument that the ultimate goal of city marketing is to raise the public standard of living. Vermeulen (2002) argues that a place's image needs to be planned, managed, and marketed; in this respect, branding becomes the ideal means for success in those efforts. This assertion, however, requires a mindset that considers branding as an umbrella model, under which all marketing processes lie, instead of one that views branding as merely an additional helpful toolkit expressed mainly through promotion and communication. According to Hankinson and Cowking (1993), the key to successful branding is the alignment of core competences and symbolic values with the customer's physical and psychological needs. Chernatony and Dall'Omo Riley (1998) present the brand as a multi-dimensional construct which extends to the activities of the organization and the perceptions of consumers in parallel. Branding becomes an iterative process between these two elements.

Place branding focuses on public perception and places them "at the heart of orchestrated activities, designed to shape the place and its future" (Kavaratzis, 2004). The management of a place brand is an effort to influence mental perceptions in a way that serves the future aspirations of the city. Ashworth and Voogd (1990) advocate that place branding, when considering place products, recognizes distinct features that adhere to places such as spatial scale, spatial hierarchies, scale shadowing, product-user combinations, consumer utilities, and others. All of these contrive to distinguish places as products and subsequently place branding as a distinguished form of product branding.

### **Roots in Corporate Branding**

According to Kavaratzis (2008), corporate-level marketing appears to be the closest conception which can be adapted to the distinct demands of cities. Corporate

branding differs greatly from product branding; the same can be observed with city branding. In the effort to extrapolate methods of branding to cities, it is evident that product branding theory would prove inadequate. According to Virgo and Chernatony (2006), city branding is a multi-faceted idea, and a much more complex procedure in actuality compared to product branding. However, the issue at hand is whether cities should be branded as corporations. Evidently, there are many similarities between corporation and place branding. Some of these include multi-disciplinary foundations, multiple groups of stakeholders, high levels of intangibility, multiple identities, and long-term development (Kavaratzis, 2008).

However, the similarities of corporate branding and place branding are numerous, a fact which cannot be overlooked in the effort to extend corporate branding theory to place branding. Adapting corporate branding to places demands a treatment of the place brand as the unity of the place products, in the effort to achieve consistency in the messages sent to the public. On this account, city branding and marketing can be considered, in its simplest form, a city management approach. In order to better inform the practice, lessons can be extracted from corporate branding theory.

### **City Branding as a Part of Urban Governance**

According to Kavaratzis and Ashworth (2005), many cities have lately began to understand place branding as a means for city development and growth. However, the majority of cities which actively practice branding procedures seems to struggle in clearly defining all the necessary components involved with the implementation of a brand in its entirety; there is still uncertainty regarding areas such as branding conceptualizations, proper application methods, and the anticipated effects and political implications of place branding implementation (Braun, 2012).

In this respect, Braun (2012) suggests that place branding is directly integrated into the activities of city management and becomes a part of urban governance. In this respect, there have been a few proposals regarding the handling of the political context. For example, Kotler et al (1999) suggested the formation of a planning group which would include the participation of both public and private stakeholders to monitor the city's branding and marketing procedures. Hankinson (2001) conducted a research in 12 cities across the UK. His findings showed that the cities considered branding to be relevant, but still showed uncertainty about the general concept. The study also showed that branding was rarely implemented adequately. Hankinson stated that most of the surveyed cities 'had limited appreciation of what branding is' (Hankinson, 2001) and deemed that the reason behind this phenomenon could be the lack of extensive discussion in the literature concerning branding theory.

### **Theory Revision**

Rainisto (2003) designed a place branding model comprised of nine factors which influence successful place branding. The application of this model demands that places are marketed as business locations with particular focus on the activities of inward investment agencies. The most important success factors included in this



model are: Planning Group, Vision and Strategic Analysis, and Public-Private Partnerships and Leadership. Planning group refers to the body of persons responsible for planning and execution of marketing practices, vision and strategic analysis is the perception and understanding of the place's future aspirations, identity and image constitute as set of place brand associations to be created and sustained by the organisation, and public-private partnerships and leadership refer to the ability of the organisation in developing relationships and obtaining the organizing power. Additionally, four more success factors aid the above in addressing the issues caused by the surrounding environment, which are: Political Unity, referring to agreement on public affairs, Global Marketplace Local Development, and Process Coincidences.

Hankinson (2004) provides a different approach which considers four elements, which are: brands as perceptual entities, brands as communicators, brands as relationships, and brands as value enhancers. In this light, brands are viewed as relationships which project the personality of the organization. The process of this method begins with the core brand, which is the blueprint by which the place brand will be developed and communicated, and is composed of the brand personality, positioning, and reality. The success of the brand heavily relies on the relationships built upon the principles of the core brand. Hankinson (2004) also categorizes the relationships built with the external stakeholders as: Primary Service Relationships (retailers, events, and leisure), Brand Infrastructure Relationships (accessibility, infrastructure), Media Relationships (advertising and communications), and Consumer Relationships.

Kavaratzis suggested an initial framework in 2004, which considers brand communication in respect to the maintenance of particular variables which are both functional and symbolic. This framework asserts that the identity of an organisation consists of three different types of communication: Primary communication, which refers to the customer experience of products or services, Secondary communication, which includes advertising and PR activities, and Tertiary, a term referring to word-of-mouth communication.

Anholt (2006) presents the city brand hexagon, which is used to construct the Anholt-GMI City brands Index (Kavaratzis, 2008). The six dimensions of the hexagon are: Presence, Place, Potential, Pulse, People, and Prerequisites. The "presence" of an organisation describes the familiarity of stakeholders with the organization or city. "Place" refers to the infrastructure and cityscape quality. "Potential" is concerned with the opportunities the city has to offer in terms of economy and education. "Pulse" is defined as the character of the city, namely, how vibrant and exciting the city is considered in public perception. The "people" component considers the local population and their disposition. Finally, "prerequisites" allude to the basic qualities of a place like the standard of living and public amenities. According to Kavaratzis (2009), this tool was originally aimed at evaluating brand effectiveness, but is particularly useful in guiding the branding procedure.

Trueman and Cornelius (2006) present a “toolkit” composed of the “Five Ps” of place branding. These are: Presence (the appearance and quality of infrastructure and built environment as well as the emotional values surrounding the society of the city), Purpose (in various boundaries that exist within the city), Pace (referring to the speed of the city’s response to internal and external market conditions), Personality (comprised of presence, purpose, pace, and the visual impact of the cityscape), and Power (in its essence, the empowerment of change). The authors provide for each element a set of tools, in order for the practitioner to successfully address each “P” in its full potential. They demonstrate this with an implementation of the toolkit on the city of Bradford (Kavaratzis, 2009).

Kavaratzis (2008) attempted a cross-case analysis of three cities: Amsterdam, Budapest, and Athens. The conclusions derived from those analyses revealed issues regarding the implementation of place marketing and branding as well as their theoretical development. On this account, and through the revision and analysis of the abovementioned theoretical models by previous inquirers into these matters, he attempted to synthesize the common elements underlying the literature on branding and produce a holistic perception of place marketing and branding in the form of a framework.

The framework is composed of eight elements: Vision and Strategy, Internal Culture, Local Communities, Synergies, Infrastructure, Cityscape and Gateways, Opportunities, and Communications. The components of the framework are presented as a city branding process. The process begins with the top management of a city or organization deciding on a collective vision considering future aspirations for the city. Afterwards, the internal culture is involved in the vision and provides feedback. Local communities are then mobilized in order to further support the vision and strategy. This is followed by the development of synergies with relevant stakeholders who will carry out the branding process further. In addition, the process must be supported by the proper infrastructure, aligned with the branding vision. Finally, communication and promotion must take place. The framework is provided in figure 3.



Figure 3: City Branding Components

	Need Covered	Main axes of intervention and indicative actions
Vision & Strategy	A widely accepted vision for the city's future that will guide all efforts and for a clear strategy to realize that vision	<input type="checkbox"/> Public discussion on city future and role of marketing <input type="checkbox"/> Market research <input type="checkbox"/> Market analysis and segmentation <input type="checkbox"/> Choice of vision, target groups and main goals <input type="checkbox"/> Establishment of working group(s) <input type="checkbox"/> Resources inventory / SWOT
Internal Culture	Receive feedback, agreement and support of employees and to spread brand orientation through the city's management and marketing itself	<input type="checkbox"/> Internal discussion on vision & strategy <input type="checkbox"/> Establishment of appropriate organisational structure <input type="checkbox"/> Role allocation for departments <input type="checkbox"/> Departmental coordination
Local Communities	Prioritise the needs of local communities (residents, entrepreneurs, SMEs, local interest groups) and involve them in the strategy and brand delivery	<input type="checkbox"/> Vision & strategy discussion with local communities <input type="checkbox"/> Establishment of local communities' representation and participation in all stages of strategy <input type="checkbox"/> Balancing goals with impacts of strategy
Synergies	Explore common ground between relevant stakeholders within the city (local chamber of commerce, trade associations, locally-based corporations) and outside (regional/national governments and associations, neighbouring cities, international level)	<input type="checkbox"/> Vision & strategy discussion with internal stakeholders <input type="checkbox"/> Exploration with external parties of possibilities of cooperation and supplementary efforts <input type="checkbox"/> Role allocation for stakeholders and coordination <input type="checkbox"/> Planning cooperative projects <input type="checkbox"/> Public Private Partnerships
Infrastructure	Basic infrastructure necessary for the function of the city as a place to live, work, visit and invest in, highlighting the communicative value of such infrastructure	<input type="checkbox"/> Accessibility to and within the city <input type="checkbox"/> Housing, cultural, tourism leisure etc. <input type="checkbox"/> Existing infrastructure evaluation <input type="checkbox"/> Planning and prioritising existing infrastructure improvement according to vision & strategy <input type="checkbox"/> Implementation of projects
Cityscape & Gateways	The brand promise to align with the natural and built environment and for interventions of both functional and symbolic character, particularly in central parts and main entrances and corridors	<input type="checkbox"/> Urban design and architecture <input type="checkbox"/> Quality of public spaces <input type="checkbox"/> Evaluation of strengths and weaknesses of the environment <input type="checkbox"/> Planning and prioritising projects according to vision & strategy <input type="checkbox"/> Implementation of projects <input type="checkbox"/> Flagship developments
Opportunities	Opportunities to targeted individuals (work, education, services, leisure, lifestyle) and companies (financial, tax incentives, labour etc., consistent with the city's brand	<input type="checkbox"/> Identification and evaluation of existing opportunities <input type="checkbox"/> Planning new opportunities provision according to vision & strategy <input type="checkbox"/> Implementation of projects <input type="checkbox"/> Quality of service provision <input type="checkbox"/> Number, type and scale of events organised <input type="checkbox"/> Tax incentives for specific sectors
Communications	Consistent communication and promotion of existing and new elements of the city and its brand building	<input type="checkbox"/> Improving communicative competence of the city <input type="checkbox"/> Communicating development efforts <input type="checkbox"/> Provision of information to all interested parties <input type="checkbox"/> Advertising/Publicity/Public relations <input type="checkbox"/> Creation of visual identity (Logo, Slogan) <input type="checkbox"/> Promotional material

Source: Kavaratzis (2008)

The framework's components interconnect with, and complement each other. One component may prove ineffectual without proper implementation of its preceding or succeeding one. This fact highlights the importance of constant monitoring and control of the entire branding procedure. Finally, all branding measures must be evaluated and incorporated in the strategy.

## **Methodology**

The research begun with a study of any relevant literature; the publications reviewed covered topics on place/city marketing and place/city branding as well as corporate branding. During the research, the theoretical model developed by Kavaratzis (2008) was chosen as a guide for the construction of the hypotheses and research questions. This particular model has been chosen on account of its completeness in comparison to any other relevant to-date publications and can be utilized as a marketing-oriented management approach in the effort to plan and manage a branding process for a city. The following hypotheses are based on the suggested components by Kavaratzis (2008):

Hypothesis 1: "Embedding of collective vision to internal culture and the development of a strategy is essential to the city branding process."

Hypothesis 2: "Development of local community networks and establishment of synergies further spread brand orientation."

Hypothesis 3: "Prioritization of infrastructure and urban design greatly contribute to functionality and symbolic value of the brand."

Hypothesis 4: "Financial motivation to targeted parties, service quality, and event organisation attracts new residents and investors."

Hypothesis 5: "Communication and promotional activities are vital to successful city branding."

The research shared similarities with the structure of a multiple case study research, in the effort to determine the research methodology. Case studies are utilized for various research aims, such as to develop or test a theory, or describe a phenomenon (Darke et al. 1998). A multiple case study can be more convincing and compelling, as it can provide a deeper insight and a variety of perspectives (De Vaus, 2001). On this account, this particular research has borrowed techniques from multiple case study research, in order to provide the researcher with a greater amount of data. As opposed to the aims of a typical multiple case study, this research has been designed to provide insight into the extent of city marketing and branding theory implementation in Cyprus; Kavaratzis's (2008) theoretical model was assumed as the grounds for evaluating the branding and marketing efforts in Nicosia, Limassol, and Pafos, with the aim of extrapolating the findings to a more general approach for city branding and marketing implementation in Cyprus. The final aim of the research is to investigate the key issues which affect the aforementioned processes, or lack thereof, and provide relevant suggestions.

### **Interview Guide**

The interview adopted a semi-structured format with open-ended questions. The semi-structured interview format was chosen because the participants originated from different occupational backgrounds, and the flexibility of a semi-structured interview would pose no limitations to the interview interactions, thus making the interview more practical and on point. Additionally, the flexibility of this format would also allow for a more accurate evaluation of data collected and analysis of results. The open-ended question format was selected due to the nature of the inquiry of the research, which demanded the participants to provide their subjective, personal, and critical evaluations, thus allowing the researcher to explore different perspectives and infer a complete image of the real-life situation. The primary targets of the interviewee selection process were the mayors of the three cities, or persons in key city management positions, in order to identify whether each city has a management group, the marketing department, or consultant actively engaged in the marketing activities of the city.

### **The Stage of Analysis**

The final stage of the research process is the analysis stage. The corpus of data collected from interviews is reduced to only the most significant elements that can be grouped together based on their relevance. The grouping is made in order to produce a table of the results on par with the hypotheses, and subsequently with the branding framework by Kavaratzis (2008), in the attempt to define the level of city marketing and branding theory implementation in each city. Afterwards, results are inferred from the grouped data concerning branding in the three cities and conclusions as well as suggestions are provided. The presentation of the grouped data is based on the framework by Ashworth and Kavaratzis (2008) in order to present cross-case conclusions for Amsterdam, Budapest, and Athens.



## **Limitations**

Firstly, the number of cities selected for investigation is limited. The largest cities currently in the Republic of Cyprus is Nicosia, Limassol, and Pafos. However, the cities of Kyrenia and Famagusta, which used to be the greatest urban centers, have been under Turkish rule since the invasion in 1974. Furthermore, most municipalities did not have marketing departments or marketing managers. This could possibly prove to be a valuable finding in the research, but at the same time it has limited interview flexibility and data collection both quantitatively and qualitatively. Moreover, there could not be an analytical presentation of all relevant secondary data collected, which, in combination with the primary data, may have affected the findings and conclusions.

## **Results**

This section provides a summary of the findings by city, followed by a visual display of the main findings of the research (Table 1). Furthermore, the collection of the findings is analyzed in accordance with the five hypotheses of the research. Finally, the results are discussed along with recommended actions for consideration and implementation in Cypriot reality.

The findings of the research are grouped together to form a general value or extent of implementation on par with each of the project's hypotheses, in the effort to infer conclusions based on the researcher's main purpose: to evaluate the extent of city marketing and branding theory implementation Cyprus.

The data derived from the interviews were used to develop a cross-case analysis of the three cities. The cross-case analysis is displayed in Table 1.





*Table 1: Cross-case analysis of the three cities*

Element	Nicosia	Limassol	Pafos
Understanding of the Role of City Marketing/Branding	Low	Growing	Low
Extent of Marketing Implementation	Limited to Tourism Development and Advertizing	Limited to Tourism Development and Advertizing	Limited to Tourism Development and Advertizing
Extent of Branding Implementation	Not Evident	Branding Project Currently Under Development	Not Evident
Development of Long-Term Vision and Strategic Plan	Not Evident	Growing	Moderate - Not Documented
Development of Internal Culture	Fragmented Efforts	Fragmented Efforts	Fragmented Efforts
Involvement of Local Communities	Low and Fragmented Efforts	Moderate and Growing	Fragmented Efforts - Limited to Anticipated Acquisition of "Pafos 2017" Title
Synergies	Low	Low to Growing	Low
Infrastructure and Urban Design	Limited	Limited to Growing	Limited
Behavior and Opportunities	Inadequate Efforts	Limited Efforts	Inadequate Efforts
Communication Activities	Fragmented Communications - Focus on Tourism - Mainly on the Top Management Level	Fragmented Communications - Focus on Tourism - Mainly on the Top Management Level	Fragmented Communications - Focus on Tourism - Mainly on the Top Management Level

According to Rainisto (2003), "vision in place marketing is the profound intuition and insight of the place about its future long-term position in the place market". Vision should be designed and presented from the top management to the internal culture (Hankinson, 2007). The management will then derive feedback and the support of employees, who will spread the brand's orientation throughout the city. Strategy and marketing management tools such as PESTLE, SWOT and TOWS analyses are essential in providing a picture of the environment and identifying the opportunities, threats, and core competences of the city.

Concerning collective vision and strategic planning, the research yielded that most cities in Cyprus do not display clear, evident efforts in these fields. The coastal cities appeared to focus more easily on goals concerning city development with regard to the sea. This is not the case with Nicosia, the capital, which is situated at the center of the island, while a large part of it remains under Turkish control. The city seems to struggle in finding its personality. Generally, the obsolete local administration regulations system, in combination with the anticipated reforms in local government, has brought marketing relevant activities to a halt. The fact that city marketing is not actively practiced by local authorities significantly affects the development of a long-term vision or strategic plan. As interviewee 1 states: "...there is vision by certain Mayors who wish to leave their mark. However, the technical part is lacking, like the creation of a strategic plan and its development and execution."

Local authorities are merely a single entry point in the collection of all parties involved in the city marketing processes (Czarniawska, 2002), and a brand belongs emotionally to those who have affections towards it (Balmer, 2002). Synergies between local authorities and the private sector can enhance associations which can lead to brand empowerment and distribution to external audiences.

Concerning the involvement and cooperation of local community networks, as well as the development of synergies, the research yielded that the efforts of cities appeared unsatisfactory; they are limited to fragmented efforts with no cohesion with regard to a general long-term strategic plan. As Interviewee 10 states: "there are many stereotypical biases among the public and private sectors." According to interviewee 3, "Local authorities should cease acting as a branch of the governmental machine. They should adopt a more creative role." Evidently, there are trust issues among local community networks and the public sector. They consider the public sector as slow and ineffectual. This lack of trust toward local authorities seems to create barriers in the involvement and cooperation of local communities, as well as in the creation of synergies with the private sector. Infrastructure and urban design are, in reality, similar to the Product component included in the 4Ps of marketing theory (Kotler et al, 1999). Urban design generally refers to public spaces and the natural environment of a city, and infrastructure refers to projects concerning accessibility, such as road networks and facilities including cultural centers and conference buildings (Kavaratzis, 2008).

The research yielded a sense of passive behavior on the part of the cities concerning infrastructure and cityscape development. It has been suggested that this is due to the fact that the current infrastructure has proved adequate for the needs of the local population and the tourism model as it has functioned in recent decades. There is an understanding of the need to develop further, but the research shows that local authorities who function as the main coordinators of these sectors are lacking in these domains. A marketing approach seems to be lacking in general, a fact which also affects decisions in this domain.

Kavaratzis (2004) presents a framework in which provision of opportunities to targeted parties is called the city's behavior, whose significance lies in the type and effect of services provided, and the number and type of events organized. According to Anholt (2006), a basic parameter in evaluating city brands are the opportunities the city offers in terms of economic and educational activities. Globalization provides ground for economic activity relocation, as potential new residents and enterprises look for places or cities that provide opportunities.

Legal conventions in Cyprus dictate that matters of incentive provision are handled by the local authorities. As it is evident through the research, local authorities understand the need for improvement in this sector. Nevertheless, it is difficult to happen, and cannot be implemented to a satisfying degree because of the limited capabilities of local authorities, which are determined by the current legal framework. On this account, one can observe the phenomenon where, even though local authorities claim to function in a quick and effective manner in service of the public, they handle the speeding-up of bureaucratic procedures as a business incentive.

Kavaratzis (2004) states that all actions undertaken by a city have communicative effects, and calls this "primary communication." Hypothesis 5 refers to what Kavaratzis calls "secondary communication", which refers to intentional communication in the form of PR, advertizing etc.

Concerning communications, cities seem to make fragmented efforts which are limited to particular activities like event promotion, or promotion of the tourist product. There is no evident strategic plan for communications, or the development of a cultural master plan. Events are organized mainly by the municipalities for whom marketing is not considered in its scientific sense. Evidently, there seems to be a general confusion of marketing with sales and advertizing. This phenomenon can be attributed to the fact that local authorities, which are responsible for strategic planning, operate under an out-dated model which does not consider the need for marketing expertise. It is deemed that the responsibilities of local authorities in these matters should pass on to professionally qualified marketing management groups.

## **Conclusion**

Generally, the research seems to show that there is confusion by local authorities concerning the role of marketing and its value in developing a management approach. Marketing is mostly attributed to sales and promotion. This fact seems to hinder the creation of a strategic vision and plan. Additionally, the current legal framework in Cyprus does not predict a marketing department, a fact which should be taken into consideration. Through proper education and the understanding of this need and the benefits of a marketing approach, actions may be undertaken in the effort to remedy this problem.

The research also shows that efforts in synergy development seem fragmentary and erratic. Local authorities seem to mainly function as governmental bodies, and to be perceived with certain stereotypes by the private sector. There seems to be a need for

a more business-like approach by local authorities, in order to create a more solid basis in developing synergies and reviving the trust and cooperation of the private sector.

Moreover, it is seen that, while some efforts are made in matters of infrastructure, the lack of a marketing approach is still needed. In other words, even though some of these efforts have succeeded in providing certain places with symbolic value, they lack in functionality because a unifying marketing approach providing a cohesive plan in infrastructure development is nonexistent.

Concerning motivation and incentives provision, the research shows that local authorities in Cyprus lack in this domain, mainly because their authority is restricted by the current legal framework. A relevant basic principle of marketing is segmentation, through which the needs, desires, and drives of a particular group can be examined and the proper incentives can be provided. This is a fact that should be taken into account in possible legal framework reforms.

Furthermore, it is seen through the research that there are tendencies of internal competition between municipalities and negligence concerning the need of a more holistic perception of the city. It is possible that the understanding of the need to create a wider framework of activity through which branding could evolve as an idea could serve as the vehicle for a better level of coordination between municipalities, and better communication between the public and private sectors.

In conclusion, it is evident that the role of city marketing (and city branding as an integration of city marketing activities) is to create a vision through which efforts in all domains of city management are aligned. Understanding this notion and developing a management approach which aims to unify the strengths of all relevant parties is necessary groundwork in the evolution of the cities and the enhancement of their overall quality of life. This management approach must focus on the needs of all relevant stakeholders and the proper study of the external environment in an international scale. Finally, it must consider municipalities as individual forces, but also as parts of a whole – a whole which requires insight by the marketing sciences in its effort to effectively develop into a new and improved version of itself, which can be communicated through a successful brand.

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