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Brand attitudes of entrepreneurs as a stakeholder towards a city

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Abstract

City branding has been emerging in branding literature. In this perspective, cities can be branded as well as a product or a service. Moreover, stakeholders play critical role in branding process of a city. In a city, there are various stakeholders like visitors, residents, public institutes and non-governmental organizations. As different stakeholders may have different city brand attitudes, the purpose of the study is to examine the brand attitudes of entrepreneurs towards Muğla province with structural equation modeling (SEM). The findings of the structural model indicate that nature, business opportunities and networking, and governmental services affect the attitudes of entrepreneurs whereas local transportation, accessibility of the city, social bonding, cultural and shopping activities do not. Additionally, there is a tight relation between the attitudes and behavioral intentions of entrepreneurs regarding the city brand.

Keywords: City brand management, Stakeholder Theory, Brand attitude, Entrepreneurs, SEM

1. Introduction

All organizations, no matter they are for profit or not, struggle with cutthroat competition. Strategic brand management is a tool that gives long-term competitive advantage to organizations in order to cope with competitors. Nowadays, branding literature has been spreading to various areas. As well as products and services, ideas, people and places can be managed strategically as a brand. In this sense, place branding is an emerging field in brand management where branding strategies and tools are employed for the development of places to enrich economic, social and cultural values of them (Zeren, 2012:97). Place branding, which attracts the attention of both academicians and practitioners, can be discussed in different scales. According to Caldwell and Freire (2004), place branding means the branding of countries, regions and cities. Furthermore, places (in country, region or city scales) develop brand management strategies like the management of a product and a service brand, although there are some distinguishing points (Freire, 2005:348). Thus, places in general, specifically cities, put in for branding to survive in global competition, to be valuable and distinctive, and to increase its preferability (İçli and Vural, 2010:259).

Almost every popular city in the world, competes to be worth to visit, to be more liveable, to offer work and investment opportunities. As "Stakeholder Theory" suggests paying regard to the interests of stakeholders, the ability of a city to meet the needs of its stakeholders is substantial. Since the city brand is consumed by diverse stakeholders

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simultaneously; different views, perceptions and attitudes of different target groups need to be examined. In this context, the study focuses on entrepreneurs as a stakeholder within strategic city brand management. With a literature overview on city branding, the study aims at examining the attitudes of entrepreneurs towards Muğla, a city which is located in southwest of Turkey.

2. Literature Review

2.1. City Brand Management

In time where off-brand products cannot survive in markets, the importance of strategic brand management is getting stronger. Besides the dominance of strategic branding, its scope is expanding because brand management appears in unimaginable fields. According to Freire (2005), not only should products and services develop a system of brand management focused on their identity that helps develop a coherent execution, but places should also develop a similar brand management system.

In spite of the fact that tourism is dominantly in focus within brand management of places, city branding has a broader meaning than destination branding which is rooted in tourism management (Yayınoğlu, 2010:7). Interest in place branding is no longer restricted to those towns, cities, regions, and countries that are viewed as tourist destinations (Hanna and Rowley, 2013:1782). Accordingly, whether it is a tourist destination or not, developing branding strategies for cities to survive has become unavoidable (İçli and Vural, 2010:260). In this sense, city management is no longer limited to traditional public administration; it has turned into "a product" to be branded (Yayınoğlu, 2010:1).

In plain language, city branding means "the application of product branding to places" (Kavaratzis and Ashworth, 2005:508). In other words, city branding "is the indicators of activities carried out by the cities which desire to be a center of attraction for existing and potential customers and aim to form positive attitudes with the application of product or service branding strategies in order to enrich its outputs in the minds of target people" (Zeren, 2012:97). Therefore city brand management refers to targeting to direct and lead the mental maps of people in order to transform the existing and potential needs to desired form (Kavaratzis and Ashworth, 2005:507). In this context, to succeed in city brand management, a sophisticated stakeholder management system that analyzes both functional and psychological needs is required (Merrilees et al., 2012:14). Strategic Place Brand Management model (SPBM) (see Figure 1) proposed by Hanna and Rowley (2011) affirms the strategic position and importance of stakeholder management because the model starts and ends with it as well.
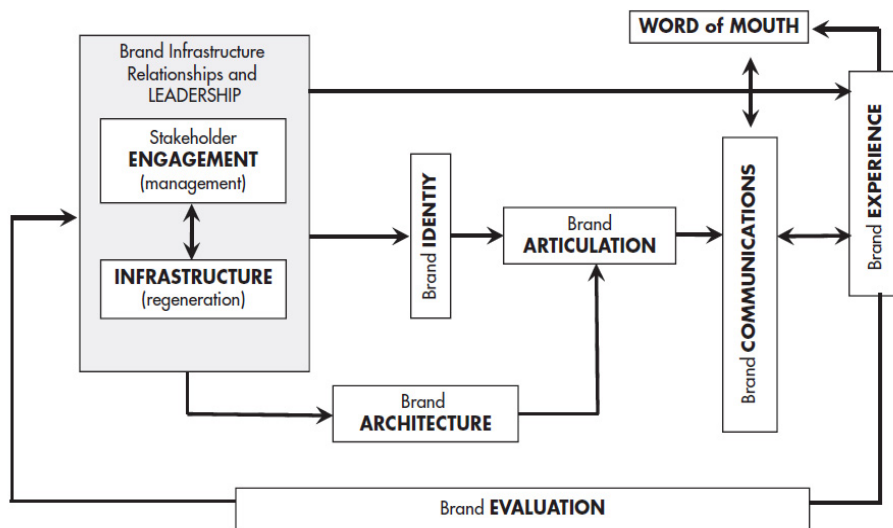

Figure 1. Strategic Place Brand Management model (SPBM)

Source: Hanna and Rowley, 2013:1784