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City Branding as an Instrument of Urban Strategic Development in Russia and Finland (cases: Vyborg, Russia and Lappeenranta, Finland)
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Rapid urban development, changes in global architecture, transformation of political and economic institutions required new methods and forms of planning and management of urban settlement. One of these innovative methods is city branding as a set of measures for the creation, positioning and promotion of the “brand” of a city in order to improve its socio-economic development indicators and quality of life. Strategic urban development today is no longer just an administrative function, but a social project built on the interaction of different interest groups.

In the present study the author examines different models of city branding and factors affecting the choice and implementation of a particular model. The branding models of the cities of Vyborg and Lappeenranta are considered as the main objects of analysis. The methodological part of the study is based on urban studies, theories of place marketing and branding, and urban management.

The study seeks to discover how urban management practices can be improved by the use of such innovative tools as city branding. The data for the analysis was obtained though semi-structured in-depth interviews with representatives of city administrations in Vyborg and Lappeenranta; content analysis of official policies and plans of socio-economic development; study of official and unofficial city web sites. The structure of local government, trends in globalization, and the economic shift from an industrial economy to one based on knowledge, are considered among the main factors affecting the city branding model.

Key words: city branding, city brand, socio-economic development strategy
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Introduction

Today, the development of the world more and more depends on intangible factors. Human capital and symbolic capital play a crucial role in modern era. In this regard the marketing and branding of places and territories has become an attractive area for theoretical research and for the practical implementation of new technologies and methods of strategic development.

Each city is unique, and the tools for its development should also be specific to it. City branding is one of the most promising instruments of territorial marketing which is now popular all over the world. Although Russia is only starting trying to implement new practices such as city branding as part of urban strategic planning, it is interesting to investigate the progress in this field. Many questions should be answered: how to construct a positive city “brand”, who should be in charge of creation of the city brand and how to evaluate the overall success of city branding strategy - are only some of the challenging issues. City branding is case specific - that is why each city must be investigated individually, although it does not mean that there are no similar approaches and technological decisions in the implementation of city branding strategy in different territories.

The main difficulty of city branding lies in the fact that this scientific area is rather new and fluid on the one hand, and has a cross-disciplinary nature on the other. All these limitations result in a lot of misinterpretations. One of them is that branding is an artificial process aimed at the physical reconstruction of urban territory in order to improve the socio-economic indicators of a city’s strategic development, when, in reality, the driving force of all changes and transformations is the city in itself, namely its inhabitants and their interests.

Another problem is the wide range of explanations of what city brand and city branding mean, how these notions correspond with the terms territorial and city marketing. Sometimes the notion “brand” is borrowed from the market and corporate fields, but a city is a complex object and “city brand” comprises much more than name, image and an associative array connected with the name and logo. City branding in this sense cannot be merely commercial but is also a social project involving different stakeholders and participants. It is important to state from the beginning of our research that city brand can be a cumulative image which reflects a city’s identity (perceptions of a local community about different meanings and unique features of the urban space) and it cannot be imported from the outside, but must be raised on the basis of various spatial assets.

City branding is a new instrument for territorial development which, in addition to place marketing, aims to help in achieving the interests of different stakeholder groups within and outside the city. In this view, best practices of successful implementation of city branding strategies prove that the effort of creating a city brand can be targeted and manageable, although there is no universal technology. The specific nature of the city in question (as an object and a subject of the branding process) should be taken into account. The current
study was originated to research the modern practices of city branding in two cities situated near to each other and compare different technologies of urban branding.

City branding as an instrument and working model for urban strategic development and its specific tools is the **Object** of my research.

The **Subject** of the study is the city branding strategy, its development and implementation in two selected cases: Lappeenranta and Vyborg.

The wide range of existing city branding models is the main reason why we narrow down the **Aim** of the research to the examination of city branding strategies, influenced by many internal and external factors, for two cases: Vyborg and Lappeenranta. I was principally interested in **main determinant factors** which played a major role in framing each strategy.

According to the goal and the logic of research structure, the research has the following Objectives:

1) to review the main theories on urban development;

2) to provide a comprehensive description of city branding as a normative model including such aspects as:
   - elements of the city brand;
   - stakeholders and actors: main motives and interests of different groups (local community, city managers and members of business community) in city branding and their participation in the branding process;
   - stages of city branding process, namely methods and technologies.

3) to identify who regulates the city branding process in Vyborg and Lappeenranta, and how they do it: mechanisms of planning and coordination of different levels of authority in the field of city-branding;

4) to assess the compatibility of city branding strategy with the strategy of socio-economic development in Vyborg and Lappeenranta;

5) to detect the ways in which the city branding strategy is implemented in different cases: realization of mechanisms in practice, communication among different participants and stakeholders;

6) to observe the changes in the urban environment after the implementation of a city branding strategy: content analysis of media, city websites and social networks, new infrastructure projects, mobility of the population, tourist flows etc.

7) to offer recommendations for possible improvement of city branding in the given cases.

**Methodological grounds** serving for the theoretical justification of the Research are:

- Urban studies;
• Place Management and Spatial Development;
• Place Branding;
• Place Marketing.

As **Research methods** for qualitative study the following were chosen:

• expert interviews with city managers in charge of strategic development (aimed at finding main characteristics of the branding process in a particular territory);
• content analysis (official documents and official city web-pages);
• observation (collecting data about new monuments, infrastructure projects, using symbols in the urban environment, public art etc.).

Before starting the research and collecting the data, several **Hypotheses** had been put forward for further checking. We assume that among factors which could possibly influence the city branding model in each specific case are the following six groups listed below:

• Communications channels (development of the Internet, mass media, social networks, public forums etc.);
• History (historic background, important facts and events, specific local traditions and cultural peculiarities etc.), geographical location, and demographic composition;
• Economic type (industrial/post-industrial type of economy, structure of economy in the city and in the state as a whole);
• Globalization (world market, common threats and problems, diffusion of knowledge etc.);
• Municipal specificity (two main aspects: structure of municipal government and budgeting, i.e. influence and support from federal centre, opportunity to participate in tenders and competitions for additional financial support);
• “Human factor” (professional background of city managers in charge of the city branding, e.g. degree in marketing, urban planning etc.).

The study has a classical structure. In the first chapter, the main theoretical branches of urbanism and city development are presented in three blocks: classical theories, post-classical theories and alternative concepts. The normative model of city branding developed by the author as an instrument for comparative study finishes the first part of the current paper. is scrutinized onward. The second chapter –the empirical part - contains the results of case studies based on collected data. An interview Guide, resulting Table of Factors, Example of Interview Transcript are enclosed in the study in the Appendixes.
1. Examining the City: Theoretical Grounds and Scientific Toolkit

Before starting to build up a practical tool – a normative model of city branding - it is essential to analyze how theories of urban development consider such a specific phenomenon as city. Classical and postmodern urban theories offer a profound cross-disciplinary insight into the city’s role in civilizational and existential senses, whereas place marketing and city branding theories provide methodology for the technical instruments of urban planning and management.

In the first part of current chapter, an overview of major theories about urban development is presented, namely classical theories, which explore the city as a space of economic and social transformation, postmodern theories describing the influence of globalization and rapid urbanization on city life, and alternative views investigating methods of arrangement for an ecology-friendly and sustainable city with a high quality of life for residents.

The second section concentrates on the conceptualization of basic points of territorial marketing and city branding to compile an analytical tool – a normative model of city branding - for case studies presented in the empirical part of the present research.

1.1. City as an Object of Research

Many disciplines are interested in the city as an object for research from economics and ecology to cultural studies and history. However, multidisciplinarity is a substantial challenge for understanding this phenomenon in the context of modernity. In my research I rest upon theories of urban planning and development, city management and, to a certain degree, upon the constructivist perspective where speaking about communities and groups’ interactions. In this part I make an overview of modern theories in the domain of urban studies to outline the general conceptual scopes of the present study.

The development of the modern town is of direct interest to the various social groups from the city authorities and inhabitants to tourists and potential residents. In their turn, researchers are trying to develop the discourse about the metropolis, describe city life and find an answer as to how a city develops and what factors have influenced changes in the urban environment. Earlier in the era of industrialization and active urbanization, (the first half of the 20th century) the main mission of the city was treated only in mechanistic, utilitarian terms: the city as a space for social and economic reproduction (i.e. production, distribution and consumption of goods and services produced in a given territory). Later, urban studies theorists started considering the city not only as a place of economic activity, but also tried a new way to conceptualize the idea of the emergence and development of the city as a cultural and social phenomenon involved in a various functional and system interconnections.
The Russian theorist of urbanism, Vyacheslav Glazychev, describing the dynamics of scientific thought about the cities, marks several trends: “since the beginning of the 20th century one can record a significant fork in the development of urban planning. One branch of it, following Camillo Sitte and relying on ever-expanding and constantly updated history of the city, emphasizes, first of all, the exterior shape of the city, the variations of its compositional and graphic structure. Another branch is focusing on the problems of urban infrastructure, including transport networks, the issues of economy and control over city development, including real estate development and construction. Finally, the third direction concentrates mostly on the problems of social life in the city and how urban planning affects the social life, including questions in which manner and to what extent this process involved the citizens.”

At present there is no universal model of planning, development and construction of urban space, but one noticeable trend is the increased attention to meeting the needs of all stakeholders, and towards the creation a unique urban lifestyle as a competitive advantage built on the remarkable characteristics of each city. There is an attempt to combine these approaches in a mixed model, which could form the basis of urban strategic development and city management.

Globally, the history of ideas about the city can be divided into three main groups: classical theories, post-modern theories and alternative concepts, which do not fall within a certain methodological framework.

Classical Theories

Urban studies and urban theory are rather young branches of knowledge. The rapid changes in all spheres of life at the dawn of the 18th century brought up many questions: how people use urban space, what is the correlation between industrialization and urbanization? And, is there any interrelation between the city’s physical transformations and social processes (e.g. the effect of capitalism on the urban lifestyle). Social theory was the first branch which noticed new trends and started the development of critical apparatus for analysing urban alterations.

The founder of political economics, Adam Smith, was one of the first who claimed in his famous work “An Inquiry into the Nature and Causes of the Wealth of Nations” (1776) the significant role of towns in the economy as a whole, and in the production of goods in particular. According to Smith, the free market economy could only appear in the framework of cities (started from the rural and urban disparity after the separation of the city from the village); moreover, the city is an essential condition of rapid industrial development.

From the very beginning of the 19th century, the contradictions between urban and rural areas became so dramatic that the founding fathers of Marxism decided to pay respect to this issue. Economic analysis at large plays a

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1 Глазычев В. Урбанистика. Ч. 1. М.: Европа. 2008. - С. 6-152. – уточните, можно ли писать по-русски
significant role in exploring the city - considering urban economics as a basis of social, political, cultural and other aspects of city life and progress, but this approach also deals with the city as an active agent of urban development. The capitalistic city took shape about 200 years ago; among the main factors of its development, the following can be listed: industrial growth and expansion, rapid development of a transport network and acceleration of connections, extensive manufacturing and mass production which promoted mass consumption of industrial products. All these changes were accompanied by other concomitant modernizations: the active construction of new factories and plants, the drift of labour into the city, increasing division of labour and specialization, complication the urban infrastructure and physical appearance of the city etc.\(^3\)

Early Marxists did not study the city in detail, although it was the natural scene for the development of capitalism, the emergence of the labour market and class stratification (where the working class was an antagonist of bourgeoisie that was perfectly reflected in new-built quarters for the poor),\(^4\) capitalization of urban spaces. According to the ideologists of Marxism, the exchange of commodities mediated by the division of labour became possible only due to separation of the city and the countryside. Later, neo-Marxists and social economists following the general logic of their predecessors explored different social, political and economic changes of the 20th century such as spatial commodification which makes territory a significant capital asset (developing the real estate and land market), spatial fixing of capital in the city (David Harvey), deindustrialization and the evolution of an economy based on services and knowledge, development of the informal economy (Manuel Castells), new relationships between the economy and culture in the cities expressed in a symbolic economy when commodified urban spaces become the objects of consumption (Sharon Zukin), new groups of professionals and activities – creative industries and creative class - concentrating in the cities (Scott Lash, John Urry, Michael Hall).

Another modern social thinker, Fernand Braudel even equated the city and capitalism. In his work “The Dynamics of Capitalism” (1985) he put forward the idea that “money and cities...these two phenomena concomitantly belong to daily life of the most ancient times, and to the daily life of the most immediate present... [money and cities] are both centuries-long structures of everyday life, but they are also powerful accelerators, which are able not only to adapt to changes, but stimulate these changes.”\(^5\) The main role of cities in history is that

\(^3\) Трубина Е. Город в теории. Опыты осмысления пространства. М.: Новое литературное обозрение, 2011. С.220-231
\(^4\) Friedich Engels in his work “Condition of the Working Class in England” describes this divergence: “The town itself is peculiarly built, so that a person may live in it for years, and go in and out daily without coming into contact with a working-people’s quarter or even with workers, that is, so long as he confines himself to his business or to pleasure walks.” The author also vividly paints out the living conditions of the working class in English cities in the 19th c.: “In this part of the town there are neither sewers nor any private conveniences whatever belonging to the dwellings... Can it be wondered that, in such localities, health, morals, and common decency should be at once neglected? No; all who know the private condition of the inhabitants will bear testimony to the immense amount of their disease, misery, and demoralization”\(^5\). Engels F. Condition of the Working Class in England, 1845: http://www.marxists.org/archive/marx/works/1845/condition-working-class/ch04.htm
cities could serve as indicators and triggers of socio-economic development, they could be both causes and consequences of modernization.

Along with the Marxist branch of sociological knowledge, a significant contribution was made to classical urban studies by two leading sociologists Max Weber and Georg Simmel. In his book “The City” (1921) Max Weber describes the city not only as the embodiment of economic, but also social and political organization. Thus, according to Weber’s logic, the city is an autonomous community with political and administrative institutions, which legitimate political and economic domination. It is a main historical actor and the rational bureaucratic basis of the modern nation state.6

Georg Simmel, although he did not elaborate a comprehensive theory of the social construction of space, did articulate the central tenets of urban theory for social sciences in the years ahead. In “The Sociology of Space” (1903) focusing on the influence of spatial conditions upon social interactions, he considers five key qualities of space:

a) the composition and exclusivity of social groups affect the uniqueness of the social space;

b) sociological fact may be formed spatially or framed in boundaries, i.e. social boundaries can be constructed because they achieve social purposes;

c) social formations are influenced by the localizing or fixing of social interactions (e.g. urban planning presupposes individualization and fixation of the space);

d) a blasé attitude as a characteristic of the urban personality (social life in the overpopulated metropolis leads to increasing of physical contacts and emotional tension which provoke the citizens to adapt to new social distance by means of a reserved and detached attitude in order to preserve privacy and anonymity);

e) spatial relations may determine the social relations in cases of changes of location (concerning travellers, migrants, expatriates etc.).

Thus, according to Simmel, social interactions engender various spatial projections. First the spatial dimension of social forms is represented by the spatial organization of different levels of institutions (e.g. members of different social groups will be treated differently depending on their national location). Relations of authority and hierarchy have their spatial dimension in different forms of territorial control, and social solidarity can be also expressed through spatial localization (e.g. it is typical for diasporas or ethnic communities).7

Simmel’s essay “The Metropolis and Mental Life” (1903), where he pinpoints the transformations of the individual under the pressure of urban life, had a great impact on the members of the Chicago school – one of the most influential schools of thought in the domain of urban studies. Maintaining the

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7 Fearon D. “Georg Simmel: The Sociology of Space”, Center for Spatially Integrated Social Science, http://www.csiss.org/classics/content/75
principles of evolutionism and naturalism Robert Park and Ernest Burgess developed a theory of urban ecology. According to this theory, the city is considered as an environment guided by the rules of nature, namely competition (biotic struggle) between different groups for limited resources (principally, land) which leads to the city’s segmentation into separate “natural areas” in terms of shared similar social characteristics. Furthermore, Park and Burgess offer a specific framework for analysis the spatial delineation in Chicago known as the concentric zone model. The Concentric zone spatial structure can be presented in the form of a diagram consisting of five concentric rings: central business district, zone of transition, zone of independent working men’s housing, zone of better residents and commuters zone (Burgess, 1929). The boundaries of such zones were distinguished according to the number of incidences of particular social characteristics (e.g. crimes, unemployment) appearing throughout the city and costs of rent. In the 1920s Burgess with his students prepared a map of Chicago mirroring facts about city’s zoning: political and economical boundaries, vacant areas for commercial developments etc. Although, urban ecology was criticized for oversimplification, generalization and disregard to such issues as industrial development, ethnicity, and social class relations, it had a profound effect on further investigations in the theories explaining the social consequences and prerequisites of the spatial organization of urban areas and gave a new momentum to post-classical urban studies.

Postmodern Theories

Since the middle of the 20th century, cities have been changing increasingly: decolonization, decentralization, gentrification, knowledge-based economy, globalization etc. have made the interrelations within and between the cities more sophisticated, elicited shortcomings of classical urban theories, and brought to light the postmodern city as a new phenomenon. Deepening specialization gave rise to many interdisciplinary approaches at the cross-section of gender, cultural, and postcolonial studies on the one side, and urban studies on the other. Nowadays there are many interpretations of postcolonial city development challenged by the presence of different cultures and traditions on the same territory which comprise a unique fusion and hybridity of authentic and introduced identities, meanings and institutions after the shift from rigid spatial segregation (colonialists and colonized) to new construction of urban space (the emergence of new national élites). Members of Feminist school are inclined to believe that various gender scenarios and gender differences, intersecting with social and racial ones, reflect inequalities though urban space framing or city design (e.g. manifestation of sexism, ageism or male chauvinism in different public places; reproduction of gender stereotypes in city planning etc.), and new

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9 "Gentrification is a general term for the arrival of wealthier people in an existing urban district, a related increase in rents and property values, and changes in the district's character and culture." // Grant B. “What is Gentrification?”, 17 June, 2003. http://www.pbs.org/pov/flagwars/special_gentrification.php
trends in urban development correspond to changes in gender order, gender identities, and sexuality. However, the postmodern city as a completely new phenomenon has become an object for research for thinkers of the Los-Angeles School of urban studies. The most conspicuous members of this school are Edward Soja and Mike Davis, though they hold different theoretical orientations, both explore the dynamics of Los Angeles's development and consider this city as symptomatical and archetypical for all modern capitalist cities. Thus, in his article “Six Discourses on the Postmetropolis” Soja claims: “the transformations of Los Angeles represent both a unique urban experience and a particularly vivid example of a more general sea change in the very nature of contemporary urban life, in what we urbanists have called the urban process.”

Soja as a postmodern political geographer scrutinizes the nature of the postmodern city using the ideas of spatialization of Henri Lefebvre and problematization of space-time relations. He introduces a notion “trialectics” (instead of space-time dialectics) as a united field of space, time and social being. Thirdspace in this regard is a specific mode of thought where the spatial dimension is the starting point in perception of social reality, i.e. space is socially constructed on the one hand and social being is caused by space. Soja suggests that we should consider the post-Fordist metropolis (or just postmetropolis) in terms of six discourses:

1. Flexcity: Dominant impact of post-Fordist on urban economy (e.g. supremacy of production, growth of “lean and mean” companies);
2. Cosmopolis: Cities become more global (in terms of culture, labor and capital), framing of a new hierarchy of global cities (e.g. rewording Los Angeles);
3. Expolis: The increase in blurring of the boundaries, emergence of edge cities, outer cities, and postsuburbia; the restructuring of urban structure (e.g. exploring the darker side of the Outer and Inner City, deconstructing the discourse on urban structure);
4. Metropolarities: new ethnic mosaic of Los Angeles, new restructured social mosaic and the emergence of new polarizations and inequalities (e.g. new “underclass” debate);
5. Carceral Archipelagos: The growth of number of fortress cities characterized by incessant surveillance and prohibitive spaces in the urban environment;
6. Simcities: Hyperreality and the society of simulacra invade into everyday life and restructure the urban imaginary (e.g. cyberspace, simulating urbanism as a lifestyle).

10 Трубина Е. Город. Опыты осмысления пространства. М.: Новое литературное обозрение, 2011. С.83-106
12 Ibid.
Mike Davis researches the city in terms of construction of imaginary urban spaces and mythologization. In contrast to Burgess “dartboard” diagram where the individual’s place in specific zone depends on social status, income level and term of residency in the US, Davis offers an updated version of spatial organization where there is a containment zone (inhabited by the homeless and the unemployed) and violence threatening downtown in the centre, blue collar suburbs in the near vicinity (where people are living in permanent mutual control with their neighbours in order to prevent crime), gated affluent suburbs in the distance – all these areas girded by the toxic rim (so-called gulag rim of prisons around Los Angeles) and armed response. Davis sees the future geography of the South California as a system of separated enclaves living in fear and “padding the bunker” (metaphor of the core zone of fear where prostitutes, criminals, homeless and drug dealers dwell). Davis claims that urban crises and danger play into the hands of political powers, and that is the main explanation of public policy based on deterrence of socially-constructed aggression.\textsuperscript{13} The deconstruction of the myths created by certain groups and associations of businessmen and householders who, with the support of local authorities, modernize the city according to their interests is a tool which could be used to trace the history of city development. In this view, the city is a playground of many actors integrated in a sophisticated network of racial, class, economic, social and political relations. Mythology (produced by elites and authorities) gains a material implementation in the urban environment by means of different infrastructural and architectural projects delineating spatially and socially confronting groups: “the neo-military syntax of contemporary architecture insinuates violence and conjures imaginary dangers” which is “full of invisible signs warning off the underclass “Other”\textsuperscript{14}

To sum up the contribution of the Los Angeles School to post-classical urban studies it is important to note that main difference between the approaches of Chicago and Los Angeles scholars is that the latter consider the process of urbanization as nonlinear, disordered and discrete rather than evolutionary and predetermined. The Los Angeles model builds a polycentric (instead of Chicago’s mono-centric) city, it pays attention to implicit, imaginary social and political intercourses, their implementation in real urban projects, to the impact of political elites on city development, and uncovers new post-classical urban activities which appear in the midst of deindustrialization and socio-economic and spatial restructuring.

\textit{Alternative Theories}

New Urbanism was a response to such challenges of modernity as suburbanization, the growth of environmental problems in urban areas, the changing ethnic composition of the national population etc. The origins of this scientific field go back to the ideas of social philosophy (Richard Owen, Charles

Fourier, Herbert Spencer, Charles Booth) and mainly to the utopian concept of Ebenezer Howard, who proposed the model of the “garden city”. The architects and ideologues of this movement sought to revive the small town, which, unlike the standard suburban “villages” must have its own public centre, shopping areas and workplaces.\footnote{Наберушкина Э.К. Город – Проект для жизни// Современные проблемы науки и образования. – 2012. – № 2; \url{www.science-education.ru/102-5908}}

The researchers who developed the concept of New Urbanism, reject rigid functional binding of individual urban areas (described in the works of members of the Chicago school, which related certain clusters or parts of the city with a particular function: areas for entertainment, business, and sleep etc.), which generates a growing alienation in the relationship of people and the alienation of people from the area (similar to a Simmel’s “der Blasiertheit”\footnote{Зиммель Г. Большие города и духовная жизнь // Логос. 2002. № 3-4. \url{http://magazines.russ.ru/logos/2002/3/}}). The renaissance of community spirit, resurgence of the urban communities not just as a sum of individuals, but a complex social structure, arrangement of comfortable conditions of urban life for everyone (regardless their socio-economic statuses or physical abilities), user-friendly infrastructure - all these form the basis of the ideology of New Urbanism which emerged in the late 20th century in the United States. Urban space, according to the New Urbanism, is a socially-oriented design of the field, where the convergence of human and space is achieved, and maximum human potential is realized. This approach allows the architectural and infrastructural facilities to be considered, not only as a logical response to the demands of the market economy, but also as objects designed to address important social issues. Accessibility and openness are two main characteristics of the space in the new urban area. As early as the 19th century, Spanish engineer and pioneer of urban planning, Ildefons Cerdà claimed the foundation of urbanism in the availability of networks, continuity and freedom of movement (“Theory of City Construction”, 1859).

Subsequently, another founding father of modern the city planning movement, who was the first to propose the idea of the Sustainable city, Patrick Geddes, following the ideas of social evolutionism of Herbert Spencer - pointed out the necessity of constructing such urban spaces, where individual, cultural and physical nature would harmoniously coexist. Among the basic principles of urban planning, which Geddes successfully trialed for the development of physical planning in India, the scientist gave priority to supporting and promoting commercial activity on the territory, the preservation of cultural and religious sites, developing the accessibility of city benefits and promoting healthy, happy and comfortable living conditions for all social groups (not only for the rich), developing civic pride, continuous monitoring of changes and control over future growth with flexible response to arising requirements\footnote{Volker M. Welter, Biopolis, Patrick Geddes and the City of Life, 2002}.

The Geddes's concept of “Biopolis” can be brought into line with other well-known projects and theories, such as Ebenezer Howard's “Garden City”,
Tony Garnier’s “Cité Industrielle”, Otto Wagner’s “Großstadt”, and Le Corbusier’s “Ville Radieuse”.

In turn, Geddes’s ideas influenced one of the most influential ideologists of the new urbanism of the second half of the 20th century Lewis Mumford. In his famous book “The Culture of Cities” Mumford offers a cultural typology of cities and argues that “the city as one can find in its history, is the point of maximum concentration for the power and culture of a community” and “cities arise out of man’s social needs and multiply both their modes and their methods of expression”. According to Mumford, the city is a “fact of nature” and simultaneously a conscious work of art influenced by certain circumstances and collective aims. He claimed that “the nature of the city is not to be found simply in its economic base: the city is primarily a social emergent ... the mark of the city in its purposive social complexity”. Humanizing the natural environment and naturalizing the human heritage are the main mechanisms of city planning. Supporting Geddes's ideas, Mumford agreed that a survey of the community core should come before the construction and planning of the city, and that an intensive and diverse life are the main hallmarks of the city. The urban model of bio-technique city, where technologies and nature peacefully and productively coexist is a cornerstone of modern urban planning and development. The social basis of the new urban order is: renewal and flexibility as a principle of city life, everyday learning and environmental education (which implies that the school becomes a core community institution), and political participation of the community in city governance and development. The city, according to Mumford’s concept, comprises three main units: heritage, urban forms and primary groups, which can be considered in different dimensions (city drama - a theatre of social intercourse, institutions (public, political and economic), aesthetics (culture, architecture), physical space (technologies, geography, topology) and community (social units and target associations). Mumford advocates the following principles of city planning: forward planning (which estimates the possible future social, economic and political consequences of current city planning and construction), maximum space (in contrast to high-rise panel blocks of flats aimed at fixation of minimum living standard), machines and technologies aimed at human development and prosperity. He also coined term “non-plan of the non-city” criticizing the city planning in industrial cities in England of the 19th century where standardization and disregard for the needs of the people caused a lot socio-economic problems.

The socio-cultural field of the city now serves as the basis for the application of different models of territorial urbanization, and is currently perceived as the foundation of quality space for effective communication and multiplication of human capital. Nevertheless, the concept of intelligent urbanism (Principles of Intelligent Urbanism), which is based on the idea of the “city for a good living” has spread far from everywhere. In modern Russia, the ideas of New

18 Mumford L. The City in History //http://www.slideshare.net/solipsist/lewis-mumford-the-city-in-history
19 Ibid
20 Ibid
Urbanism have not received their full potential development. Glazychev points out that “after decades of almost complete stop in the new construction in most major cities, there is a building boom, but its course has a specific character – most notably, it is “spot housing development”, selective investment projects focused on housing for the wealthy minority, or providing services for the newly-emerging middle class. All this occurs coincidentally with continuous changes in the legislation: the law on principles of local self-government, and amendments thereto, Housing, Land and Urban Development Codes (and amendments thereto), and the Tax Code which puts municipalities in a severe financial dependence on the regional authority.”

Nowadays, in order to move to socially-oriented urbanization, it is indispensable to create not only economic but also institutional prerequisites. The city thus has to become a field of interaction between space and human, which can expand the opportunities for self-realization, social and cultural consumption, and respond to the requests of various social groups. Thus affordability and lack of barriers (both literally and figuratively) are more than ever relevant in the prevailing conditions of recent years, such as the ageing of the population, growth of civic activism, and rising requirements for the design and aesthetic component of the physical environment.

The implementation of institutional changes will lead to the initiation of a mechanism called “habitualization”\textsuperscript{22}. This mechanism implies that practices which are inherent in the urban way of life promote the inclusion of an individual in the context of socio-cultural changes, thus being included in a certain style of life that city represents. Each individual will seize the opportunity for self-realization, development and human capital accumulation. “Quality of life” and “human capital” were the main concepts in the development of the Liveable Region Strategic Plan (LRSP) in Canada in the early 1990s. In the course of the development of the Plan, a large-scale study was carried out in order to find out what the idea of a “city for a good living” means for citizens. In addition to improvements in the external physical environment (zoning, density and distribution of the number of floors of buildings, reconstruction of transport systems), people acknowledged that the main characteristics of quality city life were affordable and comfortable housing, unhampered mobility, the ability to fully utilize all the benefits of infrastructure, the opportunity to participate in decision-making and city management\textsuperscript{23}.

Today, it is not so much the economic feasibility, but space socio-cultural conditionality which is considered at the forefront of urban planning and development. That is why the city is becoming an object of study for such schools of thought as urban marketing, design and city branding (as a complex of

\textsuperscript{21} Глазычев В. Урбанистика. Ч. 1. М.: Европа, 2008. - С. 6-152.

\textsuperscript{22} Как отмечают Бергер и Лукман в книге «Социальное конструирование реальности»: «Всякая человеческая деятельность подвергается хабитуализации. Любое действие, которое часто повторяется, становится образцом, впоследствии оно может быть воспроизведено с экономией усилий и ipso facto осознано как образец его исполнителем. Кроме того, хабитуализация означает, что рассматриваемое действие может быть снова совершено в будущем тем же самым образом и с тем же практическим усилием». [Бергер, П., Лукман, Т. Социальное конструирование реальности. Трактат по социологии знания. – М.: Медиум, 1995 – С. 89-90.]

\textsuperscript{23} Глазычев В. Урбанистика. Там же.
measures aimed at improving the competitiveness of the city). According to the changing paradigm, all these theoretical insights should contribute to the formation of a radical new approach to building, planning and development of the urban environment as an adaptive system flexibly responding to requests of the environment and affecting all the communication processes between the “urban lifestyle” consumers.

One of the latest scientific developments in the domain of urban planning and framing a “city of good living” is the concept of the Integral City by Marilyn Hamilton. Hamilton, enunciated the methodology of an integral approach for cities, and she considers that urban development and changes can be described, traced and framed by integral common language. She explores the city as a collective intelligence meshwork and an evolutionary human hive, represented by the nested holarchy of city systems (individual, family, group, organizations, community, city, eco-region). According to Hamilton’s spiral meta-model there are four perspectives, where all psychological, biological, cultural and social systems of individuals and groups in the city coexist. As follows from this model, the citizen (“mind” of the city) as the source of intention represents subjective “I” realities (of individual e.g. emotions, psychology, intellect, spirit. “I” seek more quality, less conflict, more creativity, less inefficiency and more inclusivity. “I” hope for a bigger picture, a better way), the City Manager (“brain” of the city) as the source of behaviour represents objective “Its” realities (of the city’s bio-physical health and resilience. The city manager needs meshworks to make hierarchies and networks effective), civil society (the city’s “heart”) speaks for the cultural dimension and represents intersubjective “We” realities (about the relationships and values of groups as NGOs, foundations etc). Quality of life, asset mapping, community development and social capital create new agendas for civil society), the city developers as the source of social and structural changes represent interobjective “Its” realities (e.g. infrastructures, systems, technologies). Further, Hamilton divides the city developers into two groups: asset developers who build the “body” of the city and developers of the city of the future who integrate sustainability, ecology, spirituality plus elegance, order, flexibility and flow. Adaptability, sustainability and added-value to the whole eco-region are the main principles of reframing the city as a resilient, vibrant human habitat aimed at growth of human capacities24.

In Russia, a pioneer in testing of ideas in the field of integral development was Izhevsk. In 2011, the capital of Udmurtia - the only Russian city which participated in The Intercultural City programme (enrolled since 2008) - with the support of the International East-European University and Gordon Foundation set up a centre that works in three main areas: improving the image of Izhevsk, and increasing the city’s participation in inter-regional and international socio-cultural projects. The whole idea of the Intercultural City is perfectly specified on the web-page of the Programme: “The genuine intercultural city cannot emerge from disconnected initiatives or small-scale policy changes. It can only be the result of a shared vision and the concerted efforts of a range of institutional and civil

http://www.integralcity.com/
society stakeholders. Therefore the Intercultural City Strategy includes a wide range of actors in the city: local authorities, professionals, social services, civil society organizations, and the media. Focusing on the sustainability and effectiveness of the results, the Intercultural City Strategy includes the establishment of partnerships and alliances within each city but also on national and international levels. The latter ensures that participating cities are closely linked with key international actors working in the field of integration and diversity at the local level.  

Last but not least, the branch of urban studies that should be mentioned here in view of the theme of the present research is the cross-disciplinary field of place marketing and city branding. This field is quite new, and is directly connected to the domain of city management and aimed at the practical application of different urban theories. There is a certain ambiguity between notions of place (city) marketing and city branding, and to overcome this uncertainty it is necessary to specify the correlation of these two terms. While city marketing aims to detect and promote the interests of different groups based on analysis of given resources and potentials, in order to stimulate socio-economic development, city branding is concerned with creating an impression, triggering emotions, building an image of the place based on available resources in order to enhance a city’s socio-economic development. Thus, city marketing is one of the instruments for implementation the city socio-economic development strategy and city branding is a part of the place marketing mix. The feasibility of place marketing offers endless opportunities for the implementation of marketing and branding strategies on the ground and in various sectors of social, political, economic activities. In the following part of the research we will try to build a conceptual framework of city branding and present a normative model which is common for the majority of cities' branding strategies. Factors that affect the development and implementation of city branding strategy revealed in the course of the present study provide the foundation for further case studies.

Although it is not possible to review all the theories devoted to urban strategic development within the scopes of the present study, a quick outlook helps to understand the city as multidimensional and complex phenomenon. Besides, a retrospective glance at the dynamics of scientific thought in the domain of urbanism should contribute to a more profound understanding of the possible factors which influence the processes of city management, technologies of strategic development, and city branding.

1.2. Conceptual Framework: Normative Model of City Branding

Normative models are necessary for the analysis of specific cases (which will be done in the second chapter of the research), but they are insufficient for practical implementation and can serve only as a benchmark in the course of

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There are plenty of instruments, technologies and approaches in the field of place marketing and city branding that offer a wide freedom and flexibility of actions aimed at city brand building. Initially, the idea of city brand as the reflection of the unique personality of a particular territory implies that an individual range of methods and assets should be applied. Nevertheless, it seems possible to denote conventional frameworks, an effective zone of action which specifies conditions and limitations of the application of branding instruments.

Based on theories of place marketing and branding, a description of the main aspects of a normative model for city branding is presented in the following sections, namely elements of a city brand, main interest groups of city branding, and methods and technologies of the city branding process. Also, in the beginning a detailed explanation of correlation between two frequently misunderstood notions: city marketing and city branding is provided to prevent future possible misinterpretations.

1.2.1 From Territorial Marketing towards City Branding

The last decade has been characterized by an increasing specialization of marketing and the application of marketing tools to such specific objects as territory and place. Starting with tourism and destination branding, marketing spread its practices to cities, regions and countries, but a striking difference between the territory and market product led to many discrepancies. Partly because of the absence of a developed scientific framework and uniform academic concept of territorial branding and marketing, attempts to use typical marketing toolkit (instinctively rather than knowingly) without fundamental theoretical grounds, caused adverse effects (e.g. inability to build a strong competitive city brand and form a positive response of target audiences to the city image). Even today, when many cities' administrations are successfully implementing marketing and branding strategies, there are, unfortunately, two widespread mistakes of marketing specialists dealing with territorial branding: a) either they equate the domains of city marketing and city branding (although branding is just one aspect of the wider marketing discipline as will be explained below) or b) they reduce branding merely to superficial measures like developing a design strategy (i.e. logo, motto, brand book, vivid tourist brochures etc). Nevertheless, the success of marketing apparatus in commodity markets and a paradigm shift in city management have ensured the close attention to transferring of marketing practices into the domain of urban development.

There are two basic objectives in marketing: attracting and retaining customers by building a system of relations, and these are impossible to achieve without a customer orientation. Customer orientation, as a fundamental principle, involves ensuring the satisfaction of customer's needs (by means of continuing assessment of these needs and resources for their satisfaction), which, in turn, generates customer loyalty, a core orientation of modern city marketing. Drawing an analogy, we can say that the level of socio-economic development of the territory can be measured though the level of development and satisfaction of the
needs of the target groups. In this regard territorial marketing is a complex of long-term measures that form the basis of territorial strategic planning aimed at needs satisfaction.26

Thus, if we apply key marketing principles to territory (as an object of territorial marketing) and the attractiveness of this territory (as a subject), we can conclude that city marketing strategy (as a part of socio-economic development strategy) is primarily aimed at improvement of the living standards and satisfaction of residents’ needs. It should also be stated that satisfaction of needs and meeting different groups’ interests do not exclude the absence of competitive interests (or conflict of interests) of different stakeholders.

In order to prevent terminological ambiguity, hereafter it is essential to delineate terms “city marketing” and “city branding”. The notion of place or territorial marketing was introduced not long ago (about 20-25 years) by George Ashworth. Among plenty of explanations of this term the following is the most precise: “City marketing is a process of planning of coordination and control direct links of city management…with its partners and target groups”27. Thus, city marketing can be considered as an instrument of territorial management and place advertisement in order to attract new investments.

The main idea in city management of the past 15-20 years is the shift from managing the city’s economic complex to managing the interests of target groups within and outside of the city. The major difficulty in this process is the differences between the interests of different groups which makes the term “city marketing” extremely vague and ambiguous.

Today the search for a city’s “theme” (i.e. identity, personality, unique idea) and individuality is a popular movement among the members of the local community (citizens, businesses, authorities etc.) Now, to be competitive and attractive, the city should create a matchless impression; that is why each strategy will be unique. Notwithstanding, it is feasible to detect the main features of any branding strategy and main stages of city branding process, namely, “normative model”. In the empirical part of the research I try to find out how cities build brands and implement a branding model in different socio-economic conditions comparing their efforts with the normative model.

Before developing any strategy, it is important to understand the needs, prospects, resources and interests involved. First step of this preparation process is recognition of significance of finding city’s personality – a complex of unique features and traits that make it different from any other territory. The second step is to reveal as many territorial interests as possible, and understand that they need promotion (how to promote territorial and groups’ interests will be explained further). The third step is finding the main object of territorial policy, namely, target audiences and “city’s consumers”, those who are interested in the development and prosperity of the territory. Here it is important to highlight that,

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as a rule, the main target audience of city marketing and city branding is its citizens. The last, but not the least important, step is to recognize the need for the development of city image – an impression for the external environment and message for external audiences.

According to Denis Vyzgalov, “city marketing is a complex of measures of urban community aimed at detecting and promoting its interests for implementing concrete objects and tasks of socio-economic development. In a broader sense, city marketing is a promotion of the city’s interests.”

Therefore, subjects of city marketing are city managers, goods and services producers, NGOs etc. One of the principal ideas of how to use city marketing is that the city’s Strategy of Socio-Economic Development is a programme document where all the various interests are detected and explained in detail; in this case city marketing is appeared to be one of the main instruments for implementing the Strategy. But how to prioritize interests since there are too many stakeholders in the development of a city? This is also an important question to answer, but two possible directions are: a) to choose universal interests or b) to prioritize several groups of interests and look for compromise between them. In both cases, the search and discussion should be open for a wide public and attract as many groups of interest as possible. Today this task can be solved through the network of different communicational platforms (in the Internet, through officially organized public hearings, forums etc.). Thus, the whole process of city marketing can be generalized as a two-stage process where each stage is divided in its turn into several measures:

1) **Positioning of the city**
   - Finding problem and formulating tasks;
   - Analysis of groups of interests;
   - Finding criteria of success;
   - Finding target audience of the whole strategy;
   - Choosing suitable marketing strategy.

2) **Promotion of the city**
   - Choosing instruments of marketing communication;
   - Planning of monitoring and evaluation of the strategy;
   - Distribution of functions among the project’s participants;
   - Forming the project.

Hence, city marketing is an instrument of strategic planning and development, and city branding is one of the technologies within that complex marketing process. Since the 1970s new philosophies - marketing and management – have replaced the Fordist model of corporate governance. Risk,
performance, customer satisfaction, stakeholders’ interests and profit-orientation became the main categories of such entrepreneurial orientation of territory management. For territory marketing, it was a category of attractiveness of the territory for the target groups of consumers. Philip Kotler suggests that we should measure attractiveness based on “hard” (e.g. strategic geographical location, economic stability, productivity and costs) and “soft” (quality of life, entrepreneurship initiative, culture, image of the territory etc.) factors of the territory. Thus, varying and diversifying these factors it is possible to influence the evaluation of territory’s attractiveness by stakeholders, i.e. to create consumer loyalty within the entire network of communications, and to achieve the final strategic goal of territorial marketing - increasing territory’s attractiveness for different groups.29

In this context, territory branding (as a process of forming, conceptualizing, developing, positioning and promoting the city brand) contributes to the achievement of the strategic objectives of territory marketing.

1.2.2 Definitions of City Brand and City Branding

City branding is rather new division of urban planning and development practices. However, there are already many striking examples of strong recognizable brands which help stakeholders and different groups benefit from it (e.g. London Underground, I love NY, I Amsterdam etc.) The notion “brand”, initially borrowed from trade and commerce, now has become natural for places and territories. In this part I make an attempt to cover the major aspects of city brand (elements and their functional roles), and trace the route from brand idea to the development of a branding strategy and its implementation in real life.

City Brand: Structure and Functions

There are a lot of definitions, concepts and debates about the term “brand” in different scientific and practical fields. The classical definition was given by Philip Kotler: brand is a name, symbol, sign, any other characteristic, which identifies good or service as being different from other goods or services.30 However, a city brand is differs from a trade mark. Globalization, the knowledge economy, changes in political regimes and many other factors encourage cities to sell their differences and uniqueness. Cultural sites, outstanding or just popular personalities, infrastructure etc. comprise exceptionalities which could be converted into money or any other material and immaterial benefits.

The number of definitions of what a city brand is deserves particular consideration, but here we specify only several possible definitions:

City competitive identity 31;

30 Ibid.
Identifying the uniqueness of the city based on positive associations and forming these associations\textsuperscript{32};

A multilateral, multidimensional construct made of functional, emotional, and material components, which as a total produce a unique set of associations with this particular place in collective consciousness\textsuperscript{33};

System of associations in a “consumer’s” consciousness/perception, based on visual, verbal and mental characteristics of the city.

Hence, we can conclude that city branding is a tool for creating a unique place identity through the framing of a recognizable image, and this image should meet certain requirements\textsuperscript{34}:

1) validity (i.e. the city image should be real and correspond to the facts);
2) believability (e.g. positioning the city as “the best in…” is a slippery slope);
3) simplicity (it is easier to create one clear positive image than cover all the images broadcast by the city);
4) attractiveness (the city must appeal to target audiences);
5) originality (the city must be distinctive from the other cities).

Collecting together the proposed definitions of city brand, for my research I propose the following description:

**City Brand** is a complex of positive stable internal (of locals) and external (of tourists, investors etc.) perceptions/representations about the city based on tangible (material assets, infrastructure, architecture, monuments, natural landscapes etc.) and intangible assets (culture, traditions, festivals, famous people, history etc.) of the territory (see the Diagram 1)

*Diagram 1. Elements of City Brand*

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\textsuperscript{34} Kotler P., Haider D., Rein I. Marketing places: Attracting investment, industry and tourism to cities, states and nations. NY: Free Press, 1993. P.135-136
This complex of perceptions is formed on the basis of *objective* (characteristics of the territory) and *subjective information* (personal and third-party experience) which, in sum, comprise the symbolic and material capital of the city. It is remarkable that people not only influence the city brand but they are also affected by it. There is a recurrent process of mental and emotional change which the symbolic and objective elements of the urban environment provoke in people’s minds. It is important to remember that city brand is a fluid, dynamic substance filled with meanings, ideas and perceptions. Nevertheless, it is possible to outline stable parameters of the city (according to which the brand is developed) which *cannot be affected* (climate, geographic location, historical facts to some extent) and *variational* ones (city symbols, cultural traditions of the local community, number of citizens, types of communication etc.). What characterizes a successful city brand is a unique image shared by all stakeholders, and positive perception of the territory by consumers.

The prior condition for successful city brand is *conformity of perception and reality*, i.e. conceptual image (*General Brand Concept*) shared by stakeholders should correspond with the real image of the city, in other case it would be impossible to develop and reinforce a city brand and territory loyalty. According to Michalis Kavaratzis, city brand forms a complex of positive associations linked with a particular area through three types of communications with target audience:

a) *behavioral communication* of the territory, which is expressed by objectively existing physical “hard” characteristics of the city (e.g. architectural components, climate, geographical location),

b) *formal communication* of the territory – corresponding with “soft” factors of the city’s attractiveness and is realized by means of traditional channels of communication (e.g. advertising, public relations),

c) *tertiary communication* or word-of-mouth (consumers’ informal opinions about territory).

The success of a city brand, thus, depends on the consistency of message, broadcast by all communication channels, which demands a precise coordination of meanings.35

Therefore, the city brand implies a comprehensive system of bright, attractive, interlinked images, symbols, ideas and values reflected and mirrored in real life. Nevertheless, not every city has its own consistent brand. That is why people on all levels of society are beginning to think of integrated unique brands which would reflect the specificity of given territories. Hence, before starting a city branding process (namely, positioning and promoting the city brand to target audiences) the city brand as itself must be shaped.

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City brand framing – namely, developing the **general brand concept** - involves several measures:

Finding the **core idea (major message)** of the city expressed in image, phrase, motto or slogan. The most famous Russian examples are: Ekaterinburg – The Capital of The Urals, Myshkin – City of Mouse, Velikiy Novgorod – Motherland of Russia; among foreign examples the most well-known are Edinburgh – Inspiring Capital, Amsterdam – I Amsterdam!, New-York – Big Apple etc.).

Finding **values** corresponding with the core idea (functional, social, emotional, cognitive etc.) – a verbal expression of city’s unique competitive advantages, i.e. all the practical usefulness for “consumers” and projected image for the future. There are an endless number of variants and combinations of values, but the task is to compose a *cluster of values* which is supposed to reflect the major message. For example: a) brightness, festivity and joy; b) cleanliness, comfort, calmness; c) internationalism, tolerance and diversity etc.

**Design** is an optional element in the development of a city brand concept but a very effective one, because it contains the necessary stimuli to evoke such complex of associations and perceptions through visual images, sounds, smells etc. which should be comprised with the city as itself. Rather frequently city managers, who are in charge of city branding, consider design to be the most important part of the branding process and this erroneous opinion is very widespread. It is worth mentioning that a logo must conform with the core idea of the city, in other words it should be unique, strictly standardized and simple for comprehension by different audiences.

**Final aim of the brand** is increasing the brand equity or brand capital\[36\]. It means that representatives of target audiences easily recognize the core idea and associate this idea with correspondent values as well as visual content (design). When the brand is perceived as positive - target audiences see advantages of “consumption” of this territory/city, they have a persuasion that such consumption is reasonable and profitable (in material and immaterial senses), and after all they take a decision to “make use of/consume” this city. Only if all the factors work, the whole brand works and the practical task of branding has been achieved. Notably, city brand values should correspond with target audiences’ ideals (for this reason sociological research helps to collect necessary data about people’s wants, needs and anticipations about the city); in other case people will not acknowledge and share these values.

There is also a spread misunderstanding that brands should be utterly positive, even perfect, but in this case it will be practically impossible to put it into practice what could displease the “consumers” and provoke negative consequences in the form of bitter disappointment, refusal to “consume” the territory. Although, city managers and other stakeholders participating in brand development undoubtedly should attract target groups’ attention to the positive

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36 Aaker D. Building Strong Brands, Free Press, 1995. – P.400
traits of the city and foresee a plan on analyzing and improving the reality – all these favor the development of loyalty to the city (see Diagram 2).

Diagram 2. Emergence of City Brand Concept

Thus, a primary task of city branding lies in the belief that brand building is a controllable and manageable process. The main aims of this process include improving and developing the city brand in order to enhance the competitiveness of the city and life quality of local community. It is also necessary to put emphasis on the fact that city branding will work only if strategic ideas of the city have practical relevance, i.e. all the announced and declared benefits of the territory have real implementation.

Technology of City Branding: Stages, Actors, Methods

City marketing as was stated beforehand, is a process of positioning and promotion of cities’ interests, while city branding deals with people’s perceptions and implementation of the idea of the brand in real life. The process of city branding is a part of city marketing, and it can be understood as a venture project for solving socio-economic problems. There are plenty of ways of how to execute a city branding project. In the current paper only inevitable steps are presented (i.e. those measures which should be performed under any conditions and cannot be excluded in each city). Hence, city branding is more than earning goodwill, it is a multifaceted social project including two basic stages:

The first step is planning the project which comprises all activities from sociological research of key stakeholders’ interests and needs, to brainstorming of available opportunities for brand development and phrasing of a brand concept, and project implementation.

The second phase of the project embraces various measures of bringing into compliance message and real life from ongoing improvement of facilities to constructing and broadcasting new narratives about the city. Besides, project progress will be inadequate without certain supporting activities such as technical and information support, monitoring and assessment of results, information exchange with partners and collecting data about competitors. Below I provide a brief description of most common measures under these two steps of city branding project.
Project planning:

*Problem identification.* Developers should initially decide on problems that a branding campaign and comprehensive city brand may solve. It is essential that problems uncovered at this stage correspond to the main problems specified in the development strategy;

*Goals and objectives setting* should be based on strategic interests and anticipations of target groups stated in the Development Strategy;

*Analysis of stakeholders,* i.e. finding all the core groups which may have an interest in city branding, participate in the project, influence the project etc.;

*Defining target audiences.* Describing those groups which should benefit from city branding and whose perceptions and expectations we meet (usually one or several such as locals, tourists, external investors etc, but not too many in order to prevent ambiguity);

*Research the existent brand.* Attracting specialists (sociologists) for conducting research in order to detect the existent city brand (what image the city has for today? Is it well-known and recognizable? Is this image positive or not? etc.);

*Conceptualizing the brand.* Developing city brand (core idea, values, design);

*Working-out a plan of practical measures and steps.* This stage covers a wide range of activities, to name but a few: preparing the description of measures for project implementation; defining participants and their functions and responsibilities; developing criteria and indicators of success; writing a business plan (evaluating available resources, attracting funds and investments); arranging communication mechanisms etc.

*Coordination.* The city branding project should match all the strategic documents, programmes and projects concerning city development. It is not obligatory to prepare a separate document for city branding strategy, it also could be added into existing documents, inter alia, the strategy of development.

*Project implementation* implies the active part of city branding when the brand is promoted to target audiences and project performance according to the plan.

There are the following directions of such activity:

- *Modernizing infrastructure.* Redevelopment of public services and amenities, creation living, eco-friendly and comfortable urban environment, rehabilitation, big infrastructure projects such as construction of an office building, shopping and leisure complex etc., i.e. improvement of all types of infrastructure: municipal, social, information, transport and leisure;

- *Ameliorating the urban environment* and presenting elements of brand design to the broad public through architecture, monuments, landscape design, zoning territories included into housing plan. All these measures give an effect of
brand visualization and stimulate the emergence of a stable complex of associations, e.g. building special recreational zones, a big amusement park or an interactive museum);

- **Creating a unique atmosphere, particular city lifestyle.** A wide range of measures for encouraging the target audiences to participate in city life and events actively. Mostly this part corresponds with cultural events and boosting the symbolic capital of city brand (e.g. mythology, tracking new tourists routes, holding festivals and open-air events, stimulating public art, supporting forums and industrial fairs, publishing books on local history etc.);

- **Institutionalization and technical hierarchy.** Arrangement of a special system of bodies and organizations involved in city branding (from special departments in the city government and municipal institutions organized specially for city branding to NGOs and commercial partners). Apparently there could be many models of schemes for the organization of city brand management: top-down or bottom-up, initiated by business or by the “creative class” etc. Regardless, the core idea of this system is the precise coordination of all its modules;

- **Information support and networking.** Partly included into information infrastructure development information. Here information centres play a significant role in promoting the city brand to different audiences. This domain penetrates all mentioned above and is responsible for creating a broad information field and networks for disseminating, broadcasting and management of information as well as producing the city’s media profile. Usually some Information Centre is a network coordinator of the branding process.

It is important to note that all these steps include not only detecting available resources and their improvement, but also creating new material and immaterial assets and values (e.g. creating newsbreaks about the city (e.g. hallmark festivals) or participating in contests for hosting international sports, political, cultural events like Saint-Petersburg International Economic Forum, developing infrastructure for attracting film-makers to the city and many others). On the whole, all these actions aimed at creating a unique “atmosphere” of the city and recognizable positive image.

**Supporting measures** include monitoring the process, evaluating the results of the city branding project, financial and information support during the first implementation stage and further improvement. When the whole city branding project has been initiated and city brand has “started working” the whole process of information exchange between brand and “consumers” becomes self-reproducing. This does not mean that the whole brand construct stays stable, invariant and unchangeable, quite the reverse – it acquires new meanings and attributes, becomes fluid and developing.

In Diagram 3 I present a general scheme of the main stages of the city branding process: movement from initial characteristics of the city through conceptualizing the core idea and implementation measures, towards the appearance of a city image in the consciousness of target groups.
It is important to mention that each city branding project is a combination of smaller projects: standard ones (like in infrastructure, e.g. traffic circuit optimization) and unique projects (mostly in the cultural domain, e.g. creating new authentic events or renewal of forgotten ones), but all the activities must correspond with each other and all the sectors should work properly to achieve maximum effect. Nonetheless, there are many marginalizing factors which may hinder the implementation of a city branding project. One of the biggest problems is institutionalization of the whole process, i.e. allocation of responsibilities as to who will be the triggers and executors of the project, which body will implement different parts of the city branding project, and how to coordinate actions. Among other problems and restrictions which could limit the project’s effectiveness is the importance of public participation. As the main target audience, local inhabitants should be involved in every part of the city branding project starting from discussing the details of the project life-circle to bottom-up and volunteer initiatives. In the era of information and symbolic economy, the “creative class” and youth will be the moving forces of city development - that is why city managers are concerned to attract new creative potential to their territory and preserve the available human capital by means of creating a favourable climate for these groups. The creative class and business people are those who could produce new ideas for unique projects and allocate resources for their implementation, in its turn, the youth is the most flexible and responsive group in society who will take part in the realization of projects.

Despite the fact that there is no precise typology of city branding projects, and each city branding strategy should be regarded as case-specific, it is still possible to distinguish some distinct conceptual directions offered by the cities.
Thus, there are cities with history (story, legend, myth etc.) whose hallmark is an important historical figure or event (e.g. Salzburg – Mozart’s home town), cities of particular opportunities which are famous for their specific infrastructure (e.g. Cambridge), cities which meet special needs of a certain target group (e.g. Las Vegas) etc. To conclude, it is important to note that a city image’s, anchored in people’s consciousness, will stimulate new types of “consumption” of the city, and a more responsible attitude towards all aspects of city life, evoke the free-will intention and readiness to participate in decision-making and improve the outer environment. Therefore, among many peculiarities and specificities, a kind of normative model can be distinguished. In Table 1 I collect the basic components of city brand and stages of city branding to provide frameworks of normative model of city branding.

Table 1. Normative Model of City Brand

<table>
<thead>
<tr>
<th>Elements of City Brand</th>
<th>Process of the City Branding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Values, ideas, historical facts;</td>
<td>Analysis and evaluation of available resources for brand building;</td>
</tr>
<tr>
<td>Infrastructure: communications, landscaped space, improved land;</td>
<td>Developing the concept of City Brand;</td>
</tr>
<tr>
<td>Cultural sights: monuments, architecture, all the cultural and historical heritage;</td>
<td>Planning the City Branding Strategy;</td>
</tr>
<tr>
<td>Big infrastructure projects (e.g. Sport Complex, Theatre, Hotel etc.)</td>
<td>Positioning the City Brand;</td>
</tr>
<tr>
<td>Remarkable landmark events, exhibitions, forums, fairs, festivals held annually/periodically;</td>
<td>Promotion the City Brand to different interest groups;</td>
</tr>
<tr>
<td>Famous personalities etc.</td>
<td>Evaluation of the results of branding campaign, planning and programming for short/middle and long term.</td>
</tr>
</tbody>
</table>

Specified parts of normative model are common for most city branding strategies and could be a control standardized benchmark for city managers in order not to overlook important aspects of city branding process.

1.2.3 City Branding: Factors of Influence

The place of the city in socio-economic processes as a legitimate subject and influential participant is a matter of wide speculation. On an economic scale, it is possible to distinguish several main interconnections between urban changes and socio-political alterations:
a) the city as a reflection of macroeconomic trends (e.g. spatial segregation as a consequence of individualization and commodification of human relations);

b) cities' integration into the global economy and growing dependence on political shifts and superpowers;

c) relentless competition for resources between cities.

On another perspective, if we start from the idea of the city as a "container" included into the rigid hierarchy of state administrative units, the city can be considered as a complex of spatial relations consisting of manifold systems of tangible (traffic network, electricity and water supply systems etc.) and intangible (myths, legends, history, rituals etc.) intercrossing communications, a junction of specific human, technical and natural agents.

Hence, it is important to remember while developing the city branding strategy that each territory is evolving under different conditions and this unique fusion of factors usually determines the selection of a particular strategy or model used as a basis for socio-economic development. Detecting this complex of driving factors could help, not only to optimize the vector of territorial development by reassessing risks and opportunities, but also to improve the strength of the city's brand.

However, nowadays it is not enough to explore the city in only geographical or historical terms, although these factors are very influential in some cases. The difficulty lies in the fact that the modern city, represented by many networks of intensive social interactions, becomes one dimension of social reality. Consequently, comparison of city lifestyles, ways of development and modernization is inevitable and essential. It does not mean that one can offer a universal instrument for analyzing all the agglomerations, but it is a way to provide a framework for monitoring and understanding the general trends whilst staying sensitive to the local peculiarities. Knowing factors of influence not only helps to assess, develop and implement a city branding strategy, but also provides local (internal) and external insights for further long-term brand promotion and improving socio-economic indicators.

It is also important to add that the assessment of the effectiveness of a brand strategy and its efficiency, can be only approximate due to occurrence of many intangible, fluid and flexible impact factors affecting the brand, and the closely coupled interconnection between city branding strategy and city development strategy. Although, the success of city brand building can be partly estimated through the dynamics of socio-economic indicators (e.g. inflow of tourists), but people's perception of city's attractiveness is a sophisticated substance requiring a specific analytical tool. One of the available tools to assess city brands is the Anholt-GfK Roper City Brands IndexSM (CBI). CBI was developed by Simon Anholt in the mid 1990s and became the only analytical tool.
ranking for cities’ brands. It estimates six brand dimensions (i.e. perceptions of
the city by different target groups):

*Presence* (city’s reputation and popularity, overall contribution to
international culture, science, business etc.),

*Place* (perceptions of physical characteristics, e.g. comfortable climate,
clean streets with parking lots etc.),

*Pre-requisites* (how basic life qualities are perceived: from affordability to
conformance of public amenities to standards),

*People* (how hospitable and welcoming the citizens are and whether it is
simple to integrate into this community),

*Pulse* (evaluation of possibilities to spend free time),

*Potential* (perception of economic, career, educational etc. opportunities in
the city)\(^{38}\) (see Diagram 4).

*Diagram 4. The City Brand Hexagone. Simon Anholt*

In the present study I am primarily interested in observation of the factors
that possibly could have an impact on the process of city branding and the choice
of a particular branding model. It is important to note beforehand that the
described factors are general for all possible cases, while the factors of influence
for the chosen cases (Vyborg and Lappeenranta) will be explored in the next
chapter. Besides, each city is case-specific, and it is complex to distinguish one
factor from another – all these make any classification an insufficient analytical
tool. many of these factors are tightly interwoven that cannot make any
classification an exhaustive analytical tool. Summing up many different
approaches and explanations presented in the numerous studies of the city
branding process, I propose six groups of factors which bear influence on one or
another city branding model:

a) communication channels (ramification of media networks: the Internet,
mass media, social networks, public forums, and development of modern
communication tools);

\(^{38}\) GfK America – one of the world’s leading market research company:
b) history, geographical location and demographic composition (a group of “hard” prerequisites which are difficult to change in the course of urban development);

c) economic type (industrial or postindustrial economic structure);

d) globalization (increase of interconnectedness of economies, cultures, political systems, growth of inter- and supranational organizations etc.);

e) municipal specificity (only two main aspects: budgeting and type of management);

f) “human factor” (professional and educational background of people in charge of city branding).

Although there are much more possible factors of influence, in my research I will concentrate on the study of this limited range of most apparent ones. In order to come later to the prove of these hypotheses, the factors should be explained here in the more detail.

a) Communication channels

Developed communications and media channels play a crucial role in disseminating information about the city, getting feedback from the “consumers” and managing the message about the brand. The more means of communication are used for broadcasting brand message, collecting target groups’ opinions, promoting the city in accordance with developed branding concept, the more coordination activity of managing needs for information content, and the higher chances of covering all the stakeholders and framing a strong brand., However, on the downside, there is an increased risk of losing control over a greater number of communication channels (especially in the Internet).

b) History, geographical location and demographic composition

Historical facts as big events which carry weight on the regional, state or global scale usually become a main foundation of city brand (e.g. Brest Hero city), and even if the city does not base its branding strategy on the past and, on the contrary, tries to face the future, history should be taken into account. It is especially important for old cities with rich cultural and architectural heritage (e.g. Venice).

Geographical location determines a lot of “hard” factors of city attractiveness from natural resources, which can reply for main economic activity specialization (e.g. single-industry cities like Castleford, England which was a typical industrial coal-mining town), climate (e.g. Russian resort city Sochi), ecological situation (e.g. Toronto - most ecologically friendly city of Canada) etc.

Population composition can serve as a challenge for branding (as in case of ageing problem that demands special infrastructure for the old and handicaps) or a great advantage (e.g. university cities, where the majority of population are under 30 - Utrecht). Besides, open borders and opportunities for unrestricted
population mobility bring new challenges such as increase of migrant flows, changing professional composition of the workforce etc.

**c) Economic type** of the city and the country where it is located (industrial/post-industrial structure of economy)

The variety of economic types and economic conditions which are tightly interwoven with social, political, cultural development of any country, as well as with cities, gives ground to hypothesize that shifts in economic structure of the two past centuries from industrial to the post-industrial type, and then to more specific economies (such as knowledge, creative, symbolic ones etc.) have an influence on the whole process of urban development. Thus, city branding as an instrument of urban strategic development is also affected by the new economic environment. Two most apparent trends are the spread of the symbolic economy and the increasing role of the creative class specified below.

*Symbolic economy* implies that the manipulation of meanings and senses becomes a cornerstone of capital accumulation and profits. Today the illusive content of a product, (sometimes fallacious and spurious, enforced by producers and marketers upon consumers), matters more than the real price. A similar trend is becoming common in selling territories to target audiences. Now each city seeks for uniqueness and tries to support a reliable reputation to be ranked higher than competitors and become more valuable in an economic perspective. Intangible, immaterial resources for development can be regulated and managed in order to gain more symbolic capital (hereafter converted into material and immaterial benefits for different stakeholders), but the basic condition for the development of symbolic capacity is a correspondence of the ideal city’s image (desirable city brand) with real measures of improvement of a given space. It means that the process of city branding includes not only construction, forming and regulating the ideal brand, but also actions for implementing all the conceptions and senses associated with this brand into reality.

*Post-economic environment and the increasing role of the creative class* also play a significant role in urban planning and development. Impressions, emotions, lifestyles are those intangible assets that add value to the city. Cities create a particular atmosphere, mood, and frame of feelings by means of producing impressions. Genuine city brand reflects all the aspects of city’s personality, core idea, identity for different referent groups and all the members of these groups find positive associations with the city. Creative industries and presence of creative class in the city are becoming a competitive advantage in this regard. Nowadays innovations in the cultural field and potential of creative elites can play a facilitating role in a city’s socio-economic development. It is members of the creative class who are able to produce a new urban environment and reveal distinctive routes for new development.

**d) Globalization** (world market, common threats and problems, diffusion of knowledge etc.)

*Global competition* overarches all the countries from developed capitalist states to lagging, underdeveloped ones. Participating in competition for
resources (investments, capital, people, creative potentials, information flows etc) is inevitable now as it ensures, if not success and prosperity, then at least survival and endurance. Ubiquitous competition between cities, not only within the borders of one country, but also on the global arena, for different kinds of resources (financial flows, creative class, tourists, events, publicity etc.) becomes the trigger for development of some cities and the cause of degradation of others. Cities and regions compete for investors, people, funding not only on the local, national scale, but also globally on the international and even supranational one. For example, the cities of EU-member states have an opportunity to participate in different cross-border projects and get funding from the EU. It was stated above that the main message of city branding is a manageable future of the territory, where the city is an active member of the global economy. Hence, improving the quality of city environment and developing the proper city brand (internal – for locals and external – for other interested groups such as investors, tourists, prospective citizens etc.) are important challenges for city managers, citizens, business etc. But as a modern instrument for socio-economic development of the place and a potential tool of enhancing competitiveness, city branding is firstly supposed to improve the life quality in the city, i.e. the process of city branding is turning into an ongoing competition of improvements and creative ideas.

Diffusion of knowledge, as well as development of academic research, the creation of new theories and ideas about city branding (e.g. best practices exchange, seminars and conferences on city development) could be a significant competitive advantage for the city. In this regard comparative studies help to understand opportunities for development and challenges for different territories without blind assimilation or borrowing advanced technologies, but seeking to apply them with respect to local peculiarities and specificity. Particularly, it is true for university cities which have an opportunity to apply and test all the newly-developed branding technologies in the round.

Glocalization is another tendency of modern urban development. It is a paradox, but to be in the mainstream in the global world any (economic, political, social) actor, and the city is not an exception, should be recognizable, differ from the others but still operate as a global actor. Taking into account all culture-specific traits of “city’s consumers” (all groups of people, organizations and institutions which “consume” different aspects and resources of the city) the modern city has to offer specific goods and services for all of them, be involved in associations and communication networks, apply non-standard strategies and instruments for development to ensure strong community engagement. An important task of city managers as specialists responsible for city branding, is to adapt local peculiarities to the global context.

To conclude, it is important to note that the dynamics of change in the modern world is gathering momentum. To be competitive, economic agents have to catch the pace of rapidly changing opportunities and react to challenges and threats. In this sense, flexibility and speed of response take on a great significance. New management technologies and instruments of city
management become a crucial part of planning and strategic development of any city. Modern city should be re-thought, and flexibility here is the main principle of the whole process of executing the branding process (from determining a core idea, essence of the place (i.e. city brand) to engaging different target groups). Severe competition for resources (capital, people, ideas etc.), in the time when mobility of these resources is incredibly high, forces cities to struggle to attract new material and non-material assets onto their territories.

**e) Municipal specificity**

*Structure of municipal government* defines the level of freedom for local decision-making, in particular on the city branding strategy – whether it is regulated top-down or initiated bottom-up (e.g. grassroots projects). For Russia, it is very remarkable that spheres which previously were under national state supervision (construction, education, medical service etc.) were transferred to municipalities and powers of the local government. At the same time, efforts of the central administration to preserve the right of resource allocation leads to corruption and bureaucratization.

Besides, there is a possible influence of the political climate in the country which affects not only the brands of particular cities, but also regulates the level of international activity, i.e. city’s participation in international and supranational projects (e.g. today, there are regional alliances developing the brand for the whole cross-border region, for example, the Baltic Sea Region is one of the pioneers in this field\(^{39}\)).

*Municipal budgeting* is also of great importance if we talk about financial autonomy and self-sufficiency, influence and support from the federal centre, and opportunities to participate in tenders and competitions for additional financial support at the federal level. The system of funds allocation and the level of control and administrative power of local city managers together define the flexibility, speed of response and degree of independence that local government can have from higher authority bodies.

**f) “Human factor” (professional background of city managers in charge of city branding)**

Nowadays human capital is one the main factors of socio-economic development; that is why it is necessary to have highly-qualified specialists on all levels of authority - this is crucial for the progressive movement of the city. New trends demand more innovative skills and competences from city managers, which earlier were relevant in other fields. Marketing, project management, branding knowledge previously were not needed in city governance. Today the professional and educational background of city managers engaged in the work of developing a branding concept and implementation of branding project ought to include, if not a degree in marketing, branding or professional experience in these domains, at least qualification in urban planning together with other personal competences like leadership, teamwork and organizational skills, ability

to work in multicultural and fast-changing environment. Understanding this “call of the times” can be a competitive advantage for a city leader who is responsible for employing professionals or recruiting external marketing experts who could ensure a correct implementation of branding procedures.

The city as an object of analysis cannot be considered independently from its external environment and internal processes. Therefore an understanding of possible groups of factors influencing urban development helps managers to find a particular direction in sophisticated strategic schemes and choose the most effective branding strategy. Proposed groups of factors influence different city branding strategies to a varying degree, although it is possible to trace the effect on city development of all of them. Scrutiny of possible factors provides a basis for in-depth evaluation of opportunities and threats for the city brand and build a branding strategy prioritizing most important aspects.

The present chapter arranges a methodological foundation for analysis of further case studies. Here I attempted to generalize the whole process of city branding from brand building, and distinguishing main stakeholders of the city branding process, to various methods and technologies of city branding. Both theoretical grounds and conceptualization of a normative model for city branding will equip us with critical apparatus for detecting factors influencing city branding models in particular cases. Thus, classical theories provide an insight into the role of the city as an economic and social actor; the postmodern perspective helps to consider urban development in new global circumstances, and finally, alternative approaches (e.g. new urbanism, city marketing etc.) reveal innovative solutions for a city's socio-economic strategic development in the long-term, and to define the latest achievements in city development and planning.

1.3. Social Constructivism as a Methodological Approach

In order to answer the research question, it is necessary to establish a methodological approach for the research. This methodological approach must determine the method of research and its object. Since I am studying discourses and their construction, the most appropriate methodology is social constructivism. It is not only useful for discourse analysis, but also suits well for European integration studies and is very well elaborated in this field.

Since the 1990s, the version of the new institutionalism, social constructivism or sociological institutionalism, has presented a social scientific alternative for the study of European integration. In contrast to previous approaches, social constructivism underlines the symbolic aspects of European integration, that is, discourses, norms, words and symbols that construct Europe on both supranational and intergovernmental levels.

Social constructivism does not commit itself to either a intergovernmental or supranational point of view. As soon as the EU becomes a changing political body, sticking to only one of the approaches, this might introduce a bias, and lead to a non-complex understanding of the phenomenon. The European Union
requires understanding of its structures on all levels – supranational, intergovernmental, national, regional, and even private.

The key question of a social constructivist approach to European integration is through what mechanisms political agents reproduce and transform the European political order (Kauppi 2003).

In this paper, the social constructivist approach is used due to its focus on discourses, importance of the public and elites’ attitudes toward Europeanization. Within this approach common beliefs, ideas and norms influence identities, and the related interests, and, therefore, determine decision-making process.

Social constructivism within European integration is about norms, discourses, ideas, debates and socialization. As a theoretical approach, one might distinguish between three types: conventional, interpretative, and critical/radical (Checkel 2006). Conventional constructivism focuses on norms and their influence in shaping political outcomes. Interpretative constructivism deals more with language and speech acts, and their role in constructing social reality. Critical constructivism preserves the focus on linguistics, but adds “researcher’s own implication in the reproduction of the identities and world he/she is studying” (ibid: 6). When used for analysis of the EU, interpretative and critical constructivism focus less on the norms that made the EU as it is today, but more on speech acts that anticipated those norms.

In addition, social constructivism is very helpful in analyzing learning processes and socialization on the European level. Checkel (1999) argues that social learning includes a shift in interests and preferences while interacting with other actors and institutions. Following Checkel, who lists four hypotheses as to when social learning is more likely to occur, I would like to emphasize the period of crisis: “Social learning is more likely where the group feels itself in a crisis or is faced with clear and incontrovertible evidence of policy failure” (Checkel 1999: 549). While elites provide the public with the idea of crisis and political failure, they are more successful in influencing shifts in norms, values, believes, and interests.

Moreover, another assumption underlines the position of direct political pressure and exposure, which is also applicable for my research. Domestic changes that occur on the national level under pressure from new EU regulations cause additional ground for social learning and therefore, shift interests and preferences that can be used by political elites through speech acts.

Another issue Checkel addresses is socialization – the process of adopting the new norms, common believes, and understandings. Within European integration two questions are raised: where do these norms come from and how do they interact with agents on the national level. As for the emergence of norms, one way is individual agencies with the necessary skills to distribute their ideas in public. These agencies are more successful when the policy window is open – when a problem exists and no certain answer is provided. As for acceptance of norms there are two paths. The first is societal mobilization – “non-state actors and policy networks are united in their support for norms; they
then mobilize and coerce decision-makers to change state policy” (ibid: 554). The second path is social learning which was mentioned earlier.

This paper will use interpretative constructivism to more successfully answer questions about background conditions and linguistic structures that constructed modern public moods on Europeanization and integration. I assume that these discourses are important enough to influence decision-making and future development of EU-British relations through social learning, shifts in interests, and preferences. In order to prove or refute this assumption the method of discourse analysis is used. This method is widely used among constructivists and therefore proved its accountability while reaching the goals of research.

2. City Branding Model in Russia and Finland

City branding model is case specific and comprises a particular set of measures which meets the interests of local and external audiences, and response to certain problems of each given territory.

However, the normative model described in the previous chapter establishes the scopes of city branding and measures needed for implementation the project. Thus it can serve as a standard pattern for comparison of specific city branding models and this conventional branding scheme.

As was described in the first chapter, the normative model is represented by 1) city brand including city’s “hard” and “soft” assets (historical background, infrastructure, cultural sights etc.) and brand’s elements per se (core idea, values, design and logo), 2) main actors and stakeholders (citizens, tourists, business community etc.), and 3) a two-stage branding process (developing branding strategy and its implementation).

In this second chapter, each specific branding model in Vyborg and Lappeenranta is examined according to the 3 elements in the normative model. The choice of cases is driven by comparable socio-demographic, geographic and climate parameters: both cities are situated in boundary Karelian region characterized by mild climate and an extensive network of lakes and rivers, the number of inhabitants in Vyborg (80 ths) and in Lappeenranta (72 ths) marked by significant presence of youth (more than 20%) and seniors (more than 15%) and relatively homogeneous ethnic composition (about 90% of the population in Lappeenranta are Finns, and 90% Russians in Vyborg).

The empirical study of two cases was conducted in the period from February to May 2012. The research technique includes semi-structured interviewing, content analysis of official documents, web-sites and social-networks.

An interview guide was developed on the basis of the theoretical grounds about the city branding and marketing. Interviews were obtained through conversation with experts in city administrations who manage the domain of city socio-economic development, control the city’s data stream and statistics for the
purpose of finding main specificities of the branding process on their particular territory and discovering factors which bear influence on considered branding models (the list of possible factors is presented in the hypotheses in the introduction above). Content analysis of official and informal information resources about the cities leads to insight into communication mechanisms of city branding and permits an evaluation of the methods of city brand promotion. Furthermore, there was a field observation in order to obtain the data about the implementation of the city branding strategy and elements of the city brand.

Main analytical tool for analyzing the obtained data was hierarchical coding and memoing by means of MaxQDA software. The final results of the study, viz. comparison of two European cities’ branding models with the normative model are aggregated in Table 2 at the end of the chapter.

**2.1. City Branding Models of Vyborg and Lappeenranta**

In Russia as a whole, and in Vyborg in particular, an interest in new practices such as marketing and branding in the course of urban development and city management is quite new. Nevertheless, attempts in this direction are becoming more and more apparent from year to year: conferences and master-classes on city branding issues are held; these disciplines are included in university curricula, and more publications on such cross-disciplinary topics are appearing.

Although there is no documentarily fixed and developed branding strategy in Vyborg, this city stands apart from other settlements of the North-West Region of Russia due to its cross-border location with the EU (Finland), copious variety of architecture, exceptional Karelian natural scenery etc. Today, city authorities make efforts to coordinate the activities of different official bodies and develop a city brand, though, measures are still insufficient.

In contrast to Russia, where city branding is a new experience, Finnish cities started thinking about the issues of appliance marketing instruments to urban development about 10 years ago. Membership in the EU contributes to this process, as it adds one more scale (together with local and international ones) for competition between cities. Thus, two times Finnish cities have been designated European Capital of Culture (Helsinki, 2000 and Turku, 2011). Lappeenranta is situated near to the Russian border and is considered the most Russian city in Finland. It is remarkable for its sound branding efforts. It is also noteworthy that Lappeenranta was the first city which launched into preparing a Development Strategy.

In this chapter the city branding models of Vyborg and Lappeenranta are examined according to components of the normative model presented in the first chapter. All text printed in italics is extracted from expert-interviews with four respondents: V1 – Head of the Vyborg’s Youth Centre, deputy, and V2 – Head of Information Centre of Vyborg, deputy, Head of Public Council on Toponymy, member of city administration, F1 – Head of Department of Strategic
City Brand Elements

The city brand was defined in the first chapter as a complex of positive stable internal and external perceptions about the city based on tangible and intangible assets of the territory. These elements vary from city to city, but basic parts are the core brand idea reflecting the main message of the city, and a group of corresponding values; design - as a visual image aimed at attracting target audiences and promoting the message to a broad public; historical and cultural heritage that is important asset for tourism development; infrastructure ensuring comfort, quality and availability of necessary premises for different group activities; and finally, big projects and hallmark events which also contribute to developing a unique personality of the territory in question.

Values and Core Idea

As already stated in the previous chapter, the city brand starts from detecting unique assets of the territory which define the backbone of the branding strategy and basis for developing a city brand.

Although the normative case implies one core brand idea and a group of corresponding values, Vyborg - due to lack of comprehensive developed brand strategy is characterized by a number of ideas and uncoordinated values. Respondents V1 and V2 named several possible conceptions of framing the city brand which can be broken up into several groups:

1) City as a historical centre offering a wide range of services for relaxed leisure and contemplating:

“Vyborg is a classical medieval European city.” (V2)

2) City as a transport hub and industrial centre:

“Vyborg is fast-moving when in small cities nothing changes over decades.” (V1)

“Vyborg is a big transport hub. There is a shipbuilding yard, sea port, Finnish border.” (V2)

“Vyborg is a sea-gate, outpost in front of Finnish border.” (V1)

3) City as a place with military history, war past:

“Vyborg is a City of Military Glory.” (V1, 2)

The fact of awarding the city with this honorable title in 2010 cannot appeal to a very wide audience and it should be taken into account while brand building, although the Tourist Centre offers a nostalgic excursion “Soviet Vyborg” for those who are interested in this historic period and the Information Centre launched an Internet-project “Vyborg is a City of Military Glory” where the data about war facts, and Soviet victims of WWII is presented to the broad public.
Respondent V2 claims the efforts of City Administration in commemorating the city’s military history:

“After 2010 the number of patriotic events devoted to immortalizing the facts about the World War II and heroic deeds of Soviet army men has significantly increased. The square of Vyborg’s Regiments was restored and now it is a new venue for such events. Medieval city is very attractive for tourist development but we have not to forget about this tragic chapter in our common history”.

4) City as a centre for recreational tourism with picturesque landscapes:

“It is a beautiful Karelian nature which attracts people.” (V2)

This direction of the brand is underdeveloped and there are several possible explanations: one is connected with the fact that the proximity to Finland which offers all the premises for quality recreational tourism, another one with the lack of investors and funding. The Tourist Centre tries to harmonize the offer of sightseeing services, but competition with Finnish cities is rather strong. Nevertheless, respondent V2 mentions that:

“Nature of Karelian Isthmus is unforgettable! It must be concerned as a brand asset! There is a General Plan for the development of this territory in conjunction with Vyborgskiy district. Not just a city because we are inextricably linked with the district, and it gives us an opportunity to expand the idea of the city of Vyborg”.

Values in its turn are rather vague and complicated which could cause problems with providing a clear understanding for different target groups for further conceptualization and coupling city image and city brand:

“The city itself gets people interested in history, architecture and art”. (V1)

“Continuous interchange of energies between city and people.” (V1)

“City affects people’s consciousness, it’s a kind of city’s spirit which is very demiurgical.” (V1)

“Vyborg has a soul, specific aura, atmosphere.” (V2)

“The main objective of the city - prosperity of city’s population.” (V2)

Hence, special atmosphere and life-quality orientation are the most distinguishable properties listed by the respondents.

In Lappeenranta, the city brand development started in 2009, simultaneously with the adoption of a new Strategy of Socio-Economic Development. As a verbal incarnation of the city’s brand concept was proposed a formula: Lappeenranta - International University City ©. This simple phrase unites a slogan and a motto two-in-one and expresses the main group of values proposed to target audiences for further coupling them with the city. Respondent F1 explains the general idea of Lappeenranta’s brand in the following way:

“I should mention that our main brand is a Lappeenranta’s University which is widely-known all over the world because of very high standard of
education and research activities. You see that we are a very small city that’s why it’s extremely important to have our own university and research centres, good education in general. Another point – we’re situated on the borders, so being international and open is also significant orientation for us and for our Strategy. It’s an overall idea of our City Strategy and City Brand.” (F1)

It is important that there is a link between Brand Concept and City Development Strategy which ensures the complimentary character of measures implemented by different departments of the city administration. Besides, it is worth mentioning that chosen values may be interpreted in different ways, thus respondent F1 clarifies:

“At least one value is openness. What we stated very early that we would like to be open and friendly. Openness and honesty: everyone can come to the City Council, everyone can start his own business (regardless having legal residence)” (F1)

The other respondent adds:

“The city works closely with the university, but in “the international” it refers not only to university but to the city in general. In the scale of Finland we’re a very international city, in the sense being on the border of the EU and Russia, we’re the closest European city to Saint-Petersburg. Last year more than 1.5 million people visited Lappeenranta from Saint-Petersburg and it’s going to grow, we’re number one in tax-free sales and, after Helsinki, we’re the second most visited Finnish city by foreigners. But in addition to Russian visitors, we have more visitors from Europe because we have very active International Airport connections”. (F2)

Thus, Lappeenranta offers a complex and exhaustive brand idea (International University City) and limited number of clear, comprehensible values fixedly attached to all official documents on urban planning and development.

**Design and Logo**

Design and logo which are common for the majority of European cities, is not a rule for all branding strategies, but still it offers opportunities for commercialization of the brand and creating an association. As respondent V1 noted, “For Vyborg there is no need to invent new symbols, we have a lot.” Visual identity of the city is based mostly on historical places and sights: Vyborg Castle, Finnish Bay, Round Tower (Market square), crowned owl and letter “W” (first letter of city’s name in the Swedish period) from the coat of arms, remarkable monuments (e.g. monument to the city founder Torgils Knutsson, and the statue of the Moose). Most symbols are derived from the period of Swedish rule and prove Vyborg’s status as a medieval European city, as well as offering a wide range of opportunities for making more clear and distinctive symbol not only for citizens and tourist audiences, but also for business and industries. Graphic implementation and the choice of colours of city symbols differ on the official and information web-sites as well as on souvenirs.
Apart from a conventional official symbol – the city’s coat of arms – Lappeenranta has a registered logo which is placed on each official document, printed press-releases at forums and conferences, tourist booklets and brochures, maps and can even be found on the souvenirs. It is the logo which reflects city’s brand and translates corresponding values (note that values should be commensurable, i.e. well proportioned to the brand’s elements and confirmed by real measures of city administration and supporting organizations). Respondent F2 describes the sense of the implementation of the logo and the meaning of this visual instrument:

“When I started three years ago we didn’t have a logo. I knew that we’re an “International University City” – it was a general concept, and I decided that we need to have a logo, something that people could remember and associate us with. We hired a graphic artist who prepared a design project in different colours for us: three waves in blue, white and green with the name of the city right up above if it’s on a white background, and two waves in white and green if it’s on a blue background. The sense is quite clear: green is for forest and nature, blue represents the lake Saima and white is for studies, and also this grey represents the services on every level of international scale – that’s how it would be explained”. (F2)

However, the symbol from the coat of arms – “Wildman” which traces its history from the city foundation in 1649 by Swedish Queen Christina who granted the territory name Villmanstrand (Wildman shore) is also used in PR purposes, though it does not correspond to the brand concept and desired vision of the city by brand managers. Respondent F2 tells how to improve this character and also use it in commercial purposes:

“He is not something we want to be, we don’t need it as a logo and as being recognized as Lappeenranta… Now we’re trying to change his appearance to make some funny character of him for youth PR branding. So, we turned him around with our graphic designer and we put his club up, dressed him in leather pants – no more leaves, and worked with colours a bit. Thus, now we can allow people to use it on their products. Somebody starts making marks with him and they have made boxer shorts for this man. You can do branding even with this funny man. Lappeenranta’s Wildman is a kind of PR character now. But, the first one is the official visual image of our city: any time Lappeenranta appears anywhere, any products that we produce here or if we’re a part of any programme, it’s this logo of Lappeenranta”. (F2)

Despite the availability of existing symbols which are rooted in history, city managers in Lappeenranta chose another way – creating a fresh-faced logo which would correspond to city’s international and innovative orientation and translates the brand message. It is an important fact that the influence of the old symbol from the coat of arms was also thoroughly analyzed and updated for a certain target audience.
**History**

Historical heritage is the core of Vyborg’s brand. Its history dates back to the founding of the Castle in 1293 by the Swedish Crown, and all symbols kept ever since. Respondent V1 remarked:

“History is natural for us. People who were born and grown up in Vyborg feel this unique aesthetics. The history is all around us.” (V1)

The second respondent is echoing:

“Left, right and centre – everywhere history. We have to preserve and restore the Old City. It is invaluable heritage that we must take care of”. (V2)

Besides, apart from the image of European medieval city, since 2010 Vyborg has offered another side of its past, i.e. The Soviet period. Although, the potential of this aspect is limited as respondent V1 noted some ideological obstacles:

“Now there is nothing that would have fostered civic and patriotic feelings among the population, particularly young people. All this is long forgotten. Of course, we’re working with veterans, but every year their number is shrinking. We do not know on which ground patriotic education can be built”. (V1)

Therefore, history plays a crucial role in Vyborg’s brand and serves as a basis for the city’s development primarily as a tourist centre, where the charm of a classical European medieval city with old traditions coexists with the Soviet past.

First mentioned in 1542 as Lapvesi market place, Lappeenranta was granted the official status of city in 1649 by the Swedish Crown. In those times, the city obtained the name (Villmanstrand) and the coat of arms which remains to the present day. In the 18th century, the city was merged into the Russian Empire and only in the 20th century these territories were returned to Finland (simultaneously with the foundation of an independent state in 1917). History does not constitute the core idea of the city brand and does not even have a place within the city brand concept. However, the city allocates funds for preserving its architectural and cultural heritage and historic places are actively used as locations for events. Both respondents declare that the Old Town (the Fortification) represents the main tourist venue:

“We have a fortress area - ruins of old fortifications - and this historical part of the city is the main ground for festivals; there’re market square, harbour market and this ancient fortress where main events are held”. (F1)

but it was not mentioned as a prior brand’s property. Likewise Lappeenranta is proclaimed as modern and dynamic place on the official city web-site: “Located between East and West, Lappeenranta has grown into a
vibrant international university city, surrounded by stunning nature and Europe’s fourth largest lake, Saima°°.

**Infrastructure**

Vyborg is situated on intersection of many transport corridors: sea, rail and automobile routes connecting Vyborg with central Russia and Scandinavian countries. As stated on the city administration site: “The launch of the high-speed railway St. Petersburg – Helsinki in 2010 made Vyborg more accessible, particularly for investors and business”°°.

In 2008 Vyborg was rated the most comfortable city in Leningrad Oblast, and got the second place among cities with a population under 100,000 in the competition “The Most Comfortable City in Russia”. The main criteria for evaluation of contenders were the state of public amenities and innovative approach to the reform of public utilities. Now, the municipal “Programme on Improvement of Housing and Public Services in Vyborg for 2010 – 2014” is functioning in the city°°.

The provision of hotels and restaurants is rapidly developing in the city, however, as a respondent said:

“We conducted a study devoted to the question of youth’s wants and needs. The main answer – places for spending free time. Only about 12% of answers were about problems with housing and employment. The main claim - not enough clubs (not only night clubs, but for interests’ clubs as well), and places for entertainment”. (V1)

Ongoing projects for the reconstruction of sewers, restoration and renovations of individual houses and developed transportation make the city attractive for citizens, but the absence of a branding strategy leads to the important audience of potential residents being overlooked as well as a lack of coordination and analysis of public demands, which does not take into account the outflow of the youth.

Lappeenranta is located on the crossroads from the EU to Russia and famous for its perfect logistics and transport connections: International Airport (with more than 200 destinations), high-speed rail connection with the second largest Russian city - Saint-Petersburg (215 km) and with the capital of Finland, Helsinki (220 km), developed traffic, cargo port and passenger harbour contribute to economic activity and the development of tourism.

Premises for tourism are also well-organized, as well as information support. Respondent F2 noted the importance of marketing research and communication with tourists, for these purposes a special web-resource was developed in 2009:

°° Official web-site of Lappeenranta City
“The brand “GO Saima” we launched less than three years ago and now it’s gaining popularity as tourist brand and that needs more efforts. But there are 3.2 mln. Euro allocated for this project last year (2010) and it’s going to be more”. (F2)

Respondent F1 pointed out the significance of Lake Saima as a main brand property targeted at tourism and recreation:

“Lake Saima is the main brand if we talk about relaxing here. You know there are a lot of premises for leisure, camping, yachting and tourism. Everyone can get an access to the water space almost from the city centre. A big SPA-centre is being constructed now – today it’s a major project in recreational and tourism domain. We’re continually developing the city centre area so there would be less cars and a lot of space for pedestrians to look around and shopping, different places to meet and eat out (cafés, theatres, bars and galleries, souvenir shops) – as in most developed European cities, so it would be nice to visit the city centre and come back again. For example, we have several heated streets so that people don’t need to wear winter shoes”. (F1)

Apart from premises for outdoor sports and leisure activities, Lappeenranta hosts the Largest Spa resort in Northern Europe “Rauha” occupying 300 ha and Huhtiniemi Spa Hotel Development in the centre of the city incorporating 500-bed hotel and separate cottages.

Particular attention is paid to the continuing improvement and developing of quality of life in the city in order to attract new residents and ensure favourable conditions for present ones. According to the respondent F1 there are two main trends in this domain: improving of social welfare (on a first-priority basis: education and healthcare) and environment-friendly orientation:

“Nowadays the most important for us is the question of social and health care, because we have a deficit of medical specialists. Eco-orientation is another trend. Our people often stop the construction of some infrastructure or any new buildings to save the nature, that’s why we lay out many recreation zones and public gardens. Quite recently there was a case when people were really against the construction of new block of flats near their houses, this project would give the budget more than 1 mln €, but the city gave it up because of people’s discontent.” (F1)

Measures for the improvement of the quality of living standards also include “plot guarantee” which means that for everyone who wants to build a private house, the municipality has to offer a suitable land parcel.

**Cultural Sights**

Sightseeing is a strong competitive advantage of Vyborg: Vyborg Castle, Mon Repos Park, museum “Hermitage”, Central parks (Esplanade), Round Tower (Market square), the Old City etc. are offered to citizens and tourists. Nowadays, one of the most significant infrastructure projects is the reconstruction
of Mon Repos Park (720 mln roubles). The interest of internal tourism is also growing:

“There is an interior interest of the inhabitants, but also the tourism sector is developing by leaps and bounds. Every half hour you can see excursion group of about 40 people. Of course, one of the reasons is an increase of number of tourists in the whole country because people feel freedom and they are interested in native lands and history. On weekends it is impossible to elbows your way either in winter or summer – too heavy stream of tourists to the Castle”. (V1)

In view of its strong potential for development as a competitive tourist center, Vyborg is working towards being more visible in cultural terms and allocates funds for restoration its heritage and many sights of federal significance help in this process.

All the cultural sights of Lappeenranta are concentrated in the heart of the city near or within the Fortification area: Cavalry Museum, South Karelia Museum, Merchant Wolkoff House, the oldest Russian Orthodox church in Finland etc. Regional cultural heritage is actively promoted for external visitors on the tourist Internet portal “Go Saima”, while the Cultural Office of the City Administration arranges cultural activities for the residents. Among main objectives of the Cultural Office is to ensure “the availability of creative activities to city residents for the future”\(^{43}\). The 100-year old City Orchestra is a matter of particular pride.

**Big Projects**

All major projects occurring now in Vyborg can be divided into several directions: restoration of cultural and historic sights (restoration and reconstruction of Mon Repos Park and Vyborg’s Castle); sports facilities (rebuilding of the “Avangard” stadium, construction of a sport complex with swimming pool financed by Lukoil, sports and entertainment complex at the entrance to the city with a large ice rink, gym and swimming pool (end in 2013)); and in the social sphere (reconstruction of City Child-Health Center, repair of the city library named after Alvar Aalto, Finnish architect and designer, construction of the Youth House, and Maternity clinic with a prenatal centre, building a new school and kindergarten for 200 places); industry and business (Nord Stream—a joint project (60 km from Vyborg), big office building of “Gazprom”). Among others, respondents particularly commented on the construction of Maternity clinic:

“New hospital with prenatal centre is an unprecedented project – we do hope that it will help to improve the fertility rate in our district”. (V1)

As for prospect projects respondent V2 noted that:

“Now in the Administration there are discussions about the “House of the Finnish-Russian friendship”. It would be a significant step in strengthening
good neighbourly relations and developing cooperation between our countries. What is important here that the representative from the Russian side would be Vyborg”. (V2)

Hence, the prevalence of measures of preserving cultural heritage and enhancement of quality of life though improvement of social and health care services stand for city’s internal orientation – priority is given to target audiences inside the city (inhabitants, local business).

Three main directions of implementation of big projects in Lappeenranta are tourism; innovations in the field of renewable energy supply; and international interaction – sectors which provide the city with resources for further development and strengthen its brand as an open and international city. The increase of tourist numbers demands more accommodation and premises for leisure, sports, entertainment and shopping. Respondent F2 acknowledges that Russian tourists (due to the proximity of Finnish-Russian border) stimulate a lot of the development of the city’s economy:

“The tourist flow from Russia is increasing rapidly every year. Last year we had four times more tourists than in 2010, about 2 million Russian tourists visited South Karelia and 1,2 million of them visited Lappeenranta and they left more than 200 million Euros, it means that in our shops about 9% more salesmen than in the shops all over the country which is a good source of working places. We would not have all this money without it”. (F2)

Not coincidentally, the hallmark project in the tourist sector is building a multifunctional tourist centre “Saimaa Gardens” (the largest tourist project in Northern Europe). By 2020 more than 200 mln Euro will be invested in this venture to provide 8000 hotel accommodations, universal shopping mall, spa-aqua park, golf course etc44.

Another direction presupposes the alliance of science represented by Lappeenranta University of Technology which is Finland’s leading energy university, business and city government. A wide range of projects from the construction of “Energyland Science park”,and the Wind Farm (started in 2011) to programmes on emissions reduction - these are planned or already launched to encourage the growth of the energy sector.

Concerning the third area, Lappeenranta is a driver of the EU-Russian cooperation and Finnish-Russian innovation activities. Since 2010 the city has hosted the EU-Russia Innovation Forum, the Finnish-Russian Innovation Centre (located in St. Petersburg) supports Russian, Finish and European attempts to build successful partnerships45.

Respondent F1 summarizes the city administration’s intentions in these three fields:

45 Lappeenranta Business & Innovations (City Hold Company) http://www.businessinnovations.fi/en/Lappeenranta/EU_and_Russia_iw3
“Now what we’re really looking forward is that we’re having very prominent innovative renewable energy solutions – our University is the leading university in the whole of Finland in energy innovations and environmental topics, and also now we have some small companies which are developing technologies for renewable resources. We’re sure that they’ll grow and all our university professors are very top-class which will guarantee the rapid development of business in this innovative domain, for example, for windmills energy. In 2010 Lappeenranta’s Energy Company won an EKOENERGY prize of Natureprotection society and it’s a good incentive for us. Another direction that we shouldn’t neglect is tourism.

Lappeenranta is the 12th largest city in Finland but we’re the second city in number of foreign tourists (mostly, of course, Russian ones) after Helsinki. And then it’s important to develop innovation and cooperation between The European Union and Russia, not only between Lappeenranta and Saint-Petersburg, but we have to work intensively together. We have an innovation corridor with your city, promote political cooperation at all levels. Prime Minister Putin visited Finland last year, the forum on business cooperation is coming in several weeks.” (F1)

Therefore, city managers finance three main project directions which reflect the dimensions of city brand: science and innovation, tourism and ecology.

**Remarkable Landmark Events**

Holding events and event management in general occupy a significant part in city branding. Festivals, forums and conferences occurring on an annual basis help to anchor the value potential which these events provoke in different target audiences and the city. It is important to note that brand development presupposes not only staging events but also actively participating in those which correlate with the city brand.

The “Knights’ Tournament”, “Folk music Festival May Tree” (end of May), and Festival of acoustic music “The Door to Summer” (Mon Repos Park, end of June) have become Vyborg’s hallmarks for Russian and foreign public. In “the Plan of Socio-Economic Development of Vyborg for 2011-2014” event tourism together with patriotic tourism are two basic priorities of tourism development for the 5-year period46.

Unfortunately, there is a lack of information for foreign visitors: the website of Tourist Information Centre provides in 2012 the events’ calendar for 2009-2010 only47. The same problem is noted by the Finnish respondent:

“To my mind it could be interesting to have some joint cultural initiatives with our Russian neighbours. Sadly, we perfectly do not know what is

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happening in Vyborg and where can we get an information about it. There is no advertisement”. (F1)

Since obtaining a title of “city of military glory” Vyborg hosts new events aimed at Russian, primarily, senior audience and allocates more funds for initiatives of immortalizing the military history (e.g. opening of the commemorative stone tablet Stele of “the City of Military Glory – Vyborg” on the restored square of Vyborg’s Regiments). What is remarkable here is that the project is funded by charity explains respondent V2:

“There is, of course, money from the city budget, but the main source is the Foundation “The Future of Vyborg”. About 40 million roubles were collected by the citizens in charitable contributions. Now the fund is supporting a project dedicated to the honour of Hero of the 1812 War General Teslev. This year we are celebrating the 200-year anniversary of our victory in the Russian-French war of 1812 and it was a grassroots initiative of pupils from one school to repair the grave and build a monument to this outstanding personality buried on our lands. Intensive work on informing the population is permanently conducted. For the first time this January we held a Christmas charity fair organized by the school, the Centre of Culture and Civic Initiatives, branches of institutions to collect funds for the reconstruction. Why do people take part? One reason – there is transparency, everyone can get information on the project and funds’ distribution on the web-site, another one – this project is directly connected with the history of their city”. (V2)

An interesting fact is that in 2010 the famous Music Festival “Castle Dance” usually held in the Old City of Vyborg was cancelled. As respondent V1 clarifies:

“It was cancelled because of big destruction for the city and huge inflow of music fans. We do not want to give our city to the vandals. It’s an event for external audience that is why it didn’t take root here”. (V1)

Being European for foreign and Russian tourists, and Soviet for senior Russian tourists and inhabitants are two directions of branding efforts in terms of tourism development. Nevertheless, there is a substantial difference between them: both orientations are inherited from older times, but if the first direction took shape naturally, the second one is rather new and imposed from above in 2010, and only a long-term horizon will show if it takes root or not.

Lappeenranta pays considerable attention to event management. Among conventional seasonal events on the market square and in the harbour (fish fair, spring and summer fairs, harvest fair in autumn and Christmas sales in winter) there are several authentic ones:

“There is a special event “Night of the Fort”, when during one day and night a lot of concerts, competitions, entertainments, funny auctions and folk festivals are held. Another event is a Festival of Classical Music which is quite well-known within the country and abroad owing to many
outstanding musicians from Finland, Estonia, and Russia who take part in it. This festival occurs once in three years”. (F1)

Another respondent marks two popular events attracting a lot of people from different Finnish cities as well as foreigners:

“For the third time we have dance festival in Lappeenranta “Ballet Gala” (first time happened in 2010), many orchestras and theatres are coming – it’ll be really nice. We have ongoing annual event - the “Sand Castle” which is opened on the 1st of June and works till the end of August in the heart of the historical part of the city in the harbour. Lots of people know it in Finland, and I guess in Russia, so, we’re looking for many visitors for the “Sand Castle”. (F2)

However, city administration stipulates that cultural events still have development opportunities:

“Unfortunately, we’re not very famous for cultural events as yet but we’re going to develop this direction. To my mind it could be interesting to have some joint cultural initiatives with our Russian neighbours”. (F1)

Substantial condition of “being international” for Lappeenranta is to hold and participate in international events and forums:

“We organise a lot of international events and seminars like this Russia-EU Business Innovation Forum in summer that brings here a lot of people from Europe and Russia. And events, of course, make us more known abroad”. (F2)

Creating new events, supporting traditional ones and active participation in different international actions help Lappeenranta to be in view and differentiate itself from other university cities in Finland.

Other

A significant part of city branding concerns the inhabitants themselves, though it is rarely mentioned in theory. Respondent V1 give the following characteristics to the Vyborg’s citizens:

“Our inhabitants are very distinctive. People here are really westernized, liberated in comparison with citizens of other small towns. The border is near and we have a lot foreign tourists that makes us proud for the city and responsible for its image. Even if people leave Vyborg they share a common feeling of small motherland”.

Thus, Europeanness as a distinctive feature of citizens may also be a competitive advantage of the city in terms of creating a convivial atmosphere for attracting tourists from the EU.

Lappeenranta’s inhabitants also can promote their city by transmitting such positive emotional values which appeal to the external public:
“What I can say is that we have a really good brand (even among Finnish cities) because people in Karelia - they are very talkative, friendly, hospitable, people all over the country know that it’s a nice place to visit, many people would like to move here” (F1).

What is more remarkable in Lappeenranta’s case is that the cornerstone of the whole city brand concept, one of the major stakeholders and actors of the branding process is the University. The slogan “Lappeenranta – International University City” sets the city and the University as equals. It is the Lappeenranta University of Technology which ensures the development of science and business (and thus investment inflows) in the city and creates the basis of economic and innovation development. On the other hand, it plays the role of a salient distinctive feature which defines the city from other places on the local scale, and gives a competitive resource in terms of new global architecture grounded on the knowledge economy and innovative technologies. Contrary to big cities where there is a problem of prioritizing one or several leading brand directions, finding a specific characteristic is essential for small and medium-sized cities – this divergence of interests is remarked by respondent (F2):

“We decided Lappeenranta had an image of International University city. They laugh at us in Saint-Petersburg and they tell me: “Ha! How you’re a University city?! You have only one university!”, but I say: “You have many in Saint-Petersburg, but we have a good one.” It’s a leading energy research university in Finland-scale and in Europe-scale as well. That defines us because in the Western and the Southern part of Finland there is no city with a university. So, it is always good for the city. The university defines us as a research place. When you have a university you have businesses coming for cooperation and a lot of new companies emerge with all these innovation products”. (F2)

Thus, University as a concept (not only as particular organization which presents in the city) has been chosen as an embodiment of the values and ideals of the city brand: openness, internationalism and knowledge.

The above observations of the main elements of two city brands demonstrates that, despite the presence of practically all the elements (in accordance with normative model), the level of their significance for Vyborg and Lappeenranta is different. Thus, historical heritage occupies the largest share in Vyborg’s brand, while Lappeenranta establishes its city brand on the University of Technology which is reflected both in the slogan and the logo. Both cities pay a lot of attention to the development infrastructure for tourists and local community, as well as to event management, but Lappeenranta - apart from attracting more visitors to the city and promoting quality living environment, also concentrates on attracting business and innovations by holding special events and providing special infrastructure for new enterprises.
Actors and Stakeholders

Actors and stakeholders (target audiences) are joined in one group here in order to show the interwoven roles and importance of different groups affecting and affected by the city branding. Actors as main participants of branding process create the impulse for city development or obstacles for implementation of branding efforts. Stakeholders are those who are interested in various benefits that the city can offer to them objectively or potentially in the short or long-term perspective. Among the main groups of actors and stakeholders, theorists usually distinguish the following: business community, citizens (as well as potential citizens), city administration (normatively, as a main body for developing the city brand and implementation city branding strategy), and tourists (developing of new tourist movements: event tourism, business tourism, rural tourism, industrial tourism etc. makes this group a significant participant of city development and brand building). We also include in this range, marketing specialists - as a main group holding knowledge about marketing and branding technologies and practices.

Business

Vyborg as both respondents mention, is a “big industrial centre with developed infrastructure”, 9 big, 15 medium and 5000 small companies are functioning on the city’s territory. The main industries are shipbuilding, metalwork fabrication and forestry. More than 30% of employed people are involved in small and medium enterprises. The presence of two major energy producers – Lukoil and Gazprom – is positioning the city as a strong competitor for foreign investments and attracting new business. Big companies donate money for charity, support projects of social importance, but also back up the city brand with their own sustainable and credible brands. The “Center for SME Support of Vyborg” (launched in 2007) prepared a Programme of “Developing Small and Medium Enterprises in Vyborg for 2009-2013”, where, among its main priorities are development of innovative and tourist business, the release of information publications that contribute to problem-solving for the SME sector, as well as promotion of Vyborg as a developed economic centre of the Leningrad Region. The Programme is aimed at developing and supporting local business and attracting new investments into this field. However, all the information on the web-site of the “Center on SME Support of Vyborg” is available in Russian only which hinders the penetration in the domain of SME foreign investments, the same is true for other web-sites of the majority enterprises operating in the city. On the whole, the main employers belong to the industrial sphere, while the service sector demonstrates a moderate growth rate.


Lappeenranta pays a lot of attention to promotion of business and entrepreneurship support. For these purposes, the city has a special business services unit – Lappeenranta Business & Innovations (Lappeenranta Business Development Ltd.) which provides such services as financial and legal consulting of entrepreneurs, supporting start-ups and supplying easy access to the market, promoting business cooperation and partnership with Russia etc. As respondent F2 noted:

"Each year about 30 new companies move to Lappeenranta, and if you want to do business here we help you to open an office. Russian business more and more come to Lappeenranta because here you are in the EU and again we have a lot of people who speak Russian, so it's easy to open an office here and develop your business in Lappeenranta than anywhere else, and operate through the whole EU". (F2)

Close cooperation of business and University and stimulating innovation research are main directions for the city.

Innovation business development is also a priority across the EU:

“We particularly welcome all people who like to develop innovative business here in Lappeenranta. We have many recommendations and directions from the EU to develop all environment-friendly technologies (for example, using solar and wind energy). These regulations come from the EU to our national government, but only we decide what spheres to develop. What we’re doing now is trying to think globally and be competitive. Our government now is launching the Innovation Relay Centre and we would like to be on the top among Finnish cities in this area”. (F1)

Business in the tourism domain is also rapidly evolving in the city, accounting the specifics of the composition of the flow of tourists and adjusting to these conditions:

“We’re the best in serving Russians because there are more skilled people who know Russian and we keep the best customer service here than anywhere else. Business understands that if you want to sell more to Russians you have to have people who speak Russian in their stores and services. Which is what they are doing. Moreover, most businesses you find here who can do help you to trade or do business with the Russians.” (F2)

The strong position and salient presence of business in city life give this group a voice in decision-making:

“If there are some aspects concerning education or business we invite representatives of universities or business sphere”. (F1)

Hence, the business community is kindly welcomed in the city and engaged in scientific innovative cluster on the basis of University’s research centres and business incubators.


City Administration and Marketing Specialists

Normatively the City Administration is the main body for developing city branding which coordinates the actions of different departments in this domain. Vyborg’s administration has not got any specific department for marketing and branding in the framework of the administration, but there are several municipal bodies dealing with certain target groups and promoting Vyborg to different target audiences: “Centre for SME Support of Vyborg”, “City Information Centre” and “Tourist Information Centre”.

The question of city brand building was initiated for the first time in 2011 on the chair of Public Council on Toponymy under the administration of Vyborgskiy District. It was the Head of City Information Centre of Vyborg (double as the chief of Public Council on Toponymy) who initiated the question of city branding. Public Council on Toponymy (before municipal reform of 2011 it was under the City Administration of Vyborg) includes about 20 members: deputies, architects, historians, regional ethnographers, public figures, representatives of the Council of Veterans etc. As a respondent stated:

“That is a sufficient number of people representing different groups, different directions of thought”. (V2)

He also notes that the question of city branding turns out to be more complex than they expected:

“I have been more than two years in the board and during this time the question of city brand was considered twice. We discussed and did a lot in the field of naming and symbols: coins and post-stamp with the sight of Vyborg were issued, a design of various souvenirs was worked out by out artists. Our local architect and sculptor Viktor Dimov is the most active in this matter. We have repeatedly come back to this issue [of city branding] and we will come back to it again. A little later, this issue will again be put on the agenda and we will scrutinize the directions of brand development: in the signs, tourism (there is a separate tourist site Vyborg-Info). The whole thematic will be developed and zones of responsibilities will be distributed: who is responsible for what. Recently we installed five information stands in the city: 5 points had been selected and colourful signs with information about the objects (all of which was considered and approved by the Council Board) were placed - it is also a promotion Vyborg as a tourist city. At first it seemed that everything is quite clear and we just get together and solve it quickly, but as it turned out that this process requires a long and painstaking work”. (V2)

Except for plans of Public Council on Toponymy, the question of city branding and its prospects is raised for the first time in the Plan of Socio-Economic Development of Vyborg for 2011-2014 (section about Complex Development of Tourism Infrastructure): “to develop and run the implementation
of the following projects: developing the city brand concept, brand building of the city, adoption of the program of tourism development in the city of Vyborg.50

Nevertheless, there is no coordination or communication between different departments concerned with the city branding, there is an equation of this issue with separate parts of branding process, that is to say the design of symbols or tourism strategy, and a lack of marketing knowledge and elaborated documentation accumulating all the ideas.

A separated or integrated department for marketing, communications and branding is typical for many European cities, e.g. like in the second case of Lappeenranta where Department of Marketing Communication is a part of the City Administration’s structure or the example of Manchester where «Manchester Marketing» Agency is an independent body which promotes the city on local and global scales, but coordinate the activities with City Administration.

Apart from the City Administration, Vyborg has three main departments (also municipal organizations under the City Administration), which to some extent face the challenges of positioning and promoting the city: “Centre for SME Support of Vyborg”, “Information Centre of Vyborg” and “Tourist Information Centre”. As already had been stated above, these bodies do not include professional marketing specialists, they also do not engage external professionals for branding purposes. Directions of activities of these organizations hardly correspond; they do not conduct joint meetings on city branding issues or have a comprehensive document for common actions.

In Lappeenranta’s case the City Administration is the main initiator of city branding. It is difficult to define the contribution of different actors in the view that their networking and cooperation are extremely versatile and intensive, but the so-called headquarters of city branding belongs to the Marketing Communications Department of the City Administration. This body is responsible for managing and coordinating all the measures prescribed in the branding strategy, and for communicating with different audiences. Apart from the permanent staff of the Department (Head of Department, press-secretary which writes all press-releases, Russian-speaking secretary for Russian and Foreign Affairs, IT administrator, graphic designer) many other parties and organizations take part in city branding. One of these bodies is the Marketing Board which includes members of the City Council: the Mayor, the Development Manager, the Marketing Manager, the Communications City Secretary, and the Managing Director of Business Development Services, although, the respondent (as a member of the Board) clarifies:

“We’re listening to all the local interests parties: students, local businesses. What can I say that we regularly meet with the organization “Entrepreneurs of South Karelia”, we discuss with them how businesses can help in what the city does – it’s also about the city branding”. (F2)
The City Holding Company (Lappeenranta Business & Innovations Ltd.) also give a support to branding strategy implementation: “[it] helps us when we’re doing marketing campaign in Lappeenranta (like this year) to publish brochures and promote us as an international university city that does provide the services for doing business, studying and live”. (F2)

Periodically, branding efforts demand engaging external professionals: graphic designers, media agencies (for doing polls and information dissemination), advertising and PR agencies to make a campaign more effective:

“We’re cooperating with a media agency who can do research for us, and with whom we book the advertisement, then we have an advertising agency. … So, here, first of all, internally we decide what kind of research we follow (that what’s for example, Development Manager follows the research of comparing the Finnish cities) and we have decided for these one cities’ comparative research that we want to be the most attractive city in this South region, the students city in five most popular university cities by the students in 2013-2014, and then we think how to establish ourselves: we’re the green city, we’re environment-friendly city, there is a research university, where we’re developing all the technologies for renewable energy, we’ve an exquisite landscapes etc. So, we think what we want to be and then we bring all the ideas to the agency to help us to formulate all these messages better: how to put all them together. And then the agency makes an advertisement video-clip with clear message and bright video-shots, and I want it to be on our channel and on YouTube”.

Besides, there is a small representative office in St. Petersburg which works with Russian partners on the ground, disseminates the information about Lappeenranta and supervises city’s web-page in Russian-speaking social network.

**Citizens**

Usually, citizens represent the most influential and valuable group in city branding process if for no other reason than they constitute the major audience of the city brand. That is why socio-economic development and city branding (in terms of positioning the city for a good and comfortable living through the improving of life quality, public utilities and infrastructure) are complementary. Vyborg is relatively trouble-free in the domain of welfare services supply and got the second place in the country contest “The Most Comfortable City in Russia” among cities under 100 000 inhabitants\(^{\text{52}}\).

Modern-day Vyborg offers a range of opportunities for employment, primarily, in the industrial sector, though, branches of universities and colleges based in Vyborg supply education in other specializations:

“There is not any system of keeping young people in the city, because there is no scheme under which the administration could dictate to universities what to teach and which professions are in-demand in the city. Only at the level of the employer, there is a process of recruitment and retention. Our shipyard is actively inviting young professionals for internships and then offers jobs. Graduates of the Branch of Pedagogic University do not want to work as teachers because of obvious reasons - they are not provided with housing, and the salary is so low that it is impossible to buy a flat” (V1)

This gap between market demand and education supply is a common problem for small cities across country.

Despite high unemployment rate among the youth (though, according to 2010 registered number of unemployed was 0.45%) and worsening of ecological situation caused by the high number of industrial plants\textsuperscript{53} the internal perception of the city is quite positive, as respondent V1 evidenced:

“Citizens are proud for their city and its history. They do not want to modernize anything, but only preserve the cultural and historic heritage, restore it. Inflow of foreign tourists raises feelings of responsibility: people want to give a good account of the city and to live up to the city.” (V1)

Respondent V2 notes that people become more active in terms of participation in city management:

“Especially in recent years this trend has changed dramatically. Moreover, according to the laws, public hearings are needed as the foundation of a democratic process: issues of the Plan of Socio-Economic Development, the adoption of the budget or development strategy, small issues on the ground concerning housing - all these matters are considered, debated, printed in local newspapers, and posted on the city web-sites. Although, the rate of participation is not as high as I would like it to be, many are not fully involved, but our purpose as deputies so that every citizen could feel their contribution, that their influence in the process of decision-making.” (V2)

volunteering and charity practices are also developing in the city:

“The main reason why people voluntary give money – the project is not some initiative unrelated to the city, but directly linked with its history”. (V2)

Positive trends of increasing free-will initiatives and donations speak not only for increasing life quality, but also correlates with strengthening of the city brand and the loyalty of the target audience to the values expressed in the brand.

\textsuperscript{53} Газета «Выборгские Ведомости», №27, 20.03.2008: http://vyborg-press.ru/pblogs/po_obe_storoni_granitsi/2008/03/20/ekologi_byut_trevogu_raboti_v_finskom_zalive_umertvyat_vse_zivoe
Lappeenranta offers its residents a wide range of domestic advantages from a pure environment and good transportation to various opportunities for leisure, high-standard education and work. In this city, branding as a tool for the enhancement of socio-economic development implies that inhabitants play a leading role in city management as they are the most interested part in improving welfare and surroundings:

“Provision of quality free services was the main idea of General Strategy approved in 2009. This year the concept is changing a bit ... So, there are three cornerstones of our present development concept: citizens’ welfare and well-being; international educational centre and meeting place of all who work in innovations. Our main strategic goals for 2012 are stable economy, quality services for all citizens, secure and attractive area for living, leadership in Russia-EU cooperation, entrepreneurial support and development, country top standard-bearer in municipal reorganization (structure, departments, standards of work), and renewal of the system of municipal services. We’re also positioning the city as the best employer, because the majority of people are employed in the public sector”. (F1)

An important element of local community participation in the decision-making process are public forums; the city administration arranges special dates for discussing the socio-economic issues with the population:

“We have special forums for inhabitants (as a part of our movement towards the democratization of society) where people are invited by announcements in media (newspapers, web-sites). Everyone can come and express their opinions on any question. There is a person in charge of all these forums’ organization and if several people bring up the same question we immediately pay attention and take steps to solve the problem as soon as possible. Depending on the topic this question can be proposed as an agenda item to the relevant department of the City Council. Additionally, twice a month members of the City Council meet and everyone can watch the on-line broadcasting of the session, next day all the decisions are posted on official web-site. The solution area is very wide and people get access to all the information and discuss them at the next forum. We also have a city magazine where two or three times a year we announce all the events and results of our work. Moreover, there is a special service for getting feedback on city web-site where you can find the complete list of all the departments and contacts of responsible officers” (F1)

Together with opportunities for a comfortable living and new trends affecting the citizens (e.g. many people voluntarily learn Russian to be more competitive on the local labor market) there are two major problems: ageing of the population on the one hand:

“Now the number of people who’re paying taxes has reduced, and the number of people who need medical and social services is growing
rapidly. And this makes challenges for us: where to collect taxes and revenues to provide all the services that we’re responsible for” (F1)

And high unemployment rate on the other one:

“The rate of unemployment in Lappeenranta is rather high – 12%. …the problem is that all these enterprises don’t need employees any more, staff is packaged. In previous years about 5000 people were working at the paper plant and now you see – only 1000” (F1)

Moreover, the drawback of being a University City causes a responsibility for providing new working places for the graduates:

“We have to ensure all the graduates that they will definitely find a job, and integrate into the society. We are looking for different ways how to create jobs not only for Finnish citizens but also for young specialists studying now at our high schools”. (F1)

Lappeenranta’s City Council tries to meet demands and interests not only of people already living in the city, but in the view of ageing and development plans it welcomes students (as prospective qualified workforce) and new residents from other Finnish cities and abroad.

Tourists

In the era of the service economy and the Internet, tourists are a convenient but demanding group to work with. Tourist flow implies specific amenities (accommodations, food services, sightseeing services, developed transportation etc.), and it also brings a significant share to municipal budget, stimulates development of local business and enhances investments’ inflow. There are cities, so-called resort towns, where the major part of budget constitute revenues from tourism (e.g. Eilat, Israel or Jurmala, Latvia).

The Plan of Socio-Economic Development of Vyborg for 2011-2014 states that “for the development of domestic tourism Vyborg has enough of both traditional and unique resources. In terms of quantity and quality of historical and cultural monuments Vyborg is heritage not only of the Leningrad region, but also of the Russian Federation. In a small area there are concentrated more than 300 sights of cultural heritage of the countries of the Baltic Sea region: Sweden, Finland and Russia. 16 hotels (the total number of places 1549), 4 museums, 5 theatres, there are 21 tourist firms functioning on the city’s territory”54. Moreover, “The Programme of Development of SME in Vyborg for 2009-2013” places the development of business in tourism sphere among top three priorities for this 5-year period. Tourist Information Centre of Vyborg was launched in the framework of this Programme in 2009. Besides, in the list of scheduled objectives are “to conduct market research of tourism opportunities in Vyborg, to promote recreational tourism in Vyborg, to ensure the interaction with higher education in
order to develop research activities in tourism sphere, to organize a school of tourist guides, to hold an inter-regional conference on tourism, to participate in the international exhibition of Baltic States (in Helsinki), in the Festival of Small Historic Towns of Russia, to facilitate the participation of SMEs in the regional tourism industry in the annual tourist exhibition LENTRYA, to run a Journal about Vyborg’s tourist potential, to make a multimedia film promoting Vyborg as a historical and tourist centre.55

Respondents also claimed that tourism is a priority area for city development and brand building (“on the historic basis tourism is nicely evolved” V2), as well as promising source of income for the municipality. One of the trends is an increase of internal tourism:

“A lot of people all over Russia coming to Saint-Petersburg and Leningrad Oblast. It can be explained by general increase of interest to the home grounds across our country”. (V1)

Regardless of the strong tourist potential of Vyborg, because of the sporadic initiatives and intercrossing measures, lack of interactions, cooperation and control, along with the absence of a single elaborated strategy covering all aspects of promoting and positioning the city - the effect from this activity and return from investments (as evidenced in indexes of tourism growth) is lower than it could be.

The rapid growth of the tourist sector due to developed transportation and closeness to the Russian border force Lappeenranta’s city managers not only to improve the accommodations and sightseeing services, but also to refocus the city brand and provide a specific, more targeted means of communication and information support:

“One thing is the travellers from Finland, Russia and from elsewhere in Europe. For this purpose we use our brand and information channel “GO Saima”. Constantly, all the materials for tourists are in three languages: Finnish, English and Russian. You know Finland is a two-language country, but we don’t need Swedish here in Lappeenranta. Media channel promotes Lappeenranta and the South Karelia Region as a wonderful spot for vacations, leisure, sports, active holiday by lake, white nights. Then we’re talking with different people using different hooks, for example, to the Dutch or Germans we tell that we’ve got nice facilities and cottages for active kayaking holidays, then for the Belgians nice, peaceful and relaxing hotels, and for Russians – shopping, SPA, Wi-Fi”. (F2)

What is also significant in Lappeenranta’s case that both Finns and Russians consider Lappeenranta as “the most Russian city in Finland” which demands new efforts to change the internal perception of the city and redirect it to more positive way:

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“What we have learnt that people perceive us to be more East, more close to Russia, more further than we are. So to us it’s important in the context of branding in Finland to be associated with the city that is situated near Helsinki, and it’s an international city, not Russian. Okay, to Russians - doesn’t matter, we can be the most Russian city in Finland”. (F2)

City Administration, employees and businesspeople in the service sphere place great hopes on tourism development in city and region. What is most important here is that understanding of the significance of tourism for future development and collective actions of authorities and business in the field of improving conditions for accommodating and entertaining more people correspond with each other and with the branding strategy.

Other Stakeholders

Among other stakeholders and participants in city branding in Vyborg one respondent named the Youth Council which functioned from 2009 till 2011:

“Youth Councils were organized in all districts and municipal administrations in the region a few years ago by order of the Governor of Leningrad Oblast. The Council consisted of representatives (above 16 years) of high schools and specialized secondary schools. We also tried to invite the young employees of large companies, but they dismissed our proposal because the board worked for an idea, not for commercial interest. From 1st July 2011 the Youth Council of Vyborg was dissolved. It's a shame that all the cities' administrations of our region have youth councils, except us. Young people in the Council worked very hard and performed a great job in the city. Only thanks to them and their activity we were able to prove that young people should be paid attention to. They met with the Mayor and his deputy, conducted negotiations: starting with cleaning-up and collecting litter we came to a higher level”. (V1)

Practically, all European cities have Youth Councils under the framework of city administration of independent supervisory body consisting of the youth representatives in the authority. Besides, participation in decision-making of different social groups is a course to democracy’s advancement, promoting legal competence and unconventional decisions. In the view of the high outflow of young specialists from the city it is worthwhile engaging the youth in city management.

In Lappeenranta, the University of Technology (LUT), as the starting point of the city brand, is one of the most powerful actors and stakeholders in the branding process. Cooperating tightly with the city administration and business, it is broadcasting the same values which are declared in the brand concept, i.e. openness, internationalism, innovativeness. Hence, the process of brand building is becoming mutually beneficial for both - city and University:

“The University does its own advertising work, but we work closely and are trying to promote Lappeenranta as an international university city”. (F2)
Besides, this synergetic partnership is resulting in long-term branding strategy and ensures sustainable socio-economic growth due to the attraction of new investments to the city. Among other advantages of the University, respondents named high-skilled workforce and high quality education in the spheres of energy efficiency and strategic management.

Among other participants in the implementation of city branding strategy which should not be overlooked, one respondent named the youth (as it is the largest age group in the city), and in particular the Youth Parliament:

“We have specially arranged dates for the youth in the City Council. Young people have their duties and responsibilities as well as particular rights; they can participate in all sessions and working groups”. (F1)

It is not coincidental that Lappeenranta involves young people in governance and city management, as the visibility of the youth adds to the city brand one more positive accent – being young and dynamic.

Actors and stakeholders are drivers of a whole-city branding process: decision-making, allocating funds, creating new concepts, attracting investments etc. depend on their efforts, and the city’s prospects for development depend on rigorous analysis of the role and place of each group.

Concerning interest groups and participants, the main difference of Vyborg from the normative case is that there is no special department for marketing and branding in the framework of city administration, neither is there a joint committee which could discuss and implement the branding strategy (in contrast to Lappeenranta). Both cities prioritize two significant groups: tourists, who bring additional financial resources to the city budget, and citizens, who are eligible for participation in city life and decision-making. Unlike Vyborg, Lappeenranta put its stake also in business people and students, choices which were reflected in the branding strategy “International University City”. Moreover, city managers promote Lappeenranta as a city which is good for permanent living, and try to attract new inhabitants, while Vyborg absolutely overlooks this group in spite of the problems of an ageing population.

**Methods and Process of City Branding**

The main steps of brand building and branding strategy development were described in the first chapters in the framework of the normative model. In the following paragraphs the basic phases of the city branding process in Vyborg and Lappeenranta are examined in comparison with the presented normative scheme. Just to re-state the key points: the first planning phase includes: a) preparatory measures such as collecting statistics, analysing strengths and weaknesses of the existing city brand etc., b) creating a brand concept (i.e. defining the core idea, corresponding values and supporting them with a design project), c) coordinating city branding strategy and more general official documents on city development such as Development Strategy, Urban Area Development Plan, city budget etc. The second stage implies implementation of
scheduled measures in practice through positioning and promotion of the city as well as ongoing assessment and monitoring of the process.

**Step I: Planning the City Branding Strategy**

**Preparatory actions**

Data collection and analysis – an indispensable part of planning the City branding Strategy - in Vyborg’s case is a duty of different departments which all function under different programmes or strategies, and which do not arrange an exchange of information. The Centre for SMEs Support conducts some marketing research in order to collect data about the dynamics of SMEs development. As regards innovative entrepreneurship in the city – the Centre’s activity is reduced to consulting and informing. The Information Centre of Vyborg prepares statistical reports and reviews of socio-economic development. There are also general statistics which are available on the web-site of City Administration, but the report on socio-economic development is dated 2010. The main web-site for tourists also offers information which has not been updated (e.g. Events Calendar 2009).

There are also no joint meetings of the City Administration and representatives of Tourism Committee, The Centre of Support of SMEs, Tourist Information Centre, Information Centre of Vyborg and other stakeholders represented by significant groups (business community, the youth, high schools’ representatives etc.). Situational opinion polls initiated by the Information Centre of Vyborg and the Public Council on Toponymy (which deals with obligatory cadastral plans, mapping and the naming of city objects) are held on the city’s web-site from time to time. Target analysis of information for the purpose of marketing and branding does not exist.

Lappeenranta’s Department of Marketing Communications commissions various pieces of marketing research in order to improve branding efforts and make the branding strategy more targeted. Basically, the main target group of such an examination is tourists from all over the world, as well as potential visitors. This research helps to assess the dynamics of information flow and get an idea about people’s perceptions of the city.

“We’ve done studies on people who travelled in our international airport: where they are from, where they go, why they come, because our purpose is also to make them stay: we don’t want them just to fly out and spend only one day to stop, we’re trying to provide more shops, more services to make you stay here, and spend more money in Lappeenranta” (F2).

Analysis of obtained data provides the guidelines for further strategic planning and correcting the brand’s effect:

“We follow this research in our work. The Department on Strategic Planning follows the comparative research between Finnish cities; the Department of Marketing Communications uses the results of opinion polls”. (F2)
Thus, recruiting external experts and conducting sociological and marketing research not only save the time of city managers occupied with brand building, but also help to keep the pace in the competitive environment.

**Developing the City Brand Concept**

Since there is no official document on Vyborg's city brand, it is difficult to describe the overall concept based on discrete and disjointed pieces of evidence. However, the core idea of positioning the city as a historic centre is the most apparent:

“One of the latest salient tendencies - people are actively photographing the city, its historical part. The city itself gets people interested in history, architecture, art. It is a continuous cross-fertilization and energy exchange. For example, last year we held an exhibition of contemporary art in an old pawnshop. Remarkably, that most of the exhibited paintings of young artists were devoted to Vyborg. Even those who had left the city tried to reflect it in their art”. (V1)

It is possible to conclude that the city's branding concept is inserted into the other official documents on socio-economic development. Hence, in the “Plan of Socio-Economic Development of Vyborg for 2011-2014” five major prerequisites for sustainable and successful socio-economic prosperity of the city are defined as follows:

1) Historical and cultural potential of Vyborg which contributes to building and strengthening the image of the city, primarily, as a tourist centre:

2) Favourable economic and geographical location. Vyborg occupies the north wing of Russia's access to the Baltic Sea:

3) Convenient transport position: combination of 4 types of transport (sea, river, rail, road) has transformed the city to a significant transport hub at the regional level:

4) Cross-border position which is essential in terms of transit of import goods from Finland to Russia:

5) Favourable natural landscape.

Values which also should be reflected in the real life of the city (as well as brand elements) and appeal to target audiences in Vyborg's case are not accumulated in a comprehensive set of corresponding units. Thus, respondent V1 marked that:

“Vyborg is fast-moving, there is a dynamic pace”.

Respondent V2 also notes that:

“We have a lot of industrial plants. The city is a transport hub located on the cross-roads of different routes” and simultaneously: “All the feelings come through the prism of the city. The basis of this is the historic component of city life, that global monumental beauty, with which these people were born, affects the subconscious. Vyborg’s citizens are more demanding: there are monuments, the Vyborg’s Castle, the Gulf of Finland. The city influences one’s mind, it is an inexplicable thing, like the spirit of the creator. That’s why people do not want to alter anything here, but only to preserve and restore all that wealth that they inherited, historical heritage for which it is important to bear responsibility”. (V1)

Although, respondent V2 offers a reasonable solution to concentrate on different aspects of brand for each target audience the values’ set stays ambiguous and amorphous.

“History is a basis for tourism development. Moreover, Vyborg is a big transport artery, a border town, a sea town (we have a shipyard). It is necessary to find the direction of the brand for different target audiences, to focus them on different aspects: one aspect is for tourists and quite another for industry in order to cover all the directions which allow the city to keep its image”. (V2)

Values play an important role in positioning and promoting the city as far as they help stakeholders to perceive and understand the brand; that is why the number of them has to be limited. If we had grounded on the main idea "Vyborg as a historic and cultural centre" we would define the values as follows: history, heritage, traditions, beauty etc. as the framework for further advertisement campaign and branding strategy.

Vyborg as a city with a distinctive and recognizable visual identity has not got a fixed logo (as a rule this would be coupled with a slogan). The Vyborg castle in one or another form (photo, picture, graphic) as an architectural dominant is used on the majority of the web-sites connected with the city (websites of local Media, official sites, informal web-sites about city life and tourism). Symbols derived from the coat of arms (crowns, “W” letter) also occur on souvenirs, though, Vyborgskiy District possesses almost the same coat of arms except for two angels holding a shield on Vyborg’s one. As respondent V1 claims:

“Owl with a crown, “W” from the coat of arms, of course, Vyborg’s Castle – you can see it on all souvenirs. We have no problems with the symbols, we do not need to invent anything new - the story itself is favourable”. (V1)

Nevertheless, uniformity of visual image, in most cases, simplifies tracing a connection between visual identity and corresponding values, and creating a stable positive link for target groups. It does not mean that the city has to operate only one visual image, but a recognizable logo could be easy promoted to the broad public through modern means of communication and media and commercialized as a trade. Usually, simple and understandable visual image
serves for promoting the city to tourists target group (e.g. “I amsterdam”, The Netherlands).

The logic of Lappeenranta’s choice of the University as the core idea of its city brand is quite clear – the Lappeenranta University of Technology was the main distinctive feature which marks it out from other small regional cities and has an apparent and objective material representation:

“That defines us, because in the Western and in the Southern part of Finland there is no city with a university” (F2)

This overall idea of being an International University City provides a basis for other less tangible aspects such as quality of life.

Values reflected in both City Strategy of Development and marketing strategy are citizens’ welfare and well-being, international educational centre, and a meeting place for all who work in innovations.

Design is represented by the official logo (registered TM) and former symbol of the city - Wildman from the coat of arms as a funny PR brand for young people.

**Linkage of the City Branding Strategy and other official documents**

Considering that there are no particular documents or strategies on city marketing and branding in Vyborg, the issue of coordinating branding strategy and other official papers is out of the question. It should be noted that coordinating of the formal framework of city branding and the overall concept of the brand have to be reflected in all other documents on a city’s socio-economic and strategic development, and brought to the attention of all employees of administrative bodies and other organizations participating in promoting and positioning the city on local and global scales. At present, separate departments within the administration have only an intention to drive the theme of branding:

“The Public Council on Toponymy repeatedly came back to this issue and we will come back to it again. A little later, the question of city branding will be again put on agenda with regard to the directions of the city’s brand development: symbols, tourism sphere (there is a separate tourist site Vyborg-Info for visitors). All subjects will be distributed in particular areas, and zones of responsibilities will be defined”. (V2)

Therefore, only a few administrative bodies are taking the initial steps towards city brand development, but their detachment and lack of coordination demand more organizational efforts in this regard.

Contrastingly, Lappeenranta was the first city in Finland which started developing a City Strategy. Since 1996 the City Council develops the Strategy every 4 year.

The city branding strategy was firstly adopted in 2009 in parallel with the new City Development Strategy. Apart from the Branding Strategy which stays
stable for the long-term perspective, a new supporting working document is issued every year:

“Strategy of being an International University City it’s not going to change … we started it four years ago in 2009 and it’s still here. May be we’ll change something in five years, but I still doubt. But every year we do a kind marketing plan for the city in the sense that we will focus on. Last year we were more concentrated on promoting Lappeenranta as University City, now we are mostly concerned about being international city, which is situated near Helsinki with all these students and businesses”. (F2)

Among the main stages in the adoption of a city branding strategy in Lappeenranta were the following:

1) City Board takes a decision about the concept “International University City” (2009),

2) Head of the Department on Marketing Communications carries on a campaign and writes the key messages that are in the news and approved by city managers;

3) internally, city managers decide what kind of research they will adopt,

4) all the ideas go to the agency which can formulate all these messages better,

5) the agency makes an advertisement video-clip with a clear message and bright video-shots,

6) this video-record is broadcasted on local television and on YouTube.

The first step of in the process of city branding, namely planning a city branding strategy, is an important part of the overall success of a city brand. This stage implies a lot of analytical work, conducting social and marketing research, developing documents, collecting data about interest groups, defining the strong elements of a city brand, coordination of official documents in accordance with the general view of the city brand etc. Lappeenranta’s model is very close to the normative case: there is a Department of Marketing Communications which coordinates all the process of city branding and engages external specialists if needed, as well as strong interconnection between all documents (e.g. Development Strategy, City Budget) with the city branding strategy. Vyborg’s administration is just starting the process of conceptualizing a branding concept and only various separate measures of planning and analysing performed by different administrative bodies can be observed.

Step II: Implementation the City Branding Strategy

a) Positioning and Promotion

City of Lappeenranta on YouTube http://www.youtube.com/CityOfLappeenranta
Putting into practice the city branding strategy implies a wide range of measures and intermediate steps, but I will elaborate on two major areas of activity: positioning and promotion. Normally, these two steps come simultaneously, but aimed at the use of different instruments. As concerns positioning, city managers in charge of marketing and branding develop a scheduled repertoire of procedures in order to incite different audiences to create a specific perception of the city in accordance with the previously developed brand concept. Basically, active positioning includes a massive target-oriented complex of practical steps for each prioritized area. Real positive changes and improvements, through the amelioration of various life spheres, in order to achieve a higher rate of socio-economic development is the final goal of positioning. Hence, positioning is built into the Strategy of Socio-Economic Development where all initiatives are firstly rated on conformity with the concept of the brand. Promotion, in its turn, upholds the positioning by interacting with target groups through various communication channels and creates positive information content in different fields.

In Vyborg’s case, when the city brand concept along with the branding strategy are not yet fully articulated, still it is possible to detect three predominant directions of city managers’ efforts of positioning Vyborg as a) the historical and tourist centre, b) as a city of military glory and c) as a city comfortable for living.

The first direction is composed of measures for developing the chain of hotels, eating places, shopping centres, sightseeing services, holding events and participating in regional and international conferences on innovations in the domain of the tourist industry (e.g. annual Nordic Travel Fair in Helsinki MATKA\(^58\)), supporting and attracting businesses working in the tourist sector. A significant part of this direction constitutes events economy – organizing and managing events in the city in order to attract the tourist attention to different aspects of the city brand (e.g. International Sea Festival “The Sails of Vyborg” launched in 2008 carried out annually\(^59\)). Respondent V1 confirms the enthusiasm in this field:

“We have a lot of music festivals: concerts of folk, singer-songwriters and jazz music, opera and symphonic festivals. There are other thematic events: “The Door into Summer” at Mon Repos, “Knight’s Tournament”, “The May Tree”, different kinds of historic reconstructions and role playing games due to our favourable landscape. For these purposes, the city has a wide range of venues. You know, to hold an event you have to get an official permit, and there are little restrictions, the attitude towards art is quite friendly. The administration does not prevent the implementation of these activities”. (V1)

Within this area, the main agents of information distribution are the City Information Centre and Tourist Information Centre, which place press-releases,
post news and announcements on the city’s Internet resources, exchange articles with local newspapers. Some information penetrates to different media channels of other cities (e.g. Fontanka.Ru in Saint-Petersburg or web-sites on Leningrad Oblast news) due to automatic direct mail from city administration to editorial offices. Besides, information and visual images of the city as a historic place are promoted by selling souvenirs (coins, post-stamps, magnets, maps etc) with views and symbols of the city, information stands (erected near 5 major cultural sights). Nevertheless, there are no special advertisement campaigns about the city or its events, information is not updated regularly (thus, the calendar of events on the Internet portal for visitors is dated 2009-2010, the latest articles and announcements in English and Finnish are dated February, 2011), there is also a lack of information in English and Finnish (not all sections on the tourist web-site Vyborg-Info are filed up with the data)\(^60\).

Positioning Vyborg as a city of military glory evolved after the city was granted this title in 2010. This priority area is covered with the following measures: informational-educational work with citizens, developing a web-resource “Vyborg – the City of Military Glory”, holding events devoted to immortalizing and memorizing the facts of WWII, Russian-French War of 1812, and Afghanistan War etc. Tourist Information Centre supports this direction by providing a guided tour – a nostalgic excursion of Soviet Vyborg: “My Motherland is the USSR” launched in 2011. Definitely, this side of the city brand is primarily targeted at a specific group, i.e. the older generation, school pupils engaged in programmes of military-patriotic education, and thematic historical clubs. That is why all the information is broadcast in Russian and tightly connected with celebrating the national military holidays. Respondent V2 specifies measures of positioning and promotion Vyborg as a City of Military Glory:

“After Vyborg was granted the title of “City of Military Glory” activities in this area have altered a lot. For the first time this year we celebrated the Defender’s Day on the reconstructed square of The Vyborg Regiments in a festive atmosphere with fireworks. Activities which before were carried out discreetly now relocated to other areas, the status of these sites has changed. We have opened an Internet portal “Vyborg - City of Military Glory” where all the data about the war period from 1939 to 1945 is placed. There is an open database on people who died in WWII, and a section devoted to the “Great Victory”. When we posted a list of grave sites of about 20 000 soldiers of the Soviet Army the influx of web-site visitors increased dramatically. The Fund “The Future of Vyborg” managed to collect 40 mln roubles (free-will donations) for the erection of a commemorative stone tablet to General Teslev – a Hero of The Russian-French War of 1812. City Administration took a decision about the arrangement of new square and building a monument to Internationalist soldiers of Afghanistan. At the moment The City Information Centre is preparing, together with the administration, a

\(^{60}\) “Vyborg Info: For Tourists and not only” http://fi.vyborg-info.ru/
publication on the monuments and graves of WWII to fill the shortage of necessary information”. (V2)

The third direction is a conventional part of socio-economic development of any urban territory aimed at provision of high quality of life for residents and potential citizens. Respondent V2 noted:

“It’s important to remember that everyday life is manifested at the level of improvement of housing and amenities, educational, cultural, and health services”. (V2)

Nearly the same viewpoint is shared in the Plan of Socio-Economic Development of Vyborg for 2011-2014 where that main objective is declared as follows: “sustainable development and improvement of living standards for all social levels. The concept of quality of life includes: availability of work and a respectable salary, guarantee of quality health and social welfare services, a well-organized living environment, public safety, educational opportunities, cultural and leisure opportunities, favourable environmental conditions” ⁶¹. The significance of improvements in the quality of life is reflected in the main infrastructure projects (Maternity Hospital, Sport complex with swimming pool, the reconstruction of the Aalto Library, building new schools, kindergartens and housing etc.), budget allocations for modernization of public utilities, housing and municipal services (60.3%, 2010⁶²).

Promotion of the city to residents and information supply are performed by the City Information Centre, which supports the official web-site of the city administration, information portal “Vyborg City”, an address database, maps (about 20 web-resources in total), Media Group “Nash Gorod”, local newspapers “Vyborg” and “Vyborg’s Vedomosti” (also has pages in Vkontakte and Twitter), the Tourist Information Centre which administers web-site Vyborg-Info and a page in Russian social network Vkontakte.com and some other resources.

Also important instruments of promotion of the city to citizens as a nice place to live are public hearings and engaging people in the process of city management and decision making. Respondent V2 considers that:

“Today authorities meet with the public more often, make proposals, listen to citizens, accept criticism, and demonstrate the feasibility of projects” (V2)

and describes the process of communication with the inhabitants:

“There are lots of areas of activity, in the long run all these are for the citizens, because any initiative should be supported by the population. There is an interaction with the population: one can put in an application in the City Administration, in the City Information Centre, through local newspapers or directly to the President through the virtual waiting-room in

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city administration which operates around the clock. Any idea is regarded as a proposal”. (V2)

However, in spite of the seeming abundance of means of communication and measures aimed at improvement of the city and city brand, differently directed tracks experienced by separate bodies leads to some audiences (e.g. prospect residents) being overlooked or the investment of excessive funding on initiatives which only cover small audiences (such as senior Russians).

In addition to the solid and comprehensive brand concept coupled with particular values, branding efforts are also dependent on a number of target audiences. According to Lappeenranta’s brand strategy the following groups are prioritized:

a) citizens

“we emphasize the residents whom we serve and try to make a comfortable city, we do polls about how is it to live here: Lappeenranta offers a clean, quiet place where you can live in close proximity to nature, by lake” (F2)

b) prospective residents

“we’re looking for people to move to live here: there are schools in Lappeenranta where children can get an education in English as well as in Russian” (F2)

c) students

“the University does its own advertising work, but we work closely and are trying to promote Lappeenranta as an international university city. We want more students to come here” (F2)

d) tourists

“For these purposes we use our brand and information channel “GO Saima”. Constantly, all the materials for tourists are in three languages: Finnish, English and Russian. You know Finland is a two-language country, but we don’t need Swedish here in Lappeenranta” (F2)

e) and entrepreneurs

“for [attracting] business we have our own business services unit, Lappeenranta City Holding Company” and “in Saint-Petersburg we usually hold events that mostly business-targeted or tourist-targeted where we tell how it would be to invest or rest in Lappeenranta” (F2)

In view of the many audiences and one brand there is still a necessity to place an emphasis on different properties of the brand. Thus, for Finnish people Lappeenranta can be an international city close to Helsinki (“in Finland we want to be associated with the city that is situated near Helsinki, and it’s international city, not Russian” F2), when for Russians the most Russian city in Finland (“we can be the most Russian city in Finland because we’re the best in serving Russians” F2).
Various networks of corresponding linked media resources also allow diversifying the message for different target groups. Hence, the main channels of communication with tourists group are: The Internet-resource promoting the city as a tourist-brand is “GO Saima”, free advertisement magazines (in all hotels and shopping centres), pages in social-networks (in Vkontakte for Russians and Facebook for English-speaking visitors), Information Centre for tourists on the spot, magazines in Ryanair. Considering that the majority of Lappeenranta’s visitors are from Russia, the Department on Marketing Communications cooperates with St. Petersburg newspapers “Saint-Petersburg Times”, “Delovoy Peterburg”, periodicals devoted to leisure-time activities and fashion and sends press-releases to editors of Russian Internet media (e.g. Fontanka.fi).

To claim their needs and wants, the citizens are provided with conventional communication channels such as local radio, television, newspapers, official web-site of the city administration where one can watch the on-line broadcasting of the city council’s sessions and get access to all the official documents as well as direct participating in decision-making through the public forums.

Another interesting way of promoting the city brand which is supervised by the Marketing Department is a 2-year project of Public Relations Brand Ambassadors:

“We’re looking for five people from the University to be our PR Brand Ambassadors - persons (from 15 to 20 y.o) active in sports or culture, who are already competing at international level ... and I am going to give them money for two years and I want them to promote Lappeenranta on their web-sites writing about the city and any events in their blogs or in Facebook, and I also want to use them in our advertisements". (F2)

Hence, diversification of key interest groups and communication channels, a clear understanding of the needs and wants of members of different audiences enables Lappeenranta to be more target oriented and effective in broadcasting brand messages and implementing specific measures.

**b) Supporting Measures**

Estimating the results, effectiveness and efficiency of the implementation of branding strategy or of advertisement campaigns, as well as the symbolic and capital return of different investments (information, money, skills etc.) in a city’s brand is an important part of the overall branding process that helps managers to stay alert and sensitive to rapid changes, follow new trends and analyze competitors’ behaviour, make adjustments to developed strategy and upgrade experience in city marketing and branding.

In Vyborg, monitoring and assessment is carried on by each department separately (e.g. The Centre for SMEs Support of Vyborg conducts marketing research to monitor the dynamics of small and medium entrepreneurship development), and they get access to the general statistics about the dynamics of socio-economic development of the city, but the main information hub is the
City Information Centre which monitors the socio-economic situation and prepares reports, collects statistics of visits on the city’s official websites, ensures information support of all official websites about the city, posts photo-reports about events in Vyborg, announces important events, doings and developments. There are about 20 web-sites and Internet resources supported by the City Information Centre.

“The Information Centre of Vyborg collects, sorts and put in representative form all the information for public use” (V2).

Again there are separate, uncoordinated actions of different departments which sometimes duplicate each other or overlook important aspects - as the final result this can make all these activities ineffective and inapplicable for further elaboration for the purpose of enhancing the city brand.

In Lappeenranta, measures of monitoring the implementation, and assessment of the effects of branding strategy (although, they are difficult to detect) are performed by different bodies on request of the Department of Marketing Communications. Close and well-functioning cooperation between units engaged in the branding process are maintained by means of transparent and permanent exchange of information. Thus, the advertising agency sends to Marketing Department a report on their joint activities, the Marketing Board gathers each month to hold a joint meeting with heads of the city council’s departments and organizations which take part in city branding to discuss the current outcomes of the implementation of the branding actions. The Marketing Department also makes an annual report on the results of city branding (e.g. number of press-releases, responsibilities’ shares, detailed report on costs on communication, campaigns etc. in details) and the department uses general statistics prepared by the Statistics office (e.g. dynamics of tourist, number of tax-free buyings in Lappeenranta in comparison to other cities) in order to optimize the branding strategy.

To conclude this section, it is important to note that the second part of the city branding process, namely implementation of the strategy, is the most visible stage reflected in publications in mass media, improvement of infrastructure, and development of facilities for different interest groups. Positioning and promotion in Lappeenranta rests upon precise diversification of stakeholders in the branding process (tourists, citizens, students, entrepreneurs, prospective inhabitants etc.) and developing particular measures of communication and networking with each group. In addition, there is continuing work on analysis and evaluation of current intermediate results of branding strategy in the form of statistical reports, marketing studies, opinion polls etc. In Vyborg, separate non-corresponding departments are responsible for different directions of positioning and promotion of the city to different audiences (e.g. Tourist Information Centre is in charge of attracting tourists, City Information Centre develops the brand concept of Vyborg as a City of Military Glory), but the absence of precise understanding of city brand and comprehensive strategy hinder the effective activity of each organization.
Summarizing all findings derived from detailed consideration of city branding strategies for two different cases it is possible to distinguish the main deviations of Lappeenranta and Vyborg from normative example. While Vyborg’s branding model is developing rather spontaneously without comprehensive planning and understanding of the need for a branding strategy on all levels of city management, Lappeenranta, where the branding process started about 6 years ago, exemplifies a classical model of city branding close to the normative one. The description of elements and stages of these two city branding models provides an organized body of information to answer the research question, i.e. owing to which factors each model was formed.

2.2. Factors of Influence

In contrast to the normative model (which is considered as an abstract ideal pattern) the city is a living substance and it is affected by the pressure of many internal and external factors. Marketing and branding practices borrowed from the domain of the market economy and adapted to a complex urban environment put an emphasis on analysing significant factors which support or hinder a city’s development.

In the first chapter, I identified as a hypothesis several groups of factors which have an influence on city brand and the city branding model per se, namely means of communication, cultural and historical background, demographic situation, type of economy, geographical location, global changes, and structure of municipal government and professional experience of the main executives responsible for city branding. It is important to note that the importance of any given factor for different cases will vary significantly due to heterogeneous initial points and assets.

In this chapter I will prove these hypotheses through the empirical evidence in the selected cases of Vyborg and Lappeenranta.

Communication Channels

Communication constitutes the basic foundation of positioning the city to different target audiences. Perception of the brand evolves depending on the ability of those responsible for branding to maintain networking and ensure free unhindered data movement between different departments and units involved in the implementation of the branding strategy, primarily promotion and advertisement. Technical support and timely information update are also matters of critical importance. Thus, means of communication have to be targeted, monitored, and accessible in user-friendly form with comprehensible interfaces. In Vyborg’s case conventional communication means (Internet, print media, television and face-to-face information service) are inadequate to the demand of target audiences: several groups stay uncovered (such as Finnish and English-speaking visitors), there are also problems to get access to official city papers on the site of administration for citizens (available documents are mostly out of
there is an absence of direct links from one resource to the other which prevents the circulation of viewpoints and opinion exchange across users. As a final result, it is practically impossible to obtain complete information about different spheres of city life and form a clear image of the city. Each unit develops its own projects (e.g. The City of Military Glory by City Information Centre or Vyborg Business Guide of Resource Centre of SMEs Support and Development) and promotes its personal vision of the city, although an apparent core idea (historical heritage) is presented by the majority information resources. Hence, detached communication channels and uncoordinated information flows blur the brand and hinder the framing of associations and perceptions of target audiences about the brand. The message broadcast by various media resources should not only correspond to values, but also display the relevant aspects of a particular brand.

Lappeenranta generally succeeds in diversifying the brand and corresponding information messages for different target audiences. Thus, there are separate resources for business, citizens and tourists and according to the preferred means of communication (free advertising magazines for visitors, social-networks and YouTube for active Internet-users, newspapers and local television for senior citizens). The main advantage of these resources is in their interconnections and uniformity of broadcast message reflected in information content and design.

**History, geographical location and demographic composition**

In Lappeenranta, history is utilized as a comfortable ground for different cultural venues and events, basically being a valuable but distant part of current life because of its proclaimed innovative future-oriented development. In Vyborg history, in complex with cultural heritage, (architecture, monuments, museums etc.) comprises the main brand elements and simultaneously, values. A positive trend of the last few years is the increase of investments in reconstruction and support of this domain and newly-developed programmes of different kinds of promotion for tourist activities: ecological tourism, patriotic tourist routes, event tourism etc. Thus, first the new Concept of Tourism Development in Vyborg was booked by the administration of Saint-Petersburg High School of Management. According to this concept to 2016 Vyborg can attract 1,6 mln tourists annually. It is worth mentioning the slogan of this Concept: “Vyborg is a Europe of the Past, Russia of the Future”.63

Cross-border location on the cross-roads of different forms of transport (rail, sea, automobiles) and of cultures, thus circulation of information, goods and services (“because of Russian tourists in our shops work about 9% more than across the country what is a good source of working places for citizens” F1), in both cases reveals a range of opportunities for economic, social and cultural development and exchange. Though, it also could affect the perception of the city

63 Выборг – Территория роста. Официальный сайт Администрации МО «Город Выборг» http://www.city.vbg.ru/content/vyborgski-raion-territoriya-rosta
by different target audiences (e.g. Finns as well as Russians consider Lappeenranta as the most Russian city in Finland).

Another important brand asset which is actively exploited for branding purposes is nature and climate. Lappeenranta’s tourist brand “Go Saima” is built on the natural advantages of the territory, while Vyborg has just declared in a newly adopted programme on Tourism Development, the intention to use Karelian natural beauty as a commercial offer for tourists. One important issue in promoting the natural environment as a brand asset is the extent of measures for preserving the favourable ecological situation and investing in new eco-friendly technologies.

The serious demographic problem for developed European countries which is posed by ageing of the population is common for both cities. Although, about 23-26% of the population in Vyborg are young people under 30 years old (“in comparison with other regional cities we’re quite young” V1) and slight population increase in 2011 – the first time for the last decade, ageing remains salient because of the intensive outflow of the population to St. Petersburg looking for better salary and working places. International University City Lappeenranta is also rather young due to the presence of several institutions of higher education in the city (about 13 000 students permanently studying). The growth in numbers of senior citizens puts on the agenda questions of providing special services for the old, budgetary recharge (“this makes challenges for us: where to collect taxes and revenues to provide all the services that we’re responsible for” F1) and guaranteeing employment opportunities for graduates.

The demographic situation is forcing the administrations to look for a response to this substantial limitation of socio-economic development that automatically affects the branding strategy. Thus, Lappeenranta’s Marketing Board claims new students and prospect residents as two target groups of a great importance, and envisages measures for promoting the city to these groups.

**Economic Type**

The high rate of unemployment in Lappeenranta, in spite of the rapid development of innovative business and new technologies in parallel with increases in tourist flows and prominent University, reflects the modern market demand for an increase in the share of the economic structure taken by innovative and service businesses. Lappeenranta foresees three main possibilities of overriding the economic problems: a) invest in energy research for attracting new businesses into the city which would provide new working places, b) promoting tourism to attract more visitors and investors as well as new services (shops, hotels etc.), c) establishment of an agency for support of new businesses in high technologies and innovations. The city brand conveniently backs up the ideas of being international, global and innovative.

Vyborg has a relatively low unemployment rate but dominantly industrial economic type and inadequate response to the market demand (there is no
monitoring of specializations and jobs in-demand in Vyborg) caused by a divergence between specializations offered by higher education in Vyborg (managers, psychologists, marketers) and the needs of many industrial plants functioning in the city. This provokes people to leave Vyborg in search of better working conditions. Developing the city as a tourist destination and increasing the share the SMEs in the economic structure are hampered by the absence of uniformity in the implemented branding efforts.

Globalization

If for Lappeenranta as International University City it is much easier to conform to the new global paradigm by hosting international events, promoting cross-border partnership and cooperation, the influence of globalization in Vyborg, in view of non-clearly articulated branding concept, such actions remain difficult to organise. Transference some range of powers (also in the domain of international affairs and cooperation) to the Vyborgskiy District government deprived the city of the sense of an independent and operational reaction to the challenges of the global world. Today, international interactions are developing in Vyborg mostly in cultural and social spheres.

Municipal Specificity

As is the typical case for Russia, the main bulk of funding in Vyborg is redistributed after the collection of taxes. Thus, the City Budget comprises three main shares: national state contribution (major part), income tax, and earnings from the usage of municipal assets. Some initiatives and grassroots projects (e.g. the memorial stone tablet “Vyborg – the City of Military Glory”) are financed by NGO “The Future of Vyborg” which allocates the charitable contributions of business and private donors. The present system of budget funding restricts the administration in allocating money for marketing and branding purposes (besides, in Russia these measures are considered not complimentary but optional).

In Lappeenranta, City Budget includes state grants which constitute about 15% of our budget, while the rest of the budget comes from the city itself (taxes, income from municipal enterprises). However, the state provides a safety cushion:

“so that we could guarantee the people the sufficient level of services and salary for municipal employees in case of some disturbance in business” (F1)

Economic crisis in the EU affected the size of the budget and shrinking of funds concerned each budget item including city marketing:

“economic depression and financial pressure in Europe is quite serious, the range of municipal services is narrower than earlier” (F1)
However, this direction is still financed which provokes managers to invent new cost effective instruments of promoting the city (e.g. PR brand ambassadors).

Concerning the structure of municipal management Vyborg is characterized by a centralized municipal model where all the regulations are handed down from the administration and each unit is subordinate to the superior. Top-down command structure (the same as vertical command structure) hinders the effective process of redivision of responsibilities between different bodies and departments. However, respondents noted that there is progress in democratic development: now each citizen can submit a proposal or problem to the city administration, to the Information Centre of Vyborg, through the newspaper, or directly to the President through the e-terminal in administration building around the clock.

The absence of a clear and distinct city branding model, and the fact that there is no documentary implementation for it in strategy or programme (only some precursory ideas and initial discussions in particular departments and vague contours of possible branding directions) lead to the situation when all processes are slowed down: functions are separated and duties are transferred from one department to another. Unfortunately, Russian “Law on Municipal Government” did not react to the changes in the perception the city as an independent social, economic and political actor, and the legislation adheres to the rules of strict subordination of hierarchical levels. The problem is not only in the fact that city is considered as an element of such an inflexible and ineffective structure, but in the overall approach of translating this vision throughout all the levels of authority.

Lappeenranta has a decentralized model of municipal structure where municipalities have autonomy and decide for themselves on what kind of services they offer to citizens:

“In Finland the power of municipalities is very strong, they could collect all the taxes on accountable territories (there are some state taxes, but municipalities get all the revenues from taxation and from City Hold Company” (F1)

In the years 2009-2011, during the enlargement of municipal units, a new solution was found – to organize a joint venture operating as an independent business and rendering different kinds of social services. Thus, the second largest employer in the city is EKSOTE:

“There are two types of city enterprises: state enterprises as such the police because they work for the Ministry of Internal Affairs, and all the other bodies like hospitals, schools, and other municipal services. … EKSOTE is a joint venture that is owned by all the municipalities which offer different services but which functions like an independent commercial enterprise. What is unique here is that two years ago all these workers in the field of public services were employed by the city of Lappeenranta and the whole sphere was regulated by the city. But we decided to join all
these authorities together and move to another structure, because we accounted that it’s slow and not very effective. … The main idea of such an arrangement is to provide all the municipalities with the same quality of services”. (F1)

High rate of independence and flat organizational structure of management helps to decide on branding questions on hand and implement branding measures on an operational basis.

**Human Factor**

The question of city branding was considered in Vyborg by the Public Council on Toponymy under the Administration of Vyborgskiy district. However, another unit – the Resource Centre for SMEs Support and Development in Vyborg also uses the notion “brand” in its documents. Nevertheless, neither the Public Council on Toponymy (which includes 20 members: deputies, artists, architects, members of NGOs etc) nor any other department of the City Administration, has any marketing specialist experienced in territorial marketing.

In contrast, in Lappeenranta’s City Administration the Marketing Communication department is headed by a qualified marketing specialist with international experience in marketing and logistics. The Head of the Department, and many external specialists from media and advertisement agencies are engaged in the branding process.

Summarizing, it is important to point out that the main aim of the present study was to explore which factors have the most significant influence on city branding models in two particular cases. The final result of research is presented in the Table 2 (Appendix 2) where the data about city branding models of two European cities – Vyborg, Russia and Lappeenranta, Finland – is aggregated. The presented arrangement of information simplifies the comparison of deviations from the normative model for each case and provides an examination of alternative instruments of city branding. Thus, in both cities geographical location plays one the most important roles and this is reflected in efforts in improving cities’ infrastructure as transport hubs and tourist destinations. However, economic type (post-industrial service economy and rapid development of innovative technologies aimed at renewable solutions) and presence of high-skilled marketing team in city board affect Lappeenranta’s city branding model to a great extent. Vyborg is also affected by economic structure (characterized with transitional type of economy where many industrial plants coexist with a developing service sphere), but a determinant factor for brand building is the rich historical heritage represented in architectural sights and reflected in administration and grassroots projects for preservation and reconstruction.

In the present chapter I have attempted to review concisely city branding processes for two European cities - Vyborg and Lappeenranta, to identify which administrative bodies plan, coordinate and control the process of city branding, what levels of authority and interest groups are involved, and how the branding
strategy is implemented. The normative model elaborated in the first part of the current study served as a methodological tool for comparison of two particular models. As we have seen in Vyborg’s case, history plays a leading role because historical heritage is a basic factor influencing the choice of branding strategy, together with the city’s advantageous geographical location on cross-roads. Lappeenranta preferred another direction of brand development - affected by new economic trends (innovations and ecological technologies) which determine the choice of the University as a symbol of an open and international city. Besides, Lappeenranta’s University is not just a brand concept, but an active member of the city branding project (e.g. PR Ambassadors, business incubators, energy research etc.).
Conclusion

Multidisciplinarity, as a common trend for the majority of theoretical domains, has become a rule for urban planning and strategic development. The issue of the search for a universal approach to promoting high quality of life, favourable ecological situation and sustainable economic growth still remains debatable. In the presented work I have considered city branding as a new opportunity for practical implementation of theoretical knowledge in urban studies, a promising instrument for socio-economic strategic development, and re-evaluation of space and territory as an object of research.

The normative model which was examined as a conventional framework for city branding serves as a tool for measuring the correspondence of the chosen branding model (in the two described cases) to the general guidelines for city branding and finding out which factors have an influence on which aspects of the branding effort to prioritize, which authentic brand ideas to choose, and what sort of branding measures to plan.

All the factors listed in the first chapter as hypotheses affect both strategies to various extents, but case specificity prevents comparative study, especially taking into account that in Lappeenranta we have a branding model which is close to the normative model - characterized by coordinated marketing and branding efforts, correlation of strategic objectives stated in the Strategy of socio-economic development and in the City Branding Strategy, diversification of the brand’s message and unrestricted information flow between all stakeholders and participants. The most influential group of factors for Lappeenranta are global effects, geographic location, municipal structure and personnel, the rest of factors can be regarded as concomitant, driving respective branding measures (e.g. creating an practice of PR-ambassadors).

In Vyborg only separate branding efforts can be distinguished, that is why at the present stage of development of the activity of city marketing and branding (concerning the overall trend across Russia – a tiny part of the cities has a brand concept) the most important factors which could serve as a starting point for elaborating the city branding strategy are history and geographical location. It should also be noted that the most apparent deviation from the normative model in Vyborg’s branding efforts lies in the failure to appreciate the instrument of city branding and the lack of an adequate assessment of the potential for communication, together with a tendency to overlook the demands of target audiences.

Lappeenranta started city branding earlier than Vyborg, driven mostly by factors of municipal structure and personnel qualification that demonstrate a clear understanding on the part of city managers at all levels of authorities of the urgent need for modernization to stay abreast of a highly competitive environment. In Vyborg, the city authorities jointly put place their bets on the city’s historical and cultural heritage, and this factor is the most significant for the present city branding model together with its geographical location. Nevertheless,
other factors such as the development of communications channels, transparency of the municipal command structure, independent decision-making about projects and programmes, financial independence on state budget, the shift to a post-industrial knowledge economy were not analysed or taken into account by city managers in Vyborg.

Thus, summarizing the branding efforts of the chosen cases it is possible to conclude that Lappeenranta’s city branding model is quite close to the normative pattern - taking into consideration such challenges as internal perception of the city by residents of Finland (“the most Russian city”), shrinking municipal funds because of economic difficulties in Europe, and ageing of population. Vyborg, in its turn, has only recently started movement towards a comprehensive city brand that will demand hard work of all stakeholders and allocating more financial, information and human resources. For the present day the main barriers to building a strong city brand are: not using the city’s potential to the full extent, the parochialism of many city managers in Vyborg, and a failure to consider all the stakeholders with branding measures, and a lack of unanimity and coordination among actors.

In the final analysis, several important implications can be concluded. Although there is no rigid city branding scheme which imposes a fixed sequence of procedures for each particular case, the normative model of city branding provides a general framework for conceptualizing the city brand (core idea, corresponding values and design), developing brand strategy (planning, collecting information, preparing documents etc.), and arranging a system of methods for branding strategy implementation (positioning and promotion of the city to different target audiences). Thus, case specificity becomes apparent through the choice of particular brand idea, which may be unique or distinctive from other settlements; a set of measures and innovative tools of implementation (e.g. PR Brand Ambassadors); concrete grassroots initiatives etc. However, the origin of one or another branding strategy is difficult to explore without taking into account various factors affecting urban strategic development. In this research we considered only six groups of such factors: a) communication channels, b) history, geographical location and demographic situation, c) economy type, d) globalization, e) municipal government structure and budgeting and f) so-called “human factor”, i.e. the key group of people responsible for city branding. It is also remarkable that not only factors define the choice of a particular brand concept and branding technologies, but also the whole perspective from which city managers consider the city. Thus, in Vyborg the classical perspective (the city as an economic actor) is more apparent, while in Lappeenranta a lot of elements of the new urbanism are presented in innovative orientation, ecology-friendly programmes, and energy-saving technologies.
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Appendix 1: **Guide for expert-interview**

<table>
<thead>
<tr>
<th>Thematic Blocks</th>
<th>Questions</th>
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| Methodic and people/groups in charge   | When and how have you understood the necessity of developing competitive city brand?  
|                                        | What are the main ideas, values and attributes of your city brand? Do you feel that all the stakeholders share the similar positive vision of it?  
|                                        | Do you have a particular department for city branding?  
|                                        | Does local community or activists/elites participate in developing a branding strategy for your city?  
|                                        | Who monitors the success and results of city brand implementation (construction-planning-positioning-promotion) |
| Ideas and concepts                     | What is the main brand idea of your city?  
|                                        | What are target audiences of this brand idea?  
|                                        | Which measures, instruments and events do you implement for positioning and promotion this idea?  
|                                        | What factors bear influence on city brand? Are there any tangible and intangible factors?  
|                                        | Which impression your city creates? |
| City branding strategy/ city brand concept & development strategy | Does city branding correspond with the general development strategy?  
|                                        | Does the development strategy presuppose any innovative instruments for brand development? (creative industries, economy of events, landmark infrastructural projects, festivals etc.)  
|                                        | Do you plan to invite market or other specialists for developing city brand? |
| Problems and progress                  | What are the main problems for your city in competitive economic environment?  
|                                        | What hindrances do you see in developing a comprehensive and clear brand for your city?  
|                                        | Could you name main successful projects (past 5 years) which helped to improve the city brand?  
|                                        | What are planning to do further? Do you think that city branding is an inevitable part of city strategic development or only optional, supplementary instrument? |
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