Building the image of a place brand with the support of local commercial brands. Poznan Brand Consortium case study

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Abstract. Local commercial brands are increasingly perceived as vehicles to build the image of the place from which these brands originate. Local products, services or companies, through their brand values, personalities and their approach to marketing communication, influence the way their places of origin are perceived. It comes as no surprise that places have started to use the best well-known brands to promote themselves. However, this approach is used in the context of countries rather than smaller scale places. The aim of this paper is to present the image relationships between the place brand and local commercial brands originating from that place. To make the symbiosis successful, a place as well as local brands need to define the areas of their image concurrence and strength.

This paper discusses the case of the Poznan Brand Consortium set up in order to support the brand of Poznan City. The NeedScope technique was used to analyse the level of concurrence or conflict of the images between the commercial brands and the Poznań City brand. The results revealed that only part of the brands’ images are in concord with the perception and values of Poznań while it tends to vary from one surveyed group to another. What is more, in general the local brands do not cover all desired associations with the city. The analysis thus enables place marketers to adequately exploit single commercial brands in specific contexts and select other ones in order to achieve the desired image of a city.

Keywords: place brand image, local commercial brands, place-of-origin effect, flagships, Poznań Brand Consorcium, NeedScope

JEL Classification: M31, M38

INTRODUCTION

Local commercial brands are increasingly perceived as a vehicle to build the image of a place from which these brands originate (e.g. Mateo&Seisdedos 2010, Gilmore 2003, Florek&Conejo 2007). Through their brands’ values, personalities, and their approach to marketing communication, local products, services or companies, may influence the way their places of origin are perceived. It comes as no surprise that places have started to use the best well-known brands to promote themselves. However, this approach is used in the context of countries rather than smaller scale places (e.g. Cervino et al. 2005) such as cities. Meanwhile, the process of transferring image of local brands onto city brand identity and reversely, is an approach that can strengthen both types of brands. The purpose of this paper is to present
the role of local brands in building the image of a city and the areas of analysis necessary to recognize in order to succeed with such an approach.

THE ROLE OF PLACE-OF-ORIGIN EFFECT

As Papadopoulos and Heslop (2002:296) suggest, ‘since products today can be made almost everywhere and have increasingly standardized core features, marketers often turn to country associations to differentiate their brands’. This relation is widely known as the country – of – origin effect (COO), recently also called the place – of – origin effect (POO) since the phenomena has spread to other types of places. The COO has been also extended to the context of country of design and country of assembly as a result of the globalization process and development of multinational companies.

Research results as well as observations of the markets as we know them confirm the thesis that the country of origin is an important factor affecting brand perception. Research conducted among more than 200 managing directors in over 40 countries all over the world have proven that the country of origin affects the perceived quality of products and brand profitability (Sanchez et al. 2005 cited in Hereźniak 2011). Research conducted by OECD suggests that national origin is among the most significant sources of brand image. This was corroborated by 23% of the respondents while 17% indicated consumer experience, 16% the product itself and 12% brand communication. According to an opinion poll carried out in 2001 by Focus, 80% of Germans see their national identity mostly reflected in nothing else but German brands. A survey commissioned by Fortune magazine in 1998 showed that 75% of Americans were of an opinion that the American national identity was alive owing to brands and was conveyed by them (de Turkheim&J.-M. Piaton 2003 cited in Hereźniak 2011). The strategy of endowing brands with “borrowed” national identity, employed by numerous companies, confirms the strong impact of this factor (Baker&Ballington 2002, cited in Hereźniak 2011). The goal of such efforts is to enrich a brand image with a number of associations with a country whose country equity has been built based on a specific product category.

Hong&Wyer (1989) offer four possible explanations of how COO (POO thereby) information can affect product evaluation: it could (1) influence interpretation of other available product attributes, (2) provide a heuristic basis for evaluation without considering other attributes, (3) act as an attribute in itself, and (4) influence the attention paid to other attributes affecting their impact.

Yet, the country-of-origin concept has smoothly shifted towards the country-of-brand concept (Hulland, 1998). Due to the more and more frequent outsourcing initiatives, when components are produced and assembled all over the world, the brand is eventually the only one that carries on the national (or any place – region, city, etc.) origins of the product (Goodchild&Callow 2001, Jaffe and Nebenzahl, 2001 cited in Mihalache&Wukman, 2005). This relation has been already used by brand managers and now is being gradually used by place managers in order to strengthen (or even to build) the place brand.

LOCAL BRANDS AS FLAGSHIPS

According to John et al. (1998), flagship products (flagships) are those that consumers associate most with a brand. In the case of places, these are products (category, type or brands) that audiences associate most with a particular place. Use of branded export products as a vehicle to build country brands is supported by literature on the subject. For example, Kim&Chung (1997) argue that brands have an impact on the image of their respective countries. Papadopoulos&Heslop (2002) add that brand attributes can reinforce the country image. Gnoth (2002) states that particular products might signal benefits which in turn might be
associated with the country brand. Tellström et al. (2006 citing OECD 1995) indicate that products can be used to promote geographical areas (in Florek&Conejo 2007).

Export products are also a component of popular place branding models. For example, in Olins’ approach to brand communication, exports are one of the Four Vectors (the other three being FDI, tourism and foreign policy). Within Anholt’s Nation Brand Hexagon, exports are one of the six dimensions through which people perceive a country (the other five being people, tourism, culture and heritage, governance and investment and immigration).

Roth&Romeo (1992) state that a desirable product-country (place) fit is necessary to benefit from a favourable COO (POO) effect. Ahmed et al. (2004) elaborate on this indicating that a country’s image is not indiscriminately applicable to all products (or brands) but favourably associated with certain products (brands) and negatively with others.

If the fit is achieved, consumers transfer attributes of the brands onto a place from which the commercial brand originates. A competitive, well-known and attractive brand confirms the status of a strong place brand. On the other hand, it may create positive, desired associations with a place. Reversely, place values, personality and other attributes can be transferred onto particular brands. A robust place brand - its positive connotations, values, associated warm feelings and attachment are “transferred” onto brands manufactured in that place. As an example Figure 1 presents the core values of Ireland as translated into Irish brands.

![Figure 1. The core values of Ireland translated into brands](image)


From the point of view of place brand and commercial brand affinity, it seems very important to identify common values in the place brand and the brands originating from that place (not only commercial but also social brands like cultural institutions) in order to identify areas where brand values and brand
personalities are transferred. A case in point is a possible transfer of the values accompanying the brand of Sweden onto Oriflame brand as presented in Table 1. Oriflame is a brand extensively associated with Sweden (Mihalache & Wukman 2005 investigated the areas of both brands values using primary and secondary data). As Table 1 suggests, the two integrated lists overlap almost completely. In this case, such consistency was more predictable due to Oriflame’s clear reference to its Swedish origin and precise guidance to the Swedish values it employs (Mihalache & Wukman 2005).

<table>
<thead>
<tr>
<th>Country brand values transferred onto the corporate brand</th>
<th>Audiences’ perceptions of transferred values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nature</td>
<td>Nature, environment</td>
</tr>
<tr>
<td>Classical beauty, elegance</td>
<td>Swedish beauty</td>
</tr>
<tr>
<td>Genuine attitudes</td>
<td>Direct attitudes, Honesty</td>
</tr>
<tr>
<td>Opportunities for everybody</td>
<td>Equality</td>
</tr>
<tr>
<td>Social involvement</td>
<td>Concern for the other</td>
</tr>
<tr>
<td>Mutual care</td>
<td></td>
</tr>
<tr>
<td>Innovation, dynamism</td>
<td>Modernity, innovations</td>
</tr>
<tr>
<td>Functionality</td>
<td>Pragmatism, functionality</td>
</tr>
<tr>
<td>Simplicity</td>
<td>Simplicity, shyness</td>
</tr>
<tr>
<td>Informality derived from leadership</td>
<td>Quality</td>
</tr>
<tr>
<td></td>
<td>Cleanness</td>
</tr>
</tbody>
</table>

Source: Mihalache & Wukman (2005), Composition with country and corporate brands. Capitalising on the country brand values, p. 116.

The question however arises how a place and brands originated in that place can capitalise on each other’s values. As an answer, Mateo & Seisedos (2010) present a diagnostic tool that helps to understand the role of particular brands in building the image of a country. Their model applies two focal lines: the intensity of the use of ‘place’ and the market scope of commercial brands (see Figure 2). The horizontal line shows the intensity of the relationship between the commercial brand and the place. On the vertical line, the market scope element aims to show the quantitative and qualitative significance of the brand as well as the impact that the business in question has on the economy of the place where it is located. This scope is closely correlated with the strategy applied by the business to compete. By combining these two focal lines (intensity of the use of place and market scope), four types of relationships between the commercial brands and the place appear, representing four types of brands: Ambassador, Emerging, Impostor or Aristocratic.

It is worth noting that the Emerging brands and the Impostors use a place with a very low intensity, because in their perception, whatever the place can grant them is not adequate. Yet managers of a place can turn this situation into an opportunity, for instance through Ambassador brand programmes such as that carried out in Spain by Leading Brands from Spain in charge of promoting the image of the country with the help of its most international brands (Mateo & Seisedos 2010).

Although the matrix is very useful in diagnosing the situation in the context of “managing” a local commercial brand portfolio, it seems however that the main issue in this matter is to define the convergence of images of local brands and the image of the place brand. The bigger the convergence and simultaneously in line with the desired image of the place (as part of the adopted identity of the place brand), the more robust
the local brand in building up the image of the place or in making this identity real. If we manage to consider the brand range as Mateo&Seisedos suggest (for a city, to the dimension will be local and supra-local), brands with markets exceeding the city limits will largely in demand in cooperation with those in charge of city brand management.

![Matrix of territory–brand relationships](source)

**Figure 2. Matrix of territory–brand relationships**


Selecting the right model of such cooperation is key. According to Olins (1999), three major conditions need to be fulfilled in order to build up a positive effect of the country of origin by incorporating domestic companies into the process of building a national brand. These can be easily adopted for cities:

- The concept of the national brand must be usable in the context of many products and services,
- The corporate value of companies employing elements of the national brand in their marketing strategies should be in compliance with the values communicated by the national brand,
- Companies – members of a national brand building programme need to accept the programme’s major assumptions and schedule.

The paper presents, among other things, a case of such a model of cooperation between the city of Poznań (or more precisely the Poznań Metropolitan Area) and 21 local brands referred to as the Poznan Brand Consortium.

**THE POZNAŃ BRAND CONSORTIUM CASE**

The Poznań Brand Consortium is an example of a partner project within which the biggest and most robust brands operating in the Poznań Metropolis have been encouraged to multi-dimensional cooperation. It is planned to stimulate the attractiveness of the Poznań offer and to directly integrate the image potential of both parties of the Consortium. The project was officially inaugurated on 25 October 2011 when 21 brands1 - originated from Poznań or tied somehow with a city - joined the partnership (these are:

1 Talks with potential partners of the Poznań Brand Consortium started in May 2011 with 27 companies offered initially to participate in the project.
Allegro (online auction), Apart (jewellery), Poznańska Palarnia Kawy Astra (coffee processing), Bridgestone, GlaxoSmithKline, Poznańskie Zakłady Zielarskie Herbapol (herbs processing), Komputeronik (IT), Lisner, Lorenz Snack - World, Ławica – Poznań Airport, MAN, Poznań International Fair, NIVEA, Piotr i Paweł (retail chain), Solar (clothing), Solaris (buses), Stary Browar (trade and culture centre), W. Kruk (jewellery), Volkswagen, VOX Furniture, Yes (jewellery).

The Poznań Brand Consortium is based on the Promotion Strategy of the City of Poznań Brand adopted in 2009. This is an innovative project by domestic standards, modelled by the experiences of Berlin and Barcelona: the local Barcelona Activa and Berlin Partner consortia integrate the municipal economic and social potentials. Similarly, the Poznań Brand Consortium is a platform of cooperation between the city of Poznań and economic, social, cultural and scientific institutions of importance to the city’s image. Joint activities in the realm of animating the city space, supporting local initiatives and the third sector as well as propagating own activity are areas of cooperation aimed at contributing to a sustained synergy effect in promoting the city and the related specific brands. The Poznań Brand Consortium project revolves around the idea that a city is about its brands and the people who make it. The city’s potential, its character and identity are built up by the best Poznań brands operating in the Poznań Metropolis. This city potential consists of brands or sub-brands (the most reliable Poznań companies, unique events and social, cultural, artistic and sports projects as well as the people who grew in Poznań).

The Consortium was therefore developed as a discussion forum where initiatives are submitted and the growth of the Poznań brand is monitored. It is intended as a platform on which entities can suggest their ideas for developing the Poznań brand cohesive with its strategy. It is also a venue of cooperation with experts in place marketing and city growth. The Consortium also deals with making the POZnan* logo available and granting licenses to the registered “made in POZnan*” name and logo (see picture 1).

![Picture 1. Logos of Poznań (version not accompanied by the claim) and The Poznań Brand Consortium](image)

In the first year of the Consortium’s existence, participation is free of charge and does not necessitate cooperation in the subsequent years. On top of line operations i.e. cooperation between the City of Poznań and the Partners, as part of the project a Brand Council will also be established. It will be a body consisting of CMOs in charge of specific brands who will advise, inspire and at the later stage of the Consortium’s growth, they will make decisions in the realm of earmarking funds and instigating activities. The mode of the Brand Council’s operation is based on the functional model where the role of the initiator and moderator will be assumed by a representative of the Promotion Bureau of the City of Poznań.

The project partners can be divided into several groups with respect to their readiness for participating in the federation and brand recognition. It looks as follows for the specific companies involved:

a) Poznań companies with strong local brands yet poorly recognized in the domestic market or the global one which are sometimes in the process of image or strategy-related changes (e.g. Herbapol) whose umbrella brand is recognized all over the country but the company is trying to gain the reputation of a Poznań company i.e. Herbapol Poznań, Poznańska Palarnia Kawy Astra, VOX Furniture.

b) Poznań companies enjoying not only robust local brands but also very well recognized on a national level and in international markets which are showcases of the image of Poznań as an entrepreneurial,
business-oriented and expansive city e.g. Allegro, Apart, Komputronik, W.KRUK, Ławica Airport, Poznań International Fair, Piotr i Paweł, Solar, Stary Browar, YES, Solaris.

c) International corporations which have invested and located their key functions in the city and its surroundings speak volumes to other potential foreign investors and decision makers, e.g. Bridgestone, GlaxoSmithKline, Lisner, Lorenz Snack-World, MAN, NIVEA, Volkswagen.

Once the Consortium was well established, its promotion handled for four weeks across Poland and targeted at inhabitants of metropolitan areas (Warsaw, Krakow, Wrocław, The Three Cities, the Upper Silesian Industrial Region and the Poznań Metropolitan Area) with special emphasis placed on students and professionals. It was also targeted at the residents of the city of Poznań. The campaign employed outdoor advertising (front lights, city lights, large format canvasses – in total over 550 media) as well as press ads and online banners in the most important titles and portals. The advertising artwork was based on the image of 21 toddlers wearing a white T-shirts with the logo of one of the 21 companies participating in the Consortium. The message was reinforced with the claim “Happy all-star brands” which is a direct relation to the companies’ location in Poznań and the characteristic element of the Poznań logo (a star).

**IMAGE RELATIONS RESEARCH DESIGN**

The aim of the research is to analyse the image relationships between the place brand (Poznań city) and local commercial brands associated with The Poznań Brand Consortium in order to define a possible desired match between these two identities. The NeedScope technique was used to analyse the level of concurrence or conflict of the images between the 21 Consortium members and the Poznań City brand.

NeedScope is not only a measurement tool but also a tool for analysing and visualising data. It allows to place emotions, brands and brand attributes on a single perception map. Needscope takes advantage of a projection technique based on standardised collages. Projection techniques allow to go beyond the respondents’ declarations; they show “profound” feelings and associations related to brands.

The research included 4 groups of respondents, people from the campaign’s target group. Table 2 presents descriptions of the groups and the size of the surveyed sample.

<table>
<thead>
<tr>
<th>Type of respondent</th>
<th>Poznań residents</th>
<th>Residents of selected agglomerations</th>
<th>Professionals</th>
<th>Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respondent’s characteristics</td>
<td>People aged 18-60</td>
<td>People aged 18-60</td>
<td>People with at least 3 years of professional experience, employed in private companies with self-contained or managerial positions, with tertiary education.</td>
<td>Students irrespective of faculties</td>
</tr>
<tr>
<td>Territorial reach</td>
<td>The city of Poznań</td>
<td>Selected Polish cities: Poznań, Warsaw, Krakow, Katowice, Wrocław and the Three Cities plus the Upper Silesian Industrial Region</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of interviews</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
</tr>
</tbody>
</table>

Source: Poznań City Council research project
Standardized questionnaire interview was used in each case and Pen and Paper Interviewing (PAPI) technique. The research was conducted in December 2011.

During the interview, the respondents were requested to indicate the collage associated with a specific brand (formerly they stated if they knew the brand at all):

– Each collage consisted of 6 faces representing the archetypes of the NeedScope model;
– The sets were tailored to the respondents’ gender (masculine for men, feminine for women);
– The collages were specifically selected (and tested) to reflect feelings and associations.

Employment of the NeedScope technique allows to characterize a brand by means of an image map (brand values and associations). Depending on the values prevailing in the image, the surveyed brands may belong to a specific area. Brands combining related values will be placed on the limits of the areas while brands sharing many values and evoking diversified associations will be located close to the ellipse. The graph below shows in colour associations in line with the strategy of the city of Poznań: innovation, dynamic, focus on success, quality, competence, effectiveness (mostly the right part of the graph).

Graph 1. Image and values map for Poznań

Source: Poznań City Council research project

The above map serves as a research tool for analyzing the common value areas and associations for the city and commercial brands. These areas and research results are presented next.

RESEARCH RESULTS

In general, the best associations of the residents of Poznań (Question: Think about all brands and companies from Poznań which are familiar to you. Please mention the three which you associate best) revolve around
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the International Poznań Fair (IPF), Volkswagen Poznań, Stary Browar centre of shopping and arts, Nivea Polska. The residents of the other agglomerations and professionals also tended to indicate IPF but they had equally good associations related to Allegro, Herbapol and Nivea Polska. In the group of students the best associated companies from Poznań are the Allegro Group, IPF, Apart and Nivea Polska.

In all the groups, the image of the city of Poznań consisted of associations combining order, safety, focus on work and tradition. On the other hand, the city image did not contain enough of the desired elements like innovation and dynamics.

Specific groups tended to place the stress differently: students tended to have particularly many desirable associations. In this group, the image is closest to the strategy’s assumptions - Poznań was placed in the area of associations related to work, order, high quality and competence. The majority of brands from Poznań evoked similar associations; the remaining ones were perceived as reliable, caring for the consumers and focused on success. The missing element included associations with innovations and dynamism, fun and pleasure (see graph 2).

*The size of the circle represents brand awareness (bigger are more frequently familiar).

**Graph 2. Image and values map of Poznań brand and local brands among students.**

Source: Poznań City Council research project

The image of Poznań among the city’s dwellers includes safety, tradition and quiet. This group placed the majority of Poznań brands in the group of associations related to reliability, quality and competence. Poznanians do not perceive their city as dynamic or focused on success (graph 3).
In the group of residents of other agglomerations, the associations with Poznań combined elements of order, safety and tradition. Brand-related indications tended to vary. Many of them were familiar only to a relatively small part of the respondents. Except for Allegro brand (country coverage brand) there were no associations related to modernity, innovations and dynamics, with respect to Poznań and the brands alike (graph 4).
The professionals (just like the other groups) perceived Poznań and the local companies primarily in the context of order, focus on work, effectiveness and quiet. The distribution of associations in the lower part of the ellipse indicates lack of innovation, activity and dynamism that is particularly desired in such a group (Graph 5).

The general research results show that although the Consortium brands surveyed are relatively close to Poznań brand perception and its values, they all do not transmit the desired city brand elements such as dynamism, modernity, activity, innovations. That means that probably the brands’ portfolio should be complemented with other brands that presents the values that missing in the current perception.

Particular brands present different values depending on target groups, therefore stress on different brands should be placed accordingly when communicating the Poznań brand to specific audiences. For example if students perceive the Ławica Airport perceived as the most innovative and dynamic (while the perception of Ławica is completely different among professionals), this brand should be most exploited when communicating the Poznań brand to students.

Another issue is the fact of brand awareness. The brands with the biggest awareness in targeting groups are particularly desired as they can build relevant associations at the fastest rate.

**SUMMARY**

The aim of the research presented in the paper was to analyse the image relationships between the place brand (Poznań city) and local commercial brands originating from that place or based in the city. To make the brands’ symbiosis successful, a city as well as local brands need to define the areas of their image concurrence and its strength (how familiar they are and how they are perceived by the target audiences). In the case analysed, the results revealed that the perception of a city and brands only partially complies with the values
with which the city wants to be associated. This fact may suggest that a detailed analysis should be carried out before such cooperation starts in order to choose brands with the best fit to the city's desired image. The choice is however very often determined by the scope of the commercial brands’ operations, as it was in the case of brands selected with respect to their awareness levels that exceed the city limits or have potential to do it. It is however also possible to diversify the brands 'portfolio' and use relevant brands to adequately communicate their character (according to the city identity) to selected target groups. In the Poznań case, three recommendations come to mind. Firstly, the Consortium brands set could be expanded and enriched with new brands that could occupy the "empty" values positions. Secondly, the commercial brands to be used in Poznań brand communication should be divided into groups according to particular target group perceptions and exploited more often when promoted. Finally, the Poznań Consortium brand promotion and activities should add more elements that will strengthen the values and personality throughout which the Poznań brand wants to be perceived.

The type of research presented in this paper should be carried out systematically to monitor changes in the positions occupied by the Poznań brand and the Consortium brands. A systematic diagnosis allows to make necessary adjustments in the process of mutual brands strengthening.

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