INCREASING THE MARKETABILITY POTENTIAL OF CITIES

Sahil Harbansh
2nd Year, III Semester, M. Plan (Urban Planning)
SCHOOL OF PLANNING AND ARCHITECTURE, NEW DELHI

Abstract: Cities promote and brand to attract residents and investors. Planners and officials must adopt these methods. Image matters. Strengthen every asset to boost city perception (residents but also potential residents and visitors).

Today, a city's "image" can influence visitors, investors, and even its residents more than its actuality. Marketing helps cities become post-industrial tourist, culture, and redevelopment hubs.

Urban tourism is also influencing local government economic development policies. Attracting tourists is harder in the globalised economy. City marketing and city branding matters here.

This paper discusses city marketing's role in urban governance. It examines city marketing and urban tourism planning. The study concludes that city marketing is important in urban planning by examining its relationship to city time planning, participatory planning, and urban regeneration.

Keywords: City Marketing, Urban Planning, Tourism Planning, City Branding
1. BACKGROUND RESEARCH

1.1. Context of the Study

Cities and emerging towns are crossroads for trade and commerce, public participation, investments and industrial growth, and real estate opportunities.

With growing competition between towns and cities for fund and resource allocations and tourist attractions to increase their monetary pool, cities need to be strategically capitalised and marketed to the investors.

What is projected as the ‘image’ of a city, can be more important than the reality of the city itself, in shaping the opinion held by visitors, investors, and even its own inhabitants regarding the place. The main theme of the topic can be put as, “City as a Product”, as a juncture between Urban Planning and Marketing Strategies.

In some circumstances, the image of a city seems to play a greater influence than its actuality in forming the perception of visitors, investors, and locals regarding the location. Marketing strategies are frequently employed to aid in the transformation of a city into a post-industrial tourism, culture, and development hub.

Urban tourism plays an increasingly vital role in establishing the economic development policies that local governments implement. On the other hand, in today's globalised economy, the struggle to attract tourists is even more intense. In this regard, city marketing plays a vital role.

1.2. City Marketing

City marketing is a very young subject of study. Many consider it merely a collection of tools and techniques for selling the "product" of a city. However, city marketing encompasses much more. It entails the defining of a city's product (the city as a product) and its image, so that its intended recipients perceive it in accordance with the marketing strategy. Thus, city marketing plays a crucial role, bridging the gap between a city's potential and its utilisation for the good of the local community. This is especially true of European cities, which, on the one hand, are cultural hubs with strong local identities and, on the other hand, have a cosmopolitan character, not only because of their visitors, but also because they are in the minds of people who live far away or who may never get to visit. There are cities with considerable potential for cultural preservation that are unsuccessful. This situation could be altered by a marketing strategy that is logically formulated and implemented with due care. (Karmowska, 2002).

The main reasons for which a marketing strategy takes place are as follows:

- To attract tourists
- To attract investment and develop industry and entrepreneurship
- To attract new residents
- To influence local society – ‘internal marketing’

There is, of course, a second argument, which asserts that a city or region can better its position in the competition by employing one of six techniques. (Kotler, Haider, & Rein, Marketing Places: Attracting Investment, Industry, and Tourism to Cities, States, and Nations, 1993)

- Attract tourists and visitors to its businesses
- Attract business from elsewhere
- Maintain and extent existing business
- Promote small business and help create new ones
- Expansion of its exports and its investments of abroad
- Expansion of its population or change in its population’s distribution.

It is very clear that these two points of view do not actually disagree with one another; the second merely provides a description that is more analytical, without making any reference to "internal marketing." This concept of internal marketing is well recognised, and it has been stated that successful cultural projects have the potential to empower local societies and, as a result, become a driving force behind the promotion of local development in the role of internal marketing. Internal marketing is another factor that can play a role in deciding how residents of a city evaluate the quality of life they have in that place (Rogerson, 1999).

1.3. City Marketing and Urban Planning

City marketing supplements urban planning, it does not replace it. The main complementary fields include:

- urban development,
- urban management,
- urban governance,
- cultural planning,
- city branding,
- demonstration action planning,
- urban regeneration, and
- urban policy

The application of city marketing policies as tools for urban development expanded in several sectors such as tourism, sports, recreation, the arts, and the media, simultaneously creating powerful cultural industries. These industries include a variety of activities such as fashion and design, architecture and townscape, heritage, local history, eating and
entertainment, and generally a city's identity and external image. In addition to being tied to urban and spatial development, city and place marketing can also be seen as an innovative approach to planning. (Defnner & Metaxas, 2006).

A recent and highly fascinating development argues for an alternative, cultural planning approach to place marketing that, apart from its connection to place development, can add to the feeling of place. This creates a new connection between the development of local identity and the promotion of cultural heritage. In general, the work done in cultural planning implies that marketing and planning must be interconnected for cities to be successful. Even cities on a global scale have developed marketing strategies to attract potential target markets (new investments, tourists, new residents etc). A city must be “branded” to be successfully marketed, or vice versa; hence, city marketing and city branding are interrelated. Also related to city marketing is the preparation of demonstration actions. (Kavaratzis & Ashworth, 2006; Florian, Mommaas, Synghel, & Speaks, 2002)

1.4. Need for the Study

- **Globalization**: The process of globalisation has increased the significance of one's location. The removal of barriers caused by globalisation has resulted in an increase in the intensity of competition between locations. As a result, cities now compete not only with their immediate neighbours but also with cities located in other countries and even on other continents.

- **Economic Need**: In addition, globalization is one of the factors that is driving significant shifts in the economies of local and regional areas. The economic foundation of cities in Europe and the United States shifted from industry to services and, more recently, to the creation of experiences as industrial jobs moved from the developed world to the developing world, for example.

- **Changing Role of Cities**: According to David Harvey, cities evolve into “festival marketplaces,” in which the provision of leisure activities serves as a means of luring consumers and the purchasing power they bring to the city, so stimulating the economy of the surrounding area. As a result of this shift, the city’s traditional function as a center of production is being superseded by its new one as a center of consumption.

1.5. Aim

The aim of this study is to evaluate how marketing strategies can help induce growth in cities.

1.5.1. **Objectives**

- To analyse the socio-economic trends of tier II/III cities;
- To highlight the best practices of city marketing and city branding;
- To identify Marketability Potential Assessment techniques for tier II/III cities;
- To conclude the inferences and findings from the study.

1.5.2. **Scope**

The scope of this study would focus development efforts on the sectors that offer competitive advantages such as:

- Infrastructure
- Tourism
- Industries and Businesses
- Real Estate and Housing
- Environment and Natural Resources

1.6. Research Questions

1. What are the factors that affect the marketability of a city?
2. Whose concern is city marketing, an Urban Planner’s, or an Urban Manager’s?
3. What is an appropriate framework for developing and implementing a city marketing approach, i.e., the key concepts and an implementation model of city marketing?
4. How could the application of an implementation model of city marketing management enhance the effectiveness of investment in Indian Cities?

**TABLE 1.1: RESEARCH STRUCTURE**

<table>
<thead>
<tr>
<th>Introduction</th>
<th>Evidence from Reality</th>
<th>Part 1: Building the Model of Place Marketing Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evidence from Reality</td>
<td>Evidence from Reality</td>
<td>Evidence from Reality</td>
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<tr>
<td>Part 2: Evaluation of the applicability of the Model</td>
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<td>Evaluation of the applicability of the model</td>
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<td>Evaluation of the applicability of the model</td>
</tr>
</tbody>
</table>

Source: Author
2. LITERATURE REVIEW

2.1. City Marketing as a Strategic Process

One of the most intriguing topics of research over the past twenty years has been place/city marketing. This is due to the fact that many cities, particularly in Europe, adopt promotion programmes in order to reinforce their images and become competitive among other cities (Ashworth & Voogd, 1990; Gold & Ward, 1994; Kearns & Philo, 1993). In addition to the experience of the Anglo-Saxons, there is also a significant amount of German experience. (Kotler, Asplund, Rein, & Haider, 1999) makes the argument, with reference to regions and cities in Europe, that the economic vitality of a region or city also reflects on the development dynamics of that location, giving an appealing or unappealing personality to it. Regions and cities are characterised by the fact that they are required to offer, in their external environment, a favourable image regarding their economic growth. As a result of this obligation, regions and cities create promotional programmes and activities, which they then put into practise. In the context of place marketing, the product, or "good," in question is a location, such as a city or an island; this is especially the case when we are discussing tourism destinations, tourism goods, or destination products.

2.2. Key Concepts of City/Place Marketing

The term "city marketing" refers to an application of the marketing strategy to the field of city planning; more specifically, its operation is predicated on the ideas and principles that are central to marketing. According to the argument put out by Ashworth and Voogd, "the selling of locations within a market may and must be tied to a set of fundamental notions anchored largely in marketing science" (Ashworth & Voogd, 1990). However, city marketing is rather distinct from many other types of marketing in terms of the nature of the product that is being promoted, the nature of the organisation that engages in marketing, and the goal of marketing. These aspects of city marketing set it apart from other types of marketing. Therefore, for city marketing theory to be effective, a meaningful collection of essential ideas that may guide practise in this area has to be developed.

2.2.1. Place Product

For the theory of place marketing to be deemed valid, the idea of the "place product" needs to be seen as a major one. This is because in the absence of a product, there can be no commerce or marketing taking place. In the same vein, if there is no distinct notion of a place product, place marketing theory will not have a solid base and will not be able to be developed to its full potential. For a location marketing campaign to be successful in the real world, the marketer must have a crystal-clear grasp of the product being marketed. If the marketer does not have this expertise, the campaign is unlikely to be successful.

The frequency with which cities or other places are offered and advertised as marketable products using the common phrases "selling the city" or "selling places" is a common thread that runs through many of these studies, as well as the practical activities that are reviewed in them. This is a common theme that can be found in many of these studies. Renovating downtown centres, theatres, and museums or developing new convention and entertainment clusters with advertising messages that were not very distinct from one another are examples of some of the schemes that have been utilised to market areas in many post-industrial towns. One may argue that such minimal distinction of programmes is the result of an unclear notion of what is being traded, whether it be the place/city as a whole or certain things from a given location. Western cities that are currently in the post-industrial period have launched very similar plans of selling the city by treating it as a commodity to market. This is possible since these cities have many comparable characteristics.

On the other hand, a location must not to be seen as a product or commodity. It is necessary to consider the values, characteristics, and assets that a location contains to be resources that the location may draw upon to generate a wide range of place-based goods. Selling the City: Marketing Approaches in Public Sector Urban Planning, which was written by (Ashworth & Voogd, 1990). On the other hand, the subject of what constitutes a product and what constitutes a product strategy are regarded as the foundations of company marketing theory; however, the concept of place product and related issues, such as the place product strategy, have not been developed adequately and are not given the necessary importance.

A collection of characteristics of a location that are capable of catering to the requirements or preferences of the location's clientele is referred to as a place product. No matter where they originate, natural factors such as geographical position and natural landscape, or the efficacy of governance in the form of planning, policies, and public services, are all considered to be components of a place product for place customers because they all have an impact on the decision-making process of place customers.

2.2.2. Place Product Price

When compared to the price of regular commodities, the cost of a location product is difficult to determine and quantify. Even in the works of well-known authors in the field such as Ashworth or Kotler, the price of place products, or the guaranteed mechanism for exchange in general, has been barely mentioned in the publications of place marketing up until this point. This is also true of the guaranteed mechanism for exchange in general. There is still an issue with the notion. The
question of cost is also the basis for the belief held by certain authors that location-based marketing is an impossibility. They are of the opinion that the idea of pricing is not appropriate for the purpose when a location is engaging in location-based marketing.

2.2.3. Place Marketing and Place Marketing Management

Place marketing refers to the method through which a location develops and distributes its own unique goods and services to the people who live there. There are place products, and they have been traded for a long time; however, due to the widespread nature and intensity of competition between places, as well as the increased role of success in attracting and retaining investors for economic development in recent decades, it is an essential requirement to effectively manage this process. Management of place marketing begins when the location is aware of the function that place marketing plays and actively seeks out models and techniques to increase the efficacy of exchange. The concept of "selling places" has given way to "place marketing," and less sophisticated methods have given way to more complex ones, as practises and ideas have evolved.

Place marketing management can be defined as the task of identifying target markets and then creating, communicating, delivering, and exchanging place products that meet the needs of the target markets in a better way than those of its competitors. This definition is based on the idea that marketing performance is the primary concern of place marketing management.

2.3. Marketing Principles

Common principles of marketing include the marketing mix, marketing value principles, and the marketing activity principles that lead to customer value. There are 7 Ps that indicate the 7 principles of marketing, namely:

- **Product**: item or service that one is trying to sell, in this case, a city.
- **Price**: cost of marketing the city and revenue generation from the project.
- **Place**: optimal distribution strategies, or places and sectors that city infra. would complement.
- **People**: the sector specific target audiences whom the city is to be "sold" to.
- **Process**: framework and timeline of deploying the marketing strategies for the city.
- **Promotion**: includes tactics like sales, advertising, events, and other marketing channels.
- **Physical Evidence**: physical indicators like their website, brochures, logos, etc.

2.3.1. Major Marketable Resources of a City

The major marketable resources of a city include:

- Heritage, Tourism, and Culture
- Infrastructure
- Commerce, Trade, and Industry
- Education Sector
- Health Sector
- Real Estate
- Natural Environs

3. CASE STUDIES AND BEST PRACTICES

3.1. Place Marketing in Australia: Case Study of New South Wales (NSW)

In the 1970s, the state of New South Wales (NSW) was one of the first to develop a place marketing strategy to address emerging post-industrial issues in the state's capital, Sydney; some of these initiatives will be reviewed in brief detail in this article. The Darling Harbour Project, which was the first of its kind and possibly the most extensive endeavour of its kind, will be the primary focus of attention.

3.1.1. Darling Harbour Project as a Strategy of Marketing Sydney

Next to Sydney's historic core business area may be found the popular tourist destination of Darling Harbour. The neighbourhood stretches all the way from Chinatown, all the way along both sides of Cockle Bay, all the way to King Street Wharf on the east, and all the way to Pyrmont on the west (See MAP 3.1: and MAP 3.2:).
In the 1980s, the state government of New South Wales (NSW), which was led by Neville Wran of the Australian Labor Party (ALP), had a vision of placing Sydney as an international metropolis, a centre for the new regional financial system, and for tourism. However, this vision was not realised. It was believed that the Darling Harbour project would be the first step in accomplishing this objective. Before it became a well-known destination, Darling Harbour was an abandoned waterside industrial neighbourhood that had no permanent residents. At one time, it was a component of the commercial port of Sydney in Sydney, Australia, and included the Darling Harbour Railway Goods Yard (Gleeson & Low, 2000).

The neighbourhood saw a significant amount of transformation because of the construction of Darling Harbour, which was intended to become a world-class conference, exposition, market, and tourism centre. The initial effort was made in 1980, with intentions to develop Darling Harbour as a venue for an international expo to be held in 1988; however, the idea was not backed by the Federal Government, which was in power at the time (Liberal and National Parties, LNP). The subsequent attempt was made in 1983, shortly after the Labor Party won victorious in the federal election. The Federal Government provided financial and political support for the Darling Harbour project, which was designed with a primary emphasis on the tourism industry. The Federal Government placed a significant emphasis on fostering the growth of the tourist industry as one of its top priorities (Gleeson & Low, 2000).

3.1.1.1. Outcome

It is possible to think of Darling Harbour as the launching pad for a comprehensive and extended plan to market Sydney, which has been carried out by many administrations in the state of New South Wales (NSW) (Gleeson & Low, 2000) (Hall, 1999). Under the influence of neoliberalism ideology and with state governments actively practising measures to encourage private investment within a framework of market prices, the management and operation of Darling Harbour was carried out according to the principles of Managerialism (also known as ‘Corporation Management’ or CM), which is a model of governance. Tourists and international firms were targeted with a greater emphasis in marketing efforts in Sydney.
In general, the approach that the New South Wales government employed for marketing Sydney focused on the city’s status as a worldwide centre for finance, culture, and leisure activities (Wirth & Freestone, 1997). The two occurrences serve as illustrative examples of its choice of market niche to pursue. The strategy operated under the presumption that transnational companies (TNCs) and foreign visitors would play the primary roles in driving Sydney’s economic destiny. According to this supposition, Sydney had to contend with other cities, both within Australia and throughout the world, for investment dollars and tourist visits. The objective of the government of New South Wales (NSW) has been to increase mobile flows of investment capital and to stimulate growth in the tourist industry (Murphy & Watson, 1997). As a result, “government methods to advertise the city have proliferated.”

### 3.1.1.2. Costs and Benefits

The following is how the authorities described the estimated costs and benefits of the project in their initial statements:

- According to a report by the New South Wales Treasury, there would be a net economic benefit to the state of New South Wales of A$248 million over the course of 20 years if a major international event were held every year.
- The possibility of Sydney playing host to the race presented a significant opportunity to raise the city’s profile in the eyes of people all over the world. It was anticipated that the Motorcycle Grand Prix would be watched by up to 300 million people in over 100 countries.
- In addition, the raceway would make it possible for New South Wales to compete for other motor racing events.

### 4. ASSESSMENT TOOLS AND TECHNIQUES

The following table shows the potential marketable sectors of a few of tier 2 and tier 3 cities of a select few Indian states:

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>State</th>
<th>Population (2021)</th>
<th>Potential Marketable Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>126</td>
<td>Kadapa</td>
<td>Andhra Pradesh</td>
<td>4,54,531</td>
<td>Sports City/Education</td>
</tr>
<tr>
<td>123</td>
<td>Anantapur</td>
<td></td>
<td>4,61,191</td>
<td>Coastal Industrial Town (Petroleum)</td>
</tr>
<tr>
<td>113</td>
<td>Kakinada</td>
<td></td>
<td>5,22,676</td>
<td>Floriculture/Godavari River Ecotourism</td>
</tr>
<tr>
<td>110</td>
<td>Rajahmundry</td>
<td>Andhra Pradesh</td>
<td>5,51,828</td>
<td>Mining</td>
</tr>
<tr>
<td>88</td>
<td>Kurnool</td>
<td></td>
<td>6,85,818</td>
<td>Pilgrimage</td>
</tr>
<tr>
<td>85</td>
<td>Tirupati</td>
<td></td>
<td>7,04,615</td>
<td></td>
</tr>
<tr>
<td>72</td>
<td>Nellore</td>
<td></td>
<td>7,72,941</td>
<td></td>
</tr>
<tr>
<td>66</td>
<td>Guntur</td>
<td></td>
<td>8,75,474</td>
<td>Largest Chilly Yard of Asia (Agro)</td>
</tr>
<tr>
<td>177</td>
<td>Arrah</td>
<td>Bihar</td>
<td>3,37,114</td>
<td>Jain Tourism</td>
</tr>
<tr>
<td>166</td>
<td>Darbhanga</td>
<td></td>
<td>3,56,165</td>
<td>Medical Capital (Health), Education</td>
</tr>
</tbody>
</table>
From the above table we find that the major marketable sectors of the cities include:

- Tourism
- Industry, Trade, and Commerce
- Education Sector
- Health Sector

### 4.1. Assessment Indicators

The following table showcases the assessment indicators for various major sectors of a city with high marketability potential:

<table>
<thead>
<tr>
<th>City</th>
<th>Marketable Sector</th>
<th>Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>147</td>
<td>Bihar Sharif</td>
<td>3,81,995</td>
</tr>
<tr>
<td>119</td>
<td>Bhagalpur</td>
<td>4,87,027</td>
</tr>
<tr>
<td>117</td>
<td>Begusarai</td>
<td>4,94,581</td>
</tr>
<tr>
<td>116</td>
<td>Purnia</td>
<td>4,96,830</td>
</tr>
<tr>
<td>115</td>
<td>Muzaffarpur</td>
<td>5,16,403</td>
</tr>
<tr>
<td>107</td>
<td>Gaya</td>
<td>5,75,652</td>
</tr>
<tr>
<td>133</td>
<td>Korba</td>
<td>4,24,146</td>
</tr>
<tr>
<td>98</td>
<td>Bilaspur</td>
<td>6,16,394</td>
</tr>
<tr>
<td>174</td>
<td>Navsari</td>
<td>3,45,277</td>
</tr>
<tr>
<td>165</td>
<td>Morvi</td>
<td>3,57,227</td>
</tr>
<tr>
<td>148</td>
<td>Anand</td>
<td>3,81,049</td>
</tr>
<tr>
<td>144</td>
<td>Junagadh</td>
<td>4,06,112</td>
</tr>
<tr>
<td>143</td>
<td>Gandhidham</td>
<td>4,06,268</td>
</tr>
<tr>
<td>90</td>
<td>Jamnagar</td>
<td>6,50,977</td>
</tr>
<tr>
<td>82</td>
<td>Bhavnagar</td>
<td>7,11,625</td>
</tr>
<tr>
<td>163</td>
<td>Hisar</td>
<td>3,59,458</td>
</tr>
<tr>
<td>139</td>
<td>Karnal</td>
<td>4,13,822</td>
</tr>
<tr>
<td>124</td>
<td>Yamunanagar</td>
<td>4,58,452</td>
</tr>
<tr>
<td>120</td>
<td>Rohtak</td>
<td>4,77,116</td>
</tr>
<tr>
<td>109</td>
<td>Panipat</td>
<td>5,59,798</td>
</tr>
</tbody>
</table>

Source: Author
4.2. Tourism Assessment Techniques and Indicators

- Creating an Inventory
  - Tourism and Tourist Resources
  - Current Conservation and Planning Practices
  - Tourism Stakeholders
  - Attractions
  - Infrastructure and Services
  - Current Market Demand Analysis

- GIS Analysis
  - Inventory Site
  - Set Buffers
  - Identify Critical Areas
  - Identify Buildable Land
  - Place Infrastructure
  - Create Zoning Map

Source: Author

4.3. Industrial Potential Assessment Techniques and Indicators

**TABLE 4.4: INDUSTRIAL POTENTIAL ASSESSMENT INDICATORS**

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Technical Infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Common Facility Centres (CFC)</td>
</tr>
<tr>
<td>2</td>
<td>Research and Development – Product Development and Technical Demonstration Facilities</td>
</tr>
<tr>
<td>3</td>
<td>CETP and other environmental protection infrastructure</td>
</tr>
<tr>
<td>4</td>
<td>Training Infrastructure</td>
</tr>
<tr>
<td>5</td>
<td>Quality Certification and Benchmarking</td>
</tr>
<tr>
<td>6</td>
<td>Dormitories/Hostels for working women</td>
</tr>
<tr>
<td>7</td>
<td>SWM Disposal/Treatment</td>
</tr>
<tr>
<td>8</td>
<td>Water Supply</td>
</tr>
</tbody>
</table>

Source: Author
4.3.1. Analytical Hierarchical Process

The AHP is a multi-criteria method that combines qualitative and quantitative factors for ranking and evaluating alternative scenarios among which the best decision is chosen. The major concept behind the AHP is the implementation of a hierarchical representation of a decision-making problem and the reduction of the complex problem into pair-wise comparisons.

Consistency Ratio: The consistency ratio (CR) is used in order to check inconsistency and limit the possibility of random selection during the construction of the comparison matrix, and it is expressed as:

$$CR = \frac{CI}{RI}$$

where RI is the random index which was developed by Saaty (1977) and it is a constant which depends on the order of the matrix and the CI is calculated by the formula:

$$CI = \lambda_{max} - n/n - 1$$

where $\lambda_{max}$ is the largest eigenvalue of the matrix, and n is the order of the matrix.

4.4. Assessment Techniques: Demand – Capacity Analysis & Life Cycle Planning

Source: Author; Modified from Place Infrastructure Planning for Sustainable Cities, Michael Neuman

5. References


Karmowska, J. (2002). Cultural heritage as an element of marketing strategy in European historic cities.


