

City On Sale

an Introduction to
URBAN AND REGIONAL MARKETING

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1. Urban and Regional² Competition

All settlements (big cities, small towns, villages) are participants in global, nationwide or regional competitions of cities, towns and villages. They compete in attracting **residents**, labour force, **jobs** and **services**. Evidently there are not enough people, jobs, services to supply all settlements so that their population, jobs, services could be always on the rise. Consequently the number of population, jobs and services can be rising only in certain settlements; they are the winners of the urban or regional competition. The ones whose population is rising, but there are not enough jobs or / and services are the losers. Also the ones with decreasing population are tending to be losers in urban competition.

Success (victory) in urban competition is when the majority of the local GDP is acting in order to increase the wellbeing of the local residents. What are the agents of success? First of all, the rate of local **unemployment**, then the degree of **environmental pollution**³. The third factor of success is the rate of the **profit invested** in the local environment (physical and social) in order to improve public services or create new jobs.

The degree of success in urban or regional competition can be estimated by the number of **international business offices, universities, and research institutions**, located in a town or region. It is also important, whether the town or region is located in the **gateway situation**⁴ of a city of global importance (i.e. a metropolis, or mega-polis). Also, the amount of money the local government can allow to operate and organize **cultural institutions and programmes**⁵ shows the success or failure of a town in urban competition.

It is the body of local policy decision-makers (members of the local council or government) whose responsibility is to apply an urban policy the main task of which is to be successful in the urban or regional competition. The good local

² We can either consider single settlements (cities or towns) or regions (networks of settlements) when talking about 'urban' marketing.

³ Note: both the **physical and the social environments** are subjects to pollution. The former with noise, smoke, exhaust gas, radiation etc, and the latter with crime, especially the so-called bread-and-butter crime that originates from poverty.

⁴ **Gateway situation** is usually a place in the vicinity of a motorway just entering the metropolis (with population over 1 million) or mega-polis (with population over 10 million) of global economic importance.

⁵ **Cultural services** have the least ability to enforce their interests. So a town, which has enough local income to run cultural services, must be successful in urban competition. The more services it can afford, the more successful it is in the competition.

urban policy has to support the town or region to be among the winners of this competition. Unfortunately there are still local governments who are not aware of the fact that all settlements are in a competition, in an urban market. The farther East we go in Central and Eastern Europe the more such local governments can be found. Of course, settlements with such local governments tend to be among the losers of the competition.

The **objectives of the urban policy** include:

- A long lasting increase of **income** of local residents;
- The improvement of local public and business **services**;
- The increase of local **tax** paid by local business **companies**;
- The increase of local **tax** depending on the wealth of **residents**;
- Creating **jobs** via attracting business companies to town.

Urban policy has to achieve that the majority of the local labour force is employed in the **tertiary** sector of economy (services) instead of primary (agriculture) and secondary (industry) sectors. It is necessary because the main economic power comes from services in today's consumer society⁶. However, local governments thinking of the future are wise to attract scientific research and institutions of higher educations (**quaternary** economic sector), because in the future's information society human **knowledge** will represent the major economic power. Besides universities, colleges, research centres, such business and industry are wise to be invited to town that applies innovation and **high technology**. Urban policy ought to see to the **education** of labour force in order to create highly qualified local labour capacity. Local policy should support the recommendation and advertisement of **immaterial values**⁷ and the usage of **ICT**⁸ in order to strengthen information society on the local level. Urban policy should be able to deal with **social polarization** (the poor and the well-to-do living side by side) and the **negative externals** (like environmental pollution and crime). Since **multinational companies** have spare capital it is important to attract them to town in order to create new jobs, services, and infrastructure. The best position comes from the moving of the headquarters of the multi-companies to town.

The **agents of the urban policy** include the **local government**, the **operators** (the managers of business companies), the **developers** (the owners of the companies), the **consumers** (local residents, commuters and visitors), the **central**

⁶ In ancient times and the Middle Ages economic power came from agriculture and the arable land. At the time of the industrial revolution the source of wealth used to be industry with coal and iron. After the industrial society and World War II, the services and the hydrocarbons (oil and gas) took the lead in the so-called consumer society.

⁷ **Immaterial values** are bird watching, hiking, neighbour watch, environmental protection, taking part in the programmes of civil organizations, cultural events, etc.

⁸ **ICT** = information communication technologies like iPods, mobile Internet, smart phones.

government (responsible for the macroeconomic situation and legal environment), **NGOs** (non-government organizations and civil communities) and **churches** (the latter two exercising strong influence on the behaviour of local population and communities).

Finally the **character of urban policy** may be **intervention-free** (when the local government do not interfere with local economy, business and services); **intervening** (when the local government plays an active role in shaping local economy, business and services through legal regulations); and **enterprising** (when the local government is acting in local economy and services like any other business company).

As a result of urban competition, **every settlement** is present on the large market of cities, towns, villages and settlement networks (regions). They are on the market. They are **on sale**, quite independently from the type of their urban policy or the will of the local government. In this urban or regional market the settlements have to sell themselves. Those who will and can: shall be the winners in urban and / or regional competition; those who will not or cannot: shall be the losers.

How to behave in the market, what to sell, whom to sell – this is the topic of this textbook.



In the urban and regional market, cities and towns have to sell themselves, like as if they were products in a real market.



Decision-making centres of multinational companies, gateway situation, universities, scientific research institutions, international offices, high technology industries, information communication devices, immaterial social values will help urban policy to obtain favourable chances in the marketplace, in the urban and regional competition, in order to be among the winners. It is like a hurdle-race for cities, towns, villages and regions.

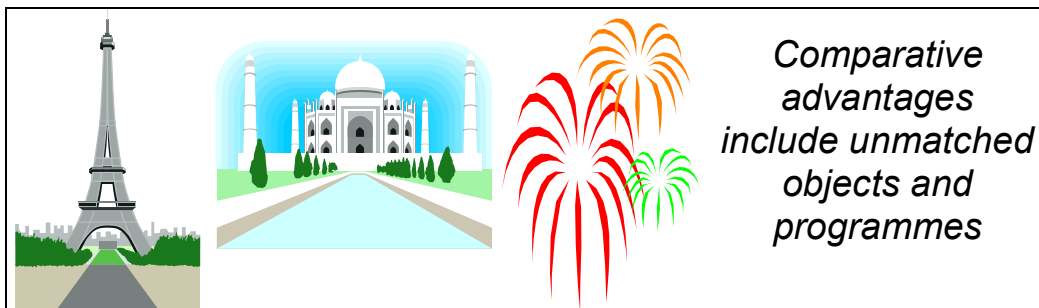
2. Marketing

The competition of cities is not something new; it has always been since the first cities were erected in Mesopotamia. Settlements were competing with one another for staple right, for the right of holding markets, for municipal franchises like royal town, collective nobility, market town, or cathedral town with Episcopal seat.

Marketing of goods (products and services) is an independent business and scientific field within economics. **Marketing involves actions of identifying, satisfying and increasing the buyer's demand for a company's products.**

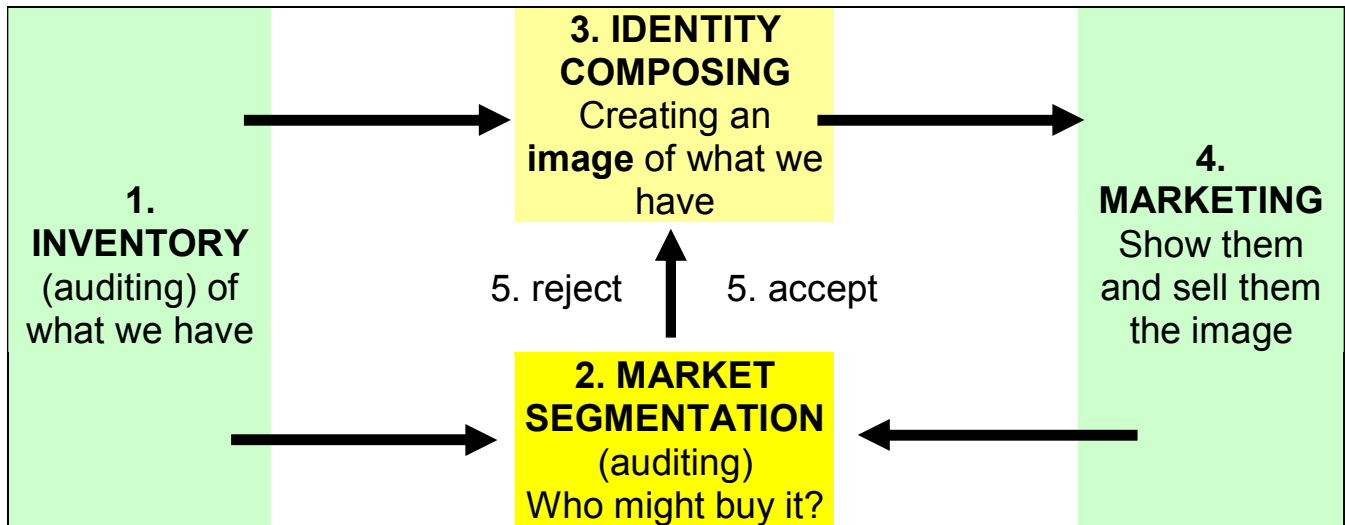
When the products belong to a city, a town, a village or a region, the definition goes like this: **urban marketing is establishing a strategic (operational) programme to reveal the comparative advantages of a region or a settlement and to communicate them towards the consumers (buyers).**

What are **comparative advantages**? They are unique objects, services, events, traditions, landscapes, etc. characteristic of only one place, a settlement or a region.



Urban marketing lists (audits) all the potential comparative advantages and the physical and social **resources** that can be found in a city or in a region. It also **surveys** (audits) the market segments, revealing the potential buyers of the resources. In doing so it locates the potential **target groups** of buyers who might be interested in the comparative advantages and all others resources of the city or the region. Urban marketing furthermore builds and **composes the image** of the city or the region. This image may be varied according to the demands of the target groups of potential buyers. Finally, urban marketing **communicates**, presents these images towards the chosen target groups in the market and tries to **sell** them.

In the following table the 4 circles of urban marketing activities can be seen prior to selling the city or the region.



The four activities of urban marketing

3. Competence Marketing

Somebody who is well acquainted with it can perform marketing a product. If the product is a settlement or region, the **competent agent** to take it to market is undoubtedly the **local government** consisting of local representatives. They must know their settlement very well, and they represent the local authority as well. Local government, local administration, local authority is a reliable seller. One would not expect them to communicate false information about the product (their settlement), while telling the truth about a product, 'the whole truth and nothing but the truth' is not as evident in case of business companies like everybody knows it from experience.

Marketing a settlement requires much more competence, suitability and means, than marketing any other goods. Marketing is a very important tool in urban and regional policy, not only because selling the city or the region helps them staying alive on the long range, but because market economy is entering public services in order to improve their quality and increase their quantity. This activity is known as **outsourcing** or privatization of public services. This process is the decentralization of public services actually. This outsourcing tendency applies pressure on local governments to enter business and enterprise. Thus marketing the city as a **business activity** will not be alien from a public administration organization like a local government.


However, local government as a seller in the market of cities will be in a very special situation. Since the local government is the local authority, its duties include supervision and regulation of the local market. During urban marketing the supervisor of the market is acting as a seller in the market at the same time. Therefore **local governments are very specific agents of the market**. In selling the city, there is no control above them like in case of outsourcing there is⁹. They can 'sell' the city any way they wish, as long as the transaction is not against the constitution of the country.

Of course settlements and regions are specific goods, too. They cannot be sold the same way as other products and services. What is the difference? To outline it, let us think of the **4 'Ps'** of marketing. The marketing **P-Mix** includes 4 components to deal with: **product**, **price**, **place** and **promotion**. Settlements cannot have any price, and during a marketing transaction they do not change place, the buyers cannot take them away. Also, the product stands for the whole settlement

⁹ They are the regional offices of the central government named as Public Administration Offices, and the courts of justice.

or region. What remains and acts the same way as in business marketing is promotion. Local governments can advertise their settlements the same way as companies advertise their products.

In urban marketing **promotion** is named as **communication competence**; and **product** (the settlement or region) is named as **supply competence**. It is because the (competent) local authority is performing urban marketing.

PRICE	PLACE
<i>No price can be estimated for this product.</i>	<i>The product cannot be moved.</i>
PRODUCT	PROMOTION
	<i>It advertises the product that has a supply of different performances, abilities, values and it is suitable for certain activities.</i>

The P-Mix of Urban Marketing

Now, what is exactly supply competence? Of course the settlement with its objects and environment cannot be sold in a physical sense. What can be sold is the **image** of the settlement or region. What does the consumer buy when he buys this urban or regional image? The subject of buying is **credit** or **trust**. The **consumers believe that the image is true**, because the image was issued and offered to buy by a competent agent, the local government itself in the course of competence marketing.

This offers us another definition for city and regional marketing: **the consumer purchases credit and trust, believing in the supply, performance, ability, value and suitability of the seller** (the local government). The supply, performance, ability, value and suitability of the city or region make up the competence.

So when the consumer buys a settlement or a region, he believes that it is worth living or visiting, investing or working and using services there.

In other words we may say the consumer believes that the product, the settlement is healthy¹⁰.

¹⁰ Settlement is a place that provides **residential** functions, **labour** functions and **service** functions. If any of these 3 is missing, the group of buildings cannot be considered as a settlement. If you are at a settlement, you can **live, work** and **use services** there.

4. Place as Product

We have seen already that in case of buying a settlement or region, the product has no price, after buying it cannot be **transported** and the **ownership** cannot be **transformed** to the buyers either. But unlike other products **a settlement can be sold several times even to the same people.**

In case of city and region marketing the buyers purchase the image of the place, and this action is **giving credit to this image** suggesting that the place is worth living, visiting, working, investing and using services.

The place may be **worth living** because it lies in an unpolluted physical environment. There is no noise, smoke and radiation, the environment is green and the landscape is nice. The transportation is good. The social environment is also favourable and provides a good residential area, if there is no crime, no political or ethnic tension.

The place is **worth visiting** if its comparative advantages include unique buildings, traditional festivals, art performances, rich history with monuments, beautiful landscape, natural beauties, spectacular national parks, tasty gastronomy, wines, summer and winter holidaying facilities, beaches, mountains, wild life reservoirs.

It may be **worth working** at a place if it has a wide choice of available and well paying jobs; if there are good transportation facilities between the place of residence and the place of work.

The place may be **worth investing** at if there is a wide market for the goods or services, and if the economic and taxation regulations are favourable for the investors. If there is enough labour force that is relatively cheap, yet workers are skilled and trained. The place is worth investing at if there is a market for the goods and services and if transportation is cheap and fast, premises and rents are inexpensive, yet comfortable and supplied with the necessary infrastructure.

Finally, the place may be **worth using services** if there are comparative advantages in education (highly appreciated universities), in health care (well-known clinics and hospitals, medicinal waters), in entertainment (casinos, sporting

events, theatres, concerts), in shopping (special supermarkets, low prices, wide choices, good quality).

When the place is sold the result is its **population retaining** or keeping **ability**. If a place (city, town, village, and region) is not losing its population, the place is healthy, because people prefer residential areas where they can live under healthy physical and social environment. They prefer places where they can find jobs not too far away from their residences. And they prefer places where they can use good quality services, too. If the place is sold, it means that jobs are created; local services and infrastructure are improving. People tend to live in a better residential neighbourhood than previously.

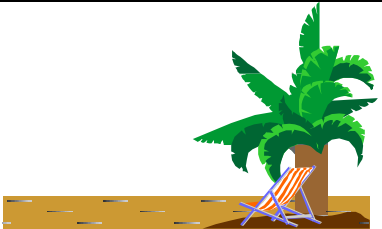
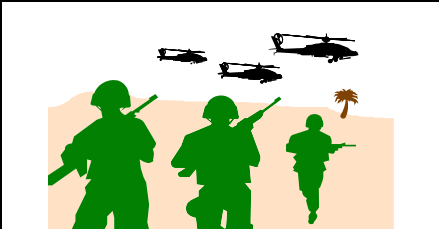
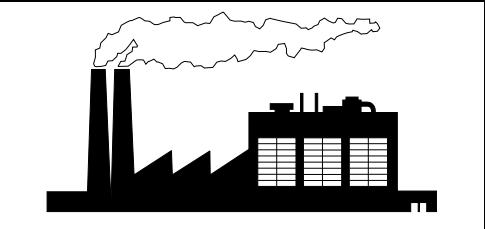
Urban marketing is a very essential task of the local government, because if it is neglected, the place cannot keep its population and cannot be among the winners in the urban competition. Later we will see who the buyers can be in urban marketing. Besides the managers and the developers who can create jobs, and besides the commuters, newcomers, tourists, students, the ill, shoppers, gamblers, hikers, etc. who may also buy the place the most important group of buyers are the local residents. If local residents do not wish to buy the place where they live, the place is doomed to decline. Local residents will buy the place if they can keep their ability to develop to meet the challenges of the information society. So we can cite a famous remark of Professor Enyedi¹¹ saying that **population keeping ability is none else than ability keeping population**.



¹¹ György Enyedi is the founder of Hungarian regional sciences and the academic network of regional research institutions.

5. Competence Image

It is competence image that **impersonalizes the place** / product in urban marketing. Although it is named 'competence' image, because the local government composes it, it is seldom an **objective image** answering reality in every aspect. Every member of the local government is more or less a local patriot. They are likely to look upon their homeland or city through rose-coloured glasses. Therefore we can say that competence images are likely to be **subjective images** as opposed to objective images. Impartial experts are likely to create the latter images, while our competitors are likely to compose and spread **negative images** of our place.

		
<i>Subjective image</i>	<i>Objective image</i>	<i>Negative image</i>

Examples of the distortions of competence image

In holidaying areas the competence image can turn into a subjective image if it happens to mention local political uneasiness or the danger of terrorism. Urban marketing tries to avoid negative images, quite understandably.

Competence image, however, should try to be objective. Though a place can be sold to the same buyer several times, one with bad experiences will never turn up again as a buyer, and will spread a negative image of our place.

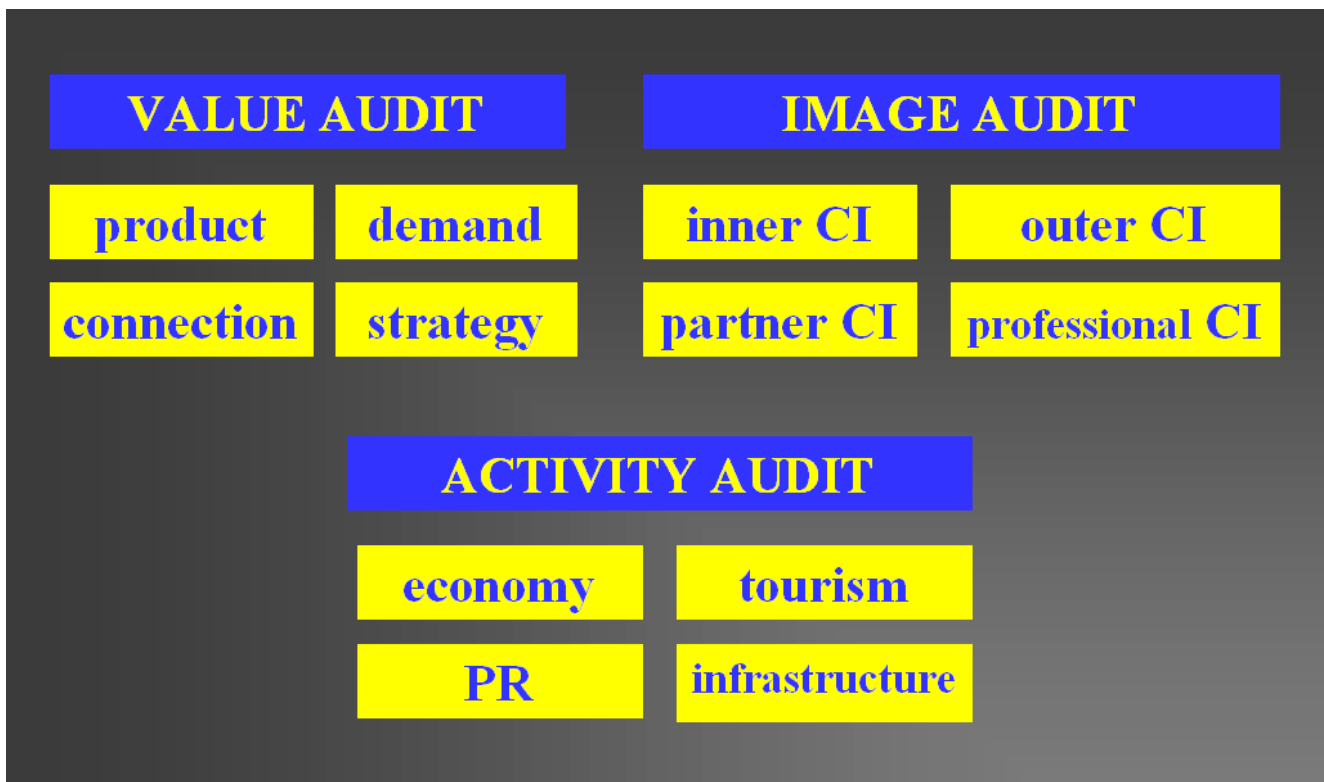
Do not forget, when a buyer believes the competence of the image of our place, and he is purchasing credit and trust to visit, live, work, or invest in our place, he is buying a pig in a poke¹².

¹² Once there was an airplane performing a forced descent above the Pacific Ocean. The captain announced the passengers via the loudspeaker: 'Here's your captain, attention please, we have to ditch, but do not panic; after landing on the ocean those dear passengers who can swim, please gather on the right wing of the plane; and those dear passengers who cannot swim, please gather on the left wing of the plane'. So the plane ditched and then the captain spoke again: 'attention please; dear passengers sitting on the right wing, you will find some islands 4 kilometres to the North, please start swimming; dear passengers sitting on the left wing, thank you for choosing us'.

6. Urban and Regional Auditing

Auditing the product (the place) and its values, auditing the competence image and the marketing activity is the most important part of understanding urban and regional marketing. It is the itinerary according to which one can learn how to carry out urban marketing.

Urban and regional auditing has the structure shown below:



The components of urban and regional auditing

Value includes the place itself (the actual product), the demand for it, the macro-economic situation of the product (connections) and the marketing strategy to follow.

Image consists of 4 aspects, too: the one of the local residents (inner), the one of all the others (outer), the one of the twin settlements and the one of the agents of public administration (professional).

Activity's 4 areas regard the state of local economy, tourism, public relations (promotions) and infrastructure (all the services).

6.1. Value Auditing

6.1.1. Product

An inventory has to be accomplished, containing all the environmental values of the product (place = a small village, a little town, a city or a metropolis, a region or a country).

There are five environments of a place: physical, economic, social, political and legal. All the components of the above environments have to be audited, (surveyed and listed) in an inventory.

The **physical environment** is made up of the geographical situation of the place (where it is exactly), the topography (mountains, hills or plains), geology (rocks and minerals), soils (sandy, loess or clay), and climate (continental, oceanic or Mediterranean), hydrology (rivers, lakes, groundwater, hot mineral water). The natural beauties, landscapes, wild life reserves, national parks have also to be listed. The state of urban environment should also be mentioned with the levels of air, water, land pollutions, noise and background radiation.

The **economic environment** can be characterized by statistical data regarding the local GDP, the number and output of local companies and enterprises, the amount of local products, the rate of unemployment, the indicators of living standard (e.g. number of cars per capita), the total turnover of companies expressed in the amount of local taxes, the available services etc.

In the **social environment** data should be present on the demography (the distribution of local population according to sex, age, jobs, schooling, income, national minorities, and ethnics). Social environment consists furthermore of historical monuments, cultural heritage like festivals, museums, art programs, exhibitions, concerts, performances and entertainment facilities.

Political and legal environment is providing safety for residents, investments, FDI¹³, economic production and services. Legal environment is responsible for the rates of local taxes, the mobility of labour force. Also, political environment defines the macroeconomic situation of the place to be sold.

¹³ FDI = Foreign Direct Investment

6.1.2. Demand

After summarizing what values the place (product) has in its physical, economic and social environment, the local government has to find out who might be interested in buying the image of the above values. In doing so it is necessary to survey the market (the potential buyers) and define target groups. Target groups can be e.g. the ill people seeking medicinal treatment, students seeking higher education institutions, tourist looking forward to visit comparative advantages like unique historical monuments, cultural events. Visitors may be looking for adventure, entertainment, concerts and casinos. Holidaymakers may be interested in spas, resort places, mountaineering, skiing, beaches, etc. Investors may express interest in obtaining cheap premises, in low local taxes, in skilled and relatively cheap labour force, in large markets. The local residents are likely to expect a peaceful, unpolluted environment to live in and jobs in the surroundings of the settlement.

Outlining the different interests of the target groups is named the segmentation of the market. During market segmentation the members of the local government have to bear in mind the values of their settlement (product) so that each value should be assigned to a special target group. The result of this activity is the inventory (list) of demands.

The **structure of demand** by the most common target groups:

Managers and developers (investors) look for cheap or free premises, low taxation, cheap labour force, skilled and trained labour force, good transportation facilities, stable political situation, safety of properties, reliable infrastructure, large market of well-to-do people.

Local residents expect an unpolluted, clean and green surroundings to live in, safety of their properties in a crime-free environment, good local transportation, jobs, good quality and quantity of public and business services (health care, education, energy supply, ICT, shopping, entertainment).

Tourists look for holidaying facilities, rich history, monuments, interesting traditions, festivals, beautiful landscapes, versatile wild life, national parks, exhibitions and museums, tasty gastronomy.

Visitors seek entertainment, shopping facilities, concerts, gambling facilities and sport events, medicinal water, health treatments and good hospitals, appreciated higher education institutions.

Commuters come to work and use catering and public transport facilities.

Target groups can be further refined by **age, sex, country, nationality, occupation** and **income**.

6.1.3. Connection

This factor is representing the macroeconomic situation in which the settlement is functioning. Within the macroeconomic situation there are economic branches the perspectives of which might be different e.g. within industry the steel production may be declining, while the electronic industry is on the rise. Inflation, the rates of exchange, the rate of value added tax, society tax and personal tax rates are again such macroeconomic agents that influence the values of a place, its urban marketing strategy and its position in the competition of settlements. Thus, connection is contributing to the value of the place, which is helping or blocking, accelerating or slowing its economic progress.

6.1.4. Strategy

This factor of values is the most difficult to accomplish during the value auditing. While listing the values of a settlement and finding out the potential groups of buyers are activities that can be performed by the members of the local government, strategy making usually requires experts.

The first approach to strategy making is to **survey the market** and the macroeconomic connections of the settlement. Then by comparing the current demands (and potential target groups) and the values of the settlement one has to choose the values the images of which should be taken to market. The strategy will reveal the **innovation** potentials hidden in the local values that are suitable to be taken to market, too. It is up to the strategy to define the exact **nature of the image** of the chosen values. Finally it is the strategy that tells the local government what to do in the course of urban marketing step by step within the frame of an **operational plan**.

When the local values, nominated as attractions, are chosen, the strategy has to define the **capital expenditure** needed to create their images. Also, the amount of **ROI**¹⁴ has to be calculated for each image. The **environmental risk** of using

¹⁴ ROI = Return On Investment

the local values has to be estimated, just in case. The **profitability** of selling the image, its **market share**, the rivalling, **competing** (similar) **values** of other settlements have to be paid attention to in the urban marketing strategy.

Another task of the strategy is to tell the local government with what values they can achieve **competitive advantages** in the market and in the urban competition itself.

The possible fields of competitive advantages include the following in the course of urban marketing as defined in the strategy:

- Human resources (cheap, but skilled local labour force);
- Prime cost (of producing or maintaining the local value);
- Goodwill or informal connections of the local government;
- Market share of the image;
- Sales network of the image;
- Suppliers, subcontractors employed in marketing the image;
- Profit coming from sales of the image;
- Technology employed in marketing the image;
- Knowledge, local know-how.

6.2. Image Auditing

The expression CI is also borrowed from business marketing and it stands for the image of a company. It is the abbreviation of **corporate identity**. The inner CI is the identity feeling of the local residents. Outer CI represents the image of the place existing in the minds of the population from other settlements. The partner CI is the image drawn by the population of the twin cities, while the professional CI is the image of the place composed in the minds of the decision-maker representatives of business and administration.

The **feeling of identity** (identifying) **with a place** can have several dimensions. From the large to the small places the intensity of identity is increasing. We do not feel too offended if our continent is abused, but may God save us from having a gun in our hands when someone with another car bumps into our car from behind!

Dimension of place	Intensity of identity feeling
Continent	<p>Very weak Weak Strong Very strong</p>
Macro-region	
Country	
Region	
Micro-region	
City	
Small town, village	
District	
Street	
House, flat	
Car	

Dimensions in identification with the place

The CI or image is acting like advertisement or an item in a shop-window; therefore it is of key importance if we want to sell the city or the region. The CI of our city or region is not formed in people's minds independently from us. We do have the means and possibility to interfere in CI formation let it be an inner, an outer, a partner's or a professional image of our place.

6.2.1. Inner CI

This is the image of the city formed in the minds of the local residents. Since it is of primary importance to sell the settlement to its own population, before taking it to market and offering to others, the inner CI can be considered the most important of all. There is a separate chapter (7.) dealing with selling the city to its own inhabitants. **Questionnaires** and mental maps can evaluate the state of the inner CI. We should apply questions like 'Would you move away from here?' 'How strongly are you affiliated to your city?' 'How much would you invest for improving the present state of environment in your city?' 'What is your problem here?'

Then we can have an idea about the 'hot spots' of problems the local residents are facing. These may be:

- Earning a living (lack of good paying jobs)
- Public security (too much crime)
- Public sanitation (too much pollution)
- Public services (the lack of proper services)
- Community moral (bad mood in the neighbourhood)

By trying to improve any of the above factors may result in a stronger feeling of identity and a stronger inner CI among local residents. If we have enough questionnaires filled in, we can draw a map of the city showing the spatial distribution of residents with different inner CIs, and with different problems. These are named **mental maps**. With the help of these maps we can put up an order of importance in improving the urban environment and infrastructure quarter by quarter within a city.

If the feeling of identity with the place is strong enough in local citizens, they are likely to buy the trust and credit to stay and what is more to improve their own city, because they believe the city will provide them with good residential circumstances, good jobs and acceptable services.

The inner CI can have different aspects. We can conduct a survey on how many local residents feel like living in their settlement. The image we receive after such an investigation is named **Live Image**. If the survey concentrates on the available services of the city, on how many people are satisfied with them the resulting image is the **Service Image**. If the accent is put on the entertainment possibilities, the inner CI is the **Tourism Image**. And finally it is possible to compare the inner CI to the outer one: what is the difference between the images created in the minds of the local residents and the residents of other cities? Does the outer CI completely differ from the inner one? Or are they similar? This 'self-knowledge' CI is the **Behaviour Image**.

	
<i>Live Image</i>	<i>Service Image</i>
	
<i>Tourism Image</i>	<i>Behaviour Image</i>

The types of the inner CI

6.2.2. Outer CI

The outer CI is the image of our city reflected in the minds of every resident of all the other cities who might have heard about our city. We could say it is an objective image that is being formed independently from us, the local government of our city. In reality, however, we have the means to influence this outer CI, namely, to improve it. To be able to improve it, we have to obtain the outer CI first in order to see what the critical factors we have to improve are. How can we obtain the outer CI of our city or region?

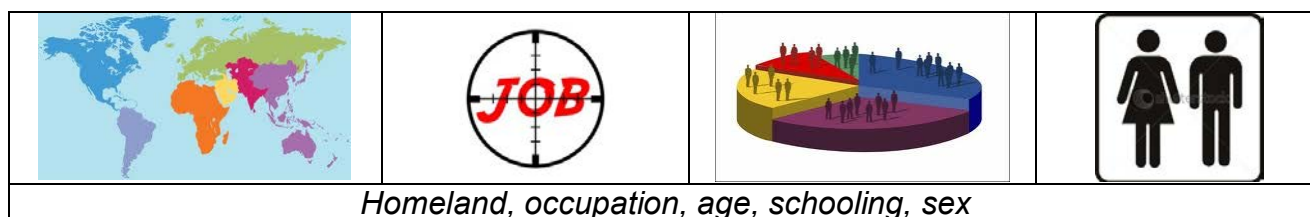
The most common means is to apply questionnaires, asking the visitors of our city or region about the motives of their visits. The purposes of the visit include excursion, spending leisure time or holiday, entertainment, to see our comparative advantages (sights of interest), visiting relatives, employment, study, sport, shopping, business, medical treatment.

Another frequent question is: from where did you get to know our city, or who recommended you to visit us?

						
<i>Newspaper, TV, Internet, radio, travel book, magazine, poster, leaflet, friend, relative</i>						

Sources of the outer CI

In order to have an image of the outer CI we have to know what our visitors are interested in. From where did they learn about our city or region? Who are they actually?



Market segmentation for the outer CI

6.2.3. Partner CI

The partner CI is an image of our city formed by the inhabitants of our twin city. Twin cities usually come about via personal acquaintances of the leaders of the cities. They also may have historical relations. The mutual twin city programmes are usually based on the exchange of cultural programmes, inviting and hosting the representatives of one another's population on cultural or sporting events.

Why is it important to have an image of the inhabitants of our twin city? They will provide us with an image that is missing any malicious tones, which is very likely to happen in case of the images constructed by the population of the cities that are our competitors. They will, by competitors' instinct, put stress on the negative characteristics of our city, so the image in the outer CI is very likely to be a negative one. **The partner CI is a well-meaning, rather objective image of our city.** Our twin cities are usually not our real competitors in the urban market, unlike all other cities in our vicinity. It is like when we and our relatives are selling something on the same market.

Not only settlements (the LAU¹⁵ 2 level in EU terms of regional policy), but also micro regions (LAU 1) and even mezzo and large regions (NUTS¹⁶ 3 and NUTS 2) can maintain economic and cultural cooperation under 'twin' relations. From the point of view of regional policy making the regional partner CI is useful in composing and obtaining the competence image of the region.



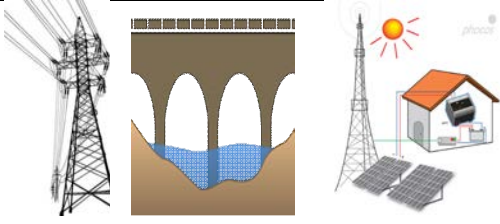
¹⁵ LAU = Local Administrative Unit

¹⁶ NUTS = Nomenclature of the Units of Territorial Statistics

6.2.4. Professional CI

Developers, operators of economic activities have a so-called professional CI of cities and regions in their minds when it comes to choosing premises. Since the major objective of regional and urban marketing is to attract capital (embodied in company headquarters, premises, production, services and jobs) professional image is especially important to convince the decision makers to choose our city or region as a destination.

What makes the operators (managers of capital) and the developers (owners of capital) to choose a certain city or region to take business there? The three most important factors are:

		
<p>Transportation expenses</p>	<p>Labour expenses</p>	<p>Infrastructure availability</p>

The most important factors in choosing economic premises

Additionally there are quite a number of other viewpoints that are usually taken into consideration prior to choosing a locality (a city or a region) for business activity and premise. So, when the local or regional authority is trying to compose the professional image of the city or region, they should bear in mind all the forthcoming aspects influencing the choice of operators and developers. These are:

- **Political and legal situation**

Political steadiness and legal safety in the city or the region are needed for financial stability of business. Political uneasiness and tension on national or country level do not encourage investments and render professional CI useless.

- **Tradition and purchasing power**

Tradition and purchasing habits of the local consumers; if they have enough money to spend; if they are interested in the products or services that are intended to go to market in the given city or region. The question is whether there is a traditional local demand for the type of product or service of the developers and whether the purchasing power is strong enough to realize profit.

- **Competition**

Are there other companies in the city or region, dealing with the same business? If there are competitors, how strong or important are they? Will there be a close competition?

- **Place image**

What is the outer CI of the region or city like? Is it objective enough, or is it rather subjective? Can it be considered a positive or a negative one from the point of view of the company's business line? Is it a competence image composed and issued by the local authority? Does the outer CI reflect a polluted, neglected environment, or a healthy one?

- **Local labour power**

Is the local labour power skilled and educated enough to be employed in the company's business? Do they speak the language? Are they acquainted with the business and work culture and expectations of the company?

- **Local society**

What is the inner CI of the city or region like? Do they know, do they like and do they protect their environment? Are they inclusive from the point of view of the company's business line? Are they welcoming or are they against the activity of the newcomer company? Will local civil communities and NGOs accept the company or are they likely to protest against its arrival? Can the property safety of the company be guaranteed? Can the level of local crime threaten the company's business safety?

- **Local taxation**

Are there local taxes or tax allowances, preferences? Are there any financial benefits on local costs if the company chooses the city or region in question? Do local leaders of administration welcome the company or are they indifferent?

- **Location**

Where is the city or region situated? How far is it from the international pathways of capital stream i.e. major motorways linking large regions or countries in the pan-continental communication and traffic network? Is it in a gateway position¹⁷? Is the physical and natural surrounding of the city or region aesthetic? Is it not too polluted?

¹⁷ See footnote No 5.

When the decision makers of a company are choosing business premises they use the Weber's Premise Choice algorithm; the difference based premise image.

In using it, you have to summarize all your expectations regarding your business premise. Then you summarize all the advantages and disadvantages making up your professional CI of the region or city you would like to go with your business. After digitizing the conditions you make a simple subtraction. If the result is a positive figure it tells you that conditions offered by the city or region are unsatisfactory for your business line so you should not choose it. On the other hand, if the result is a negative figure it shows that the chosen city or region will meet your expectations, so you should choose it as a premise for your company.

Expectations towards the city or region to be chosen.	-	Conditions (reflected in the professional CI) of the city or region	=	+ Leave the place!
				- Take the place!

Weber's difference-based premise image

The above algorithm shows us, how the professional CI is responsible for influencing business decision makers to choose a city or a region. Where there is economic activity it is not the result of any accident or chance, but the result of whether the potential local competence image makers (local politicians and local leaders) are aware of urban marketing, or not. Once they do not have composed or do not care about outer and inner CI, the professional CI will just not be sufficient enough in attracting capital to the city or region.

Besides the image created in the minds of developers and operators of the capital, there is another aspect of professional image. And it is the CI of the city or region reflected in the minds of politicians, policy-makers and the leading civil servants of the country where the city or region is situated. It is not all the same what the leaders of the political parties and the public administration of the central, regional and local governments think about our region or city. Of course we cannot and must not influence the political opinion of the local population, but the professional image as a whole should suggest that our region or city is strong and healthy from economic and social points of view. One thing is very important, however, none of the 4 corporate identity images should contain any political support or criticism. Regional and urban marketing must be free of politics.

6.3. Activity Auditing

Marketing activity has to be composed and programmed like a screenplay of a film. Its 4 aspects regard: economy, tourism, public relations (PR) and infrastructure.

6.3.1. Economy

Local economy of our city or region has to be developed so that it can receive and host capital import in order to create jobs and to increase the quantity and quality of products and services for the local population. Of course these products and services should answer the existing demand as well. The operation program of marketing activity focusing on economy should follow the structure below:

1. **Auditing and listing all available local conditions** influencing economy:
 - Local labour (quantity, age, sex, education, qualification, unemployment).
 - Local society (inclusiveness, the inclination of NGO-s, frequency of crimes).
 - Local legal regulations (taxation, allowances, preferences for capital allocation).
 - Local natural and physical resources (water, ores, raw materials, protected landscapes, wildlife, state of environmental pollution).

2. **Auditing and finding target groups** that may express demand for the above conditions among:
 - The operators (managers) of companies that might be interested in choosing our city or region as one of their premises;
 - The developers (owners) of the companies that may find our region or city suitable to settle down;
 - The students seeking higher education faculties in the universities of our city or region;
 - The ill people seeking treatments and remedy in our hospitals, sanatoriums, medicinal water spas.

3. **Composing professional CI** (corporate identity) **images** of our city or region for all available means of communication (newspaper, magazines, TV channels, radio stations, Internet portals, posters, flyers home and abroad), suggesting that our city is a suitable destination place for different business production, services, market, students and the ill.

6.3.2. Tourism

In city and regional marketing activity tourists are always regarded as a separate target group. Not because of their economic, but their PR importance. The most authentic information about a city or a region is that it is interpreted personally by an acquaintance, or a friend who has been there.

Therefore the tourist potentials of a city or region are the subject of an independent business branch: tourism, including catering, entertainment and accommodation. There are travel bureaus specialising in this field. Since it is about business, local governments do not perform tourist activity themselves. They support local travel companies like any other business company. However, since it is very important that visitors have good impressions, local governments should see to the success of festivals, carnivals, cultural and sporting events. They should support developing and improving local accommodation facilities, local transportation, public and all other business services, like public safety and infrastructure on the whole. With these improvements visitors are likely to have good impressions while staying in a region or city. If the region is rich in some natural beauties like seashores, mountains, natural parks, nature conservation area, wildlife, caves, etc. it is the duty of the local authority as well to preserve them and to try to keep environmental pollution under control. If the city or region is rich in cultural monuments and heritage, the local government has to maintain these in a sustainable manner and ensure accessibility to these monuments for not only the local residents, but for tourists as well.

So the structure of the tourist aspect of activity audit is the following:

- Supporting local travel bureaus.
- Keeping tourist local tax, if any, low.
- Improving local infrastructure used by most tourists (accommodation, transportation, entertainment, communication, cultural events, sporting facilities).
- Contributing to the central government's protection of natural beauties and healthy environment.
- Reducing local crime.

Local governments should not forget in competence place marketing those tourists, leaving the city or the region satisfied, are the most efficient agents of PR activity of their city or region.

Tourists can have different destinations. When we segment the tourists' market, we have to bear in mind our attractions. If we have large supermarkets and we are situated close to the country's border, we have to encourage shopping tourism. If we have a beach we have to invite summer holidaymakers and families with children. If we have medicinal waters we have to advertise our available

balneology services among the elderly people whose illnesses can be cured and treated with our water. If we have high mountains we can profit on tourists interested in winter sports or mountaineering, etc.

6.3.3. PR

The public relation activity in urban and regional marketing includes:

1. The **composition** of the interpretable and communicable professional CI, the survey and modification of outer and partner CI and the formation of inner CI.
2. **Conveying and communicating** the above CI images, but first of all the professional and outer images to the target groups in the potential and segmented market.

So the composition of the CI-s is not an image auditing activity in this instance, but building the final form of the images to be communicated towards the target groups.

The most efficient channels of communication have to be found in the direction of each target group. This is the task of marketing experts.

														
Internet	national	local	nat.	local	nat.	local	Magazine		Books, CD	Posters, flyers		Local Souvenirs		

Different channels for reaching different target groups

Local or regional governments have different tasks in finalizing the CI of the city or region.

The interpretable and communicable image of the:			
OUTER CI	PARTNER CI	PROFESSIONAL CI	INNER CI
Control: survey, modification		Full responsibility: formation, shaping	

The type of task a local government has in connection with the CI image

The local government is responsible for constructing and communicating the image of the professional CI in order to create jobs and attract capital to the city or region. The local government is responsible for the image of the inner CI among local population. The images of the partner and the outer CI are created more or less independently from the local government in office. The local government has to conduct some investigation to reveal these images first of all among the potential target groups interested in visiting the city or region. They are tourists, employees, residents of other regions, students, ill people, central government (it is also a component of the professional image) and the most important agent: the media and press.

If the outer CI has a negative image in the mind of some journalists, they can do the greatest harm to the success of marketing the city or region. Therefore it is especially important to maintain good relations with the press, to get well known journalists to write about our city or region, to invite them and show them the local advantages, beauties, possibilities, developments. The positive opinion of the independent press¹⁸ contributes as much to a successful competence marketing of our region or city, as those tourists who have already visited us and had good impressions. It is also important to issue regular press releases about the latest attractions for the written and electronic media.

There are several directions and major target groups of the PR activity of the local government, the two most important being the local residents and the capital (enterprises, companies):

Persons	Students	(OUTER CI)
	The elderly and the ill	(OUTER CI)
	Employees, consumers	(OUTER CI)
	Tourists, visitors	(OUTER CI)
	Local residents	(INNER CI)
Organizations	Capital, companies	(PROFESSIONAL CI)
	Media, press	(OUTER CI)
	Administration: central government	(PROF. CI)
	Administration: other local governments	(OUTER CI)
	Administration: twin cities	(PARTNER CI)

*The directions of the PR activity in urban and regional marketing
The images of the outer CI have to be modified according to the demands of the target groups; the images of the professional and inner CI have to be invented before communicated to the local population and the business decision makers.*

¹⁸ Not affiliated with the local government or local civil organizations.

6.3.4. Infrastructure

Since infrastructure is the basis of all economic activity, urban and regional marketing needs it as well; not only as part of the conditions (accessibility, transportation, energy supply, accommodation and communication) to offer in marketing, but as a primary group of facilities to operate marketing activity.

We cannot perform urban and regional marketing activity nor can we offer any place on sale without a proper infrastructure including technical and human services.

Technical infrastructure	Human infrastructure
Accommodation	<i>Education</i>
Transportation	<i>Social welfare</i>
Civil engineering:	Health care
<i>Water supply</i>	<i>Social security</i>
<i>Energy supply</i>	Public safety, police
<i>Sewage and waste management</i>	Financial services
<i>Telecommunication networks</i>	<i>Personal services</i>
<i>Flood prevention</i>	Legal system
Environmental protection	<i>Catastrophe management</i>
Nature conservation	<i>Defence</i>

Fields of the infrastructure

If any of the above fields is missing or malfunctioning, marketing activity cannot be successful for it might not operate and the credit of the images of the place could not be sold either.

The most significant agents of the technical infrastructure from the viewpoint of place marketing are accommodation, transportation, civil engineering, environmental protection and nature conservation. They are responsible for the physical appearance, operation and availability of the city or region. From among the human part of the infrastructure the most important fields include the legal and financial conditions, public safety and health care services for they are also very crucial from the viewpoint of capital import.

These factors of the infrastructure should be stressed, described and continuously improved when making up information of the city or region in the process of marketing.

7. *Importance of Buyers*

As we have seen so far, the most important objective of urban and regional marketing is to attract capital (in the forms of industrial or service premises, services and jobs). So the managers (operators of the capital) and the developers (owners of the capital) have to believe the professional image of the city or region suggesting that it is a favourable and suitable place to choose. We could say that the most important buyers are the operators and the developers.

However, there is one more target group that is even more important than the operators and developers and this is the local population for whom the inner CI of the city or region ought to be sold.

Why is the local population considered to be so significant buyers?



Capital wants to buy a healthy product. The operators and developers are looking for places where there is

- Security of property,
- Skilled labour power,
- Healthy environment,
- Innovative society.

When local residents will not buy the inner CI of their city or region, the resulting place has an image, where there is

- Bread and butter crime,
- Unemployment,
- Polluted environment,
- Social depression.

What is the process of selling the image of the inner CI? How can local residents buy their own settlement or region through giving credit to this image?

PRODUCT	BUYER	SALE	RESULT OF SALE	POPULATION RETAINING CAPACITY
Physical and social environment of a city or a region.	Local population	1. Get to know 2. Get to like 3. Get to protect the product. Thus local strengths → weaknesses → opportunities → threats →	survive, grow strong, are utilised, are diverted.	A business friendly and capital inclusive social environment comes about.
An improved physical and social environment; an improved product				

The process of buying the image of the inner CI

The three ‘gets’

How does the local population buy the city or region exactly? What do the three ‘gets’ mean? The first step of selling inner CI is to make local residents know their homeland. If they do not know their homeland they will not like it. They have to **know** not only the advantages (the strengths and the opportunities), but also the disadvantages (weaknesses and threats). If the local population does not **like** their homeland, they are not expected to **protect** its physical and social environment. If local population manages to protect their homeland its physical environment will be unpolluted and its social environment will be free of crime. It is not the official environmental protection or the police that can succeed in preserving the unpolluted state of the physical and social environment. Only local residents can really prevent local pollution and only local population can prevent local crime, just think of the ‘neighbour watch’ civil movement.

If the environment of the city is unpolluted in terms of both harmful effects and crime, the city will be an improved quality product to offer for sale. In other words if a city or region has not been bought by its local population it cannot be sold anyone else. First the image of the inner CI has to be bought by the local population then the image of the professional CI can be offered for sale or credit. Local population will buy the image of the inner CI of their homeland through getting to know, getting to like and getting to protect it and its environment.

So the very first and the most important task in regional and urban marketing is to make local residents believe their homeland is worth getting to know, like and protect. They have to give credit to the competence image of their city or region.

It is a marketing task, but in the age of the information society it is the basis of regional development as well. Brian McCarthy (1999) set up a comparison to see the basic difference between rich and poor regions:

<i>Are there poor regions? Answer: no.</i>	<i>Are there rich regions? Answer: no.</i>
<i>Are there poor people? No.</i>	<i>Are there rich people? No.</i>
<i>Are there people without abilities? No.</i>	<i>Are there people with abilities? No.</i>
<i>Are there people without the recognition of their abilities? Yes! They stand for the poor regions.</i>	<i>Are there people with the recognition of their abilities? Answer: yes. They stand for the rich regions.</i>

*A comparison of revealing
the basic difference between the poor and the rich¹⁹*

Champions

The local government is responsible for constructing the inner CI, but one cannot expect the mayor or the representatives to be able to collect all relevant local information with the purpose of urban marketing among local population. In most cases local governments are not in the financial position to allocate resources for employing marketing experts to do so. The persons collecting and structuring information for inner CI must come from the native population for they are the ones who know all traditions, history, and wildlife of the locality. So the local government has to encourage those members of the local society who are enthusiastic enough to do this job without even being paid for. McCarthy (1999) names these people as local ‘champions’²⁰. Their work and contribution to form the inner CI have to be appreciated and acknowledged by the local government. If these people are well known and have high reputation among the local society, their contribution is especially worthy, since in the eyes of the local society this contribution is accepted, appreciated and honoured. So what they do is actually competence marketing in the most important field of creating images i.e. creating inner CI. **It is the duty of the local or regional government to find, appreciate and encourage the ‘champions’** in order to be able to carry on with building the inner CI.

¹⁹ Remember, today’s society is the information society, when the major resource is **human knowledge**. The difference of possessing this knowledge lies in the question whether they are able to realize their abilities or not. It is the same in case of marketing the city: do local residents believe in the ‘abilities’ of their city, or not? If they do, they buy their city and it can be sold further. If they do not, they do not buy it and its marketing remains fruitless.

²⁰ They may be local historians, teachers, professors, priests, artists, leaders of national or ethnic minorities, etc.

8. Indicators - Summaries

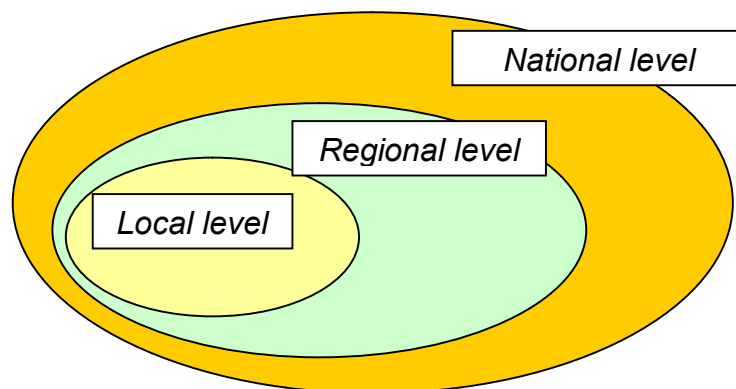
There are some summarizing, forbidding statements on urban marketing:

- **Urban marketing** should **never** be replaced by an **urban zoning** (master) plan or *vice versa*.
- It is **not** simply about inviting **investors** to the city or region.
- It is **not** about inviting **tourist** to the city or a region.
- It should **never** have **political** content.
- It should **never** be **neglected** or missed by the local government.
- It must **not** be **replaced** by some advertisement or investments.

There are some summarizing perceptions in connection with urban marketing:

- It usually occurs for the **first** time when the region or the city gets **into economic crises**.
- Its proper application usually **generates urban functions** (residences, jobs, new services).
- It is an **accelerator of urban and regional development**.
- It can usually act the **same way as** an urban **strategic development plan**, resulting a similar effect.

The dimension of urban marketing is threefold. When we perform the marketing of a small town or village, we should include this activity in the **regional marketing**, because many people might not know the locality of our small settlement. If the marketing is aiming foreigners as well, the **national marketing** context cannot be neglected either.



Urban marketing, when its subject is a small settlement, should always include and refer to regional and national marketing aspects as well.

The consumers' **feed back** has always to be monitored in urban marketing, since it helps to improve the marketing activity. The consumers can be divided into two large groups:

- **Inner consumers** (local residents = native residents and newcomers).
- **Outer consumers** (investors = managers and developers; commuters, service buyers = students, ill people, shoppers, entertainment seekers; tourists, visitors).

The expenses of urban marketing can be **direct** (like infrastructural investment, organizational and promotion costs on programs, printed press, brochures, posters, electronic press) and **indirect** (like giving tax allowances, preferential properties for premises).

The income from urban marketing can also be **direct** (like local tax revenues) and **indirect** (like the decrease of social care or environmental protection expenses, and lessening budget of running public services that are outsourced).

The effectiveness of urban marketing can be estimated and measured by three basic devices: SWOT analysis, output – importance portfolio, demand – competitiveness portfolio. These devices, when completed are suitable to improve the strategy (operational plan) of urban marketing by telling us what sort of activities have to be intensified to achieve a better output in selling our place.

8.1. SWOT

When summarising the factors of something, the SWOT technique credited to Albert Humphrey is often used. SWOT analysis is a method originally used in strategic planning to evaluate the **S**trengths, **W**eaknesses, **O**pportunities, and **T**hreats involved in a business venture. It involves specifying and identifying the internal and external factors that are considered to be favourable and unfavourable to achieve that objective of a given business venture. A SWOT analysis must first start with defining a desired end state or objective. A SWOT analysis may be incorporated into any strategic planning model in regional development as well. **S**trengths: characteristics of the city or region that give it an advantage over others in the country. **W**eaknesses: are characteristics that place the city or the region a disadvantage relative to others. **O**pportunities: *external* chances to make greater development and or success in attracting capital. **T**hreats: *external* elements in the environment that could cause trouble for the development of the city or region or for the success of selling it.

<p>STRENGTHS</p> <p><i>What are the advantages of the city or the region? Are there any capabilities to receive capital? Are there competitive (unique) advantages? What can be the USP's²¹? Are there resources, infrastructural assets and enough population? Do they have experience, knowledge and data? Are there enough financial reserves, or are there expectable returns of investments? Is there a marketing awareness? Are there any innovative aspects? What is the geographical location like? (As far as motorways, gateway situations are concerned.) What is communication like? Are there any cultural, traditional, behavioural heritages? Is administration and urban or regional management successfully operating?</i></p>	<p>WEAKNESSES</p> <p><i>What are the disadvantages of the city or the region? Are there any gaps in capabilities to receive capital? Is there a lack of competitive (unique) advantages? What is the reputation of the city or region like? Are there financial difficulties to run services? Are we aware of our own vulnerabilities? Are the deadlines of developments observed? Are there economic pressures? Is administration functioning without problems? What is the reliability of available data on the urban or regional functioning? Is development predictable? What are morals, commitments, and leadership like in the city or region?</i></p>
<p>OPPORTUNITIES</p> <p><i>What can be the market developments? What are the competitors' vulnerabilities? What are the trends in FDI, labour market? Is there a technology development and innovation in local or regional infrastructure? Are there any global economic influences present in the city or the region? Are there any possible target groups for the city's or the region's image? Niche target markets? Is there labour and/or capital export or import? Are there new USP's? Tactics - surprise, major contracts, etc? Are there ongoing urban or regional developments? What is the situation of communication -- information technology and research? Are there any partnerships with other cities or regions? What is the local or regional GDP/capita like? Are there any seasonal, weather influences in urban or regional development?</i></p>	<p>THREATS</p> <p><i>Are there political effects on urban or regional development? Are there any legislative effects? Environmental effects? What is ICT development like? What are the competitors' intentions? Is there a market demand for our city or region? Are there new technologies, services and ideas? Are there vital contracts and partners in urban or regional development? What are the sustaining internal capabilities like? Are there any obstacles faced? Are there any insurmountable weaknesses? Is there a loss of local population? Is there a sustainable financial backing? Is there a stable economy - home, abroad? Are there any natural catastrophes endangering the city or region like weather extremities, flood, and wildfire?</i></p>

SWOT analysis template

*Subject: define the success of urban or regional marketing;
Exemplary questions, the answers to which can define the effectiveness of place marketing by giving a survey of conditions, results, plans, perspectives etc.*

²¹ USP = Unique Selling Point

8.2. Output – Importance

When conducting an output – importance portfolio, we have to take into consideration the number of visitors arriving at our city or region, attracted by our comparative advantages (natural beauties, recreational or sporting facilities, cultural programs, monuments, etc). Once we know our attractions (comparative advantages) and the capacities of our attractions, it is relatively easy to calculate the output (number of visitors). After placing our city or region in one of the cells, the problem is displayed:

VALUES	high	<p><i>Few visitors (due to ineffective outer CI and communication), though values are present. Strategy: initiate place marketing.</i></p> <p style="text-align: center;">MARKETING is needed.</p>	<p><i>Many visitors, with available and accessible values. Strategy: maintain values and marketing.</i></p> <p style="text-align: center;">Monitoring and maintenance are needed.</p>	
	low	<p><i>Few visitors and little or no values. Strategy: to initiate both identifying, investing in and developing values; and initiate place marketing.</i></p> <p style="text-align: center;">VALUES and MARKETING are needed.</p>	<p><i>Many visitors (due to an attractive outer CI and good communication), but values are either missing or deteriorated. Strategy: invest in and re-develop local values.</i></p> <p style="text-align: center;">VALUES are needed.</p>	
		few	VISITORS	many

The output – importance matrix in place marketing

8.3. Demand – Competitiveness

When taking into consideration (auditing) the available values (place products) and their prestige or reputation home and abroad (outer CI) on the one hand and calculating the sources of capital import (like FDI²²) manifested in the success of selling the credits in professional CI (communication and marketing) it is possible to place our city or region in a Demand – competitiveness portfolio matrix.

In its cells the necessary measures tell us the major line of marketing activity or strategy to follow:

²² Foreign Direct Investment

VALUES and their REPUTATION	Demanded measures: capital attraction; communication; (selling the credit of the professional CI), improving place product	Demanded measures: capital attraction; communication; (selling the credit of the professional CI)	Demanded measures: sustainable investment; communication and marketing to keep level and develop place products in a sustainable way
	Demanded measures: capital attraction; communication; (selling the credit of the professional CI), improving place product	Demanded measures: capital attraction; intensive marketing, communication, improving place product	Demanded measures: intensive marketing (selling professional CI), improving communication
	Demanded measures: original innovation; initiation of place product construction, inner CI, capital attraction and marketing	Demanded measures: identification of resources (product and demand auditing, creating inner CI); marketing, designing communication	Demanded measures: re-structuring resources (product and demand auditing, creating inner CI); intensive marketing and communication
	low	available CAPITAL and MARKETING activity	high

After placing our settlement in one of the cells, the demand – competitiveness portfolio matrix gives advices to improve the efficiency of city and regional marketing activity

Values, reputation	REPUTATION:	REPUTATION:	REPUTATION:
	CAPITAL:	CAPITAL:	CAPITAL:
	VALUE/PRODUCT:	VALUE/PRODUCT:	VALUE/PRODUCT:
	REPUTATION:	REPUTATION:	REPUTATION:
	CAPITAL:	CAPITAL:	CAPITAL:
	VALUE/PRODUCT:	VALUE/PRODUCT:	VALUE/PRODUCT:
	REPUTATION:	REPUTATION:	REPUTATION:
	CAPITAL:	CAPITAL:	CAPITAL:
	VALUE/PRODUCT:	VALUE/PRODUCT:	VALUE/PRODUCT:
	Capital import and marketing intensity		

We can simplify the matrix with reference to the key issues as far as reputation, available capital and the place product are concerned: 😊 = good or strong; 😐 = middle; ☹️ = weak, low or missing

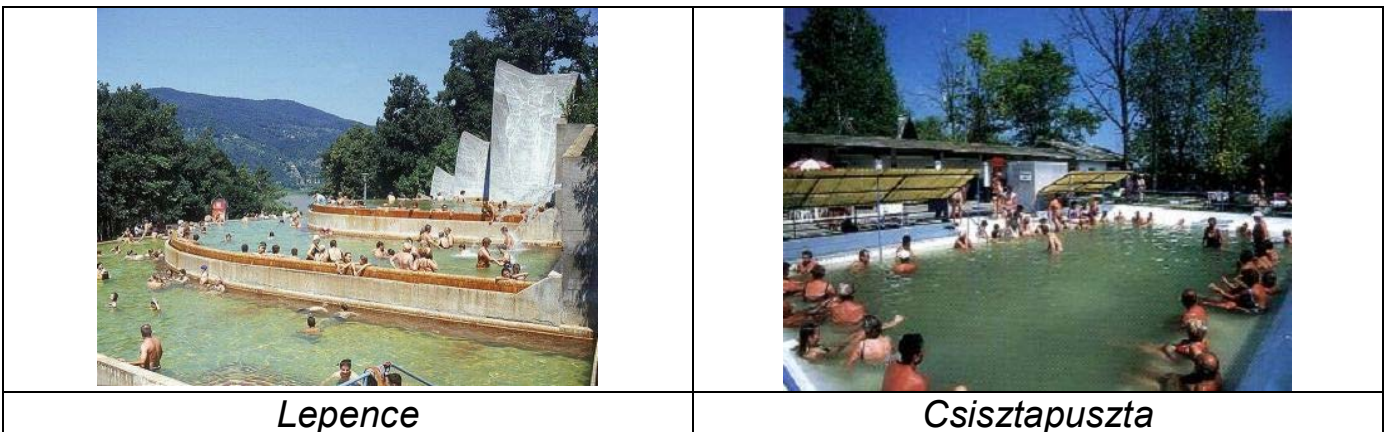
As an example for the demand – competitiveness portfolio matrix, let us use it for evaluating the place marketing activity of some Hungarian spas. As it is known, the territory of Hungary, the middle part of the Carpathian Basin in Europe is very rich in hot mineral water reserves. Considering the territory and the population of Hungary as a unit, we might say this is the richest area in the world as far as hot mineral water abundance and usage are concerned.

Values, reputation	3. Egerszalók, Nagyszénás	☺ ☹ ☹	6. Cserkeszőlő, Berekfürdő, Igal	☺ ☹ ☹	9. Hajdúszoboszló, Hévíz, Gyula	☺ ☺ ☺
	2. Lepence, Csisztapuszta	☹ ☹ ☹	5. Mezőkövesd, Bogács, Bükkszék	☹ ☹ ☹	8. Harkány, Eger	☹ ☺ ☺
	1. Any place without exploited hot mineral water well	☹ ☹ ☹	4. Csorna, Hajdúdorog, Szentés	☹ ☹ ☹	7. Miskolctapolca, Tiszaújváros	☹ ☺ ☺
	Capital import and marketing intensity					

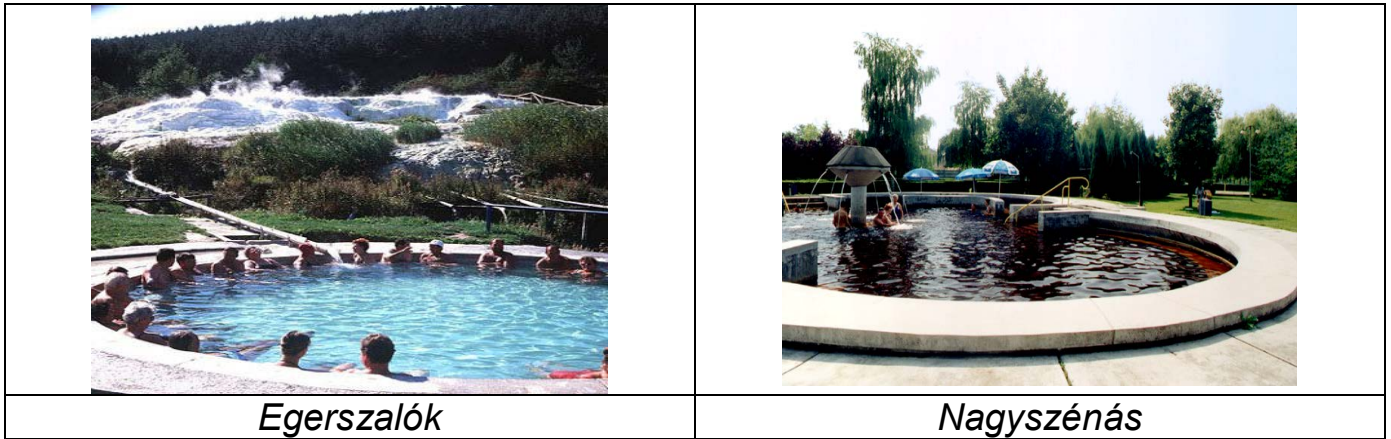
Example of well-known Hungarian spas in the Demand – competitiveness portfolio matrix

1. In an area like Hungary's hot water holding layers can be found everywhere under the ground at different depths; so the opportunity of having and using hot water is given for all the settlements from a hydro geological point of view. (It is a resource like having working age population, expertise, knowledge, oil, arable land, beech, mountains, and precious wildlife etc. Resources and the infrastructure should contribute to values making up the place product of a city or a region.)

2. There are settlements having beneficial hot water wells and they are known all over a region. Many people visit them, but the local infrastructure is very poor which makes accessibility rather difficult (there are no accommodations, roads, parking places, services). Therefore capital is not very likely to arrive at these places, despite the relatively high number of visitors and the regional reputation of the water. Another reason of the poor performance may be that these spas are off the pathways of international capital flow (e.g. pan continental motorways).



3. There are places with very unique hot medicinal waters, which are so beneficial for certain illnesses that people even from abroad frequent them. But again, the high national and international reputation is accompanied by poor local infrastructure, chaotic ownership of land properties. (The water of *Egerszalók* is world famous but for decades, visitors had to use it under ‘natural’ circumstances. FDI started the development of a high standard spa only in 2009.)



4. Many settlements in the plain lands of the Carpathian Basin do have the same quality water, as the famous spas, but their holidaying and medicinal infrastructure are rather moderate, and their place marketing is unsuccessful. Therefore they have no high reputation; they do not attract capital for hot mineral water investments.



5. There are settlements with moderate infrastructure built on their hot water reserves. Also, some capital has already arrived in their vicinity and development has started though they have only regional reputation and fame yet, like *Bogács* or *Bükkszék*.



6. Some spas have high internal reputation as having officially declared and acknowledged ‘medicinal’ water, like *Cserkeszlő* receiving many German tourists all through the year. However, their moderate infrastructure and geographic situation do not encourage too much FDI to arrive there.



7. There are places with very unique conditions (place products), like the cave bath of *Miskolctapolca*²³. These are discovered by the capital as well, and the infrastructure is very good. What is still missing is the marketing activity, the formation and selling the belief in the professional and outer CI. Also communication must have some defaults in these cities or regions.



²³ *Miskolctapolca* is the only natural and active hydrothermal cave bath in the world.

8. Some spas have made use of their geothermal resources, succeeded in attracting some capital, have good infrastructure and started the place marketing to some extent. Thus they are known nationwide as spas, like *Harkány*. But communication still has to improve to gain broad international reputation as well.



Harkány



Eger

9. Finally, the goal is to achieve is the state where everything is fine and the settlements almost can earn a living on their hot mineral and medicinal water reserves like *Hévíz*²⁴ and *Hajdúszoboszló* that are internationally famous and most frequented.



Hajdúszoboszló



Hévíz



Gyula

²⁴ *Hévíz* is the world's largest hot water spring lake.

8.4. Strategies

The strategies of urban marketing answer those of business marketing. We can distinguish 9 types of strategies concentrating on the dimension, tools and effectiveness of promotion.

Basic strategies

A basic type strategy usually has a task of **market winning**, especially if the place is a global mega-polis. You can think of Paris as the Fashion Capital of the World; Las Vegas is the World's Gambling Capital, Zurich is the Banking Capital etc. The **depute** (market-entry) basic strategy can be chosen when a place has just invented or brought about a brand new and very unique service or facility appearing for the first time. **Supply developing** basic strategy can be followed when the place already has had some attractions but they have been renewed, redecorated, enlarged etc.

Market covering strategies

From the view point of market covering the strategy can be **total** (when a place tends to be very unique even in global sense) or **partial** (when a city just want to attract purchases from its immediate region or vicinity, or when only a fragment of target groups are invited to visit the place).

Time strategies

When a place is marketing a facility for the very first time its operational plan is regarded as a **pioneer** strategy. If the attraction has already performed by other places we have to copy their strategy, which is a **following** type then.

Competition strategies

The affordable **expenses** can limit the operational plan of urban marketing. The strategy may focus on the **quality** or the **quantity** of facilities, attractions, offers of the place. **Innovation** is always an important agent to set upon marketing strategy. The urban marketing strategy may pay extra attention to the competitors as well; from this aspect the strategy can be **co-operative**. It is characteristic with twin cities. When the place wants to compete with the competitors, even through spreading negative image of them, the strategy to follow is **confronting**. On the opposite, if the place wishes to avoid confrontation with the competitors it follows an **avoiding** operational plan not hurting their interest. The wisest competition

type of strategies is perhaps the **flexible** one, always accommodating to the ever-changing market situation.

Penetration strategies

The offer and choice of the place can be communicated to anybody without segmenting the market; this type is **undifferentiated**. The more common type is the one, applying market segmentation and **target groups**.

Behaviour strategies

The attractions, or the operational marketing plan of a place can be brand new and it is the **proactive** type of strategy. It can be an answer to the competitors marketing activity and in this case the strategy is that of a **reactive** type. From another aspect the strategy can be **offensive** (intruding on the competitor) or **defensive** (creating the attraction as an answer to the competitor's marketing activity).

Customer oriented strategies

When the place offers low **prices** or additional free services as **preferences**, the strategy is that of customer oriented type.

Implement oriented strategies

The tools may decide the strategy as well. What kind of **communication** can reach the potential buyers in the most **effective** way (advertisement on TV, radio, newspapers magazines, Internet, posters, direct mail, etc).

9. Marketing the City Final Remarks

*To everyone that has, more will be given;
but from the one that does not have,
even what he has will be taken away.*
(Luke 19:26)

One of the oldest business teaching of talents²⁵ may sound at first hearing a bit cruel, though everyone is likely to accept its truth and sense of reality reflected in it and in sayings like 'Many wants more.'

Jesus came to seek and to save what was lost therefore he told a tale about a king who came to a distant land to secure his power for himself and to return. This king gave his servants ten talents each and told them to do business till he comes back. When he got back he called his servants to whom he had given the silver money in order to ascertain what they had gained by business activity. The first one said 'Lord, your talents gained ten talents.' The king then said 'Well done, servant. Because in business matter you proved yourself **talented, hold authority over ten cities.**' Then the second servant came, saying 'your talents, Lord, made five talents'. The king said 'you too, *be in charge of five cities.*' Then the third one came saying 'Lord, here are your ten talents that I kept carefully laid away, because I was in fear of you. I know you like to take up what you did not deposit and you reap what you did not sow.' The king then said to him 'I judge you out of your own mouth. You said I was a man taking up what I did not deposit and reaping what I did not sow. Hence why is it you did not put my silver money in a bank at least? Then on my arrival I would have collected it with interest.'" With that the king said to his soldiers 'take the ten talents from him and give them to this other man that has just gained ten talents!' Because to everyone that has, more will be given ...'

The above tale from the Bible can be applied to the leading bodies of cities and regions. They should prove themselves to do business to enter into competition in the market place of all the cities and regions in order to gain fame and economic 'talents'. If they succeed in doing so, they are 'talented' and their cities can grow richer dominating all the surrounding cities as the centres of regions. But those, who are afraid to enter the competition in urban and regional marketing and all they do is waiting for the king (central government) to come and help them, do not deserve economic growth. They are doomed to grow poorer and poorer and their settlements will be listed among the **losers**. On the other hand, the talented who dare to and do perform city and regional marketing will be the **winners**.

²⁵ Talent = meaning also an amount of silver or gold in ancient times.

As we have seen so far, regional marketing activity may be similar to regional zoning and regional planning as far as **goals** are set, **means**, tools and **resources** are defined to develop economy, infrastructure, services, living standard, jobs etc. However, there is a major difference between physical planning (regional zoning or urban master plans) and regional or urban marketing planning that should be observed. As Ashworth²⁶ puts: **physical urban planning is supply oriented**, while **urban marketing is always demand oriented**.

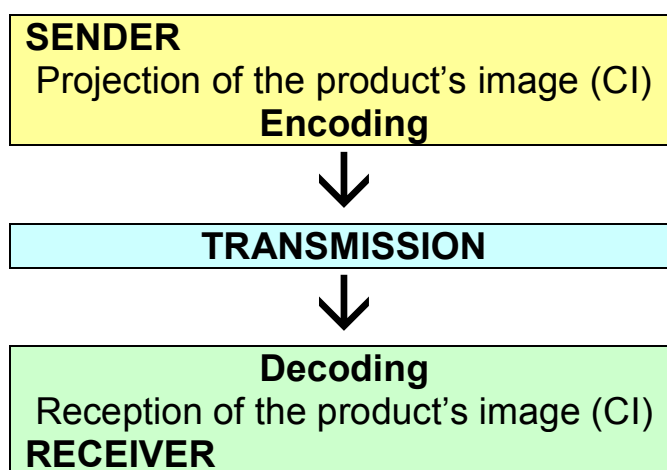
The major steps of urban and regional marketing include – as we have seen and as Ashworth stresses:

- 1. The **analysis** of local or regional **products** and their market demands
- 2. **Formulations** of **goals** (target groups) and **strategies** (communication)
- 3. **Elaboration** and **evaluation** of marketing activities

We should be careful with urban marketing, especially if or region or city is poor in products. The formulation of the **goals** and target groups should not exceed that of the local or regional **products** (opportunities, strengths). If it exceeds and visitors, operators arrive at a place without values, a negative outer CI will be forming very soon. As the marketing saying goes **‘the best way to kill off a poor product is to advertise it.’**

According to McLuhan’s famous dictum, communication is the essence of place marketing, too: **‘The medium is the message.’**

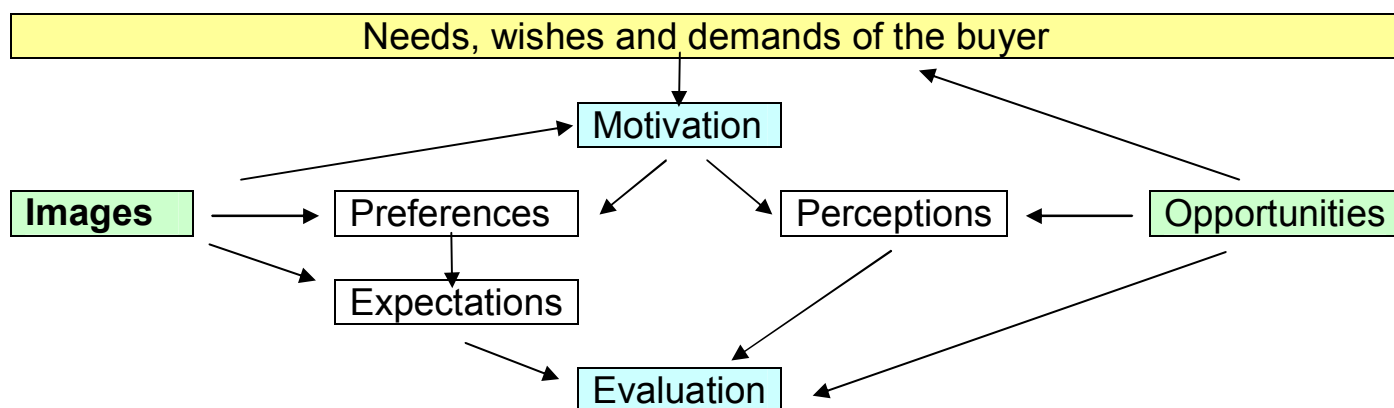
How is this message transmitted in the process of marketing?



*The simplified role of communication
in marketing (Rappoport 1982)*

²⁶ In the primary textbook of urban marketing by G. Ashworth and H. Voogd, entitled *Selling the City: Marketing Approaches in Public Sector Urban Planning*. Belhaven Press, London, New York. 1990.

The success of marketing the city or region depends on some psychological aspects as well, as far as the **personal decision making mechanism** influences the decision of the buyers of the place product (i.e. the local population, the operators and the owners of capital, the visitors of the settlement and consumers of local services).

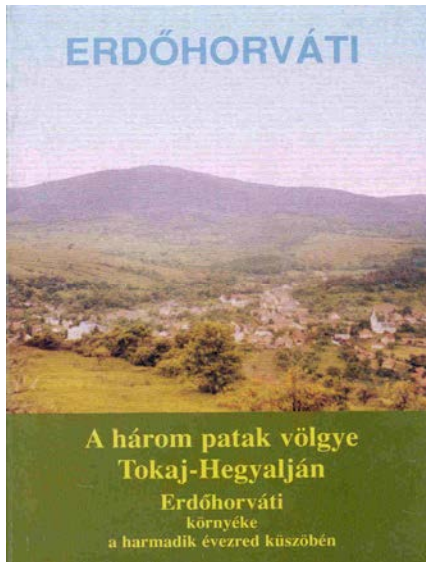


The role and influences of the (place) images in personal decision making (Goodall 1988)

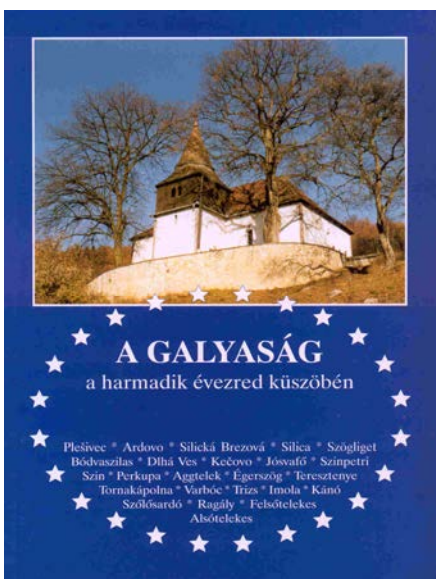
The places having many opportunities and strengths that are frequently demanded in a given society are in a favourable situation when it comes to planning urban marketing. They are doing well in **urban competition**, too. Urban competition, as seen by Bouwers – Pellenburg (1989) has several elements to analyse, so when planning the urban or regional marketing activity we should take into consideration the fields below in order that our marketing activity will be resulting in a good position in urban competition as well.

- **Sites.** What is the quality of industrial premises?
- **Subsides.** Are there any opportunities of receiving financial support?
- **Land cost.** What are the prices of properties?
- **Transportation.** What is the transport infrastructure like?
- **Labour market.** Is there relatively cheap and skilled labour force available?
- **Authority attitude.** Is local government open towards business?
- **Residential amenity.** What is the quality of the residential area like?
- **Commercial contacts.** Are there proper facilities in business connections?

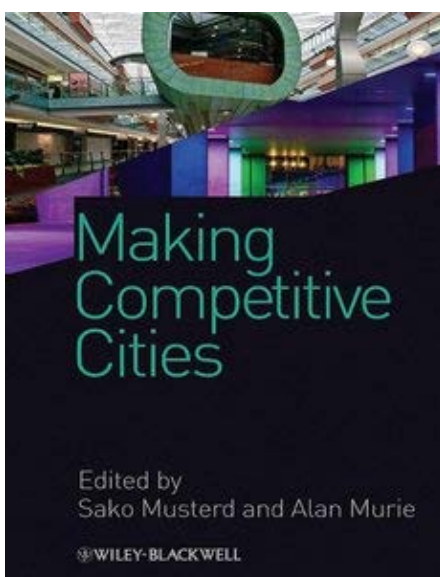
A final remark regards the dimensions of place marketing. It can be applied to different regional regions, like country (national level), region (regional level), city (urban level) and district or industrial site (local level). The most important thing is that when applying place marketing planning to any of the above levels, we should always place it in a context of the higher levels to avoid contradictions. We should not try to attract smoky industry in our town situated in a holidaying region. Also, when giving keywords and titles to the image of our place we should always fit it into a wider regional or national context.



When there is book summarizing the local values as place products with the goal of initiating local marketing in a minor settlement (Erdőhorváti) the title should focus on localizing the place in a wider geographical context. It may be the known name of the region in which it is situated (Tokaj-Hegyalja). With this it is suggested that the expected local development propositions (opportunities) are in harmony with the values (products) of the broader region around the small settlement.



When the values of a region are summarized in a book²⁷ in order to ground regional marketing strategy, again, the dimension should be reflected in the front cover. If the region is lying on the border between two countries (Galyaság) something should refer to the international geographical dimension (the EU colours and stars in this instance) showing that e.g. this region is divided between Hungary and Slovakia.



*Finally, when trying to define the **city product** in our age (that of the information society) the following opportunities have to be considered: **creative industries (arts, media, entertainment, architecture, and publishing) and knowledge intensive industries (ICT, R&D, finance, law)**. They can give a city or region competitive advantages today. They all stand for the tertiary (services) and mainly for the quaternary (science, research, higher education, culture) economic sectors (see Musterd, S. – Murie, A. 2010)*

²⁷ The books (*Erdőhorváti* and *Galyaság*) are written and edited by I. Tózsá.

10.

Case Study 1

Pilisszentiván

Pilisszentiván (Sanktiwan) is a **small** settlement of 4 thousand inhabitants 10 kms NW of Budapest, capital city of Hungary. Most of the local population **commute** to work and to use services in Budapest. It is situated along highway No 10, so it can be considered as one of the minor **gateway** settlements of Budapest. Its population used to be German. Today the **Germans** (Swabs) still form a considerable national minority. There used to be an important coal mine. The settlement is situated in beautiful, hilly natural surroundings of the Buda **Wildlife** Conservation Area. The name Szentiván stands for **Midsummer Night** in Hungarian.

How to carry out practical urban marketing in such a place?

Sanktiwan's urban **products** (value) **on sale** include the **images** of the following elements:

- **Fame.** Its name (Saint Ivan of the Pilis Mountains) has a pleasant ring (expressing Catholic values and the industrious Swab or German native nationality);
- **Transportation.** It is situated close to Budapest.
- **Gateway.** It is one of the west side gateways to Budapest.
- **History.** Its history is rich and has German relations.
- **Traditions.** Its traditions are partly German, partly related to coal mining.
- **Natural surroundings.** Its physical environment is beautiful.
- **Business inclination.** Its local society is open to business and capital import.
- **Sites, premises for business activity.**
- **Skilled local labour force.**
- **Low local taxes.**

Whether the images of the above elements are on sale or not, it depends on the local society's inclination.

YES (on sale)	Local society	NO (not on sale)
Security of property Skilled labour power Clean environment Social innovation		'Bread and butter' crime Unemployment Pollution Social depression

The **police** or the nature **conservation authority** is not able to protect private properties or the natural environment against the will of the **local society**. On the contrary, if local society acts against crime and environmental pollution, it is the most effective way to maintain a secure and clean social and physical environment.

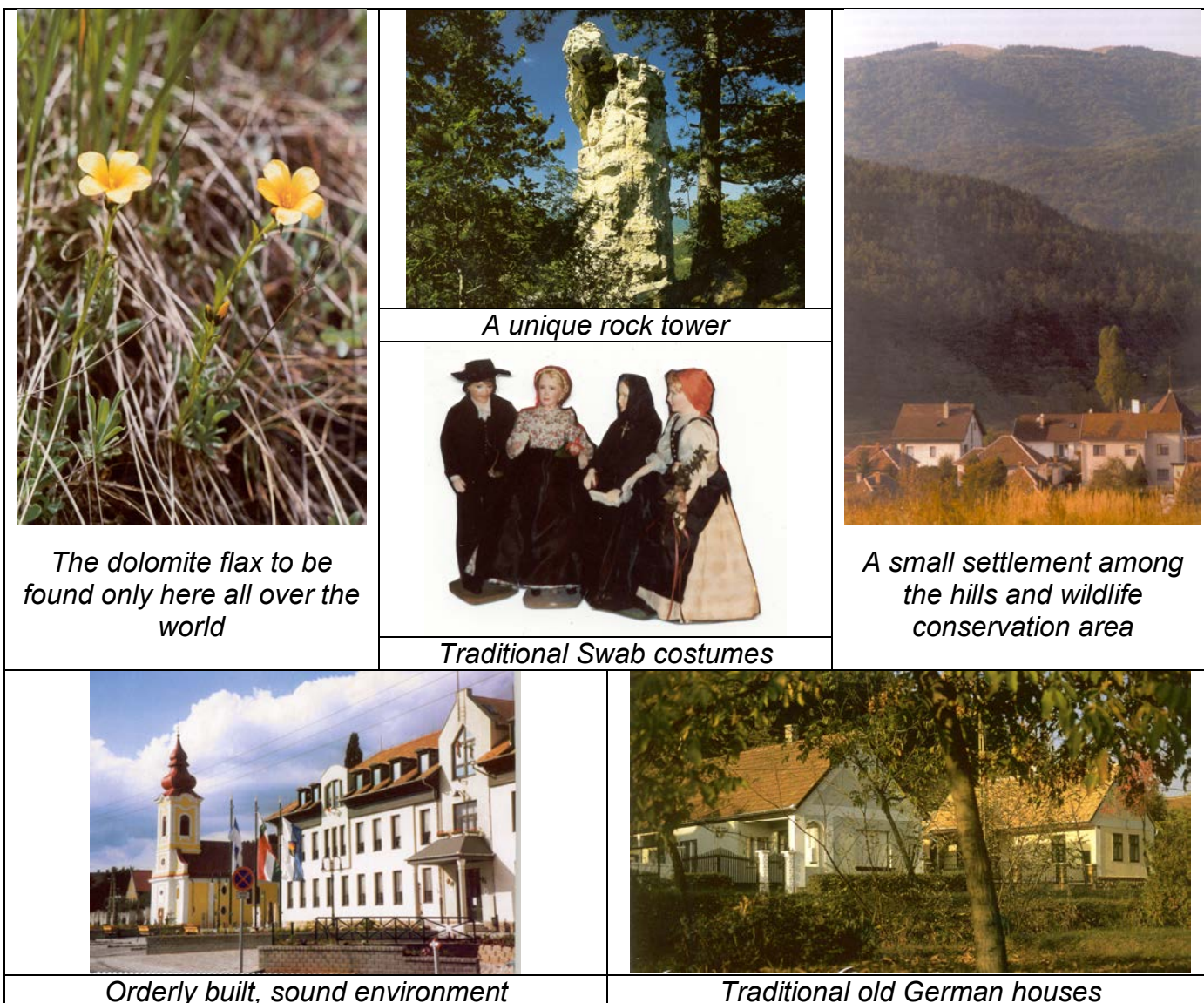
If the **social and physical environment** of the settlement is not **clean**, there is no way the capital would venture to come. If capital does not come, there will be no jobs, no services; the place will not be able to maintain its **population holding capacity**. Poverty will appear and the settlement finds itself among the **losers** of the urban competition.

Because Sanktiwan is lying close to Budapest, its jobs are situated within the metropolis and it is actually a **dormitory** town. But the ever increasing **economic crisis** and difficulties act against the social and environmental protection activity of the local community. This is manifested in facts like too few people express interest in local environmental protection, or local public affairs. The number of house burglaries is on the rise. The physical environment is getting more and more neglected, littered and polluted. Local residents, both the old and the young generations are tending to forget about their ancient German traditions, because of the increasing cost of living on the one hand and the global fashions of entertainment on the other. What can be the immediate duties of practical urban marketing under such circumstances?

The '**3 gets**' have to be reinforced. Local people should **get to (1) know** the values (both social and physical) of Sanktiwan. Once they are introduced to what they have, they are likely to be proud of these values, so they **get to (2) like** them. Once they got to like their values, they are expected to **get to (3) protect** them²⁸. The well protected social traditions and physical environment will grant a secure and healthy social and physical environment in which business and capital will find their ways.

From the above it is seen, that what is needed at a place like Sanktiwan is auditing and marketing the inner CI.

²⁸ Even an otherwise weak and coward citizen will risk prohibiting motor cross riders from the wildlife conservation area, if the riders are not unknown persons, but the sons of his neighbours or friends. On condition he is aware of the environmental risk and damage caused by motorbike riding in the wildlife area.



Some of the urban product of Sanktiwan the images of which have to be sold within the local society to ensure a sound social and physical environment

Exhibitions, lectures, excursions have to be organized for the local population and also, in the elementary school, to get them to know the local values. The factors endangering the survival of these values also have to be described. They should know the strengths and the opportunities embodied in the values, the threats and the weaknesses endangering them.

Once they buy (know, like, protect) these values, the settlement will stay sound and safe and can be recommended to the operators and owners of the capital to come there and establish premises, jobs, services. These premises, services, new economic activity²⁹, however, will not destroy the existing values, since the local community can protect it the best.

²⁹ When we see local 'greens' protesting against industries coming to their settlements, it is like sailors trying to mend their sails, while their ship is sinking, due to holes in the hull.



Books on Sanktiwan (written and edited by I. Tózsá)

The best way to perform the 3 gets method is to write and publish books or CDs with the results of urban **value audit**. It is important to include both social and physical environment into this value auditing.

What form should we choose for the item transmitting local values to the local population?

- It should be a **book**, a booklet, a CD, a video, a poster, a calendar, postcards, portal content, and local TV content.
- There should be **scientifically** correct information included in it, never-the-less it should be **easy** to understand for anyone.
- It should be published with local **motivations**, i.e. with the recommendation of persons having wide and **high reputation** in the local society.
- It should not be given free, or else people would take it as something worthless. It has to be **paid for**, but not so much, as not to be easily **available** for anyone.

³⁰ While before the book was published, some 1 % of the local residents had attended a lecture, a cultural event, or a voluntary work in cleaning the forest lakes; when the Saint Ivan's Midsummer Night witch-burning festivals were revived, some 30 – 50 % of the local population takes part in it, or with other words, they bought their settlement!

- It should be a member of a **series** to urge people to buy the following items as well.
- Its **return from sales** should **cover the expenses** of publishing the following issue.
- It should have an **aesthetic** and attractive front or cover.

So in small and rather closed local societies the **first** and the most difficult task is to sell the settlement to the **local residents**. It is relying on auditing all the social and physical values of the settlement. When it is done, the market **segmentation** can try to look for **target groups** of business buyers that could be interested in buying the credit and trust in the **professional image** (also constructed from the values) transmitted to them.

11.

Case Study 2

Urban and Regional Internet Portals

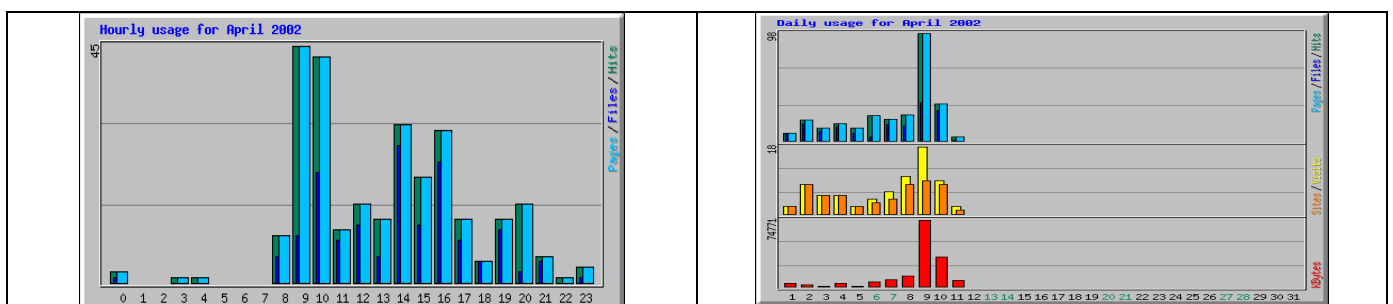
This chapter is about the government portals as in urban and regional marketing local and regional Internet portals stand for the most important tools of communication. In place marketing it is the government portal that can act as a competent agent to perform competence marketing as we have seen it previously. In this chapter the following topics will be discussed:

- The Role of Feedback
- Government Portal Principles
- Ideal Government Portal Structure
- Government Portal Patterns
- Government Portal Functions
- Planning Home Sites for Settlements
- The Ideal Local Government Portals

The Role of Feedback

Like in the operation of any business portal, we have to obtain data and graphs, show the visitors of our local or regional web site. The values show us the success or failure of our government portal service. If this service goes well, marketing activity has a good tool; if there are problems in the portal operation, we cannot expect a successful marketing activity either.

Portal feedback data inform us about the times of the maximum and minimum loading of the server, which is needed for the technology of the operation. They inform us about the users' habits, so that services can be reshaped (according to who, when, how much use the portal).



Feedback graphs of portals

The length of visits, the types of files downloaded, the sites visited in our government portal will all help us to continuously develop and improve the operation. E.g. people tend to visit the portal during office hours (a.m. or p.m. of

the working hours) which means they are likely to try to deal with their administration issues during their own working hours from their offices' computers.

However, after classes and working hours, the visiting and downloading at Internet portals, increases. This time most probably their home computers are used.

So the frequency of government portal visits tends to be the following:

<i>Morning</i>	<i>Working/class hours</i>			<i>Evening</i>		<i>Night</i>
	<i>a.m.</i>	<i>noon</i>	<i>p.m.</i>	<i>Early</i>	<i>Late</i>	
<i>very low</i>	<i>high</i>	<i>low</i>	<i>very high</i>	<i>low</i>	<i>very high</i>	<i>very low</i>

Although printing downloads late in the evening are low! Also, figures can show us the most frequented sites in our government portal.

Government Portal Principles

There are research teams³¹ conducting regular surveys on government portals. It conducts regular surveys on government portals abroad. Constructing the philosophy behind government portals, or outlining the ideal portal structure and content can be based on their findings.

Government portals should be similar to commercial ones (in basic usage and structure). Structurally it means they should have thematic link collection, database, search and news, on the main page there are only direct links. From the point of view of Contents they may follow different patterns:

- **Life tree** model (Singaporean),
- **Menu points** connected to administration,
- **Magazine** like structure (German governmental portal),
- **On line Newspaper** like portal,
- **Department** model

The structure and content of the government portal thus depends on the organizing principle. In most cases there is a central portal. (The organisations presented and stressed in the portal are characteristic of the political system of the country. It is interesting to see if there is a site on: Police – Court, or the Ombudsman Office)

As for **target groups**, unlike the business portals there are **generally no** specific target groups in government portals, because central, regional or local governments should address every citizen. However, for those speaking **foreign** languages there may be different contents. In case there are specific contents

³¹ E.g. Information Society and Trend Research Centre (ITTK) in Hungary.

those are for the young or the **children** (UK, Mexico), or for the **old** and the **disabled**.

As for the **display**, the most important issue is that a great deal of information should be **structured** in an **aesthetic** appearance. The main page should always have **high standards** and be **well arranged**; it is true for all the sub pages! It should be dynamic but not too crowded, or showy. **National (regional or local) symbols, colours** (flags, coat of arms) should be always present.

Interoperability is an ever-increasing demand government portals should observe. There are no spectacular results yet. The goal is to achieve transactions in on-line administration, but most of the solutions offer 'half-online' administration which means that downloading forms is possible, but they cannot be returned on-line, because the identity authentication is not easily available for every citizen on the one hand and the back office facilities are not ready to manage on-line applications either. There may be on-line shopping possibilities and online questions, inquiries, surveys, quiz or games with winning prizes.

The introduction of departments can be found in every government page. Strategic plans, reports, laws can be reached almost everywhere. Each portal has public educational functions, too.

Feedback: The possibility of sending your opinion to whom and in what form, can refer to the political system of a country (a **measure of on-line democracy**); to the President or to the Webmaster, to nobody (there may be a forum, a visitors' book, guest room, press room, a chat site).

User friendliness: Options helping navigation in the portal (site-map, search or both) – they are present even in the smallest sites (though some portals have only search function) – there may be alphabetical index of subjects, help functions, Frequently Asked Questions (FAQ). From this aspect almost all sites are 'friendly'.

Language is an important issue from the aspects of being user friendly and the target groups if any. Unfortunately, much of the information on government sites can be reached only by native speakers of the national language. The smaller the settlement is, its portal is the more likely to use only the native language.

Internet address is logic if the word 'government' is included.

Ideal Government Portal Structure

1. Country (region, settlement) **introduction, language** choice, **symbols**, further choices for the disabled, the young and the old
2. **Site map**, index of subjects, **help**, FAQ
3. **Search**
4. **News** (governmental: national, regional or local)

5. Press room, connections, forum, feedback (**on-line democracy**)
6. **Topical issues** of interest, headlines
7. Body of (national, regional or local) **government**, cabinet members
8. **Department** links
9. Prime Minister / Chancellery / President / Parliament / Representatives (biographies, connections)

10. **Electronic Government Services (interoperability)**
11. **On-line collection of legal codes**
12. **Documents** (strategies, surveys, reports, budget - **transparency**)
13. **Thematic links** (*public health, politics, supreme court, national bank, economy, premises on sale, call for proposals and tenders, quest for investors and partners, employment, residences, housing, culture, history, geography, society, environment, wildlife, natural beauties, tourism, accommodation, monuments, places of interest, entertainment programs, education, science, research, sports, press, international relations, specific contents for the young, the old, the disabled and the unemployed*)
14. **Databases:** maps, photo galleries, telephone book, yellow pages, services, library, national (regional or local) programmes, on-line weather report, traffic report, TV programmes, e-picture cards, game, shopping, stock index, exchange rates).

From the point of view of **place marketing** (on national, regional or local levels alike) the most relevant information has to be present among the **thematic links** (see in italics) favourably in **foreign languages** as well, depending on the target groups of marketing.

Government Portal Patterns

As an example there are 4 outstanding government portals:			
The USA	www.firstgov.com	The United Kingdom	www.direct.gov.uk
Germany	www.deutschland.de	Singapore	www.gov.sg
And some interesting ones:			
Israel	www.gov.il/eng/mainpage.asp	Netherlands	www.overheid.nl
Canada	http://canada.gc.ca		

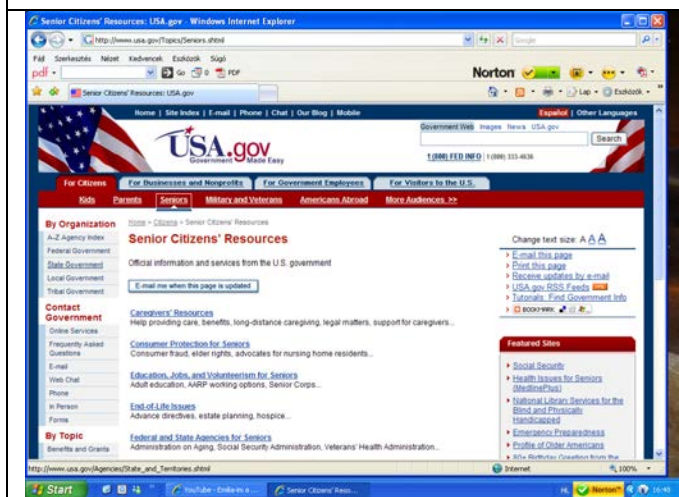
The USA: www.firstgov.com

It is the great model of government web sites. Its aim is to give a universal starting point in all public affairs. It is divided into 2 parts:

1. Introduction of the government, institutions, and issues in connection with government duties. (Knowledge concerning government is grouped into the 3 branches of power: Legislative, Executive and Jurisdiction.) There are direct links to the portals of the states. Topical issues include taxation, public health, education, etc.
2. The other part includes menu bars of information (encircling every field of life).

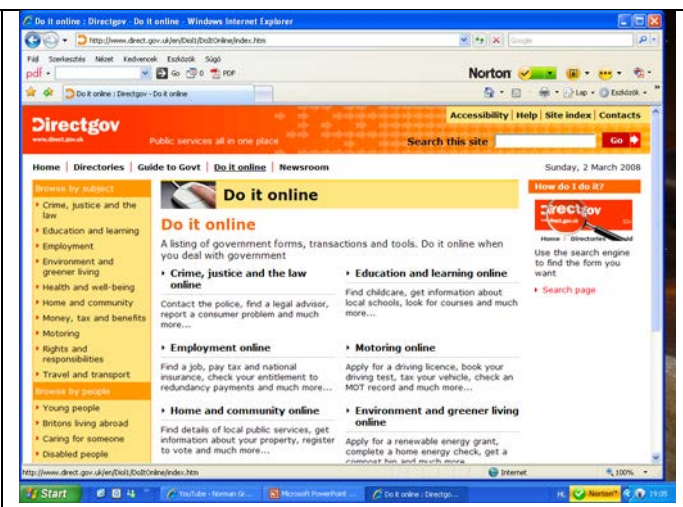
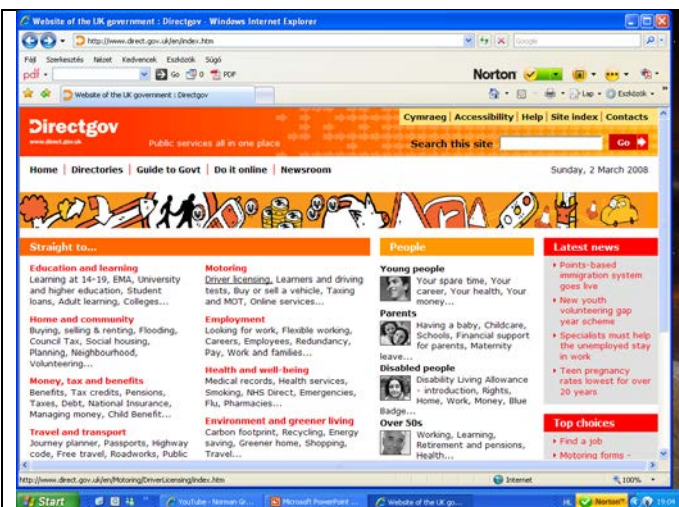


Symbols, language choices, specific target groups (Kids, Parents, Seniors, Americans abroad, Tourists etc, logic structure; links to states

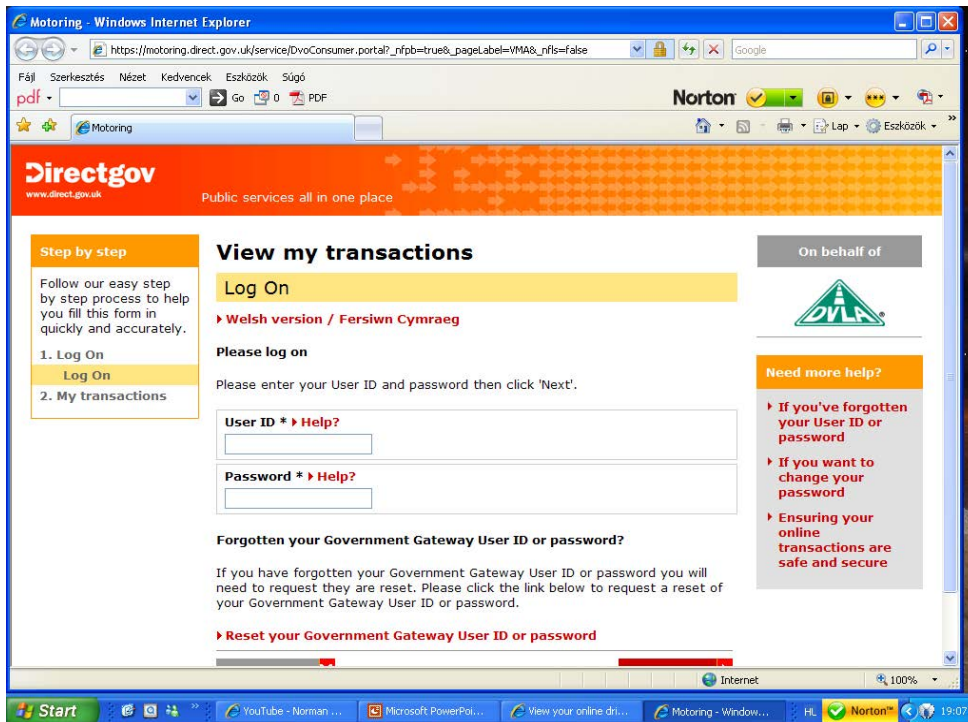


Government portal of the USA

The United Kingdom: www.direct.gov.uk

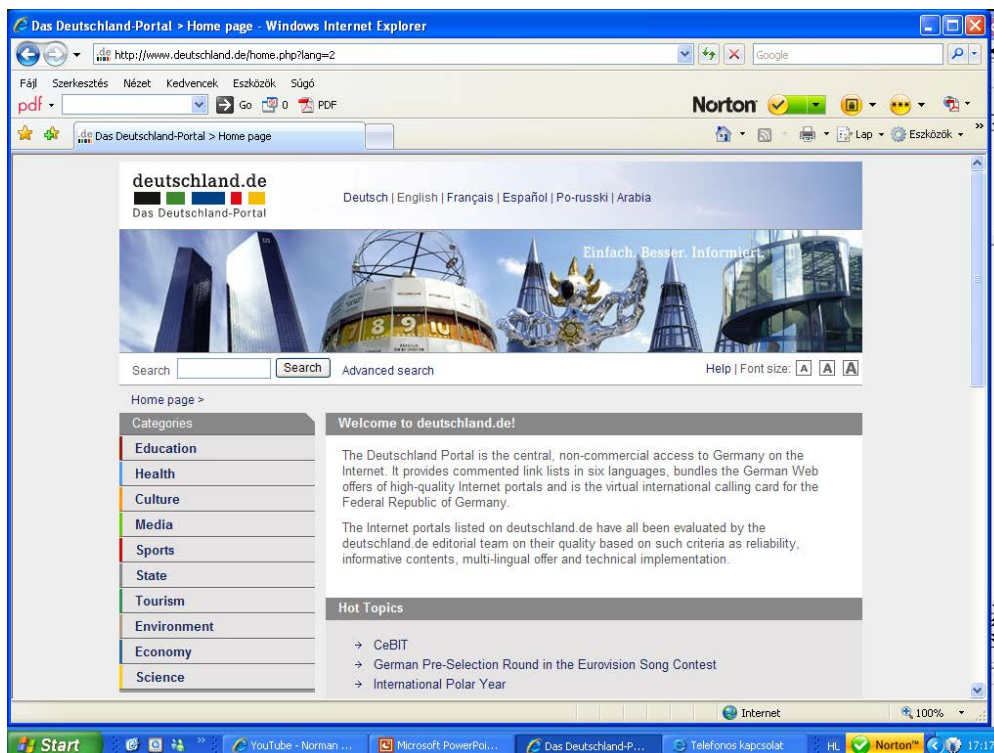


*Government portal of the United Kingdom
Home page: Directories, Guide to Government, Do it online, Newsroom
Choose: Do it online (e-government)*



Registration at the Do it online (e-government) function

This government portal is a mega-one built mainly on electronic public administration devices. It can be adjusted to real persons: after registration you can use your own personal data in a life-tree model. It is quick and its simple usage is very important. There are menu bars for quick search, life-tree, and news. The life-tree menu bar presents all information connected to ages, events, employment, situation, characteristic of the life of citizens. Its interactivity is high.

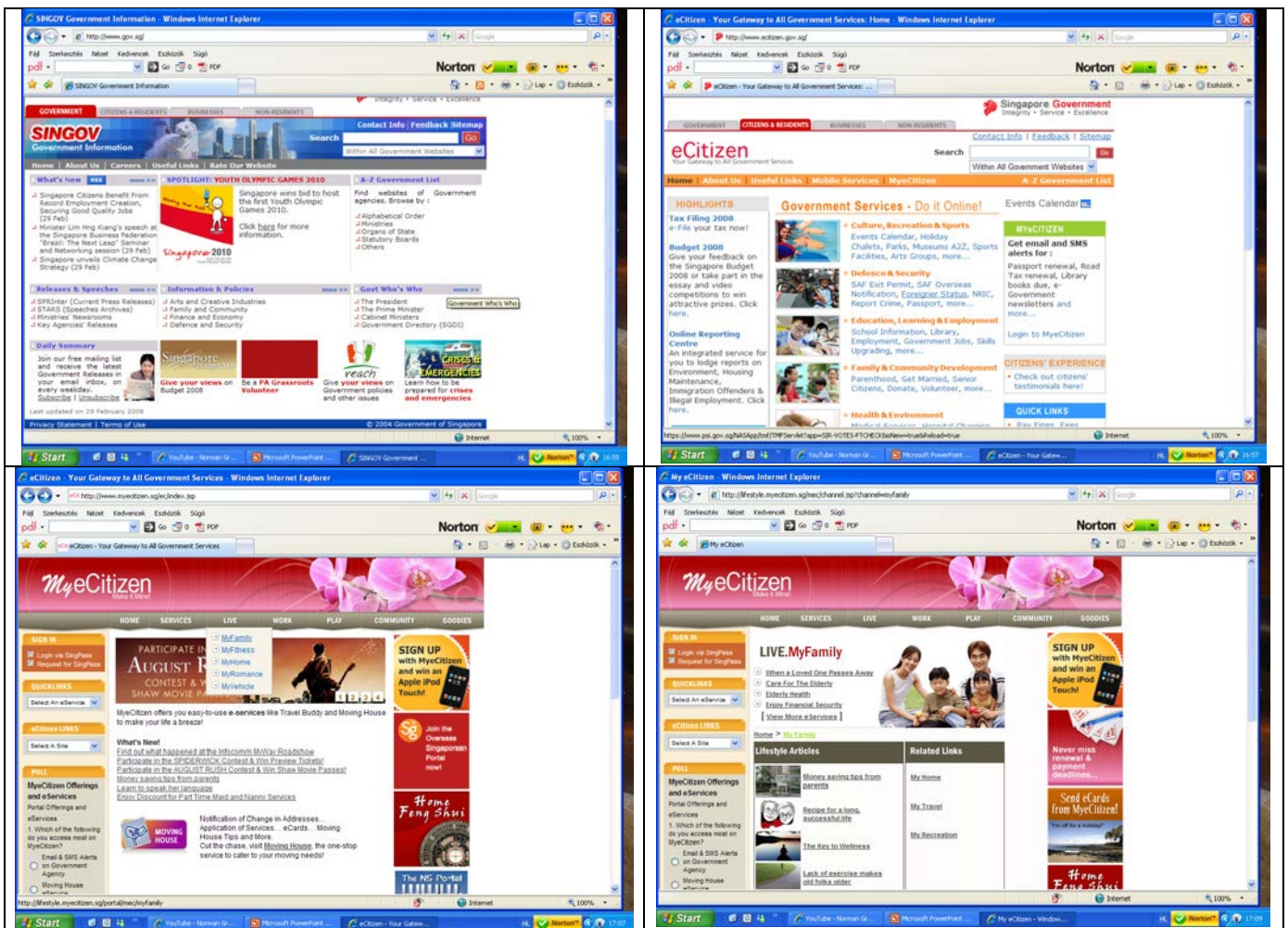


Government portal of Germany

Germany: www.deutschland.de

This is a journal-like portal, as if it were a large on line newspaper, with the news in the front, while the other topics of the menu bar are 'hidden'. Therefore it is simple to navigate in. Foreign language variations of the articles are the richest of the region, though the articles translated regard only the most important items of the news. The structure of the 6 language versions is identical: Major headlines: Government, Chancellor, Cabinet, Ministries, Press Office, Background information (foreign policy, EU, Information Society) and Publications (facts on Germany).

Singapore: www.gov.sg



Singaporean government portal

1st menu bar: Government, Citizens & residents, Business, Non-residents. 2nd menu bar, after choosing Citizens: About us, Useful links, Mobile services, My eCitizen, A-Z Government list. 3rd menu bar, after choosing My eCitizen: Home, Services, Live, Work, Play, Community, Goodies. After choosing Live, arrive at My family.

The portal's major message is to address all, independently of political line. The main page is simply structured. The most important function is the **eCitizen** page with e-government services. The portal serves common interest with a lot of thematic links. The eCitizens of Singapore are really e-citizens due to this accessible, high interactivity.



E-Government taxation function on the Singaporean portal



Israel: www.gov.il/eng/mainpage.asp

is noted for its perfect thematic structure



Netherlands: www.overheid.nl

is noted for its perfect searchpage structure

Canada: <http://canada.gc.ca>



*The Canadian super portal
can be considered as the best structured government portal*

Government Portal Functions

The most important government portal functions include: **information** supply, **feedback** for the clients, offering **services**, downloading **forms** and documents, electronic **payment** possibilities, and **e-government** functions.

In information supply e.g., the basic functions include: the **introduction** of the employees, the **staff**, but especially the leaders of the organization; the **mission statement** of the organization; the **structure** of the office or body; the actual **budgets** and the **report on the operation**; **links** to professional and operational areas, departments etc. Description of the duties of the authority or office with links to the representatives of each operational field is also needed.

In feedback function there should be **e-mail** addresses, and **telephone** numbers of **contact** persons, the web-master. There should be a **guest book or e-forum** for the local residents and population.

In services, there are usually some **studies** and areal **statistical** data available in the forms of tables and maps. There is the **press room** with actual press releases, documents of public interest, archives. There must be a **news desk** publishing the latest news and archives. Application possibilities, grants to apply for, supports, the names of the winners can be listed. Public procurements, tenders have to be published. International connections should be displayed.

Planning Home Sites for Settlements

Be sure to give answers to all the questions below, during planning and building an urban local government home site.

Local democracy

Are there functions ...

- ... providing local news?
- ... supporting the publicity of citizens' opinions?
- ... facilitating local forums and blogs?
- ... giving data on the results, budget and development plans of the local government?
- ... to send messages to the local government?
- ... to let the user see the portal statistics?
- ... for guest book?
- ... to read the minutes or see the content of the government sessions?

Local media

Are there functions

- ... promoting the development of local media?
- ... supporting the publication of local on-line papers, reports, magazines?
- ... to get information about events of local interest?

Civil services

Are there functions

- ...providing urban data bases on civil services (timetables, working hours, fees, operation, telephone numbers and e-mail addresses etc)?
- ... local maps?
- ... giving information on the structure and operation of the local municipal office
- ... to show the availabilities of civil servants?
- ... with the possibility to book appointments at the local government?

E-Government

Are there functions

- ... to enter and register in e-government procedures?
- ... to initiate e-government workflow?
- ... for on-line interactive administration?
- ... to reach links of other offices and government organizations?
- ... allowing to download forms to fill in?
- ... to reach information on how to do administration?

User friendliness

1. Is the portal navigation easy to use?
2. Is its structure clear?
3. Is its graphic outlay aesthetic?
4. Are there any foreign language versions of the portal?
5. Are there any tools for the handicapped (with poor eyesight)?
6. Is there a help desk?
7. How long is the downloading time of the main page?
8. Are there special contents for the kids, the elderly, the foreigners and the unemployed?
9. Are there contents regarding special local affairs or condition (events, weather, traffic, news)?

The local government portals in Central European countries are functioning more or less properly if the population is more than 20 thousand. With less population than that they are endangered by late up dating or even by cancelling. The local government portals are functioning well if the settlement is part of the agglomeration of a major city and if the rate of the old age residents is low.

The Ideal Local Government Portals

Competence contents:	Symbols and colours of the country (or of the region, of the settlement)	<i>(Choice of languages)</i>
President's biography (or mayor's)	Prime minister's biography (or notary's)	Ministries (or departments)
Parliament (or regional, local assembly)	Chancellery (or local government office)	Cabinet members (or heads of departments)
Useful contents:		
Search (function)	Country's (or region's, settlement's) introduction	National (or regional, local) News Headlines
Opinions: e-mail, visitors' book, chat surface, contacts (function)	Site map, index of subjects, FAQ, help desk (content and function)	Virtual press room and archives
	Topical issues of interest	
Online collection of legal codes	Supreme court, National Bank	Documents: strategies, surveys, reports, budgets
Thematic links: public health, politics, economy, culture, employment, residences, tourism, accommodation, education, science, research, press, the young, the aged, the unemployed, the disabled (function)	Others: databases, maps, telephone book, yellow pages, library, national, regional or local programmes, e-picture card, game, shopping, weather reports, sport news, stock index, exchange rates, traffic situation	

*The ideal contents and structure of the government portals
(on national, regional and local levels alike)*

Since urban marketing takes place on the local level usually, let us examine the local government portal contents in more detail. What contents and functions should be present on an ideal local government portal? See them grouped into 10 categories below:

1. Facts of Interest (with archives and search machine)

- 1.1 News desk
- 1.2 Events, programs, residential forums
- 1.3 Calls, announcements, advertisements
- 1.4 Statements of politicians, interviews

2. The Town

- 2.1 History, Geography (introduction, map, animation, film, photos)
- 2.2 Symbols and awards of the town
- 2.3 Twin cities (links) – cooperation

3. Local Government

- 3.1 Structure of the office (organization, staff, and contacts)
- 3.2 Accessibilities- contacts (direct link on main page!)
- 3.3 Working hours for customers
- 3.4 Body of Representatives (operation, members, and visiting hours)
- 3.5 Decrees, Decisions of the Local Gov.
 - 3.5.1. Latest decrees (search by topic and time of issuing)
 - 3.5.2. Subject matter of decrees (search in archives)
- 3.6 Local national minorities (Loc. Min. Self-Governments)
- 3.7 Local development plans, programs, projects

4. Institutions (with links)

- 4.1 Educational inst.
- 4.2 Health and Social inst.
- 4.3 Non-government inst. (public utilities)
- 4.4 Theatres, cultural centres
- 4.5 Other institutions

5. Organizations (with links)

- 5.1 Foundations
- 5.2 Parties, programs of political parties
- 5.3 NGOs, civil associations and programs
- 5.4 Churches
- 5.5 Local Cultural groups, events
- 5.6 Sport clubs, sport events
- 5.7 Other organizations

6. Useful links

- 6.1 Ombudsman
- 6.2 Notaries, lawyers
- 6.3 Police stations and headquarters
- 6.4 Emergencies (Police, Fire, Ambulance)
- 6.5 National Guard or Civil Patrol
- 6.6 NHI doctors, special health care institutions
- 6.7 Customer protection
- 6.8 Medical officers, Environmental Protection Agency
- 6.9 Governmental bodies, regional portal, central government portal

7. Document Office

- 7.1 Procedural description of workflow
- 7.2 Opening hours for customers
- 7.3 Accessibility
- 7.4 Downloadable documents, forms to fill in
- 7.5 Links to Land Registry Office

8. Tourism

- 8.1 Places of interest, news, famous people (the awarded)
- 8.2 Walks in the town (touring paths, routes)
- 8.3 Maps (GIS tools, zoom, info, street name search)
- 8.4 Public Transportation (network, lines, timetable)
- 8.5 Accommodation, hotels, rural tourism
- 8.6 Travel bureaus
- 8.7 Programs for tourists (recommendation, advertisements)
- 8.8 Tour inform in the vicinity – On-line tour inform
- 8.9 Entertainment possibilities (theatre, cinema, local TV program)

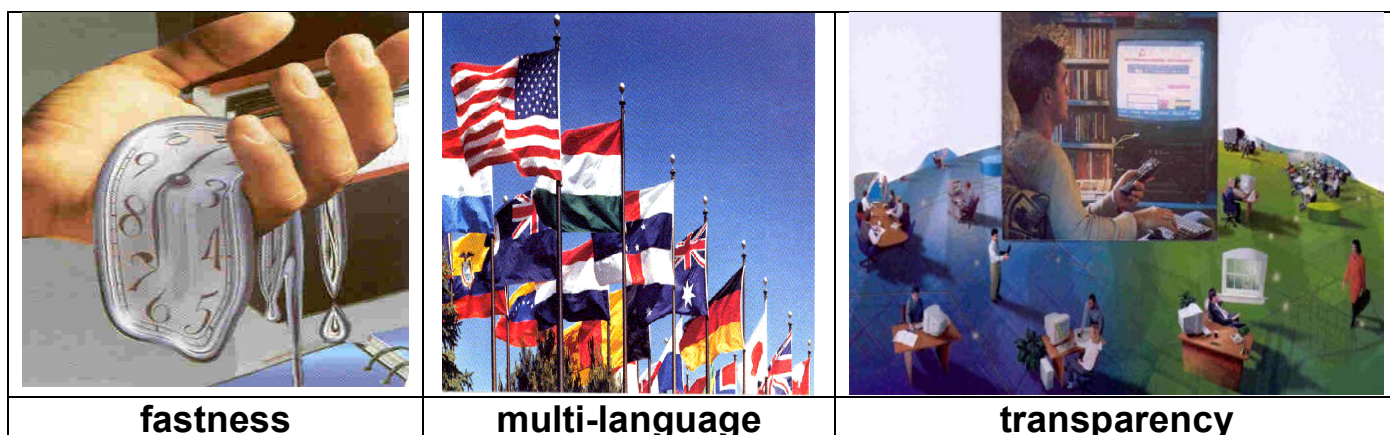
9. Business

- 9.1 Job centre – with sending messages
- 9.2 Public work vacancies
- 9.3 Application forms of project proposals
- 9.4 Electronic-procurement
- 9.5 Electronic-incorporation of companies
- 9.6 Sales
- 9.7 Firms, companies
- 9.8 Industrial parks
- 9.9 Commercial centres, hypermarkets
- 9.10 Industrial premises
- 9.11 Local enterprises (advertisement pages to let)
- 9.12 Consulting

10. Forum

- 10.1 Local residential forum, opinions published
- 10.2 On-line helpdesk – CRM (living line!)
- 10.3 On-line auctions

The above list is but a recommendation. There are three important items, however, being the three most important factors of success in case of government portals: **fastness** (depending partially on the consumers ICT facilities and the network), **multi-language** (including not only the world or regional languages, but those of the national minorities), **transparency**, as a measure and reflection of local democracy.



The key elements of success of government portals

11. Anticipated future changes of the ideal local government portals

If the international trends in government portal contents and structure are observed, we may state the following:

11.1 Content itself is not enough; **functional** structure is getting more and more important.

11.2 On-line administration (e-government) should be more and more present on the local government portals.

11.3 Community Access points should be set up for those having no Internet access at home in the name of inclusiveness.

11.4. Co-operation with business sector is important (PPP – public private partnership) and should be reflected on the government portals.

11.5 Content represented value for what users can pay, should appear on government portals, too. The intensity of such business-like content and function has to be limited, however. Only extra on-line public services can be charged.

11.6 Mobile availability is going to be a basic function sooner or later, via cell phones (SMS, WAP), smart phones, iPods, mobile Internet, mobile television.

11.7 Multi Channel administration is set as a goal of future's government offices as it is expressed in E-Europe 2020 Action Plan for E-Government. Therefore government portals will have links to not only mobile devices, functions and contents, but to digital interactive television functions and contents as well. E-Government should involve in the near future T-Government and M-Government³² in the name of the triple play technological convergence.

³² M-Government = Mobile Government using mobile devices of ICT; T-Government = Television Government using (cable, terrestrial and satellite digital video broadcast, i.e.) DVB-C, DVB-T, DVB-S technologies of the digital interactive TV.

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