Chapter 1
Introduction to Interregional Place Branding

Sebastian Zenker and Björn P. Jacobsen

Abstract Place branding is an inherently difficult venture, since places are complex systems of geographical abstractions, each one understood in relation and contrast to other geographical entities. Even at the smallest size – a district, town, or city – a place is quite complex, but it becomes even more challenging when the entity exists on a higher level, like a region, two or more joined regions, or a country. When performing place branding, regions often not only differentiate themselves but also cooperate (within one country or between countries), thereby building so-called *interregional brands* with a high degree of complexity.

In this chapter, we will define the place brand and examine different concepts to understand branding as they relate to places. In a next step, we will highlight the special character of interregional place branding. Finally, we will apply these concepts to a particular interregional place branding case, namely, the Fehmarnbelt region. In this way, we aim to provide a strong foundation for the cases and concepts detailed by subsequent authors.

Keywords Place brand • Brand management • Brand perception • Interregional place branding

Introduction

In the ongoing discussion about the competition between places, common sense suggests that places perpetually compete for residents, tourists, companies, investments and funding, or attention in general. In doing so, places more and more adopt business strategies in their daily work. One strategy that place officials employ is implementing marketing and branding strategies to promote their place and distinguish it from other places (Anholt 2010; Kotler et al. 1993). As a result, place

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marketers increasingly focus on establishing the place as a brand (Braun 2012). Unfortunately, place brand managers and branding consultants often disregard the complexity of place brands, as do their counterparts in the academic arena. To illustrate this complexity, consider that a place brand derives from the perceptions of different customer groups (Zenker 2011; Zenker and Braun 2010) and these perceptions of a place can differ strongly given the various target groups' myriad perspectives and interests (e.g., between residents and tourists or internal and external target groups; see Zenker and Beckmann 2013). Fulfilling these diverse demands with the support of a fitting place brand poses quite a challenge.

Nevertheless, in practice as well as in academia, the interest in place branding is greater than ever, as the first meta-analyses of the field by Lucarelli and Berg (2011) and Gertner (2011) show. Evidently, places are eager to garner positive associations in the place consumer's mind in order to further develop and promote their brand. The introduction of city brand rankings such as the Anholt-GMI City Brands Index (Anholt 2006) and the Saffron European City Brand Barometer (Hildreth 2013) exemplifies this effort on a city level. On a country level, nation branding has also received significant attention from both practitioners and academia (Fan 2006; Kotler et al. 1993; Olins 2002). In between the city and country is the regional level: Although the complexity of this level is often very high, region branding has received relatively little research attention compared to the other two levels. Understanding regions is especially important since they often not only differentiate but also cooperate (within one country or between countries), thereby building so-called *interregional brands* with a high degree of complexity. Thus, the aim of this chapter is to introduce the field of interregional place branding and provide a strong foundation for the cases and concepts described in subsequent chapters.

What Is Place Branding?

In practice, as well as in theory, the definitions and concepts of place branding and the place brand often lack a proper definition and a consistent usage. As a result, place branding is often mistakenly understood as place selling (for a deeper discussion, see Ashworth and Kavaratzis 2009; Berglund and Olsson 2010), concentrating solely on the promotional aspects of branding while disregarding the broader aims and scope of place branding. While there are no shared definitions, there are multiple viewpoints about what a place brand is: a *brand*, for instance, is a "name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers," according to the American Marketing Association (2013). Some researchers criticize this definition as too narrow for use in the field of companies and especially places (e.g., Kavaratzis 2008; Zenker and Braun 2010), while others have proposed that the essential feature of a brand is "nothing more and nothing less than the good name of something that's on offer to the public" (Anholt and Hildreth 2005, p. 164). According to Keller (1993),

Fig. 1.1 Different target groups for place branding

this "good name" or reputation exists as a network of associations in the minds of the consumers as so-called *brand knowledge*. This knowledge about a brand is built through their *brand awareness* (the degree that customers are aware of all features of a brand) and their *brand image* (the perceptions about a brand as reflected by the brand associations held in customer memory). Customers evaluate those associations and change their behavior accordingly; this leads to so-called *brand equity* (Jacobsen 2012), defined as "the differential effect of brand knowledge on consumer response to the marketing of the brand" (Keller 1993, p. 8).

But who are these place consumers? From a theoretical point of view, the main and broadly defined target groups in place marketing are (1) visitors, (2) residents and workers, and (3) business and industry (Kotler et al. 1993). However, as shown in Fig. 1.1, the groups actually targeted in recent marketing practice are much more specific and diverse (Avraham 2000; Braun 2008; Hankinson 2005; Zenker 2009). Different subgroups can be found within these groups, like leisure tourists vs. business tourists or internal and external target groups. These target groups differ not only in their demographics and social and economic structure but also in their particular place needs, demands, and expectations. Leisure tourists, for example, are searching for leisure-time activities like shopping malls or cultural offerings; investors are more interested in business topics, such as infrastructure and potential qualified workforce; and also other places' customers need a suitable environment for their purposes rather than simply a "dot on the map." It is of great importance that a proper brand measurement parallels these diverse demands, as those measurements must be related to every one of the multiple target groups.

Additionally, nontraditional target groups present a considerable interest for places; these include the general public opinion, public employees, creditors, the place's competitors, and the political agenda setting (public diplomacy). Nontraditional target groups are often ignored, even though the place brand's impact on those target groups (and vice versa) can be very strong.

Place Brand Perception

Referring to the concept of brand knowledge, Zenker and Braun (2010, p. 3) note that a *place brand* is "a network of associations in the consumers' mind based on the visual, verbal, and behavioural expression of a place, which is embodied through the aims, communication, values, and the general culture of the place's stakeholders and the overall place design" (for a deeper discussion, see also Zenker 2011). According to the authors, the place brand is not the communicated expression or the "physical characteristics" of the place (i.e., landscape, architecture, and other concrete expressions of the place) but the perception of those expressions in the minds of the target audience(s). These perceptions lead to measurable brand effects such as a willingness to stay at a place (Zenker and Gollan 2010), place satisfaction (Insch and Florek 2008), or positive place behavior, like caring for the place (as shown in Fig. 1.2; Stedman 2002); they therefore seem worthy of mental note when dealing with place brands. In sum, the complexity of place branding, as highlighted by these definitions, represents a significant challenge for effectively communicating the brand and managing different place perceptions.

To fully understand when and how place branding communication works, it is crucial to understand how place perceptions are built. Appleyard (1979) argues in his *communication model of an environmental action* that a producer builds a message but the consumers interpret the content through their individual social context. Even though the intended message could mean something completely different, the received message is ultimately the important one. For example, the activity of planting trees in an area (with the intention to improve the district and raise current residents' satisfaction) can also be seen as an action of gentrification, that is, an effort to replace the inhabitants with higher-income classes. The meaning of any message is derived from its social context (see Fig. 1.3) and can therefore lead to different interpretations.

According to Kavaratzis (2008), place image producers have three ways to communicate a message: first, through the architecture and real place offerings, as well as the local peoples' behavior, which could be labeled as communication via "place physics"; second, through official channels such as all forms of advertising,
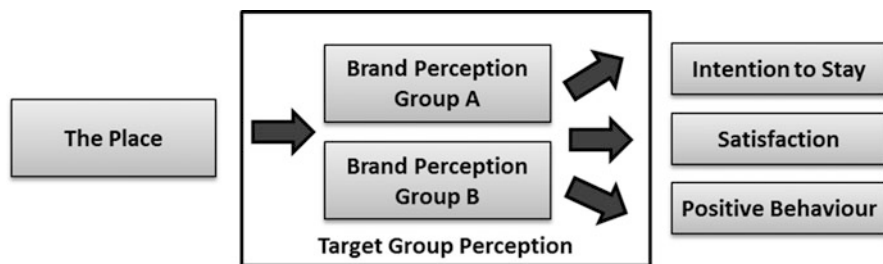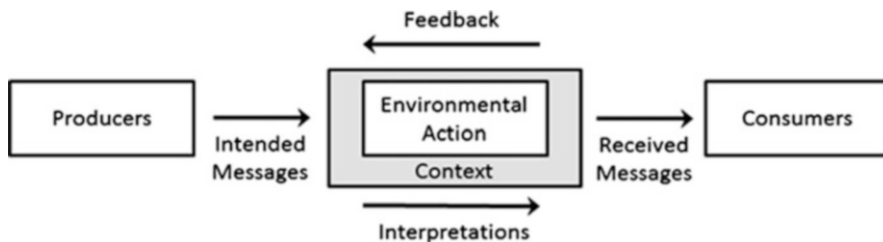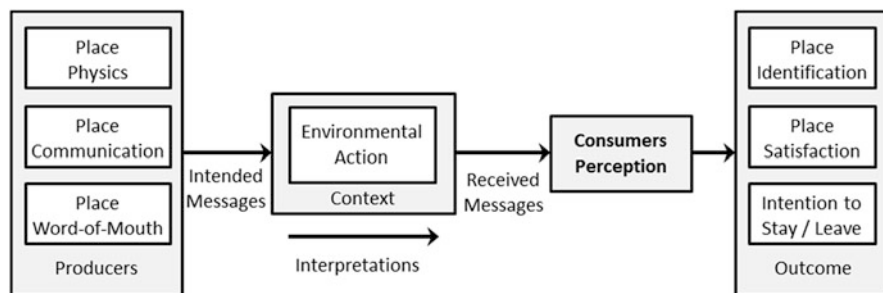

Fig. 1.2 The concept of place brand perception

Fig. 1.3 Communication model of an environmental action referring to Appleyard (1979)

Fig. 1.4 A combined model of place perception

public relations, or public diplomacy, which can be labeled "place communication"; and third, through word-of-mouth details reinforced foremost by the media and the residents themselves, which can be described as "place word-of-mouth." Taken together, these three forms of communication create the basis of place perception in the minds of consumers and ultimately engender brand effects like place attachment (Stedman 2002), place satisfaction (Insch and Florek 2008), or the intention to stay in or leave a place (Zenker and Gollan 2010). Combining these thoughts, we conclude with an advanced model of place perception (see Fig. 1.4) in which consumers' perceptions serve as gateway to place attitude and place behavior.

Producing Messages

Pace branding efforts typically center on an attempt to produce messages through place communication. This is not a simple task, since the intended understanding of the message must be facilitated with a high degree of accuracy. Official place communication should plan to incorporate the social context of target groups as a key parameter. For instance, by claiming that one rural area is better connected than other rural areas, one could lead consumers to believe that rural areas are badly connected compared to urban areas. This will very likely happen if the target group is from urban areas, while customers from rural areas might perceive the message as

intended. Furthermore, administrators also need to try and anticipate the messages delivered by other producers that may or may not accurately represent a place's condition. For instance, the global media, which often focus on "easy sell" stories like high unemployment rates, can shift consumers' attention to a particular problem, even though overall unemployment is not a real issue in the region. Moreover, incongruence between messages can lead to a larger scope of interpretation. In such a case, people tend to rely on their preexisting stereotypes; this is especially true for external target audiences (Zenker and Beckmann 2013). There is also the problem of a message losing its credibility due to incongruence between the message itself and the perception of a potential receiver. This occurrence is nearly unavoidable if, for example, a wide gap exists between local residents' perceptions of their place and the character of the place suggested by official promotion (Freire 2009).

Receiving Messages

While scholars have given significant attention to the production of messages, the reception of messages has received significantly less attention. Since branding in general, and place branding in particular, needs a customer-focused approach (Braun 2008, 2012), the consumer must be taken more into account. As Keller (1993) indicated, the brand knowledge of consumers consists of two components: (1) brand awareness and (2) brand image. This approach may also facilitate a deeper understanding of place perception. Using Keller's framework, the first question of place branding is: does the customer perceive the message at all? Naturally, information presented in a place branding campaign is worth nothing if nobody perceives it. More particularly, one should ask: is the target audience being reached by this information? The second issue then becomes, "how is the message interpreted?" For example, a region with a couple of windmills is not necessarily viewed as a green technology leader, since it could not be enough for a change in perceptions. Or a region's recently improved infrastructure (e.g., a new highway) does not have to change the perception of the region as being more accessible, since the content of this message (better connectivity) is not heard by the buzz and noise of other messages.

The Special Character of Interregional Place Branding

We define interregional place branding as an approach to jointly branding two or more regions. These regions could be within one country (e.g., the Hamburg Metropolitan area, containing the city of Hamburg and Lübeck, as well as some other municipalities) or between countries (cross-border regions, e.g., the Fehmarnbelt case presented later, which encompasses regions from Germany and Denmark).

The first aim of region branding, then, is to create a perception of one geographical entity in the minds of the target audiences; the second aim is to transfer positive associations from the single entities to the new interregional brand. This effort is often undertaken in order for single locations to compensate for their shortcomings and join forces to accomplish their greater goals.

The city of Hamburg, for instance, markets itself as a region to consumers in China and India, and in doing so, it effectively raises its size from two million to nearly five million inhabitants. The city relies on population size to communicate its status as an important trade partner for India and China. Furthermore, the lack of affordable housing and industrial space, in tandem with the absence of rural nature and "small town charm," can be compensated for by adding smaller regions and rural areas around the city center to the interregional place brand. Joining with the city of Hamburg makes sense for the smaller partners, too, since they can compensate for their lack of (international) awareness, complex infrastructure, and perceived connectivity by being a part of the Hamburg Metropolitan brand.

Given this very simplified example, it becomes clear that, in an ideal interregional project, every partner offers some strengths to build a more attractive product bundle. Very much like in product branding, every partner co-brand (Aaker 2004; Blackett and Russell 1999) has an opportunity to enhance the interregional place brand. Of course, this will only work if the region is perceived as unified.

Another important issue in this concept is how consumers use known brands as anchors to evaluate the new and unknown brand. If consumers' knowledge of a particular region is low, they may compensate by using information about other areas, such as a known part of the region, or by using their knowledge of the next highest geographical context (the meta-brand; see next chapter for more detail). For instance, if someone does not know much about the Fehmarnbelt region but then decides to visit or invest in that region, they could base that decision on their knowledge about the cities of Hamburg and Copenhagen (which are connected to that region) or on their knowledge about Germany and Denmark in general. Thus, when building a "new" geographical entity (interregional brand), it is important to consider the possible other brand anchors (internal or external).

The Case of the Fehmarnbelt Region

To further illuminate the special character of interregional place branding, we chose the Fehmarnbelt region as a short, illustrative example. In 2021, one of the greatest infrastructure projects in Europe, the Fehmarnbelt Fixed Link (a tunnel connecting Rødby, Denmark, and Puttgarden, Germany), is expected to open. The tunnel's completion will have a profound impact on several geographical scales. At the macroscale, it will bring Scandinavia and Germany much closer together, both for freight and passenger transport. Moreover, it will considerably reduce travel times between Copenhagen and Hamburg, allowing the two metropolises to strengthen

Fig. 1.5 The geography of
the Fehmarnbelt region
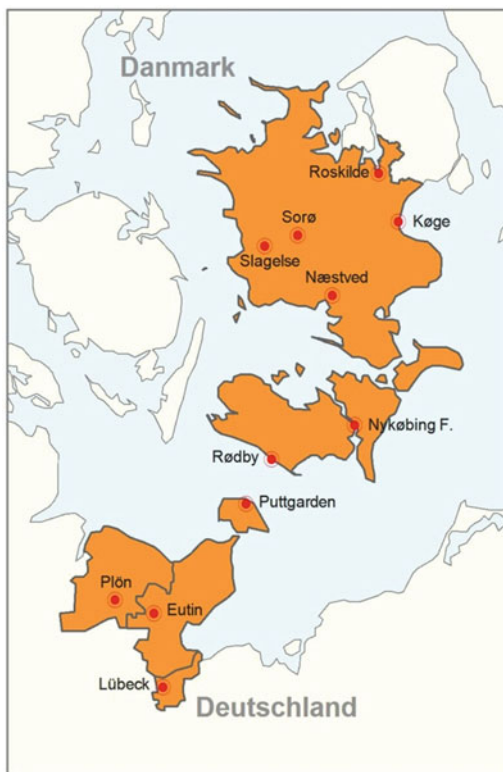
their economic and cultural relations. But of equal importance is the fact that the
fixed link will deeply impact the region directly adjacent to it – namely, the region
encompassing Zealand in Denmark and the city of Lübeck and the counties of
Ostholstein and Plön in Germany (see Fig. 1.5). This cluster of areas is not often
perceived as a single region, but the completion of the fixed link could link them
in meaningful ways. In anticipation of this shift, there is an ambitious and ongoing
effort to build an interregional place brand for the Fehmarnbelt region. However,
the geography covered by the Fehmarnbelt region suffers from a low visibility
among potential investors, businesses, talents, and relevant public stakeholders.
Furthermore, the area referred to as the Fehmarnbelt region does not (yet) function
as cross-border region; it is the expression of a vision and not yet a reality.

   For the region itself, there is not yet a transnational umbrella place brand that
unites the German and the Danish parts of the Fehmarnbelt region. In addition,
the region is positioned between two strong city regions that both possess very
powerful place brands. The strength of these place brands is reflected in their
expansion: These cities have enlarged the definition of their region (Copenhagen
now also includes Zealand in its region, while the metropolitan region of Hamburg

includes Lübeck and Ostholstein), and places close to these metropolitan regions see advantages in labeling themselves as Copenhagen or Hamburg. Consequently, one challenge is that the Fehmarnbelt region could be overpowered by adjacent place brands, since those will work as brand anchors in the minds of target audiences.

In addition to well-educated residents (so-called talents) and tourists, six target groups are of vital interest for the region: (1) tourism investments, (2) food production, (3) medical companies, (4) talents, (5) logistics, and, to some extent, (6) green energy and green technology. In order to secure these groups, the region focuses on the target groups' perceptions of the region. Using the top-of-mind associations of internal and external target groups, recent studies have uncovered two main themes surrounding the perception of the region: (1) the *touristic theme*, including "nature," "sea," and "tranquility", and (2) the *cross-border theme*, including "cross-border cooperation," "fast connection," and "Germany" (Braun et al. 2014). In order to brand the region, academics suggested using specific place products as content in the brand communication (e.g., well-known companies working in the area, Lübeck University, or the new tunnel).

It is vital to notice that those specific place products will be most effective when coupled with communication that fits and/or supports the place's current perception. Higher incongruence between the communicated product and current perceptions increases the likelihood of customers resisting or denying the new picture. Thus, a drastic image change is not as efficient a solution as a soft and slow "nudge" in the right direction. Furthermore, not every specific place product is relevant for every target group: While a university could be an interesting place product for companies or talents, it is not a focal point from a touristic perspective. Thus, it could be said that both underlying themes suffice for all different target groups, while the specific place products serve the interests of particular target groups.

Another challenge posed by the aforementioned studies is the concentration on touristic associations for attracting companies unrelated to tourism. While the "tunnel," "cross-border cooperation," and "fast connection" could be highly valuable for businesses, there is a possibility that the two themes counteract each other. Such a possibility casts serious doubt on the use of a "one-size-fits-all" Fehmarnbelt interregional brand, since the perception of the region differs between the analyzed groups; the stability of only the touristic image (and to some extent, the cross-border cooperation) necessitates more target group-specific communication.

Furthermore, the study shows that, in establishing the Fehmarnbelt interregional place brand, place officials cannot ignore the powerful and attractive place brands of Hamburg and Copenhagen (Braun et al. 2014). One of the main effects of the new tunnel is that travel time will be significantly shortened; as a result, the "mental distance" between Copenhagen and Hamburg will be shorter as well. Many stakeholders in the region expect that both cities (and their brands) will benefit from the improved connection. Thus, one efficient solution for the Fehmarnbelt region could be to establish itself as "the link between Copenhagen and Hamburg," thereby using these two well-known cities as *brand anchors* in its positioning process.

Conclusions

Several issues can be summarized from the theoretical propositions outlined in this chapter: (1) Place brands are based on consumers' mental perceptions. (2) Those perceptions are influenced by different communication factors, namely, the place physics, the official (brand) communication, and place word-of-mouth. (3) The consumers' understanding of the communication is derived from its social context, which allows for a range of interpretations by each consumer. (4) Interregional place branding tries to create a new place brand by incorporating two or more regions. (5) In doing so, the interregional brand includes related place brands of different geographical hierarchy, since consumers use their knowledge of other brands as anchors for the new interregional brand.

Applying these assumptions to the presented interregional case, we can clearly see that consumers' perceptions of the Fehmarnbelt region are mostly related to two different themes (touristic and cross-border). When communicating the brand, the challenge is finding the right content: The specific place products should fit the current perception, and place marketers should bear in mind that communication will be interpreted through the social context of the target audience(s). Tourists, for instance, could perceive communication about the new "tunnel" in terms of "fast connection," but they might also see the development as disturbing their touristic image of the region (more in the direction of noise and traffic instead of easy and fast accessibility). Thus, the content should be selected carefully. Finally, the case shows that the interregional Fehmarnbelt brand will work with (and maybe against) the two other important place brands in the region: Hamburg and Copenhagen. If employed properly, these two strong place brands could work as positive brand anchors, with the Fehmarnbelt region positioning itself as the link between both places – a process that ultimately demonstrates the complexity of interregional place branding.

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