Strategic place marketing and place branding: 15 years of mega-events in Lisbon

Metaxas, Theodore and Bati, Aristeia and Filippopoulos, Dimitris and Drakos, Kostas and Tzellou, Vagia

U. of Thessaly, Department of Planning and Regional Development, Greece

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Strategic Place Marketing and Place Branding: 
15 years of Mega Events in Lisbon

Theodore Metaxas
Lecturer
Department of Economics, University of Thessaly, Greece
Email: metaxas@econ.uth.gr

Aristea Bati
Kostas Drakos
Dimitris Filippopoulos
Vagia Tzellou

Postgraduate students in European Regional Development Studies, University of Thessaly, Department of Planning and Regional Development, Greece

Abstract

Urban tourism is a relatively recent phenomenon but is now being embraced by most European cities, which are using substantial funds to compete for visitors, thus generating new infrastructures for this process. Cities so as to differentiate themselves from their competitors, attempt to manage their image by strategic place marketing approach. This paper explores the implications and significance of being a host city of mega events. The purpose is to identify the perception of Lisbon’s identity and the formation of its image as a competitive tourism destination.

Keywords: place marketing, place branding, Lisbon, mega-events, Expo 98, Euro 2004
Introduction

The new internationalized environment is characterized by crucial and rapid evolutions at all levels of social, political and economic actions. This new economic and social reality has created opportunities for development, while at the same time this includes risks and threats. Many Europeans think globalization as a threat rather than as an opportunity.

Thus, any consideration of the fundamental geographical idea of sense of place must include the deliberate creation of such senses through place marketing. City marketing is a complex process that demands a wide view on its goals, effects and general approaches. In addition, city branding is suggested as an effective strategy in order to create the common ground necessary for the whole marketing endeavor (Kavaratzis and Ashworth, 2007).

This article describes the process followed in the city of Lisbon, especially the implementation of the city’s current marketing strategy, based on a series of successful mega-events. Lisbon is the capital city and the largest city of Portugal with a population of 564,657. Lisbon’s role becomes more and more important in the global scene, because of its increased significance in finance, commerce, media, arts, entertainment, education, international trade and tourism.

Lisbon has bid and successfully hosted a series of international mega events, such as Lisbon world exposition in 1998, UEFA European Football Championship in 2004 and European Capital of Culture in 1994. Therefore, Lisbon with mega events improved its profile as a powerful economic urban center of European South.

The main purpose of this article is to determine the contribution of Lisbon’s mega-events in local development and in the improvement of city’s image. To explain this better, if a city implements effective strategic planning and hosts popular large-scaled events, then its image will be possibly enhanced in order to attract visitors and tourists and also to reinforce the local economic growth. In addition, many researchers also stress the impact of these strategies in the urban environment and in residents’ attitude.

The remainder of this paper consists of three sections. The first section provides a synopsis of the extant literature on place marketing and place branding. In addition, it is analyzed the organization of mega events and their contribution in local development. Drawing on insights from the extant literature and a comprehensive qualitative study, the second section provides a brief survey that shows how Lisbon as a host city of three major
events improved its image, succeeds urban revitalization and offered economic prosperity. The final section offers the main points of this research and some brief conclusions.

**Place marketing as a strategic planning process**

It is well known that the implementation of a place marketing plan in order to promote a city as a product is of great importance. Decisions taken by local authorities in a city marketing context play a crucial role in the formation of city’s image.

Cities are competing to each other so as to attract tourists, potential investors, students, residents through various events for fast, better and sustainable development. City marketing is considered to be a scientific field, which defines the city as a product considering its image. This procedure plays an important role between a city’s potential and the use of this capacity for the benefit of the local society (Deffner and Liouris, 2005).

Most of European cities use city marketing as promotional policy so as to support and reinforce their image. Simultaneously, city marketing is an essential tool for urban planning and management (Ward, 1998). Nowadays, in the internationalized environment, place marketing has become a necessary process for tourist attraction, place identity and urban governance (Boisen, 2007; Jensen-Butler, 1997). In addition, it represents an innovative philosophy with the objective of producing an exponential increase in the capacity of attractiveness of places (Metaxas, 2006).

Dominant cities with an established position in global markets create good opportunities to fix associations and to build a powerful brand name. Additionally, a city’s main objective should be the attraction of new (domestic and foreign) enterprises and investors who ultimately enhance the local entrepreneurial profile (Ashworth & Voogd 1990; Bailey 1989; Berg et al 1990; Hall 2000).

Barke (1999) underlines that due to the globalization process and rapidly changing conditions the consideration of cities’ profile is of major concern, and this means that in some cases city seeks to alter an undesirable image while in others it enhances a favorable image through place marketing plan.

Marketing and place promotion constitute major activities which create collective objectives and practices in places and particularly represent a serious attempt to create a distinctive city image (Burgess, 1982). Bailey (1989) suggests that, in the rapidly changing world conditions, place marketing emerged as a promising integrating process, linking an area’s potential competitive advantages to overall economic development goals.
Van den Berg (1990) defines that:

“City marketing can be described as the set of activities intended to optimize the tuning between the supply of urban functions and the demand from inhabitants, companies, tourists and other visitors”.

Besides, a successful city marketing plan should focus on the local distinctive characteristics of each place. Strategic place image management is the ongoing process of researching a place’s image among its audiences, segmenting and targeting according to this specific perception, positioning the place’s benefits to support an existing image or to create a new one, and communicating those benefits to the target audiences (Kotler et al, 1993).

Summarizing, city marketing is a place planning procedure, which is based on two fundamental choices:

1) The satisfaction of expectations of the target groups, enterprises and inhabitants.
2) The satisfaction of expectations of the potential target groups, such as enterprises, visitors and investors.

Thus, the main concern of a city, in order to achieve the overall targets, will have to be the effective use of the resources through place marketing. The central idea in marketing is to solve customer’s problems by producing added value, while the creation of the customer satisfaction should be the responsibility of the whole city (Weilbacher 1993; Kotler 1997).

Moreover, Kotler et al (1999) states that:

“Strategic marketing calls for designing a community to satisfy the needs of its key constituencies. Place marketing succeeds when stakeholders, such as citizens, workers, and business firms derive satisfaction from their community, and when visitors’ new businesses and investors find expectations met. […] Place marketing means designing a place to satisfy the needs of its target markets”.

Additionally, Kotler et al (1999) argue that the application of city marketing is a multi-dimensional task. In addition to this, we must know that a city is not a company; the environment of a city is more complicated than firm’s environment and therefore it is pivotal for the stakeholders of a city to understand the necessity of a strategic marketing plan.

Lovering (1995) proposes that the process of city marketing plan is associated with local and regional development and at the same time with the attraction of investment
actions in a place. Furthermore, a city with an effective marketing plan targets in recognition and maintenance of its image towards external environment.

According to Kearns and Philo (1993) city marketing is the practice of selling places in which public and private agencies strive to "sell" the image of a specific geographically-defined "place", usually a town or city, so as to make it attractive to economic enterprises, tourists and even inhabitants of that place.

Gold and Ward (1994) state that city marketing consists of two parts which are place assets and place promotion. Place asset is the process of identifying place-specific advantages or attractive elements, and place promotion is the process which makes use of these advantages and attractive elements. Place marketing offers guidelines for making places more attractive in the eyes of their stakeholders (Kotler et al 2000).

Kotler et al (2000) define the basic strategies for place marketing, which are:

1) Image Marketing, which focuses on an overly positive image
2) Attraction Marketing, which focuses on natural attractions and sights
3) Infrastructure Marketing, which focuses on infrastructural advantages
4) People Marketing, which focuses on famous residents and institutions

Place marketing and especially place branding are the leading actions so as to stress the local distinctive characteristics of a place. Moreover, they represent key factors of well-planned and well-implemented campaigns worldwide for strategic planning policies towards urban economic development (Capik, 2007; Shir, 2006).

**Place brand management**

Place branding has become an increasingly significant issue among academics and practitioners since neo-liberalism and global competition has arisen in the context of multidimensional “place”. As far as cities, branding is considered to be a successful economic development tool. Globalization processes - such as “the growing power of international media, the falling cost of international travel, rising consumer spending power, the threat of place parity, a scarce pool of international investors, competition for skilled and professional immigrants and growing consumer demand for a diverse cultural diet stimulated by low-cost global communication media” (Hanna and Rowley, 2008), make branding practices of various geographical entities a necessity.
A definition of “brand” was originally provided by the American Marketing Association as “a name, term, sign, symbol or design, or a combination of these intended to identify the goods and services of one seller or a group of sellers and to differentiate them from those of competitors” (Kotler et al., 2002). According to Karavatzis and Ashworth (2005), branding combines the physical and socio-psychological attributes and beliefs which add value to the product or service.

The application of branding has expanded in the late 19th century to include corporations, destinations and more recently places as various geographical entities (countries, regions, cities, towns) (Hanna and Rowley, 2008; Low and Ronald, 1994) as a reaction to the growing competition between places (Karavatzis and Ashworth, 2005). Places as products possess the features of identity, differentiation and personality. Nevertheless, places are multidimensional and too complex to be treated like products, governments to behave as producers and users to react as consumers, and consequently, place branding is difficult to succeed (Karavatzis and Ashworth, 2005).

Nowadays, cities fight each other intending to achieve more influence and attract investments, businesses, visitors, talents and significant events (Zhang and Zhao, 2009). However, place branding has been practiced consciously or unconsciously since there was the need of governments to shape and promote a place identity, to differentiate themselves from each other and to compete for trade, populations, wealth, prestige or power in order to succeed the various economic, political or socio-psychological objectives (Karavatzis and Ashworth, 2005).

Strategic place branding promotes specific characteristics of a city, as core values, in order to direct consumers-users to recognize and appreciate these attributes (De Chernatony and Dall’Olmo Riley, 1998). In addition, place branding is not just a catchy slogan but an inexpensive and quick strategy (Rantisi and Leslie, 2006), a way of planning developmental policies, as newly developing places try to compete with the older more attractive and established places. Furthermore, planning procedures have not only the intention merely to attract attention and place recognition, but also to enhance the economic and social development.

Successful city branding depends mostly on the identification of distinctive and defining functional and non-functional characteristics of the city such as city appearance, history, cultural attractions, demographics, economics and governance, people’s experience of the city, and people’s perception of the city (Zhang and Zhao, 2009). Additionally, the key factors, which can lead to success, are the vision and the integrated framework of the
following strategy that give meaning, impetus and direction to city branding process (Karavatzis and Ashworth, 2005).

The place must be connected to “stories” and attractive images through planning, design and promotional activities and therefore place branding must be treated as a whole entity of place-products (Kavaratzis, 2004) in order to avoid the creation of inauthentic traditions and irrelevant cultural motifs (Kearns and Philo, 1993), the selective manipulation of meanings, and exacerbation of social inequalities and unrest (Griffiths, 1998). In this process, famous architects, designers or literary figures participate to the building of city’s identity (Rantisi and Leslie, 2006).

According to Karavatzis and Ashworth (2005), in the literature, there are mainly three different types of place branding which are, nevertheless, often confused:

1. The geographical nomenclature, when a product is getting its name by the place where it is produced;

2. The product-place co-branding, which associates a physical product with a place that is assumed to transfer beneficial characteristics to the image of the product, but there is an inherent danger to fail because of the multifaceted and unstable features of place;

3. And finally, the branding as place management which is more than the creation and promotion of place images.

City government plays the role of manager, as place branding is a collective activity for the whole community and the consensus between stakeholders and general public is one of the most significant factors in the process (Zhang and Zhao, 2009). However, when there is cooperation or partnership with private sector and non-profit actors, city’s role switches to entrepreneur (Harvey 1989; Leitner and Garner 1993) and the local government’s intervention declines. However, local state still possesses other tools for development and urban regeneration, such as fiscal initiatives (Rantisi and Leslie, 2006). On the other hand, in this context, the risks and costs of investments are passed on to non-state bodies and/or individuals as rational entrepreneurial actors.

Place marketing and place branding play a crucial role to the formulation of the following strategy and moreover constitute the basic tools for the implementation of this strategy. Place marketing includes place branding, so as to enforce promotion actions, which enhance the image and the competitiveness of cities. Brand image is an important element for successful and effective urban marketing activities.
Both are used alternatively and are difficult to distinguish one another. Besides, place branding as a strategic marketing process implements practices based on tools of place marketing. Since places are not considered to be products, then the words «branding» and «marketing» must be interpreted in the metaphorical sense.

Hosting mega events

In recent years, in the context of city marketing, mega events and festivals have a vitally important influence to the urban development (Liu and Chen, 2007) and to achievement of urban competitiveness (Metaxas and Avgerinou, 2004). Mega events have received growing attention as a possible source of generating significant tangible and intangible benefits (Fourie and Santana-Gallego, 2011) and contributing major development to host cities, regions, and countries. When mega events are carried out by a city, they possibly lead to positive economic, social and environmental impacts (Metaxas and Avgerinou, 2004).

As Law (1993) notes, the term mega-event in an urban context is: “large events of world importance and high profile which have a major impact on the image of the host city” and according to Roche (2000), is “large-scale cultural (including commercial and sporting) events, which have a dramatic character, mass popular appeal and international significance”.

Consequently, mega-events are considered to be international large scale events such as the Olympic Games, the World’s Fair, World Cup football, etc., which can offer the opportunity to the hosts to raise the business opportunities, to attract new investments, to accomplish improved international position and prestige, to attract visitors from all over the world during the events and also to enhance tourism industry after the end of events’ proceeding (Bramwell, 1997) through the establishment of lasting legacies (Fourie and Santana-Gallego, 2011) and the creation of positive image and identity for the host city based on national and international media (Roche, 1994).

On the other hand, the attainment of an event may cause tourism displacement or crowding-out (Fourie et al., 2010; Matheson, 2002; Solberg and Preuss, 2006) as the preference of frequent tourists depend on various factors, such as escalating prices, lack of supply on accommodation and transport, and security issues (Fourie et al., 2010). Moreover, the timeframe of an event is important as far as the tourist attraction is concerned and as Fourie and Santana-Gallego (2011) note, the predictions for tourist
arrivals during the tourist peak season are not verified but on the contrary, tourism on host cities or countries is unexpectedly increased more when the event held on the off-season period.

The event preparation is often associated with “long-term debts and long-term use-programming” (Roche, 1994). Even if the hosts face negative financial return, there are nevertheless intangible assets of mega events such as the promotion of citizen morale, national pride, patriotism and the country profile/image (Fourie and Santana-Gallego, 2011) which may create a positive impact on host cities’ development.

Furthermore, according to the results of Fourie and Santana-Gallego’s research (2011), the assumption the more expensive the events, the greater the benefits for the hosts are is not necessary to be true. Rose and Spiegel support that mega events, such as Summer Olympics, increase the benefits of host city or country mostly through the signal by the potential hosting of event, regardless of the event-related activities which take place.

Mega events appeal to various audiences and different social groups (Lee and Taylor, 2005) motivating public and private sector organizations (Barney et al., 2002). Traditionally, the public sector involved in mega event planning allows for little intervention from community that is limited to participation in the initial election of political representatives (Roche, 1994).

However, according to Hiller (1990), there are various occasions of more democratic planning approaches as a successful implementation suggests that “community involvement and support may transform such occasions more into urban festivals likely to become significant urban experiences for hosts and guests” and consequently, as Williams and Lawson (2001) note, the community support or opposition is seriously taken into consideration by planners and businesses in the process of strategic management.

Local residents’ acceptance is also important because there might be the need to consent to tax increases, to contribute with their hospitality and to enhance the sustainability of event’s benefits (Gursoy and Kendall, 2006). In addition, planning may be conceived as a mixed process that combines both technical rationality and democracy (Gursoy and Kendall, 2006; Roche, 1994).

In contrast to these versions and under a critical perspective, Neo-Marxism realizes the urban planning as an essentially ideological activity which serves the interests of local capital and dominant class fractions by promoting myths of local governmental rationality and civic harmony to disguise and legitimate the deeply non-rational and socially divisive
character of the capitalist system (Castells, 1978; Harvey, 1985; Logan and Molotch, 1986; Roche, 1994).

World exposition - EXPO

The most significant purpose of hosting mega events is to increase competitiveness between tourist destinations and strengthen their appeal in potential or actual markets (Edwards et al., 2004). Thus, it is a precondition for cities to cooperate with global and national agencies in order to organize various popular large-scale events with both global and local dimension.

One of the most successful tourism events with cultural meaning is the large public exhibitions named as EXPO or World’s Fair. The long and rich story of expos has started in London in 1851 -under the title of “Great Exhibition of the Works of Industry of All Nations” with an initiative launched by Prince Albert, the husband of Queen Victoria- as the first international exhibition of manufactured products.

Expos are characterized by an international theme and contain a range of large exhibits sponsored by multinational corporations. Specifically, the first time countries have started more widely to promote and improve their national images through their national pavilions was the EXPO ’88 in Brisbane. Expos are located usually in central areas of a city or in territorial economic development zones and thus create more obvious and direct effects on host cities (Roche, 2000).

The most important role of expos is according to Roche (2000) “the stimulating of domestic and international tourism as a cultural industry from the 19th century, and also in stimulating the allied popular cultural world-views of touristic consumerism and urban cosmopolitanism”. Also, staging expos carries direct implications for the cities, with short or long term perspectives, not only in local economy but also in urban planning, in environment (urban or not) and in residents’ attitude.

The Power of mega-sport events

Due to globalization, the institution of mega events has been expanded fast. It is obvious that mega-sport events will have a permanent effect in the host countries. Events such as Olympic Games help in the successful upgrading of urban space and in the motivation of all powers for economic growth.
The organization of mega sport events requires the regeneration of urban planning, the construction of several special facilities and the implementation of an extensive construction program. The main purpose of a country when undertakes and organizes these kinds of events is the effective promotion of the country abroad. Moreover, the profile of the place and the lives of people in the hosting country are significantly improved after the organization of these events.

By the literature review, some of the major sport events are Summer and Winter Olympic Games, FIFA World Cup, the Special Olympic Games, the Cricket World Cup and the Rugby World Cup. According to Maennig and Du Plessis, (2007); Maennig and Porsche, (2008) the two largest mega sport events on the planet are Olympic Games and FIFA World Cup. Significant impacts in terms of increased trade flows have been presented in countries that host mega sport events (Fourie J. and Santana-Gallego M., 2011).

In order to host these events, it is required urban revival, significant infrastructure investment and event facilities. The potential economic benefits of hosting an event are the enhancement of international reputation, the increase of tourism and the improvements of public welfare and employment (Kasimati, 2003).

Mules and Faulkner (1996) point out that hosting major sports events is an asset, because the new facilities and infrastructures remain active after the end of the event, as a platform for future activities. As Ritchie and Hu (1987) pointed out, “the assessment of the role of mega events is considered to be a strategic vehicle for the development of a successful tourism destination”.

It is obvious that the competition among countries so as to attract these kinds of events, are considered to be part of the strategic plan of the country. The fact is that a possible success of sport events is a key factor for repositioning and reconfiguring a country’s image. It is inevitable that the attraction of sport events associates with strategies of urban regeneration, tourism development and economic growth (Bianchini and Schengel, 1991; Bramwell, 1995; Loftman and Spirou, 1996; Roche, 1994).

The organization of mega sport events in a certain country means that this country is in the centre of global attention and it becomes the main concern for business opportunities and new investments. In addition, this is a great chance to globally inform about the unique characteristics of this country and to motivate people so as to visit this country. On the other hand, it is regarded as a great chance internally, because these events boost citizen morale and pride (Barney, Wenn, & Martyn, 2002).
It is widely admitted that operational costs and expenditures of public funds for a country to host mega sport events are considerably high. Nevertheless each state has in mind the subsequent economic value arising from their organization. In most cases, this economic value is the basis for gathering public funding for such events (Chalip, Grenn & Hill, 2003).

Taking everything into account, we conclude that there has been a growing recognition of mega sport events as they bring economic benefits to the hosting country and lead to global communication and preservation of the country’s name abroad (Ritchie & Adair, 2002).

European Capital of Culture

This program was initiated by the European Union in 1985 and Athens was the first country to have supported this title. Since then, many other European cities followed. The idea of European Capital of Culture is regarded as a chance to show and promote the cultural life and cultural development of the city to the rest of the world. Obviously, a Culture Capital city becomes a cultural attraction destination for foreign visitors, enriching in this way its socio-economic development and urban revival. The current year Turku and Tallinn are Cities of Culture. City marketing constitutes a key component, when a city is designated as Capital of Culture, as it creates city brand awareness and value.

Indeed, it is an event that attempt to promote local cultural activities, describe cultural heritage, reinforce social value and encourage local beliefs. The cultural factor is being used as incentive for urban transformation and as an element to attract economic activities and new residents. European capital of culture event is a useful tool for the enhancement of cultural and heritage tourism, that is one of the most dynamic components of the tourism industry (Richards, 1996; Herrero, 2000).

In 1985, European Commission pointed out that the event of European Capitals of Culture is such a powerful stimulant to cultural tourism, that it is needed channeling funds into major, mandatory infrastructure projects required for the urban revival. Moreover, this event is a milestone for European economy, society, national brand and ultimately for European competitiveness. Therefore, it was created so as to boost the European identity through culture.

David Throsby (1999) underlines that a Cultural Capital can be understood as a permanent resource, as an asset that produces incomes in the shape of flows of goods and
derived services in the city. At the same time, the Cultural Capital is a set of tangible and intangible elements that express the inventiveness, the history and the identification process of this society.

Therefore, this event serves as an economic phenomenon, because it is involved in the function of the economy’s production and it can contribute to the economic development of society. The benefits of European Cultural Capital event are wide reaching, deeply penetrating and long lasting, when the certain city exploits the opportunities derived from the impulses of cultural tourism.

Taking into account these considerations, it is widely admitted that the European Cultural Capital event functions as a significant tool for city marketing plan. On this account, it is required a remarkable effort in the form of creating new cultural facilities, urban redesign, tourist equipment and communications in the city.

Why Lisbon?

Lisbon which is the capital of Portugal -a country with an area around 89000km2 and almost 10 million inhabitants- is located to the western edge of the European continent and more precisely on the Atlantic side of the Iberian peninsula (Alden and Da Rosa Pires 1996). Portugal’s entrance to the European Community in 1986 gave incentives to its regions and cities to become more viable and competitive within an internationalized environment.

Portugal was considered to be one of the poorest countries of the European South but since it became a member of the European Union took advantage of the European Regional Development Fund (ERDF) which helped the Portuguese economy to become one of the fastest growing in Europe (Alden and Da Rosa Pires 1996). However, Portugal's and in our case Lisbon’s position in the European map does not constitute an advantage for its attractiveness and economic development. This is to say that Lisbon is somehow far away from the central poles and decision-making centers of Europe and this fact makes it extremely difficult for Lisbon to achieve successful promotion policies (Metaxas 2006).

Furthermore, we must take into consideration the fact that cities of the strong European core such as Brussels, London, Paris, Frankfurt etc. strengthened their reputation and established their image through extremely successful place marketing policies. Whatever the case may be, it has been proved that Lisbon dealt with these obstacles effectively and managed to achieve its goals through city’s promotion. This is an
uncommonly interesting fact taking into account Lisbon’s “isolation” from the European core.

In the last 15 years, Lisbon has tried to reinforce its image and satisfy its main goal to become a metropolitan capital city which can equally compete the other European cities through the implementation of organized strategic plans. The absolutely successful organization of mega events such as the European Cultural City of 1994, EXPO 1998 and UEFA EURO 2004 has given Lisbon a tremendous boost strengthening its economy and generating the conditions for the creation of a powerful image of the city.

Taking into consideration the European Cities Monitor research conducted for the years 1994, 1995 and 2005 we can easily understand that the position of Lisbon in the hierarchical system of cities has steadily been improved during this period. It is important to be mentioned that the specific survey was the outcome of the evaluation of the top 30 European cities (in 1990 the study included only 25 cities) by senior executives from 501 European companies who gave their views on Europe’s leading business cities.

The study concerns the issues that companies regard as important in deciding where to locate based on a number of criteria such as accessibility of cities to markets, availability of qualified staff, transport linkages, cost of staff, the quality of life for employees etc. (European Cities Monitor 2005). The results of the survey showed that Lisbon managed to maintain its position during the period 1990-2004 (16th place) -which is simultaneously the period of the organization of Lisbon’s mega events- and furthermore in 2005 succeeded to move up from 16th to 14th place. This fact reveals a notable tendency of Lisbon to steadily increase its position to the ranking of European cities and also implies signs of improved attractiveness.

As it has been mentioned before Lisbon’s isolation from the European core decreases the possibility of the city to take advantage of successful promotion policies. However the results of the European Cities Monitor based on business executives views shows the opposite. Lisbon is appeared to be a well organized city in terms of strategic planning despite its disadvantageous position in the European continent and this composes a good reason for choosing Lisbon for our case study.

**Lisbon’s strategic plans**

The organization of Lisbon’s mega events during the last 15 years constituted an extremely significant opportunity for the city to create a successful image across Europe
and moreover to enhance its economic development. Clark (2006) explains the importance of hosting global events: “the opening up of global markets has created new branding and promotional opportunities for both cities and firms.

Major events are important branding opportunities not just for the cities that host them, but also for the firms who offer sponsorship. […] Events provide branding and marketing opportunities for host cities/nations and their key private sector sponsors”

Thus, Lisbon took advantage of these opportunities and managed to improve its attractiveness and competitiveness through cultivating a better image. The successful organization of Lisbon’s mega events was based mainly on a strategic planning procedure which required the participation and the contribution of both local authorities and private sector. The first legislative change with respect to urban planning took place in 1982 with the Law Decree 208/82 which created the Municipal Master Plan (PDM).

The main concern of these strategic plans was to promote social and economic development in municipalities through public participation. In 1992 the central government of Portugal introduced a strategic plan which reassessed the procedure of urban planning (Alden and Da Rosa Pires, 1996). The 1992 Strategic Plan for Lisbon primarily intended to make Lisbon the Atlantic capital of Europe and this vision according to the plan had to be achieved through the close coordination of four major strategies:

1) to make Lisbon an attractive city to live and work;
2) to make it competitive in the system of European cities;
3) to assure its function as national capital;
4) to make the administrative process modern, participative and efficient (Vasconcelos and Reis, 1997)

In this context, AMBELIS (Agência para a Modernização da base Económica de Lisboa) - a co-ordinating organization for the strategic development and the promotion of Lisbon - was founded in 1992. The main purpose of this organization is to promote the renewal of the urban and economic structure through ideas, projects and resources which are used as a means for the modernization of Lisbon’s economy (Van den Berg et al., 2000).

As Metaxas (2002) points out “the strategic planning in Lisbon has not followed any particular place marketing structure”. However, recently the municipality of Lisbon managed to form a strategic marketing plan with clear vision and objectives. The strategic marketing plan for Turismo de Lisboa 2011-2014 describes clearly its strategic ambition: “The strategic ambition of the Lisbon Region is to affirm its position among the most popular European capitals for tourists. Within the context of national tourism, it seeks to increase its market share in the domestic market and help make Portuguese tourism more
competitive” (Strategic Marketing Plan for Turismo de Lisboa, 2011). In order to achieve its vision, Lisbon must focus – according to the marketing plan – on three strategic objectives:

1) increase quantity and value;
2) upgrade the experience of visitors;
3) generate more awareness of the destination;

The city of Lisbon managed to meet its expectations and reach its objectives during the last 15 years. The successful organization of global scale events such as the European City of Culture 1994, Expo 1998 and Uefa Euro 2004 has greatly contributed to the cultivation of a certain identity of the city as tourism destination. An extensive analysis of these events which is presented below examines their contribution not only to the city’s economic development and image promotion but also to urban regeneration and cultural heritage.

**Lisbon as European capital of culture 1994**

The European Capital of Culture was a program that first introduced in 1985 after the agreement of EEC’s cultural ministers. The main objective of the program was “to help bring the people of the Member States closer together” (Official Journal of the European Communities, 1985). In the case of Lisbon 94 there were high expectations not only from the side of citizens and local actors but also from the Portuguese media.

As Metaxas (2006) points out, “the designation of Lisbon as the European City of Culture 1994 provided an opportunity to create and consolidate the city’s cultural programs, improve facilities, promote the city abroad and attract both visitors and investors”. Similarly Da Costa Holton (1998) underlines that “Lisbon 94 represented a unique opportunity for reorienting Portugal’s national identity away from the semiperiphery and toward the European center”.

Even if it has not been observed a specific place marketing policy in this context, it was clearly perceivable that Lisbon’s local actors in collaboration with Portuguese government tried to implement a plan with feasible objectives. Culture in the case of Lisbon “understood as a motor for a modernization of the city’s infrastructure in an attempt to put Lisbon on the map of international investment” (Ghilardi, 2003). Lisbon’s objectives focused not only on improving cultural venues through the stimulation of new
markets, but also on the creation and restoration of cultural places designed in such a way that can equally compete the other Western capitals (Da Costa Holton, 1998).

Lisbon managed to achieve its objectives by building a long term legacy through the cultivation of a new local image and identity. New habits in cultural consumption, larges audiences for culture, renovated spaces for culture and most generally improved cultural marketing constituted basic elements of the transformation of Lisbon’s international image. In addition, the renovation of private housing and commercial spaces in historical areas had an impact not only on social and cultural terms but also on economic terms (European Communities, 2009). The renovation of several buildings such as the Coliseu dos Recreios, the Museu de Arte Antiga, the Tivoli and most notably new constructions such as the Centro Cultural de Belem (CCB) and the Caixa Geral dos Depositos (CGD) represented some elements of the Lisbon 94 legacy (Da Costa Holton, 1998).

These investments and reconstructions seem to have greatly contributed to the sustainable socio-economic development of the city creating the preconditions for the strengthening of Lisbon’s attractiveness. It is also remarkable that the successful organization of European Cultural City event became a major driving force of the urban tourism in Lisbon. Cultural tourism is seen as being a major growth market in global tourism (WTO, 2004) and Lisbon took advantage of this event in order to reinforce its image as a cultural destination.

The designation of Lisbon as the European Capital of Culture 1994 constituted the first step in a continuing process of establishing a new identity of the city. The organization of international cultural and sport events such as EXPO 98 and EURO 2004 by Lisbon city showed that a dynamic procedure of promoting a new identity of the city abroad took place including the participation of all social actors – government, local municipalities, citizens and private sector.

**EXPO 98’**

In the late 15th century Portugal was the linchpin of development for the world in economic, scientific and technological fields. Five hundred years later the Portuguese government saw, in the organization of a mega event an opportunity to appropriately celebrate these maritime achievements of the late 15th century. In the framework of the preparation for the anniversary of Vasco Da Gama voyage to India, the National Commission for the Celebration of the Portuguese Discoveries proposed in 1989 the
realization of an International Exposition in 1998 under the theme “The Oceans, a Heritage for the future”. Expo ’98 was officially sanctioned as a World Exposition by the Bureau of International Expositions (BIE). The Expo started in May 22nd and ended in the 30th of September 1998. There were 160 official participants with 146 countries and 14 International organizations represented. Thus, Expo ‘98 is thought to be the most international of all expositions ever held due to the number and nature of participants (Parque dos Nacoes, 2002).

In March 1993, the Portuguese government established Parque Expo ’98 SA. Its responsibility was the administration and coordination of the project and additionally it had a role as an urban planning body and its activities were involved in urban restructuring. One major aspect was the location of the Exposition. The oriental part of the city was chosen as the main Expo site. This is a 340ha of urban space, 70ha of which was used as the main Expo location. That choice was based on the fact that there was sufficient land in the area and an urgent need for regeneration in this part of the city. The concept of a modern infrastructure promoted by an event with national and international prestige was seen as the driving force for the rehabilitation of a disused, old and neglected industrial district of Lisbon.

This choice, of such a large area so close from Lisbon’s historical centre and in the waterfront of the Tangus River, was totally associated with the aim of making Lisbon a “world city”. That was a unique opportunity to improve the environment and quality of life in Lisbon, to reduce inequalities between the eastern and western part of the city and mainly, to set the standards for future urban development. (Edwards 2002). Another important output of the Expo ’98 was the renewal and building of infrastructures and mainly transportation facilities. Specifically, the airport was modernized, the road networks were improved, thousands of parking places were created in the city, the underground network was developed and a new central train station was built. According to Carriere and Demaziere (2002), “the ambition was to make the Nation’s Park (actual name of the whole regeneration site) the focal part of the development of the whole metropolitan area”. In fact, it is the symbol of the new Lisbon. This multi – functional area broaden the city of Lisbon to the east and provided a good background for other projects related to the environment, quality of life and leisure activities. Furthermore, the developers of Expo ’98 used the regeneration as a flagship in respect of best practice with regard to environmental standards, by installing new infrastructure systems.
As Cariere and Demaziere pointed out, in a study of Expo’98 regarding the planning process, Expo’98 was not only an event but a very essential tool for urban regeneration. It derives from this study, that the approach of Expo ’98 planning follows current trends which take advantage of large international events in order to create a distinctive urban neighborhood, aiming at changing the city’s image.

Expo ’98 was a project with multiple objectives. According to Expo Global Plan (Parque Expo 98, 1994) the exposition had six main objectives: (1) reassertion of a national vocation, (2) reposition of the country in the new European context, (3) urban regeneration, (4) celebration of the Discoveries, (5) tourism promotion, and (6) economic stimulus. In this point, it is worth to mention that although tourism is a sector that could benefit from the Exposition, the Expo was not hosted primarily for tourism.

Regarding tourism, it was expected that such an International event will attract media coverage. Portugal would be in the centre of Global attention for a while and many tourists would visit Portugal either because of the Exposition or for the Exposition. Therefore, Expo’s long–lasting impact on tourism should not be ignored (Parque Expo ’98, 1994: 14). After the regeneration process most of the attractions and infrastructures constructed for Expo were maintained, and tourism has a major benefit from their existence. The most characteristic are presented in the table below:

<table>
<thead>
<tr>
<th>THEMATIC INSIDE OFFER</th>
<th>During Expo</th>
<th>After Expo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portuguese Pavillion</td>
<td>Retained</td>
<td>Retained with a non tourism/leisure function</td>
</tr>
<tr>
<td>Knowledge of the Seas Pavillion</td>
<td>Retained as “Knowledge Pavilion – living science centre”</td>
<td></td>
</tr>
<tr>
<td>Ocean Pavillion</td>
<td>Retained</td>
<td>Retained as Oceanarium</td>
</tr>
<tr>
<td>Pavilion of the Future</td>
<td>Retained</td>
<td>Retained</td>
</tr>
<tr>
<td>Utopia Pavillion</td>
<td>Retained as “Atlantic Pavilion”</td>
<td></td>
</tr>
<tr>
<td>Territory Pavillion</td>
<td>Retained as “BIL – Lisbon International Bowling Centre”</td>
<td></td>
</tr>
<tr>
<td>Virtual Reality Pavillion</td>
<td>Retained</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>THEMATIC OUTSIDE OFFER</th>
<th>During Expo</th>
<th>After Expo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nautical Exhibition</td>
<td>Ended</td>
<td></td>
</tr>
<tr>
<td>Water Gardens</td>
<td>Retained</td>
<td></td>
</tr>
<tr>
<td>García de Orta Garden</td>
<td>Retained</td>
<td></td>
</tr>
</tbody>
</table>

Main attractions of Expo ’98: During Expo VS After Expo

In addition, the process of modernization of the city of Lisbon after being awarded the World Exposition has essentially amended both the tourist infrastructure and the international image of the city. These amendments, in accordance with the creation of a public – private partnership to promote the city abroad, led to the development of the leisure market, known as city breaks (Moital, Peres and Costa).
The approved success of the organization of Expo has created a “willingness” to the local tourist industry to host other events. This “willingness” in accordance with the legacy of the Expo ’98 in terms of successful organization of events and proper infrastructure systems, favored the choice of Lisbon to host more events, e.g. the Tennis Master and the UEFA EURO Cup 2004, that have been organized after the Expo.

Furthermore, the changes brought about by Expo made the city more competitive in international tourism markets mainly due to the development of two main market segments – MICE and City Breaks – and two secondary – Golf and Cruises. Although Lisbon had already a competitive position in the MICE segment, after the rehabilitation and the changes that have been made during the Expo, an opportunity occurred for the city to host more and larger meetings and congresses. The new facilities that have been established, allowed Lisbon now to host events up to 17,000/18,000 participants. It may be argued that the MICE market is now in the mature stage of its cycle in the Lisbon area.

Moreover, Expo ’98 allows Lisbon to be considered a very good choice in the city break segment. Lisbon is now promoted as a leisure city with a rich identity due to the improvement of the quality of the tourist’s accommodation by increasing tourist information centers, launching a card (Lisboacard), that facilitates mobility in the city, entrance to attraction and discounts in restaurants and stores. In addition, another positive result of the Expo ’98 for the city of Lisbon was its ability to work as an image-maker for Lisbon’s tourism. Expo ’98 put Lisbon in the mouth of the world, as the 1,7 million foreigners who visited the Expo will act as tourism promoters in their own countries.

From all the above it derives that Expo’ 98 may be regarded as a mega-event which boosted the tourism sector providing a high international visibility for the city of Lisbon, inserting improvements in the tourism organizational structure and resulting in a large development of infrastructure and tourism equipment.

**UEFA EURO 2004**

In 1998 Portugal was chosen as the host country for the 2004 European Football Championship (Euro 2004) announcing that the event will be conducted in ten different stadiums of eight different Portuguese cities.

Sport mega-events are considered important for the projection of places and can also play a significant role in the correction of a negative destination image and in increasing brand recognition (Blanco 1998). The organization of EURO 2004 was thought
to be a one-time opportunity for Lisbon to secure resources for development efforts and to create global exposure. (Andranovich et al, 2001).

In the case of UEFA Euro Cup 2004, as Huchon et al. (2002) pointed out, the organization of such a great event covered by international media, results in the creation, transformation and improved valuation of a city’s image. According to Whitson and Macintosh (1996), the technological development and innovation of the late 20th century through the spread of television in people’s life, allowed international sport events to become one of the most effective ways for a city to place itself on the world stage, even for a few days, and demonstrate itself as a successful city.

As a matter of fact, the UEFA EURO 2004 was broadcasted to a television audience of an estimated 1 billion, whereas the average number of spectators at the stadiums for the finals and the semi-finals of the championship was 47111 and the event was covered by 3.500 journalists. According to a study (ICER, 2005), the free publicity of Portugal, the organizing country of the event, through newspapers and magazine articles is estimated to have a worth of 80 million Euros, not including the articles related to the actual football. Therefore, the UEFA EURO CUP 2004 can be clearly categorized as a mega event (Getz, 1997) which had the possibility to promote Portugal as a destination with much more to offer than just the festivities and the football that took place in the stadiums.

A very important procedure in a UEFA EURO CUP event is the construction of the new stadiums. First of all it is a significant matter from the planning point of view, regarding the location of the construction of the new stadiums and the other facilities. Therefore, one of the main goals of this event is the development of the Portuguese urban renewal and image through interventions in cities (Marques, Alves).

In the same way, due to the urban characteristics that involve the construction of the new stadiums, the real estate speculation seems to be gaining the principal role of the Euro 2004 even from the European Football Championship itself. More specifically, it is mentioned that the Championship is used as a pretext for great economic profits for the football clubs and the private agents directly involved in the construction of the stadiums.

The Northern tourism association ADETURN had the responsibility for elaborating a Marketing Plan for the period 2004-2006. In the ADETURN’S Marketing plan, four tourism product priorities were defined: touring, city break, congress and meeting events (MICE) and active tourism. Additionally, the Marketing Plan refers to the EURO 2004 as major event defining four target groups: journalist, team accompaniment,
enterprise and family. The promotion was carried through tourism information actions, school visits, and a new press office.

Conclusively, the most important benefit for Lisbon by hosting the UEFA EURO CUP 2004 is the city promotion in an international sportive level which entails an increase of medium tourism level. As Ritche states (ibidem p. 244, based on National Heritage Committee, 1995) the main reason to host major events is the “longer term beneficial effect”, not only by spectators but more significantly “through the increased investment and tourism activity that such exposure brings”. The organization of the EURO 2004 for Lisbon was used as a powerful and effective tool for the show-casting of the city and for the creation of what the industry calls a “destination image”. Like all the contemporary major sport events, the EURO 2004 was a chance for Lisbon to compete other cities and regions in a transnational environment in order to attract investments and consumers. What is more, such a sport event with major international reputation, especially in Europe has the ability to promote main Portuguese cities and make them attractive to the market. Another benefit is that specific infrastructure improvements increase the public accessibility thanks to the municipality support.

Conclusions

Places should conduct promotional activities, so as to differentiate themselves from each other, to assert their individuality in pursuit of various economic, political and sociological goals. Every government attempts to shape a specifically designed place identity so as to promote it towards identified target markets (AMA, 2007). Place marketing and place branding are widely used as potential tools for the strategic planning of cities. Besides, the strategic planning procedure requires knowledge (diffusion), market segmentation, strategic analysis, direct contribution of inhabitants, co-operation and coordination between local authorities (Van den Berg, 2000). The case of Lisbon constitutes a typical example of well-planned and well-implemented strategic planning procedure based mainly on close cooperation among local authorities, citizens and socio-economic stakeholders.

Obviously, Lisbon hosted and organized fabulous events in order to provide the basis for urban reconstruction and revitalization, highlighting all qualities of the city and giving the city a modern and contemporary character with international recognition. In addition, the orientation and focus on the planning and organization of mega events is
considered to be a tool so as to enhance the competitiveness of the city, to become a global distinctive tourism destination and to promote its image globally.

Despite the fact that Lisbon has not followed any particular pattern of place marketing policy during the last 15 years, the undertaking of these three mega-events seems to have offered great benefits to the city, enhancing its image abroad. Starting with the designation of Lisbon as European Capital of Culture 1994, it can be underlined that this event constituted the first step in a dynamic procedure of establishing a new identity of the city. The regeneration projects that took place, the restoration of cultural places and generally the promotion of a cultural image of the city abroad are the basic factors that helped Lisbon strengthen its attractiveness. Secondly, the positive impact of expo 98’ on the city was considered to be huge. The successful organization of expo put Lisbon back on the business map mainly due to the infrastructures improvements which took place. In addition, the expo inserted improvements in the tourism organizational structure and thus managed to promote Lisbon’s image as major tourism interest area. However, in this point it must be stressed that although expo 98’ attracted high volumes of tourists, its international reputation was lower than mega sport events (Euro 2004). Finally, the organization of European Football Championship had a great impact on the promotion of Lisbon and other Portuguese cities abroad. Euro 2004, which is an event with identified international reputation, proved to have been multiple effects in Lisbon’s economy as regards increased investments and tourism activity.

To conclude, we have to point out that Lisbon has succeeded to reinforce its image through the absolutely successful organization of major events and therefore managed to be established as a dominant city in a fully globalized economic environment. This matter can be clearly highlighted by the fact that Lisbon possess the 14th position in the ranking system of European business cities according to the European Cities Monitor (2005), maintaining a stable position during the last two decades, despite its disadvantageous geographical position.

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