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ABSTRACT

City branding is a relatively new topic gaining extreme interest and a promising and practical field of marketing. Due to global competition, even more regions and cities around the world, are seeking solutions in place branding's methods and practices, which now consists a main urban development tool. Having a significant amount of information, the study will focus on the city of Stockholm. Being capital of Sweden and city with strong economic and political background, the case study will focus on the factors which contribute to an attractive external image. Studying its economic structure, business environment, educational system, how residents and foreigners see and respect the city, as well as the existing city branding methods, we will try to identify the way in which city will be attractive in tourists, investors and residents, as well as whether the city manages to fulfill its objectives about Vision 2030, targeting on a "World-Class city".

Key Words: City Branding, Place Marketing, Stockholm, Vision 2030, World-Class city, Brand Name

Jel Codes: R58, R59

1. Introduction: Globalization and the need for Place Marketing

In the new economic reality and globalize environment, there is a big effort of local governments to make cities more and more attractive to new investments and corporate headquarters, seeking continuously for funding their “local” projects. Consequently, there is an uninterrupted competition and conflict between them. According to Sanders and Stone (1987), local economic development is not just a simple task, is a political fact. Regulation of tax bases, labor laws, a stable environment are only some political actions which often governments are trying to achieve, in order to make communities likeable to investors.

Kotler (1993) refers to a new economic era, which pushes places in a global competitive stage. That’s why, cities become “world-cities” (Knox and Taylor, 1995) and places become places-products which must sell themselves and attract tourists, businesses, immigrants, labor force, even if sport teams, science conferences (conference tourism) and so on, all of which promise increased employment, income, trade, investment and growth.

The last few years are characterized of a rapid internationalization especially in the economic sector and changes in the structure of production mainly in developed countries. The present reality is resulting from globalization, where cities seem to be the dynamic centers in this changing international environment (Harris, 1997). In this global scene, cities are transmuted over time. While in the past, “factory cities” were at the forefront of national economies, now the contemporary city is a prime site for consumption-related activities related to tourism, sports, culture and entertainment (Hannigan, 2003). Precisely, culture is being more and more important in urban economies and led to the emergence of so-called “Fantasy Cities” (Hannigan, 1998). In the past, the main factors for choosing a location was the geographical position and the infrastructures, while now are of secondary importance in the decision making process.

Place marketing has been shaped and developed through marketing science and societies started to implement its techniques and methods since places felt a deep need to differentiate themselves and be unique (Kavaratzis and Ashworth, 2008). In few words, place marketing has been born, when competitiveness between places started. Paddison (1993) supports that marketing cities, gained extreme interest as a way to enhance their competitiveness. It’s about a “New cities phenomenon” talking about the effort of the cities/places to sell a positive image throughout the world (Hall, 1998).

Nowadays, place marketing, especially in the U.S., is a multi-billion dollar industry (Rainisto, 2003) where cities are being commodified, designed and marketed in order to sell themselves, as happening to all products in our capitalistic world (Goodwin, 1993). However, places are not just normal products or services, but a combination of goods, services, customers’ perceptions and so on. They use to have goals other than the direct monetary targets. That’s why several differences in places cause differences in the marketing strategy, but do not reject entirely the use of “product-marketing” (Rainisto, 2003).

But, except business marketing, place marketing started to adopt many other sciences like history, human sciences and of course economics (Rainisto, 2003). Place marketing is not a new phenomenon, and like many marketing ideas, place marketing has its origins in the U.S. Precisely, there were three

generations of place marketing studies: place promotion, place selling and place marketing. For example, place selling was a dominant form of promoting locations and as the name indicates, it is mainly based on various forms of advertising. Recently, place marketing became basic feature of a place's economic development strategy.

This new Kotler's economic era is characterized of a world where information plays main role, workers are fully educated and specialized, tasks are complicated, technology changes in a rapid way and innovation-creativity are very significant. There is a shift from unskilled labor-intensive products, agricultural products and industrial raw materials to skilled-labor intensive and high-technology products (Young, 2005).

Talking about globalization and its effects in cities, it is important to mention that cities are participating in a world "game", where the prize is the capital attraction (Gospodini and Beriatos, 2006). They are trying to create comparative advantages in order to survive in this "jungle" of globalization (Metaxas, 2001). Unfortunately, this world of accelerating changes causes problems not only in the economic structure of the community but also in the value system, since not all communities can follow these rapid changes and inevitably, they sunk and disappear (Karuwiti, 2002).

Consequently, globalization, described as a 'multifaceted process guided by transnational institutions and firms' (Amin and Thrift, 1994), affects all places and if they do not market themselves successfully, then they decline and are led to economic stagnation. Of course, 'some places are deserved the title of favored few' due to its geographical position, its exceptional climate or it's natural beauty and historical heritage (Kotler et al, 1993) and some others must try a lot in order to achieve all these benefits. We are talking about an uneven developed world with different outcomes from place to place which lead to a continuing unevenness (Cox, 2008). In these cases, place marketing seems to be a necessity.

2. From Place Marketing to City Branding

Place Marketing went through many phases since it was be used as a city planning tool (Asworth and Voogd, 1990). But how did the theory of place marketing developed through decades?

Specifically, Place Marketing passed through three phases, without following a strict timeline and very often throughout history, some phases may coincide even in the same place.

First phase: In the 19th century, nationalization and globalization led places to a growing competitiveness between them and created the phenomenon of "place boosterism". Is the phase of 'smokestack chasing', as Kavaratzis mentions, where place marketing began as place promotion theories and techniques which aim to attract potential settlers. In fact, place marketing exists, since places exist within markets and compete for resources even they are aware of it or not. Looking back on history, some early evidence of place marketing is appearing in the 7th century when Western colonization tried to achieve the installation of residents to the new rural land. Later, during the period of industrial development (1930-1970), place marketing appeared as the effort to attract industries and create new jobs, while urban representation centred in low operating costs and availability of subsidies ('selling the

industrial place'), finally in the decade of '80s, governments tried to 'sell' places with simple promoting methods (eg. city advertising).

Second phase: This phase began in the decade of '90s, when place marketing has been used as a planning tool. As Kavaratzis suggests, is the generation of "target marketing". In addition to promotion methods, governments also began to use economic motives and through extensive research and analysis, they aimed in specific costumers according to city profile and local characteristics. Except of this, in this stage, places are trying to improve their image not only to foreigners but also to locals, by improving physical infrastructure, quality of life, vocational training and good private-public cooperation ('selling the postmodern city').

Third and last phase: In this stage, Place marketing is appearing as 'corporate brand' or as 'product development'. It includes the objectives of the first two stages but also an emphasis on the jobs of future. Although, city brands differ from product brands, this does not mean that both cannot be treated as corporate brands. As Knox and Bickerton suggests, the ultimate goal of branding is to add value to the product/place/service and create brand reference and loyalty (Kavaratzis and Asworth, 2008; Kotler et al, 1993; Kavaratzis, 2008)

City Branding appeared in the late of 90's and was related mainly with the need of local entrepreneurs and residents to promote an attracting external image. Maybe, according to bibliography, image formulation and image communication are the main components of city branding (Kavaratzis and Ashworth, 2008). Image is the most crucial and significant factor for people (locals, investors, tourists, etc) who use the city and is an effective way to achieve marketing efforts. This led to the creation of city branding which is very popular today and seems to be the future of city/place marketing (Kavaratzis, 2008).

3. City Branding and City Image

"Image is the result of various, different and often conflicting messages sent by the city and is formed in the mind of each individual receiver of these messages separately" (Kavaratzis, 2004) or "the sum of beliefs, ideas and impressions that a people have of a place" (Kotler et al, 1993).

According to Graham (2002), city is separated into two parallel cities. The external and the internal one, which coexist and interact. The external city is the city that someone capture at first glance (buildings, landscapes etc), while the internal one is city of the mind, the city which someone think about through its emotions, prejudices and memories, it's the 'mnemonic city' or as Broudehoux (2004) suggests the physical and the rhetoric image of a city, respectively. The crucial point of managing a city is the interaction of these two parallel cities. Vermeulen (in Kavaratzis, 2004) says that *"it is not the city but the image that has to be planned"*.

Many marketers had tried to measure city image and in order to achieve it they followed two steps: a) they choose a specific target audience (between residents, visitors, factories, corporate headquarters and offices, entrepreneurs, investors and foreign purchasers). In this way, targeting a specific audience can avoid the

creation of an unstable or inconsistent image, since they focus in the needs and requirements of the specific target market and create an effective image, b) they measure the perceptions of the target audience that had been chosen. They are trying to identify the level of awareness of the place and then, the emotions and the impressions that city causes (Kotler et al, 1993)

People make sense of places in the same way they make sense of product brands. Specifically the ways are three: a) through planning and urban design, b) through the way by which they or others use specific places and c) through mental images which are being created by novels, films, paintings and other (Kavaratzis and Ashworth, 2005)

Thus, it is obvious that city branding is related to psychological and emotional factors that people possess and trying to intervene and make changes in the environment of a city. In few words we would say that city branding is “merely the application of product branding to places” (Kavaratzis and Ashworth, 2005). City branding has many similarities with product branding but undoubtedly, is not the same. On the one hand, *Product Branding* is a commonly known commercial procedure, which is used in order to achieve high values in a product opposed to its competitors, by creating correlations to consumer’s mind and persuading him to buy it, while on the other hand, *Place Branding* is the process of giving a place a specific identity in order to satisfy the demands and needs of potential target groups and achieve a positive image or change the negative one (Defner et al, 2012, Kavaratzis, 2008, Donald and Gammack, 2007). Both are a combination of local characteristics and added value (Avraham, Ketter, 2008).

Many researchers are debating about the objectives of city branding: *are they economic or social?* According to Kavaratzis (2004), the first aim is to attract inward investments and that’s why many people criticised it and support that city branding causes social conflicts. But as Parkerson and Saunders (2004) claims the objection of city branding is to increase the flow of visitors, people, students and FDI by improving city’s attractiveness, “*the bottom line is economic*”. Additionally, Mommas (2002) in Tayebi (2006), supports that present city brands are only managed in economic way without achieving any social or cultural results, but unfortunately “they serve only external cash-rich groups”.

A successful place branding can lead to:

- ✓ The increase of competitiveness and furthermore, attraction of investments, visitors, and events
- ✓ Higher returns to investment properties, infrastructures and local events
- ✓ Sense of pride for their city, since city acquires recognition and popularity.
- ✓ Last but not least, all the above lead to economic development and improvement of social and cultural background (<http://www.citybranding.gr/2011/02/city-branding-city-brand.html>)

On the other hand, as Mommas (2002) in Tayebi (2006) said, city branding can cause several problems since it tends to elevate the city itself and gives value that does not exist. Moreover, brand is giving a coherence to something that does not have normally and this may lead to rationalization and ‘*cliches*’. Thus, he suggests that city brand must follow a more social than economic orientation and raise the civic pride. Last but not least, the founding director of Placebrands, Malcolm Allan in an in-depth interview who gave in Tayebi, said that advertising and propaganda which are often main branding

techniques, does not usually reflect the reality of the city but an illusion. A successful city branding should get a better value both for the city and the residents, visitors which interact with city.

Finally, referred to city branding, it is important to develop the concept of Brand Name. Brands are a mix of natural, socio-psychological characteristics and beliefs which are associated with the product. Their primary aim is to achieve economic development and then, social and cultural results. Brands are not simply slogans or logo or names that characterize a city, but products/services which succeeded to differ from their competitors due to their unique personality (Kavaratzis and Ashworth, 2005). As Metaxas (2006) supports, the creation of brand name is may the last and sure step for achieving global recognition in the procedure of marketing city. Brands may include symbols, values and perceptions which all compose city's identity.

4. Success stories of City Branding

Glasgow city

Figure 1: Glasgow's slogan



Source: <http://www.rampantscotland.com/let040313.htm>

History have proved that in difficult times, places managed to recover through successful place marketing by taking advantage of their bad conditions, such as poverty, deprivation, economic disaster etc. Almost three decades ago, deindustrialization and the continuous increase of unemployment and therefore, poverty and deprivation in many British cities caused serious problems in their images. Fortunately, one of them named Glasgow create a clever campaign, which showed that the city was better than before and offer many opportunities both in residents and industries. The slogan ***“Glasgow: miles better-smiles better”***, showed the optimistic side of the city and its revival. In a few years the message has spread throughout the city by all known techniques of advertisement and promotion. There were advertisements on walls, in shops, in buses, in magazines, almost everywhere. It was an undoubtedly successful case of place marketing of a destroyed city (Hall and Hubbard, 1998).

Genova city

Figure 2: Genova's slogan

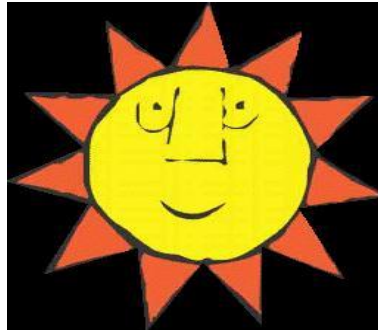


Source: <http://www.citybranding.gr/2011/02/city-branding-city-brand.html>

In the '80s and '90s, city of Genova was converted from an industrial port to a city full of tourism, services and advanced technology. In 2007, Renzo Piano, famous architect and responsible for the revival of Genova's port, supported that city could be promoted as an "*Urban Lab*", a city with historical and cultural concerns but also interested in technology and innovation, a meeting point for urban development. The result was the creation of the well-known logo: "***Genova: Urban Lab***", a quite simple and understandable message with the red color to imply the passion and the communication. Genova, in the consciousness of many, now consists of a lab which experiments and propose clever solutions to its people's problems (Mohianakis, 2011).

Karlstad city

Figure 3: Karlstad's City logo, a happy sun face



Source : <http://www.citybranding.gr/2011/02/city-branding-city-brand.html>

City of Karlstad is based on the fact that Sweden is characterized of high quality of life. In this case, city did not try to create a new image but to maintain and make known the existing one. Its message is the creation of an attractive and developed city, accessible to everyone and that of a "green" and sustainable city. From 1989 until today, logo city is a happy sun face, emphasizing its sunny position and people's good mood (Mohianakis, 2011).

Amsterdam city

Figure 4: Amsterdam city's logo



Source: <http://www.conscioushotels.com/cityGuides/iamsterdam>

Amsterdam had also a very successful branding campaign, which was launched in the September of 2004. After a lot of failed brand carriers that experts followed to promote city, such as “Small City, Big Business”, “Cool City”, “Amsterdam Has It?”, they finally succeeded to create a logo which is unforgettable to people’s minds, **“I Amsterdam”**, a short, clear, powerful and easy to remember message. The secret of the successful campaign was that they did not focus on specific target groups as they used to do. The logo “I Amsterdam”, is addressed to many, either they are tourists or investors, residents etc. Within a short period of time, the new slogan was the ‘flag’ on city marketing plans and become popular as logo on T-shirts, bags, umbrellas and not only (“I Amsterdam” merchandising) (Kavaratzis, 2008).

New York city

Figure 5: New York City’s slogan



Source: <http://www.canoe.ca/Travel/News/2012/12/31/pf-20465891.html>

One of the most successful and recognized campaigns in the history of great emotional branding, was that of **“I Love N.Y.”**. In 1977, after a deep recession, the State of New York decided to spend the entire tourism budget on market research in order to turn around the economy. Almost \$4 million were spent in the advertising campaign. Ad Agency Wells, Rich and Greene in cooperation with the graphic designer Milton Glaser, crafted the famous logo, while Steve Karmen, “King of the Jingle”, written and composed the song “I Love N.Y.”. After three years, Governor Carey established it as State Song, which was already imprinted in people’s hearts.

“I LOVE NEW YORK”

“There isn’t another like it.

No matter where you go.

And nobody can compare it.

It’s win and place and show.

New York is special.

New York is diff’rent’ cause

there’s no place else on earth

quite like New York and that’s why

I LOVE NEW YORK.”

The unfortunate fact of this story was that, especially after 11th September people connected the campaign with the city of New York and not the state, even if the campaign was inspired and funded by the state. In 2008, the campaign was relaunched with the same logo in different themes, like “*I Love N.Y-Wine&Food*”, “*I Love N.Y-Family*”, “*I Love N.Y-Culture*” and so on. The main aim was to promote New York as a getaway and emphasize to state and not only to city (http://www.brandchannel.com/features_profile.asp?pr_id=328) (Winfield-Pdefferkorn, 2005) (“I love New York: Brand guidelines”, 2008)

Berlin City

Figure 6: Berlin City’s logo in the decade of 90’s



Source : <http://www.seeklogo.com/tag.html?q=Berlin>

Berlin is a special case of city branding, since it is a city with a difficult and full of controversies past. According to the master thesis of Lalou, marketing history of Berlin can be separated into two different but equally important, period of times.

The first period started in the decade of ‘90s. After the World War Two, the Nazi regime and the Communist East Germany, which took away the fame of the exciting, vibrant, industrial and brilliant Berlin of 1920, it followed a period of high unemployment rate, death of industry and cultural decline. The new marketing campaign was called “*Das Neue Berlin*”-“*The New Berlin*”, focused on the image of a democratic and innovative city. They tried to promote an entrepreneurial kind of city, full of spectacles, events, imposing and modern building installations, a city of wealth and consumption. All these led to the creation of a new kind of tourism called “*worksite tourism*”. The effects weredirect, since there was an increase in tourism, investments and industries.

Figure 7: Berlin city’s logo in the decade of 2000’s



Source:<http://crensshawcomm.com/work/be-berlin/>

The second period of marketing Berlin took place in the decade of 2000’s. In 2008, Berlin Mayor Klaus Wowereit took the wraps off a “*Be Berlin*” campaign modeled on earlier “I Love New York” and

“I Amsterdam” campaigns. He said the 11 million euro image makeover would be a catalyst for economic reforms. This new campaign focused on the Berliners in order to enhance their local pride and give them the chance to talk about their city. It was a kind of a “participative branding”, trying to promote the culture, the history and the variety of monuments left of the periods of Third Reich and Cold War. As Wowereit said: *“The after-effects can still be palpably felt, but you can feel the winds of change everywhere after the difficult years behind us. The booming tourism industry is proof of Berlin’s international appeal. We’ve got to take advantage of that”*(Be Berlin, 2013; Kirschbaum, 2008)

4. The case study of Stockholm

4.1 A brief history

Stockholm: “the log islet” or “the fortified islet”, according to the origins of its name, is the capital of Sweden with 881.235 inhabitants in 2012 and is considered to be also the capital of Scandinavia. Stockholm is considered to be one of the most beautiful capitals in the world, built on 14 islands connected by 57 bridges. City is also known as “*Venice of the North*” or “*City on Water*”. Stockholm is situated in the centre of the country and thanks to its strategic location between Lake Mälaren and the Baltic Sea; it soon became the most important commercial city of the region.

Figure 8: Stockholm’s map divided into municipalities



Source: City of Stockholm, 2012

Stockholm was built much because of the waterways. The name Stockholm is first heard of in the chronicle of Eric (*Erikskrönikan*), probably written between 1322 and 1332. According to this chronicle Stockholm was founded by Swedish King Birger Jarl in 1252. He built the necessary fortifications of the city on the island now called the Old Town, or "Gamla Stan". It was named Stockholm, as referring to the town in between the bridges.

Its strategic position soon highlighted the city as the most important commercial port in Scandinavia. The goods transported were; iron, copper, tar and fur. Trade was an important factor, and, therefore, it became vital to fortify the islands of the inner city with a wall. The old Stockholm was located on Helgeandsholmen which grew up during the 13th century. It was not long, however, until the city moved in between the bridges, the famous historic center of the Old Town.

Looking back to history, 14th and 15th centuries are characterized of rearrangements as well as enlargements to the city; Norrmalm and Södermalm grew up rapidly. The north German architecture is clearly shown especially in the Old Town, since most of the inhabitants were Germans. Stockholm became capital of Sweden under the monarchy of Gustav Vasa. 17th century is characterized of knights, Royal emissaries, rich merchants, imposing palaces and large castles (House of the Knights, Royal Palace). Also, immigration into the city has increased dramatically. During the 18th century, Stockholm became known as a cultural centre and an important trade centre. It also became the heart of trading on an international basis, since the steamships and the railway had their centre here. In 19th century, there are important renovations especially in the old quarters of the town and many public buildings were erected, such as hospitals, railway stations, post offices. The tram was being the main mean of transportation in Stockholm. During the 20th century, the city has transformed into a large cosmopolitan city with several additional areas, all of them counted as the "*Greater Stockholm*"

Nowadays, city is undergoing great and various changes with main aim to make Stockholm an amiable city to live in, as well as to visit. With its 750 year history and its rich cultural life, in 1998 Stockholm became "the Capital of Culture in Europe" and continues to be an important cultural center.

<http://www.sverigeturism.se/smorgasbord/smorgasbord/provincial/stockholm/history/>

4.2 Why Stockholm?

But why Stockholm has been chosen for the analysis of this study? Undoubtedly, Stockholm is a city of particular interest. Stockholm could be easily considered as an ideal city, where you can live and work. It is already ranks among the top cities both in European and international level and manages to compete the most powerful, well-known and rich cities of the world.

After analyzing the background of the city, Stockholm has strong foundations in fields of economics, infrastructures, culture, political environment and not only, leading to a high quality of life both for the locals and the foreigners. City has a unique business climate offering entrepreneurs a qualified pool of labor and job-seekers a range of businesses to work and specialized. City also shows a high concern on environmental issues by taking strict measures for the protection of the environment and targeting to a

sustainable green city. It is also a knowledge intensive city, with high quality of educational system and a dynamic network of universities which supply businesses and develops a healthy and interdependent relationship between them. A strong cultural and historical background, which proclaimed city as “Capital of culture in Europe” and an international meeting place, where multinationals come into contact and conduct important congresses. A strong welfare state provides citizens with safety and insurance.

All of which, are factors which contribute to high quality of life and respectively to the creation of an attractive image both to the external (tourists, investors, foreigners) and the internal (residents, workers) environment. In 2006, Stockholm launched a project involving all of the city's departments, administrations and companies, along with several external partners, in order to create a long term vision for Stockholm's development and sustainable growth. The project was named "Vision Stockholm 2030".

Local government, authorities as well as residents and businesses are all trying to meet the Vision 2030, according to which city will become a “world-class city”. A desirable city to work, live, entertain, study, a city where everyone is acceptable and welcomed.

Stockholm's branding strategy is mainly oriented to Vision 2030. City's efforts focus on maintaining Stockholm as “Capital of Scandinavia” and highlight the city as a “World-class city”. A city's brand is an overall image and set of associations that resides in people's heads and branding means the deliberate actions taken to alter or improve an image. It entails a place gathering its leaders together and deciding what assets it has to work with and what weaknesses it needs to correct

In order to create an attractive external image, city should focus on a specific target market (residents, tourists, investors) and improve the fields which affect them, such as infrastructures, business climate and educational system and so on. All of which, lead finally to a “**World-class city**”.

The study focus on three target markets: residents, investors and tourists. A further analysis of the background of the city was made by analyzing the factors which contribute to an attractive image. The first part of the study focus on business climate, high-technology, important building installations, city as an international meeting place, important congress centers and infrastructures, targeting on investors. The second part focus on natural beauty, sustainability of the city, educational system, the welfare state and a diverse city, targeting on residents and finally, the third part on infrastructures and culture targeting on tourists

It is important to mention that all factors are strictly related to each other and are useful for all target markets without exception, since they all contribute to a better quality of life and a better image. However, each one of them is of different importance for each target market and that's why they are classified into three big categories, that of investors, tourists and residents.

4.3 Vision 2030: Stockholm: “A World-Class City”

Figure 9: Vision 2030 separated into actions



Source: City of Stockholm, 2007

According to statistic results, in 2030 population of Stockholm city is expected to grow to almost one million, while that of the Stockholm-Malar Region to 3.5 million. This means that demands are growing threateningly and quick measures and plans must be taken. Health care system, educational system, elderly care, services, housing, communication and not only, are all social issues that city's municipality must improve and develop. That's why, in spring of 2006, after an in-depth conversation between several parts, local authorities gave impulse to a project called "Vision Stockholm 2030", which aimed to a sustainable growth and development of Stockholm, as one of the world's great metropolises, as a "World Class City", as a city to work, live and visit.

In order to achieve the Vision 2030, there is need for cooperation between several parts, like residents, private and public sector, national authorities, schools and universities, special interest clubs and associations and city's municipalities. Visionaries should take advantage of the opportunities offered by globalization and lead city to an attractive metropolis, a center of culture, sports and entertainment and a gateway for new ideas.

The vision is aiming to: a) “A City full of Experiences”, b) “A City of Innovation and Growth and c) “A Citizen’s City” (City of Stockholm, 2007)

5. Target market: *Investors*

5.1 *Unique employment-business climate*

Stockholm is considered to be one of the top destinations about investors and businesses. During the last decade and after a recession in 2009, city managed to create an attractive image to potential investors leading to a continual increase of investments and start-up businesses. It provides a confidential environment which inspires entrepreneurships to install there, by minimizing their risks. According to many surveys, both Sweden and Stockholm itself rank among the top countries/cities according to FDI attractiveness and competitiveness.

City’s Vision 2030 is talking about a city which is offering great opportunities and educational programs, where everyone can find a job according to his skills and educational level. Except of this, locals can also choose among a large variety of educational courses matches on their personal beliefs and interests. There is a high quality educational system, which provides labor markets and businesses, with specialized workforce and offers cooperation between business and university community, leading to innovation and development. For young entrepreneurs, there are advisory services which help them with trainee posts for mentorships and guidelines.

In the Confederation of Swedish Enterprise’s ranking of business climate, the city has climbed from 132 in 2006 to 23 in 2012’s list (City of Stockholm, 2012). Stockholm and Stockholm-Malar Region has a world class business climate, which provide a confidential environment, ideal especially for new businesses to grow and expand. Companies, which are established in the city, are showing a great satisfaction from the city’s services. There are unambiguous laws and rules, local taxes are low, a range of business services and a first class infrastructure making the city home to all kinds of companies, either big, high-tech corporations or small-medium enterprises. According to international standards, Stockholm is the ***most business-friendly city*** in Sweden with high levels of start-ups and new businesses (City of Stockholm, 2007). Due to high levels of labor productivity, employment rates and activity rates Stockholm’s GDP per capita surpassed the national average by 35% in 2002, suggesting the existence of strong agglomerations (OECD, 2006). According to the OECD (Organization for Economic Co-operation and Development) Territorial Review about Stockholm, Stockholm according to its competitiveness ranks 25th among the 66 OECD metropolitan regions and 6th out of 28 metropolitan regions in the European Union area. This good performance is based on the high employment rate and the large labor force.

But in what extent the Vision responds to reality? Milken Institute and its researchers in their effort to answer to the pressing need of global competitiveness, they introduce an index, the Global Opportunity Index which helps identify opportunities offered to potential investors. For 2011, the index ranked 98

countries on six continents for which data was available. Sixty-seven variables were assessed across five categories related to national economies and supporting infrastructure.

Foreign direct investment (FDI) is becoming even more important in catalyzing growth, whether in the developed or developing world, since it now accounts for 11 percent of global GDP and more than 80 million jobs worldwide. But which countries are creating the best environments to capture these growth-fuelling investments? In the table below, it is obvious that Sweden and by extension Stockholm, which is the capital, ranked thirteenth, showing the attractiveness of country/city to FDI (Savard and Wickramarachi, 2013).

Figure 9: Global Opportunity Index Top 20 Countries, 2011



Source: Savard and Wickramarachi, 2013

Furthermore, Stockholm is considered to be a kind of gateway for the booming economies of Central and Eastern Europe, since many of their headquarters are established in the region. Except the specialized workforce, the innovative and confidential environment, Stockholm has also good infrastructure, a reason which contribute to the attraction of many multinationals in the city.

From 1990 until 2009, the Global Real Estate Services Company, Cushman Wakefield, carried out a survey evaluating the best business cities in Europe. The survey is based on telephone interviews with board members and senior managers at large companies which are headquartered in Europe. It includes consumer retail and distribution, industrial and professional services businesses. According to the study, easy access to markets, clients or customers, qualified labor and quality of infrastructures (telecommunication and transport links), are the most important factors in evaluating city's business climate.

From 1990 until 2009, London, Paris and Frankfurt (Figure 10) are in the top three positions while Brussels and Barcelona continue to vie for 4th and 5th places there were some changes in the middle regions of the overall table. Birmingham seems to be the city with the higher progress through these years,

since it raised seven places to fourteenth. As far as Stockholm is concerned, city holds a steady course through time, falling from 19th place to 20th, but still remains one of Europe's vest business cities (Baker, 2009).

Figure 10: Europe's best business cities

2009 Rank	City	2008 Rank	1990 Rank
1	London	1	1
2	Paris	2	2
3	Frankfurt	3	3
4	Barcelona	5	11
5	Brussels	4	4
6	Madrid	7	17
7	Munich	9	12
8	Amsterdam	6	5
9	Berlin	8	15
10	Milan	13	9
11	Geneva	11	8
12	Hamburg	17	14
13	Zurich	10	7
14	Birmingham	21	-
15	Düsseldorf	12	6
16	Manchester	14	13
17	Lisbon	16	16
18	Dublin	15	-
19	Lyon	18	18
20	Stockholm	20	19
21	Prague	19	23
22	Rome	25	-
23	Warsaw	24	25
24	Leeds	28	-
25	Copenhagen	23	-
26	Budapest	22	21
27	Istanbul	29	-
28	Vienna	26	20
29	Glasgow	27	10
30	Bucharest	31	-
31	Helsinki	30	-
32	Moscow	32	24
33	Oslo	33	
34	Athens	34	22

In 1990 only 25 cities were included in the study

Source: http://www.citymayors.com/business/euro_bizcities.html

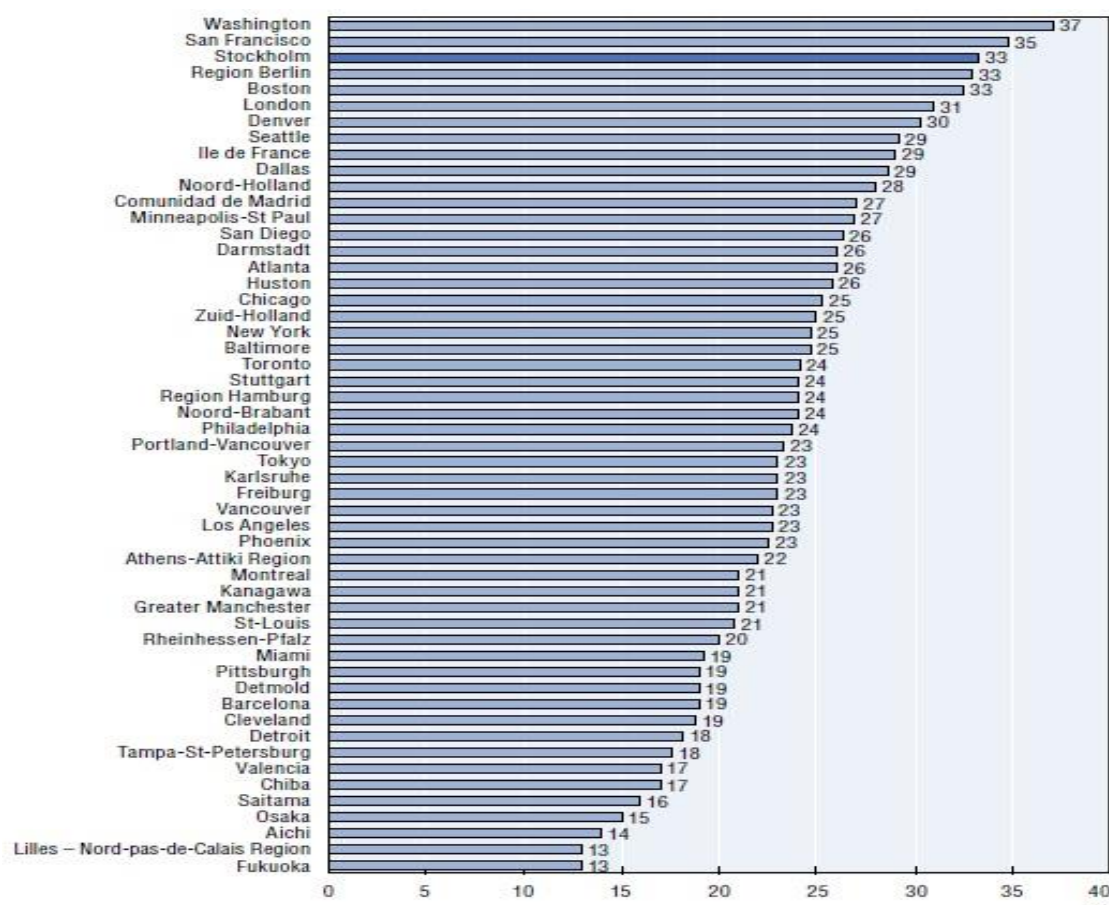
5.2 A high technology and “knowledge intensive city”

As it is already been said, Stockholm offers the ideal conditions for new businesses to be established and grow. First of all, there is given emphasis on management functions and Research and Development (R&D). Stockholm is characterized especially for its knowledge-intensive industries, like Information and

Communication Technology, Life Sciences, Finance and Environmental Engineering which are the most dynamic factors in city's economy (City of Stockholm, 2007; City of Stockholm, 2012). Moreover, there is a highly educated and qualified workforce, who attracts companies from all over the world for its pool of labor and respectively, "Stockholm is an international role model that attracts workers globally". The knowledge-intensive companies created a growing market of business-related services, such as lawyers, economists, business advisors and not only, leading to the establishment of many new activities and service sector companies and thus, to a growing constructional period of time. Many buildings and settings have been established helping to keep employment rates high (City of Stockholm, 2007). Many students and researchers are coming to Stockholm for the innovative climate and opportunities which is offering, while many artists and musicians for its strong cultural background.

Last but not least, Stockholm-Malar Region and therefore Stockholm offers especially to new researchers and students, through world-class innovation systems, the chance to make their ideas products. This leads to the enhancement of new exciting and innovative companies (City of Stockholm, 2007). Figure 11 below shows that in 2011, Stockholm ranked third between OECD countries according to their level of workforce with a tertiary education.

Figure 11: Percentage of labor force with a tertiary education (2001)



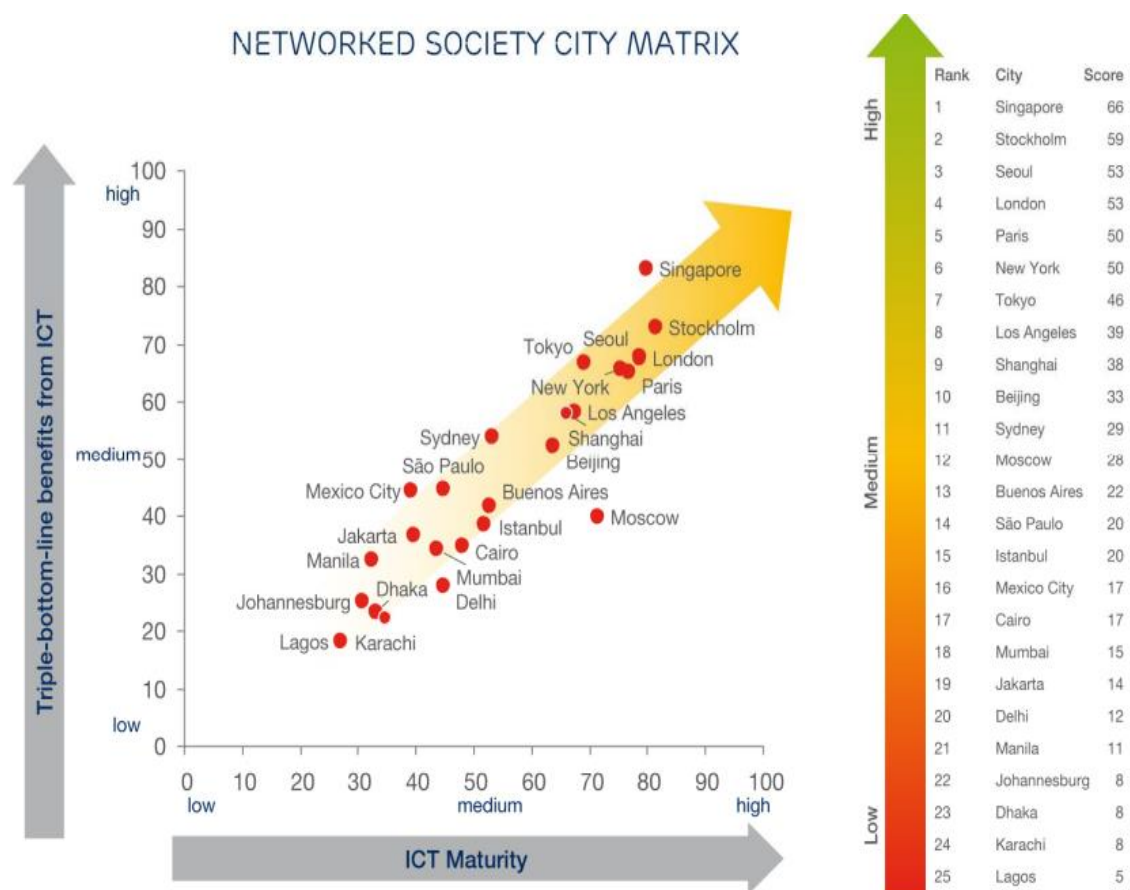
Source: OECD Territorial Database

A very interesting survey that Ericsson Company conducted was the creation of the Networked Society City Index (Figure 11). It is important to mention that Ericsson is the world's leading provider of technology and services to telecom operators, which in cooperation with management consultancy Arthur D. Little, presented their survey in 2011 at Ericsson's Business Innovation Forum in Silicon Valley in the US, showing that cities with a high level of ICT maturity are better able to manage issues such as environmental management, infrastructure, public security, health-care quality and education.

The top ranked cities according to the index was Singapore, Stockholm and Seoul, which have successfully met many social, economic and environmental targets by making extensive investments in ICT. To be more specific, Singapore ranked first due to innovations in e-health and the fact that is a pioneer in the traffic-congestion management. Stockholm ranked second as a major enabler for research collaboration and knowledge transfer, while Seoul ranked third because is using ICT to realize green high-tech initiatives.

The index also provides information and suggests low ranking cities to provide digital access and ICT training to neglected parts of their population in order to decrease digital divide (Ericsson, 2011).

Figure 11: Networked Society City Matrix



Source: Ericsson, 2011

5.4 Strong economy: A competitive city

On the one hand, in 2010, Swedish growth was the highest in Europe. Despite the economic recession, Sweden managed to recover easier than other European countries. Specifically, GNP in the country has increased by an estimated 5.5% in 2010 and continues to increase. The crisis was not as severe in Stockholm as in Sweden as a whole (City of Stockholm, 2010). The Chamber of Commerce's economic indicator for the private sector in Stockholm County rose from 33 to 40 between the third and fourth quarters of 2010. This is the highest indicator value for Stockholm's private sector since records began in 2000. The indicator for Sweden as a whole is 32, which is also a record high. The construction industry, automotive trade and the consultancy sector maybe were the prime drivers of the strong growth (City of Stockholm, 2010).

On the other hand, in 2012, global economy has experienced a serious decline. Developments in the euro-zone have been weak and continue to be characterized by the debt crisis. Uncertainty on the financial markets may have decreased due to commitments from the European Central Bank and the EU, but a lot of work remains to be done to tackle the problems in the euro countries. In other parts of the world however, such as the US and China, improvements are evident.

However, Sweden managed to confront the global economic recession, especially during the first half of 2012. In the last summer there was a slow-down and since September the economy has turned sharply downwards. The situation on the labour market has deteriorated and the number of job losses has increased. Swedish growth in GNP for 2012 is estimated at 0.9%. Development in 2013 is deemed to have begun weakly and is not expected to recover until the end of the year (City of Stockholm, 2010).

The economy in Stockholm is continuing to grow, but the rate has slowed. During the third quarter of 2012, the payroll expense rose by 4.7% compared to the corresponding quarter in 2011. It is clear that the growth rate in 2012 has gradually decreased, which indicates a slow-down in the economy. Development in Sweden and the other city counties is following the same pattern. The Chamber of Commerce's economic barometer for the third quarter of 2012 also shows that growth in Stockholm's economy is currently weaker than normal.

According to a survey that LaSalle Investment Management, one of the world's leading real estate investment managers, conducted, Stockholm ranked third in the best European cities for economic growth in 2009. The survey, which has been compiled annually since 1998, is based on the European Regional Economic Growth Index (E-REGI), which includes economic growth, wealth and business operating environment and uses weighted scoring of fifteen variables to produce a quantitative and topical assessment for potential investors. It has been designed to indicate the best city regions for investment in real estate products in the short to medium term. This year it takes account of data from 288 regions across 31 countries in Europe.

Munich ranks in the first place, followed by Paris in the second place and Stockholm in the third, while Nordic cities are prominent in the top ten. Although Stockholm have a projected fall in GDP in Sweden of 2009, country's friendly attitude to private companies led to a competitive advantage for its major city

regions, including Stockholm, the capital. It is worth to mention that 45% of Swedish companies employing more than 250 people are based in the Stockholm city region (Baker, 2009a) [Figure 12].

Figure 12: The top 20 European cities for economic growth

Rank	City	Country
1	Munich	Germany
2	Paris	France
3	Stockholm	Sweden
4	Oslo	Norway
5	Luxembourg City	Luxembourg
6	Moscow	Russia
7	Helsinki	Finland
8	London	UK
9	Stuttgart	Germany
10	Gothenburg	Sweden
11	Utrecht	Netherlands
12	Zurich	Switzerland
13	Vienna	Austria
14	Bern	Switzerland
15	Mannheim	Germany
16	Copenhagen	Denmark
17	Warsaw	Poland
18	Amsterdam	Netherlands
19	Brussels	Belgium
20	Frankfurt	Germany

Source: <http://www.citymayors.com/economics/europe-growth-cities.html>

High Competitiveness

Additionally, the list, published by the Economist Intelligence Unit and commissioned by Citigroup, ranked 120 of the world's cities in terms of their global competitiveness in 2012 and into 2025. Stockholm soared into the top ten and was rated as the third most competitive in Europe after London (second) and Paris (seventh). According to the report, the 10 most competitive cities in the world in 2025 are forecast to be: New York (1st), London (2nd), Singapore (3rd), Hong Kong (4th), Tokyo (5th), Sydney (6th), Paris (7th), Stockholm (8th), Chicago (9th), and Toronto (10th).

Each city's competitiveness was measured according to its economic size and growth, its business and regulatory environment, institutions, the quality of human capital, cultural aspects, and the quality of environmental governance. It also pointed out that over 50 percent of the world's population lives in cities, generating more than 80 percent of global GDP. Furthermore, the report noted that almost all global growth over the next 30 years is predicted to take place in urban areas.

Stockholm recorded the biggest jump from last year out of all the top ten cities, with London's leap of four places a close second (Economist Intelligence Unit, 2013).

Figure 13: Overall 2025 City Competitiveness rankings

Weighted total of all category scores (0-100, where 100=most favourable)

Rank 2025	Change from 2012	City	Score/100	Change from 2012
1	+1	New York	75.7	+7.1
2	+4	London	73.1	+5.3
3	-2	Singapore	71.2	+0.6
4	-1	Hong Kong	68.1	+0.1
5	-2	Tokyo	68.0	-0.1
6	+2	Sydney	67.3	+4.5
7	-2	Paris	67.0	-0.9
8	+5	Stockholm	65.7	+5.7
9	+3	Chicago	65.6	+4.6
10	-	Toronto	64.7	+2.6
=11	+14	Taipei	64.1	+6.5
=11	-4	Zurich	64.1	-
13	-2	Amsterdam	63.8	+2.0
14	+3	Washington	63.2	+4.0
=15	+6	Copenhagen	63.0	+4.9
=15	+7	Seoul	63.0	+5.0
17	+7	Los Angeles	62.7	+5.0
18	+1	San Francisco	62.5	+4.0
19	-3	Boston	62.3	+2.7
=20	-11	Frankfurt	62.0	-0.3

Source: Economist Intelligence Unit, 2013

6: Target market: *Tourists*

6.1 *Natural beauty, strong cultural & historical background*

Stockholm is well-known as “*City on Water*” or “*Venice of the North*”, with a lot of lakes and rivers offering great opportunities for sports and entertainment activities (swimming, jogging, boat tours). The existing waterways are also used for fast and amusing transportation from island to island both for the residents and the visitors, while new waterfront areas are gaining more and more interest and becoming attractive places for working and living (like the district of Slussen) (City of Stockholm, 2007). The city’s environment composes an attractive image both for the residents, by providing a high quality of living and for tourists by providing a wide variety of attractions and entertainment.

Specifically, Stockholm’s natural beauty contributed to the increase of tourism. The extensive ferry services in combination with its popular port led to an expanding cruise tourism. Recent investment in a new cruise terminal at Frihamnen (Figure 14) and the expansion of the freight and container port at Norvik made Stockholm cruise attraction and boost Stockholm’s status as one of the Baltic’s leading port cities and most popular tourist destination in the Baltic Sea. The extended quayside by 80 meters made more space available to the cruise ships calling at the port. The work began in November 2011 (City of Stockholm, 2007). Last but not least, city of Stockholm possess a strong cultural and historical background with a wide range of museums, concerts, art exhibitions, sport facilities, amusement parks, galleries, restaurants, cafes, pubs, shops and often host mega events. In few words, Stockholm city has so

much to do and see and succeeds to attract different people with different interests from all over the world. It contributes to the mental prosperity of its residents and manages to attract cultural tourism.

Figure 14: Frihamnen port, in Stockholm



.Source: <http://www.stockholmshamn.se/en/under-construction/frihamnen/>

6.2 City as an international meeting place

Stockholm is one of the world's most popular internal convention destinations. According to the latest ICCA (International Congress and Convention Association) rankings the city occupies seventh place globally. Maybe the main reason is that Stockholm has excellent capacity for meetings and conventions. City also enjoyed a great congress year during 2010, with 152 international conventions and 1,269,000 overnight stays in Stockholm county and 396,000 in city of Stockholm. Each convention delegate stays for an average of 4.5 days and spends approximately SEK 5,200 (EURO 590,39) per day (Facts about Stockholm Tourism Industry, 2010).

Stockholm-Malar region "is one of the world's more important meeting places". Despite the economic downturn that many cities around the world had suffered in 2009, Stockholm managed to recover rapidly and follow growth rates. Due to its domestic business travel and leisure tourism during the summer, economic depress had the smallest impact in Stockholm than in other Scandinavian countries. That's why, Stockholm has emerged "as the star performer in Scandinavia and within Europe in general, thanks to occupancy and average rate returning to previous peak levels as early as mid-2010, despite increases in supply" (Balekjian and Sarheim, 2010).

Additionally, many events, conferences, meetings and trade fairs are taken place in the city, since Stockholm is considered to be one of the world's leading cities for congresses and conferences. In the rankings of the most frequented congress cities in 2009, Stockholm came 7th on both the International Congress and Convention Association's and the Union of International Association's list, which is the best overall results for many years. In 2010, city had almost 550.000 congress nights bringing a turnover of SEK 3 billion (0.35 billion euros) (City of Stockholm, 2010).

7: Target market: Residents

7.1 A sustainable city

In 2010, the city of Stockholm was granted with the European Green Capital Award by the EU Commission and has been celebrated as Europe's first green capital. In fact, Stockholm constitutes one of the cleanest capitals in the world. From 1970, the city shows a high concern in environmental problems and now is already running its fifth program. During these years, it succeeded to eliminate the carbon dioxide emissions by 25% per capita and took the decision of being fossil fuel free until 2050.

In addition, it launched a program called "Professional Study Visits" (2010) which provides visitors with the opportunity to learn the practices that city follows in order to be environmental friendly (issues like waste management, urban planning, efficient transportation system etc). Stockholm has approximately 1000 green spaces (30% of the city's area) and the world's first legally protected "national urban park", the famous National City Park. It also has very clean waters, where you can dive and fish (ECTS, 2012).

Stockholm, as a world leader in the field, contributed much to global environmental issues like the greenhouse effect since it followed a more efficient energy way of life and reduce the usage of fossil fuels. It is promoted as a Green City where public transportation and cycling are being supported in a high level (City of Stockholm, 2007).

Although, in 2010 Stockholm was awarded as the Greenest European city, next year also ranked in the top positions, showing high environmental sensitivity. According to a survey that PwC, PricewaterhouseCoopers LLP - a Delaware limited liability partnership, conducted, Stockholm ranks third, gathering 81 points among 26 cities, with Berlin and Sydney in the top positions. Especially, in the fields of air pollution and city carbon footprint, city shows high sensitivity (PWC, 2011) [Figure 15].

Figure 15: Total View of Sustainable Cities



Source: PWC, 2011

In addition, Stockholm has been ranked as one of the world's best cities by Economist Intelligence Unit (EIU) global "liveability" ranking that focuses on green space. The survey evaluated 140 cities, against one another and the criteria include factors such as urban sprawl, connection and proximity to other cities, pollution, education, infrastructure and so on.

Hong Kong is on the top of the ranking followed by Amsterdam, Osaka and Paris, while Stockholm came in at number six. It's not a simple coincidence that some 40 percent of the inner city is composed of green spaces. Even in central Stockholm, virtually all residents live within walking distance of lakes, hiking trails and other natural settings. All these contribute to the increase of quality of living both for the residents and the foreigners, attributing to a total “ideal” image of the city. In the lowest positions were Tehran followed by African cities, Nairobi and Lusaka (Nylander, 2012).

The top ten was: Hong Kong, Amsterdam, Osaka, Paris, Sydney, Stockholm, Berlin, Toronto, Munich and Tokyo (Source: Economist Intelligence Unit)

7.2 A diverse city with multiple choices for living and working

The last few years, city appears a housing boom. There is an increase in the construction of new homes offering people the opportunity to choose and acquire their own land. From semi-detached, terraced houses until small flats and apartments, offering a wide variety of choosing their home. Particular attention has been paid to building cheaper homes but of high quality in order to give chances in young people and students (City Of Stockholm, 2007).

A typical example of this is the Olympic Village in Hammarby (Figure 16). After losing the Olympic Games in 2004 (which Greece gained) and due to scarcity of housing in the city center, the area was converted into student apartments and contributed to the prosperity of the district. In the past, the area was full of factories with an industrial port in the center and it was not recommended for housing and living. With cooperation between local government, investors and environmental organizations, the area has undergone a fully urban transformation process and now is one of the favorable places to live which accommodates almost 20.000 habitants. The project, known as “Hammarby Plan”, offers an environmentally friendly eco-city with solid waste, waste water and energy recycling systems and has been used as a model in many cases in other countries. As Griffiths supported: “*It became Stockholm's showcase of low class urban sustainability*”. There are impressive houses with large balconies, big windows and small interconnecting parks and an old light bulb factory have been renovated to host offices. The area is also accessible to public transportation and close to the city center, while sea transportation is free.

Figure 16: The Olympic Village in HammarbySjostad, a renovated “eco-city”



Source: <http://www.architectureoflife.net/Blog/995/green-capital-stockholm-hammerby-model.aspx>

Furthermore, Stockholm is a close-knit city without physical or social barriers. People with different religious or political beliefs, people of different countries or backgrounds are all welcomed in the city and can come close to each other. Especially the transportation system helps in this relationship, since it is accessible to everyone. For instance, there is introduction of more tramways, the underground railway has been improved and the ferry services had increased. All means by transportation are characterized as energy efficient, since they use mainly biogas or electricity leading to an environmentally friendly city (the “Green City”, as has been awarded).

Stockholm, also offers a wide variety of neighborhoods, each with its own identity giving residents the opportunity to choose the best place to live. There are districts with historical heritage (Gamla Stan-the historical center of Stockholm), districts which are a vibrant center of Life Sciences sector (city of Solna), districts providing new workplaces in sectors like language, technology and culture and new homes (Farsta, Alvsjö, Södra, Vällingby) and districts which won international affair for their special architecture (Slussen). The common characteristics between all Stockholm’s districts are the clearness, attractiveness and safety. Stockholm is now the *world’s cleanest and safest capital city* (City of Stockholm, 2007).

8. Branding Strategies

People in Scandinavia, are connected with strong ties and have a long tradition of collaboration and solidarity. Based on this mentality, people of Stockholm in collaboration with people of Uppsala region, begun to discuss the branding of Stockholm, as early as of 1995.

The first steps in branding were made in 1997, when **Business Arena Stockholm (B.A.S.)**, focused on four target markets (clusters): ICT, life sciences, environmental technologies, banking & finance.

Next year is characterized by the establishment of **Stockholm Visitors Board (S.V.B.)**, an agency for coordination between tour operators, hotels, and the municipality of Stockholm, around conference tourism, in their effort to strengthen tourism.

In 1999, place marketing and branding specialist Christer Asplund (co-author of “*Marketing Places Europe*” (1999)), became managing director of the two organizations; **Business Arena Stockholm** and **Stockholm Economic Development Agency (S.N.K.)**, a free service municipal platform through which anyone starting a business can find help.

Then, in 2000, Stockholm gained an “Award of Excellence for Innovative Regions” from E.U. , which led to the use of the “**Region of excellence**” brand, as an umbrella for the clusters. Still the clusters have been promoted with specific brands, using slogans such as; “Mobile Valley-the IT Capital of Europe”, “Biotech-a leading cluster in Europe”, Banking and Finance-the financial hub in the Baltic region”.

Two years later private companies, focusing on innovative mobile applications developed a new mCity brand as a reaction to the macroenvironment problems encountered in the ICT sector. One of the most successful Stockholm’s brands was developed in the same year, with the famous slogan “**Inspired in Stockholm**”.

By 2003, the budget for B.A.S. and S.N.K. has grown to 9 million euros, and the personnel to 50. The same year, Asplund resigned his post due to changes in the political scene. This meant a turning point in the management of branding Stockholm. Julian Stubbs succeeded Asplund and undertaken the project with the present brand name of Stockholm as “Capital of Scandinavia”. The main goals of the project were to increase inward investment and tourism, due to growing competition among cities. Lack of focus and consistency of past branding efforts was clearly to be avoided.

The new branding effort focused mainly on the message that “Stockholm is the most important place in Scandinavia for tourism and for business”, and, in order to convey the idea, that “if Scandinavia was a country then Stockholm would be its capital”- **“Stockholm, the Capital of Scandinavia”**: a “bold, simple and just a little provocative” statement (Figure 17).

Figure 17: The present brand name of Stockholm as “Capital of Scandinavia”



Source: <http://flyadvisor.blogspot.gr/2011/09/best-stockholm-attractions.html>

The “Brand book”, published into the same year, was a manual included detailed information on how to use logo, text segments etc. in printed material, ads, and for presence on the Internet.

The new branding strategy had the strong support of the vast majority of stakeholders. Since 2006, the Stockholm Business Alliance, consisting today of 51 municipalities in the Stockholm-Mäla region (today 51), a partnership with the aim among other things to attract inbound investments to the region, has undertaken a joint responsibility for branding, and receiving business organizations to the region. Furthermore, over 430 organizations around the Stockholm region are using today the “Capital of Scandinavia” brand.

Inevitably, there has been some controversy on the new brand, touching on the one hand the questionable ownership of this identity by the people of the region, and on the other hand its reception in the rest of Scandinavian countries (Kentrou, 2013).

Stockholm in Europe's Top City Brands

London-based Saffron Consultants conducted a study, entitled ‘The City Brand Barometer’, which evaluated 72 of Europe’s largest cities based on a comparison of their assets and attractions against the

strength of their brands. The company commissioned a YouGov poll of 2,000 consumers to find out what people most want from a city.

Paris emerges as Europe's number one city brand, followed by London, Barcelona, Berlin and Amsterdam. Berlin is the striking example of a city with a brand that is significantly stronger than its assets, while Rome is more blessed with what people want than the German capital but it is not as effective at communicating this – hence its brand is considerably weaker than Berlin's. The research also reveals that the French capital is the most asset-rich city in Europe, ahead of, again, London and followed by Munich, Barcelona and Amsterdam. Bradford, UK, is the lowest-ranked city in both categories.

Stockholm ranks in the 7th place among the top Europe's city brands, showing a successful branding strategy through years.

The report concludes that a city wanting to improve its standing in the world should work on a set of ten things, which Saffron has identified as the factors which determine a city's brand. These include factors such as a distinctive sense of place, ambition/policy vision and business climate and civic pride (Saffron Consultants, 2008).

Figure 18: Top and Bottom 10 cities of Europe's Best City Brands

Brand strength		Asset strength	
Top and bottom 10		Top and bottom 10	
1	Paris, France	1	Paris, France
2	London, UK	2	London, UK
3	Barcelona, Spain	3	Munich, Germany
3	Berlin, Germany	3	Barcelona, Spain
3	Amsterdam, Neth.	5	Amsterdam, Neth.
6	Munich, Germany	6	Rome, Italy
7	Stockholm, Sweden	7	Vienna, Austria
8	Prague, Czech Republic	7	Milan, Italy
9	Rome, Italy	9	Madrid, Spain
10	Athens, Greece	10	Athens, Greece
62	Wroclaw, Poland	61	Poznan, Poland
64	Leeds, UK	64	Belgrade, Serbia
65	Sofia, Bulgaria	64	Leeds, UK
66	Sheffield, UK	66	Birmingham, UK
66	Poznan, Poland	66	Liverpool, UK
66	Lodz, Poland	68	Duisburg, Germany
69	Vilnius, Lithuania	69	Newcastle, UK
70	Duisburg, Germany	70	Gdansk, Poland
70	Chisinau, Moldova	70	Chisinau Moldova
72	Bradford, UK	72	Bradford, UK

Source: Saffron Consultants

9. Conclusions

Urban development is a constantly evolving concept, which initially focused on spatial planning, such as safety and health insurance but later acquired a more economic dimension, focusing on place's attractiveness and its effort to stand out internationally by being promoted. In a global competitive economy where we live, places are competing each other in their effort to attract tourists, residents, investors, events and not only. In order to face this challenge, cities adopt branding techniques so as to improve their image and acquire a better position in the global scene.

Branding appeared in the late of 19th century with the development of product brands such as Quaker Oats and Gillette (Low and Ronald, 1994). It is an extremely new marketing approach, which has become one of the "hottest" topics concerning academics as well as practitioners. Since, places have to deal with the increasing global competition; place branding seems to be a necessity. City branding is already a basic urban development tool, which is being used extensively.

The first definition of brand was given by the "American Marketing Association", which named brand as a "symbol, logo, design, name or definition", as the effort of distinguishing products and services between them. Even if this approach has received much criticism, it prevails in bibliography and is considered to have entered the use of trademarks and brands.

The power of international information media, the decreasing cost of transportations, the shorter distances, the growing consumer power of people around the world, trade liberation and generally consequences of globalization, have made Place Branding essential. People can now choose the place to work or live and change locations according to their needs and expectations, that's why cities are struggle to create an attractive external image in order to attract as many residents as possible. As visitors, investors and inhabitants, we all tend to seek for the "harmonious city", where conditions will satisfy better our needs (Paddison, 1993).

The specific study focuses on the fact that Place Branding is mainly affected by image. Image is the result of "various and often conflicting messages sent by the city and which is formed in the mind of each individual receiver of these messages separately" (Kavaratzis, 2008). Image is thoughts, prejudices and emotions that people have when they think about a place. *But why Place Branding is necessary for some places?* There are many places where their negative image does not reflect reality, while in other places image is so weak that the place is almost inconspicuous. For instance, Bogota city in Colombia is connected with high levels of criminality which prevents tourism and investments. In this case, city branding seems necessary in order to create a more attractive image and set aside the fears of criminality that prevail in people's minds. The positive and strong identity and the image of a city can be a strong competitive advantage and a useful tool in an increasingly globalized and competitive market.

In order to create an attractive image, places must firstly choose a specific target market which wants to attract. According to the needs and expectation of the target market, place should manipulate the factors which affect target market and according to them, to create the proper image. Factors such as

infrastructures, educational system, business climate, political status, environmental conditions, quality of life was analyzed in the study. Each factor is of different importance for each target market.

A place's reputation should be built on qualities which are positive, attractive, unique and sustainable, in order to be successful. A city's brand strategy is based on a strategic vision, which must be supported, reinforced and enriched by every act of investment and communication between the place and the rest of the world. Stockholm's Vision is based on making "a World –Class city". *But does local government and authorities manage to carry out the vision and make Stockholm "World-Class city" and "Capital of Scandinavia"? Does Stockholm manage to compose an attractive external image and stand out in the global competitive scene? In what target markets does it focus and what techniques does it use in order to attract them?*

Stockholm is an 'ideal' place for job-seekers since it is offering many job opportunities and education programs, as well as a unique employment environment. In this way, it composes an attractive image especially to immigrants and people from other countries, coming to the city to find out better working conditions and living.

Undoubtedly, Stockholm is an international role model that attracts workers from all over the world. That's why; especially Stockholm-Malar region has high percentages of immigrants. Except of this, city offers a political and economic stability, which can be measured in terms of country credit ratings and provides a confidential environment both to potential residents and investors. Laws, institutions, public authorities, are all factors which ensure investors for a safe and well-organized environment which can trust and based on. Moreover, specialized workforce due to high-quality of education offers a qualified pool of labor. In few words, Stockholm is offering a unique business-climate, desirable to many multinationals and entrepreneurs which come and establish their headquarters in the city. City has already managed to fulfill its goal about a 'World-Class Business Climate', since it is already ranks among the Europe's top business cities.

Tertiary sector, especially in the fields of Information and Communication Technology, Life Sciences, Finance and Medical Sciences, are extremely advanced. Business environment are giving emphasis especially on management functions and Research and Development. The city pays particular attention on promoting innovation and growth and is known for supporting both its citizens and specialists with high technology systems.

The existence of a strong educational system, led to creation of a society with high educational and spiritual level, to a fully trained and skilled workforce of the future, which will be desirable to any business. Cooperation between businesses and universities is necessary so as to exchange ideas and provide businesses with new qualified workforce. Stockholm managed to become one of the 'most knowledge intensive places in the world', attracting investors and students from all over the world.

In order to support the image of a 'knowledge intensive' and 'world –class business' city, Stockholm has created places, able to host innovation and growth as well as large technology corporations. Kista Science city is a vibrant cluster of ICT industries, reminding Silicon Valley, hosting telecommunication and information technology centers. Moreover, Stockholm is one of the world's more important meeting places, since every year it hosts a wide range of congresses and conferences.

Stockholm is a dynamic city with strong economy which manages to stand out among the most rich and powerful cities of the world. The creation of a strong identity helped city to gain competitive advantage and recover rapidly from the recent recession of 2009.

Technological developments and economic growth has solved many of the city's environmental problems, leading to a "Green-Sustainable City". City has already won many awards, such as the award of the "European Greenest City ". New environmentally driven technology is being deployed, making Stockholm an example the rest of the world will want to follow. City managed to create the attractive image of a healthy environment with a high quality of life, desirable both to residents and foreigners.

Although, city of Stockholm seems to be ideal, there are some serious problems that should be addressed. City's growing population is the greatest challenge of the future, since there is need for more houses to be built. This is maybe the most serious problem of Stockholm's society, since many people especially in the center of the town are seeking housing. However, city has already took strict measures in order to confront the problem and set the target of building 100.000 new homes until 2030.

Even if the factors which are being analyzed, are categorized into three target markets, it is important to mention that all factors are affecting all target markets in a different level and it is quite difficult to distinguish them. All factors are finally, compose an attractive image of Stockholm, which make city desirable to investors, residents and tourists.

To conclude with, after analyzing the background of the city, it is obvious that Stockholm managed to carry out most of the problems and targets that set according to Vision 2030. Stockholm managed to implement successful Place Branding strategy, making the city cultural, economic, historical and business center of Scandinavia, making city "Capital of Scandinavia", a challenging but totally justified title.

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