

**Portimao International
Conference on Marketing
Places**

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Places Face Key Challenges

- Places are increasingly at risk as a result of
 - the accelerating pace of change
 - The inevitable process of urban evolution
- Places are facing a growing number of competitors.
- Places have to rely increasingly on their own local resources and creativity.

**Why Everyone Should be
Interested in Place Marketing**

- Everyone lives in a place—village, city, region, nation--and is affected by the place's economy, infrastructure, amenities, delights, costs, and people.
- The strength and health of a place is affected by its history, resources, leadership, and strategy.
- Every place competes for resources. Europe has 100,000 communities competing for visitors, conventions, businesses, and talented residents.

Definition of City Marketing

- City marketing is a market-oriented, coordinated set of activities to improve the real quality of a city and to efficiently communicate the quality to target groups.

Should We Market a Place?

- Marketing is more than selling!
- Selling is pushing your product, as your see it and even believe in it, to customers -
- corporate, travel agents and tourists.
- Marketing is finding a position for your place that fills your target customer needs and aspirations, as they see it, so that the positioning pulls the target customers to you.

Place Targets

- Tourists
- Business visitors
- New residents
- Investors
- Businesses and other organizations
- Inhabitants

Winning Characteristics of a Place

- Quality of life
- Job opportunities
- Security
- Health
- Education
- Culture
- Economic and social cohesion
- Business possibilities
- Friendly inhabitants
- Infrastructure

Factors in Infrastructure

- Housing
- Roads and transportation
- Water supply
- Power supply
- Environmental quality
- Basic social security
- Education
- Lodging and restaurant facilities
- Convention facilities
- Visitor services

Factors in Attractions

- Natural beauty and features
- History and famous people
- Shopping places
- Cultural attractions
- Recreation and entertainment
- Sports arenas
- Festivals and occasions
- Buildings, monuments and sculptures
- Museums

Tourist Count of Competing European Locations

- London (44 million nights)
- Paris (23)
- Rome (10)
- Dublin (8)
- Amsterdam (7)
- Prague (7)
- Vienna (6.3)

Places Are Brands

- Places are brands. Some are strong, some are weak.
 - Prosperous places
 - Strong places
 - Declining places
 - Dead places
- A place has to develop a systematic and long-term marketing strategy directed toward nurturing, developing and promoting its current and potential physical, intellectual, and spiritual attributes and resources.
- The place plan has to match attributes and resources to the needs and wants of specific target groups, and has to create new resources to meet their needs and wants.

What a Place Must Do to Market Itself

- Develop a working team of public officials, leading business people, academics and prominent citizens to assess and plan the place's future.
- Establish an Economic Development Agency with skilled professionals: economists, demographers, marketers, sales people.
- Assess the main strengths, weaknesses, opportunities and threats (SWOT analysis) of the place.
- Distinguish alternative feasible futures for the place.
- Choose the most attractive and viable future.
- Develop a 10 year plan to implement that future. ("There are no quick fixes.")
- Spend liberally on improving the infrastructure, develop attractions, and promote the place's image.

Major Local Place Marketers

- **Public sector**
 - Mayor/city manager
 - Urban planning department
 - Business development department
 - Tourist bureau
 - Conventions bureau
- **Private sector**
 - Individual citizens and leading citizens
 - Leading enterprises
 - Real estate developers
 - Financial institutions
 - Chamber of commerce
 - Media
 - Transport companies
 - Travel agencies
- **Needed: Public/private partnership!!**

Organization

- **Conceive of organization as a public/private partnership.**
- **City establishes a city marketing agency that centralizes vision, branding, and some funding for promotion, infrastructure improvement, etc.**
- **City identifies all the agencies that have marketing impact and networks them.**
- **City develop a marketing planning cycle.**

The Battle for Tourism

- **Within the next five years a major marketing forum for tourism will be the Internet.**
- **Destination websites will battle for the hearts and minds of travelers.**
- **Travelers will decide where to go based on website experience.**
- **Travel decisions will be transacted on the web.**
- **Destinations will earn revenue *before* the physical trip, *during* the trip, and *after* the trip.**

The Internet is...

- An information tool
- A communication tool
- An experience delivery tool
- An image building tool

eTourism will drive pTourism

- Print media and word-of-mouth will drive travelers to the destination website.
- The website, not print media, will tell the story and pull the people. The destination website experience will play a decisive role in travel choice.
- The website can be used to manage the entire travel experience (before, during, and after).
- Repeat travel will result from the Internet management of travel experience, customer relationship management, and customer data collection.
- Rewarding eTravel experiences will lead to physical travel (pTravel).

Positioning

- Paris is romance and fashion
- London is entertainment and theater
- *The Algarve must occupy a **compelling and distinct** place in the hearts and minds of the target segment.*

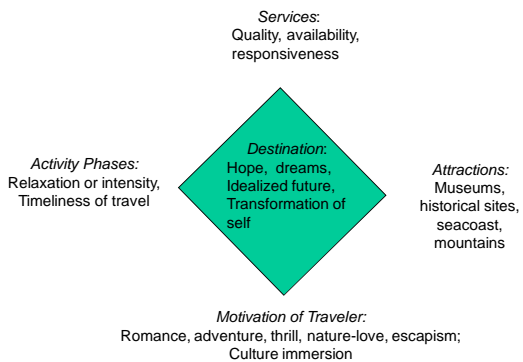
...What is the Algarve's positioning?

Develop Portimao's Identity

- Develop a unique tagline for the place.
 - New York: The Big Apple
- Develop a list of city distinctives
 - Amsterdam: Rembrandt, Van Gogh, Rijksmuseum, canals, flower market, Anne Frank
- Develop “brand carriers:” stories, icons, images, festivals, events, people, folders, brochures, videos, maps, websites, reception centers, public relations, ads, brand ambassadors.

Attracting Tourists

- **Strengths:**
 - Good climate
 - Interesting history
 - Good entertainment
 - Exotic
 - Special attractions
 - Language ease
 - Special attractions
 - Safety
- **Weaknesses (the opposite of each item)**



Segmentation: Tourism

- **People who want:**
 - natural wonders, monuments, museums, theme parks, events, sports, culture, etc.
- **Where the people want to be:**
 - On the beach, in the mountains, in city centers, etc.
- **Types of People**
 - Lifestyles, demographics
- **Benefits desired**
 - Costs, family friendly, language friendly, shopping, entertainment
- **Purpose of Visit**
 - Holiday, family visit, weekend get away, shopping

Different Groups to Attract

- Fashion designers and buyers
- Physicians
- Eco-tourists
- History-seekers
- Golfers
- Connoisseurs of fine food

Events and Festivals: Example of Melbourne

- The Melbourne Food and Wine Festival
- Melbourne International Comedy Festival
- Melbourne International Flower and Garden Show
- Melbourne Orange Boxing Day Test Match

- Musical events, art events, sports events, marathons, dance events, etc.

Slogans

- Malaysia: "True Asia"
- Indonesia: "Endless Beauty of Diversity"
- Hong Kong: "Asia's World City"
- Singapore: "New Asia"
- Korea: "Dynamic Korea"
- Taiwan: "Touch Your Heart"
- Philippines: "It's More Than the Usual"

Running a Contest to Find a Catchy Slogan

- New Jersey spent \$250,000 looking for a catchy slogan for the State. The ad agency suggested:
 - "New Jersey: We'll win you over,"
- It was rejected. The commission ran a citizen contest instead. The winner:
 - "New Jersey: Come see for yourself."
- The slogan was the top choice among 11,227 telephone and online votes for four finalists.
- Rejected choices were:
 - "New Jersey: Expect the unexpected."
 - "New Jersey: Encounter love at first sight."
 - "New Jersey: Enjoy the real deal."
 - "New Jersey: Discover the best kept secret."
- Rejected was:
 - "New Jersey: Most of our elected officials have not been indicted."

Business Travel Market

- **Purpose of business travel:**
 - Conventions, conferences, corporate meetings, business meetings, long stays, technical visits
- **Businesses want:**
 - Good convention or meetings facilities, affordable cost, adequate hotels, good restaurants, convenient location

Conclusions

- Places face increasing competition for jobs, businesses, tourists, and residents.
- A place must systematically assess its strengths and weaknesses, opportunities and strengths, and develop a long range strategic market plan for achieving a competitive edge.
- A place must secure the cooperation and participation of public officials, community leaders, leading businesses, and its citizens in developing and executing a place marketing plan.
- Place marketing is not a one-time affair; it is a continuous community effort to build competitive advantage.

Attracting Businesses

- Determine the businesses and industries that you are trying to attract and build.
- For each desired business/industry, research how the factors and weights used by decision makers to make location decisions.
- Decide whether you have sufficient assets and benefits to attract that business/industry.
- Contact the most desirable businesses and express your interest in being considered for a location decision. Prepare customized material in each case.

Places Prosper by Building Industrial Clusters

- *Stockholm* : world's most wired and wireless Internet capital
- *Oulu, Finland*: major manufacturing center for Nokia tele-products
- *Dublin*: leader in global software exports
- *Munich*: "Insurance City Number One"
- *Cambridge*: biotech and software
- *Grenoble*: telecoms and microelectronics
- *Strasbourg*: biotech startups
- *Boskoop*: Netherlands plant and flower exporting
- *Gnosyo*: Swedish manufacturing center

Fit Your Place Into Global Value Chains

- Precision ice hockey equipment is designed in Sweden, financed in Canada, manufactured out of alloys whose molecular structure was researched and patented in Delaware and fabricated in Japan, and assembled in Cleveland and Denmark for distribution in North America and Europe.
- So what does your place make that can be part of an global value chain? What is your cluster?

Tools for Attracting Investment

- Investment seminars
- Country tours
- Helpful publications
- Trade fairs
- Science parks
- Convention centers
- Sound infrastructure
- Attractions and quality of life

Hard and Soft Attraction Factors

- **Hard factors**
 - Economic stability
 - Productivity
 - Costs
 - Property concept Local support services and networks
 - Communication infrastructure
 - Strategic location
 - Incentive schemes and programs
- **Soft factors**
 - Niche development
 - Quality of life
 - Professional and workforce competencies
 - Culture
 - Personal relationships
 - Management style
 - Flexibility and dynamism
 - Professionalism in contact with the market
 - Entrepreneurship

Old vs. New Location Thinking

Characteristics	Old	New
Labor	Low cost, unskilled	Quality, high skilled
Tax climate	Low taxes, low service	Modest taxes, high services
Incentives	Cheap land and labor	Value-added and professional
Amenities	Housing and transp.	Quality of life
Schools	Available	Quality schools
Regulation	Minimum	Appropriate
Energy	Cost/availability	Dependability
Communication	Assumed	Hi tech

