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## ON MEASURING PLACE BRAND EFFECTIVENESS – BETWEEN THEORETICAL DEVELOPMENTS AND EMPIRICAL FINDINGS

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**ABSTRACT.** The aim of the paper is to provide an analysis of effectiveness indicators of city brand strategies drawing from the practices of 66 Polish district cities. The authors attempt to categorize the existing indicators and approaches to the evaluation of place brand effectiveness and identify potential gaps in measurement systems. Content analysis of strategic documents was performed in order to determine the perspectives applied to the practice of effectiveness measurement. The results were subsequently juxtaposed with selected theoretical constructs relevant for brand strategy effectiveness measurement, including a place brand equity model and logic framework. The measurement of place brand performance as such is often neglected by public authorities and brand consultancies alike. In the meantime, a wide range of indicators needs to be developed in order to mirror the breadth and depth of the impact of place brands on the realities of places. Following an up-to-date analysis of the literature and practices of Polish district cities, the authors conclude that the currently employed measurements of the effectiveness of city branding are not sufficient to evaluate the outputs, outcomes, and impacts of city brand strategies. Furthermore, they propose their own approach to how the indicators should be structured to perform a sound verification function over the branding practices of territorial entities.

**JEL Classification:** M31

**Keywords:** city branding; city brand effectiveness; city brand performance measurement; Polish district cities.

### Introduction

The evaluation of place brand-related activities has become a necessity, given the public, political and social character of the place branding process. This necessity has been recognized in academic literature (Florek, 2014; Jorgensen, 2015; Zenker & Martin, 2011; Zenker, 2014; Jacobsen, 2012; Gartner, 2014; Hereźniak & Anders-Morawska, 2015; Braun *et al.*, 2014; Shafranskaya & Potapov, 2014), although the subject still appears underexplored (Lucarelli, 2012). Meanwhile, public authorities are constantly pressured by public opinion to

deliver visible and measurable results of their efforts. The question that arises is thus more about 'how' to measure than 'whether' to do it at all.

Therefore, the aim of the paper is to propose a categorization of place brand strategy effectiveness indicators based on an analysis drawing from the practices of 66 Polish district cities. The authors attempt to systematize the existing indicators on the basis of a review of approaches to place brand effectiveness evaluation and, as a result, to identify potential gaps in measurement systems. The authors of this study posit that the multitude of effects that professionally managed brands have on places should be reflected in the measurement of their effectiveness. Furthermore, the measurement system in question should be integrated into the broader performance evaluation of a place and considered as an important theme in public management practices. The study does not deal with efficiency, so it does not take into account the budgets devoted to implementing brand strategies.

## 1. Literature review

### 1.1. Brand performance measurement

The review of academic literature and consulting practices allows for the juxtaposition of the major approaches to brand performance measurement. The interdisciplinary origins of the measurement process make it possible for city authorities to draw from a range of domains, including marketing, branding, public management to financial management.

From the marketing/branding perspective, perception-oriented measures such as brand associations, brand attributes or customer satisfaction were analyzed. Although they deliver valuable information with the focus on the customer, they have some limitations to places, as they are centered around image only and overlook other forms of brand impact on places.

Brand equity, and especially customer-brand equity models (Aaker, 1991; Kapferer, 1992; Keller, 1993, 1998) give another important insight from a branding perspective. Brand equity as a concept attempts to combine perceptual and non-perceptual influences of brands on places. It also has the potential to encompass the perspectives of various stakeholders (e.g. tourists, investors, consumers, locals) on place brands. In the case of territorial entities, the concept of customer-based brand equity appears to be most valuable (Florek, 2015) and it is gradually being introduced into place brand equity models (Konecnik & Gartner, 2007; Jacobsen, 2012; Boo *et al.*, 2009; Pike *et al.*, 2010).

From the financial management point of view, brand valuation or brand value methods (developed mostly by agencies, e.g. Millward Brown Optimor, Brand Finance, Interbrand) also might serve as a reference point, however they present important limitations due to difficulties in adapting the methodologies from financial management (such as cost-based, market-based, revenue-based methods) to places. Although already calculated (e.g. The World's Most Valuable Nation Brands by Brand Finance) the results of such approximations have predominantly promotional or political meaning, with almost no significance for place brand effectiveness and therefore management.

Among the most popular ones are also diverse place-specific indexes where, depending on the context, particular measures are used to create the final ranking. These can be divided into i) Reputational measures e.g.: Anholt-GfK Nation Brands Index, Anholt-GfK City Brands Index, Country Brand Index, Good Country Index, Reputation Institute Country RepTrak, Reputation Institute City RepTrak; ii) Strategy effectiveness measures, e.g.: Saffron's European City Brand Barometer, Bloom Consulting Country Brand Ranking, Resonance Place Equity Index; iii) Place reality measures, e.g.: Global Competitiveness Measures, Human Development Measures, Global City Index Report, Global Power City Index, PriceWaterhouseCooper Cities

of Opportunity). The main limitation of *reputational rankings and indexes* is that they focus on the outward results of the place branding process. *Strategy effectiveness measures* present a managerial approach to brand management (categorization of place assets without the evaluation of their impact on place brand). *Place reality measures*, in turn, tackle a wide spectrum of issues and thus pose a difficulty in asserting which of them can be attributed to the brand strategy. All rankings and indexes, by definition, provide a single measurement methodology, without consideration for the place's specificity.

A public management perspective, which is focused on managing an organization, delivers useful solutions, but also not without limitations. For instance, Key Performance Indicators (KPIs) can be flexibly applied according to a place's requirements. Based on the logic framework: outputs, outcomes and impacts (Bouckaert & Halligan, 2008) have the capacity to embrace the issues and perspectives crucial for understanding place brand performance (inward, outward, institutional, stakeholder-oriented etc.). The main difficulty, however, lies in defining a reasonable number of KPIs that comply with SMARRTT (specified, measurable, achievable, realistic, relevant, targeted, timed) criteria (Malinowska, 2015, p. 23). Among other traditional management-based performance measurement methods (Arnaboldi *et al.*, 2015) budgetary control, benchmarking and balanced scorecard naturally correspond to effectiveness. However, budgetary control offers a rather simplistic approach to performance measurement, where effectiveness is understood only from a monetary perspective. Indispensable for managing an organization, this method should not be seen as exhaustive for place brands. In the benchmarking method, places or managing organizations are subject to comparison across different criteria. Although this approach can be relevant for place brands, it has to be applied cautiously, due to the idiosyncrasies of places. There is likelihood that the benchmarking criteria will be manipulated to achieve results favorable for the managing organization or political authorities. Finally, a balanced scorecard offers a broader focus than just finance, by also including internal processes, customers, and learning. From the perspective of managing an organization, this approach can be useful, as it links financial planning to strategy.

This brief summary of the analysis presented above suggests that these numerous approaches illustrate the multidisciplinary background of measurement processes, and also display some of the dilemmas that need to be addressed in defining the 'how' of brand performance measurement. Firstly, there are several perspectives from which place brand performance can and should be considered, like, for instance, the customer/stakeholder, brand or organizational perspective. Secondly, there are different views on what is to be measured: brand perception, reality or both. Thirdly, should the measurement system be directed more internally (citizen satisfaction, attachment etc.) or externally (investors, tourists). Fourthly, should the measurement be more general (e.g. overall brand perception) or sector-specific? Finally, to what extent do we want to measure the performance of the managing organization responsible for the place brand. Another point that appears from the aforementioned review relates to the fact that no single general measure is being suggested to embrace the complexity of place brand performance, but rather a set of indicators which refer to particular aspects of branding or management.

## ***1.2. Performance in the public sector***

Since place branding refers predominantly to the activities undertaken by public institutions, it appears only natural to address the issue of performance management from the perspective of the public sector. In the face of changes in the public management paradigm, along with the appearance of the concept of the *New Public Management* (Boyne *et al.*, 2006; de Bruijn, 2007; Buscher, 2013) and *governance* (Hvidman & Andersen, 2013; Kearney &

Berman, 2009; Osborne *et al.*, 2010), the obligation of management control was introduced to the public sector, whose purpose is operating in line with the rules of effectiveness and efficiency.

According to Matwiejczuk (2006), performance should be defined as the search for savings with the simultaneous pursuit of maximizing the effects of the actions, with the latter especially being emphasized. In the public sphere, the use/adaptation of this assumption in relation to all areas of public activity is practically impossible. Therefore, as Szolno (2016, p. 92) states, “efficiency concerns the pursuit of defined objectives while keeping the most beneficial ratio of the incurred cost to the achieved results”.

Performance in public institutions is not and should not be measured only in a literal manner, e.g. as the number of kindergartens or roads handed over for use. A more important measure of performance is the extent to which the undertaken actions satisfy social needs, such as, for example, increasing the comfort of inhabitants as a result of improving the quality of the roads, or the placing of kindergartens in key locations (Modzelewski, 2014).

The measurement of effectiveness and efficiency is part of the performance management process, which consists of four stages: planning, implementation, monitoring, evaluation (Lin & Lee, 2011). Performance management plays various roles in public management. Lin & Lee list seven ways of understanding “performance” in the public sector (*Table 1*). They also describe the roles that result management plays in the functioning of public entities. They are also evidence that the notions of performance, efficacy, efficiency have much more complex meaning in the public sector compared to the profit-oriented private sector.

Table 1. Interpretation of the meaning of “*performance*” in the public sector

Interpretation	Definition
Performance accountability	Proof of a public institution’s willingness to improve, which makes it accountable in the eyes of the stakeholders
Performance as user choice	Information on performance can be an important factor in deciding the choice of a specific public unit, e.g. who to cooperate with as part of various projects (for example an investor chooses a location based on the perceived efficiency and effectiveness of the public administration)
Performance as customer services	People and organizations should be treated as customers of public institutions, therefore good results are an essential part of the service
Performance as efficiency	The balance between expenses and outcomes
Performance as fitness, ‘what works’	Real problems that were solved as a result of actions taken, often irrespective of the number of resources spent
Performance as resource allocation	Information on performance is the key piece of information essential to resource allocation
Performance as the creation of public value	Performance not as a “generic product” of the budget, but as a testimony of the public value generated

*Source:* adapted from Lin & Lee (2011), p. 87.

Taking the aforementioned interpretations into consideration, it should be concluded that performance management in the public sector ought to be treated more broadly than only control over public resources. Sun (2009) proposes for this process to be perceived as:

- Inspection programme: supervision and monitoring of the actions taken to eliminate errors and weak links;
- Political communication: this is a method democratically chosen authorities can use to increase their political control over public institutions, so as to increase the quality of

public services. The users of public services can use the indicators and the results obtained by the institutions to evaluate the political and management capabilities of the authorities;

- Leadership function: today it is believed that public authorities should act as a “navigator” whose role is to introduce a performance and customer needs oriented culture (in place of rigid hierarchy and top-down management).

One of the most important, and also most commonly applied concepts in performance measurement is the *logic framework* (Fig. 1) that describes the method of creating effectiveness indicators in public sector entities based on the diverse timeframe of their occurrence.

Input	Actions	Output	Outcome	Impact
Budgets of individual projects	Project implementation	Direct, immediate, tangible action effects	Mid-term effects for the products' beneficiaries	Long-term effects for the stakeholders of given strategy

Figure 1. Logic framework for the creation of effectiveness indicators in public sector  
*Source:* Bouckaert and Halligan (2008).

This framework corresponds to *key performance indicators* approach which, as it was noted earlier, are one of several promising possibilities for measuring the results of place brand strategies. The application of the framework itself allows us to consider various time perspectives of the brand strategy effects and include the perspectives of diverse stakeholders' groups (Bouckaert & Halligan, 2008).

## 2. Research Methodology

The empirical material used in this article is part of the results of a 2-year research grant whose aim is to identify the level of advancement of 66 Polish district cities in the area of brand strategy effectiveness measurement, and consequently to develop a conceptual framework for the effectiveness measurement system for the city brand strategy. The findings presented in this paper are the result of the 1<sup>st</sup> stage of the study, which comprises the analysis of the city brand strategy documents of all 66 district cities<sup>1</sup> in Poland, in relation to the measurement of their effectiveness.

As previously noted, the research objective of the paper was to systematize the existing indicators using various theoretical approaches to place brand effectiveness evaluation and, as a result, to identify potential gaps in measurement systems. This should be considered the first step towards the development of the aforementioned measurement system.

To achieve this goal, the research methodology needed to address both theoretical and empirical issues. Initially, a review of theoretical approaches to effectiveness measurement (branding, management, public management) was performed. As cities are the subject of analysis, it also appeared necessary to grasp how *performance* is conceptualized in the public management domain. The theoretical part of the analysis was completed by a review of current systematizations of effectiveness indicators in place branding and public management and their potential application to this work.

<sup>1</sup> District cities (or poviats) according to Polish administrative division are cities with county rights.

Empirically, a content analysis of the strategic documents of 66 Polish district cities sourced from city websites was applied. This required a series of steps to be undertaken. Primarily, based on the official city website search, publicly available documents were downloaded. Next, a list of potential contacts in municipalities was prepared, including names of persons responsible for the cities' promotional activities, their phone numbers, and e-mail addresses. To ensure a thorough analysis, telephone conversations were held with the identified representatives of all cities to verify whether there are any, or any other documents available and whether these found were current/in use.

During this phase of data collection (September – October 2017), a member of the research team inquired about the following:

1. Does the city possess a strategic document related to promotion of the city that is currently in use and approved by the city authorities? If no, was there such a document in the past?
2. Does the city possess any document that indicates how promotional activities should be evaluated?
3. Does the city possess any document that describes the city brand/ branding? If not, was such a document prepared in the past?
4. Have there been any projects carried out in cooperation with the private sector or the third sector that was related to city promotion or brand building? If so, are there any documents resulting from these projects?
5. Other than the following (*here, the researcher enlisted the names of the documents identified during the prior search*), are there any additional documents that should be taken into account while analyzing promotional activities of the city?

Other city documents were browsed (such as development strategies) for the presence of any brand-related effectiveness indicators (October 2017). Subsequently, the division of the cities into three subsets was performed: (i) cities that have a brand/promotion/communication strategy with effectiveness indicators (ii) cities that have a brand/promotion/communication strategy with no effectiveness indicators (iii) cities that have neither.

Following this, a categorization of the existing indicators was performed according to the selected theoretical frameworks, namely: Lucarelli's (2012) *Brand Impact Framework* and Buckhaert's and Halligan's *Logic Framework*. Choosing these conceptualizations allowed us to juxtapose the brand-oriented and public management perspective, which is critical for the research approach. The review of the indicators also made it possible to examine its nature, the scope of areas it covers and potential gaps in measurement. Based on this analysis, the aforementioned own approach to the structure of indicators was subsequently further developed to cover the most important results of brand-related activities which were missing in the analyzed documents.

During the process of accumulating and verifying the research material, the authors encountered some difficulties. The most important of them was connected with the insufficient accessibility of the strategic documents on public websites of the cities. In contrast with the formal regulations, not all of them were made available publicly, therefore repeated attempts to contact city representatives over the phone were made. This resulted in a longer than expected period of time spent on data collection.

Another barrier referred to the position of indicators in strategic documents. As there were no separate sections about monitoring and evaluation, nor were the indicators tied to particular strategic and operational goals, it was particularly difficult to identify them. In addition, some indicators that can be directly linked to city branding practices were scattered across numerous documents, such as the cities' development strategies, operational plans, European project documents etc. The authors assume that a list of indicators can be drawn up

only after individual interviews with city representatives planned in a subsequent phase of the research project.

### **3. Brand effectiveness measurement in the strategic documents of Polish district cities**

Public institutions in Poland are required to act both effectively and efficiently by the regulations of the Public Finance Law (2009). Specifically, it states that the parties are obliged to “spend public funds while complying with the rules of producing the best possible results with the available resources, and selecting optimal methods and resources to accomplish the intended goals” (*Ustawa o finansach publicznych*, 2009).

For about ten years, Polish local governments have produced brand strategy documents for their territorial entities. It must be noted that these strategic documents bear different names such as “brand strategy”, “promotion/ communication strategy”, “image-building strategy” etc. with differences in the content (promotion v. holistic brand approach). Compared to the rest of the world, it is cities that have been the most active in this area. Frequently, however, brand strategy documents reduce brand building to the various promotional undertakings that are discussed further in the article.

The important thing for this study is that the practice of measuring promotional effectiveness in Poland has faced criticism from central governmental institutions. In 2004, the Supreme Audit Chamber (NIK 2004) published a report titled “Promotional actions of selected district cities”. In the document, the Chamber points to the insufficient attention of city departments with regards to promotional activities. According to the authors of the report, there is very little control over the expenditure from the cities’ promotional budgets and not enough supervision over these promotion-related services. These problems are compounded by overly general promotional strategies which leave plenty of room for interpretation of what promotion really is, and lead to a lack (or poor quality) of performance indicators. This allows spending public funds on issues that have very little to do with promotion as such, making it impossible to determine how much money is really spent in this area.

The aforementioned report showcases a serious difficulty of Polish local government with performance measurement of brand-related activities. The effectiveness of these activities and their impact on the actual social and economic development of the city is not being verified, which makes them essentially counterproductive. Consequently, the public resources that comprise of not only domestic but also European Union funds are ineffectively spent in this area. Although the report focuses solely on promotional activities, which are often mistaken for the totality of brand-related undertakings, it can be treated as a solid point of departure for further analyses of approaches to brand strategy effectiveness measurement in Polish district cities.

Taking into consideration the circumstances described above, the authors found it necessary to (re)examine the current approach of Polish territorial entities (cities) to measuring the effectiveness their brand strategies.

In case of the district cities which are the subject of analysis in this paper, measurement of branding effectiveness is rare. Based on the officially available city marketing strategies (brand or promotion strategies as the names of document vary), it was found that out of 66 district cities, 30 (45 percent) are, or were recently (often these documents have recently expired) in possession of a strategic document from that category. Based on a content analysis of the documents, it was determined that only in ten cases were strategic indicators referring to strategic goals defined, along with a proposal of methods/sources of their measurement. Among the latter, the following sources of indicators are listed in the documents:

- i) Primary ones, such as Quantitative research (Computer-assisted telephone interviewing CATI, public opinion surveys, surveys conducted during events, surveys

concerning rental of commercial areas in the city and agglomerations directed to property management agencies, surveys of universities); Qualitative research (perception research in target groups, pre-tests); Media monitoring.

ii) Secondary ones (desk research): Urban statistics, data of the National Court Register, Central Registration and Information on Business, City Hall reports, Central Statistical Office and trade organizations (tourist, sports, cultural); Statistical data from universities, Statistical data from event participants.

The indicators found in the ten documents were systematized in a matrix designed by the authors (*Table 2*).

The categorization of indicators was performed according to the *logic framework* into brand strategy output (direct, immediate, tangible action effects), outcome of brand strategy (mid-term effects for the products' beneficiaries) and impact of brand strategy (long-term effects for the stakeholders of a given strategy). Subsequently, the indicators in each category were grouped into: visual, behavioral, institutional and infrastructural. It needs to be mentioned that several of the indexes found in the documents were not used here due to not being connected to the subject of the analysis (they referred to, for example, "the effectiveness of teaching in urban universities", analysis of conditions, trends, etc.).

Apart from applying the *logic framework* to the categorization, the authors put forward a more descriptive set of criteria inspired by the *brand impact framework* (Lucarelli, 2012, p. 239) where it is proposed that brands have a threefold impact on places: identity-image, socio-political and economic. For the purpose of this analysis, and considering the nature of the performance indicators found in the strategic documents of Polish district cities, the authors propose a categorization into economic, image-related (perceptual), behavioral, infrastructural and institutional impact.

The authors posit that these categories allow for a more precise definition of effectiveness indicators, and also include areas that are of value for the brand managing organization. They especially imply that city brand effects cannot only be limited to perception or image-related categories, but also need to include tangible, process-oriented ones, like for instance the development of infrastructural projects, revitalization of selected areas. Another important addition is *institutional* indicators, that cover an internal dimension of measurement and suggest that a well-designed and executed brand strategy can also translate into the rise of quality of operations in public institutions. These can take form of a better intra-organizational cooperation, more satisfactory relationships between the institution and its external stakeholders, or the increased ability to form partnerships for the benefit of the city. *Behavioral* indicators, treated as a separate category, draw attention to the importance of the actual behavior of various groups, as opposed to relying only on perceptual/declarative opinions in the measurement process. *Business* indicators highlight the fact that a well-managed brand has the actual capacity of bringing financial profits to a city, instead of merely being a cherry-on-top of the city's development.

Table 2. Strategic indicators of the measurement of the effectiveness of the brand strategy of ten Polish district cities

	Output of brand strategy (1)	Outcome of brand strategy (2)	Impact of brand strategy (3)
Business	1. New office space, under construction. 2. New office space delivered and transferred to rent per year.	1. Fluctuations in tourist traffic, demand changes, the development of a tourist base in the city.	1. The increase of the attractiveness of investment in the city. 2. GDP <i>per capita</i> . 3. Total GDP.



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	<ol style="list-style-type: none"> <li>3. The number of facilities or group accommodation.</li> <li>4. The number of gastronomic establishments in tourist facilities of group accommodation.</li> <li>5. The percentage of use of tourist facilities of group accommodation.</li> <li>6. The equipment/ quality of facilities or group accommodation.</li> </ol>	<ol style="list-style-type: none"> <li>2. The increase of income in city's budget comes from income tax settled in the city.</li> <li>3. The increase of the turnover of companies trading within the city and the agglomeration.</li> <li>4. Percentage of citizens working in the business services sector, IT and other.</li> <li>5. The number of new companies and institutions in the creative sectors irrespective of the level of their participation and location in the city during the year.</li> </ol>	<ol style="list-style-type: none"> <li>4. Investment expenditure <i>per capita</i>.</li> <li>5. City budget earnings (the size of individual sources of income).</li> <li>6. Earnings of the local tourist trade.</li> <li>7. Wages index.</li> <li>8. The share of services in the GDP.</li> <li>9. Increase in the quality of life in the city.</li> <li>10. The increase of the number of companies operating over 5 years and changed their residence address.</li> <li>11. The increase of the number of new investments within the city and the agglomeration.</li> <li>12. The increase in enterprise innovation.</li> <li>13. The number of new work places.</li> <li>14. The number of new enterprises.</li> <li>15. The number of non-governmental organizations.</li> <li>16. The number of patents issued.</li> <li>17. The number of new investments.</li> <li>18. The number of new headquarters of international companies located in the city within a year.</li> <li>19. The number of companies with foreign capital.</li> <li>20. The increase in the number of companies operating in the city.</li> </ol>
Image/ Identity - related	<ol style="list-style-type: none"> <li>1. The number of produced brand carriers.</li> <li>2. The number of implemented brand - related initiatives.</li> <li>3. The number and type of promotional and social campaigns carried out.</li> <li>4. The number of</li> </ol>	<ol style="list-style-type: none"> <li>1. Opinions of the city on internet forums.</li> <li>2. Percentage of the respondents perceiving the move to the city as an upgrade.</li> <li>3. Overall visibility of the brand during media campaigns- rating of the effect of the PR</li> </ol>	<ol style="list-style-type: none"> <li>1. Associations with a city and individual tourist products in target groups, image of a city.</li> <li>2. The increase of awareness and recognition of a city.</li> <li>3. The increase of the attractiveness of a</li> </ol>

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	operational plans prepared related to the strategy.	work- quantity, quality and compatibility with the desired image in media relations regarding the topic of the product of city branding.	city from the viewpoint of its inhabitants.
	5. The number of projects prepared to be realized in the next period.	4. The level of media interest in the events organized in a city.	4. The increase of the importance of a city in the region.
	6. The number of promotional programmes targeted at specific groups.	5. The increase of image cohesion of a city.	5. Percentage increase in spontaneous and assisted recognition of tourist products of a city.
		6. Opinions about the city brand expressed by the representatives of target groups who took part in the flagship events of a city	6. Percentage of respondents declaring to visit a city at least "from time to time".
		7. The number of mentions of a city in foreign media.	7. Percentage increase of people from target groups declaring the intent of participation in brand-related events in a city
		8. The number of city website visits	8. Perception of a city's attractiveness for the inhabitants, tourists, and business
		9. The numbers of guides and tourism portals, which have posted the information about the city and its attractions.	9. Increase in tourist traffic.
		10. The number and the tone of media reports about the tourist offer of the city.	10. The increase of the tourist attractiveness of a city.
			1. Dynamics of change in the positive perception of a city.
			2. Percentage of respondents declaring familiarity with city brand.
Behavioral	1. The number of brand-related actions in cooperation with partners.	1. Increase in the number of partners cooperating in strategy implementation.	1. Migration balance (for metropolis/agglomeration, not for a city alone).
	2. The number of people participating in loyalty campaigns.	2. Changes in tourist traffic translating into the tourists' inflow,	2. The number of foreign students.
	3. The number of events carried out for target groups: citizens and tourists vs. the number of event participants.	3. The quantity and the length of stays provided.	3. The number of tourists.
		4. Participation in local elections.	4. The number of foreign tourists.
		5. Athletics, sports, and recreation (attendance).	5. The number of graduates, who remained in a city after graduation.
		6. Culture and art (attendance).	6. Increase in the number of graduates of high schools who decided to study in a city in relation to the overall
		7. The number of citizens taking part in social	

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		<ul style="list-style-type: none"> <li>8. The number of people (inhabitants and visitors) taking part in cultural, recreational and sports events.</li> <li>9. The number of entrepreneurs taking part in periodic meetings with city's administrative staff.</li> <li>10. The number of tourists in specific (selected) cultural and recreational establishments, set seasonally.</li> </ul>	<ul style="list-style-type: none"> <li>7. Increase in the number of university graduates in the overall number of graduates who work in a city.</li> <li>8. Increase in the number of employees at least with a Ph.D.</li> <li>9. The increase of Ph.D. candidates and teaching assistants in third level education.</li> <li>10. Engagement of the inhabitants of the city life</li> </ul>
Institutional	<ul style="list-style-type: none"> <li>1. The number of units and institutions, which apply the rules defined in the Strategy.</li> <li>2. Increase in the number of entities who are members of non-government cluster organizations.</li> </ul>		<ul style="list-style-type: none"> <li>1. Number of entrepreneurs who rate their relationship with the city administration as positive</li> </ul>
Infrastructural	<ul style="list-style-type: none"> <li>1. The number of new buildings connected to the brand in the urban space.</li> <li>2. The number of citizen-friendly improvements.</li> <li>3. The number of buildings of group accommodation.</li> <li>4. The number of food establishments in tourist group accommodations buildings.</li> <li>5. Percentage of use of the buildings of tourist group accommodation.</li> <li>6. Equipment of the buildings of group accommodation.</li> <li>7. New office space, under construction.</li> <li>8. New office space handed for rent within one year.</li> </ul>	<ul style="list-style-type: none"> <li>1. The increase of availability of public transport in a city.</li> <li>2. The increase of places of recreation for the inhabitants and visitors.</li> </ul>	

Source: own elaboration.

#### 4. Research results and discussion

Given the general overview of the indicators, a few important conclusions can be drawn. First of all, many of the indicators are overly general, and not attributable (or attributable with substantial difficulty) only to the brand strategy. Such indices as for instance GDP growth or wages index can be partly linked to city branding, however, the number of variables moderating them is too great to treat them as brand effectiveness indicators – unless they are linked to a specific sector, considered a priority in the brand strategy.

Another issue seems to be the lack of differentiation between indicators and measures. Defining the appropriate control values plays the key role in the measurement of strategy effectiveness. In the analyzed strategies, the absence of the desired values (specific quantities, percentages etc.) of the indicators related to strategic goals can be observed. Instead, we are confronted with rather vague descriptions such as: “increase”, “number”, “percentage”, without providing specific values. This appears to be connected with a broader problem, namely the difficulty in defining strategic goals, which was visible in many of the documents.

There also seems to be no connection whatsoever between the output, outcome and impact indicators as proposed by Buckhaert and Halligan (2008), which makes it more difficult to trace the logic behind the proposed indicators. It can be assumed that in the cases of the majority of the brand strategies, developed by marketing consultancies, the output/outcome/impact division of indicators is not known, and therefore not proposed by branding advisors.

The analysis of the indicators also points to the fact that very few of them (especially in the image/identity category) refer to the citizens and their experience of the city. This finding may suggest that in the analyzed cities, the brand is seen predominantly as an external phenomenon with very little or no impact on the inhabitants. This statement, however, needs additional verification in the subsequent phase of research – individual interviews with city representatives.

Yet another observation from the analysis is such that there are almost no indicators in the ‘institutional’ category. This may indicate that the realization of the brand strategy is not perceived as an activity that has the capacity to influence the quality of functioning of public institutions, neither that it should be treated as a public policy. This statement is yet to be verified in further research.

Considering the areas of city brand effects, most of the indexes are related to achieving economic goals (hence the separate ‘business’ category). The reason for this may be twofold. Firstly, it may be the case that city authorities attempt to prove that the planned expenditure of public funds is likely to bring tangible/economic results to the city and thus defend themselves from (mostly political) opponents. Secondly, one of the analyzed city brand strategies with the biggest number of indicators overall, had a brand concept focused almost entirely on business-related issues, hence the overrepresentation of business indicators.

Even a cursory analysis of the brand strategies of selected cities allows us to conclude that awareness of the necessity to measure the effects of brand strategies is low among the Polish district cities. It can be observed primarily through the number of documents containing any indicators at all. Such an observation casts a shadow over the condition of place branding efforts in Polish cities. This becomes all the more worrying if we consider the amount of financial resources allocated to the implementation of a brand strategy, or the accompanying promotional strategy, as well as more and more frequent appeals from citizens and local authorities alike for the rationalization and justification of any marketing/ brand related activity.

Given the abovementioned shortcomings and issues that appeared during the initial analysis of indicators, the authors propose their own approach to the structure of brand

strategy effectiveness indicators with both *brand impact framework* and *logic framework* as helpful in seeing brand strategy effectiveness beyond the conventional approach. It is the authors' view that this approach reflects the multitude of effects that professionally managed brands have on places, and also shows the logic and the connection among the inputs and its outputs, outcomes, and impact. Furthermore, this approach is sufficiently flexible to be adjusted to any city brand strategy regardless of the specific brand concept and objectives. The proposed structure of indicators with examples is summarized in *Table 3*.

Table 3. The proposed structure of city brand effectiveness indicators

	The output of the brand strategy Direct, tangible effects	The outcome of the brand strategy Mid-term effects	Impact of the brand strategy Long-term effects
Image/ identity-related	The number of produced brand carriers/ campaigns, development of the brand-related website	Number of mentions of the city in the media, number of visitors/clicks/ likes on the websites	The increase in brand awareness, in positive associations with a city, decrease in the image-identity gap, increased identification of the citizens
Business-related	The number of business incentives/support programmes developed	Percentage of businesses applying for the support or using incentives	Favorable evaluation of a business climate in the city; growing number of new businesses in strategic sectors
Behavioral	The number of initiatives aimed to induce desired behaviors (attachment, loyalty etc.)	The number of citizens, tourists participating in the initiatives (events, projects) or initiating grassroots projects	Increased attachment, involvement, higher loyalty levels
Institutional	Joint programs developed by various institutions, development of new procedures	More organizational stakeholders ready to join brand-related projects and initiatives	Lower turnover of employees involved in brand strategy implementation, the creation of more friendly and efficient policies, higher stakeholder satisfaction
Infrastructural	New developments, revitalization plans, and projects	Increase in availability of public spaces for recreation/events or business	Greater citizen satisfaction, increase in the perceived quality of life, attraction of new citizens/talents

Source: own elaboration.

## Conclusions

A key concern of any place branding activity is to legitimize it in the eyes of major stakeholders by providing material relevant to the actual impact of branding on the place itself. Such legitimization requires place brand managers to ensure that the objectives set out in the brand strategy are measurable with indicators that document progress (Hereźniak &

Anders-Morawska, 2015). However, the political nature and multifaceted characteristics of the city branding process constitute a serious problem for those who develop effectiveness measures. There is often a lack of correspondence between the measures used and the actual effects of brand implementation. One of the reasons for this situation are mistakes in defining strategic goals.

Following the analysis of the literature and the practices of Polish district cities, it can be observed that the employed effectiveness indicators that relate to city branding are not sufficient. Those that are applied, are fragmented and very often irrelevant to the objectives articulated in strategic documents. The content analysis of the brand strategies of Polish district cities revealed that they do not apply a systematic approach to the measurement of city brand strategy effectiveness.

Although each city requires an individualized approach to effectiveness measurement, it becomes evident that the measurement indicators need to be designed in a systematic manner so that they could encompass multiple perspectives on city branding outcomes and impacts. In this article, the authors proposed an initial division of such indicators. This division could be considered as the first step in the search for a sound and holistic measurement system for the effectiveness of city branding efforts. The final version of such system should embrace areas of brand influence and diverse timeframes, with relevant relations and hierarchy among them. Each time it should be also adjusted to the strategic goals of a particular place and as such, it cannot be fully universal.

Undoubtedly, the influence of city branding goes beyond the sphere of promotion/marketing communication. The multitude of effects that brands have/should have on places need to be therefore integrated into the broader performance evaluation of a place, and considered as an important theme in public management practices and academic debate.

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