

# THE STIMULATING CONCEPT OF PLACE MARKETING & ITS RAMIFICATION IN CONTEMPORARY TIMES

Author

*Dr Amit Kumar*

*Assistant Professor,*

*Institute of Business Management*

*GLA University, Mathura, Uttar Pradesh, India*

*Email – amit.kumar@gla.ac.in*

**Abstract-** To reach out to the existing and potential customers, companies keep on engaging themselves in terms of new concepts and ideas. Place marketing is such a phenomenon which takes into consideration the place of origin as associated with a product. The 'place' element assumes significance keeping into perspective its ability to influence the buying behavior of the consumers. The reputation associated with place marketing has been quite high in recent times thanks to the consciousness among the consumers about the same. This also holds true keeping into consideration the concurrent market position as compared to the previous instances.

Place marketing is phenomenon which has developed with the passage of time undergoing through various phases which, in turn, diverge in terms of erudition. It has changed in such a way so as to assimilate the changes which were required with the evolution of marketing as a process.

Developments which have taken place under the ambit of marketing have led to the evolution of this phenomenon of place marketing. At the same time, it has also been influenced by external historical perspectives which all determined its assumptions, goals and priorities. This historical standpoint makes it clear as to how place marketing has gained traction with the changing times. During the course of the research paper, numerous approaches related to the emergence of the concept have been discoursed upon; conclusions have been arrived at based on the concurrent business scenarios related to place marketing.

**Key words:** Place, Marketing, Place Marketing, Business, History.

## I. INTRODUCTION

Place marketing is such a phenomenon which takes into consideration the place of origin as associated with a product (Gold & Ward, 1994). The 'place' element assumes significance keeping into perspective its ability to influence the buying behavior of the consumers. The very nature of place marketing is such that it adds some additional value to the existing value proposition of a product thus enabling the customer to decide whether they should give the preference to the company's product or not (Burgess, 1982). The 'place' element assumes significance keeping into perspective its ability to influence the buying behavior of the consumers and providing them with the reason why the product in hand makes a better alternative as compared to the competitor's product. Ashworth and Voogd (1990) have put forth their understanding with regard to emphasizing how proper planning could go a long way in terms of getting a place due recognition. Barke (1999) carries forward this thought process in his work and highlights how a planned city could be well made a discerning choice in the mind of tourists. In this regard, the Indian city of Chandigarh, the capital of twin states of Haryana and Punjab, is a case in point which is a success story in its own league. The city is frequented by tourists who admire its planned structure and development. The increasing significance of place marketing, especially its western understanding, has been found to be quite influential with regard to the Eastern Europe as has been found in a study (Young, 2017). In this regard, the author highlights the importance of foreign direct investment which could be utilized by nations for developing their landscape on the lines of destinations coveted by tourists. In a comprehensive study related to place marketing and its related concepts, Vuignier (2017) has carried out a multidisciplinary study spanning across four decades (1976-

2016) which helped him to conclude that the field of place marketing and place branding have been devoid of conceptual clarity as there has not been a single yardstick with which one can measure its efficacy.

The reputation associated with place marketing has been quite high in recent times thanks to the consciousness among the consumers about the same. This also holds true keeping into consideration the concurrent market position as compared to the previous instances. A marketer needs to keep in mind how to keep the customers satiated and in this regard it does become significant to have a place marketing approach which acts as a meaningful differentiator among the various competing products. Simply satisfying the customers can no longer act as the differentiating element. Companies need to provide some additional input and the place of origin can be that differentiator.

## II. THE CONTOURS OF PLACE MARKETING

Contrary to popular belief, place marketing, as a phenomenon, has been in the human conscience for longer than we may presume. It has found wide appreciation, and resultant application, in every walk of life and is not simply restricted to physical goods. Eshuis et al. (2018) have talked about the numerous manners in which place marketing can be implied and how the various stakeholders, which are party to the development of the concept of place marketing, have varied roles with regard to making sense of this phenomenon and its sensible application.

There are many instances when place marketing has very well differentiated a service offering or an idea from its compatriots based on the place of origin (think Silicon Valley, California which is the global hub of the IT industry and startups and its Indian counterpart Bengaluru which is known as the Silicon Valley of India). Then there are the financial wizards of the Wall Street, the popular nomenclature of New York Stock Exchange who have a global following, and have made their place of dwelling famous, owing to their nature of job.

Hubbard and Hall (1998) have given an interesting perspective in this regard wherein they talk about how politics and places can be synonymous with each other. They talk about how some places have been etched in the memory of mankind which have had political connotations. Jessop (1998) carries forward this thought process in his work thereby highlighting the significance which place and politics have come to signify in each other. For example, Battle of Waterloo. In the Indian context, such places as Delhi and Kolkata have always been known for their political overtones on the virtue of being capitals of the country and ruled by a plethora of rulers over period of time. At the same time, it would only be rational to say that the phenomenon of place marketing, in its current avatar, has come a long way since its primitive years thereby highlighting the pragmatism which one associates with any marketing concept and not just place marketing. During this evolution process, the concept has undergone changes to reflect the contemporary issues pertaining to the same. Since times immemorial, a sense of differentiation has always been the hallmark of a place which has been frequented by tourists as well as a place which has been known as the source of origin of a particular product. Thus, it helps us in identifying what we intend to achieve by adding the 'place' dimension to the phenomenon of marketing. Rybaczewska & Sparks (2019), in their study, explored a unique dimension with regard to place marketing wherein they extended their understanding related to the concept of place management & marketing by focusing upon the various place loyalty schemes in a manner which well reflected upon their strengths and weaknesses.

However, marketing when applied to places is a significantly different form of marketing which needs proper planning and attention of the management and creates the difference between a product and commodity (Florida, 2002). One has to ensure that if the product which is intended to be sold is having the place advantage vis-à-vis its competitors then that proposition should be properly highlighted and encashed upon.

In this regard it would be pertinent to observe that place marketing could be very well seen in the context of branding, an integral part of marketing, thereby giving rise to place branding which could be employed by organizations to know how to market a particular place among the clientele (Kavaratzis, 2004). Carrying forward this thought process, Kavaratzis and Ashworth (2005), through their work on place branding, talk about whether the concept of place branding could be highlighted as a unique perspective or it is just supposed to be a marketing trick of transitory nature.

## III. PUTTING PLACE AND PRODUCTS TOGETHER

We must be clear about how we are relating places to products. The adding up of the solitary adjective, namely, "place" (or "geographical") to "marketing", the verb, innocuously looks as if specifying a product category whereas in reality the ambit of place marketing lies very much broad. Viewed as a physical extension, places can also be seen as a category which defines a commonplace product along with a technique which looks familiar characterized by

the application of the process of marketing. They are seen as logical extensions of the products which are supposed to be sold.

Balmer (2002) talks about how places could lose their charm if they are not kept into the mindscape of the visiting tourists and hence should be linked with products which are commonly found in those places. In this regard, building on the previous work, Balmer & Greyer (2003) highlight how branding, image management, marketing could come to the rescue of destinations which could benefit from such thoughtful exercises and could well reflect on the imagery associated with various products.

Knox & Bickerton (2003) give their notions of corporate branding and how the same has come to be associated with various places and organizations are understanding how well they can exploit the ramifications arising out of this phenomenon with regard to marketing their products to the right set of customers.

Simple examples which amply highlight the importance of place in branding a product are such Indian commodities as Surat Diamonds or Kerala Cashew kernels. Both these places specialize in their own domains and people who have to buy the respective commodities vouch for products from these places. In fact, in such cases place helps in adding further image to the product and sometimes even turns a brandless commodity into a branded one owing to belonging to a specific place famous for its offerings.

There is this phenomenon by the name Geographical nomenclature which is about identifying a product on the virtue of its origin in terms of production, popularity and distribution. This could be attributed as the “Champagne phenomenon” wherein the name of a place emphasizes not only on the origin of the product but also the mechanism which led to its production. “Lakhnawi Chikkan Kurta” and “Karachi Sohan Halwa” would be similar cases where the focus is not only on the place where the product originally took birth but also the place name helps in understanding the process by which the product is made and how it is different from others. Another notable element in this regard could be the association of a specific breed of product which has been made famous by the place where it is produced. For example, “Chiquita Banana”, “Idaho Potato”, “Antwerp Diamonds” which are as much known for the place as for the product associated with them. With globalization, such famed products have assumed a global significance which is evident by their universal availability (Cox, 1995).

#### IV. RELIGIOUS IMPLICATIONS OF PLACE MARKETING

There are religious shrines like Vaishno Devi in the Indian state of Jammu and Shirdi Sai Baba in Maharashtra where the economy functions just on the pretext of the geographical importance of the place thereby adding an extra zing to whatever product is sold at such holy places however miniscule or insignificant it might be.

The Mecca and Vatican City are other examples in this regard which cater to the religious beliefs of two of the most popular religions, Islam and Christianity respectively, globally. Such is the power of place marketing. One can easily understand this fact by browsing through the websites of such shrines where you can buy anything and everything ranging from the offerings; make contributions, honouring the deity; all such things happening on the pretext that the offering would reach to the place where it is supposed to be.

Thus, the name Vaishno Devi itself is reason enough for a person to pay their obeisance and believe in the power of the place even if the journey to this holy shrine is quite tedious and tiring enough. How else can you justify such things if not for place marketing? Even the boards and committees that manage such shrines have understood the significance of place marketing thereby setting up special arrangements for those not able to visit these places.

The provision of Live Sai Darshan with Tata Sky is just another example of how powerful place marketing is and how it can be used to differentiate one's offerings to the customers from competitors. Majority of the shrines have made sure that the devotees get the desired engagement which they seek with the divine self and in this regard make every possible arrangement to make it materialize.

#### V. CO-MARKETING AND OTHER RELATED CONCEPTS

When two disparate products are put together for marketing purposes in a manner that a strong connect develops in the customer's mind, such a phenomenon is known by the term co-marketing (think “fish and chips” or “pulses and rice”). It is a phenomenon that can very well occur in a situation where one of these is a place. The objective becomes to co-create a product in the form of association between the features of product and place. The purpose becomes to market the offering on the virtue of extant or future characteristics related to the destination itself which are presumed to show the product favourably, thereby staying in the customer's mindscape. Customer is enamoured by the place so much that he insists on buying the product of that particular place or from a specific place only. The Indian jewelers market is one such example. Gold ornaments being an expensive affair, people tend to buy them preferably from specific shops which have the trust of their customers in their offerings separating them from others.

However, various disparate products could very well endeavour towards utilizing diverse place relationships emanating as of the identical place and in the process create a consistent image of the place in the mind of the customers using its various products. To illustrate this point further, the general adjective “Swiss” is extensively employed whilst marketing a diverse set of products ranging from chocolates, watches, cheese, financial services, Alps (tourism and beyond) and knives. At the same time it would be naïve to presume that the same set of place traits would be applicable on this diverse set of products for the simple reason that usage of all the products varies greatly from one another and hence the perception of the customers also vary accordingly (you just cannot equate a Swiss chocolate with a Swiss Watch!!).

The application of place connectedness related to product branding as mentioned above additionally presumably leads to constancy with regard to the perception of those traits (Braun et al., 2003). This is so because once the people have started associating a particular product with a specific place; it becomes difficult to do away with this association. Boisen et al. (2018) have highlighted how marketing and branding-relate exercises in connection with a place could be done in a manner which reduce the confusion related to the destination. The authors talk about how once can develop an understanding with regard to place marketing, place promotion and place branding thereby developing an insight about the three.

Indians in U.S. are considered as smart, intelligent, brilliant in STEM (Science, Technology, Engineering, Mathematics), students who get in to the best U.S. universities on scholarships, are hardworking, can give the native students a run for their money. Such strong is the association of Indianness in U.S. that even a dumb Indian is taken for an intelligent guy thanks to the image of a typical Indian student. ‘Bangalored’ is the term which is used for depicting the massive outsourcing of job taking place out of the US shores to the Indian equivalent of the US Silicon Valley, the city of Bengaluru. Such is the impact of place on a product. But such sort of associations can also lead to pre-mature and even wrong conclusion pertaining to a product which could eventually prove detrimental to the place which is in consideration (Holcomb, 1999).

## VI. PLACE AS THE ULTIMATE PRODUCT

There exist numerous examples wherein the location in itself is the end product and it is the geological destination that the consumer is encouraged to patronize. In this regard, it would be pertinent to mention the various property dealers as well as the state tourist departments, in addition to various other entities, which are noticeably and inevitably marketing the definite locations which are promoted in such a way that they acquire an image in the mind of the prospective as well as existing customers. Such cases lead the categorization to drift apart with regard to the place itself as far as its identity is concerned. In essence, the place ceases to be a mere location for the product instead it becomes the product itself. Thus, it is no longer a residential property or a holiday destination which is being marketed to the buyer. It is the location on its own which becomes the ultimate buy (Hannigan, 2003). Examples include holidays to locations like Indian locales as Goa, Kerala, Kashmir, the Andamans, backwaters of Kerala, destinations which are associated with a certain level of intrigue, charm, fascination, exotic nature which separate them from others of their ilk thus attracting a huge influx of tourists year after year. When one talks about the foreign locations, destinations like Switzerland, Paris, New York, Sydney, Singapore, Bangkok, London, Dubai, Maldives evoke major reactions from the outbound tourists who don’t bat an eyelid before taking the next flight to these far-flung locations for the simple reason that they are unmatched and are destinations in themselves. In related thing, like the Dubai Shopping Festival, Paris Fashion Show, Sydney Fireworks during New Year, Swiss delicacies, world-famous Times Square in New York are additional reasons for visiting these destinations.

Hudson and Hawkins (2006) talk about the significance which the twin cities of Glasgow and Liverpool have had in the overall perception which Britain has developed globally. Marketing is all about how the offering is selected and changed along with providing such geological classification which would result in maximizing the set of benefits arising out of the geographic location thus helping the customers to choose the best possible option out of the available ones.

Kotler et al. (1993) talked about how places can be marketed successfully to attract investments from outside as well as to promote tourism and develop cities, states and nations as tourist destination. Building further this thought process in the context of Europe, Kotler et al. (1999), highlighted how Europe, in itself, is a major destination for travel, leisure, business, and myriad avenues globally and has stood the test of time in terms of surviving both the World Wars, emerging stronger with each adversity. The thought process of Martinelli (2005) in this regard is also worth mentioning as the author highlights how Italy has reinvented, time and again, herself to be found as one of the premier destinations in Europe which features prominently in the itinerary of any visiting tourist for the reason that it has survived many scares and yet preserved its old-world charm which is unmatched.

Ward (1998) has highlighted how proper planning could act as a boon for the purpose of marketing towns and cities by various nations and if done well could act as the differentiator which would enable the tourists to understand the significance of the heritage underlying a particular city or town. In this regard, Woltjer (2004) highlights how sensible planning can make a meaningful difference with regard to ensuring sustainability as overcrowded tourist destinations can become bane, instead of boon, for the local populace is planning is not done regarding how to market the destination in a sensible manner. Broudehoux (2001) highlights the social inequality which has become synonymous with Rio, the capital city of Brazil, thus resulting in class struggles and conflicts and yet it is home to one of the biggest human extravaganzas on earth when the Carnival takes place and tourists from across the globe visit the city thus exhibiting contrasting images of the same destination.

In such cases where the locational factors are really significant, destinations are viewed on the lines of commercially viable offerings thus transacted at the marketplace. The process of exchange, in itself, includes stay put at those destinations, therapeutic treatments, absolute ownership (thus changing the nature of stay from temporary to permanent), leasing, renting, etc.

Just take for an example a couple which goes to a tourist bureau for an exotic holiday to Malaysia but unfortunately the bookings are full for the season to this destination. In such a scenario it is not that they would cancel their holidays outrightly. They might settle for some other location like Thailand or Singapore which are equally appealing, if not more. The essence of the above example is that even places can be traded for one another and can be exchanged for the better if one feels like they have not got the best bargain or are not able to fit in the existing scenario. Place marketing also ensures that the competitive angle, which is so crucial in marketing, is also taken care of in a proper manner so that all the competitors are eventually accounted for.

## VII. CONCLUSION

In essence, one may simply proclaim that place marketing is all about the identification that goes with certain places which is not exactly how place marketing works, at least not in its entirety. The concept of place marketing goes beyond this simplistic explanation and includes in it the various perspectives which are associated with the concept of place marketing. It is another matter that eventually it could prove difficult to segregate all such notions from each other. Places, as travel destinations or being famous for a line of products/services, contend among themselves. This has been the trend since times immemorial for the reason that humans have always had a strong sense of belongingness which gets manifested in the form of place marketing. It has been true since ancient times that humans had alternatives which they weighed against each other whenever they had to select one of them. The same phenomenon has found its reckoning in the form of place marketing as well. One can relate with this concept on the lines of a visit to the nearest supermarket wherein the person has to choose the preferred option out of the myriad choices at disposal with regard to a commodity like toothpaste. In such a scenario, if a person is looking for a particular brand and it is not available at that instance, it is not that the shopper will not buy the second-available option. Something on similar lines is also applicable on places wherein the patron interested in visiting a destination or enamoured by the produce of a certain region could settle for the alternative in the absence of the first choice.

Place marketing is a phenomenon which has developed with the passage of time undergoing through various phases which, in turn, vary with regard to their erudition along with their objectives and approaches. Such phases vary in terms of the broad-spectrum appeal with regard to marketing along with the extent of classifications and refinement. The progress from one stage to the next in terms of place marketing has been due to the increasing consideration and knowledge of the applicability of marketing than anything else. Additionally, every stage is not supposed to be superseded. Rather, there could be coexistence as well in a manner that at any one point of time, numerous such stages could be well identified, time and again at the alike destination though depicting varying characteristics. It has changed in such a way so as to assimilate the changes which were required with the evolution of marketing as a process.

There has been competition, which has only accentuated with time, between places triggered by such phenomena as nationalisation and globalisation of markets.

With a trend towards functional diversity, place marketing starts gaining significance and plays full throttle in a scenario where customers can easily distinguish as to what place a product comes from or reverse which products characterize a particular place. Such trends are to be found both in the urban as well as rural markets but the signs are more prominent in the urban market thanks to the higher ability of the people to spend thus leading to an invariable sense of choice thus demarcating a product on the basis of place. Such distinction is not of much importance in a rural market due to the limited ability of people to spend.

## REFERENCES

- [1] Ashworth, G.J. and Voogd, H. (1990), *Selling the City: Marketing Approaches in Public Sector Urban Planning*, Belhaven, London.
- [2] Balmer, J.M.T. (2002), "Of identities lost and found", *International Studies of Management and Organisation*, Vol. 32 No. 3, pp. 10-27.
- [3] Balmer, J.M.T. and Greyser, S.A. (Eds) (2003), *Revealing the Corporation: Perspectives on Identity, Image, Reputation, Corporate Branding and Corporate-level Marketing*, Routledge, London.
- [4] Barke, M. (1999), "Place marketing as a planning tool", in Pacione, M. (Ed.), *Applied Geography: Principles and Practice*, Routledge, London, pp. 486-96.
- [5] Boisen, M., Terlouw, K., Groote, P., & Couwenberg, O. (2018). Reframing place promotion, place marketing, and place branding-moving beyond conceptual confusion. *Cities*, 80, 4-11.
- [6] Braun, E., Ongaar, A. and van den Berg, L. (2003), "Towards integrated place marketing", paper presented at the European Institute for Comparative Urban Research, Erasmus University, Rotterdam, October.
- [6] Broudehoux, A.M. (2001), "Image making, place marketing and the aesthetization of social inequality in Rio de Janeiro", in Alsayyad, N. (Ed.), *Consuming Tradition, Manufacturing Heritage*, Routledge, London, pp. 273-97.
- [7] Burgess, J. (1982), "Selling places: environmental images for the executive", *Regional Studies*, Vol. 16 No. 1, pp. 1-17.
- [8] Cox, K.R. (1995), "Globalisation, competition and the politics of local economic development", *Urban Studies*, Vol. 32 No. 2, pp. 213-25.
- [9] Eshuis, J., Braun, E., Klijn, E. H., & Zenker, S. (2018). The differential effect of various stakeholder groups in place marketing. *Environment and Planning C: Politics and Space*, 36(5), 916-936.
- [10] Florida, R. (2002), *The Rise of the Creative Class*, Harper Collins, New York, NY.
- [11] Gold, J.R. and Ward, S.V. (Eds) (1994), *Place Promotion: The Use of Publicity and Marketing to Sell Towns and Regions*, Wiley, Chichester.
- [12] Hannigan, J. (2003), "Symposium on branding, the entertainment economy and urban place building: introduction", *International Journal of Urban and Regional Research*, Vol. 27 No. 2, pp. 352-60.
- [13] Holcomb, B. (1999), "Marketing cities for tourism", in Judd, D.R. and Fainstein, S. (Eds), *The Tourist Place*, Yale University Press, New Haven, CT, pp. 54-70.
- [14] Hubbard, P. and Hall, T. (1998), "The entrepreneurial place and the new urban politics", in Hall, T. and Hubbard, P. (Eds), *The Entrepreneurial Place: Geographies of Politics, Regime and Representation*, Wiley, Chichester, pp. 1-23.
- [15] Hudson, M. and Hawkins, N. (2006), "A tale of two cities – a commentary on historic and current marketing strategies used by the Liverpool and Glasgow regions", *Place Branding*, Vol. 2, pp. 155-76.
- [16] Jessop, R. (1998), "The narrative of enterprise and the enterprise of narrative", in Hall, T. and Hubbard, P. (Eds), *The Entrepreneurial Place: Geographies of Politics, Regime and Representation*, Wiley, Chichester, pp. 77-99.
- [17] Kavaratzis, M. (2004), "From place marketing to place branding: towards a theoretical framework for developing place brands", *Place Branding*, Vol. 1 No. 1, pp. 58-73.
- [18] Kavaratzis, M. and Ashworth, G.J. (2005), "Place branding: an effective assertion of identity or a transitory marketing trick?", *Tijdschrift Voor Economische en Sociale Geografie*, Vol. 96, No. 5, pp. 506-14.
- [19] Knox, S. and Bickerton, D. (2003), "The six conventions of corporate branding", *European Journal of Marketing*, Vol. 37 Nos 7/8, pp. 998-1016.
- [20] Kotler, P., Haider, D. and Rein, I. (1993), *Marketing Places: Attracting Investment, Industry and Tourism to Cities, States and Nations*, The Free Press, New York, NY.
- [21] Kotler, P., Asplund, C., Rein, I. and Haider, D. (1999), *Marketing Places Europe: Attracting Investments, Industries, Residents and Visitors to European Cities, Communities, Regions and Nations*, Financial Times Prentice-Hall, Harlow.
- [22] Martinelli, F. (Ed.) (2005), *La Pianificazione Strategica in Italia e in Europa*, Francoangeli, Milan.
- [23] Rybaczewska, M., & Sparks, L. (2019). Place marketing and place based loyalty schemes. *Journal of Enterprising Communities: People and Places in the Global Economy*.
- [24] Vuignier, R. (2017). Place branding & place marketing 1976–2016: A multidisciplinary literature review. *International Review on Public and Nonprofit Marketing*, 14(4), 447-473.
- [25] Ward, S.V. (1998), *Selling Places: The Marketing and Promotion of Towns and Cities 1850-2000*, E & F.N. Spon, London.
- [26] Woltjer, J. (2004), "Consensus planning in infrastructure and environmental development", in Linden, G. and Voogd, H. (Eds), *Environmental and Infrastructure Planning*, GeoPress, Groningen, pp. 37-58.
- [27] Young, C. (2017). Place marketing for foreign direct investment in Central and Eastern Europe. In *Foreign Direct Investment and Regional Development in East Central Europe and the Former Soviet Union* (pp. 103-121). Routledge.