

CITY BRANDING AS MARKETING INNOVATION IN LOCAL ADMINISTRATION

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Abstract. *With the passing of time, society has become more and more demanding. Nowadays, we are in search for permanent new experiences, self-achievement, differentiation, just to mention only a few of our ambitions, and the place we are living in – cities – should meet our expectation. Secondly, cities are becoming more and more autonomous, independent and self-driven, as a consequence of the neoliberal doctrine. They are individuals in a world permanently vibrating with change. Cities must meet these new requirements and make all the necessary changes in their own way of being, using what they have at hand – strategies successfully used in business environment. For this purpose, cities must make use of innovation. And innovation is generated (consumed and regenerated) by knowledge, which, its turn, nurtures itself with innovation. Knowledge and innovation are an endless discussion. The purpose of our paper is to highlight the attributes of city branding as marketing innovation in local administration with insights in Romanian public administration. The research is focussed on the perception, attitudes, and concerns of Romanian representatives about marketing innovation in public administration and in drawing a general picture of Romania and its cities in the greater innovation environment. The research reveals, on one hand, the moderate interest in innovation at the basic level of local administration in direct relation with the position of Romanian cities accordingly among other European cities. On the other hand, this should be expected, since Romania itself is ranked under medium level on innovation. The results should be understood and further discussed from the larger perspective of new development trends, models and performance of cities all worldwide.*

Keywords: *city branding; innovation; knowledge-based society; local administration; strategy; marketing innovation.*

Introduction. City: facts and figures

“This is the century of transformational cities”, announced Khanna in 2015 (p.53), continuing one of his previous thesis that “cities rather than states are becoming the islands of governance on which the future world order will be built” and the new world will be “a network” of different “global villages” (Khanna, 2010). Generally, it is not our intention to assess Khanna’s thesis, but it is up to us to study the conditions and to prepare ourselves to properly face this trend.

“According to the 2014 World Urbanization Prospects by the United Nations’ Department of Economic and Social Affairs, 54 percent of the world’s population currently lives in urban areas. This number is projected to increase to 66 percent by 2050, adding a further 2.5 billion people to our cities” (Khanna, 2015, p.53). Five of the top ten global cities are located in Asia (Tokyo, Hong Kong, Singapore, Sydney, and Seoul), three in the United States (New York, Chicago, and Los Angeles) and only two in Europe (London and Paris) (Chirico, 2014, p.453). But five of the most powerful cities are located (each) in the United States (New York, Chicago, Los Angeles, Boston, Washington) and Asia (Tokyo, Hong Kong, Singapore, Shanghai, Seoul, Beijing, Osaka, Shenzhen) and six in Europe (London, Paris, Zurich, Brussels, Rhine-Ruhr) (Anttiroiko, 2014, p.28). According to FDI (2015, p.23) report Global Cities of the Future 2014-2015, only eight cities out of Top 25 FDI Strategy cities are located in Europe, four in the United States and the other are located mostly in countries with emerging economies. The idea is that the large cities of Asia and South America are recovering and becoming a threat to the European cities. The London School of Economics, in Urban Age Project, predicts that 75% of the global population will be concentrated in a few urban centres by 2050, and even today, 80% of the population of Latin America live in cities; London is responsible “for 20-25% of Great Britain GDP”, and Moscow and St. Petersburg megacities represent 30% of Russia GDP (Nordstrom & Schlingmann, 2015).

Literature review

Cities development trends and models

The global city of today is characterized by urbanization, urban growth, and urbanism. Pacione (2001, p.68) defines urbanization as an “increase in the proportion of the total population that lives in an urban area; urban growth is an increase in the population of towns and cities; urbanism is the extension of the social and behavioral characteristics of urban living across society as a whole”.

Florida explains the emergence of new classes – the creative class – defined as “a fast-growing, highly educated, and well-paid segment of the workforce on whose efforts corporate profits and economic growth increasingly depend on”, which is able to “power the innovation and growth”. These people are seeking for “more tolerant, diverse, and open to creativity” cities, targeting places / cities, where they “can find opportunities, build support structures, be themselves, and not get stuck in any one identity” (Florida, 2002, p.15).

În 2006, Carrillo (Anttiroiko, 2014, p.115) defined “knowledge cities as urban communities that possess an economy driven by high value-added exports created through research, technology, and brainpower”. Two of its key assets are human capital and innovation capabilities. The recent economic crisis launched new challenges to Europe, one of them being the “shift of the focus from technology to knowledge” (Cappellin, 2009, p.2).

World Bank (2011) defined knowledge economy as “one where organizations and people acquire, create, disseminate, and use knowledge more effectively for greater economic and social development: there are closer links between science and

technology; innovation is more important for economic growth and competitiveness; there is increased importance of education and life-long learning; and more investment is undertaken in intangibles (R&D, software, and education) which are even greater than investments in fixed capital”.

“Innovation requires an adequate organization of the various actors involved in this process. Urban planning leads to the creation of policy networks in urban areas. An effective governance requires the existence and integration of various actors, with different complementary capabilities, as also the cultural receptivity of this latter, the flexible organization of negotiation procedures between various different interests” (Cappellin, 2009, p.30).

“After the massive de-industrialization of the urban economies during the 1970ies and 1980ies, the economic engine of cities has changed [and cities become] the core of the far-reaching sectoral transformation of the national and international economy into the model of the ‘knowledge economy’ and the competitive advantage of cities and regions is determined by a faster adaptation of innovation” (Cappellin, 2009, p.23); these new trends “imply the search for new forms of urban governance [aiming] at greater public participation” (Cappellin, 2009, p.35). Since governance is defined as “the sum of the ways through which individuals and institutions (public and private) plan and manage their common affairs”, the key problems are related to “labor qualification, territorial planning, living and consumption patterns, governance [...]” (Cappellin, 2009, p.35). The knowledge city has “four thematic areas” – labor, territory, consumption, government – and from out point of view, the most relevant is the relationship between government and consumption because it connects the large public projects and the creation of new identity or re-branding process” (Cappellin, 2009, p.37).

Cappellin and Brondoni (2011), in their paper about global cities and knowledge management, highlight that “national economic growth and urbanization are interdependent” and in this context, “cities are not only key nodes in the commercial transactions of goods, but also hubs in the flows of information and in the generation of new knowledge” and their growth, in the modern post-industrial period, is “linked to the continuous changes in the internal demand [...] and internal supply [which] are tightly integrated by the knowledge flows”. These global cities need other governance models, suitable to “the global managerial economics”, in which “knowledge production becomes the critical competitive factor” (Cappellin & Brondoni, 2011, p.2).

Rittgasszer (2013), and Yigitcanlar and Bulu (2015) refer to the concept of “knowledge-based urban development” as “a new development paradigm” able to answer the comprehensive questions about what type of improvements are needed to integrate a city in the knowledge-based economy. Knight (1995, 2008), Rittgasszer (2013), and Yigitcanlar and Lonnqvist (2013) define knowledge-based urban development as “the transformation of knowledge resources into local development to provide a basis for sustainable development and a social learning process in which the knowledge capital is utilized in the development of sustainable urban region”. Kunzmann (2008) considers it “a collaborative development framework that provides guidelines to the public, private and academic sectors in the makeup of future development strategies that attract and retain talent and investment, as well as to the creation of knowledge-intensive urban and regional policies”.

Cities are entities in need for resources able to ensure future growth, respectively creative class, and for this, the cities supply must be diverse, complex, of high quality, something like a “supermarket” (Zenker & Braun, 2010, p.3). Secondly, a sensitive point, it is that cities, in completion for globally spreader resources (which lately have become more refined and sophisticated than simply financing, export markets or tourists, as “classically” mentioned so many times) should develop policies and long-term strategies oriented to attract their strictly necessary resources (quantitatively and qualitatively), in full concordance with the trends of the global world we are living in, characterized by knowledge-based society, emerging economies, information, capital and labour force flows – only these strictly oriented resources being able to ensure their future growth. These city development strategies look like product or corporate strategies so many times being proved as efficient in the international trade. But, and this is why we called this point as sensitive to be accomplished, the places are more difficult to be managed than any corporation: “a contract of employment is mainly about duties, whereas a social contract is mainly about rights” (Anholt, 2010a, p.6). Third, but not necessarily in this order, we should keep in mind the repetitive use of words “creative”, “innovative”, “lifestyle” in Florida’s article (2002) that lead us to the “liveability” concept, which is very close to “living the brand”.

Pacione (2001) defines urban livability as “a relative term whose precise meaning depends on the place, time and purpose of assessment and on the value system of the individual assessor” and it is the meeting point between the objectivity of urban environment quality and its subjective understanding and perception of the urban residents: “In short, we must consider both the city on the ground and the city in the mind” (Pacione, 2001, p.396).

Characterizing innovation as a “creative destruction” (the replacement of what is being outdated through the creation of something new and better), Joseph Schumpeter defined innovation, in 1939, as “the commercial exploitation of an invention” (Glodeanu et al., 2009, p.31). In this context, the innovative entrepreneur forces the market to adapt to his inventions and forces his competitors to search for solutions to the new conditions of competition. Thus, innovation can be defined as the process of diffusion, assimilation, and use of new products, services, instruments or approaches in different fields of society. He considered the economic development as a process of qualitative change, driven by innovation defined as new combinations of existing resources (Fagerberg, 2011).

OECD identifies four types of innovation: product, process, organizational and marketing innovation. Marketing innovations involve “the implementation of new marketing methods; these can include changes in product design and packaging, in product promotion and placement, and in methods for pricing goods and services” (OECD, 2005, p.17), including adapting the product / corporate branding to places.

From “traditional” branding to city branding as marketing innovation in public administration

Cities are facing today new realities. One of them is the strong competition for all kind of resources, generating – among and together with other facts – our knowledge-driven day to day life. There is a millenary history proving this. But today, this competition between places has become more sophisticated: cities are borrowing

forms, methods, means, tools, messages from already proved commercial strategies – the brand. The product and company brands have evolved quantitatively and qualitatively, transformed, adapted and become closer and closer to the human nature, impregnating us with a brand-oriented behavior. Consciously or unconsciously, we make our professional (at a personal level) and investment (at the company or institutional level) decisions according to the attractiveness of these places. People, like any other kind of flows (capital, financial, knowledge), move from one city to another, according to (or being persuaded by) the city brand strategy. In this transfer, capital, financial or even knowledge is in search for better use – “efficiency”. People were, initially, in search for (better) jobs, but today they are interested in a better life, interesting experiences, differentiation, self-knowledge, self-achievement. Cities must respond accordingly to these requirements. It is obvious that cities have become more autonomous, independent and self-determined, based on the neoliberal doctrine. Also, it is obvious (or should become obvious) that cities must adopt innovative strategies in order to fit our vibrant, ever-changing life.

Anholt (2007, p.33) highlights the importance of “aligning the innovation to a strategy for enhancing the country’s international reputation” and suggests to focus it more “to the needs and resources of the country” in order to “bring in additional investment, better markets for the commercialized innovations and more international interest and respect for the changes taking place”. And this is true for cities, too, because cities are under-state entities, bearing some of the state responsibilities, and second, because of cities, as any other entity, compete in the global arena for resources “an all need to market themselves” (Anholt, 2007). The “consumers” are expecting something new, interesting, attractive from cities, as well as they, are expecting from products and companies: “it’s usually that the country simply isn’t doing enough new things to capture anyone’s attention [...and] innovations and investments are made with the identity strategy in mind” (Anholt, 2007, pp.35-36).

Halemane, Janszen and Go (2010, p.172) sustain that since we are living in a networked world, in which its components (cities, countries, regions) increasingly apply place branding to compete with each other, it means the “place branding practice needs to apply innovative governance [... learning] from the networked world of corporations”. They consider that “innovation scenarios” successfully contribute “to stimulate entrepreneurship and creativity” (Halemane et al., 2010, p.174) with benefit impact on place branding based on “co-creation” and “co-innovation”.

Anholt (2010a) explains that the place branding, including city branding, is actually “political”, but unlike other policies or strategies, there are, “in essence, five new ideas”. The first one refers to the “robust and productive coalition between government, business, and civil society, as well as the creation of new institutions and structures to achieve and maintain this behavior” (Anholt, 2010a, p.12). The second refers to the fact that innovation lays in the brand image - “is not under the control of the owner of the brand”, but rather in the control of its consumers; the “brand equity” explained by the fact that “reputation is a hugely valuable asset” that needs a long term management. Another innovation lays in the purpose of the brand, which unites heterogeneous groups of people around a common strategic vision which management is “first and foremost an internal project”. And the fifth new idea is the innovation itself in all sectors of national (or city if we are referring to cities, here) activity, in order to influence public opinion, media included, always in search for “new things that suggest

a clear and attractive pattern of development and ability within the country or city, than in the rehearsal of past glories". Anholt (2007) concludes that the city brand, as included in the same category as a country brand, represents 80% innovation, 15% coordination, and 5% communication.

The profound difference between the city and the corporate brand consists in its ownership, its possession. The corporate, products or service brands belong to an organization, they exist based on a commercial contract with obligations and rights "managing brands in a specific way to achieve certain objectives" (Freire, 2011, p.170). Kavaratzis (2009, p.29) goes further with this analysis, from corporate to product / service and mentions that city brands are more complex than just products and services due to the diversity of stakeholders, the number of organizations involved in city day to day life and their limited control over the city.

The city brand does not have an owner legally and constitutionally defined (Kavaratzis, 2009), it consists of a number of different and independent organizations, indicating that is not clear who exactly owns the brand (Freire, 2011) and this relationship is based on the social contract that is "primarily about rights" (Anholt, 2003, p.213).

Kapferer (2008) emphasizes this distinction: commercial brands are created by people; they create a reality, "transform it into image" and sell consumer product itself, independent of the company's employees, making them easily transferable from one company to another, from one owner to another. The city brand is an "irremovable reality anchored in history, culture and its ecosystem", turns as society evolves, but brand the city must provide "a consensus among all key actors of the city" (Kapferer, 2008, p.127). City brand is managed by a "network of public - private organizations" (Hankinson, 2010, p.308).

Commercial brands are more permissive in terms of addressability; city brand should be objective, equidistant for all its publics. For certain segments of publics, sub-brands may be identified or defined with specific targets and communication channels, strategies and means. City brand is established as a permanent, historically determined, existence. Product / corporate and its brand have a life cycle of different durations, with ups and downs (eventually), in some cases, this kind of brands may be transformed, changed, upgraded or simply disappear, as company interests require. Cities are permanent (or at least they lifecycle has historical determination, with sinuous and uneven evolution) and the brand is adjusted according to the general progress of society.

Zenker and Braun (2010) "translate" the commercial brand "not literal but in the spirit of the text". First of all, due to the great variety of place customers differentiated by their perceptions and demands about the city, each of them expecting and requiring "a suitable environment for their purpose" (Zenker & Braun, 2010, p.2). The second argument is that the city is not one entity, but a complex one - "a package of places" overlapping in a certain degree, like a "supermarket" where consumers buy what they want. Thirdly, the city communicates through architecture, personal or other people experiences and creates "potential key associations" in our mind, determining "dissimilarity in the way we perceive places in comparison to commercial brands". City branding cannot be taken apart from its administrative and political environment (and

mission), but new (innovative) conditions for branding practice (as we traditionally know it) may be set up (Zenker & Braun, 2010).

Insights on local administration in Romania

Research methodology

The objective of our research is to identify the present status of Romanian cities in the greater picture of global trends: innovation in public administration, city branding, knowledge-based urban development, global competition.

The qualitative research methods enable us to obtain “sensitive” details about attitudes, opinions, and experiences of the interviewed representatives of local administration about innovation at personal, professional and national level, innovation in public administration, about city branding in general and, in particular, city branding as marketing innovation in public administration, the city new development trends and models, the general concerns for innovation and city perspectives. The interviews were conducted in February – April 2016, in three Romanian cities with twelve representatives of local administration, based on semi-structured interview guide. The duration of an interview was about 45 minutes. The interviewed persons insisted on their anonymity due to the pre-election pressure, on one hand, and, on the other hand, due to the strong anti-corruption campaign, being afraid that their information may be misunderstood. That’s why we describe the respondents only by their professional experience in local administration, as a number of city mayor mandates (four-year term). Also, by associating the respondents to the city mayor mandates, we intend to capture their perception about changes, strategies, objectives, even work-style of the local administration. Their professional experience varies from one mandate (respondents R5 and R6) to six mandates (respondents R1 and R7).

The interviews are focussed mainly on two issues: the local administration opinions about the global trends and perspectives and the need for innovative measures and directions in city management in order to fit these trends.

Also, the specific objectives of the research are the identification of the responsibility for innovation, city branding and marketing; the identification of concrete innovation projects; the level of knowledge about other cities experiences on innovation and cities development trends and models; identification of the collaboration initiatives with other entities in developing innovation projects. The research also aimed to identify respondents' opinions on innovation in Romania and the modest ranking of Romanian cities among other European cities, on the necessary education or professional experience for the public administration employees in order to be involved in such projects. The interviewed persons have a university degree, with at least five years' experience on the job, working in public relations, financing and accounting, investment, public utilities and human resources departments.

To better understand and explain the results of this analyze, the research is completed with a secondary data analyze of reports, studies, and statistics. This research reveals the innovation “behavior” in Romania, relating it to the European, and even the larger

environment, of global concerns about innovation. The reports, studies, and statistics offer a general picture of Romania and its cities with regards to few indicators that could define, in future, the “livability” of a place.

Research results

The results of the interviews are dominated by two uncertainties. The first one is related to the soon to be local elections. Although the respondents do not have eligible positions, they are afraid of any change that might occur in the organizations: “New chiefs, new laws” (R1, 6). But this is a “legitimate, periodical concern” (R2, 5), “every four years we live with the same fear: organisation and reorganisation, optimisation of organisation, effectiveness of organisation and so on, just words to prove themselves and others how much the new management is working” (R3, 4). The other fear is deeper, new and “without realistic solution” (R6, 1): the anti-corruption campaign. The corruption is a “shameful disease” (R9, 4) with “unexpected dimensions” (R10, 5) and “the cleaning process should be deep, long and final” (R4, 3).

The global city development trends and models seem to be, in the respondents’ opinion, a matter of “here and there”, or “us and them” (R6, 1; R7, 6). All the interviewed persons agreed that there is a gap – “huge gap” (R3, 4; R9, 4; R8, 5), “big difference” (R2, 5; R12, 3; R4, 3), “other story, other heroes” (R6, 1) – between Romanian public administration, local authorities and “the other world” (R4, 3), “the civilized world” (R6, 1). The younger ones (R6, 1; R5, 2) were more optimistic about the future – “this country needs a visionary leader” although they are confused about who should assume this responsibility: “whatever or whoever this leader were: President, Prime Minister, entrepreneur, ONG”. All of them admitted that there are “global cities” (R6, 1), “very crowded cities, but [this city] is far from a global city” (R5, 2), “Romania does not have enough inhabitants for a global city” (R6, 1) and “anyhow, they [the global cities] are far away from us, in Asia” (R3, 4) and “it is impossible to influence our life, here, in our little country” (R6, 1; R5, 2; R8, 5).

The need for innovation is a necessary condition for future development, some of the interviewed persons agreed (R6, 1; R5, 2; R4, R9, 4), but it needs funds, “and we do not have funds” (R9, 4; R7, 6) and they quickly moved to their local level. They repetitively referred only to very local issues like parking, sewerage, traffic and the general, “multi-level” corruption. They did not make any comments about projects and future plans due to the soon to come local elections (June, 2016). Some of the interviewed persons agreed that “all the administration need qualified employees” (R10, 5), “people with both vision and experience” (R9, 4), but “the salary is about 300 Euro/month, so, no money, no performance” (R1, 6). The interviewed persons totally agreed that the city administrations did not have the necessary financing to achieve all their objectives, but “Govern is responsible” (R5, 2; R6, 1), “we would have had money, if they had not taken so much for their own good life” (R1, 6), “the state should give us more money, not to steal so much” (R8, 5; R9, 3).

The respondents described city marketing and city branding as “science fiction” (R1, 6; R7, 6) or “something good for others, for larger cities, not for us” (R2, 5; R9, 4). Theoretically, “the concept may be valuable, but we do not know too much about it” (R8, 5; R7, 6). The practice is something else. The explanation of their attitude consists first in the misunderstanding of the concepts, being considered as a “picture in leaflets”

(R8, 5). Two of the respondents seemed to “be afraid” of such a project considered as “a new way of corruption – no, thanks, we have had enough” (R10, 5; R7, 6). The local administrations do not have a proper marketing department in charge of marketing projects, strategy etc., there are some “marketing girls” in charge with “something... flowers to ladies on 8th March, Christmas presents for children” (R1, 6). The cities organized or hosted few important events, but the administration was involved only as the “main partner in charge of financing, that’s all, and look at the results, all of the persons involved are prosecuted now” (R7, 6).

The future need of the city management is perceived only under this anti-corruption campaign: “we need honest people” (R4, 3; R9, 4; R8, 5), but “in a country with poor people where only the thieves are promoted... how do you expect someone to do something good?” (R6, 1; R12, 3). The researchers go further, explaining that the interview is not about persons, but about the management of the city, in general, as perspective, but the respondents keep their position on discussing honesty, corruption and anti-corruption and future local elections. The respondents agreed on the fact that “the future is unstable” (R1, 6; R10, 5), “uncertain” (R12, 3), “I am looking for a new job (better paid) as far as possible from these ... [very not an academic word]” (R12, 3) expressing the hopeless situation, “I do not expect to be here next year”. Due to the local elections, none of the respondents was able to mention any plan or project in the future. Not even about Bucharest – European Capital of Culture, as it is short-listed for the final evaluation. This project is considered: “2021!?!? Are we going to live till then?” (R1, 6; R10, 5) or “Who cares about 2021? We are living now, not in the future, and the present is not bright at all, it is very dark” (R8, 5; R12, 3). The interviews continued in the same register of “no perspective, no motivation” (R6, 1; R5, 2).

After having these insights of the Romanian employees in local administration, let’s have a look at the general picture by reporting Romania and its cities to the EU and global environment.

Firstly, we intend to establish the general innovation status. We used secondary analyze of Innovation Union Scoreboard 2015 (European Commission, 2015). It reveals that Romania is a “modest innovator”, in the same group with Bulgaria and Latvia, below Hungary, Poland and the Czech Republic, which are “moderate innovators”. More, Romania had developed an increased performance over the last eight years (more than 15%), but in 2014 it registered a negative increase. As a general status, Romania follows the EU average trend in new doctorate graduates, experts in knowledge intensive services and youth with upper secondary level education which may constitute a potential base for further development of innovation sectors. Bulgaria, in the same group of modest innovators, has, as relative strong points, human resources, and intellectual assets. Hungary and Poland are ranked as moderate innovators. The relative strengths of Hungary are license and patent revenues from abroad, exports in medium and high-tech products and international scientific co-publications. Poland’s relative strengths are in non-R&D innovation expenditures and in community designs.

In the global level, South Korea has taken the lead, followed by the United States and Japan. EU is in the fourth position, before Canada, Australia, China, Brazil and Russia (European Commission, 2015, p.32). This global picture should be completed with information about global cities. Only three cities out of the forty largest cities are

situated in Europe - Istanbul (18), Paris (25) and London (position 36, equal to Lahore, Pakistan, and Seoul, South Korea) – and all the others in Asia, Africa and America (both) (European Commission, 2015, p.19).

This analysis reveals that Romania has rather modest results in innovations at the EU level. This situation is becoming even rougher if we consider the global position of Europe both as a unique entity, as the European Union, as well as the size of its cities. Considering that the power is moving to Asia, Europe, Romania including, should adapt its development accordingly.

Going deeper with our paper, we detailed the analyses with the city - local administration results. This is the expression of the “internal” consumers of the city. As it is traditionally known as a very important indicator related to the administration, the responsibility of the living conditions is spread between the national and local administration. In Romania, this spread is in the favor of national level (41% vs. 40% at the local level) as revealed by European Citizenship (European Commission, 2012). The EU average “spread” is 51% at the national level and 37% at the local level (2012, p. 12). The higher score of the responsibility granted to the national authorities than the local administration may be explained by the level of satisfaction with the living conditions.

Bucharest “strongly” and “somewhat satisfied” 82% of the respondents, while the administrative services discontented 62% of the respondents (European Commission, 2013, p.14). The same balance between satisfied respondents with the living conditions vs. unsatisfied with the administrative services was registered in Barcelona (90% vs. 49%), Budapest (84% vs. 38%), Prague (90% vs. 55%), and Sofia (88% vs. 60%). This means that Bucharest follows the same administrative model, as other European capital cities, not offering anything else to its inhabitants. In this situation, it is necessary to evaluate how it behaves with the “external” consumers – investments. We consider that direct foreign investment as the most suitable indicator for the purpose of our study because they are long-term oriented, and involve not only financial or material resources, but also attracting of intellectual capital and new residents.

We analyze the position of Romanian cities among the other European cities between 2012 – 2017 (fDiIntelligence, 2012, 2014, 2016), in order to have “an external point of view” about those cities. Bucharest is mentioned six times in these reports. In 2012 Bucharest is ranked on the fifth position in Top 25 Eastern European Cities, before Sofia (6/10) and Budapest (8/10), while Prague (20/25) and Barcelona (22/25) are ranked in a larger score of Top 25 European Cities – overall. Bucharest is also mentioned as the ninth city on top 10 business friendliness in 2012/2013 report. In the following period, Bucharest advanced only on the cost effectiveness indicator, as third out of ten major cities and it is expected to save this position in 2016/2017 report, with better results on Top 25 European Cities – overall cities and the seventh position out of ten as business friendliness (fDiIntelligence, 2016).

Sofia (fDiIntelligence, 2012) was ranked on cost effectiveness (10/10) and economic potential (9/10) and Barcelona attracted foreign direct investments (4/10) due to its human resources (8/10) and infrastructures (10/10). These inputs help the city to promote the seventh position on top 25 European Cities in 2014/2015 Report. Budapest also promotes the first position of Top 10 Eastern European Cities, on the

fifth position on Top 10 Business Friendliness and eighth position on Top 10 Foreign Direct Investment Strategy in 2014/2015 Report.

The results do not clearly reveal the significance or preoccupation or the interest of foreign investors in the Romanian cities. Placing Bucharest and the other Central-Eastern European cities at the same average level should be considered as a solid motivation to use differentiation strategies in order to individualize these cities.

One of the conclusions could be that local administration opinions about global trends and perspectives and the need of innovation are still too far objectives. For the moment, these issues are put into shadow by the election and anti-corruption campaign. Romania, its cities, and public administrations are somehow isolated or separated from the vibrant crowded cities in a permanent competition. The administrations have local interests, short-term projects, some of them with great impact in improving the life conditions in cities (parking facilities) but they refer to something very basic, at the bottom of civilized living conditions. Their projects are not of long perspective, nor address a complex area. There is no cohesion between local administration and residents' needs. It seems that public administration is concerned and responsible only for the traffic, parking and sewerage. Other needs – self-achievement, identity as belonging to a “community” – are not at all in the competence of the local administration. The city hall is part of the events more as a formal duty, or “candidate image campaign”, not as leading the community, nor as part of the community, and, anyhow, nor as “living the brand”. We put this behavior on the behalf of the lack of knowledge about city branding, a concept too early compromised and forgotten due to misunderstanding and misuse (as a country brand). Of course, there are other explanations, too. The low level of salaries in public administration will never motivate the employees to be creative or dedicated to innovation. On the other hand, innovation, being it marketing innovation implies a certain degree of risk, of uncertainty. At a certain level and having the previous example of several country / nation branding projects that failed due to corruption or not-knowing the concept, the theory and practice of place branding, the city branding as marketing innovation in the public administration may be considered now only a waste of money or a classic receipt for corruption. A re-evaluation of the situation in the next 12 – 18 months may reveal another point of view.

Discussions

There are a few issues to be discussed. The discussions with representatives of the local authorities are not very encouraging, but we make responsible for this only the local election (in less than one month) and the anti-corruption campaign which “makes a lot of noise, puts a lot of pressure, but resolves nothing” (R12, 3). The respondents do not have a proper perspective of the real picture of the global competition and the new role of the state. They are very local and present-oriented, with a strong belief in the traditional paradigm of the “mighty state”.

The same conclusion of inner orientation or, at least, an orientation toward a limited time and space, is identified at the upper, central level, as the secondary data analyze revealed. The results presented in these reports are easily predictable: Romania (Bucharest included) risks to lose itself the in the anonymity of average (or lower) country as a foreign investment destination, innovation promoter or livability for its

inhabitants. In this rough global competition, Bucharest, as the capital city of Romania, should look for instruments, means and solutions able to differentiate it from other cities both at EU level and global level and adjust it to the requirements and expectations of its stakeholders now and in the future. Olins (2010, pp.143-144) mentioned that place (city included) branding is “a catalyst for change” [able to differentiate the cities from] “a compact, not-differentiated, anonymous and boring mass”. More importantly are the next steps to be taken. First, we should look at other cities brand strategies and adopt some of their models. We are encouraged in this direction by the large participation of the Romanian cities in the pre-selection for the European Capital of Culture considering “it may be fitted into a broader strategy for the city” (Popescu, 2015, p.184). Even if the respondents in the interviews have something else in mind, but, according to the documentation the cities presented up to now, there are also other bodies involved, both from private and public sector, and, as Sibiu proved, the process is difficult at the beginning, but successful, in the end (Iohannis, 2014).

Considering all these aspects presented in this paper, we conclude that the general trend is toward the city as the central engine of overall development and it needs an agile, innovative, creative strategy to answer the future demands of its stakeholders. But there is a gap between the city administration as a whole, with a conservative, traditional, passive attitude and the dynamic demands, expectations and requirements of the present and future complex situation. We are talking now about “a very plausible scenario called Non-state World” and “humanity’s rapid urbanization only means that people are moving into cities, not that the cities are prepared for their arrival” (Khanna, 2016, pp.279-280).

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