Territorial Marketing

Communication

American Style TM
In the US, the administrators of local areal units aimed at the territorial development by using the traditional marketing of business, as to selling goods and services

Pragmatic vision of anglo-saxon meaning

The first task is to sell the use of urban areas, imposing less taxes, giving attrazione and organizing shows

European Style TM
In all the Countries of Europe, local areas have lots of constrains due to culture, administration, societies, region disparities

The model of TM aims at building an integrated territorial system capable of involving the different privare and public actors in order to build up a place where is possible to live, travel and visit and come back again

The TM must the coordinate a multidimensional mix of interventions and not separate and episodic initiatives
In this line the 'internal' marketing assumes a fundamental role as well as the demolition of points of weakness

Weaknesses:

• tangible as poor and degraded tourism offers
• intangible as lacking of due abilities and skills in making society and tourist accommodations and quality of hospitality enhancement
Tourism Marketing

The tourism marketing is the capability of attracting visitors for more or less long lasting period of stay in a place (a tourist destination)

The results depend on:

• the value of the territory, heritage of historical, cultural, architectonic and landscape assets
• the level of the local community capability of being active, number and variability of events, shows and initiatives
• integrated offer of structures, goods and services for a range of categories of tourists, families, the young, sport people
• territorial accessibility
• distinctive excellences

# behavior of today tourists

Strategic Vision

# hypotheses for the Italian Tourism: Tourism Strategic Plan 2020 (It. Min.)

• do protect diversities
• do promote our diversities
• make any diversity accessible

Local Identities as motor of tourism development

Tourism Development Potentialities

The territorial potentiality is based on:

• awareness of the self-perceived identity
• systematic TM vision, in a continuing adaptation of the placement of the territorial offer linked to the effective capability of hospitality
• focus of some flagship events for promoting the image of the territory and the quality of hospitality services
• improving of services and accessibility, number of beds, restaurants, shops, public and private utilities

Implementing of the promotion policy

The territorial and tourist promotion needs upgraded skills for the approach to the TM at any level of intervention and mainly on:

• political and administrative commitment;
• elaboration of a strategic plan capable to individuate priorities, human capital, financial capital, cultural heritage valorization, organization of new and frequent events, improving of hospitality services;
• coordination of all the involved actors in the promotion of tourism, private and public level;
• opportunity of building of dedicated structures, agencies and body of tourism promotion;
• operative plans of communication, adv, promotion, for different types of tourism, family, cultural, individual, thematic, sport, leisure;
• operative plans of internal marketing aiming at the involgente of the residente population and private businesses;
• creation of new enterprises for tourism, hospitality, and leisure
The TM aims at transferring the business marketing to the territory

We will treat the section of communications

The territory must communicate to be visible out of its boundaries and build sharing within the same boundaries:

“what it is and can do, it qualities and its value”

helping in improving transparency

that means to consider the communication as strictly descending from the placement strategy, linked to the rest of strategic decisions

A territory communicates in order to:

• obtain a strategic and economic credibility, that means trust and legitimacy

• correspond to the expectations of residents and guests (insiders and outsiders)

• be efficient in satisfying the differentiated and multi-dimensional needs of the civil actors and policymakers, who control and put resources in the policy

Caroli M. G., *Il marketing territoriale*, Franco Angeli, Milano Cap. 5. La politica di comunicazione del territorio
The communication policy can be dividend in two main activities:

• Actions toward the focusing among actors the placement of the area and underline the differentiating characters in comparison to the competing geographical areas

• Actions to enlighten the opportunities and the actual reasons of advantages (convenience) of an area

• Which are the tools?

The territorial communication strictly depends on:

• the strategic placement of the area

• decisions of Marketing Mix

A negative example:

*If you want to kill a poor product, advertise it*

First we must say that the communication is NOT the main element of the TM

• Even though over the last decades Communication has actually been the most practiced tool

• Advy and publicity has for long time the SOLE used tools

*If you want to kill a poor product, advertise it*
In any case the Communication has the strategic aim to implement the local development program and policies

Also in the business the main role of communication is to develop the trust as a resource

Trust is a particular shape of social relationships and is studied by different sciences, sociologists, anthropologists, politics studies

Today also by economists and marketers

The notion of trust is not so easy to be studied in the empirical field (because it is not so easy to quantify (measurable objects)

To understand the role of trust you must consider that it is important both in technical environments and in the organizational ones, where the **HUMAN FACTOR** is fundamental

Trust is the voluntary exposition to the willing of another person, thinking there are no bad intentions

Trust worths in interpersonal relationships

“People trust in people, non in technology” (Friedman et al., 2000).

“Trust is an expression of confidence in a system of organized exchange leading to cooperative behavior among individuals and groups within and between organizations” (Jones e George, 1998).

Trust is an expectation for the future:

“… a confidence in the reality of one person or a system about a set of results or events, when this confidence expresses the belief in the correctness of another person, on in abstract principles.” (Giddens, 1990)
In modern economies you can identify three forms:

- **Experiential:** The trust is based on past relations or expectation on future exchanges.
- **Characteristic:** The trust is related to the qualities of a person.
- **Institutional:** The trust is provided by a formally organized company.

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Trust is an alternative model of knowledge for the acquisition of knowledge capable of reducing uncertainty within and during the relation between customer and territorial offer.

Vicari (1992): “A form of knowledge that allows to use a smaller number of data necessary to make any kind of choice.”
In the sense of being a cognitive model trust is strictly linked to the image of the territory.

Place image:
“Set of believes, ideas, impressions, informations more or less mediated that the public has of a place”.

“Symbolic concept, existing only when an individual has attributed a certain meaning to a subject jointly to other objects”.

A mental construction based on several elements, influencing its perception

A brand is a name, sign, symbol, slogan or anything that is used to identify and distinguish a specific product, service, or business.

TRUSTABILITY OF THE OFFER

The material offer must be confirmed by the trust of its brand.

We must care for the brand notoriety (reputation) does confirm the trustability of the relations company - customer.

THIS IS THE STARTING POINT OF THE RELATIONSHIP PERSPECTIVE OF MARKETING

Relationship vision of the marketing

Whether transactions between a company and customer is successful due to the voluntary matching between two actors it may be that this will happen again in the future. During the transaction are created:

- Trust
- System

which are able to satisfy a complex and articulated repetition of relations over time.

Offer is not the single good but the complex and coordinated set of tangible and intangible components, each being has a different degree of direct and indirect services.

The value of the offer is bigger than the singular values of any component (tangible and intangible)

Offer is a system: a set of many intertwined services and goods in which relations are fundamental.

The supplier-customer transaction must have a time horizon of at least a medium-long lasting.

The customer is an active actor (active role) capable to condition the productive structure of the supplier.

Often, during that relation many other relations among different actors do intervene, preceding, accompanying and follow the same transaction.

We can argue territorial marketing must have the same characteristics.

For the territory a feasible communication is far more important than for companies.

In a company the RELATIONS with the customer aim at building the business image and the STORY of all the business behaviors do have influence on the Trust (reputation) that customers have.

Imagine

Trust

Signa

Communication

Territory
TRUST-IMAGINE-COMMUNICATION

For a company
Any stable and any new connection between a company and a customer produces stable TRUST and even creates a new one.

For the territory
The diffusion and stabilization of relations is true also for a territory which can relate to customers because in it people have continuous and repeated relation with the component of the place offer.

MAIN TASK

Foster and sustain the minor frequency of repeated contacts (relations) with the external customers (buyers) in order to develop the perceived image and for the creation TRUST as a resource.

The territory must supply the customers quantitative and qualitative informations on its own characteristics.

No information no purchase.
IMAGINE ASSET

Communication contributing the territorial image helps the accumulation an image asset which give value to the singular component of the territory

• improves the quantity and quality of perception of any singular issue

• the value depends on the perception of the territory characteristics

The importance of the image asset is clearly due to:

• the development in the potential users of a positive sensibility towards the territory and its differentiated offers

• the spontaneous attitude of internal actors as being ambassadors and testimonies toward the external actors

• Communication produces the asset of image revealing and diffusing the so called

SPIRIT OF PLACE (GENIUS LOCI)


SPIRIT OF PLACE

It is the intangible mode through which the place voices its vocation

• result of history of tangible and intangible issues over time in a place, and depends on the local development features managed by local authorities and any other involved actors

• communication cannot create the spirit of any place

• its task is to foster as much as possible the perception of this spirit inside and outside a place, underlining the best coherent aspects with the chosen strategic placement

To communicate the spirit of place:

• plays the service to make visible and known those features which are attractive and unique in comparison to competitors

• is useful to spread among the current and potential audience the awareness of fundamental values which characterize the way of life and work in the area

• favors the enrichment of tangible components of the ‘product-territory’ with an ideal aspect—suggestive, intangible—which can become the successful key of the territory
Horizontal and Integrated Dimension of the Territorial Offer

TERRITORY AS SUM OF TANGIBLE AND INTANGIBLE FEATURES

- Urban structure and buildings
- Public Infrastructures
- Geography and Morphology
- Public Services
- Cultural Heritage
- Industrial Fabric and Market Features
- Cultural and Economic External Exchanges
- Social Maturity and Distribution of Wellbeing
- Cultural and Economic Leadership
- Skills and Competencies of the Socio-productive Fabric
- Civicness and Societing
- Spirit of Place

Vertical Dimension of the Territorial Offer

Levels of territorial offer hierarchy
NATIONAL, REGIONAL, PROVINCIAL, CITY AND DISTRICT

The levels are concentric and the hierarchy cannot be avoided in defining features and dimension of the territory offer

- avoid auto-referentiality
- prefer the web strategy of organization

Discussion: image of the Marches

ANALISI DEL POSIZIONAMENTO DELLA MARCA TERRITORIALE
A cura di

ANALISI DEL POSIZIONAMENTO DELLA MARCA TERRITORIALE

Le Marche come paradigma di attributi di provincialità e provincialismo

<table>
<thead>
<tr>
<th>Provincialismo</th>
<th>Provincialità</th>
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<tbody>
<tr>
<td>Immagine indistinta</td>
<td>Autenticità</td>
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<tr>
<td>Scarso appeal</td>
<td>Ritmi slow</td>
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<tr>
<td>Marginialità</td>
<td>Sicurezza sociale</td>
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<tr>
<td>Contesto meno evoluto</td>
<td>Operosità</td>
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<tr>
<td>Scarsa apertura</td>
<td>Facilità</td>
</tr>
<tr>
<td>Minore capacità innovativa</td>
<td>Genuinità e tradizioni</td>
</tr>
<tr>
<td>Monotonia</td>
<td>Qualità dell’ambiente e del paesaggio</td>
</tr>
</tbody>
</table>

(Un esempio del suo scrupolo: più di una volta, dopo aver preparato il pezzo su una novità scaligera in base alla prova generale, ha telefonato dal teatro, al termine della première per far cambiare un aggettivo, per trasformare gli applausi “calorosi” in applausi “cordiali” o viceversa; e questo impegno manifesto è dunque mio onoré).

Dino Buzzati su Eugenio Montale, critico musicale al Corriere, 1961

ANALISI DEL POSIZIONAMENTO DELLA MARCA TERRITORIALE

• all’understatement come inclinazione alla misura e alla riservatezza, alla non ostentazione, che trova altresì rispondenza sia in una certa estasiamento nella comunicazione del patrimonio posseduto e prodotto; sia in una dotazione di attrattive caratterizzate da un indiscutibile pregio, tuttavia prive di elementi di forte vistosità e maturata in risorse, ovvero capaci di produrre di per sé reddito e notorietà. Diversamente da quanto si possa considerare ad esempio per emergenze assurte a simbolo della Marca Italia, quali ad esempio il paesaggio della Val d’Orcia o la Costiera amalfitana o ancora la ceramica di Deruta.

• a condizioni di sicurezza sociale, benessere diffuso, efficienza che convergono insieme ai fattori sopra evidenziati nella realizzazione di un buon livello della qualità della vita.

ANALISI DEL POSIZIONAMENTO DELLA MARCA TERRITORIALE

La percezione della destinazione

La percezione delle Marche a lungo consolidata come destinazione turistica è stata condizionata prioritariamente da alcuni fattori, in parte sopra già accennati:

• la presenza di un patrimonio multiforme (emergenze di carattere naturalistico, storico-architettonico, artigianato artistico) tuttavia caratterizzato da componenti non vistose e di particolare appeal, che non ha innescato una salda tradizione turistica;

• una incerta considerazione del turismo come comparto strategico per l’economia regionale;

• contestualmente una comunicazione turistica scarsamente efficace.

Nel tempo si è dunque prodotta una percezione come:

• territorio a prevalente uso interno, ovvero prioritariamente destinato ad una fruizione da parte della domanda regionale e dei bagni di prossimità, come luogo di soggiorno nelle località costiere (storicamente sviluppatesi come stazioni climatiche che ospitavano le residenze estive dell’aristocrazia e dell’alta borghesia locali), presso case di proprietà o alloggi in affitto;

• percepito in ogni caso come luogo di vacanza per famiglie, al quale si associano le caratteristiche di quiete e sicurezza;

• assimilato a territorio di transito e meta di escursioni giornaliere dirette verso alcuni punti di attrazione, quali il Santuario di Loreto e Urbino o le Grotte di Frasassi.
In tempi più recenti, sulla spinta di fattori di contesto relativi all’evoluzione del consumo turistico, quali:
- ricerca di mete alternative alle destinazioni consuete e più affermate;
- interesse per l’Italia minore;
- affermazione della formula di vacanza short-break;
- Territorio da scoprire, meta inconnueta
- Terra dalle molteplici risorse (arte, natura, paesaggio, buon bere e buon mangiare…), valore aggiunto che rafforza la principale motivazione di consumo, tuttora rappresentata dal soggiorno estivo al mare
- Buon ritiro, luogo di elezione per acquistare casolari e abitazioni nei borghi storici, alternativo a destinazioni di pregio ma ormai sature quali Toscana e Umbria.

**SOURCES OF TERRITORIAL COMMUNICATION**

Clear identification of sources and division of tasks

**AGENCY OF TERRITORIAL COMMUNICATION**

Communication toward the general audience of the area to develop the perception of the positioning (placement) or re-positioning of the area (image)

**GOVERN OF THE AREA**

Communication to all the actors responsible of the singular component of the territory aiming at promote all the components within the unique image of the territory

**PRODUCT: set of intangible and tangible elements**

Two sources of communication
- Responsible Agency of Communication Marketing
- Govern Authority

plus one:
- Responsible Persons of singular components (industry, agriculture, tourism, etc.)

**MULTIPLE FUNCTIONS OF THE TERRITORY**

The offer is heterogeneous for the multiple use functionalities
The territory is capable of satisfying multiple needs of very different users
The image must be perceived as different by different users (demands)

**DIFFERENT PERCEPTION IN RELATION TO DIFFERENT USES**

TOUIRST IMAGE

PLACE FOR WORK
Are this two images conflicting?

**TOURIST IMAGE**

**PLACE FOR WORK**

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**STRATEGY OF COMMUNICATION**

**CONCEPT AND IMPLEMENTATION MUST BE COORDINATED**

If the offer is extremely diversified you may face two order of problems

1. **PROBLEM:** which is the boundary of the territorial image?

   Often the same boundary of a territory is confused

   You must delimitate the boundaries of the communicated territory

   (receptivity-image)

   Rimini-Romagna
   Sicily-Taormina-Palermo
   Dolomiti-Alto Adige

2. **PROBLEM:** reciprocal **OBSCURING** of territories

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**STRATEGY OF COMMUNICATION**

Efficacy of communication is based both on:

**GENERAL LEVEL**

Target: develop a global positive perception of the place, the singular component and the products of all the productive sectors

**DIFFUSION OF THE AMPLEST TRUST ON POTENTIALITIES**

**OPERATIVE LEVEL (ANY OF THE FUNCTIONS OF USE)**

Target: valorization of a well defined function of use toward selected categories of users interested in specific elements

**NEED OF A STRONG COORDINATION**

VERTICAL, the image must be at least coherent to the principal features of the territorial offer

HORIZONTAL, the singular images of the components must be coordinated

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**CONCEPT AND IMPLEMENTATION MUST BE COORDINATED**

A product-territory (industry) may overwhelm another product-territory (residence)

Shadow Effect: obscuring one another due to different perceived image
SHADOW EFFECT

**Positive**: the favorable image of one component induce a global positive image of the other ones

**Negative**: the unfavorable image of a component depress the rest of the territory components

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PROMOTING THE ATTRACTIVENESS OF A PLACE MEANS ENPHASIZE SOME AREAS AND HIDE SOME OTHER ONES

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STRATEGIC COMPETITION

The shadow effect strikes even the neighboring areas

The strategic communication must consider the actions of neighbors

**Rimini-Senigallia**
**Marche-Romagna**
**Marche-Abruzzo**
**Marche-Toscana**

**Positive**: positive image of neighbors help the close territories

**Negative**: the opposite (obscuring affect)

The communication choses to emphasize the components capable of the image valorization following the strategic vision (image as a cognitive drive for the purchase)

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TARGETED EFFECT OF COMMUNICATION

- Identification
- Adhesion
- Action
Identification effect

Are necessary: disposability of a SET of Informations on the tangible and intangibile of the territorial offer.

• Notoriety, fame and placement on the Target Demand
• Major or minus attitude to the placement toward a demand
• Perception of the target demand of componenti (intangible and tangible)

Search on key-informants (Audit):
Identification of qualitative dimension of the audience on the place image
Definition of extreme conditions
Definition of a qualitative rating scale for assessing the value of the perception by audience on any of the image dimension
Survey of the target audience perception using questionnaires con questionari and stats (variation) of answers

Mean = average of data
Variance = dispersion index, distance of data from the mean, assesses the focusing degree of the measured dimension. Low variance (the means are feasible)

Design of a communication plan for the Identification of a place

After the analysis of the precede image you can design a communication in order to make the place identifiable (globally or per any component)

COMMUNICATION DILEMMA:

To give information: Many news, probably low attention and suggestion
To suggest: Few news and a lot of suggestion

The message must be adapted to the chosen and used media

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<tr>
<th>Place Image</th>
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<td>Culture</td>
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Rating scale for the assessment of the perceived place image of a destination
Adhesion Effect

For the consumer to adhere means having a substantial agreement between his/her needs and the material and immaterial components of the territorial offer.

You must communicate the consonance between expectations and contents.

You can gain adhesion if the communication:

a. is linked to the spirito of place and the material elements of the offer
b. these elements are soundly credible and valuable
c. says few things
d. communicates differences, peculiarities, making the territory unique (uniqueness) for the distinction from other competing areas
e. can have and emotional grasp

Adhesion Effect: Uniqueness and Unique Selling Proposition

Your business must possess a simple, unmistakable mission, and stand out from other competitors.

Your customers can ask you: Why should I do business with you, instead of any and every other option available, including that of doing nothing at all? And, what do you uniquely guarantee?

Your answer is your uniqueness, so that your value it must be so clear and focused and almost impossible to misunderstand it. It's what you bring to the table that no other business does, or even can.

Your first step in identifying your Unique Selling Proposition is to answer these questions:

• Why should I read or listen to you?
• Why should I believe what you have to say?
• Why should I do anything about what you're offering?
• Why should I act now?

Action

That is the final goal of the communication and depends on the effectiveness of identification and adhesion effects.

The, is identification and adhesion have worked well the action may be:

1. direct purchasing of the territory di “acquisto” diretto del territorio (es. decisione di un viaggio in una destinazione o di residenza permanente dell'impresa o della abitazione);
2. starting an actual relation between offer and the singular actors of the territorial components (es. actual assets of tourist hospitality).

Action descends from a wish (toward and object which has been recognized and provoked adhesion) becoming willing and avoiding the market alternatives (switching behavior).

Switching behavior vs Territorial Brand Commitment
Consumer-switching behavior refers to customers abandoning a product or service in favor of a competitor’s.

For example, a customer might move funds from one bank to another if she is dissatisfied with the customer service at the first.

Consumer-switching behavior is an ever-present danger for a business—if you don’t keep your customers happy, your competitors might directly benefit.

Boredom: In some cases, customers switch simply because of boredom or a desire for something new.

Dissatisfaction: Another pervasive driver of consumer switching behavior is dissatisfaction. A customer may find a product or service inferior or inadequate in meeting his goals.

Brand loyalty is where a person buys products from the same manufacturer repeatedly rather than from other suppliers.

Brand loyalty consists of a consumer’s commitment to repurchase or otherwise continue using the brand and can be demonstrated by repeated buying of a product or service, or other positive behaviors such as word of mouth advocacy.

Relationship Marketing

Trust: a concept related to a customer's willingness to rely upon a firm's actions and behavior in the future.

Commitment: a concept mostly related to a relationship where two parties will be loyal and will show stability to each other.

Relationship: a concept related to the types of relationships that might exist between a buyer and a seller.

The choice become definitive when:

1. The offer of the territory must be perceived as superior by a sufficiently big segment of consumers
2. The offer of the territory must be loved by customers (focused interest)
3. The offer of the territory must be integrated in a social net
4. The territory has a clear willingness to invest resources to create some tribes of fans

Communication Tools

1. advertising: impersonal presentation of the territorial offer made through a paid identified subject (TV, newspaper, radio…)
2. commercial: communication tools which tell the territorial image in a short way (claim, visual symbols, people…) 
3. public relations: planned activities creating knowledge, trust, lobbying, press agency
4. direct marketing: direct contact to potentina customers, if one-to-one relations are possible
5. events, mega events, flagship events…