

ORIGINAL RESEARCH PAPER

FORMATION OF THE CITY IMAGE UNDER BUSINESS APPROACH**Regina Andriukaitienė¹, Biruta Švagždienė¹, Algimanta Pabedinskienė²**¹ Lithuanian Sports University

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E-mail: algimanta.pabedinskiene@socmin.lt**Abstract**

Major foreign countries and cities create their image through cultural, economical, political or geographical values. The formation of the city image requires thorough and consistent work, actions based on the real situation and possibilities, and all societal members' citizen-initiatives. Consistency is one of the key criteria of success in the implementation of the city image strategy. The level of direct foreign and material investments is dissatisfying in Marijampole. The number of investments is reducing and it is 14 times lower than the Lithuanian average. It involves the fact that Marijampole has relatively few international economical relationships and distinguishes for economical structure, mostly completed from small and medium business companies. Besides, in the meantime the image of municipality is unattractive for investors. Due to the insufficiently effective formation of the city image there is noticed slender attractiveness to private national and foreign investments – business facilities, service, leisure, sports and entertainment service sector are not developed. It should be noted that image of Marijampole is very significant for ones setting up and developing business. One of the key components of the successful business is place, attractiveness and quality, where business is developed, and identity. Under businessmen's approach, the most significant factors, which form the city image, are support for business, business conditions, investment policy safe environment, infrastructure, notoriety of the city in the international space, active proclamation policy of the city, cooperation of the city municipal administration with business representatives. During the formation of the city image of today in the national level there is necessary marketing strategy of the city, city trademark, qualitatively operating local

business policy, contribution of the city authorities into the formation of the environment attractive for business. In the international level there are not enough business events, international WEB advertising, city trademark, attractive local business policy and publications introducing business.

Keywords: *city image, leisure and sports service, investments and business.*

Introduction

Marijampole is the center of the region located not far away from the borders of Poland and Russia. The city is crossed by the highways and railways which are of international significance. It should be noted that the city image is very significant for the ones, who create and develop business facilities, service, leisure, sports and entertainment sectors. Who creates the city image? Firstly, factors impacting the image of the location have to be analysed. The most significant characteristics of the location image are reasoning, reliability (persuasion), integrity, distinction and attractiveness. However, it is obvious that the city image is concurrent from the concept of the location identity that can be disclosed through the qualities characteristic for the location, culture and individuality, business peculiarities, etc. The key factors impacting the success for the cities in a competitive struggle are leadership and the partnership of a public and private sector. Partnership projects can certainly aid the city at the creation of added value, solution of some economical and social problems. Every city should have a clear vision of positioning based on the real analysis and assessment of the situation. Competitive struggle in all levels encourages the assessment of cities as a trademark – and create it following all fundamental principals or marketing, and apply the same marketing strategy for a city, which is applied for a product or service. It is significant to pay attention that the formation strategy of the city image has to be adjusted to the distinction of the certain location situation maximally. It is also very important that different organization, the youth and other residents have taken part in the formation of the city image. The following significant aspects enabled penetration of the *scientific problem* and fortified the importance and topicality of the article under both theoretical and practical significance. *The aim* – to define the elements, those have influence on the attractiveness and competitiveness of the city and carry out the assessment research in the factors forming the city image under the members' approach of the very city business community. *Research object* – the formation of the city image. *Research methods* – analysis of scientific literature and other information sources, and questionnaire survey. *In order to achieve the aim the following objectives were set:*

1. To present the factors reasoning the image under theoretical aspect.
2. To carry out a research in the image of Marijampole City under the business participators' approach and form the recommendation for the city image formation.

Investigatory questions and solved problems:

1. What is systematic approach towards the image formation in Marijampole City?
2. How does business assess the city image?
3. What are partnership trends of public and private sector in the formation of the city image?

The researched – 102 executives and specialists from business companies in Marijampole Municipal Region.

Research method – survey (questionnaire).

Material and methods

Location image is a multidimensional phenomenon that involves cognition and emotions. The cognitive part of the image is a whole of beliefs and knowledge concerning qualities of physical location or object, emotional grounds on the emotional assessments of the location or object characteristics and surrounding environment. That causes the fact that different people form different image of the same object. According to P. Kotler, Ch. Asplund, I. Rein, D. H. Haider (1999), Ulaga, Sharma and Krishnan (2002), Beerli and Martin (2004), Lin and Huang (2009), Gallarza, Saura and Garcia (2002), the location image can be defined as a whole of impressions, expectations and thoughts, related to the location. World international tourism organization (WTO) proposes the perception of the country image as a whole of emotional and rational impressions, those form having compared different characteristics of the country, own experience and rumor. I.e. image – created purposefully or formed spontaneously in human consciousness – the image of the certain object, picture or impression. The image of location (country, region, area or city) is present in several levels of perception: domestic, social-economical, business, financial, etc. The image is affected by psychological, political and economical factors and is the outcome of their interaction.

Summarizing scientific work by Bagdonienė L, Hopenienė R. (2006), Baubinas R, Krupickaitė D. (2005), Butkus T.S. (2008) Juškevičius P. (2003) Piliutytė J. (2005, 2007), Sinkienė J. (2008) it can be stated that local marketing or in other words is the formation of the city image. In the global practice there are identified four changes, which force cities to pay attention to the meaningfulness and necessity of the image formation strategy:

1) increasing the significance of the life and residential environment quality as a criterion of economical growth; 2) a change characteristic to the following period – fast intensifying spacious interaction among European cities (product transit, mobility of business, recreation and people, etc.); 3) global change – increasing competition among European cities and regions. More comfortable accessibility of regions encourages the competition of private companies. During the movement of the certain activities, some cities defeat, and other win; 4) influence decrease of the national authorities and the impact increase of the regional authorities. Integration into the common Europe means the strengthening of the European administrative institutions' role (including the European Parliament). It is obvious the economical competition among European cities will increase in future, thus accordingly effective city management will turn to be more and more underlying. In the city management there will be applied more and more methods characteristic to business fields in order to secure continuation of 'urban company' business. International competition creates such existence environment in the city in which it is not possible to manage without the implementation of actions characteristic to the concept of marketing. City leaders should be encouraged to analyze the principals of the marketing theory and implement urban marketing measures. That would enable the strengthening of the competitive position of the city under national or international levels and aid the local communities at the better exploitation of their potential in national and international markets and seek for higher living quality more effectively. The strategy of the city image formation is an inseparable part of the city strategic planning that involves a systematic process of the image formation. Consequently, it is significant to emphasize that the policy of local image has to be oriented taking into consideration the aims of the location and coordinated in tandem with local actions. It is possible to form image purposefully having got familiar with and researched its factors through the analysis and observation of their impact.

Every city has its clear positioning vision grounded on the analysis and assessment of a real situation. Competitive struggle in all levels encourages the assessment of cities as a trademark and create it actively following all fundamental marketing principals and applying the same marketing strategy that is applied for a product or service. It is significant to draw attention only to that factor that the formation strategies of the city image have to be adjusted to the distinction of the certain location situation. It is also very important that different organizations the youth and other residents took part in the formation of the city image. The policy of the city formation is not

only a kind of science, but of art too. In order to form local image that is favorable to the target groups, it is a must to comprehend it as an overall concept under psychological, social, cultural and economical approach. Image is purposefully formed or unexpectedly arisen whole of beliefs and impressions about the location in humans' consciousness that has been formed under environmental, design, historical, cultural, economical and social factors by service and trade organizations, their employees and city residents.

Results

Characteristics of the researched: 69% – service, 34% – trade, 17% – production; 76% – companies – develop one business field and 12% – carry out two or three activities; 31% - executives of small or medium companies, 15% – executives of medium and big companies and 8% - managers, who defined another form of business. 63% of the executives, who participated in the research, have more than 10 year experience in management work. 17% – from 5 to 10 years, 14% – from 1 to 5 years and 6% up to 1 year experience in management work.

One of the key research questions: *have they ever considered the strategy of the city image and its impact on business?* Research results: 76% of the respondents said that they have thought about it, and only 24% mentioned that they have never considered it. It is obvious that the initiated research concerning the formation of the city image is purposeful and topical for business community as one of the factors for the increase of business competitiveness in both national and international space.

Under the research it was sought to find out the meaning of the factors forming the city image. There were provided 24 factors (Fig. 1), forming the strategy of the city marketing. 43% of respondents indicated that the application possibilities of multidimensional complex are neither significant nor not important for formation of the city image. It is difficult to comment what caused the flowing respondents' choice; however under the presence of a need it is possible to initiate the research in the application possibilities of a multidimensional complex and in its impact on the formation of the city image.

Majority of respondents think that the activity of cultural sector is very important (20%) and important (50%) forming the city image. 30% of respondents have noticed that the activity and expression are neither important nor unimportant factor of cultural sector while forming city image. Discussing the formation of the city marketing, one of the image formation tools is the city trademark. During the following research even

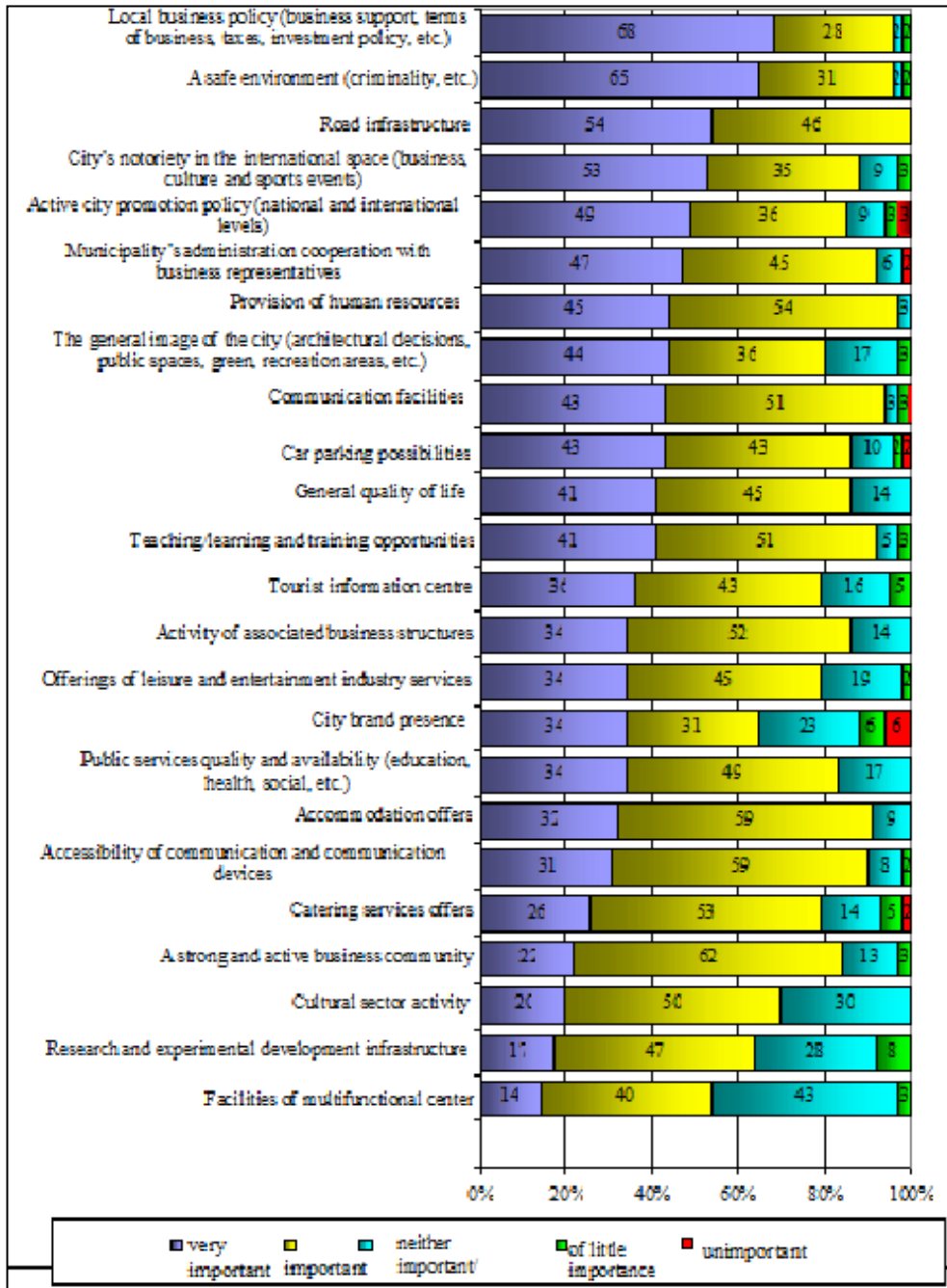


Figure 1. Assessment in the significance of the factors forming the city image (%)

23% of the respondents indicated that the presence of the city trademark is neither significant nor not very important for the formation of the city image and communicative strategy. It is likely that the deeper impact of the following factor on the positioning of the image strategy is necessary. In summary it can be stated that less or more, however, all factors are important in the formation of the city image strategy.

It was sought to find out the significance of the respondents' approach towards the factors, forming the local image and proposed to assess the present image under the provided factors. The performed assessment under points from 0 to 5, where 0 means that the following factor does not exist and relevantly 5 – this factor is assessed as perfect. The respondents assess from 30 to 34% such factors as active policy of the city proclamation policy, absence of the city trademark, possibilities of car parking and the notoriety of the city in the international space. The respondents assess weakly, in the boundaries from 20 to 29%, the following factors: the infrastructure of scientific research and experimental activities, activity and strength of the business community, the infrastructure of leisure and entertainment sector, and provision with human resources, possibilities of education/training and qualification refreshment and safe environment. It also feels like emphasizing that even 39% of the respondents highlighted that the service of the tourism information center is not provided. 35% of the respondents assess general city image satisfactorily. The respondents assessed well over 46% – the supply of accommodation service, and application possibilities of a multidimensional complex. Summarizing the research data it can be stated that the factors forming the image of Marijampole City today have to be developed.

It was sought to find out those factors are lacking that the city image was attractive in Lithuania. The respondents were provided with seventeen factors and the number of choices was not limited. Even 59% of respondents indicate that consistent marketing strategy of the city is lacking most. 47% – solved problems of the central city part infrastructure and city trademark. The respondents also refer to the lacking factors, those, which form the city image in the national space: contribution of the city authorities, qualitative functioning of local business policy factors, sociality of business companies and leisure service – that makes 42% of all respondents, who participated in the research. The respondents indicate least that there is a lack of catering and accommodation service and educational establishments – relevantly 11 and 10%. Only 15% of the respondents think that there is a lack for scientific research and infrastructure of experimental development in the formation of the city marketing strategy (Fig.2).

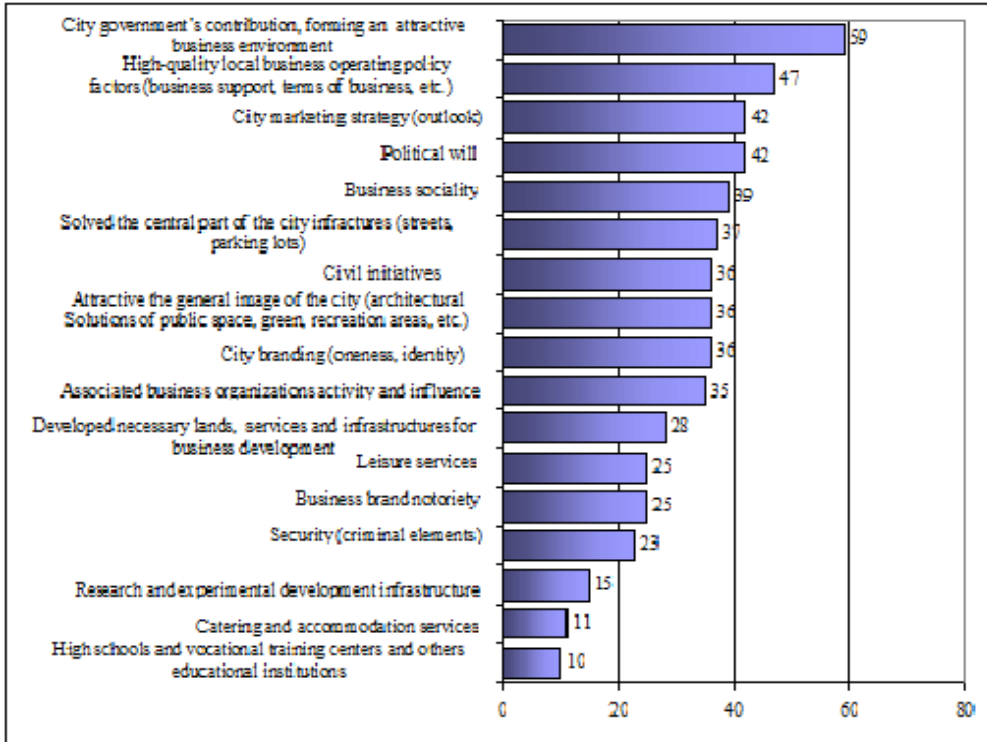


Figure 2. Assessment of lacking factors in the formation of the image in Marijampole City (%)

It is obvious that a consistent strategy of the city marketing is one of the most significant factors, talking about the formation of attractive and competitive city image .45% of the respondents, who participated in the research; develop their company business in international markets too. As a matter of fact, markets are globalizing and it is likely that more and more companies from different business field will develop their activities under international level. Even 66% of respondents indicated that one of the most significant forming the city image under international level is the organization of international business events. In the summary it can be stated that the organization of international events and international WEB advertising, and the city trademark are the very key factors which form the local image in the international space.

In both national and international pace there are significant: trademark and identity (symbol). It is precisely defined what could be the following exclusiveness – building, monument, geographical exclusiveness etc.

How do respondents assess the city image? 49% of respondents think that it is necessary to assess the city image satisfactorily, 32% – on average and only 7% assessed the city image negatively.

The respondents were provided with questions what they think: *does Marijampole City have a communication strategy today?* The respondents' approach distributed as following: 6% responded that there is a communication strategy, 48% – which the city does not have any strategy and 45% – does not know. It is obvious that the question of the communication strategy is burning and remains open and requires deeper analysis.

It was intended to find out the respondents' approach, what communication means should be to proclaim the name of Marijampole under national and international levels.

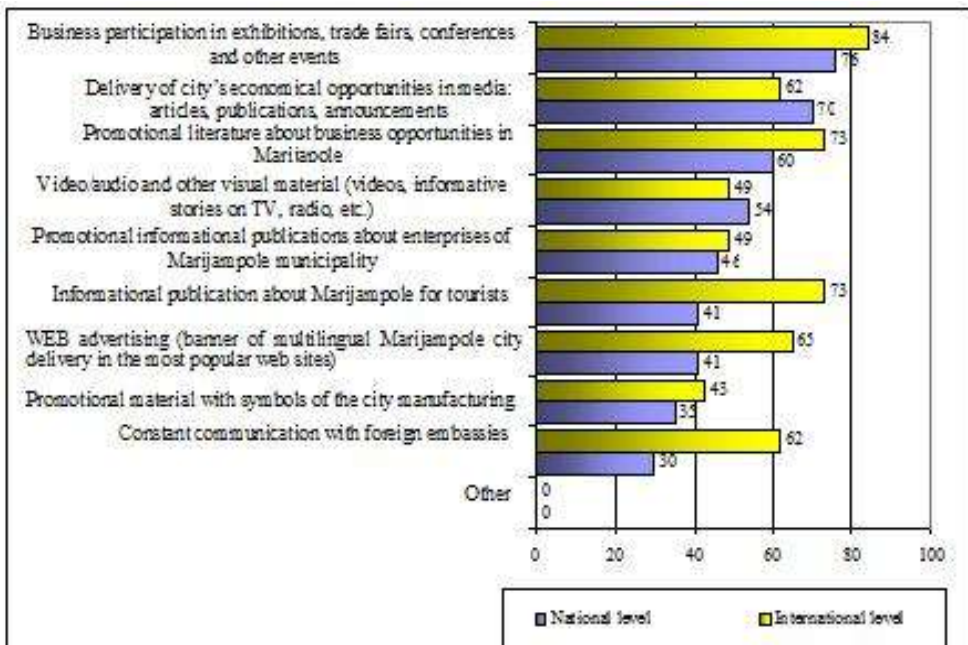


Figure 3. Distribution of the communication means application in proclamation of the name of Marijampole City (%)

Even 76% of respondents indicate as the most attractive means of proclamation the participation of business companies in exhibitions, fairs and other business events. 70% of respondents indicate that the presentation of the economical city possibilities in the media also can also be one of the

proclamation means, and 60% of the respondents think that could be advertising publications about business possibilities in Marijampole. In summary it can be stated that the respondents indicate as the key proclamation means being the participation of business companies in exhibitions and fairs and advertising publications about economical possibilities in Marijampole under both national and international levels. Undoubtedly, for the business companies, which work in international markets there is significant communication with the embassies of foreign countries.

It is considerably widely discussed about the strategies of the city marketing, means and instruments, and discussed who/what should participate in the formation of the city image. The respondents were provided with a question, which directly related to their decision to participate or not to participate in the image formation (Fig. 4).

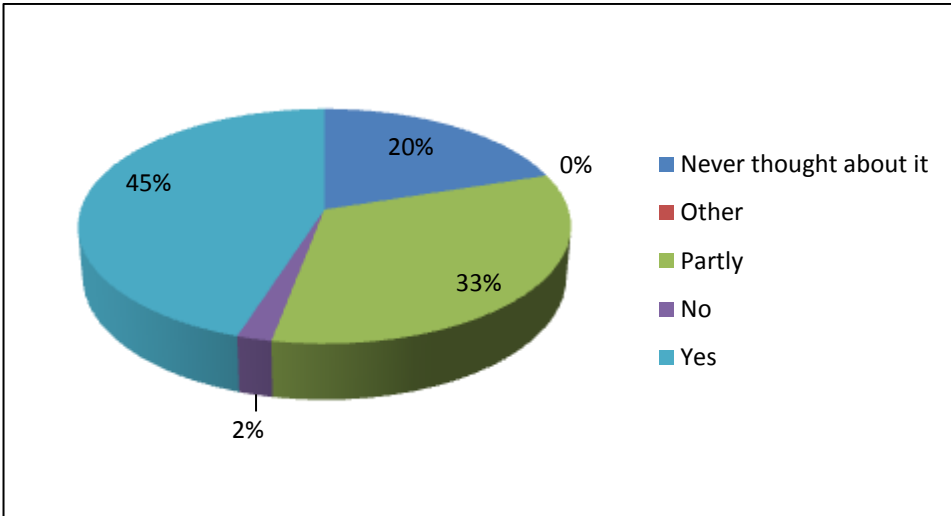


Figure 4. Distribution of the participation of the formation of Marijampole City image (%)

45% stated that they would like to participate in the formation process of the strategy, 33% - would contribute partially. All the rest respondents have never thought about that or do not intend to contribute to the formation of the city image. It is obvious that business companies would intent to contribute in one or another form to the creation and implementation of the city marketing strategy.

Discussion

During the research there were represented nine possible means of the image formation. They are: ideas, influence strengthening of the business community, social initiatives, strengthening of merchant sign of the enterprise in local and international markets, publicizing at the national exhibitions and other events, publicizing at international exhibitions and other events, public spaces formation in the territory of enterprise, attraction foreign partners, financial investments and other means that are important for respondents. 43% of respondents would like to contribute with their ideas, 42% – with the strengthening of the business community, 31% – with social initiatives. The least only 11% of the respondents indicated that they could contribute to the city image with financial investments. In summary it can be stated that the business community intends to participate in the formation of the city image in different forms.

Conclusions

1. Under the businessmen's approach the most significant factors forming the city image are: local business policy (support to business, business conditions, taxes and investment policy), safe environment, road infrastructure, notoriety of the city in international space, active policy of the city proclamation, and cooperation of the city municipal administration with business representatives.
2. The research results highlighted the weakest factors of the image formation – the proclamation policy of the city, the possibilities of car parking, the city trademark, local business policy that encourages direct foreign investments (DFI), absence of the tourism information center, and infrastructure of scientific research and experimental development.
3. Respondents assessed the accommodation service, the exploitation of the multifunctional sports center, commuting possibilities and catering service well. During the formation of the city image of today under national level, there is necessary a city marketing strategy, city trademark, qualitatively operating local business policy, and the contribution of the city authorities into the formation of attractive environment for business. Under the international level there are not enough international business events, international WEB advertising, city trademark, attractive local business policy and publications introducing business.
4. During the formation of the city image under national and international levels it is proposed to apply the following communication means: the participation of business companies in exhibitions, fairs, business events

proclamation of economical city possibilities in the media, advertising publications about business possibilities in Marijampole, constant communication with the embassies of foreign countries, proclamation advertising of the city on the online space and information publications for tourists

5. The research proves that it is necessary to form a long-term formation strategy of the city image that attracts investments to the entertainment business, organization of exhibitions, business and cultural events, encourage the partnership of business, science and authorities in the process of image formation.

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