

PLACE AS OVERLAP BETWEEN THE INTERESTS OF REGIONAL GEOGRAPHY AND MARKETING

Kvetoslava Matlovičová

RNDr.

Department of Geography,
Faculty of Humanities and Natural Sciences,
The University of Prešov
Prešov, Slovak Republic
e-mail: kveta@unipo.sk

UDK: 911.3

COBISS: 1.01

Abstract

Place as overlap between the interests of regional geography and marketing

The new challenges presented by a place have launched a marketing research initiative that integrates various marketing approaches requiring not only a wide variety of knowledge in humanities, social sciences, and business disciplines, but also comprehension of the entire complexity of its product – a place. The intricacy of its very essence and nature has probably been one of the reasons why no consensus exists so far on how to define the marketing of place. Here is the space for geography to which a place represents an object of research, and to which a place is also part of the method of how to perform such research. This paper is dedicated to discussion about the issues of applicability of the concept of place in territorial marketing that forms the contact zone between regional geography and marketing.

Key words

the concept of place, place marketing, regional geography

1. Introduction

It is the prevailing opinion in professional and scientific literature that the issues of marketing are only dealt with by economists. For that reason, whenever geographers show interest in marketing this is usually viewed with reserve, as far as their professional competence and potential to yield relevant and generally applicable results is concerned. With respect to the historical context of creating the marketing of place, this mistrust is not very well founded. That is to say, particularly urban geographers were among the first in Europe to occupy themselves with the issues relating to marketing a place. This is well documented by a scholarly publication by Kaerns and Philo entitled „Selling Places”(1993) that has been written based on the conclusions of the 1990 Annual Conference held by the Institute of British Geographers. By that time, no marketing specialists had ever been involved in any activities in the field of place marketing. Methods formerly employed for the promotion of a place where therefore traditionally the exclusive domain of urban geographers.

2. The Concept of Place

Geography has been explicitly dealing with the concept of place since the first half of the 1900s, but has been intuitively involved in it since its very beginnings. Perhaps we may formulate a conjecture that there is a link between the differentiations in the conception of place and the transformation in marketing approaches to it. This cross-fertilization in the context of historical connections and paradigmatic developments in geography is illustrated in the below Table 1.

Tab. 1: Mutual interference between approaches to a place and place-marketing practices in the context of historical developments.

HISTORICAL CONTEXT (APPROXIMATE DEFINITION)	GEOGRAPHIC SCHOLARLY TRADITION	CONCEPTION OF SPACE	APPROACH TO PLACE	PLACE - MARKETING PRACTICE
<p>1940s</p> <ul style="list-style-type: none"> - the phase of physical recovery of places - a higher dynamics of urbanization and industrial centers' development - continuing fordism 	<p>CHOROLOGICAL PARADIGM</p> <ul style="list-style-type: none"> - the classic regional geography 	<p>ABSOLUTE CONCEPTION OF SPACE</p> <ul style="list-style-type: none"> - space as a container 	<p>PLACE AS PART OF A MOSAIC</p> <ul style="list-style-type: none"> - a place perceived as a singular point with a unique combination of natural and anthropogenous parameters (exceptionalism) 	<p>PROMOTION AND SALES OF PLACES</p> <ul style="list-style-type: none"> - deliberate exercise of partial marketing tools and techniques; pricing, simple promotional activity and distribution - mass use of statistical methods and information on the market

Tab. 1: Mutual interference between approaches to a place and place-marketing practices in the context of historical developments (cont.).

<p>1950s AND 1960s</p> <ul style="list-style-type: none"> - continuing fordism - the uniformity of lifestyle - „welfare state“ – state interventionism - reglementation, market regulation (keynesianism) 	<p>NOMOTHETIC PARADIGM</p> <ul style="list-style-type: none"> - the neopositivist quantitative geography - directed to revealing general areal patterns 	<p>ABSOLUTE CONCEPTION OF SPACE</p> <ul style="list-style-type: none"> - based on the fact that space can be scientifically investigated on the basis of physical laws - for analytical purposes, space was viewed as objective, neutral, passive, and empirical (a container filled with static although moving objects and dynamic behavioral flows) 	<p>PLACE – LOCATING WITHIN SPACE</p> <ul style="list-style-type: none"> - a place as the location of a point in the space defined by coordinates 	<p>MARKETING BROADENING</p> <ul style="list-style-type: none"> - incorporation of marketing in the system of economic sciences (1960) - the dynamization of the development of marketing tools and techniques, first self-contained marketing concepts - the initial stage of the application of marketing for state territories -1969 - non-profit organizations' marketing
<p>1970s THROUGH 1990s</p> <ul style="list-style-type: none"> - oil crisis - cutting subsidies to cities and towns - postfordism, „Just-in-time production“ - „entrepreneurial city“ - the individualization of lifestyle - postmodernism - the intensification in globalization and digitalization processes - neoliberal theories - „Thatcherism“ and „Reaggonomics“ - the public and private sectors' partnership 	<p>HERMENEUTICAL ORIENTATION</p> <ul style="list-style-type: none"> - humanist geography 	<p>RELATIVE (RELATIONAL) CONCEPTION OF SPACE</p> <ul style="list-style-type: none"> - space as a social experience Both humanist geography and, afterwards, also critical geography handle the notion of relative (relational) space. 	<p>PLACE AS A MEANING</p> <ul style="list-style-type: none"> - the conception of place would express an attitude toward the world stressing subjectivity and experience rather than the logic of the areal science 	<p>THE CONCEPTION OF PLACE MARKETING</p> <ul style="list-style-type: none"> - 1971 - social marketing - 1980s - marketing of place - late 1990s – the conception of “a new style in public sector management“ (new public management), a strong emphasis is placed on employees' professional training - a client based approach - the creation of specific competitive advantages of places - public relations - deliberate development of identity and image creation - repositioning
	<p>CRITICAL ORIENTATION</p> <ul style="list-style-type: none"> - structuralist and critical realistic approaches 	<p>RELATIVE CONCEPTION OF SPACE</p> <ul style="list-style-type: none"> - space as a process or as an arena for everyday events 	<p>PLACE AS A PROCESS</p> <ul style="list-style-type: none"> - a place as a socially constructed entity It is not natural, but has been created by man, and can also be changed or destroyed by man (in the aspect of meaning and in the material aspect). 	

Tab. 1: Mutual interference between approaches to a place and place-marketing practices in the context of historical developments (cont.).

THE EARLY 21 st CENTURY	HOLISTIC ORIENTATION	REFLEX CONCEPTION OF SPACE	PLACE AS PART OF SPACE BOTH MEANING AND PROCESS	LIVE STYLE MARKETING
<ul style="list-style-type: none"> - the globalization and digitalization of the world - the welfare state crisis - the expansion of neoliberalism - pragmatic eclecticism (the pragmatic method of combining and selecting various orientations, theories, and views) 	idiographic-nomothetic variant	- space as a hologram	- the trinity model of place	<ul style="list-style-type: none"> - comprehensive place marketing – efforts to bring about balance between the needs of customers and the various interests at local, regional and nationwide levels - segmentation by type of lifestyle as an interaction between an individual and an environment <p style="text-align: center;">FUTURIST MARKETING</p> <ul style="list-style-type: none"> - predicting future developments in the fields of manufacture, sales, services, demand, and customer behavior - segmentation by lifestyle trends and philosophies, the marketing identification of trains of thought depending on local particularities

Source: Rumpel (2002), Matlovič, Matlovičová (2006), Čichovský (2001), Matlovič, (2006).

2.1 Place According to Chorological Paradigm

The conception of places as singular points located on the Earth's surface characterized by a unique combination of physical-geographic and human-geographic features falls within the period of 1940s through 1950s and represents the first stage of the empirical analytical tradition research tradition in geography. In 1939, the most famous exponent of this tradition R. Hartshorne formulated his idea of geography's fundamental goals, according to the chorological paradigm, as "the study of areal differentiation of the world" while he viewed "the world as a rich and fascinating mosaic of places, and the geographer's task was to describe and explain this variable character" (Hartshorne 1939). This notion of a place in the development of marketing theory corresponded to the stage of the promotion and sales activities to sell the potential of particular places. This was a deliberate utilization of partial marketing tools and techniques with the aim to highlight the particularities of individual geographical locations (Gold and Ward 1994, p.2), the

meaning of which was differentiated, but nevertheless perceived uniformly. Research in geography was focusing on identifying that meaning in order that it can be successfully advertised and sold using marketing tools. This was simple publicity for then-existing summer resorts, residential suburbs, and cities promoting them as advanced industrial centers offering a high living standard. As the demand was constantly outstripping the supply, the process of intense accumulation that had begun in the 1930s and was characterized by mass production and mass consumption, has not generated any requirement for a conspicuous product distinction. Problems associated with the funding of production processes and the issues of workforce were treated preferentially. Mass use of statistical methods and market information was primarily focused on determining the magnitude of demand, rather than identifying the differentiation of needs and interests.

2.2 Place According to Nomothetic Paradigm

The 1950s and 1960s brought a change in the direction of the concept of place with respect to its limitation to localization in space. This approach is typical for neopositivist quantitative geography that would place more emphasis upon those research techniques leading to the revealing of general areal patterns, rather than on places and people (Hubbard et al. 2002, 13; Matlovič 2006, 15). As far as the marketing theory of place is concerned, this implied that, besides promoting the uniqueness of places, also the argument pointing out the actual location (and accessibility) of places began to be used as a potential comparative advantage in the ever increasing competitive environment. For instance, the actual location (and accessibility) relative to the existing transportation infrastructure, possible residential space (or possible accommodation options) for workers, rest and recreation areas, facilities has now become a relevant argument in the battle for placing new factories. At that point, a place being a product of the marketing strategy that has been implemented in the system of economic sciences represented a relatively complex entity, substantially unique not only for its characteristic features but also for its location (or accessibility). The increasing competition in manufacturing industries has forced companies to expand their product assortments and begin to address the issues of market segmentation. This has contributed to further enhancement of the then-common, existing marketing instruments as well as to developing new tools and drafting first self-contained marketing concepts. Initially, the new marketing tools were applied to state territories. Due to the exercise of state interventionist policies they were not applied to places of minor scale.

2.3 Place According to Hermeneutical Paradigm

The period of the 1970s through 1990s saw a rapid advancement in the development of both concepts. In geography, criticism of the absolute conception of space and place has escalated, being pursued primarily by quantitative geography, and two new approaches to the conception of place were developed during that period, too: place as a meaning (connotation), typical for the hermeneutical research tradition, and place as a process that had been promoted by followers of the critical research tradition.

In the hermeneutical research tradition, a place is closely tied to its meaning. As is stressed by Castree (2003, 167), places may be perceived at a set of subjective feelings that people have about place and its function and role in their individual or

group identity (Castree 2003, 167). Humane geography viewed the 'meaning', i.e. that what forms the basis for constituting a place, in a highly individualistic manner, although the affection and meanings were often shared. In principle, however, a place means different things to different people (Hubbard et al. 2002, 16). This was a very fundamental piece of knowledge for marketing disciplines as it leads to the development of brand new marketing techniques attempting to determine the nature of the identity and the image of a place. Aaker (2003, 60) uses the following likening: he says that "... a local identity is just as a place, being looked for in order to be apprehended. A local identity is a unique set of associations that identify a place which the management wants to either create or retain. The associations represent what a place means and indicate a promise to potential visitors based on local life and institutions." At the present day, no one disputes any longer that the identity of a place results from activities planned within the framework of place-marketing projects and, unlike image, we regard it as an objective state of place perception. We see it as a sum of characteristics by which a particular place differs from others. It represents an active portion of marketing planning, and can be influenced. Being a result of marketing communication, but also a result of coincidence processes, image is a passive process. Unlike identity, the image of a place is "a set of subjective views, ideas, senses and feelings that people get from a place. Any image will thus represent a simplification of a huge amount of associations and partial information associated with a particular place. ... in simple terms, image is something more than just trust ... it is a personal perception of a place that may vary greatly from person to person." (Kotler et al. 1999, 160-161; Kotler et al. 2002, 229). An identity, a brand and image should be viewed as mutually dependent elements of a product called 'place'. We often perceive the difference between these on an intuitive basis only. The figure below (Figure 1) shows an attempt to formulate the creation of a place's image through its identity and brand.

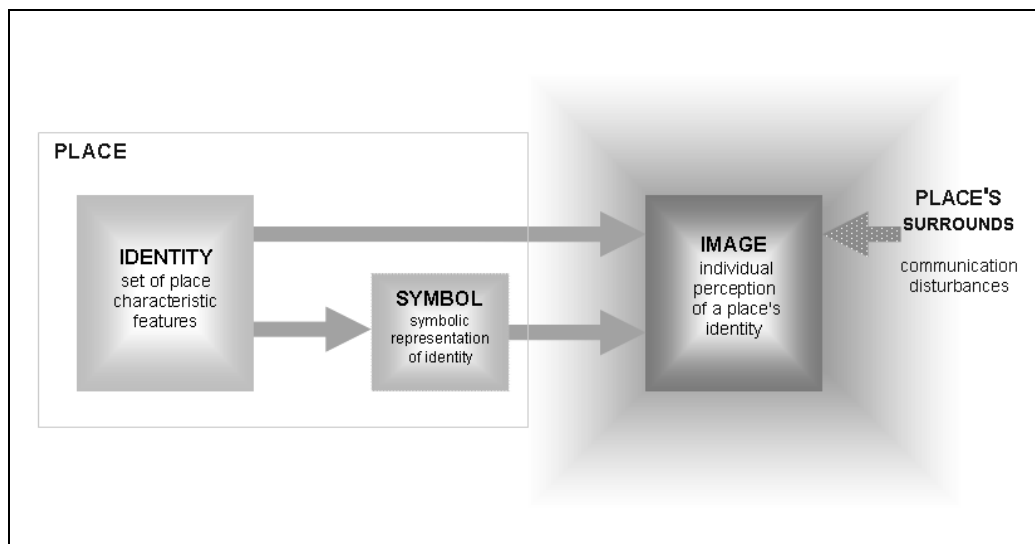


Fig. 1: A model of creating a place's image through identity and brand.
Source: prepared by author.

2.4 Place in Critical Research Tradition

In geography, the critical research tradition is represented by both structuralist and realistic approaches (such as radical, feminist, realistic and new cultural geography, and the theory of structuration). Places are perceived as very complex entities that are situated within their own hypothetical limits, but are formed by external forces emanating from beyond these assumptive limits (Hubbard et al. 2002, 17). In the contemporary critical human geography, there is a dominating debate about places seen as socially constructed entities. If we assert that a place is constructed socially, it implies that it is not a natural entity, but has been created by man, and can also be changed or destroyed by man (in the aspect of meaning and in the material aspect).

As for the historical context, cities began to realize the need for addressing the problem of reduced funding due to cuts in state subsidies, which resulted from the 1970s' oil crisis and the subsequent lack of investment capital. Then, the process of finding a solution began. One option was to expand the marketing concept and apply it to cities and towns. In fact, this was an idea of managing a municipality as a commercial enterprise - the concept of so-called "entrepreneurial cities". The critical approach to place supported this idea by allowing the perception of external environments' impacts upon the formation of the resulting image of a place. It thus can be seen as another spur for the marketing analysis of place seen as a product in the competitive battle for resources.

Therefore, the creation of a place necessarily requires that the limits of such place be defined and, at the same, that everything that lies beyond these limits be defined as well. Just like we have a word for contemplating the things that occur at the wrong time - *ana-chron-ism*, we also ought to use a proper word for things that are found at the wrong place - *ana-chor-ism* (Cresswell 2004, p. 103). The concept of anachorism is a useful idea that could be helpful in the research of social-areal exclusion and that also offers a prospect of direct benefit for developing a marketing philosophy relating to a place.

2.5 Holistic Approach – the Fundament of Creating a Place as a Marketed Product

According to Matlovič (2007), the core of the holistic approach to the analysis of place lies in the synthesis of all of the so far mentioned approaches and the development of a consistent geographical characteristic of a place consisting of the following components: a) an empiric-analytic component (the identification and explanation of a geographical position and accessibility, space-time structures and forms), b) a critical analytic component (the identification and explanation of processes and their participants and the interactions between the place and its vicinity), c) a hermeneutical analytic component (the identification and understanding of the dominant features of a meaning), and a synthetic component (the identification of integrating threads).

The modern place-marketing approach is grounded in the understanding of general principles of how a place works that are applicable to the entire universe of specific shapes. It uses any accessible information about the given place. It seems that the concept of place has a considerable potential to be subsequently applied in real-life marketing.

As already indicated above, a place represents an interesting phenomenon the substance of which is still so much a disputed one among scientists and only at the philosophical level. It has been, is, and I trust, long will be a subject of interdisciplinary and transdisciplinary studies.

Marketing perceives a place as a product that can be shaped according to previously established objectives. In common life we are prone to view a product as something made from solid material, tangible, but after careful and thorough consideration we realize that what we have thought of as a solid thing is also something of an intangible nature - such as taste, flavor, scent, impression, sense, feeling, or the atmosphere. In marketing terms, the notion of 'a product' covers any and all artifacts (manufactured/crafted products), services, and also experience, persons, places, organizations, information and thoughts, which means everything that may possibly become a medium of exchange, an item of use or article of consumption, everything that may satisfy the needs and desires (Kotler and Armstrong 2004, 382). Further, the authors extend the above list by events, persons, places, organizations, ideas or various combinations of these elements.

The complicated inner structure as well as the internal and external relational levels of a place foreshadows some difficulties associated with its specification (definition). One of the aspects of the view of a place is grounded in the fact that it represents virtually a kind of "inheritance" or "heritage" passed from generation to generation, representing thus a fundamental quality of the new direction in marketing - the so-called heritage marketing. However, the essence of the marketing process consisting in its adaptation to the preferences and needs of clients does not necessarily exclude the creation of a new place without having any prior history.

From the perspective of a marketer who is creating a product called 'place', the high degree of place's heterogeneity poses a problem. This is why the common practice is to create a place using the "per partes" (by parts) method. According to Florek (2006), the final character of a so-called "mega-product" is determined by the amount and diversity of its parts - subproducts that represent certain sets of benefits offered for pay, at a reduced cost or on a free-of-charge basis.

In addition to functional components, a place also involves semantic integral components such as image, a local cultural climate, a business climate, the capability of self-organization and the capability of creating network relations between and among various subjects, a communication system, and the quality of economy. Their meaning lies in inimitableness, and therefore they are critical inputs to the process of gaining a competitive advantage over other places.

Literature

- Aaker, D., A. 2003: Brand building. Budování obchodní značky. Computer Press, Brno, 312 p.
- Castree, N. 2003: Place: Connections and Boundaries in a Independent Word. In: Holloway, S., Rice, S. P., Valentine, G., eds., Key Concepts in Geography. SAGE Publications, London, pp. 165-186.
- Cresswell, T. 2004: Place - a short introduction. Blackwell, Oxford, p. 153.
- Čichovský, L. 2001: Marketing na rozhraní dvou tisíciletí. Nakladatelství RADIX s.r.o., Praha.

- Florek, M. 2006: Podstawy marketingu terytorialnego. Akademia Ekonomiczna w Poznaniu, Poznań.
- Gold, R. J., Ward. V. S. (Eds) 1994: Place Promotion, the use of publicity and marketing to sel towns and regions. Wiley & Sons Ltd, Chichester.
- Hartshorne, R. 1939: The Nature of Geography. A critical Survey of the Current Thought in the Light of the past. Association of American Geographers, 29, pp. 171-645.
- Hubbard, Ph., Kitchin, R., Bartely, B., Fuller, D. 2002: Thinking Geographically. Continuum, London, 275 p.
- Kearns, G., Philo, C. (Eds) 1993: Selling Places. The city as cultural capital, past and present. Pergamon Press Ltd, Oxford.
- Klamár, R. (2006): Definovanie priorít rozvoja na lokálnej úrovni z pohľadu hlavných aktérov rozvoja (na príklade mikroregiónu Ptava). In: Geografická revue, č.2, Katedra geografie Fakulty prírodných vied Univerzity Mateja Bela, Banská Bystrica, pp. 135-146
- Klamár, R. (2002): Strategické plánovanie regionálneho hospodárskeho rozvoja (na príklade Humenného). Zborník z XIII. kongresu SGS. Geografické informácie 7, Nitra, pp. 121-126
- Klamár, R. (2006): Plánovanie rozvoja regiónov na lokálnej úrovni v nových podmienkach demokracie (na príklade vidieckeho mikroregiónu). In: Ištók (ed.): Transformácia politicko-priestorových systémov a systémov demokracie. FHPV PU, Prešov, pp. 108-132
- Kotler, P., Asplund, C., Rein, I., Haider, D. 1999: Marketing Places Europe. Pearson Education Ltd, London, 388 p.
- Kotler, P., Hamlin, M. A., Rein, I., Haider D. H. 2002: Marketing Asian Places. John Wiley & Sons (Asia), Singapore, 443 p.
- Kotler, P., Armstrong, G. 2004: Marketing. Grada Publishing, Praha, 855 p.
- Matlovič, R. 2006: Geografia – hľadanie tmelu (k otázke autonómie a jednoty geografie, jej externej pozície a inštitucionálneho začlenenia so zreteľom na slovenskú situáciu). Acta Facultatis Studiorum Humanitatis et Naturae Universitatis Prešovensis, Folia Geographica, 9, 6-43.
- Matlovič, R. 2007: Hybridná idiograficko-nomotetická povaha geografie a koncept miesta. Geografický časopis, ročník 59, č. 1.
- Matlovič, R., Matlovičová, K. (2007). Koncept miesta vo vývoji geografického myslenia in Kraft, S., Mičková, K., Rypl, J., Švec, P., Vančura M.(eds.): Česká geografie v Evropském prostoru, sborník příspěvku XXI. sjezdu České geografické společnosti, 30.8.-2.9.2006, Jihočeská univerzita v Českých Budějovicích, červen 2007, pp. 181-190
- Rumpel, P. 2002: Teritoriální marketing jako koncept územního rozvoje. Spisy Přírodovědecké fakulty Ostravské univerzity, sv. č. 145/2002, Ostravská univerzita.

PLACE AS OVERLAP BETWEEN THE INTERESTS OF REGIONAL GEOGRAPHY AND MARKETING

Summary

Based on the above reflections we can state that a place, as a product, is a specific set of both tangible and nonmaterial subproducts associated with the aspect of functionality and space (area) (Florek 2006). We can make a positive impact on the development of a place and its vicinity through shaping that aspect and adapting it to specific needs of the marketplace. The prosperity and economic health of a place, as a target in the broadest possible meaning of that word, can be established, maintained and further enhanced through adequate and systematic application of the existing marketing tools.