POSSIBILITIES OF APPLYING STANDARD TOOLS OF PROMOTION IN PLACE MARKETING

The purpose of this article is to present the tools of promotion that can be used by local government units in the developing and implementing of marketing strategies. The article evaluates a set of four basic tools of promotion comprising advertising, public relations and publicity, sales promotion and personal selling. This group was supplemented by direct marketing, presented from the point of view of communication via the Internet.

Introduction

Place marketing as a practice and method of operation is not a new phenomenon and is applied in the public life practice quite commonly. Among the factors named as preceding the development of place marketing are: social marketing, non-profit marketing and strategic marketing. Application of place marketing by public authorities, from local, through regional and national even to international, has been brought up by numerous publications devoted to these issues. A review of the research done in this respect, carried out by Lucarelli and Berg has revealed that most of these academic publications are relatively recent. This article, concerned with tools of place marketing, is an attempt at bridging the existing gap.

Promotion is one of the components of marketing mix that is quite frequently employed by local governments, particularly in market economy conditions, characterised by competition. In a competitive environment it is not enough to prepare a product mix. It is also necessary to communicate its existence so that potential consumers can express their interest and wish to make a purchase.

Communication with the internal and external environment, constituting one of the fundamental tools of promotion, ought to be included as part of broader marketing activity conducted in the framework of the adopted marketing strategy. Its development

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and implementation involves the creation of market impact tools, referred to as marketing mix. According to the above terminology a set of tools (instruments) of promotion is termed promotional mix.

**Components of promotional mix**

Generally, promotion is any technique aimed at selling a product to a customer. In particular, it is a process whereby an organisation communicates with its target segments and influences them with a view to positioning its products and services in a desired way and generating the expected response from these segments.

Promotional activities are carried out with the use of appropriate tools. The knowledge of the effectiveness of the marketing tools is of key importance for selecting the right marketing strategy. The potential range of instruments that can be employed by a local government unit is the same as for other goods and, in common with other components of the marketing mix, it is used to a varying degrees and with certain limitations arising from the specific nature of these units.

The tools of promotion are usually divided into four groups, but some classifications use a division into 5, 6, or even 9 components. Table 1 presents the diversity of the composition of promotion mix according to different authors.

<table>
<thead>
<tr>
<th>Author</th>
<th>Advertising</th>
<th>Public relations/publicity</th>
<th>Personal selling</th>
<th>Sales promotion</th>
<th>Direct marketing</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Jaradat, M. Jaradat, F. Yassine</td>
<td>+</td>
<td>+/−</td>
<td>+</td>
<td>+</td>
<td>−</td>
<td>−</td>
</tr>
<tr>
<td>T.-H. Hsu, T.-N. Tsai, P.-L. Chiang</td>
<td>+</td>
<td>+/−</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>−</td>
</tr>
<tr>
<td>F. Herrera, E. López, M.A. Rodriguez</td>
<td>+</td>
<td>+/−</td>
<td>+</td>
<td>+</td>
<td>−</td>
<td>−</td>
</tr>
<tr>
<td>Ph. Kotler, G. Armstrong, J. Saunders, V. Wong</td>
<td>+</td>
<td>+/−</td>
<td>+</td>
<td>+</td>
<td>−</td>
<td>−</td>
</tr>
<tr>
<td>G. E. Belch, M. A. Belch</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+ (internet marketing)</td>
</tr>
<tr>
<td>I. B. Odunlami, O. E. Ofoegbu</td>
<td>+</td>
<td>+/−</td>
<td>+</td>
<td>+</td>
<td>−</td>
<td>−</td>
</tr>
<tr>
<td>W. G. Mangold, D. J. Faulds</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>−</td>
</tr>
</tbody>
</table>

*Source: own compilation based on:*  

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According to the classic assumptions of the theory of marketing, the basic tools of promotion (Tab. 1) include advertising, public relations and publicity, sales promotion and personal selling. Direct marketing is also often added to this group; in the case of local government units, in the age of an ever-increasing use of IT technology, it comes down to multimedia communication via the Internet. The promotional mix, i.e. the marketing composition of the tools of promotion is sometimes extended to include sponsoring. The above group may be further expanded to include the packaging which, as an element of a product, provides information and attracts the attention of potential buyers, encouraging them to make a purchase. However, in the case of local government units, offering chiefly services, it does not have such a wide application as in the sector of enterprises, since the products offered by them are not wrapped in a traditionally defined packaging. Nevertheless, such aspects as the landscape, architecture or natural environment are sometimes regarded as the packaging of products offered by a local government unit.

Strategies are implemented with the use of a selection of promotional tools that may be used alone or in combinations\(^\text{10}\). The choice of a particular combination of instruments is determined by the aims of promotion, the assumed financial outlay, i.e. the size of budget, the characteristics of the product to be promoted, the planned market area where the campaign is to be conducted, as well as the competitors’ efforts. The aims of promotion are addressed to different target groups and apply to different spheres of activity. Most frequently, they include increasing the appeal of a location as a place of residence, leisure or business activities. On the other hand, although the frequency of use of appropriate instruments is up to the authors of a promotional campaign, the campaign designers usually prefer a ready, market-proven set of measures typical of a particular product or industry.

**Advertising**

The purpose of the first and most commonly used tool — advertising — is to inform customers about a product, idea or matter and to influence their decisions in an impersonal way, via indirect communication, e.g. the media. American Marketing Association defined advertising as an impersonal and paid form of presenting and endorsing certain goods, services or ideas by the broadcaster.

With respect to the promotion conducted by local government units, this instrument is used to encourage certain consumers to take advantage of the products offered and thus to obtain the desired benefits for the local population. Moreover, local authorities use advertising to reach to the local population and increase their identification with their place of residence and win their approval of the activities undertaken by the local government in their area. The most frequent aims of advertising are:

- attracting entrepreneurs from areas beyond the particular territorial unit,
• increasing the scale and degree of entrepreneurship among the residents,
• encouraging tourists to stay, increasing the interest in local attractions,
• win the residents' approval of the activities undertaken by the authorities and explaining the measures taken.

Being aware of the aims of the actions taken, entities developing the concept of an advertising campaign should define the methods of its implementation and the budget for executing the individual tasks. A final comparison of the results obtained with those initially assumed concludes the process of advertising campaign management. The above method of management of advertising efforts may be presented in six steps: defining the audience, defining the goals of advertising, estimating the budget, preparing the strategy, selecting the advertising media, evaluating the effects of advertising\(^\text{11}\). The above-mentioned steps constitute the backbone of virtually all advertising campaigns, including those conducted by territorial units.

**Public relations and publicity**

Another instrument of promotion is public relations and publicity. Although these concepts do differ from each other, they are usually mentioned and described together. It should be pointed out, however, that publicity constitutes a part of public relations, according to some authors. By definition, this form of communication is non-paid, and the main channel through which it reaches its target audience is the mass media. In general, they aim to create positive relations between the party offering a product and its customers, in the case under consideration leading to the creation of a positive opinion about a particular territorial unit.

Difficult to define in an unambiguous way term of „public relations” may be interpreted as\(^\text{12}\):

• creating the company's reputation,
• developing a good relationship with the environment,
• forming and maintaining a positive image, an opinion of the company's honesty and good will,
• planned and continual efforts with a view to developing and maintaining mutual understanding and trust between the organisation and the society,
• managing the communication between the organisation and individual groups of customers,
• communication with individuals important for the communicating party to attract their attention, start cooperation important for the party's interests or the interests represented by the party.

The purpose of public relations, or PR in short, is to develop and maintain a bond with the environment, the media above all, and to create a congenial atmosphere around a particular institution. It is intended to build the awareness of the place's existence, to increase its reliability and to inform of its products. PR should reflect the needs and interest of a particular organisation, while remaining accurate and to the point. Therefore this type of communication is considered more objective and convincing than


advertising\textsuperscript{13}. The efforts undertaken as part of PR are intended to reach a point where the interests of the organisation and its environment are in balance, i.e. to enable satisfactory functioning of the institution and its environment in a reality suitable for both sides.

While public relations come down to contacts with the surroundings, maintaining a bond with the society and communication with the environment, publicity consists of actions aimed at creating a positive propaganda. Local government units create and achieve this propaganda indirectly, e.g. by providing materials for creating documentaries about the region, encouraging interviews, organising press conferences, informing about upcoming events or decisions of authorities. Preference is given to such activities because they make it possible to achieve satisfactory results at a relatively low cost and the information communicated is generally up-to-date. It should be noted, however, that while publicity determines the image of a particular institution, it cannot be fully controlled by it. The role of the organisation in this case is limited to influencing the media, societies and associations by expressing certain views. The rest is in the hands of the individuals disseminating these opinions. Representatives of the media, journalists, columnists, actors, celebrities, environmental groups, cultural associations or societies constitute very influential groups that may dramatically improve or spoil the local government unit's image.

The essence of application of both these instruments in the activities undertaken is to shape the unit's image both within and outside its boundaries. The value of all the characteristics of local communities together with the benefits available in a particular area is equal to that received by desirable customer groups. Therefore, it is worth engaging in long-term initiatives that will have a positive impact on the territory's perception, increasing its appeal and reliability. Authorities have little influence on the creation of public opinion. Publicity is mainly created by the inhabitants of a particular territorial unit, airing their good or bad opinions about the area.

The potential of local governments is greater in the case of public relations (PR), whereby they can largely influence the relationship between the offerers and purchasers of the territorial product. These measures, aimed at the residents, investors and tourists, involve presenting and gaining approval for the local governments and their initiatives, as well as for other related entities, encouraging cooperation or increasing the degree to which individuals identify with a particular territory.

As mentioned earlier, the essence of these activities comes down to image building. The desired image of territorial and administrative units does not evolve by itself. It develops by superimposition of subjective conceptions of reality formulated as a result of perception, mass media impact and informal communications\textsuperscript{14}.

We identify the following image types\textsuperscript{15}: positive, weak, negative, mixed, contradictory or attractive. The most desirable type is a positive image. It does not have to be changed or modified, only further consolidated. A weak image fails to sufficiently emphasise the region's features. If the body of public opinion presents a region in an unfavourable light, its image is negative. Despite many positive features of the town

\textsuperscript{13} W. Langer: Strategiczny marketing w rozwoju jednostki terytorialnej. University of Economics, Katowice 2006, p. 86.
itself, the image of Wolomin and, until recently, Nowa Huta, exemplify this case. If opinions about a particular region are ambiguous, so that the recipients have mixed feelings about a location, the image is described as contradictory. Meanwhile, if opinions about a place are diverse and contrary to each other, we speak of a mixed image. The last type usually applies to highly popular regions. Despite positive connotations of the word “attractive”, this type of image is not desirable because of the issues arising from excessive numbers of tourists and visitors, environmental pollution and traffic congestion. The symptoms of this phenomenon can be observed in the neighbourhood of Zakopane.

**Personal selling**

Another instrument is personal selling. It is characterised by person-to-person contact between the seller and a potential buyer. During a meeting, a sales representative or salesperson — depending on the venue — attempts to persuade a customer to purchase goods or approve an idea. Personal selling constitutes an art of approaching each customer in an individualised way, with the use of tools of persuasion tailored to the particular case. In the promotion of territorial units, this instrument is applied in the form of person-to-person contacts with potential purchasers of the products offered. It is employed with respect to external customers — investors and tourists — as well as internal customers, i.e. the residents. Face-to-face meetings of local government officials with entrepreneurs and company representatives, who look forward to such initiatives, provide an excellent opportunity to discuss investment plans. The idea of working together on the vision of future enterprise operation during a personal conversation creates an impression that the customer is privileged, his activities matter to the authorities and his enterprise is more than just a business. In the case of personal selling efforts aimed at holidaymakers, the focus is on high-end products offered, i.e. more sophisticated and generally more expensive offerings. Good presentation during the meeting, including a warm and friendly welcome, the air of professionalism, competence and smooth organisation, rounded off with reaching a consensus, may lead to highly lucrative sales contracts. Meanwhile, meetings between representatives of the local government or promotion leaders take the form of a debate about the current promotional activities, strategic plans or prospects of regional development. Both sides express their opinions, with one side trying to win the other's support for its ideas, while the other side evaluates the initiatives proposed and expresses its opinions about them.\(^{16}\)

**Sales promotion**

Sales promotion, which is the last of the promotional mix tools, is more frequently applied to consumer goods than to territorial products. Sometimes referred to as additional promotion or direct sales support, it is intended to increase or offer additional benefits that are purchased together with a product. Examples of sales promotion include a bonus for purchasing a certain quantity of products or services, competitions or the opportunity to test a product. They are designed as additional stimuli, enticing customers to use the service or product, since their appeal and competitiveness increases, thus

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stimulating the desired behaviour of potential customers. Additional promotion has a short-term nature and should not be employed over prolonged periods of time, since the benefits offered lose value over time, becoming a standard element of a product or service\textsuperscript{17}. When used in the promotional activities conducted by territorial and administrative units, this tool is aimed mainly at tourists. Entrepreneurs are not susceptible to influence of short duration, due to factors such as costs and the time frame of decisions taken, so the entities using tools of promotion target visitors who wish to make the most of the attractions offered by a particular place. Therefore, it is worth supplementing the permanent features of a region, such as historic monuments or tourist facilities, with additional experiences offered to tourists, such as participation in competitions or outdoor events or viewing public performances.

Authors of promotional campaigns should keep in mind that their components ought to combine into a whole that is identifiable by recipients. Today promotional communication takes on more and more diversified forms. In order to be effective, such communication must form a coherent image in the subconscious of its recipients, which in turn will stimulate desired behaviour with respect to the benefits offered, thus achieving one of the specific aims of development.

**Characteristic features of promotion via the Internet**

In the age of increasing emphasis on knowledge and up-to-date information, the role of websites as a means of communicating messages is gaining in importance. The number of potential recipients of content published on the Internet is growing steadily. Mobile phones have now joined the computer in offering the opportunity to browse websites and take advantage of other benefits provided by the World Wide Web. This should persuade the territorial and administrative units wishing to gain an influential position on the local, regional or even national or global market to fully use the promotional potential behind the presence on the Internet. For local authorities and other entities interested in proper and smooth functioning of a particular region this tool provides the means of widely accessible presentation of information, chiefly of promotional nature, and for each Web user — the ability to access interesting content about the region. At present the Internet is the most convenient source of information, so potential customers may be discouraged by the lack of local website or a poorly designed one. No organisation, including local governments, should refrain from using the Internet in its promotional activities, since the World Wide Web offers possibilities of creating additional benefits for the customer. Among the ten main benefits\textsuperscript{18} from the point of view of local government units are: the ability to widely publicise information, interactivity that makes it possible to tailor the content to individual needs and requests, instant updating of communications published on websites, cost-effectiveness on the side of the service provider and on the side of the purchaser of regional products and services and integration of individuals of similar views, interests or hobbies, i.e. forming micro-communities.


The Internet has a direct impact on the development of the information society, whose members use the World Wide Web as the first or even only source of information. Web users include private individuals and representatives of organisations of importance from the point of view of a local government unit. They are usually divided into three groups: residents, investors and tourists. Table 2 presents the individual groups of website users and the purposes of their visit.

Unless a website is designed according to specific rules, it will fail to perform its full function of a means of promotion. The first fundamental rule is to match the artwork to the symbols, colours and shapes used in promotional media other than the Internet. The home page and every subpage should contain a logo or emblem. The layout should have certain features characteristic of the desired image. Imitation of other websites should be avoided — each website should be original and unique. It is also important to provide links to the websites of territorial units of a higher or lower level (gmina, powiat, voivodeship) and organisations operating within a particular territory, especially those involved in its promotion. Such interlinking demonstrates a common purpose and thus adds credibility to the objectives. While the layout of the artwork, including the graphical features, photos, content layout or colour scheme should be up to the website designers, the subject matter of the website content is much the same as of other websites. Every website of this type should include a profile of the territorial unit, information about its government, strategic documents, current announcements, public information, tourist information (maps, attractions, addresses of facilities), important contacts, investor information and archives. Such data, especially those aimed at potential visitors or investors, should be available in multiple language versions. It is difficult to overestimate the importance of English, German, Russian, Czech or other language versions — depending on the target customers — in the age of business globalisation and internationalisation.

Tab. 2. Groups of Web users accessing websites of local government units and purposes of their visit

<table>
<thead>
<tr>
<th>User group</th>
<th>Group characteristics</th>
<th>Subgroup</th>
<th>Purpose of website use</th>
</tr>
</thead>
<tbody>
<tr>
<td>standard users</td>
<td>Web search is the first step in obtaining information, they also use other sources</td>
<td>potential investors</td>
<td>obtaining information on products, property, tax concessions, business support policies</td>
</tr>
<tr>
<td></td>
<td></td>
<td>potential tourists</td>
<td>obtaining information on local attractions, historic monuments, events</td>
</tr>
<tr>
<td></td>
<td></td>
<td>residents</td>
<td>accessing the news, information on the authorities’ efforts or upcoming events</td>
</tr>
<tr>
<td>conscious users</td>
<td>Web search replaces other sources, e.g. a library, a telephone call or personal visit</td>
<td>students</td>
<td>finding information for educational purposes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>office customers</td>
<td>• downloading a form</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• posting an enquiry</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• dealing with official matters</td>
</tr>
<tr>
<td>accidental</td>
<td>surfing the Internet as a leisure activity or for other purposes; they come across the website by accident</td>
<td>commentators</td>
<td>expressing one’s opinions about current matters</td>
</tr>
<tr>
<td></td>
<td></td>
<td>users interested in development</td>
<td>obtaining information about future, current and past decisions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>other potential customers</td>
<td>if interested, they use the information and possibilities offered on the website</td>
</tr>
</tbody>
</table>


From the point of view of the interested parties, the Internet provides the opportunity to access information quickly and cheaply. The content and quality of the information published there has a direct effect on the popularity of the website. Efficient use of this means of promotion brings measurable benefits. A well-designed and efficiently managed website makes it possible to save both time and money that would be otherwise spent in the process of accessing information. Moreover, the perception of a territorial unit improves once a Web user searching for data easily finds them on the unit's website. However, it should be pointed out that a website is not the only example of direct marketing by local government units. To a lesser extent, e-mail is also used, in the form of e-newsletters sent to subscribers.

The extent of use of tools and means of promotion by local government units

The extent of use of promotional mix instruments by local government units is influenced by a number of factors, such as the effectiveness of the individual tools, current circumstances, assumed objectives or expected costs. Taking account of the specific features of territorial units, the most commonly used instruments include public relations and publicity, as well as advertising, but with certain exceptions. The reason for limited use of advertising is related to unfavourable public opinion about investing financial resources in such undertakings. Consequently, only those forms of advertising are used that do not generate excessive costs. These include advertising on items of stationery and brochures — folders, information leaflets or catalogues. Not only do they help identify and distinguish a particular unit, but they also provide a valuable source of information about tourist attractions, land use plans, property available for investments and profiles of local businesses. A less frequently used means of promotion is outdoor advertising in the form of billboards, also used internationally. One such case was the city of Wrocław, which placed billboards in London encouraging Polish immigrants to return to their home country and settle in Wrocław, and used the slogan "Enjoy Wrocław" to invite Berliners to Poland on holiday. The latter example is a good illustration of the argument of the unfavourable perception of expensive advertising, because at the time of the campaign the city continued to stress the low cost of the undertaking due to the fact that advertising space for that purpose had been made available by the capital of Germany at no charge.

Television or radio commercials, quite commonly used by large corporations, are employed relatively seldom and generally only by big cities. Gdańsk used television commercials to advertise its attractions and publicise the fact that it had been awarded the title of the city offering the highest quality of life based on research published in Diagnoza Społeczna 2007 in the 'quality of life' category among the 10 largest Polish cities.

Essential elements of advertising are slogans. Some of the most interesting advertising slogans were the following, all from northern Poland: Gdańsk's "Gdańsk — morze możliwości" (An ocean of possibilities), Gdynia's "Gdy inwestujesz… Gdynia"
(When you invest... Gdynia) and Gniew's” (Control your anger (gniew=anger in Polish))

Thus, advertising is a frequently but selectively employed tool of promotion. When engaging in promotional activities, one should choose the most effective means of communication. They should be tailored to the needs of a particular range of products offered, taking into account the characteristic features of the territorial product, the nature of the target market sector and the campaign objectives, such as increased economic growth, better use of resources and highlighting the place's unique features, leading to positive changes in the perception of its appeal. The type and quantity of communication is also determined by the budget allocated for this purpose. The cost may be a combination of outlays made by local governments and entrepreneurs if the promotion is intended to bring benefits to both these parties. In general, the means of promotion commonly used by local government units include:

- press conferences, coverage of local government sessions, media announcements,
- economic, investor and tourist guides; folders, posters, advertisements, posters with brochures,
- means of identification: logos, LED boards, local government staff badges (IDs) and cars, street and square signage, stationery: files, business cards, ring binders, calendars, letterhead paper,
- fêtes, performances, cultural shows, sporting and special events,
- Internet and websites,
- billboards, press and TV advertising, although used less commonly than on the consumer and industrial goods market.

Usually, the choice of a specific set of promotion tools in a particular campaign rests with the authorities, but this process also involves participation of other entities, taking an active part in the campaign design and implementation. This is a conscious choice of entrepreneurs, who operate within a territory, in an environment made up of other institutions, organisations and also residents, and therefore have to and want to identify with the place. The better perception of an organisation, the more it influences the image of the town where it operates, and vice versa. Since enterprises, especially large ones, plan to continue operating for a long period of time, a coherent promotional policy may lead to mutual benefits as a result of efficient cooperation between multiple entities, employing diverse means of promotion in their efforts to achieve their objectives

**Summary**

Promotion is one of the instruments of the marketing mix, and therefore it should not be used independently from other activities. It is only one of the components of the marketing mix and only an appropriate combination of these components may help achieve the objectives of place marketing. The individual elements of the marketing mix are complementary to one another, maintained in a balance tailored to the

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requirements of a particular marketing strategy. The final effect of their application should be a higher quality of life of the residents and a more dynamic development of the territory. Place marketing accentuates the importance and significance of promotion of specific areas and the resulting benefits.

Bibliography


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Celem artykułu jest przedstawienie instrumentów promocji, które jednostki samorządu terytorialnego mogą wykorzystywać w kształtowaniu i przy realizacji strategii marketingowej. W artykule przeanalizowano zestaw czterech podstawowych narzędzi promocji, do których zalicza się reklamę, public relations i publicity, promocję sprzedaży oraz sprzedaż osobistą. Wymienioną grupę rozszerzono o marketing bezpośredni, który przedstawiono z punktu widzenia komunikacji za pomocą Internetu.

Słowa kluczowe: marketing terytorialny, promocja terytorialna, promocja mix, narzędzia promocji, reklama, public relations & publicity

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