

A STUDY ON SUCCESS FACTORS OF PLACE BRAND COIMBATORE ACROSS THE INVESTORS IN SMALL AND MEDIUM SCALE INDUSTRIES.

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ABSTRACT:

Place branding is one of the classical products brands that have emerged from place marketing strategies. Place branding includes both place marketing and place promotion. It is said to be a new umbrella term encompassing nation branding, region branding and city branding. Place branding is the process of image communication to a target market. It is invariably related to the notion that places compete with other places for people, resources, and business. Place branding can be defined as the process employed by public administrations to intend to create place brands. "A place brand is a network of associations in the place consumers' mind based on the visual, verbal, and behavioral expression of a place and its' stakeholders. These associations differ in their influence within the network and in importance for the place consumers' attitude and behavior" (Zenker & Braun, 2012, p. 275). It therefore aims to affect the perceptions of a place and position it favorably in the minds of the target groups. Place branding thus suggests that places, cities, regions or countries could be considered as brands, as long as perceived so. In this regard, many public administrations are implementing place branding strategies. The main purpose of this paper is to study on place branding of Coimbatore based on which success factors made the business people to attract to the place Coimbatore for their investment. The First objective of this study is based on various demographic profiles of the investors and the second objective of the study is to know which success factors attracted for the business people to invest on place brand Coimbatore.

Keywords: Place Brand, Brand Identity Factors, Brand Image

INTRODUCTION:

The concept of branding has long been popular in the business world as a way to market various Goods and services. Not surprisingly, different places—cities, regions, nations—have for different purposes and in different ways, also adopted branding to market themselves. Research on place marketing has been conducted for at least 20 years, and as places have become more sophisticated and comprehensive in marketing and have started to adopt branding strategies, researchers have developed a greater understanding of this social process. Now new tool is used to enhance the place. It is said to be the place branding. Place branding enhances the development of region or a place not only in terms of leisure and tourism but also in terms of attracting inward investment, enhancing the existing culture and heritage, developing facilities for local residents and welcoming new residents, employees and skilled migrant. (Hankinson, 2007). Place branding implies the subsuming of different marketing strategies under an overarching strategy of promoting a brand that is meant to communicate a place's general identity. Places have been promoting their attractions and their images throughout history, because they have always needed to attract settlers, customers, visitors, traders, investors and the category of people we today call ' influencers. As international place branding authority Simon Anholt writes, "Unless you've lived in a particular city or have a good reason to know a lot about it, the chances are that you think about it in terms of a handful of qualities or attributes, a promise or some kind of story, That simple brand narrative can have a major impact on your decision to visit." All of our decisions, whether they are as unimportant as buying an everyday product or as an important as relocating a company, are partly rational and partly emotional. No human activity is exempt from this rule, and the brand images of cities underpin the emotional part of every decision connected with those places, which in turn affects the rational part. For example "Paris is romance, Milan is style, New York is energy, Washington is power, Tokyo is modernity, Lagos is corruption, Barcelona is culture, and Rio is fun. These are the brands of cities, and they are inextricably tied to the histories and destinies of all these places. "In today's globalized, networked world, every place has to compete with every other place for its share of the world's consumers, tourists, businesses, investment, capital, respect and attention. Cities, the economic and cultural powerhouses of nations, are increasingly the focus of this international competition for funds, talent and fame". The aim of the research is to determine whether it can be empirically proven that a place Coimbatore is in possession of a strong brand can attract more and more investment from business people. Also to know the perception level of place brand image of Coimbatore from the view of business people

The following factors considered as Brand identity factors:

PERCEIVED QUALITY

Perceived quality is customers' perception of the overall quality or superiority of a product or services compared to alternatives and with respect to its intended purpose. Achieving a satisfactory level of

perceived quality has become more difficult as continual product improvements over the years have led to heightened consumer expectations. Comprehensive research has been carried out on the effects of perceived quality which is defined “to include the consumer’s response to the entire evoked set of judgments about quality comparisons among competitive brands” (Lavenka, 1991, p. 39).

IMPRESSION

Impression is a tangible brand asset indirectly influencing brand equity. Impression comprises the external product and packaging design of the brand as well as the setting in which the brand is presented. The objective of brand impression is to evoke positive emotions with the customer. Transferring this approach to place brands, the impression would encompass the appearance of the place evoking positive emotions towards the city being branded. Consequently, the place

Brand impression includes macro elements such as urban appearance and beauty (Anholt, 2005b; Winfield-Pfefferkorn, 2005), micro elements such as physical elements (Kavaratzis, 2007) as well as the geography of the place (Kubacki and Skinner, 2006). The macro elements also include the level of urbanization (Johansson and Moinpour, 1977) as well as the urban milieu (Smidt-Jensen, 2004) while the micro element comprises the traffic infrastructure (Fombrun and van Riel, 1997), the commercial and cultural infrastructure (Anholt, 2005b; Winfield-Pfefferkorn, 2005) and the iconography in architecture (Dinnie, 2008).

FUNCTION VALUE

While value is always a relative term, it is widely accepted in the world of branding that consumers make choices based on both the perceived functional benefits (the tangible) and the perceived emotional benefits (the intangible). Functional Benefits - the functional or utilitarian value that a product provides. “A product’s value proposition is a statement of the functional, emotional and self-expressive benefits delivered by the brand that provides value to the target customer.”

The goal is to select functional benefits that have the greatest impact with customers and support a strong position relative to competitors. A functional brand is typically bought to satisfy a functional need on the part of the consumer. Functional brands are tied in the consumer’s mind to specific product categories and typically share the user’s associations with other brands in the same category. Functional value leads to Performance of particular product / place.

CULTURE

Culture consists of rite, rituals and values. In every brands background lies a system/network of values. These values drive the brand. Just as culture is one of the important forces behind consumers preferences, prejudices and behaviours, so also the culture of the brand manifests itself in various aspects of the brand,

like the product it carries, its uniqueness, its communication etc. brand is an inspired manifestation of culture. Tradition is acknowledged as an important element in place branding, but this is often under-developed and not directly measured in place brand valuation.

BRAND AWARENESS

Brand awareness measures the accessibility of the brand in memory. The higher the number of Potential customers being aware of the brand and the more these customers know about the brand, the higher the engagement of the potential customers with the brand. This is even more important since the brand needs to be present in the consideration set of the customer before it is even regarded as an alternative. (Jacobsen 2009). Brand awareness can be measured through Brand Recall or Brand Recognition. Brand Recall reflects the ability of consumers to retrieve the brand from memory when given the product category, the needs fulfilled by the category, or some other type of probe as a cue.

BRAND IMAGE:

The brand image can be explained as how the customers perceive the brand. It is the key of how consumers make their choices after gathering information about the particular brand and the alternatives (Ataman & Ülengin, 2003). According to Kapferer (1997, 95) image is on the receiver's side. An image indicates how the various signals of the brand are interpreted by the public. These messages and signals produce a meaning for the brand. These signals can be for example brand name, symbols, products, services and advertisement. The signals are transmitted from the sender's side, in other words from brand identity. Image is thereof both the interpretation and result. In this study brand image is considered as a factor to study place brand image of Coimbatore. The dimensions of Anholt Branding Hexagon (2008) are taken into the consideration for this study. Simon Anholt is an expert in nation branding. He is also recognized for the "Anholt Branding Hexagon" where it has six factors to measure each country's brand image by combining the six dimensions: Exports, Governance, Culture and Heritage, people, Tourism, and Investment and Immigration. Here these factors are considered to study the image of place brand Coimbatore from the perspective of business people.

IMPORTANCE OF PLACE BRANDING

Place Branding is the new way for cities and regions to succeed in the global competition. A strong brand attracts new talents, businesses and investments. And even the most boring place in the world has its advantages, says place branding-expert Helena Nordstrom. Driven by increased globalization and urbanization, each place has to compete for its residents, jobs, investments and visitors. Place branding is a useful tool for the global positioning of cities and territories, consisting of elements of strategy, citizen participation, public-private collaboration, communication and political will. It's important to realize that place branding is not solely about tourism. It's about recruiting new talents and creating a dynamic

environment. In place branding the place can be consider as the big picture in order to form an attractive community where people want to live, work and develop. Here the place taken is Brand Coimbatore. As we know **Coimbatore District** is a district in the Kongu Nadu region of the state of Tamil Nadu. Coimbatore is the administrative headquarters of the district. It is one of the most industrialized districts and a major textile, industrial, commercial, educational, information technology, healthcare and manufacturing hub of Tamil Nadu. As of 2011, Coimbatore district had a population of 3,458,045 with a sex-ratio of 1,000 and literacy rate of 84%.Coimbatore district houses have more than 25,000 small, medium and large industries with primary industries being engineering and textiles. Coimbatore is called the "Manchester of South India" due to its extensive textile industry, fed by the surrounding cotton fields. The city has two special economic zones (SEZ), the Coimbatore Hi-Tech Infrastructure (CHIL) SEZ at Saravanampatti and the TIDEL Park near Peelamedu, and at least five more SEZs are in the pipeline. As of 2006-07, before the bifurcation of Tirupur district, Coimbatore was the highest revenue earning district in Tamil Nadu. In 2010, Coimbatore ranked 15th in the list of most competitive (by business environment) Indian cities. Coimbatore is the Second largest city after Chennai in Indian state of Tamil Nadu

- Fastest growing tier-II cities in India.
- Ranked best emergency city in India in 2014
- Ranked 4th among Indian cities in Investment Climate.
- Coimbatore is 1/100 among Indian cities to be developed as SMART city as it is under PM Modi's Flagship smart cities mission.
- Has sister city relationship with (US), (Germany).

LITERATURE REVIEW:

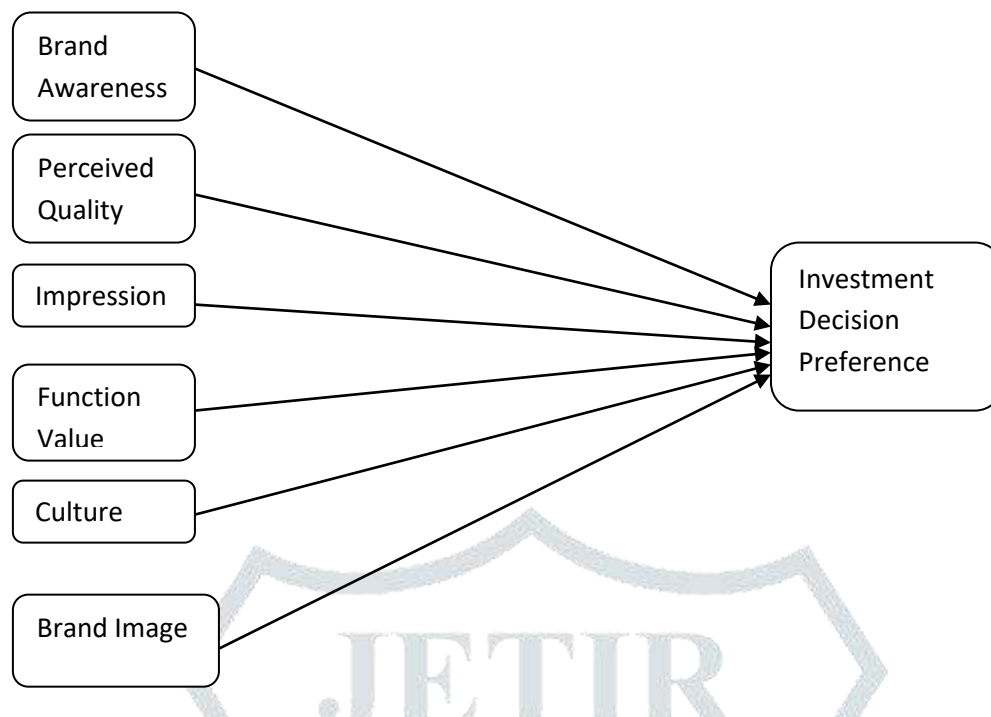
Hanna & Rowley (2008), the authors in his literature reports on studies focusing on the application of the branding concept to various geographical entities ranging from countries to towns and the challenges of branding the multidimensional construct 'place' especially in relation to stakeholder engagement. There seems to be a recognizable gap in the literature regarding the application of the term 'place' and its associated vocabulary: location, country, nation, city and region. The results of the study depict the application of place brand terms in a generic manner from which guidance for the specific application of place terms may provide future consensus either implicitly or through the formation of distinctive place term definitions. Anholt (2010) describes in his conceptual paper that if a country is serious about enhancing its international image, it should concentrate on the national equivalents of 'product development' (and the effective and professional marketing of those 'products') rather than chase after the chimaera of branding. The author also describes that all relevant ideas, products and policies can, gradually, enhance the reputation of the country that produces them. Zenker (2011) describes that his paper presents an extensive review of

current place brand measurement studies and provides a conceptual framework for the elements of a place brand. Through these means, the paper offers a valuable concept for place branding and furthers the discussion of appropriate measurement approaches in the realm of place branding. Scaramanga (2012) states the purpose of this paper is to develop a conceptual framework to describe possible key features in the relationship between culture and place branding. Finally, the author describes in this paper that cultural aspect is related with the pre-existing reputation of a place. Further, it is connected with the minds of people, fostering the contentions of common essence between culture and branding. Fasli et.al, (2012) in this paper he aims to discuss the influence of iconic architecture through creating identifiable images on Quality of life. The paper, firstly, puts forward very briefly the Concepts of City Identity and Branding with an emphasis on city image, which is limited to the contribution of iconic buildings. Secondly, his paper discusses the contribution of iconic buildings through their meaning in terms of the image of the city to QOL.

Zavattaro (2013) the theoretical understanding developed in this article extends Goffman's theater metaphor to a view of place branding based on organization identity. The use of a trusted theory to give place-branding scholarship additional footing will enable public administration practitioners to better utilize the underlying principles of image management when crafting place-branding processes.

Zenker et.al, (2014) in This paper he highlights the importance of residents in the place branding process and argues that their special functions as ambassadors for the place constitute the most valuable assets in place branding. Thus, a participatory place branding approach involving residents is needed. To implement this approach, three stages are necessary: (stage 1) defining a shared vision for the place including core place elements; (stage 2) implementing a structure for participation; (stage 3) supporting residents in their own place branding projects

Based on the above reviews, we arrive at a theoretical framework as shown in Figure 1 that depicts the relationship between



Need of the study

A strong place brand should be at the heart of any communication strategy that aims to support the well-being and economic development of the place that it serves. In that case Place branding is the tool that can support a number of key corporate objectives for any council, most of which are firmly linked to economic development and that support provides to local businesses. The study is on place brand Coimbatore in order to know the perception of business people's image view on place Coimbatore and also which factor made more attracted for the business people to invest or make decision to do business in place Coimbatore.

OBJECTIVES OF THE STUDY

The author intends to study the relationship and influences of the study variables shown in the framework and hence framed the following objectives.

1. To know relationship between Brand Identity factors Perceived Quality, Impression, Brand Awareness, Function Value, Culture, Brand Image and Investment Decision Consideration
2. To know impact level of which Brand Identity factors Perceived Quality, Impression, Brand Awareness, Function Value, Culture and Brand Image have on Investment Decision Consideration

METHODOLOGY

Type of Study

A pilot study is done. Simple Random Sampling method is used. A questionnaire survey method was used to seek responses from business people in Coimbatore, India. 250 questionnaires were distributed among

200 questionnaires are valid and taken for the analysis. The analysis of the study was done using SPSS. Specific tools for specific objectives were used. Correlation and Regression analysis is used. Correlation is used to test the association among the factor place brand assets and investment decision considered. Regression is used analyze the strength of the independent and dependent variable.

Association between the Brand Identity factors Perceived Quality, Impression, Brand Awareness, Function Value, Culture, Brand Image and Investment Decision Consideration

TABLE 1 CORRELATION

		AVGPR	AVGIMP	AVGBI	AVGBA	AVGFV	AVGCUL	AVGIDC
AVGPR	Pearson Correlation	1	.744**	.670**	.726**	.651**	.550**	.788**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000
	N	300	300	300	300	300	300	300
AVGIMP	Pearson Correlation	.744**	1	.670**	.719**	.580**	.565**	.763**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000
	N	300	300	300	300	300	300	300
AVGBI	Pearson Correlation	.670**	.670**	1	.678**	.612**	.556**	.700**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000
	N	300	300	300	300	300	300	300
AVGBA	Pearson Correlation	.726**	.719**	.678**	1	.693**	.606**	.796**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000
	N	300	300	300	300	300	300	300
AVGFV	Pearson Correlation	.651**	.580**	.612**	.693**	1	.582**	.745**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000
	N	300	300	300	300	300	300	300
AVGCUL	Pearson Correlation	.550**	.565**	.556**	.606**	.582**	1	.665**
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000
	N	300	300	300	300	300	300	300
AVGIDC	Pearson Correlation	.788**	.763**	.700**	.796**	.745**	.665**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	
	N	300	300	300	300	300	300	300

Here in Table 1, it shows that there is a high and positive correlation or association between Place Brand Identity factors (Perceived Quality, Impression, Function Value, Brand Awareness and Culture), Brand Image and investment decision consideration. The association of factor Brand Awareness with Investment Decision Consideration indicates high and positive correlation ($r = 0.795$). The association of other factors like Perceived Quality ($r = 0.788$), Impression ($r = 0.763$), Function Value ($r = 0.745$) also indicates high and positive correlation with Investment Decision Consideration. This indicates that the Entrepreneurs of place Coimbatore considers these factors for their business investment

Strength of the Brand Identity factors Perceived Quality, Impression, Brand Awareness, Function Value, Culture, Brand Image and Investment Decision Consideration

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.892 ^a	.796	.792	.33739

a. Predictors: (Constant), AVGCUL, AVGPR, AVGFV, AVGBI, AVGIMP, AVGBA

Table 3

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-.338	.135		-2.512	.013
1 AVGPR	.259	.051	.232	5.102	.000
AVGIMP	.196	.046	.190	4.268	.000
AVGBI	.058	.038	.062	1.545	.123
AVGBA	.227	.049	.216	4.631	.000
AVGFV	.185	.034	.214	5.372	.000
AVGCUL	.143	.036	.140	3.941	.000

a. Dependent Variable: AVGIDC

From the table 5, the model summary indicates that the six Independent Variables have about 79.2 % influences on the value of Investment Decision Consideration. This shows that from table 6 the Brand Identity factors (Perceived Quality, Impression, Brand Awareness, Function Value and Culture) have statistically significant impact on the factor Investment Decision Consideration Whereas the factor Brand Image as the parameter states ($\beta = 58\%$, $t = 1.545$, $P = 0.123 \geq 0.05$) has no statistically significant impact on Investment Decision Consideration. Here the place manager needs to concentrate more on Brand Image like adapting more on innovation , evokes positive feeling for the business people and also helps the business people to adapt the government policies along with communicating the advantages of it to them.. Here the place manager also needs to give more attention on social responsibility which helps the various industries to stand together for the economic development.

RESULTS:

The main purpose of this paper is to study on place branding of Coimbatore based on how business people are attracted to the place Coimbatore for their investment. The First objective of this study is to know which brand identity factors attracted for the business people to invest on place brand Coimbatore. As the result indicates the Brand Identity factors have statistically significant effect on Investment Decision Consideration. This means the entrepreneurs consider all the factors as a important for the investment. The second objective of this study is on brand image of Coimbatore from the perspective level of business people. Here the result shows that Brand Image has no significant impact on Investment Decision Consideration.

CONCLUSION:

Based on the results it can be concluded that a place Coimbatore can be established as a strong brand among the target groups. There is a positive relationship between place brand Identity Factors (Perceived Quality, Impression, Function Value, Brand Awareness and Culture), and Brand Image on investment consideration and to promote their business. Place Managers can also concentrate on other factors like living condition, Tourism etc., which indeed help to enhance the place reputation of Coimbatore. As place reputation is said to be the combined of ideas held by external audiences which in fact plays an important role in the development and success of the particular place. Henceforth this pilot study can be taken forward on huge sample. Though there is a positive relationship on current image and brand attributes of place Coimbatore still there is a need to be considered and focus on Place Reputation and Desired Image of Coimbatore.

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