Exploring Brand Experience Dimensions for Cities and Investigating Their Effects on Loyalty to a City

İpek Kazançoğlu\textsuperscript{a} Taşkin Dirsehan\textsuperscript{b}

\textbf{Abstract:} The competitive environment in terms of tourists and investment attraction requires the strategic management of cities. The marketing literature in this topic relates to different dimensions, most importantly, the image, identity, and branding of a city, satisfaction, and the degree of loyalty that the city inspires. This study, as the major contribution to literature, aims to introduce a new competitive tool, ‘brand experience’ dimension to the city marketing literature based on Schmitt’s (1999) and Brakus et al.’s (2009) experience dimensions, and to reveal its use in measuring loyalty to a city. For this purpose, two consecutive studies have been conducted. The first study aims to explore the dimensions of brand experience in cities, and the second investigates the effects of these dimensions on “loyalty to a city”. The findings of the study reveal that city experiences consist of five dimensions: Social Activities & Leisure Time Experience, Affective Experience, and Taste Experiences, Disturbing Sensory Experience and Nature-Related Experience. Three of these dimensions (Affective experience, taste experience (food identified with city), nature-related experience) are found to positively affect loyalty to a city.

\textbf{Keywords:} Brand experience, city marketing, city branding, city experience, loyalty to a city

\textbf{JEL Classification:} M31, M39

\ \ \ \ \ \ \ \ 1. Introduction

\begin{quote}
In an increasingly competitive global marketplace, it has become more critical than ever for places to create a unique identity to differentiate themselves from competitors (Hudson and Ritchie, 2009). According to Florian (2002), cities have to develop original identities, and to provide a unique experience in order to create a unique city image. A city’s distinctive characteristics are built on a broad spectrum of cultural events and institutions, sporting activities, festivals, and a variety urban recreation (parks, café-culture), new residential areas, aesthetic upgrading of the city’s public spaces and conservation of important building environment/architecture. These marketing activities help to create the positive image needed to attract and retain talented people, existing business and investment opportunities as well as tourists. In this context, cities seek to create and promote their own unique identity and to build and develop the experiences offered to tourists and residents alike. To ensure successful city branding, marketers should focus on the experience of both residents and tourists, and develop market messages based on these experiences. Warnaby (2009) indicates that “citizens and organizations reside in/locate to a particular city in order to realize a variety of experiences and benefits, arising from their use of the configuration of physical and social resources and attractions located therein”.
\end{quote}
The most valuable city assets are the residents themselves, who, through their creativity, attract further residents, workers, investors and visitors. Place brand management is customer-orientated and is related to perception management, the residents are seen as a target market, therefore the residents’ perception plays a key role in the place branding process (Zenker, 2009; Zenker and et al., 2010; Zenker and Petersen, 2010; Zenker and Braun, 2010; Zenker and Beckmann, 2013). Braun, et al.’s (2010) study shows that sustainable place branding is impossible without the participation in all branding stages of residents, who are brand ambassadors for their places. The encounter between residents, who seek experiences, and cities which aim to offer these experiences, creates the “experience economy”. The driving force behind this economy is actual experience, regardless of where it is created and communicated. This can be achieved via museums, theatres, festivals, and the creation of city identity, storytelling or branding. The sense of place is an experience created by physical and social contacts, and interaction between individuals and the particular environment or setting, and valuable attractions include cultural activities, entertainment and nightlife, the atmosphere of a city, degree of pollution, shopping opportunities, and a wide range of outdoor events (Lodge, 2002; Morgan et al., 2002; Evans, 2003; Baker and Cameron, 2008; Zenker, 2011). Tangible and intangible elements of cities are affected consumer’s perception of a particular place (Parkerson and Saunders, 2004). Tangible elements involve a city’s culture, history, nightlife, shopping, infrastructure, housing, or business zones; intangible elements are the personality, the emotional aspects and values of places. In this context, this study sets out to explore and understand residents’ experiences and then use this knowledge to assist the strategic development of the city. In particular, city developers need to understand the associations that residents make with the city, and how these originate, and how they can be leveraged to further the city’s development (Asplund, et al., 2011).

This paper investigates the applicability of a specific brand construct, i.e. brand experience, in place branding. There are three specific research objectives for this study: (1) to understand the residents’ experiences of their own cities, which is critical for developing marketing strategies; (2) to explore dimensions of a city; (3) to explore the relationship between the dimensions of city experience and loyalty to a city.

In the first section of the study, the literature relating to city branding, city experiences as a brand and loyalty to city is discussed. Following this, the research design and the results of the study are presented. The study is concluded by outlining implications and recommendations for practitioners, the limitations of the study, and opportunities for further research.

2. City Marketing Approaches In Literature

Increasing competition among large cities in the world has led to the increased use of marketing strategies. The reasons for developing strategies for cities are: to attract tourists, visitors and investments, to attract businesses from other cities, to sustain and develop businesses, and increase the population (Deffner and Liouris, 2005; Altunbaş, 2007). In city marketing, residents evaluate physical, symbolic and other elements of their city (Kavaratzis and Ashworth, 2005). In recent years, city marketing has attracted the attention of academicians and practitioners, who have used branding strategies as an approach to the integration, guidance and focus on the process place management. The concept of place is used in the business literature and branding journals and the concept of branding is relevant at the city level (Walker, 2012). Keller (1993); Keller and Lehmann (2006) defined brand as
the concept that shapes customers’ mental brand representations and evaluations, and therefore is based on the perceptions of the different target groups in cities, making branding a multi-faceted subject. The early studies of place marketing (O’Leary and Iredal, 1976) throughout the 1980s and early 1990s concentrated on the promotional and selling aspects of places (Ashworth and Voogd, 1990). Place brand management, however, cannot be limited to promotional activities. This literature is based on urban policy and tourism (Hankinson, 2010), which has only a weak relation with marketing theory (Borchert, 1994). In 1990s, some researchers (Ashworth and Voogd, 1990; Van den Berg and Braun, 1999) utilized the non-profit marketing literature to develop a strategic planning theoretical framework for place marketing. As recognized in the publications of Kotler et al. (1993; 1999; 2002), in 2000s, is place marketing, place was conceived as a corporate brand which aimed to meet the needs of the local business and residents (Barke, 1999; Kavaratzis, 2004), creating emotional and psychological bonds with the place through communication mix (Kavaratzis and Ashworth, 2005). Braun (2008) defined place marketing as “the coordinated use of marketing tools supported by a shared customer-oriented, for creating, communicating, delivering, and exchanging urban offerings that have value for the city’s customers”. The aims of place marketing have been described as being “to maximize the efficient social and economic functioning of the area concerned, in accordance with whatever wider goals have been established” (Ashworth and Voogd, 1990). Another definition states that place marketing is the process of promoting, selling, distributing, and communicating places as products and services. In contrast, branding of places gives greater emphasis to visual identity, image building and profile in order to create strong association for their cities (Lucarelli and Berg, 2011). In recent years, due to increased competitiveness, the branding of places has gained popularity. City brand ranking indexes include the Anholt-GMI City Brands Index (Anholt, 2006) and the Saffron European City Brand Barometer (Hildreth, 2008). Place branding encompasses the literature of areas such as destination branding, nation branding, regional branding and city branding. Braun and Zenker (2010) defined place brand as “a network of associations in the consumers’ mind, based on visual, verbal and behavioural expressions of a place, which is involved through the aims, communication, values, and the general culture of the place’s stakeholders and overall place design.” A description by Rainistro (2001) emphasizes bringing added attraction to a place, and building the branded identity of a place. A number of researchers, including Rainistro (2003), Knox and Bickerton (2003), Hankinson (2004), Kavaratzis (2004), Trueeman et al. (2004) and Hankinson (2007) have all attempted to implement the concept of corporate-level branding theories and methodologies developed in place branding. Services branding literature is an additional input into the development of place branding theory (Warnaby and Davies, 1997; Hankinson, 2009). In the past, the place branding literature was based on the tourism marketing field, which particularly investigated external audiences, such as those on short visits (Zenker, et al., 2010). In respect to the management of brand image, however, the brand experience of a wide range of stakeholders, including residents, are investigated (Insch and Florek, 2008; Zenker, 2009; Hanna and Rowley, 2011). Place branding focuses on residents’ perceptions and images, a useful starting point for the process of city marketing, i.e. the management of the image of a place. The brand therefore becomes the interface between perceptions the government and the residents. Zenker and Beckmann (2013) stated that place branding focuses on the perceptions of the different target groups, and aims to develop strategies for advanced place brand management. For example, the investigations of tourists’ perceptions are focused on leisure facilities, such as shopping malls or cultural offerings; investors, on the other hand, are more interested in business aspects (Zenker and Braun, 2010). A branded place increases awareness of the location, creates the perception of a positive atmosphere and promotes
desirable associations for their own cities. In another definition, Aaker (1996) defined city branding as a multidimensional construct, involving functional, emotional, relational and strategic components that are integrated into a unique set of associations in the consumer’s mind. Branding strategies of cities can be taught as a tool for creating competitive advantage in order to revitalize investments and tourism as well as strengthen regional personality (Kavaratzis, 2004). Another aspect of a successful brand is that it satisfies functional, symbolic and emotional needs, and a city brand should also be augmented to respond customer needs, so that it represents a unique proposition (Rainisto, 2003).

In the city marketing -more specifically city branding- literature, there is a limited amount of empirical research, although this has increased in recent years, especially in the last decade. The major contributions in the field are summarized in the Table 1.

<table>
<thead>
<tr>
<th>Researcher(s)</th>
<th>Research Subject</th>
<th>Contributed Research Findings and Brand Dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limburg (1998)</td>
<td>Identification of important levels of attributes in city marketing</td>
<td>The important attributes for city are found to be (in importance order): Events, history, shops and pubs.</td>
</tr>
<tr>
<td>Hankinson (2001)</td>
<td>Exploration of the role of branding for 12 cities in the UK</td>
<td>Organizational complexity and control, the management of partnerships, product complexity and the measurement of success.</td>
</tr>
<tr>
<td>Hankinson (2004)</td>
<td>Proposal of a conceptual model of place branding. This model is based on relational and network marketing paradigms for destinations</td>
<td>The relational network brand as a service-oriented approaches, involves stakeholder engagement, infrastructure (access service, hygiene facilities (car parks, toilets, and open spaces) and the brandscape (destination’s heritage)), media (publicity, public relations, advertising), and service (retailers, hotels, events and leisure activities) relationship. The core brand involves brand personality, positioning and reality.</td>
</tr>
<tr>
<td>Trueman et al. (2004)</td>
<td>Application of corporate identity methodology to the city of Bradford</td>
<td>The “communicated” identity matches the “actual identity”, local policy makers are to find common ground to build an “ideal” identity, negative media images that give the city a “problem” label in terms of a negative “conceived” identity, to develop a “desired” identity to meet the of different communities</td>
</tr>
<tr>
<td>Hankinson (2005)</td>
<td>Identification of brand images from a business tourist perspective in 15 English Cities</td>
<td>Physical environment Brand attitudes People</td>
</tr>
<tr>
<td>Trueman et al. (2007)</td>
<td>Understanding of stakeholder perceptions that contribute brand regeneration in Bradford, UK</td>
<td>Positive assets (e.g. environment, location, architecture, people and infrastructure), Negative assets (e.g. poor air quality, poor visual appearance, lack of cleanliness, transport problems, crime and poor facilities)</td>
</tr>
<tr>
<td>Author(s)</td>
<td>Description of Previous Researches on City Marketing to City Branding</td>
<td></td>
</tr>
<tr>
<td>-----------</td>
<td>--------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Martinez et al. (2007)</td>
<td>Description of city image dimensions and the relationship between image and satisfaction of residents in Granada.</td>
<td></td>
</tr>
<tr>
<td>Archival appeal, urbanistic appeal, heritage preservation, pollution problems, environmental commitment, social problems, commerce and tourism, importance of the university and citizen self-perception. The effect of city image on satisfaction is also shown using a structural model.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greenness, Cultural and ethnic diversity, Soviet-styled buildings, Leisure time activities.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kavaratzis and Ashworth (2008)</td>
<td>Identification of the stages of the place marketing development and understanding significant issues.</td>
<td></td>
</tr>
<tr>
<td>Collective agreement on place marketing, Coordination and cooperation between all stakeholders, Expansion into other fields, Local communities participation in place branding process, Measuring the place rankings.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vision and Strategy, Internal Culture, Local Communities (local residents, entrepreneurs and businesses), Synergies, Infrastructure, Cityscape and Gateways, Opportunities (urban lifestyle, good services, education etc; financial, labour), Communications.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freire (2009)</td>
<td>Identification of local people as the important factor for a place branding process.</td>
<td></td>
</tr>
<tr>
<td>Local people are a critical dimension in differentiating and selling the place brands.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social bonds, sun and surf brand personality, business creativity, safety, nature, cultural activities, shopping facilities and clean environment are the major antecedents of city brand attitudes.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The study reveals two new dimensions for cities’ brand personality: Malignancy and conservatism.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collaboration and engagement with stakeholders (youth groups, local artists representatives, business people and tourists). Education and quality of life as key areas of reinforcement city branding.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hankinson (2010)</td>
<td>Identification of potential research areas based on a thematic review of the mainstream branding and place branding literatures through cross-disciplinary study. Takes into account the views of practitioners and managerial applications.</td>
<td></td>
</tr>
<tr>
<td>Brand architecture (well-served by hotels, attractive historical buildings), stakeholder management, brand funding and brand reality (match the brand experience to the brand promise).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zenker et al. (2010)</td>
<td>Evaluation of the perception of the different target groups in the city of Hamburg.</td>
<td></td>
</tr>
<tr>
<td>Brand associations strongly differ between the various target audiences to differentiate brand communication.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Exploring Brand Experience Dimensions for Cities and Investigating Their Effects on Loyalty to a City

3. Integrating Experience Dimension For City Branding

As competition is increasing in almost every sector, new competitive advantages are being explored in the literature, including the consideration of ‘experiential marketing’ by managers. In the field of marketing, human senses have received much attention from both academicians (Holbrook and Hirschman, 1982; Schmitt, 1999; Hultén et al. 2009; Krishna, 2010), and practitioners (Gobé, 2001; Lindstrom 2005, 2008; Underhill, 2009). Experiential marketing is an emerging marketing management philosophy derived from the concept of experience economy. It focuses on the emotional aspects of consumers in addition to their rational aspects, in order to create positive and memorable customer experiences (Schmitt, 1999; Berry et al., 2002; Meyer and Schwager, 2007; Shaw, 2007; McCarthy and Ciolfi, 2008). In terms of consumer - organization interaction, the consumption experience is a response to a corporate stimulus, which takes the forms of sensory, affective, creative cognitive, physical and social identity (Zarantonello, 2008). From consumers’ perspective, “experiences are enjoyable, engaging, memorable encounters for those consuming these events” (Oh et al., 2007). Schmitt (1999) proposes five strategic experience modules, which are defined as follows: Sensory Experience or SENSE marketing appeals to the senses to create sensory experiences, through sight, sound, touch, taste and smell; affective experience or FEEL marketing appeals to customers’ inner feelings and emotions, to create affective experiences that range from mildly positive moods linked to a brand to stronger emotions of joy and pride; creative cognitive experience or THINK marketing appeals to the intellect, to create cognitive, problem-solving experiences that engage customers; ACT marketing can be identified by physical experiences, behaviors and lifestyles enriches customers’ lives by targeting their physical experiences, showing them alternative ways of doing things, alternative lifestyles and interactions; finally, social identity experience or RELATE marketing contains aspects of SENSES, FEEL, THINK and ACT marketing. However, RELATE marketing expands beyond the individual’s personal, private feelings, thus causing individuals to relate to concepts that are usually outside their private states and social identity (Schmitt, 1999). It is a brand experience where brand-related stimulus evokes “sensations, feelings, cognitions

<table>
<thead>
<tr>
<th>Table 1. Summary of Contributions of Previous Researches on City Marketing to City Branding</th>
<th>Determination of student perceptions for Liege (a university town) and using BCM (Brand Concept Mapping) for cities</th>
<th>The results indicate that Liege is recognized for its nightlife, its young population and its historical heritage.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brandt and Mortanges (2011)</td>
<td>Development of a multi-level conceptual model of strategic place brand management</td>
<td>Brand evaluation; brand infrastructure relationships; place brand articulation; and brand communications</td>
</tr>
<tr>
<td>Hanna and Rowley (2011)</td>
<td>Identification and analysis of the main characteristics of city branding literature</td>
<td>Sales, promotion, regeneration, marketing and branding of cities.</td>
</tr>
<tr>
<td>Lucarelli and Berg (2011)</td>
<td>Proposal for a relational branding communication process, based on Hankinson (2004) network relational branding for places</td>
<td>The residents’ corresponding constructs of image, affect, position and brand identity is added to the conceptualization of the relational place branding, except personality, positioning.</td>
</tr>
<tr>
<td>Walker (2012)</td>
<td>Focus on the stakeholder participation in the creation, development and ownership of place brands</td>
<td>Participatory branding means all the stakeholders’ participating in place branding and investment, and two way communication. Understand what stakeholders feel and think about their own place.</td>
</tr>
<tr>
<td>Kavaratzis (2013)</td>
<td>Participatory branding means all the stakeholders’ participating in place branding and investment, and two way communication. Understand what stakeholders feel and think about their own place.</td>
<td></td>
</tr>
</tbody>
</table>
Brand experience has been used in previous research as the antecedent for customers’ future behaviors. Researchers including Brakus et al. (2009) have revealed the multidimensional aspects of experience, and its relationships to customer satisfaction and loyalty (Harrison and Shaw, 2004; Brakus et al., 2009).

Schmitt (1999) states that brands are a new source of sensitive, affective and cognitive associations. He has been shown that these associations result in memorable experiences related to cities (Popescu, 2009). As experiential marketing focuses on consumers’ experiences and this experience will have a positive effect on emotional aspects, it has been considered important to investigate emotional and symbolic attachment to places (Williams et al., 1992). In parallel to this point of view, Hudson and Ritchie indicated that to be successful destination brands should present a memorable travel experience in their promise to be successful (Hudson and Ritchie, 2009). It is clear; therefore that brand experience can be used as a competitive strategy in the case of cities (Pine and Gilmore, 1998). Furthermore, this emotion also has a positive effect on behavioral intention through the mechanism of satisfaction (Tsaur, et al. 2006: 47). The city is a place that gives a multisensory experience as a part of the everyday experience of residents. Residents’ experience of the city is realized actively (i.e. seeking out activities) and passively (e.g. hearing music through open windows) and both experience types will have sensory effects that will shape residents’ feelings about their cities. Mo et al. (1993) and Murphy et al. (2000) proposed a conceptual model consisting of two concepts that influence both tourists’ and residents’ experience: overall environment (e.g. social and culture features), and constructed service infrastructure (e.g. transportation, food and lodging services). Service infrastructure consists of many factors, including shopping, recreation and attraction services, food and travel, transportation and accommodation services. Destination environment includes natural resources such as scenic landforms, flora and fauna (Dunn and Iso-Ahola, 1991); political/legal factors, such as the political stability, foreign policy, or government policy; technological factors (e.g., power supply, use of computer technology and communications etc.) (Choy, 1992; Johnson and Edwards, 1994); economic conditions such as currency exchange, market behaviour and pricing (Dieke, 1991; Stevens, 1992); cultural factors such as authentic local culture, its history, institutions and customs (Cohen, 1988; Prentice, 1993); and finally, social factors such as the friendliness of the local people, the language spoken, family structures, occupations, urban layout and population density (Machlis and Burch, 1983; Canestrelli and Costa, 1991).

While the literature contains a number of studies on the city image, identity, personality and branding, there is a need for further studies on “the city as brand experience” and its determinants, as these have received less attention. This paper aims to determine the brand experience dimension for cities, using Schmitt’s and Brakus et al.’s (2009) experience dimensions as the reference point. For this purpose, two consecutive studies have been conducted which will be discussed in the research methodology part of this study.

4. Indicators Of “Loyalty To City” Dimension

Oliver (1999) defines loyalty as “a deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior”.
Loyalty to a city can be described as the pride a city inspires, or psychological attachment to it. A small number of researchers developed a destination loyalty scale to measure emotional bond to the place. Destination loyalty has been investigated by Oppermann (1997), Chen and Gursoy (2001), Pereda (2002), Yoon and Uysal (2003), Kim, Lee, Hiemstra (2004), Alegre and Juaneda (2006), Gallarza and Saura (2006), Oom do Valle et al. (2006), Alexandris, K., Kouthouris, C., and Meligdis, A. (2006), Jang and Feng (2007), Chi and Qu (2007), Lee, et al. (2007), Kim (2008), Simpson and Siqiuaw (2008), Li and Petrick (2010), Yuksel et al. (2010), Dawson, Havitz, Scott (2011), McKercher, Denizci-Guillet and Ng (2012), Coll, et al. (2012), and Liu, et al. (2012). These studies, focused variously on firm or destination, all examined the affect of travel experience on indicators of loyalty, such as repeat usage, intention to revisit, continuing purchase of the service, positive word of mouth communication intention, willingness to recommend, etc. McAlester and et al. (2003) found that customer satisfaction depended on consumption experience, and affected customer loyalty. Residents are known to have the greatest impact on the development and marketing success of the place, therefore a lack of commitment or a sense of pride or local patriotism of the inhabitants can damage the potential of the city brand. These relationships are constituted through a repository of shared memories and traditions. It seems importantly therefore, for city managers to implement a variety of programmes and interventions to enrich, enhance, maintain, modify or create desired levels of city loyalty, which is strongly independent on the degree of “residents loyalty”, in order to build up the image of the city.

This paper is of value to researchers seeking to comprehend the possible interpretations of place loyalty and to city managers seeking a better understanding of the processes involved in the recognition, creation, measurement and monitoring of the loyalty of city.

5. Research Methodology

As indicated in the literature part, this study aims to reveal city experience dimensions and to indicate their positive effect on city loyalty. For this purposes, two consecutive studies have been conducted in order to accurately measure the experiences of a city, and to test the impact of these experiences on loyalty to a city.

5.1. First Study: Determining City Brand Experience Dimensions

The first study aims to reveal the city brand experience dimensions, which are mainly based on the studies of Schmitt (1999) (Sensory, affective, creative cognitive, behavioral and social dimensions) and Brakus et al. (2009). To focus on the city concept, some items were added, in accordance with the city marketing literature and expert opinion (selected by professors based on their city marketing knowledge), then authors adapted the items through a process of revision. Following this, the final version was prepared with some adjustments, as follows: a total of 116 items were listed and reviewed, and those with similar meanings were eliminated, resulting in a 107-item list. A 5-point ‘Likert’ scale ranging from “strongly disagree (1)” to “strongly agree (5)” was utilized. Finally, the last section consisted of demographic questions related to the respondent’s gender, age, income level and occupation. The questionnaire was originally prepared in Turkish.

To test the items a pilot study to test the items was conducted in two major cities of Turkey; Istanbul (Marmara University) and Izmir (Ege University). The items were given in a random order to avoid the halo effect in the questionnaire. Students of Business
Administration were given the questionnaires specially prepared for their respective city, Izmir and Istanbul. Istanbul is the largest city in Turkey with a population of over 13 million, and is a unique destination reflecting the country's diverse economic, cultural, historical, and geographical characteristics. According to the MasterCard Global Destination Cities Index (2012), Istanbul has been ranked the fifth most popular destination in the world among the twenty top cities, and ranked third in the Europe Top 10 destination cities by international visitors (Wong-Hedrick, Y., 2012). This Index also indicated that Istanbul shares the eighth rank position at 14.7% growth in the World's Top 20 Fastest Growing Destination Cities by visitors. Izmir is the third city in Turkey, with a population of 3.9 million in the metropolitan area, located on the western coast on the Aegean Sea. It is a significant Mediterranean port, situated on the Gulf of Izmir. Izmir Development Agency prepared “Izmir City Marketing Plan” in order to understand the perception of tourists, residents, businessmen and investors, which reveal that Izmir is perceived to be a good place to live, a safe and tourist-friendly city by residents, visitors and foreigners and also recognized for its natural beauty and historical wealth. This report indicated that Izmir is associated with positive attributes such as friendly, warm, cultivated, modern and evokes positive images such as fun, entertaining, pleasant, warm, attractive, cultivated, sophisticated, cultured, elite, elegant, active and dynamic. The residents are very satisfied to be living in Izmir (83%) and are proud of their city. The report points out that Izmir’s brand promise possesses values such as modernity, secure, authenticity, real stories, relaxed lifestyle, high standard of living, and is associated with walking trails, thermal springs, local cuisine, organic vegetables, fresh production, festivals, music, and art.

In March 2012, a questionnaire survey was conducted among 210 students from the Faculty of Economics and Administrative Sciences, Ege University in Izmir and Marmara University in Istanbul using a convenience sampling method. The questionnaires, which took 10-15 minutes to complete, were distributed in the classes and campus area by three research assistants, who had been informed of the content. A total of 210 students responded to the questionnaires (100 from Izmir and 110 from Istanbul). 52% of the respondents were men and 48% were women. Since this study is exploratory by nature, it does not aim to generalize the results to population.

In accordance with the research purpose, a factor analysis with Varimax rotation has conducted to reduce the number of items for city brand experience dimensions. Kaiser-Meyer-Olkin measure is 0.876 and Bartlett’s Test of Sphericity is significant (p<0.05). With 8 factors, 65.066% of the variables are explained. The items with loadings lower than 0.5 were removed.

5.2. Second Study: Finalizing The Dimensions And Measuring The Impact Of Experiences Of City As Brand On Loyalty To City

In order to test the stability of the items collected from the first study, a second study was conducted in Istanbul and Izmir in which business and management students were excluded to ensure a different sample. In addition, 6 items of loyalty to city adapted from the literature were added to the 41 experience items. The loyalty items are based on the studies of Back and Parks (2003), Yoon and Uysal (2003), Back (2005), Lee et al. (2007), Yuksel et al. (2010), and Coll et al. (2012).
A total of 406 usable questionnaires were collected in August and October 2012. 54.2% of the sample was from Istanbul and 45.8% from Izmir. 59.1% were women, and 40.9% were men. The age of the majority (76.6%) was between 20 through 39. The mean of income level (3,9814) was between 2.001-3.000 TL. Because of these features, the sample cannot be seen as fully representative of the Turkish population as a whole.

In order to reduce the scale dimensions, exploratory and confirmatory analyses were conducted. The exploratory analysis with 0.853 KMO and significant and Bartlett’s Test of Sphericity (p<0.05) arrived at a 6-factor solution, with explained variables of 60.880%, including 25 items which have loadings greater than 0.5.

Subsequently, the t-tests for each item were examined with confirmatory factor analysis. Items with insignificant t-test were excluded, using a step by step approach. The final version of the scale consists of 6 factors with 21 items. The CFA results for City Experience Dimensions are illustrated in the Table 2.

<table>
<thead>
<tr>
<th>Latent Variable</th>
<th>Observed Variable</th>
<th>Standardized Coefficient</th>
<th>$R^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Activities &amp; Leisure Time Experience</td>
<td>The city ... is an active city.</td>
<td>0.70</td>
<td>0.49</td>
</tr>
<tr>
<td></td>
<td>The city ... hosts important political, cultural, artistic and sports events activities.</td>
<td>0.73</td>
<td>0.54</td>
</tr>
<tr>
<td></td>
<td>There are enough recreation areas in the city ...</td>
<td>0.76</td>
<td>0.57</td>
</tr>
<tr>
<td></td>
<td>There are many alternatives for shopping in the city ...</td>
<td>0.65</td>
<td>0.42</td>
</tr>
<tr>
<td></td>
<td>I can watch impressive shows in the city ...</td>
<td>0.70</td>
<td>0.49</td>
</tr>
<tr>
<td>Affective Experience</td>
<td>Living in the city ... enthuses me.</td>
<td>0.73</td>
<td>0.53</td>
</tr>
<tr>
<td></td>
<td>Living in the city ... is entertaining.</td>
<td>0.73</td>
<td>0.53</td>
</tr>
<tr>
<td></td>
<td>Living in the city ... makes me feel happy.</td>
<td>0.89</td>
<td>0.79</td>
</tr>
<tr>
<td></td>
<td>I love the city ...</td>
<td>0.72</td>
<td>0.53</td>
</tr>
<tr>
<td></td>
<td>The city ... makes me feel free.</td>
<td>0.73</td>
<td>0.53</td>
</tr>
<tr>
<td>Observable Experience</td>
<td>It is worth seeing the architectural buildings of the city ...</td>
<td>0.59</td>
<td>0.35</td>
</tr>
<tr>
<td></td>
<td>The city ... is a mystic city.</td>
<td>0.59</td>
<td>0.35</td>
</tr>
<tr>
<td></td>
<td>The city ... is impressive due to its historical richness.</td>
<td>0.73</td>
<td>0.53</td>
</tr>
<tr>
<td></td>
<td>There are interesting places in the city ...</td>
<td>0.79</td>
<td>0.63</td>
</tr>
<tr>
<td>Taste Experience (Food Identified with City)</td>
<td>I know the cuisine specific to the city ...</td>
<td>0.62</td>
<td>0.38</td>
</tr>
<tr>
<td></td>
<td>I enjoy the cuisine specific to the city ...</td>
<td>0.85</td>
<td>0.72</td>
</tr>
<tr>
<td>Disturbing Sensory Experiences</td>
<td>Some places in the city ... smell unpleasant due to sea</td>
<td>0.58</td>
<td>0.33</td>
</tr>
<tr>
<td></td>
<td>There is noise pollution in the city ...</td>
<td>0.85</td>
<td>0.73</td>
</tr>
<tr>
<td></td>
<td>There is visual pollution in the city ...</td>
<td>0.72</td>
<td>0.52</td>
</tr>
<tr>
<td>Nature-Related Experiences</td>
<td>The city ... preserves its natural beauty.</td>
<td>0.74</td>
<td>0.54</td>
</tr>
<tr>
<td></td>
<td>The green areas of the city ... are extensive.</td>
<td>0.69</td>
<td>0.48</td>
</tr>
</tbody>
</table>
The constructs finally emerged after the factor analyses were named, as follows: The first variable assesses the places existing in a city for leisure activity or for participation in social activities. This determines whether a city has the potential for different activities such as cultural, artistic and sports activities, shopping malls and the opportunity to engage in leisure activity, for example, in recreation areas or entertaining shows. Thus, this factor is named as Social Activities & Leisure Time Experience. The second factor reflects Brakus et al.’s (2009) affective experience. This measures a city’s affective associations, such as enthusiasm, entertainment, happiness and love. The observable experience is so named because it indicates the residents observations about the city in terms of architectural buildings, historical places and spiritual image. Places are associated with local cuisine, which differentiates them from other places. Taste experiences of individual cities often indicates the degree of belonging a person feels. Schmitt’s (1999) sense experience in the city context was adapted to create another factor, disturbing sensory experiences. This includes unpleasant smells, noise pollution and visual pollution, which have a negative effect on the senses. Finally, Nature-Related Experiences represents a city’s natural beauty and the green areas, which influence people visually, creating feeling of happiness and the potential for enjoyable times spent with friends or family members.

To finalize the dimensions of city experiences, the reliability and validity measures were analyzed. The reliability analysis was calculated based on the Cronbach’s Alpha value for each factor. They are all greater than 0.6, indicating acceptable measures for an exploratory analysis.

Construct reliability (CR) was calculated based on the confirmatory factor analysis (CFA). The results indicate good reliability, since the values are around or greater than 0.7.

### Table 3. Correlations, Reliability and Validity Measures for City Experience Dimensions

<table>
<thead>
<tr>
<th></th>
<th>Social Activities &amp; Leisure Time Experience</th>
<th>Affective Experience</th>
<th>Observable Experience</th>
<th>Taste Experience (Food Identified with City)</th>
<th>Disturbing Sensory Experience</th>
<th>Natural Experience</th>
<th>Number of Items</th>
<th>Cronbach’s Alpha</th>
<th>AVE</th>
<th>CR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Activities</td>
<td>0.709</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&amp; Leisure Time</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Experience</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affective Experience</td>
<td>0.129**</td>
<td>0.763</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Experience</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Observable Experience</td>
<td>0.579**</td>
<td>0.255**</td>
<td>0.681</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>0.762</td>
<td>0.463</td>
<td>0.773</td>
</tr>
<tr>
<td>Taste Experience</td>
<td>0.231**</td>
<td>0.332**</td>
<td>0.173**</td>
<td>0.744</td>
<td></td>
<td></td>
<td>2</td>
<td>0.673</td>
<td>0.553</td>
<td>0.706</td>
</tr>
<tr>
<td>(Food Identified with City)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disturbing Sensory</td>
<td>0.220**</td>
<td>0.069</td>
<td>0.230**</td>
<td>0.188**</td>
<td>0.725</td>
<td></td>
<td>3</td>
<td>0.776</td>
<td>0.526</td>
<td>0.765</td>
</tr>
<tr>
<td>Experiences</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Experiences</td>
<td>0.065</td>
<td>0.278**</td>
<td>0.097</td>
<td>0.244**</td>
<td>0.192**</td>
<td>0.715</td>
<td>2</td>
<td>0.677</td>
<td>0.512</td>
<td>0.676</td>
</tr>
</tbody>
</table>

**Correlation is significant at the 0.01 level.
Numbers in diagonals represent the squared root of AVE.
In terms of validity, average variance extracted (AVE) measures were calculated based on CFA. Five out of six factors achieved validity, with AVE values higher than 0.5, and the squared root of AVE is greater than the correlation between the factors (Fornell and Larcker, 1981). Since the AVE value did not achieve the limit of 0.5, observed experience was excluded from further analyses.

The factor analysis was conducted to identify loyalty to city factors. This factor had an eigen value greater than one and explained 78.3% of the variance. Also, Cronbach’s alpha coefficients were calculated in order to check the internal consistency and reliability of this factor. Factor loadings were 0.78 and alpha coefficients were 0.85, indicating a high internal consistency and reliability for the factors.

5.3. Analyzing The Differences Between Istanbul And Izmir Based On Their City Experiences

This part of the study aims to identify the differences between Istanbul and Izmir based on factors explored in the city experience studies and the loyalty to city dimension. Therefore, the hypotheses are developed as follows:

$H_1$: There is a statistically significant difference between Istanbul and Izmir in terms of loyalty to city.

$H_2$: There is a statistically significant difference between Istanbul and Izmir in terms of experiences of a city as a brand (social activities and leisure time experience, affective experience, nature-related experience, taste experience and disturbing sensory experience).

To test $H_1$ and $H_2$, t-test analyses were conducted. According to the results, Istanbul and Izmir differ based on all experiential dimensions and loyalty to city dimension ($p<0.05$). The results are provided in the Table 4.

| Table 4. Comparison of Cities for Experiential Dimensions and Loyalty to City |
|---------------------------------|---|---|---|
| City                          | N  | Mean | Std. Deviation |
| Loyalty to City                |    |      |                |
| Izmir                         | 157| 3,89 | ,85           |
| Istanbul                      | 220| 3,39 | ,80           |
| Social Activities & Leisure Time Experience |    |      |                |
| Izmir                         | 177| 3,52 | ,74           |
| Istanbul                      | 220| 4,24 | ,59           |
| Affective Experience          |    |      |                |
| Izmir                         | 177| 4,07 | ,77           |
| Istanbul                      | 220| 3,74 | ,86           |
| Nature-Related Experience     |    |      |                |
| Izmir                         | 177| 3,00 | ,90           |
| Istanbul                      | 220| 2,49 | ,98           |
| Taste Experience (Meals Identified with City) |    |      |                |
| Izmir                         | 177| 4,14 | ,79           |
| Istanbul                      | 220| 2,98 | ,90           |
| Disturbing Sensory Experiences |    |      |                |
| Izmir                         | 177| 2,39 | ,92           |
| Istanbul                      | 220| 1,82 | ,88           |
All t-tests indicate that the differences are significant at the 0.01 level.

The results indicate that the mean of Istanbul in terms of “Social Activities & Leisure Time Experiences” is significantly higher than the mean of Izmir, and for other dimensions. The differences are illustrated in the Figure 1. So $H_1$ and $H_2$ are accepted.

**Figure 1. Illustration the Differences between Izmir And Istanbul In Terms Of The Dimensions Of City Brand Experiences**

5.4. Analyzing the Impact of City Experiences On Loyalty To City

In this part of the study, the impacts of city experience dimensions explored are examined separately on loyalty to city dimension. The hypothesis is as follows:

$H_3$: Experiences of a city as a brand affects loyalty to city.

To test the hypothesis, a linear multiple regression analysis was conducted. The model shows that 45.5% of the change in loyalty to city is explained by city experience dimensions. Durbin - Watson value (1.840) indicates that there is no autocorrelation between dimensions. ANOVA analysis indicates that the model as a whole is significant ($F= 61.841; p<0.01$).

Three dimensions’ coefficients are statistically significant: Affective Experience ($t= 12.043; p<0.01$), Nature-Related Experience ($t= 3.018; p<0.01$) and Taste Experience (Food Identified with City) Experience ($t= 4.898; p<0.01$). Their importance orders according to beta coefficients are:
1. Affective Experience (Beta= 0.516),

2. Taste Experience (Food Identified with City) (Beta= 0.213),

3. Nature-Related Experience (Beta= 0.125).

Three dimensions of city experience out of five are found to be significantly antecedent of loyalty. So, H₃ is partially accepted.

6. Discussion

City marketing literature recognizes a wide area and growing attention of research from different perspectives. As summarized in Table 1, cities are often investigated in terms of target groups, network marketing, identity, perceptions and communication to develop marketing strategies. More specifically, they are also investigated as place brands to develop adequate branding strategies according to their brand image, brand personality, brand attitudes and relational branding. The necessity of considering a city as a brand derives from the need of differentiation in a competitive environment. For this purpose, in brand literature, another approach offered as an effective competitive tool for brands is brand experiences (Schmitt, 1999; Meyer and Schwager, 2007; Shaw, 2007; Zarantonello, 2008; Brakus et al., 2009). To fulfill the brand experience gap in city branding, this study tries to propose the "experiential tool" to "city brands", exploring its dimensions and investigate their effects on loyalty. This goal requires two consecutive studies.

The first study, aiming to explore experience dimensions of cities is based on Schmitt’s (1999) and Brakus et al.’s (2009) experience dimensions. Compared to other studies, this study reveals similar results, although there have some differences in the brand experience dimensions. While the results for affective experiences are similar to previous studies, this study is organized rather differently: sensory experiences reveal two dimensions, and secondly the taste experience related to food identification on a city. Relate experiences are designated as more specifically Social Activities & Leisure Time Experience, and a further dimension was added, Nature-Related Experience.

While the first study explores loyalty in relation to cities’ brand experience, the second aimed to measure the effects of this experience. In order to achieve this, it uses explored city experience dimensions and loyalty to city dimensions derived from the following studies: Back and Parks (2003), Yoon and Uysal (2003), Back (2005), Lee et al. (2007), Lee et al. (2007), Yuksel et al. (2010), and Coll et al. (2012). The mean differences between Izmir and Istanbul indicate that loyalty to Izmir is statistically significantly higher than to Istanbul. Further investigation was therefore conducted in terms of differences in brand experience dimensions of the cities. Accordingly, only Social Activities & Leisure Time Experience was higher in Istanbul, which was an expected, since Istanbul presents a wider range of social activities. The regression analysis indicates that the experiences affecting loyalty to city are as follows (by effect order): Affective Experience, Taste Experience (Food Identified with City) and Nature-Related Experience. Support for this finding is provided by the fact that Izmir, which a significantly higher means for these dimensions, inspires greater loyalty than Istanbul.

The findings of these two studies emphasize the importance of managing the experience dimensions of cities in order to increase the degree of loyalty.
7. Conclusion

At present, cities must compete to attract visitors, investments and new residents. Success depends on strategic management using marketing tools, thus a range of different approaches have been developed in previous studies. Building on these approaches, this study aims to develop a new competitive tool, "the city experiences" dimension.

The first study – One of the main academic contributions of this research- can be seen as a preliminary effort to identify the dimensions of city brand experience and the effects on the loyalty of the city. The construct of city experience dimensions provides the guidance for city marketing strategies needed to achieve city branding. This study proposes innovative, previously unconsidered experience factors, which were not present in literature, named after the representative attributes of each factor. The contribution of the study to theory in brief is as follows: First, the findings show that brand experience dimensions are applicable to place brands, furthermore, this study develops a new set of experience dimensions which can enhance the assessment of brand experiences of places. Second, this paper proposes an innovative culture-specific dimension of city brand experience, namely Taste Experience. Another dimension that this study identifies is Nature-Related experience, which is one of the major contributions of the paper. These dimensions can be used to assess different cities’ experiences in order to segment and to position them. This study also raises a number of important practical considerations that city policy makers will need to take into account for the successful positioning and differentiation of cities.

The second study mainly assesses the usability of the city experience dimensions on participants from two major cities in Turkey: Istanbul and Izmir. The results indicate acceptable fit indices for usability of the dimensions scale, which has been able to reveal clear differences between these cities. Istanbul’s social activities & leisure time experience is stronger than Izmir, according to this study, but for all other dimensions, Izmir is rated higher. While these dimensions are analyzed separately, it can be seen that affective experience has the greatest effect on loyalty to city, followed by meals associated with the city and nature-related experience, respectively.

This study, exploratory in nature, proposes a city as brand experience dimensions for a new competitive tool that integrates residents’ involvement and participation into the place branding process. Practitioners and city policy makers interested in gaining this competitive advantage, i.e. experiences of a city, are recommended to use the city experiences developed in this study, after appropriate adaptation and testing.

8. Limitations and Further Researches

This study is mainly exploratory, so restricting the number of metropolitan areas studied to two distinctive cities is justified, but consequently, it can not be generalized to the population as a whole. The brand experiences’ dimensions developed in this study was prepared and verified in Turkish, then translated into English. This represents another limitation in this study and testing the fit-measures of the scale prepared in different languages is highly recommended. However, despite its limitations, this study can be seen as a valuable preliminary effort in the exploration of the brand experience dimensions for cities and their effects on city to loyalty.
Further studies with a wider sample size, and involving other metropolitan cities would allow a stronger representative view which would allow for the effects of cultural differences. Also needed is a deeper understanding and comparison of the city experiences of other target groups, such as companies, visitors and investors. When applied to a wider range of cities, it will be possible to conduct a study that is able to segment and position, cities according to their experiences. In addition, it is possible to integrate further dimensions, such as city image, city identity and culture will the causal model provided in this study.

References


Parkerson, B. & Saunders, J. (2004). City branding: can goods and services branding models be used to brand cities?. Place Branding, 1(3), 242-264.


Zenker, S., & Braun, E. (2010). The place brand centre – a conceptual approach or the brand management of places. 39th European Marketing Academy Conference, Copenhagen, Denmark, 1st – 4th June.


This Page Intentionally Left Blank