

ASPECTS OF TOWN MARKETING MANAGEMENT BY TERRITORIAL SELF-GOVERNMENTS

ASPEKTY ZARZĄDZANIA MARKETINGIEM MAŁEGO MIASTA PRZEZ SAMORZĄDY TERYTORIALNE

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Yuliya Ulasiuk

Poland, Siedlce University of Natural Sciences and Humanities
Institute of Political Sciences and Administration
julia.wlasiuk@uph.edu.pl, ORCID: 0000-0003-0403-9546

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Abstract: This study emphasizes the importance of town marketing management and the key role of self-government bodies in it. The author also points out the specifics of territorial marketing in the management of a town, as well as the problems that Polish local self-governments currently face in building the image and increasing the attractiveness of towns. A survey was conducted among the students of the preparatory courses of the University of Natural Sciences and Humanities of Siedlce, who presented their opinion concerning the university and the town as a potential place for future study, work and residence. The results of the study were analysed statistically and then the conclusions were drawn. The survey shows that the respondents highly appreciate the University, but at the same time, they do not associate their future with the town of Siedlce, arguing that the town is unattractive and unpromising for them. It has been concluded that local self-governments need to use territorial marketing tools to increase the attractiveness of the town and positioning it on the competitive field.

Keywords: territorial marketing, local self-government, town, positioning

Streszczenie: W opracowaniu podkreślono znaczenie zarządzania marketingowego małym miastem oraz istotną rolę organów samorządowych. Autor zwraca uwagę na specyfikę marketingu terytorialnego w zarządzaniu małym miastem, a także problemy, z jakimi borykają się obecnie polskie samorządy w budowaniu wizerunku i podnoszeniu atrakcyjności małych miast. Przeprowadzono ankietę wśród studentów kursów przygotowawczych Uniwersytetu Przyrodniczo-Humanistycznego w Siedlcach, którzy przedstawili swoją opinię na temat uczelni i miasta jako potencjalnego miejsca przyszłych studiów, pracy i zamieszkania. Wyniki badania poddano analizie statystycznej i wyciągnięto wnioski. Z badania wynika, że respondenci wysoko oceniają poziom uczelni, ale jednocześnie nie wiążą swojej przyszłości z miastem Siedlce, twierdząc, że jest to dla nich nieatrakcyjne i mało perspektywiczne miasto. Z wniosków wynika, że samorządy terytorialne muszą wykorzystywać narzędzia marketingu terytorialnego w celu zwiększenia atrakcyjności miasta i pozycjonowania małego miasta na polu konkurencyjnym.

Słowa kluczowe: marketing terytorialny, samorząd terytorialny, małe miasto, pozycjonowanie

Introduction

Continuously growing globalization; the active integration of countries into the world space; the intensive development of regions; high competition among towns in the struggle for investors, residents and tourists objectively determine the need to increase the competitiveness of territories, the main tool of which is territorial marketing that ensures the image formation of the territory (Szromnik, 2012). A town in the system of territorial administration, modernized on the basis of a marketing approach, is considered as a special territorial unit, within

which a territorial-settlement community is formed. The development of town marketing tools is based on taking into account the characteristics of the marketing environment and factorial interdependence, which makes it possible to justify marketing goals and objectives, taking into account the competitive advantages and competencies of the territory. Territorial marketing is the responsibility of local self-governments that should strive to increase the attractiveness of the town and create its positive image.

The aim, materials and research methods

The purpose of the study is to substantiate the need to improve the marketing activities of local self-governments of a town in the context of interregional competition based on the identification of the heuristic potential of the territorial marketing paradigm. The algorithm for achieving this goal involves solving a number of research problems:

1. To describe the problematic field of territorial marketing of towns.
2. To identify competitive market determinants of the town image.
3. To adapt the traditional complex of territorial marketing to the peculiarities of towns.
4. To identify the problems of a town and the reasons for the low level of attractiveness, basing on the survey of the target audience.
5. To justify the need for the use of marketing tools by local self-governments to create a positive image of a town and increase its attractiveness.

Research methods: logical and situational analysis, marketing environment research, expert assessments of consumer behaviour, macro- and micro-segmentation techniques, focus groups.

Literature review

Theoretical principles of territorial marketing, methodological techniques for developing tools, technologies and techniques, and the marketing impact on territorial units of various scales are analysed in the works of Shromnik A., Kotler F., Abramova G., Balderyan I., Bleikher K., Meer Zh., Pankrukhin A., and Funke U. et al. At the same time, as the analysis of the literature shows, the problem of managing the marketing of towns by self-government bodies is currently at the stage of setting research objectives and methodological elaboration.

Cities represent a brand themselves; as a rule, they have a large number of attractiveness factors and need not create tools to increase the image and attractiveness so urgently (Pankrukhin, 2006). Towns are forced to look for factors of competitive advantage and ways to better meet the needs of target groups; and to create a favourable image of the city more intensively.

According to A. Shromnik, territorial marketing is a purposeful and systematic activity of the local self-government administration aimed at recognizing, shaping and satisfying the needs and desires of the local community through the processes of exchange and interaction (Szromnik, 2012). Territorial marketing complex is a set of

controlled parameters, manipulating which it is possible to satisfy the needs of a person and economic entities in the public services and resources of the territory in the best possible way. The territorial marketing complex consists of four elements – marketing tools: a territorial product, price of the territorial product, localization of the territorial product, and promotion of the territorial product.

Territorial product. In territorial marketing, the product is the territory itself, i.e. a complex of natural-climatic, socio-economic and infrastructural resources, as well as ethnic, status, and cultural characteristics generated in the territory. A town is a territorial unit within which a settlement territorial community is formed.

A territorial product is an integral characteristic that reflects the totality of the territory characteristics:

- the complex of the territory resources (natural, technological, social) that allow a person to perceive the territory as an object of his location, which sets for him certain characteristics and usefulness of the territory;
- the level of socio-economic development of the territory and the quality of life in this territory; that is, a person perceives the territory as an object of his economic and social interests;
- the system of organization and quality of management of this territory, i.e. the activities of self-government bodies, which will largely determine and influence the life and business activity of a person.

The significance of individual characteristics of the territorial product may vary for different groups of consumers, e.g. depending on the capacity in which a person perceives the territory: as a place of permanent residence or temporary residence, as in the case of university students (Kotler, Asplund, Rein, 1999).

Projecting the components of territorial marketing onto the activities of local self-governments, the management of the territorial product is filled with the following content: the management of a complex urban system in terms of ensuring the integrated socio-economic development of the territory, the functioning of life support systems, infrastructure development, etc.

The price in territorial marketing is a marketing and financial tool for achieving the set strategic goals, a factor in the town's competitive struggle for investments. The price of a territorial product is the cost that the consumer bears when purchasing

a territorial product, that is, the costs that the consumer will bear when living and / or operating in a given territory. The full price of a territorial product involves cost accounting, which is especially important when doing business in a given territory. The low efficiency of regional management leads to an increase in costs for the entrepreneur. Accordingly, a competent pricing strategy of local self-governments for territorial products leads to a significant competitive advantage of the town. Comparison and selection of the territory as a place of residence and activities is carried out on the basis of the full price of the territorial product (Florek, 2006).

The place of a territorial product is the localization of a territorial product. On the one hand, localization is a point on the map; on the other hand, a territorial product can be considered as a link, an element in the system of movement of raw materials, as well as of human, material, financial and information flows. A specific characteristic of the localization of a territorial product can be a significant competitive advantage: for example, the proximity of Siedlce to the capital is one of the most important reasons for the development of entrepreneurship in the territory.

Promotion of a territorial product. Public relations channels can be used by local self-governments to increase the competitiveness of enterprises operating in the town in the form of specific town mini-projects, as well as to attract the population to the development and implementation of long-term plans for the development of the territory, primarily through intermediaries (public, educational and cultural institutions).

A convenient geographical position, or an abundance of attractive natural factors, does not guarantee economic success for a territory. The town will not be able to win the competition without self-promotion and positioning in the information space without building its attractive image and good reputation. All of the above can only be driven by marketing (Polyakova, 2009, p. 78).

The principle of using marketing communications is due to the fact that advertising, PR and direct marketing not only form partnerships, i.e. cooperative ties between internal and external entities, smoothing out divergent interests, but also implement a social and educational function, providing territorial self-identification of residents, business structures and public organizations.

The marketing environment of the territory of a town can be divided into external and internal

marketing environment. In the external marketing environment of the territory, micro and macro levels should be distinguished.

The external macro environment of the territory is represented through a complex of political, economic, socio-cultural and technological factors, the change of which has an impact on the socio-economic development of a town. The external macro environment of the territory is an uncontrollable factor that can be studied, predicted and adapted to its changes.

The external microenvironment of the territory is made up of consumers of the territory's resources and public goods, other towns (competitor territories), higher authorities, government institutions and commercial organizations whose branches are located in the territory. The microenvironment of a town can be indirectly affected. The external microenvironment of the territory is a relatively controllable factor. In the process of management, local governments can have an impact on individual elements of the external microenvironment: for example, the active dissemination of information about unique architectural monuments located on the territory can attract new tourists.

The internal environment of a town is a controllable factor and is represented by three components:

1. A complex of the territory resources (natural, technological and social).
2. Parameters of the socio-economic state of the territory (the social and economic well-being of the town residents; the level of development of the industrial and non-industrial spheres).
3. Situational factors within the body of a territorial self-government as an organization that manages the territory (goals and objectives of management, organization structure, technology for making and implementing decisions, qualifications and motivation).

The key goal of the marketing management of a town is to identify the structure of needs, features and patterns of consumer behaviour. The implementation of response marketing strategies and needs formation marketing is based on identifying the consumer's reactions to a territorial product and a city marketing mix. Multidimensional segmentation is the most important management tool in the development of an arsenal of marketing tools for a town that allows identifying specific combinations of expectations, motives and features of the implementation of

consumer behaviour, as well as the structure of the resources available to them and the frequency of implementation of the function. In addition, a deep analysis of consumer segmentation allows for a better understanding of priorities for the development of a town that form the basis of strategic and tactical marketing decisions. Regardless of whom the consumers of the territory are represented by, their interest is manifested, foremost, in the effective use of the competitive advantages of this city: for living in this territory, business, or short-term residence.

Consumers' Preferences Research on the Example of Siedlce

For a more complete understanding of consumer perception relating to the features of the town, an anonymous distributing survey was conducted. The author developed a questionnaire and conducted a survey among the students of the preparatory course of the Siedlce University of Natural Sciences and Humanities. The purpose of the survey was to collect empirical data on the students' assessment of aspects of studying at the University, as well as the prospects for living and professional career in the town of Siedlce.

The Centre for the Polish Language and Polish Culture is a university-wide division of the Siedlce University of Natural Sciences and Humanities. The main goal of the Centre is to carry out research, educational, culturological and popularization activities, addressed primarily to the Polish diaspora and foreigners, and, in particular, related to the promotion of the Polish language and Polish culture. For three years, the Centre conducts a course to prepare foreigners for their study in Poland. The course is funded by the National Agency for Academic Exchanges. In 2021-2022, the course was attended by the scholarship holders of the program named after General V. Anders: 60 people from Belarus, Ukraine, Kazakhstan and Turkmenistan. Throughout the academic year, young people attend classes in the Polish language, Polish history and culture, as well as classes in core subjects. The course program also includes a number of cultural and integration activities, including trips to Warsaw and Cracow, cultural events and national holidays, art and culinary master classes. Although the program has been running for 3 years, only a few students of the preparatory course remained to study at the Siedlce University of Natural Sciences and Humanities. After completing the course, the students go to study in Warsaw, Cracow,

Wroclaw, Poznan and other major cities. The University of Siedlce also has the same areas of study as those for which the students of the preparatory course leave the town. The purpose of the survey was to find out why the students do not stay at the university, but leave to study in other cities and universities.

The object of the survey was a group of 44 students of the preparatory courses. The age of the respondents was 17-19 years old (mostly girls and boys from Belarus and Ukraine, as well as a few students from Kazakhstan and Turkmenistan).

The hypothesis of this study was the assumption that the students do not consider the town of Siedlce as a future place of residence and professional development, since a negative perception of the image of the town prevails, and that the image of the town as an attractive place for student life is not very high.

The questionnaire consisted of 29 questions and was divided into three thematic parts: the assessment of the preparatory courses, the assessment of the Siedlce University of Natural Sciences and Humanities itself, and the assessment of the town of Siedlce as a place of current and prospective residence. The questionnaire was anonymous.

The first block "Preparatory course of the Centre of the Polish Language and Culture of the University of Natural Sciences and Humanities" included 13 questions (11 closed type questions and 2 open type questions). The questions concerned the assessment of the quality of conducted classes at the preparatory course and the organization of the course program in general. The analysis of the respondents' answers showed that, in general, the students highly appreciate the course program and the gained knowledge. Therefore, the answers to the question "Are you satisfied with the Course?" were distributed as follows: quite satisfied – 23 (52%), rather satisfied – 18 (41%), neutral – 3 (7%), not satisfied or very dissatisfied – zero answers. The students also highly assessed the teaching staff, the "teacher-student" relationship, the organization of the course program and the ongoing events. In general, the results of the answers in this block allow us to conclude that the preparatory courses and, in general, the work of the Centre for the Polish Language and Polish Culture are at a very high level and the target audience expresses a high degree of satisfaction with the courses.

The second block "Study at the University of Science and Humanities in Siedlce" consisted of seven questions (3 closed type questions and

4 open type questions). To the question "Do you plan to continue your studies at the University of Natural Sciences and Humanities in Siedlce?" the following answers were received: yes – 7 (16%), no – 21 (48%), not yet decided – 16 (36%). To the question "Is there a specialty at the University of Siedlce that matches your plans?" the following answers were received: yes – 29 (66%), no – 15 (34%). Regarding the question "When choosing a university, does the city where it is located matter?" the answers were distributed as follows: yes – 33 (75%), maybe – 9 (20%), no – 2 (5%). To the open-ended question, "What factors influence your choice of a university?" 24 (55%) students marked "city" in the first place. Answering the open type question "Name the reason why you are not staying to study at the University of Siedlce", 33 respondents (75%) named the town of Siedlce itself. In addition, answers were received to the question, which cities students chose as places of study. The cities of Poznan, Warsaw, Cracow, Gdansk and Wroclaw were listed.

Thus, basing on the results of the survey in this block, it becomes clear that the problem of students leaving after their courses to study in other cities lies not in the university itself, but in its localization – the town of Siedlce. Moreover, it is not even in the town of Siedlce itself, as such, but in any town. Obviously, students prefer to study in metropolitan areas.

The third block "The town of Siedlce" included 9 questions (5 closed type questions and 4 open type questions). To the question "Do you link your future with Siedlce?" the answers were distributed as follows: no – 37 (84%), not yet decided – 6 (14%), yes – 1 (2%). The students rated the town of Siedlce rather low in terms of professional development prospects and employment opportunities. To the open question, "What do you dislike in Siedlce?" 22 respondents (50%) answered, "It's boring". To the opposite question "What do you like about Siedlce?" the following answers were received: "quiet and calm", "everything is at a close distance", "the proximity of Warsaw", "people". The students were also asked an open type question: "What do you miss in Siedlce?" The answers were as follows: "entertainment" (30 answers), "interesting places" (25 answers), "parks", "shops" (9 answers each), and "infrastructure" (8 answers).

Thus, in accordance with the interests of this target audience, Siedlce, as a town, does not suit them for a typical active student life, rich in entertainment and giving new sensations and emotions. In addition, they do not consider a town

as a place for their professional development and career growth.

The survey made it possible to identify the strengths and weaknesses of Siedlce. The described data show that one of the main target groups of the region perceives Siedlce as a town with low development prospects and a rather boring life in terms of youth leisure.

Basing on the survey, it can be noted that a town has both uncontrollable factors (small size and lack of the rhythm of a big city), and the factors that local governments can influence. This is both the creation of attractive (both, in case of price and non-price assessments) conditions for activities and professional development, as well as the development of a leisure base, expanding the range of town happenings and organizing events.

Results and discussion

The features of the consumer behaviour of the town subjects that are essential for the territorial marketing determine the following basic principles of its management:

1. The attractiveness of a town is determined not so much by the investment and business components as by the indicators of the life level and lifestyle that create conditions for comfortable living and activity of population groups of different generations.
2. The result of communication interaction is the image of the town as a factor in attracting external agents for interaction, production and social activities.

One of the key aspects of the marketing activities of local self-governments is the formation and development of the town image. Information marketing of a town is a set of actions aimed at promoting positive information about the town in order to create a favourable attitude towards the region, as well as towards the products manufactured on its territory and the regional conditions for doing business and living, both in the internal and external environment.

Positioning in the minds of consumers of a particular territory is a set of efforts on the part of marketing subjects to form and maintain certain associative networks that allow the consumer to recognize quickly and select a territory (Rod'kin, 2016, p. 35). Territory positioning is not only a set of certain characteristics of the territory, but also the prevailing public opinion about the territory, a certain image of the territory as a place of residence and/or activity. The positioning of a town makes it possible to evoke an associative series of "memories" about the characteristics of the territory

in order to form the desired image of the town. The positioning of the territory is based on the differentiation of the territory, which should be carried out in two aspects: relative to another territory and depending on different consumer groups.

The image of a town is formed over many years; it is subject to slow change over time; it is often associated with goods that were previously or are now produced in this territory; it can be associated with informal symbols of the territory, and it can be expressed by phraseological units (historically established phrases). The positioning process involves, at the first stage, the study of the existing image of the town, and then the implementation of an active, conscious policy to form the "correct", "necessary" image of the town. Positioning a town will increase its fame; will form a positive image of the town; and will make it more attractive in the eyes of consumers for living, visiting, and carrying out activities.

The main principles of marketing for local self-governments are:

- careful consideration of the needs of all the town consumers (the population, business entities and external consumers);
- creation of conditions for the adaptation of the regional economy to the factors of the urban environment;
- formation of the attractive image of the town, as well as lobbying for the town interests at the interregional, country and international levels.

The use of marketing in the regional management by the local self-governments will allow:

- to use fundamentally new methods and tools of regional management, which will ensure the provision of high-quality public services; it will allow organizing the interaction of economic entities and creating prerequisites for the successful implementation of private initiatives of a commercial and non-commercial nature;
- to use the competitive advantages of a town consciously, to position correctly and promote skilfully the information about the territory;
- to combine the achievement of both social and commercial, as well as budgetary goals for the development of a town in the management process.

Conclusions

Territorial marketing carries a significant social and ethical burden, since it is designed to meet the diverse needs of individuals. It is also aimed at

achieving compromises between different goals for the development of the territory; furthermore, it should be carried out taking into account the interests of the present and future periods for the benefit of all sectors of society.

To create and maintain the competitive advantages of a town, it is necessary to develop the innovative and investment potentials of the territory, to improve the image and to form the brand of the town. Local self-governments should pursue policies aimed at retaining potential residents and investors. As the survey has shown, students are looking for the best place to live, work and study, along with the best conditions for recreation.

At present, local self-governments responsible for the development of territories should understand that the main indicators of the efficiency and competitiveness of the town should be, first of all, satisfaction of the population with the conditions and quality of life, so that human resources do not tend to leave this territory. This is a big problem for towns in general: young people tend to move to cities, which, in their opinion, can give them a higher quality of life and work.

The use of marketing tools in the town management by local self-governments makes it possible to ensure favourable socio-economic development and attractiveness of the town in the context of interregional competition, as well as to identify the potential competencies of a town in realizing the identified competitive advantages and in reducing the proactive effect of marketing threats. Identification, assessment, accounting and elimination of negative components of the town image serves the purpose of preserving and developing special territorial differences, alongside with searching for internal and external sources of expanding the investment and resource potential, consequently increasing the attractiveness of the town for both internal and external economic entities in the context of interregional competition.

A town, which will provide the fullest satisfaction of the demands (needs) of people living and / or carrying out activities of a commercial and non-commercial nature, in comparison with other similar cities, will be able to achieve a high level of socio-economic development.

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