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Brand Strategies for Urban Renaissance

Keisuke Suyama*

Yubari and Asahikawa in Hokkaido

In this current age touted as the “era of the localism”, Yubari city in Hokkaido, famous for melons and movies, has captured the attention of many Japanese people. Since its bankruptcy came to light in June 2006, the struggles of the city have gained considerable coverage in the media. Yubari will change into a deficit restructuring organization from April 2007. In the “Proposals for the Basic Framework for the Financial Restructuring of Yubari” compiled in November 2006, the following proposals are set forth for reducing the city’s approximately 36 billion yen deficit: 1) significantly reduce personnel costs; 2) conduct a fundamental reevaluation of administrative business activities; 3) reevaluate tourism; 4) reevaluate hospitals; 5) merger or abandon facilities; 6) increase obligations and burden on city residents (increase resident taxes, increase facility charge for garbage collection charge).

Yubari flourished from the Meiji era as a coal mining town, and its population peaked in 1960 at 116,908 as the city thrived. With the successive closure of the coal mines, especially the closure of the Mitsubishi Minami Oyubari Mine in 1990, however, the population plummeted to a mere 12,831 in late 2006. In an attempt to regenerate the town as a tourist destination, the Yubari Coal Museum and a theme park based on the history of coal were opened in 1980, followed by the Yubari Melon Castle, which was built in 1985. These have all been temporarily or permanently closed due to financial difficulty. The population of Yubari continues to decrease today and has even spawned the term “Yubari refugees”.

Meanwhile, the population of Asahikawa city, also in Hokkaido, was 358,447 as

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of late 2006. Even when compared to the population of 359,803 in 1993, the oldest statistic made available on Asahikawa city Website, the population has not dropped significantly. This is virtually the same trend as that seen for the population of Hokkaido overall, which had hovered in the 5.6 million range for the past 20 years. Serving as the symbol of this vigorous city of Asahikawa and its residents is the Asahiyama Zoo. The number of visitors at the zoo had been in the range of 400,000 to 500,000 since 1967, even dropping below 300,000 at one point and placing the zoo at risk for closure. In 2004, however, the number of visitors per year exceeded 1 million, reaching a figure of over 2.3 million visitors per year as of October 2006. There has also been a dramatic increase in the number of tourists on package tours who come for the purpose of visiting the Asahiyama Zoo. According to the “Report on the Number of Visitors to Hokkaido for Tourism” (fiscal 2005 version), the annual number of tourists visiting Asahikawa was 5.64 million, 32.6% increase from the previous year. The number surpassed Hakodate. It is said that the key to the success of the Asahiyama Zoo lay not in the facilities, equipment, or attractions, but in its use of a new style of exhibition for zoos referred to as “behavioral exhibiting”, where the innate abilities, habits, and behaviors of animals are drawn out and exhibited (*1).

Asahiyama Zoo: A cylindrical tank and wall as seen from the observation room
(Photography courtesy of Asahikawa Asahiyama zoological park wildlife conservation center)
What does divide these two contrasting cities, Yubari and Asahikawa, in Hokkaido? Is there a means to save Yubari from the crisis it faces? What needs to be done in order to build or rebuild the identity of the city while also heightening its attractiveness, regaining the confidence and pride of the people who reside there, and renewing and revitalizing the city of Yubari?

What is a City?

What exactly are cities, and how were they established? In his work *The City*, it is well known that M. Weber focused on the forms of the city, defining it as 1) defense facilities; 2) markets; 3) courthouses; 4) organizations; 5) autonomy and independence. This is based on a concept of cities that focuses on their shapes and physical structural elements such as residences, buildings, roads, sewer, open spaces, green spaces, parks, schools, hospitals, and city halls. However, although these do specify the requirements of a city, they do not reveal the true essence of the city itself (*2).

In contrast, the critic of urban civilization L. Mumford gives the following definition in *The Culture of Cities*: "Cities in the complete sense of the word are geographic networks, economic organizations, institutional processes, theaters for social activity, and aesthetic representations of collective entities." Cities are art and theater themselves, where the activities by people to accomplish their purpose are realized.

Cities arise to satisfy the social needs of people and are full of natural gifts labor, economic goals, culture, and public life. Cities, however, are not simply vessels or spaces. Cities are cities as a result of the new possibilities that arise from the collaboration and exchange among the citizens. Further, cities are nothing if not the site where the humanity of people blossoms, developing the manner and methods by which people can express themselves.

The Rise and Fall of Cities

Over the years, cities almost have encountered multiple rise and fall. The once prosperous city of Pompeii in the suburbs of Naples in Italy vanished with the massive eruption of Mount Vesuvius. Lübeck, once the representative city of medieval northern Germany, saw the end of its glory days with the decline of the Hanseatic League. Manchester, the industrial city in England, dubbed Cottonopolis, flourished during the Industrial Revolution. Yet with the wane of the cotton
industry, the city also declined, taking on the troubled heritage of environmental destruction with the pollution of its rivers and air.

Meanwhile, St. Louis, thought to be on the path to decline in the 1970’s, regained its vitality through the conversion and repair of old office buildings and vacant homes as well as the remodeling of the downtown area. The historical culture and grand structures of the city were preserved, and it is now called the miraculous “renaissance city”. As for Glasgow, Scotland, a manufacturing city choked with dust, with an unemployment rate of over 21%, a high crime rate, and buildings blackened with the soot of burning coal, at the same time that the architect and designer Mackintosh was gaining revaluation, Glasgow transformed into the exciting art capital of Europe through the repair of the Glasgow Art Museum (Burrell Collection), work on residences, and the renovation of public facilities. Manchester has also been transformed through its thriving commerce, sports (soccer teams such as Manchester United), arts, and media.

What are the cities that currently have international appeal? GMI (Global Market Insite), led by S. Anholt, provides a ranking of the value of the world’s city brands each year. According to the report published in December 2005, London was ranked first, followed by Paris, Sidney, Rome, and Barcelona. These were followed by the world’s major cities, New York, Los Angeles, Madrid, Berlin, San Francisco, Toronto, Genova, Washington, and Brussels. Approximately half of these are capital cities, but the ranking also includes secondary or third cities such as Barcelona, New York, Los Angeles, San Francisco, Milan, and Hong Kong. In contrast for Japan, Tokyo was the only city that made the ranking, coming in at 19th place. Osaka and Nagoya were not included in the ranking, indicating that for these cities, the international brand recognition that indicates the appeal of the city and its status is low compared to its presence in terms of population and economic power (*4).
The six indexes used in this city brands ranking are: 1) presence (international status and standing); 2) place (cleanliness, climate, other physical aspects); 3) potential (economic and educational opportunities); 4) vitality (appeal as a city and lifestyle); 5) people (warmness, welcoming, cultural diversity, and safety); 6) prerequisites (the quality of infrastructure such as hotels, schools, transportation, sports facilities, etc.). It is evident that the appeal of a city is not limited to hard aspects such as its buildings and scenery, but is also formed by various soft elements such as culture and history that create lifestyle value and human existence itself. Dividing the paths to prosperity and decline is most likely this comprehensive appeal of a city. Can we truly say that Japan's cities have this appeal?

**Urban Renaissance: From Sales to Marketing**

In this way, cities have life cycles. One method that has gained attention early on in Europe and the U.S. as an effective way of revitalizing declining or stagnant cities is promotion activities centered on the development and selling of cities. By effectively deploying city campaigns, this method heightens the image of the city, contributing to tourism, culture, and investments. Good examples of this are the 1996 Atlanta Olympics and 2000 Sydney Olympics. However, this is a stance that is limited to selling the existing appeal of the city externally (*5).

City marketing, in contrast, renews and revitalizes the city and region itself, and is a theoretical scheme to build its competitive advantage. According to Kotler, Haider, and Rein (1993), this is a means of rescuing struggling cities not only from economic problems such as bankruptcy, inflation, unemployment, currency crises, and the decline of local industry, but also from a variety of problems they face related to culture, historical heritage, and education, among others. This involves comprehensively and effectively managing the diverse value inside or outside of the city (*6).

In order to accomplish this, the following framework of strategic marketing planning are formulated and implemented: 1) the design of appropriate combinations for community features and services; 2) the provision of attractive incentives to those who purchase the products and services provided by the city; 3) the delivery of the city's products and services in the efficient and accessible way; 4) the promotion of the city's value and image to future users. This framework for city marketing basically applies marketing schemes centered on customer satisfaction through the delivery of products and services to the life, economy, society, and culture within the city that are composed of spaces and functions.
City Brands as Value Networks

Cities provide some form of value not only to stakeholders, such as their citizens, inhabitants, tourists, various groups, organizations, and companies, but also to the external environment surrounding the city such as the various primary commodities and natural resources like nature, landscape, products of agriculture, forestry, and fishery, and water resources. Meanwhile, if all of the factors surrounding the city, beginning with individuals and corporations inside or outside the city are considered as a type of regional resource, these regional resources create beneficial value for the continued existence and development of the city and region. Therefore, managing the city and region can be said to effectively and efficiently realize the exchange of value among stakeholders and between stakeholders and regional resources (*7).

In this sense, the city is a space where true market value is created for stake-
holders, and it can be seen as a network of city resources and value. It is nothing if not the brand that plays the role of nexus and node in this network while also serving as the benchmark for stakeholders when evaluating the city as a whole, even expressing the content and the level of city evaluation (Figure 1).

The brand is the nexus of symbols, security, trust, value, excitement, and dreams that have a certain cohesiveness and meaning for appreciating and differentiating products, services, and corporations. City brands are symbols that intensively express the ties and relationships among stakeholders involved with the city, and are the psychological space where true market value is created for stakeholders. City branding is expected to play an important role in urban renaissance and building the value of stakeholders.

**Governance of Brand Creating Cities**

The management of cities has stood at the crossroads today. Advances in globalization and ICT revolution have rapidly made the society borderless and risen the tendency to require an identity to cities where people live and that serve as the stage for self-realization. Cities are required to express a new raison d'être. In order for cities to truly revive themselves, the strategic perspective of recapturing the humanity that takes places in these cities is crucial. Urban revival is expected

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Figure 2: The governance of the brand creating city
to be centered on people, restoring the unique urban culture that is rooted in the history and tradition of the region and allowing people to live with humanity through the realization of autonomous governance. The subjective condition for realizing regional sovereignty is nothing if not granting people authority. In this situation, city brands are symbols that intensively express the ties and relationships among stakeholders involved with the city.

In order to promote continuous or spontaneous urban revival, the following four steps are required: 1) discover the brand spirit that pulses and flows through the foundations and traditions of the respective cities; 2) give stakeholders confidence and pride through the brand identity created based on this brand spirit; 3) realize an autonomous governance style based on network regionalism; 4) lead the revitalization and innovation of the fundamentals that compose the value of the city such as the economy, society, and culture. It is those “brand creating cities” that have gone through this process that will be the cities that pave the way to “the age of cities” expected of the 21st Century. City brand strategies promote urban revival and revitalization that is centered on people (refer to Figure 2 on the previous page).

From Osaka to Seoul and Beijing

In September 2004, the “Osaka Brand Committee” was launched in Osaka to serve as a center for city brand management. It was composed of eight public, private, and academic organizations such as, Osaka prefecture, Osaka city, Sakai city, the Kansai Economic Federation, the Osaka Chamber of Commerce and
Industry, Kansai Association of Corporate Executives, Kansai University, and the Osaka 21st Century Association. The committee has reconfirmed Osaka’s resources (getting to know Osaka), heightened its appeal as a brand resource (polishing Osaka), and has strategically transmitted the Osaka brand as a unified message both domestically and abroad (telling Osaka’s story) as part of its “Osaka Brand Strategies”. In other words, the committee has set the stage for collaboration among the numerous stakeholders surrounding Osaka and has taken on the role of leading the movement to create city brand value.

On October 25, 2006 the “Osaka Brand Summit” was held by the Osaka Brand Committee. According to Professor Dr. Kim Do-Hyung of Keimyung University, College of International Studies, who participated in a panel discussion conducted as one of the key events at the Summit, Seoul proceeded to construct a brand city centered on areas such as tourism, fashion, design, convention, finance, distribution, R&D, and IT, aiming to create a value chain overflowing with dynamism under Seoul’s former mayor, Lee Myung Bak. The most defining of these attempts was the creation of a magnificent space by bringing in water from the Han River to the Cheonggye Stream, which had been a highway, as well as the establishment of planning headquarters to strengthen competitiveness composed of cultural industry planning organizations and tourism marketing planning organizations (*8).

According to Zhang Baiji, Vice President of the China International Top Brand Qualification Verification Organization, who spoke at the Summit, in preparation for two major events, the 2008 Beijing Olympics and 2010 Shanghai Expo, Beijing has worked to present a new appealing city brand image to the world, commissioning the design of numerous buildings including the China Central Television Station by a celebrated domestic designer and lighting up Tiananmen at night. Brand renaissance efforts are evident in Osaka, Seoul, and Beijing. In cities throughout Asia, America, and Europe, in addition to cities in Japan such as Aomori, Aichi, and Saga, successive efforts are underway to build “brand creating cities”. This is not unrelated to the life cycles of cities, and it is evidence that the first step has now been certainly taken for stakeholders, mainly citizens, to regain their confidence and pride through the continuous development and advancement of cities, for stakeholders to make city brands their own.