The differential effect of various stakeholder groups in place marketing

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Abstract
This article analyses whether involving various stakeholder groups in place marketing has effects on the content of place brands, and on how place marketing influences other policy fields, i.e. spatial planning and tourism/leisure policies. The research applies structural equation modelling to nationwide surveys in the Netherlands and Germany among professionals in place marketing (N = 444). The study shows that different stakeholder groups have a varied influence; involving residents and public managers increases the influence of place marketing on spatial planning policies, whereas involving businesses increases influence on tourism/leisure policies. Other studies have shown varying influence of stakeholder groups in cases, but not in quantitative studies. The research also addresses the mechanisms at play in Germany and the Netherlands, showing mainly commonalities.

Keywords
Place marketing, city marketing, governance, stakeholder involvement, clear brand concept

Introduction: Place marketing as governance process
Place marketing is widely used to influence place-making elements such as the representations and policies of places (Kavaratzis and Kalandides, 2015). Cities and regions in western countries have often developed formal place marketing policies to improve their image and make their governance more marketing-led. In the Netherlands, for example, 2/3 of the respondents in a nation-wide survey on place marketing indicated their municipality had formal place marketing policies (Braun et al., 2011). But also Asian...
and Middle Eastern cities commonly apply place marketing (e.g. Balakrishnan, 2008; Berg and Björner, 2014; Hersterin et al., 2011).

Place marketing refers to the application of marketing instruments to promote and develop regions, cities, towns and districts (Braun, 2008; Eshuis and Klijn, 2012; Eshuis et al., 2013). The marketing instruments may involve communicative instruments such as advertisements, place-brands, or social-media. But place marketing is more than just promotion; it also involves product development through policies to improve places and their management (Ashworth and Voogd, 1990; Braun, 2008). For example, place marketing and fiscal policies were mutually aligned in New York, so that financial companies could be attracted (Greenberg, 2008). Place marketing is used in the strategic planning of places to envision places futures and support structural changes in that direction (Oliveira, 2016; Van Assche and Lo, 2012).

In this article, place marketing is viewed as a place making strategy involving various governmental organizations and stakeholder groups, thus being an exercise in governance (Legacy, 2010). Governance is characterized by the interplay of diverse policy fields, and the involvement of multiple stakeholders such as policymakers, residents, visitors, and private companies (Klijn and Koppenjan, 2016; Pierre, 2000).

The importance of stakeholder involvement in governance

The literatures on governance and collaborative planning emphasize the importance of stakeholder involvement in governance processes (e.g. Ansell and Gash, 2008; Baker et al., 2010; Healey, 1998; Legacy, 2010). Governance processes take place in networks of interdependent actors (Klijn and Koppenjan, 2016; McGuire and Agranoff, 2011), meaning that actors need one another's resources to realize their goals and that those resources needed to develop and implement policies are spread over multiple stakeholders. Thus, it is important to involve stakeholders in the implementation and development of policies. Empirical research shows that according to public managers the involvement of stakeholders enhances the outcomes of governance processes (Edelenbos et al., 2010). However, some literature also points at complex decision making processes when involving stakeholders, and disappointing results (e.g. Baker et al., 2010). Stakeholders may have conflicting preferences, leading to watered down compromises which do not solve problems at hand. For project managers and scientists alike, it is not only the question what are the effects of stakeholder involvement in general, but probably more important to know what are the effects of involving various specific stakeholder groups. For example, residents with lay knowledge, personal interests and limited financial resources may act differently than for example businesses with professional knowledge, corporate interests and significant budgets for public affairs. The varying roles and positions of different stakeholder groups make the governance of places even more complex, begging a more thorough understanding of the varied influence of stakeholder groups. Lumping together various stakeholders, and treating them as a monolithic group, neglects differences in resources, positions and patterns of behaviour, and it precludes a deeper understanding of the varied influences that different stakeholder groups may have.

Case studies on the influence of different stakeholder groups in governance processes do show mixed influences (e.g. Baker et al., 2010; Dair and Williams, 2006), but quantitative knowledge regarding the influence of various stakeholder groups is lacking (apart from rare exceptions, see: O'Toole and Meier, 2004).
This study: Effects of involving stakeholders in place marketing

Also in place marketing, various stakeholder groups play different roles, and they may well have different impact. However, only rarely has wider stakeholder involvement been researched, besides exceptions such as Klijn et al. (2012) or Merrilee et al. (2012). Those studies, however, did not take into account the differential effects of various stakeholder groups. In this article, we are especially interested in:

(1) The effects of stakeholder involvement on the impact that place marketing has on other policy fields. Influencing policies is a main aim of place marketing. We analyse whether place marketing activities have a different effect when stakeholders are involved, and particularly whether different stakeholder groups have different effects.

(2) The influence of various groups of stakeholders on the quality of the brand concept. For this we draw on the concept of a clear brand concept developed by Park et al. (1986).

Thus, our research question is ‘How does the involvement of different stakeholder groups in place marketing influence the brand concept and the impact of place marketing on other policy fields?’ We use a survey among place marketers in The Netherlands and Germany (N = 444) to explore this question. The article first explores the main theoretical arguments why stakeholder involvement in a certain policy field (place marketing) would affect other policy fields. In section ‘Empirical analysis of the conceptual model’, the research design and data gathering are explained. After presenting the results (section ‘Results and hypotheses testing’) we finish with conclusions and reflections.

Theoretical framework

As said place marketing can be seen as a form of governance. Following Braun (2008: 43), place marketing can be defined as ‘the coordinated use of marketing tools supported by a shared customer oriented philosophy, for creating, communicating, delivering, and exchanging urban offerings that have value for the city’s customers and the city’s community at large.’ In line with this definition, scholars have stressed that, to realize the ‘urban offerings’, place marketing needs to include more than promotion. They emphasize that place marketing pertains to developing places that people want, by applying a marketing mix including promotional aspects, but also for example spatial and financial measures to make a place more attractive (Ashworth and Voogd, 1990). By highlighting aspects of creating urban offerings and taking measures in various policy fields, place marketing becomes a governance process involving policymaking in interaction processes among multiple actors and policy arenas (Hankinson, 2010).

The influence of stakeholder involvement

The literatures on governance and place marketing both describe how stakeholder involvement may influence governance processes and their results. Stakeholders can be seen as ‘any group or individual who can affect or is affected by the achievement of the organization’s objectives’ (Freeman, 1984: 46). The literature describes that stakeholders may contribute in several ways to the improvement of the quality of decision making and co-creation of value (Payne et al., 2008). Stakeholders may bring in their knowledge and
prevent the production of poor solutions (Ansell and Gash, 2008). Stakeholder involvement can provide balanced input from different actors, and this allows factions to compromise and find new solutions (Fischer, 2003; Irvin and Stansbury, 2004; Payne et al., 2008). Hankinson (2010) argues that consulting stakeholders gives insight into what a place has to offer, for example, regarding the talent and mentality of the residents. Kavaratzis and Hatch (2013) stress the enrichment of brands through new perspectives and ideas that emerge during dialogues with stakeholders.

On the basis of these arguments, one may expect that the involvement of stakeholders enhances the quality of the brand (in our research measured through the clear brand concept; Park et al., 1986) and the effects of place marketing on other policies.

**Difficulties of stakeholder involvement**

The literature mentions not only benefits of stakeholder involvement, but also difficulties: Firstly, stakeholders may have conflicting preferences with negative consequences for the content and the process of place marketing (McGuire and Agranoff, 2011). Different stakeholders may favour different brand values and varying target groups. Ooi and Strandgaard Pedersen (2010) argue that a brand which suits one stakeholder may not suit another. It may be challenging to develop marketing plans that accommodate the preferences of all. In addition, stakeholder involvement may backfire if promises are made that cannot be kept, creating even more resistance (Irvin and Stansbury, 2004).

Secondly, stakeholder involvement could decrease the quality of decision making if lay knowledge becomes too dominant over expert knowledge, or if a weak compromise is made under strong pressure. In the place marketing domain, Stigel and Frimann (2006) argue that the aim of achieving consensus about the place identity can easily lead to brands with only general and nondescript values, hindering the development of a clear profile that makes a place attractive. Thus, it is crucial to connect lay expertise and expert expertise in governance processes (Fischer, 2003). Hanna and Rowley (2015) argue that an important task of brand managers is to make sure that the core brand values do not become diluted during interaction with stakeholders.

Thirdly, stakeholder involvement may also be problematic in terms of democratic legitimacy, since unelected participants gain influence, possibly at the expense of democratically elected politicians (Klijn and Skelcher, 2007). In other words, strong and well-organized interest groups (e.g. particular industries) may come to dominate a stakeholder participation process, threatening democratic principles such as ‘one man one vote’.

**Diversification of stakeholders**

Most (quantitative) literature on governance discusses stakeholder participation in general, not making much distinction between different groups of stakeholders. The literature on collaborative governance (e.g. Ansell and Gash, 2008) suggests that more collaboration and including more stakeholders is better, without differentiating stakeholder groups. Akkerman and Torenvlied (2013) posit that the existing literature provides two main theories on the effect of relations with stakeholders on performance, namely, the network activity theory, which asserts that high numbers of relations with other actors enhance performance, and the network diversity theory, which asserts that having different types of relations enhances performance. Neither theory distinguishes between different stakeholders. Akkerman and
Torenvlied (2013) add a third theory highlighting the specificity of network ties, implying that particular types of relations affect specific aspects of performance. They show that ties with professionals positively affect certain outcomes but not other outcomes. These results suggest that it is not sufficient to say that in general more stakeholder involvement has positive (or negative) effects on outcomes; rather, effects depend on the type of relationship. In this article, we thus distinguish between various stakeholders in the place marketing governance process. In this case, we pick the four most important stakeholders: public managers, executive politicians (e.g. aldermen and mayors), residents, and (private) companies. As we will elaborate below, the literature on governance and place marketing indicates that the first two groups of stakeholders – civil servants and politicians – are important in deciding on place marketing strategies and brands, while residents and companies have important stakes in place marketing.

The influence of various stakeholders on policy making. Public managers are likely to have a significant impact on both the content of the place marketing campaign and on the policies that are implemented, since they are at the heart of policymaking processes (Allison, 1971). In general, the literature on place marketing shows that local governments, especially public managers within local governments, take the most important decisions in place marketing (Bennett and Savani, 2003). If that is the case, we expect the involvement of public managers to have a strong impact both on the content of the place marketing and on its effects on policies.

Politicians are supposed to be at the heart of making strategic choices according to more classical decision- and policymaking models (Allison, 1971; Klijn and Koppenjan, 2016). However, this picture is probably more complicated in governance processes where a network of actors is involved in decision making (Klijn and Skelcher, 2007). Whereas some authors give politicians an important role in governance processes – see Sørensen and Torfing (2007) with their concept of the meta-governor who sets the rules and frames the discussions – others tend to ascribe a less prominent role to politicians and elected bodies. Not surprisingly, there are empirical studies casting doubt on the idea that politicians have a strong influence in governance processes, such as Edelenbos et al. (2010) and their research about Dutch environmental projects. Thus, it is not easy to assess the impact of politicians in governance processes on the basis of the existing literature. However, we hypothesize that the classical decision-making model will prevail and predict an effect on policies.

When it comes to other stakeholders, in particular residents, the literature shows again various findings. Although theoretically more arguments seem to favour a positive effect of residents’ influence, this is not always found in research. Lowndes et al. (2001), in their survey among over 300 local authorities in the UK, find limited impact of public participation. Baker et al. (2010) report about smaller neighbourhood groups experiencing limited influence in British local and regional spatial planning processes. This limited influence of residents is confirmed by the literature on place marketing (Braun et al., 2013; Eshuis et al., 2014). However, several studies show that in some cases residential influence can be higher: Collomb and Kalandides (2010) report an important residential influence in the ‘Be Berlin’ campaign matching Edelenbos et al.’s (2010) finding that resident involvement significantly influences governance processes. Zenker et al. (2017) shows that especially residents who identify with the place brand show more willingness to actively promote a place and to play an active role in the promotion policy. Therefore, we expect that the involvement of residents in the place marketing governance process will impact policies of spatial planning and tourism.
In relation to the influence of private companies, Binderkrantz et al. (2014) offer a valuable perspective. They argue that, although it has often been suggested that well organized sectional groups – particularly business groups – are more influential than other societal groups, empirical results regarding businesses' influence are mixed. Binderkrantz et al. (2014: 879) find that in 'consultations regarding business regulation, business groups are indeed more influential than other interest groups; but in consultations regarding public sector services and general regulation, non-business groups tend to be more successful than business groups. Business has a privileged position but only on its home turf.' Business groups will be more successful if their resources are valuable to the particular policy being developed. The businesses most closely involved in place marketing are often businesses from the leisure and tourism industry. Their involvement will have most impact on their home turf, which is tourism policies. Thus, we expect that business involvement will have no effect on planning policies but will have an effect on tourism/leisure policies.

Content of place marketing: The clear brand concept

One of the core strategies of place marketing is the development of place brands. Place brands are symbolic constructs meant to add meaning and value to places. As signals, they identify places and evoke associations, thus imbuing places with meaning (Eshuis and Klijn, 2012; Zenker, 2011). As Eshuis et al. (2014: 155–156) write ‘place branding is an element within place marketing that involves influencing people’s ideas by forging particular emotional and psychological associations with a place.’ The place brand hereby represents and (re)constructs the identity of a place (Kavaratzis and Hatch, 2013). This place identity is embedded in the brand values and brand concept (Park et al., 1986). The brand concept – the brand meaning selected by the brand manager derived from basic consumer needs (Park et al. 1986) – forms the heart of the content of the place branding strategy: it incorporates the identity and core values communicated. A clear brand concept implies that the brand has a specific and understandable meaning, based on an unambiguous set of core values. A clear brand concept balances between on the one hand the challenges of focusing on core values and reducing the complexity of potential messages, and on the other hand reflecting the complexity of a place and giving enough space to communicate with a variety of messages and stakeholders (Zenker and Petersen, 2014). Therefore, a clear brand concept does not imply an overly simple ‘one-trick-pony-brand’, but a careful selection of different themes, policies and target groups with a clear prioritization. Following Park et al. (1986), the brand concept forms the substantial basis of the branding strategy, and it is complemented by the positioning strategies and the associated marketing activities (marketing mix). It thus sets the frame and selection of potential topics for place branding. If a brand is not clear, it cannot function well as a guideline in the development of related polices such as spatial policies and tourism/leisure policies.

How the clarity of the brand concept is influenced by involvement of various stakeholder groups. Park et al. (1986) say that the brand concept should be selected on the basis of who the stakeholders are, but they do not deal further with the relationship between stakeholders and the brand concept. The place marketing literature indicates that stakeholders can influence the brand concept in several ways. Stigel and Frimann (2006) warn that involving multiple stakeholders with different views may lead to nondescript or vague brand concepts. Other scholars emphasize that stakeholders may contribute to a brand concept that fits with needs and wants of brand users and help to improve the brand concept (Kavaratzis, 2012; Klijn et al. 2012). Dialogue among stakeholders can help to
clarify identity and qualities of a place (Hankinson, 2010), which in turn facilitates making choices and setting clear priorities regarding the brand concept.

Elaborating on the possible effects of various stakeholders’ involvement on the clear brand concept, the following can be theorized: When politicians are involved, they may set substantive terms and give direction to the brand concept. Politicians may also help to select options, and reduce variety at the end of the dialogue with stakeholders (Klijn and Koppenjan, 2000). This reduces uncertainties and contributes to creating a clear brand. However, politicians’ involvement may increase political struggle. Political interests may become more important than the clarity of the substantive solution, resulting in unclear brands. It is difficult to assess the impact of politicians’ involvement on the clarity of the brand concept, but we hypothesize that politicians will direct the decision making process and contribute to a more clear brand concept.

Public managers can not only bring in expertise that helps to develop a clear brand, but also help to organize the process of developing the brand properly and aligning various ideas. This will contribute to a clearer brand concept.

The involvement of residents may on the one hand help to define the most important aspects of a place’s identity (Collomb and Kalandides, 2010), which makes it more easy to select brand values and create a clear brand concept. On the other hand, residents often have varying or even contradictory ideas regarding the identity of a place. The many different voices among residents easily lead to attempts to include many themes in the brand, or to a compromise brand that is nondescript and vague (Zenker et al., 2017). All together, we hypothesise that the many resident voices will lead to less clear brand concepts.

Although companies from different sectors may have different ideas about the core themes of a place brand, which may lead to a compromise with a nondescript brand, in general it can be expected that companies will contribute to developing a place brand that stands out and enhances competitiveness. Therefore, we expect that involving companies contributes positively to the clarity of the brand concept.

The conceptual model and hypotheses

On the basis of the theory presented above, we have established the following conceptual framework (Figure 1). The figure includes the involvement of the four specified stakeholder groups, the clear brand concept as a mediating variable, and the two dependent variables: impact of place marketing on spatial planning policy and impact of place marketing on tourism/leisure policies. This paper analyses whether the involvement of these stakeholder groups increases the effect of place marketing on spatial planning policy and on tourism/leisure policies. The study involves both the direct effect and the indirect (mediated) effect through the clear brand concept.

The four sets of research hypotheses tested empirically are:

**H1**: The higher the involvement of politicians in the place marketing process, 
(a) the higher the effect of place marketing on spatial planning policy;
(b) the higher the effect of place marketing on tourist policy;
(c) the clearer the brand concept.

**H2**: The higher the involvement of public managers in the place marketing process, 
(a) the higher the effect of place marketing on spatial planning policy;
(b) the higher the effect of place marketing on tourist policy;
(c) the clearer the brand concept.
**H3:** The higher involvement of residents in the place marketing process,  
(a) the higher the effect of place marketing on spatial planning policy;  
(b) the higher the effect of place marketing on tourist policy;  
(c) the less clear the brand concept.

**H4:** A higher involvement of companies in the place marketing process,  
(a) has no impact on the effect of place marketing on spatial planning policy;  
(b) increases the total effect of place marketing on tourist policy;  
(c) increases clarity of the brand concept.

**Research methodology**

**Research design and data collection**

This research is based on data collected for the National City Marketing Monitor in the Netherlands and Germany in 2013. This is a web-based survey sent to professionals and city administrators involved in the marketing of regions, cities, towns, and villages. To acquire a reliable set of respondents actually involved in place marketing, the research was carried out in close collaboration with several organizations that provided e-mail addresses of (potential) respondents. In Germany, we collaborated with the main city marketing and tourism societies (Bundesvereinigung City- und Stadtmarketing Deutschland and Deutscher Tourismusverband). The survey was announced in their newsletter, mentioning the website where people could fill out the survey. In addition, the researchers used their personal database of people involved in place marketing in Germany. This yielded 304 respondents in total. Because most respondents were not approached personally but via a newsletter, it is impossible to calculate the response rate.

In the Netherlands, the authors collaborated with the main Dutch network for place marketing – Netwerk City Marketing Nederland. This non-profit association facilitates the development of a network of professionals working in place marketing by maintaining a website and a LinkedIn group (more than 2000 members) and by organizing seminars and
conferences on place marketing. The network provided e-mail addresses of people who had participated in these events. A second partner is the Dutch organization for local and regional tourism offices, VVV Nederland. This umbrella organization provided contact details of the directors of the Dutch tourism offices. Finally, the Dutch association for local governments, Vereniging Nederlandse Gemeenten (VNG), supported the research. This association represents all 393 Dutch municipalities. We cross-checked the lists of respondents and searched for additional respondents active in place marketing. This resulted in a dataset of 666 people involved in place marketing in the Netherlands. Two hundred and forty respondents answered at least part of the survey, of which 161 respondents filled out enough of the survey to include them in this research. This means that about 36% of the respondents filled out at least a small part of the survey, and 24% filled out a large part.

To obtain a good dataset, we removed all respondents who completed only a small part of the survey, and we removed some respondents to make sure that we had only one respondent per government department or non-government organization so as to avoid a bias in our dataset by having overrepresentation of some organizational units. The final dataset contains 444 respondents comprising 148 Dutch and 296 German respondents. Of the 444 respondents, 44% are employed by a municipality, 29% work for a tourism office, 19% work for an independent organization at arm’s length – usually a foundation involved in place marketing – and about 8% work for another organization. The respondents have a variety of functions, varying from communication advisor to neighbourhood manager, policy advisor, and city alderman. Approximately 90% of the respondents have two years or longer experience with place marketing. The measures in this research are all based on respondents’ self-reports. Two different tests were carried out to test for common source bias; neither showed that common source bias is a problem (see Appendix 1).

**Method and variables**

Data analysis took the form of structural equation modelling (SEM). The analysis includes four independent variables concerning the involvement of four different groups of stakeholders in developing the content of the place marketing strategy. Four separate survey items measure these variables. The variable clear brand concept is measured by three survey items. A confirmatory factor analysis on these three items is included in the path model to determine the values (factor loadings) of this variable. In addition, two items from the survey are used to measure the two dependent variables concerning the effect of place marketing on spatial planning policy and on tourism/leisure policy. All these variables are listed in Table 1 and are measured on a 10-point scale ranging from 1 (totally disagree) to 10 (totally agree).

Three control variables are included. The first one is the number of inhabitants in the place marketing area, to control for the possibility that larger areas may apply more marketing activities and therefore their place marketing might have more influence on spatial planning or tourism/leisure policies. We measured this by asking the number of inhabitants in respondents’ city marketing areas. We used this information to create five categories of place marketing area size, ranging from small (1) to large (5). In this process, we considered the national context as Dutch cities are on average smaller than German cities. The second control variable is the change in the budget during the last two years, as this could influence the effect of place marketing on spatial planning policy and tourism policies. This variable is measured by asking respondents to pinpoint the change in the place marketing budget during the last two years on a continuous scale ranging from ‘strongly decreased’ to ‘strongly increased’. The third control variable measures the level of conflict.
between stakeholders regarding the content of place marketing, because conflict between stakeholders may impact on whether or not the involvement of stakeholders leads to a clearer brand concept. The main correlations between the variables are listed in Table 2, showing that most of the expected relations are significant in the dataset.

### Results and hypotheses testing

Preliminary analysis of the data shows that it somewhat departs from normality. Therefore, a structural equation model is estimated using maximum likelihood with the Satorra–Bentler correction (Satorra and Bentler, 1994). This estimation method produces the

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**Table 1.** Survey questions, measurement and descriptive statistics.

<table>
<thead>
<tr>
<th>Questions in the survey</th>
<th>Measurement</th>
<th>Variable Name</th>
<th>N</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>The executive political leaders (executive councilors/members of the cabinet) have been highly involved in developing the content of the place marketing strategy of our area</td>
<td>1–10</td>
<td>Involvement of politicians</td>
<td>440</td>
<td>6.71</td>
<td>2.46</td>
</tr>
<tr>
<td>Local authority officers have been highly involved in developing the content of the place marketing strategy of our area</td>
<td>1–10</td>
<td>Involvement of public managers</td>
<td>441</td>
<td>5.91</td>
<td>2.42</td>
</tr>
<tr>
<td>Citizens and residents have been highly involved in developing the content of place marketing strategy of our area</td>
<td>1–10</td>
<td>Involvement of residents</td>
<td>441</td>
<td>4.66</td>
<td>2.32</td>
</tr>
<tr>
<td>Local businesses have been highly involved in developing the content of the place marketing strategy of our area</td>
<td>1–10</td>
<td>Involvement of companies</td>
<td>440</td>
<td>5.69</td>
<td>2.45</td>
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<tr>
<td>A clear brand concept has been chosen</td>
<td>1–10</td>
<td>Clear brand concept 1</td>
<td>429</td>
<td>7.30</td>
<td>2.38</td>
</tr>
<tr>
<td>There is a clear brand strategy</td>
<td>1–10</td>
<td>Clear brand concept 2</td>
<td>429</td>
<td>7.13</td>
<td>2.43</td>
</tr>
<tr>
<td>A clear brand identity has been established</td>
<td>1–10</td>
<td>Clear brand concept 3</td>
<td>429</td>
<td>7.17</td>
<td>2.38</td>
</tr>
<tr>
<td>Place marketing has had a strong impact on spatial planning policy in our area</td>
<td>1–10</td>
<td>Impact place marketing on planning</td>
<td>424</td>
<td>4.36</td>
<td>2.31</td>
</tr>
<tr>
<td>Place marketing has had a strong impact on tourism- and leisure policies in our area</td>
<td>1–10</td>
<td>Impact place marketing on tourism and leisure</td>
<td>425</td>
<td>7.60</td>
<td>2.09</td>
</tr>
<tr>
<td>How many inhabitants does your city marketing area have approximately</td>
<td>1–5</td>
<td>Size of region</td>
<td>438</td>
<td>2.94</td>
<td>1.40</td>
</tr>
<tr>
<td>Please indicate your estimation regarding the increase or decrease of the marketing budget in your area during the last two years.</td>
<td>−10 to +10</td>
<td>Budget</td>
<td>438</td>
<td>−0.30</td>
<td>3.88</td>
</tr>
<tr>
<td>There are many conflicts regarding the content of city marketing among the stakeholders’</td>
<td>1–10</td>
<td>Conflict between stakeholders on content of place marketing</td>
<td>440</td>
<td>3.99</td>
<td>2.40</td>
</tr>
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</table>
Table 2. Correlations between variables in the analysis.

<table>
<thead>
<tr>
<th></th>
<th>CLEAR BRAND CONCEPT_1</th>
<th>CLEAR BRAND CONCEPT_2</th>
<th>CLEAR BRAND CONCEPT_3</th>
<th>INVOLVEMENT POLITICIANS</th>
<th>INVOLVEMENT PUBLIC MANAGERS</th>
<th>INVOLVEMENT COMPANIES</th>
<th>INVOLVEMENT RESIDENTS</th>
<th>CONFLICT STAKEHOLDERS CONTENT PLACE MARKETING</th>
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<td>1</td>
<td>1.00</td>
<td>0.89**</td>
<td>0.84**</td>
<td>0.29**</td>
<td>0.36**</td>
<td>0.28**</td>
<td>0.18**</td>
<td>-0.19**</td>
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<tr>
<td>2</td>
<td>1.00</td>
<td>0.89**</td>
<td>0.87**</td>
<td>0.28**</td>
<td>0.33*</td>
<td>0.29**</td>
<td>0.18**</td>
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<td>3</td>
<td>0.89**</td>
<td>1.00</td>
<td>0.87**</td>
<td>0.28**</td>
<td>0.33*</td>
<td>0.29**</td>
<td>0.31**</td>
<td>0.02</td>
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<tr>
<td>4</td>
<td>0.84**</td>
<td>0.87**</td>
<td>1.00</td>
<td>0.24**</td>
<td>0.35**</td>
<td>0.35**</td>
<td>0.34**</td>
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<td>N 440</td>
<td>N 440</td>
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<td>5</td>
<td>0.29**</td>
<td>0.28**</td>
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(continued)
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*Correlation is significant at the 0.05 level (two-tailed).
**Correlation is significant at the 0.01 level (two-tailed).
Table 3. Result of testing the conceptual model by structural equation modeling (SEM).

<table>
<thead>
<tr>
<th>Effects of</th>
<th>On</th>
<th>Direct effects</th>
<th>Indirect effects</th>
<th>Total effects</th>
</tr>
</thead>
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<tr>
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<td>Impact Place Marketing On Planning</td>
<td>0.05</td>
<td>0.01</td>
<td>0.07</td>
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<tr>
<td></td>
<td>Impact Place Marketing On Tourism</td>
<td>0.07</td>
<td>0.02</td>
<td>0.09</td>
</tr>
<tr>
<td>Involvement Public Managers</td>
<td>Clear Brand Concept</td>
<td>0.22***</td>
<td>–</td>
<td>0.22***</td>
</tr>
<tr>
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<td>Impact Place Marketing On Planning</td>
<td>0.26***</td>
<td>0.04*</td>
<td>0.30***</td>
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<tr>
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<td>0.06*</td>
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<tr>
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<td>0.15***</td>
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<td>–</td>
<td>0.28***</td>
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<tr>
<td>Conflict Stakeholders About Content Place Marketing</td>
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<tr>
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<td>–0.04**</td>
<td>–0.04**</td>
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<tr>
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<td>–0.06***</td>
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<td></td>
<td>Impact Place Marketing On Tourism</td>
<td>–0.11***</td>
<td>–</td>
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Goodness of fit indices for the estimated conceptual model with Satorra_Bentler correction applied:

<table>
<thead>
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<th>N</th>
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Notes: In the bootstrapped model the significance of the effect of the size of the region on the impact of place marketing on tourism dropped from 0.01 to 0.02.

*p ≤ 0.05.

**p ≤ 0.01.

***p ≤ 0.001.

Satorra–Bentler scaled χ2 and makes standard errors, p-values, confidence intervals, and the analysis of direct and indirect effects robust to data non-normality. Table 3 reports the standardized estimates of this SEM model with the direct, indirect and total effects, as well as the goodness of fit indices that indicate a good fit of the model. Additionally, the standard errors, p-values confidence intervals for the direct, indirect and total effects have been estimated via a bootstrapping procedure using 5000 samples (Bollen and Stine, 1990) as well. The bootstrapped standard errors, confidence intervals and p-values are very similar to the analysis with Satorra–Bentler correction and do not affect the results of the analysis. As a further test, the model has been estimated with standard errors that are robust to heteroskedasticity of the errors. Again, the results correspond to those obtained via the
Satorra–Bentler correction and the bootstrapping procedure. It is also important that to
model estimation includes respondents that had no missing values for the questions used in
the analysis (\(N = 413\)). Once more, including those respondents with missing values did not
change the results of our analysis. The error terms of the two dependent variables have been
allowed to covariate.

The three items measuring the variable clear brand concept were estimated within the
SEM model, with good results. The three items do reflect one factor. The item loadings are
significant and greater than .90, the average variance extracted is 0.87 (implying good
convergence validity) and Cronbach’s \(\alpha = 0.95\).

Table 3 is structured by the hypotheses. The first set of hypotheses concerns the
involvement of politicians (H1). The hypotheses that the involvement of politicians leads
to a stronger impact of place marketing (a) on spatial planning policy and (b) on tourism/
leisure policy are not supported by the data.

The second set of hypotheses regards the involvement of public managers (H2). The
analysis shows this has a positive effect on the impact of place marketing on spatial
planning policy. Table 3 also reveals that the involvement of public managers has a
positive effect on the impact of place marketing on spatial planning policy mediated by a
clear brand concept. The analysis shows no evidence of an effect on the impact of place
marketing on tourism/leisure policies.

The third set of hypotheses relates to the involvement of residents (H3). There is support
for hypothesis (a) where resident involvement has a positive effect on the impact of place
marketing on spatial planning policy albeit only for the direct effect. A mediated effect
through the clear brand concept is not supported. There is no evidence for an influence of
resident involvement on the effect of place marketing on tourism/leisure policies.

The fourth set of hypotheses refers to the involvement of companies (H4). There is
support for the hypothesis (a) that there is no impact on the effect of place marketing on
spatial planning policy from company involvement. The involvement of companies does
have a significant direct and indirect positive impact on the effect of place marketing on
tourism/leisure policies.

The control variable conflict among stakeholders regarding the content of marketing has
a strong negative effect on a clear brand concept. The control variable budget has no impact
on the two dependent variables or on the clear brand concept. The other control variable
concerning the size of the region has a negative impact on the effect of place marketing on
tourism/leisure policy and no significant impact on the other dependent variable.

The overall picture is that the involvement of different stakeholder groups does matter,
and the impact for each stakeholder group differs significantly. Involvement of politicians
has no impact, whereas the involvement of public managers impacts the effect of place
marketing on spatial planning policy. Likewise, companies’ involvement positively
influences the effect of place marketing on tourism and leisure policy. Resident
involvement has a direct positive impact only on the effect of place marketing on spatial
planning. There are two small mediated effects: one for public managers positively
influencing the effect of place marketing on spatial planning policy and one for companies
impacting the effect of place marketing on tourism and leisure policy.

In overview, the result of testing the hypothesis is:

**H1**: The higher the involvement of politicians in the place marketing process,
(a) the higher the effect of place marketing on spatial planning policy: **REJECTED**
(b) the higher the effect of place marketing on tourist policy: **REJECTED**
(c) the clearer the brand concept: **REJECTED**
H2: The higher the involvement of public managers in the place marketing process,
(a) the higher the effect of place marketing on spatial planning policy: ACCEPTED
(b) the higher the effect of place marketing on tourist policy: REJECTED
(c) the clearer the brand concept: ACCEPTED.

H3: The higher involvement of residents in the place marketing process,
(a) the higher the effect of place marketing on spatial planning policy: ACCEPTED
(b) the higher the effect of place marketing on tourist policy: REJECTED
(c) the less clear the brand concept: REJECTED

H4: A higher involvement of companies in the place marketing process,
(a) has no impact on the effect of place marketing on spatial planning policy: ACCEPTED
(b) increases the total effect of place marketing on tourist policy: ACCEPTED
(c) increases clarity of the brand concept: ACCEPTED.

The next assessment is to test for group differences to see whether the results are robust for different groups of respondents. The first test of group differences concerns the effects of respondents coming from two different countries (The Netherlands and Germany). The first step is to evaluate whether the structural model applies across these two groups. This involves comparing the model presented in Tables 3 with an unconstrained model where all parameters are allowed to vary between the two groups. The $\chi^2$ difference between the two models is not significant ($\Delta \chi^2 = 35.99$, DF = 26). This shows that the structural model applies for both the Dutch and the German sample. Although the model structure is the same for both groups, there could be differences at the path level. The test of invariance of parameters across groups confirms that for all but one path, the parameters are the same for both groups. Only for one path, the assumption of parameter invariance across groups is rejected: the path from involvement of politicians to the clear brand concept ($\chi^2 = 4.02$, DF = 1). The Dutch respondents perceived a positive effect of the involvement of politicians (0.27; $p = 0.03$) on the clear brand concept whereas German respondents do not see a significant effect (0.001; $p = 0.99$). To the knowledge of the authors existing literature provides no explanations for this difference. It requires further research to explain it.

The second test is to examine the group differences between respondents employed by the (local or regional) government and those who are not working for the government. It is likely that respondents working inside the administration perceive matters differently than those outside the government. Similar to the difference between the Dutch and the German sample, it is important to examine whether the structural model applies for both respondents employed by the government and those outside the government. Again, the model presented in Table 3 is compared with an unconstrained model where all parameters are allowed to vary between the two groups. The $\chi^2$ difference between the two models is not significant ($\chi^2 = 12.60$, DF = 23), and the groups are not different at the model level, implying that the structural model holds for both groups. At the path level, the test of invariance of parameters across groups confirms that 18 paths do not differ significantly across the two groups. Two paths are different between respondents working in government and respondents who are not. The path from involvement of politicians to the impact of place marketing on spatial planning policies is significantly different between the groups ($\chi^2 = 5.72$, DF = 1): respondents working in government do not see a significant impact of politicians' involvement in place marketing on spatial planning policies, whereas respondents working outside the government do see significant impact here (0.18; $p = 0.02$). For the involvement of public managers, both groups perceive significant impact of public managers, albeit that the government group reports a significant
Conclusion and discussion

This paper tests whether the involvement of different stakeholders in place marketing processes, influences the content of that process (i.e. a clear brand concept) and whether this involvement has an impact on other policies (i.e. spatial and tourism/leisure policies). We researched this by measuring perceptions of professionals in place marketing through nationwide surveys in the Netherlands and Germany.

On the basis of those perceptional data, the study shows that the involvement of certain stakeholders (residents and public managers) increases the influence of place marketing on spatial planning policies, whereas involving other stakeholders (businesses) increases the influence of place marketing on tourism/leisure policies. Thus, different stakeholder groups have a varied influence on policies. Stakeholder involvement does not only have a direct influence; there is also an indirect impact via improved policy content – in our research the clear brand concept. Involving public managers and businesses leads to a more powerful instrument in terms of influencing policies in place making. Altogether, this paper reveals that the effect of stakeholder involvement varies for different stakeholder groups and different policies. A possible explanation for the influence of involving businesses is the importance of businesses (particularly the hospitality industry) in the field of tourism and leisure. If the hospitality industry is involved, place marketing is more likely to be aligned with the main interests in the policy field of tourism and leisure. Therefore, it is more likely to fit and have an influence in this field. Spatial planning has a stronger public orientation (at least in the Netherlands and in Germany), and this may explain the significant influence of public managers and residents here. The reason why resident involvement does not enhance the influence of place marketing in tourism/leisure policies may be that residents often have other needs and wants than attracting tourists. Residents would steer place marketing towards their own needs, causing place marketing to fit less well with tourism/leisure policies.

Interestingly, this research does not confirm the idea (voiced by some researchers and practitioners) that involving multiple stakeholders in place marketing leads to vague and unclear brands (e.g. Stigel and Frimann, 2006). This research shows that the involvement of politicians and residents has no significant influence on choosing a clear brand concept, whereas the involvement of public managers, companies, and experts has a positive influence.

This research further shows that it is not only process variables such as stakeholder involvement that are important; the content of place marketing is also relevant. More specifically, selecting a clear brand concept has a positive influence on the impact of place marketing on other policies (i.e. spatial planning and leisure policies). In other words, if the place brand concept is clear, it is more likely that it will actually be used in spatial planning and tourism/leisure policies. Interestingly, the model shows a clear negative effect of conflicts among stakeholders on the choice of a clear brand concept. The involvement of various
stakeholders is positively related to a clear brand concept, but, if a conflict develops amongst them, this has a clear negative impact on the content of place marketing. This finding validates the idea in the literature that conflicts among stakeholders negatively impact the quality of the content of a governance process (Ansell and Gash, 2008; Klijn and Koppenjan, 2016).

In sum, this research confirms earlier research that stakeholder involvement matters in a governance process such as place marketing (Klijn et al., 2012) and adds to it that the influence varies for different stakeholders and different policies. Stakeholder involvement in place marketing leads both to a clearer brand concept and to increased effectiveness in terms of influencing other policies. Thus, this research provides empirical evidence of the idea that involving stakeholders leads to an improved representation of place (Kavaratzis and Kalandides, 2015) or governance content (Ansell and Gash, 2008). It refines this idea by showing that certain stakeholders do have this effect whereas other stakeholders do not.

This conclusion holds true for both Germany and the Netherlands, since this model is valid for both countries. This can probably be explained by the very similar governance culture (built on the Rhineland model of capitalism, which features the sharing of information and building consensus among stakeholders) and similar organization of local government in both countries.

An important limitation of this article is that is based on the perceptions of professionals involved in place marketing. Although this means that they are experts, and that their perceptions are based on their experience and knowledge of the field, this may also bring in certain biases. As any profession, place marketing may be characterised by particular dominating discourses, including certain taboos and popular (but unwarranted) heuristics. Future research could provide insight in the paradigms and discourses that exist within the field of place marketing, for example, by comparing discourses among place marketers with discourses that exist among other public managers or citizens.

Overall, the conclusion of this study is that the involvement of specific stakeholders positively influences how a certain policy (place marketing in this research) is taken into account within other policies. The effect of involving stakeholders is differentiated; private companies increase the influence of place marketing on different policies than residents and public managers do. This invites future research which approaches ‘stakeholders’ not as a generic category or monolithic group, but as a variegated set of actors. On the basis of this research, it can be recommended for place marketers to treat various stakeholder groups differently. Involving public managers and businesses is recommended for developing a clear brand concept, and involving residents may be recommended to increase the leverage of place marketers when discussing and negotiating actions with public managers from spatial planning.

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References


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### Appendix 1. Common source bias

The measures in this article are all based on respondents’ self-reports. This could create a potential problem of common source bias. To check for common source bias, we carried out two different tests. Firstly, a confirmatory factor analysis was conducted including the 12 observed variables used in this research. All these variables are loaded upon one latent factor. The fit-indices of the confirmatory factor model show that this one-factor model

<table>
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<tr>
<th>N</th>
<th>DF</th>
<th>$\chi^2$</th>
<th>CFI</th>
<th>TLI</th>
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<th>RSMEA Lower bound</th>
<th>RSMEA Upper bound</th>
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<td>0.95</td>
</tr>
</tbody>
</table>
does not fit the data, as Table A shows. This indicates that common source bias is not likely to explain the research findings.

Secondly, the conceptual model in our research was re-estimated including an additional common latent factor that loaded upon all the observed variables as suggested by Podsakoff et al. (2003). The model fit of the conceptual model including the common latent method factor is worse than the model fit of the conceptual model presented in this paper. This is reflected in the significant \( \chi^2 \) difference (\( \Delta \chi^2 = 49.10; \text{df} = 10; p < 0.001 \)) and all the other fit indexes are not as good as those reported in Table 3. More importantly, the variance explained by the common latent method factor was 10.8% which is much lower compared to percentages typically found in other studies (Williams et al., 1989). Furthermore, in this model, all the important relationships among the variables in the conceptual model showed the same significance levels and the changes in the estimated coefficients are very marginal or non-existent. It is concluded that common source bias is not a problem in this research.