

# The leadership challenge

Malcolm Allan

## INTRODUCTION

This chapter explores the concept of brand leadership as it applies to places which have recognised the need for and value of a place brand strategy. Increasingly these are places which have an extensive and sophisticated offer for residents, workers, businesses, and visitors. Commonly they are major tourist attractions, centres of culture and heritage, centres of learning, and places of leisure and entertainment. Place brand strategy involves more than the design of a memorable logo and a catchy tag line; it plans, provides for, and tells consumers the story of the offer and experience of the place, as it has been, as it is, and as it will be in the future. The chapter:

- Discusses place brand leadership as a new concept which describes how the brands of places are developed and led by the key stakeholders of the place;
- Demonstrates the importance of ‘shared leadership’;
- Outlines good practice in place brand leadership;
- Examines new skills and behaviours for brand leadership.

## PLACE BRAND LEADERSHIP

Place branding is a collective endeavour and rarely the province or responsibility of just one stakeholder alone, such as the local or national government. It is most effectively practiced when the key stakeholders of a place come together to plan and manage their investments in its offer and the experience they want people to have there. Typically, as individual organisations, they will have very different purposes, responsibilities, goods, and services, with very different and potentially competing service and product brands. But what unites them is





their shared desire to improve their place, how it operates, and what it offers to consumers and investors. The offer of a place is commonly quite complex. It is often a combination of products and services on sale, events, and programs of activities, combined with the physical features of the place – buildings, spaces, streets, architecture – and the culture and history of the people who live there and their forbearers. In other words it is a complex mix that they need to make sense of for people who know the place and for those who do not. And, in words that bastardise a very well-known saying attributed to Abraham Lincoln – ‘You cannot describe everything about your place and all that it offers to all people, everywhere, all of the time’. You have to choose carefully and selectively, what you are going to say about your place and to whom, with style, clarity of, and economy of language, if you are to describe it in ways that will catch and hold interest, be memorable and be action orientated, stimulating people to find out more about it or to visit it. For such simplicity to be achievable agreement between the principal stakeholders about the brand that describes the offer and experience is necessary and shared leadership of the implementation of brand strategy is necessary if it is to become a reality.

Brand leadership is a common expression in the lexicon of brand development and management. It is commonly held to mean the brand that leads a particular market or product or service segment of a market. It can also be applied to brands that are innovative and creative. Place brand leadership, in comparison, is a new concept which describes how the brands of places – the offer and experience of countries, cities, towns – are developed and led by the key stakeholders of the place, often in partnership with each other.

Unlike fast-moving consumer goods brands, place brands are not limited to the qualities and features of their products, and principally expressed through logos and strap-lines; rather, they describe to consumers the offer of services and experiences that a place has to offer them and where and how to access them. Increasingly, their success is dependent upon the involvement of the people who provide those services and experiences in building the brand of the place – the key stakeholders of the place, those who are active investors in what it has to offer.

Places, like political parties and companies, need leadership – not in the traditional sense of elected leaders of majority parties in town halls or in parliaments, but leadership by and from the key stakeholders of the place working in close partnership with each other to realise its potential and, where desired, to create a brand that describes its offer and experience in ways that will attract and captivate the interest of the consumers and investors whom they wish to attract. So, why is leadership so important for the brands of places? The leaders of places – elected politicians and business and community leaders – can have a significant influence on how people think about their place. What they say and what they do can attract or repel people, institutions, companies, investors, and tourists. And, increasingly in the political sphere, especially at the level of the nation and in major metropolitan cities, the elected leaders of places are having an impact on their image and reputation; witness the range of responses from business leaders to the policy statements and pronouncements to elected mayors, for example, in places like London, New York, and Paris.



In parallel, more people are realising that the reputation of their place is important to them as residents or workers, in terms of the strength of association that they have with it and their comfort with the way it is governed, how administrations treat them, how the place describes itself and their personal 'fit' and comfort with such descriptions, in particular with their view of the place and how it operates, especially in relation to their own standards and values. And people are not alone in this regard; increasingly private companies and major institutions regard the reputation and identity of the places where they choose to operate as important to their own reputation and well being. These factors can have an impact on the attraction and retention of labour and on the conditions which support their successful operation.

It is no surprise then that in an increasingly competitive global economy that countries and major cities are recognising that they need to effectively distinguish themselves from their competition if they are to develop, attract, and retain human talent, investors, companies, and tourists, and successfully export their products and services, values, and lifestyle opportunities. Many places and their leaders have also recognised that they also need to distinguish themselves through their culture and heritage; witness the intense competition to be a European Capital of Culture with its attendant legacy of potential new jobs, enterprises, and cultural institutions, all of which can help attract and retain people, businesses, and investors. Place branding, then, helps places to differentiate themselves, to establish distinctive identities, and to be clear on what their offer is to the rest of the world and to be clear on the kind of experience people will have when they live or work in or visit the place.

As noted above, place brands are a lot more complex than product brands as they are usually an expression of a range of offers and experiences, facilities and services, many of which can be in competition within the place in the attraction of customers and visitors. Place brands can be an aggregate of this mix or they can feature one or a few dominant elements in the offer that they feel sufficiently differentiates them from their competition. And it is this potential internal competition for the attention of customers and visitors that drives the need for shared leadership of the process of developing and managing a brand strategy for the place. While it is common, at least in Western Europe over the last 10 years, for place brand initiatives to be initially led by the public sector, it is most unusual for all the principal services and attractions of a place to be the responsibility of that sector. It is far more likely that the major owners of, and investors in, the offer of services and facilities that the brand covers will be in the private sector. Hence, the need for the creation of some form of shared leadership of the development of a brand strategy for the place.

In my experience over the last 10 years it has become very clear that such initiatives need to be undertaken by a partnership of complementary interests, who are dependent on each other as key stakeholders in the development and delivery of the brand offer of the place, charged with creating the distinctive brand identity that will set the place apart from its competition. I term this approach a 'place brand partnership.' This is a form of partnership that is dependent on what is known as 'shared leadership.'



## THE IMPORTANCE OF SHARED LEADERSHIP

Also apparent over the last 10 years has been the growth of interest in leadership generally. This has been seen not just in the private sector but also in the public and community or not-for-profit sector as it is referred to in North America. Leadership and its effectiveness has been recognised as having an impact on the performance of companies in particular, their profitability, their market share, and their influence in their markets and more widely in society. The quality of its leadership is increasingly being recognised as being one of the important intangible assets of value to companies and their shareholders, which contributes to their brand, perhaps their most important intangible asset, and are major determinants of their reputation and value to investors.

The importance of leadership development for companies can be seen not least in the proliferation of courses, seminars, and conferences on the subject, hosted by universities, business schools, and leadership institutes. This growth in private sector interest has been paralleled, at least in the UK, by a similar, if slower, growth in the public sector of leadership development programs for senior civil servants and senior local government officers and elected members; witness the establishment and growth of the leadership development work of the Innovation and Development Agency in the local government in England and Wales and the leadership programs of the Civil Service College at Sunningdale in Berkshire. Leadership development has also been recognised as being of importance to the community/third sectors, especially so in North America where it has been championed by the Drucker Foundation.

The point of this discourse is that potentially all the key sectors that need to be involved in cooperatively leading the development of brands for places should have a familiarity with, if not a good understanding of, the value of leadership and its effective practice. However, the challenge for place branding really lies in the area of cooperative or *shared* leadership, as opposed to the development of the personal leadership skills of those who lead individual institutions, organisations, and companies, often likened to and termed 'hero' leadership after the writings of Joseph Campbell (2008).

Shared leadership, which is what is required for effective place branding, essentially requires a great deal more give and take from leaders from these different sectors, than they are probably used to in their own spheres of influence. They need to move from the exercise of 'hard power' (we will do it my way) to the exercise of 'soft power' (let us find mutual benefits through agreement). Joseph Nye (2004) makes a powerful case for a more balanced use of hard and soft power in the conduct of public and civic affairs and concludes that soft power – getting others to want the outcomes that you want and your sharing theirs – is a far more effective use of power that will bring others to your cause and create common cause and purpose. Nye suggests that the positive exercise of soft power – through consultative policy making and respectful behaviour – can stimulate the positive involvement of other key stakeholders, from the private and community sectors, in the framing of public policy initiatives. In my view a prime candidate for the use of soft power is in the leadership of brand development for places.



The behaviour and policies of our political leaders, be they presidents, prime ministers, mayors, or party leaders in local government, what they do and how they do it, all impact on our perceptions of the places that they say they lead and govern. In the latter half of the twentieth century the actions of a number of political leaders had a number of serious consequences for their brand and reputation which had a number of grave economic costs, for example, the consumer boycotts of products from Greece under ‘the Colonels’ and similar boycotts of South African products during the years of Apartheid. Similarly, in the early years of the twenty-first century, a number of commentators (principally [Anholt and Hildreth, 2010](#)) have written on the effect on US trade as a result of the country’s foreign policies and the consequent damage to its cultural reputation. This can produce feelings of discomfort, distress, disenchantment, and detachment among populations, or feelings of satisfaction, depending on personal points of view. And, as we have seen in Europe and in Southeast Asia in recent years, people are prepared to take to the streets to express their anger when they become concerned about the effect of the actions of their governments, which in turn affects external perceptions of their place and its offer, which can have significant implications for the travel and tourism sectors in those countries.

What this also illustrates is that the way that national governments conduct what is now referred to as ‘public diplomacy’ (being a combination of foreign and domestic policy) can have a significant impact on their brand – especially on their image and reputation. Public diplomacy is now recognised as having a major impact on the brands of nations and major cities, as witness the efforts of both the current Mayor of London, Boris Johnson, and his predecessor, Ken Livingstone, to cultivate potential inward investors through the promotion of their policies for the development of the UK capital as a centre for innovation, research, higher level skills, and a great place to do business. This is in line with national policies that help to establish reputations of a particular nature – witness the positive ‘country of origin’ effect of Japan on the perceived quality of its electronics and computer industry products and the desire of European regions and cities to import this effect and reputation in to their places through inward investment by Japanese companies (see Kotler and Gertner, Chapter 3).

A powerful place brand can therefore be of considerable competitive advantage for a place in a world where countries, regions, and cities actively compete with each other to wield influence, attract, and retain talent, businesses, cultural institutions, and major international events. A well-led place brand strategy offers more of a chance of capturing those potential assets. The way that the place is led and the behaviour of those who lead it can make a significant difference to the attitude of potential investors, who are more likely to value a place whose leadership is at one with each other and which has got its act together working in partnership, sharing responsibility for its development.

## SHARED BRAND LEADERSHIP

Place brand strategy brings together and integrates public diplomacy, private corporate investment, community action, and personal investment in the fabric and service offers of places through effective marketing and communications



practices. Effective place branding coordinates all the messages about the place, particularly those directed at particular target populations, both internal and external, through its people, its businesses, its institutions, and its organs of government. To do so successfully all those who can carry the message about its offer and all those who are responsible for its creation need to participate in and share responsibility for the creation and delivery of the brand. Using a form of partnership as a vehicle for doing so enables individual leaders to move from a position of focus just on their own agenda, goals, and objectives to balance that with a greater understanding of those of others and creating an opportunity to devise and implement a common agenda that engages more talent and resource in the development of the brand. A place brand created in partnership enables all the stakeholders involved to move in a common direction and provides clarity of shared purpose which can be a powerful differentiator for the place distinguishing it from its competition and rivals.

We can look at a number of recent examples of place brand initiatives to see varying forms of partnership being used as the basis for groups of key stakeholders sharing the leadership of brand strategy development and implementation. In 2005 in Southampton, a major port on the south coast of England, an informal place brand partnership was created under the wing of the city's formal Community Partnership, a statutory body responsible for the disbursement of public sector expenditure, to create and implement a brand strategy for the city. Composed of representatives of the Community Partnership, the city council, further and higher education, the health sector, the business community, and the media, the brand partnership was composed of two bodies, a brand leadership team and a brand development team. The latter team was responsible for the research required to understand what the current and proposed offer of the city was and the options for the development of a brand while the former team was responsible for leading the process, advocating for the selected brand strategy, and helping to secure resources for its implementation, responsibility for which is led by Business Southampton, a new body created in 2006.

A similar form of partnership was created in 2009 by Sefton Borough Council in Lancashire to guide the review of an existing brand strategy for the coastal resort town of Southport which had been devised by the borough council some years before. That brand strategy had been developed to help revive the town as England's classic resort. To carry out the review the Council invited around 20 representatives of the major stakeholders of the town to come together with it to form a brand strategy partnership to guide the council and its brand consultants on the key challenges being faced by the town and how to refocus and better develop its offer of services to new key audiences as well as more traditional ones. These stakeholders included local hoteliers and their managers, the operators of attractions, food and beverage operators, the operators of public transport services, the managers of major retail stores, representatives of the North West regional development agency and representatives of the council's tourism, marketing and culture departments. This partnership, in addition to guiding the review on the existing brand strategy, was also responsible for devising a new vision for the future offer of the town and the identification of new markets and new offers.



A further variant on this theme of partnerships for new visions, the 'Paisley Vision Board' was formed by Renfrewshire Council in the west of Scotland, to bring the key stakeholders in the town of Paisley together to develop a vision for its regeneration, an important element of which has been to assess the scope for re-branding the retail offer of the town centre. A traditional shopping centre serving both the town and surrounding settlements, its retail core has been significantly and negatively affected by the development of two large out-of-town shopping centres, Braehead and Silverburn. The council retained destination development and property consultants to advise it on the possibilities for redefining the offer and brand of the town centre as one of value retailing and their recommendations for attracting retailers of this nature are now being considered.

A further variant on this approach – creating a brand partnership of professional real-estate experts – was used by the Irish developer, Treasury Holdings, for the development of a brand strategy for its Babylovsky Park golf resort at Tsar Skeloe near Pushkin, about 25 km from St Petersburg in Russia. The company formed a Brand Development Team in partnership with its consultant advisers, which brought together destination development, landscape and building architecture, sports, cultural and marketing, and promotion expertise to help develop a brand strategy for the offer of the place and to describe the experience of living there and playing golf in a former imperial forest and park.

Another variant on the theme of partnership for the development of a brand strategy can be seen in the cross-border ecotourism development initiative being led by the tourism Ministry of Singapore and its counterpart of the south Malaysian Iskander Region which lies across the waters of the Straits of Johor from the island of Singapore. This initiative is designed to create a new brand strategy for the integration and joint marketing of the offer of four ecotourism sites, three in Iskander and one in Singapore. This unique cross border partnership is currently exploring the potential to market and promote the improved offer of these four sites under the uniting theme and concept of 'Waterland' and is exploring a marketing concept to integrate it with the more established and traditional tourism attractions of Johor Badhu and Singapore. None of this work would have been possible without the willingness of the leadership of the two countries to work together in partnership and to devise a development strategy of mutual benefit.

The final example of a partnership being put together to create a new place brand and a new offer is the London Development Agency's initiative, the East London Green Enterprise District (ELGED), covering Thames riverside areas of Tower Hamlets, Newham and Barking and Dagenham in London. Reporting to a partnership of the four public bodies, a team of consultants devised a brand vision and strategy for the area, identified a wholly new offer, and identified ways of implementing the strategy through, initially, a series of showcase projects. The brand vision for the ELGED area envisages it as being a place which exemplifies a green and sustainable urban settlement, a place that welcomes and showcases a range of businesses which make or use green and sustainable technologies and processes, and who run their businesses on green principles.

We can see from this short list of examples that there is no one form of partnership that needs to be used as the basis for groups of leaders from key



place stakeholders to come together to devise and implement place brand strategies. What is common to each of the initiatives is a desire to involve people and organisations and a desire to share responsibility and leadership within a realisation that the ambition for each of the places will not be realised without a collective endeavour.

## GOOD PRACTICE IN PLACE BRAND LEADERSHIP

A number of lessons can be drawn from the initiatives outlined above that are of relevance to existing and future place brand partnerships. These are:

- Place brand leadership is not what one powerful local leader provides for all of his or her fellow stakeholders but is what emerges from the reciprocity of the relationships between them, from their interactions, and what they create jointly.
- In brand partnerships the right vision is not that of the most powerful or vocal stakeholder, no matter how attractive, but rather it is what emerges from a genuine dialogue between the stakeholders.
- Place brand partnerships need to be led by someone who is skilled at building relationships, skilled at building partnerships that bring organisations together in common purpose, able to build win-win relationships.
- Brand partnerships of this nature need to work in new ways, ways that are probably quite different to the ways of working of individual stakeholders, requiring new behaviours such as extended teamwork, extensive consultation, openness, and clarity of communication.
- Brand partners need to create a culture of trust and reciprocity and a willingness to ‘give to get’ to secure progress.
- Place brand partners need to work hard at breaking down traditional barriers between themselves and to become accountable to each other.

Leadership and partnership is therefore as important to the development of places as is its history, culture, investment, businesses, architecture, built environment, educational institutions, and population. The way leadership is practiced says a lot about the way the place is governed, its values, and what it wants to do for and in the rest of the world, how it wants to be seen by the rest of the world.

The process of leading the creation and implementation of a place brand must be led at the highest level within each stakeholder organisation and have the active involvement of or the blessing of the most senior elected or appointed official or office bearer, such as the president, the leader of the council, or the mayor. And, as touched on above, to be effective, place brand leadership should not be confined to the public sector alone, it needs to include business and community leaders. The challenge facing those from the public sector is to be willing to share power with business and community leaders. The challenge facing business leaders is to recognise that playing a role in the leadership of their place is part of the CEO job description and a crucial element of their



corporate social responsibility. The challenge for community leaders is to demonstrate to the other two sectors the value of their grassroots knowledge and the activists they can mobilise in support of shared vision and shared goals.

## CHALLENGES FACING PLACE BRAND LEADERSHIP

Leaders of place brand partnerships face a number of challenges if they are to operate effectively and if they are to devise and implement an effective brand strategy. These include:

- The identification and recruitment of people with the required mind set and abilities from the key stakeholders – people who are willing to subordinate their organisation’s vision to a greater common good.
- Being able to successfully negotiate and agree on a shared purpose for the partnership and a unifying vision for what it wishes to achieve for the place that is credible, memorable, inspiring, and attainable.
- Align their organisation colleagues and fellow citizens to the vision.
- Being able to devise and manage an affordable brand strategy that will achieve the agreed vision, managing in line with change to avoid being blown off course.
- Agree and implement actions that will bring the brand alive.
- Behave in line with the brand and its values in what they do and what they say.
- Effectively communicate the brand in action to stakeholders, citizens, media, and potential investors.
- Grow the value of the place for its citizens, businesses, investors, and potential visitors.
- Be able stewards of the assets of the place – increasing their attractiveness and worth – and the value of its human capital – the people who live and work and perform there.

## NEW SKILLS AND BEHAVIOURS FOR BRAND LEADERSHIP

To meet the challenges listed above those involved in sharing the leadership of brand partnerships will need to learn new skills and behaviours, as follows:

- The ability to use power ‘softly’;
- The ability to think creatively and ‘out of the box’;
- The ability to actively listen and suspend bias;
- A willingness to ‘give to get’ a shared common purpose;
- A willingness to balance personal and organisational objectives with those of other partner stakeholders;
- The ability and a willingness to negotiate outcomes for the greater good;



- A willingness to create a shared vision that is greater than that for their own organisation, albeit one that could potentially benefit it;
- Be accessible and open in their conduct of the partnership's affairs;
- Live the values of the brand of the place;
- Actively gather or create the resources the place requires to implement its brand strategy.

## CONCLUSION

If it is accepted that place branding is of value to countries, regions and cities, to their citizens, businesses, institutions, to their image and reputation, then resources of time and finance, knowledge, and skills need to be invested in the creation of effective, relevant, memorable, inspiring, and attainable brand strategies by those who represent the key stakeholders of the place. If it is accepted that this is not a job for the public sector alone then partnerships of the key stakeholders need to be created as a way of mobilising and focussing the knowledge and resources required and as a vehicle for their work together. If it is accepted that this form of partnership cannot be led in traditional ways then new forms of shared brand leadership need to be devised and practiced among the stakeholders. Those involved need to understand and develop the values, knowledge, and skills of effective shared leadership and partnership working. This does not usually happen naturally or by chance. It needs to be learned and practised until it becomes second nature.

Those in government will face the biggest challenge of all as some may not be able to recognise that they do not have all the people, knowledge, and skills required to lead the process of creating the brand strategy for their place and that they will need to work in much greater partnership with stakeholders from the private and community sectors. Those in the rest of the community, in the private and voluntary sectors, will need to actively demonstrate to the public sector the worth of their being involved in such partnerships. Once accepted as partners they need to work effectively with the other sectors and not be reliant on the public sector. Finally, whoever is involved in shared leadership and partnership, they need to constantly remember who they are leading on behalf of, namely their community, fellow citizens and businesses, institutions, and organisations, all of who need to be regularly communicated with, consulted, and involved in the development and implementation of the brand strategy, responded to rather than just listened to, and treated with dignity rather than disdain.

## References

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