



2528-9705

Örgütsel Davranış Araştırmaları Dergisi
Journal Of Organizational Behavior Research
Cilt / Vol.: 3, Sayı / Is.: S2, Yıl/Year: 2018, Kod/ID: 81S2385



THE ROLE OF URBAN BRANDING IN THE SOCIAL CAPITAL DEVELOPMENT (CASE STUDY: GERMI COUNTY)

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ABSTRACT

The urban brand is a significant asset for urban sustainable development and it is a distinctive feature among cities. Urban branding is a phenomenon that cities need to reach the sustainable competitive advantage in the globalization age, especially for the social capital development. The main objective of the current research is to investigate the role of urban branding in Germi county's social capital development. The research is fundamental-applied in terms of objective and qualitative in terms of data collection and it has been done by means of grounded theory. In the present research, by purposive and snowball sampling method, 21 faculty members from urban management, marketing management, executive management, public administration and cultural management, municipal managers and people with urban management experiences were selected and participated in the in-depth interviews and then the data were analyzed by means of open, axial and selective coding, and 409 initial codes extracted from the interviews' key points turned into 65 more abstract concepts, and by means of comparing and classifying them, 22 items were determined. Paradigm branding model of the causal conditions, contextual conditions, intervening variables, branding strategies and outcomes (social capital development, investment and tourism attraction and development, rural development and immigration reduction, economic prosperity and entrepreneurship, and increasing competitive power in the market) for that city, are considered as the research results.

Keywords: Location-based marketing (LBM), Urban Branding, Grounded Theory, Social Capital, Germi County

INTRODUCTION

Branding is a suitable tool for social, cultural, economic and political development and it is very effective in attraction and development of investment, tourism industry, and scientific and cultural exchanges with other locations (Monavvariyan et al., 2013, p.42). In the development contemporary literature, in order to move toward a suitable condition and situation, in addition to human, physical, and financial capital and technology, another important asset is considered as a hidden collective asset which is called social capital (Taghvai et al., 2009, p. 21). Social capital is the cohesive factor among the numerous levels (people with each other, organizations and humans, organizations with organizations and even at international level). Without social capital, other capitals will not be effective and if not impossible, it will be very

difficult to move toward the development paths (Coleman, 1998, p. 482). As a theoretical concept, social capital includes variables such as participation in the local community, trust, social cohesion, social networks, mutual relations, and information channels (Kritsotakis et al., 2011, p. 1654); consequently, social capital is considered a critical principle for achieving development (Niyazi and Shahrizi, 2010, 130). Social capital can affect the economic performance of nations, regions, societies, and organizations, and at the national level, it is also an effective factor with regard to development and economic growth (Smedlund, 2008, p. 63). Studies have shown that social capital leads to transaction costs reduction, increased collaboration, entrepreneurship facilitating, strengthening relationships between suppliers and organizational learning (Zhang and Fung, 2006, p. 198).

Due to the weakness of the public participation dimension in urban management, urban management in Iran is facing many challenges (Zamani and Arefi, 2012, p. 8). On the one hand, the necessities of location-based marketing as an accepted element for the cities' economic development, and on the other hand the significance of paying attention to social capital for sustainable development, makes conducting the current research a necessity.

Reviewing theoretical foundations

Brand is an intangible and hidden asset of a product or service that is formed in the people's minds and comprises many parameters such as name, phrase, term, sign, symbol, logo, design or combination of them and its intention is to present goods or services that a seller or group of sellers provide; consequently, differentiating them from the products of competing companies (Keller, 2008, p. 2). Urban branding will be resulted in socio-cultural developments and will bring about significant changes in the lifestyles of local residents (Lee, 2013, p. 39) and it is also effective on the natural habitat and environment of destination societies (Manyara and Jones, 2007; Simpson, 2008).

Pierre Bourdieu (1981) in a research entitled "The Forms of Capital", talks about three types of capitals which are social, cultural, and economic, and defines social capital as follows: "Social capital is the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition—or in other words, to membership in a the group" (Field, 2006, pp. 24-24). Putnam construes social capital as the different aspects of social organizations such as trust, norms, and networks that can progress the efficiency of society by facilitating coordinated actions (Pathnam, 2001, p. 582). According to Paxton, social capital is objective, subjective or sensational links between community members (Firouzabadi and Imani, 2006, p. 200) and according to Fukuyama, social capital is a set of norms in the social systems that improve the level of cooperation of that society members and led to reduction in the level of transaction costs (Fukuyama, 2000, p. 13), and it is effective in reducing social issues, increasing mental health, reducing crimes, increasing social bonds, creating supportive networks for family members, reducing drug use, reducing domestic violence, increasing health activities, reducing the probability of dropping out of adolescents, reducing suicide, reducing child abuse, facilitating information processing and increasing its flow (Sharifian Thani, 2001, p. 138). Social capital in the city is the result of elements that on a level are the same factors that create the city identity, and, on the other hand, urban identity strengthens the elements that create social capital (Sharifian Thani, 2001, p. 8).



Research background

The result of the search in the databases, articles and scientific theses indicates that up to now no research has been done specifically about investigating the role of urban branding in line with social capital development, of course generally, substantial researches have been conducted in line with social capital, urban branding and location marketing, separately, and we will consider them in the next sections:

Urban branding leads to economic prosperity and critical changes in the local residents' lifestyle (Lee, 2013, p. 39). By means of the transformation of the city's visual image into a brand image, urban branding advances the city image, and the city's unique features are highlighted and a sustainable urban image is created (Morsali, 2014, p. 2); consequently, urban marketing forms a greater competition opportunity for cities, and the competition grows between cities has led to an increase in the use of marketing methods in the competition for the attraction and development of tourists, investors and residents (Raubo, 2010).

Akbari (2016), in a research entitled "Social Capital and Urban Governance", concluded that correct urban governance and achieving the development were subject to the existence of social capital. Shokuhfar and Shabanjula (2011) in a research entitled "Investigating the Dimensions of Social Capital and Its Role in the Development of Urban Economics" concluded that there is a direct and significant relationship between social capital and urban development. Mohseni Tabrizi and Aghamohseni (2010) in an article entitled "Investigating the Role of Social Capital in Urban Development in Mahallat City", after analyzing the data, concluded that there is a direct and significant relationship between independent variables of social capital (social trust, social participation and degree of religiosity), with urban development as a dependent variable and unlike the results of preceding studies, there is a reverse and significant relationship between social cohesion and urban development. Similarly, no relationship was observed between the social awareness as the independent variable and the urban development as the dependent variable. Weibing Zhao et al. (2011) in a research entitled "Social Capital and Tourism Entrepreneurship", concluded that social capital had a positive structure and emphasized on the both of individual's ability and social capital to launch a new business in the field of tourism, especially in rural areas.



METHOD

In terms of research objective, the current article is basic (fundamental)-applied and in line with the data collection method it is qualitative and it was conducted by means of grounded theory. The grounded theory has two approaches of Glaserian and Strausian (Zakaie, 2002, p. 54). In the current research, Strausian or objectivistic method was used for data analysis because it has a systematic approach. In this research, the main data collection method was the technique of in-depth semi-structured interviews. In grounded theory for data analysis, the coding method is used. In the open coding stage, by referring to the initial codes extracted from the interviews (coding key points), those codes referring to a common subject matter were assembled and constructed the concepts and from their comparison and classification, the categories were determined. In the axial coding stage, a paradigm pattern was used to link the main categories to the subcategories, to determine the causal conditions, the axial phenomenon, underlying factors, intervening variables, strategies and outcomes of axial coding procedure. Then, by means of selective coding and based on the pattern of identified

relationships between categories and subcategories in open and axial coding, the categories were related and the relevant theoretical system was presented.

Sampling, Validity, and Reliability

In this study, by means of purposive sampling and snowball techniques, 21 faculty members of urban management, marketing management, executive management, government and cultural management, municipal managers and people with urban management experience were interviewed by means of in-depth interviews. So that at first an initial group was selected for interview by the researcher, and then the next expert groups were introduced to the interview by those experts. Based on the theoretical saturation rule, the sampling adequacy was determined. Data saturation was observed by performing 16 interviews, but for more confidence, data collection continued up to 21 participants (12 Garmy universities faculty members, 2 representative and governor of Germe County, 2 mayors and Chairman of Islamic Council of Germe, 2 General managers of the governorate of Ardebil), and typically, each interview lasted about 76 minutes or an hour and sixteen minutes.

To increase validity, the members' review, paired and re-examination methods of the coding process were used. In order to calculate the reliability of the interviews, the retest reliability calculating methods (retest reliability of the conducted interviews was 83 % since it is more than 60%, the reliability of coding is confirmed) as well as the intra-subject agreement of two coders (the reliability of the coders for the conducted interviews is 73% and, given that it is more than 60%, the reliability of the coding is confirmed) were used.

RESEARCH FINDINGS

Demographic description

The social characteristics in terms of gender out of 21 people consist of 19 men and 2 women. In other words, about 90% of people are men and 9% are women. In terms of the participants' age, out of 21 participants, 7 were 25 to 35 years old, 9 were 35 to 45, and 5 were over 45 years of age. In terms of educational status out of 21 participants, 3 had a bachelor's degree, 5 had master's degrees and 13 had Ph.D.

Open coding

This stage consists of two key activities of conceptualization and categorization (Strauss and Corbin, 2006, p. 61). In the current research, key points have been used for coding. At this stage, 409 initial codes extracted from the key points of the interviews were converted to 65 more abstract concepts and by means comparing and categorizing them, 22 categories were identified, which were entirely elucidated in axial coding.

Axial coding

The process of relating the categories to their subcategories and linking the categories are at the features and dimensions level (Strauss and Corbin, 1998) so that in the current research, the paradigm pattern has been used. At this stage, by repeatedly studying and revising and going back and forth between the concepts and related categories, the axial coding components were identified as follows:

❖ *Causal Conditions*



Table 1: The identified concepts and categories related to causal conditions

The main category	Subcategory	Concept
Causal conditions	Universal and inevitable	Globalization and competitive advantage
		Contingency and inevitability
		The presence of many domestic and foreign customers and tourists
	The necessity of changing attitude towards branding	The necessity of changing attitude and alignment with city branding
		The importance of symbolization and symbolism in urban branding
	Scientific-research capacity and student organizations in the field of tourism	The role of universities and scientific-research centers of the city

❖ *Axial phenomenon*

The phenomenon is an axial idea and thought, incident, or event that a sequence of action/interaction, are directed toward it to handle it or deal with it correctly. In this research, the phenomenon is the same urban branding for the city of Germei.

❖ *Contextual conditions*

Table 2: The identified concepts and categories related to contextual conditions

The main category	Subcategory	Concept
Contextual conditions	The strategic position of the city	The role of the city's geographic location
	Tourism Attractions	The role of the city's climatic and natural attractions
		The role of the city's historical attractions
		The role of rural attractions
		The role of agriculture, animal husbandry, and conversion industries attractions
		The role of the city's handicrafts attractions
		The role of the city's religious and ritual attractions
	Suitable economic environment and investment capacity	The role of the city's cultural-social attractions
		Building stones mines (Chinese, Silica, Marble, Sand)
		Considering Germei as an agricultural pole
		The presence of cheap and sufficient labor force
	The field of local business development, especially crafts	

❖ *Intervening conditions*

Table 3: The identified concepts and categories related to intervening conditions

The main category	Subcategory	Concept
Intervening conditions	The role of government and Public policy making	The facilitating role of government in line with attracting domestic and foreign investment
		Supporting indigenous industrialists and villagers
		Strengthening synergies with institutions and organs of



		the city cooperation
		The role of government in urban branding
	Approving Mugan Commercial - Industrial free zone	The Role of Approving Mugan Commercial - Industrial free zone on Branding
	Integrated urban management	The role of integrated urban management
		Beautification and enhance the city's visual effects
		Absorption of timely and sufficient funds
	Creating suitable infrastructure for entrepreneurship	Protecting the natural and tourist attractions of the city
		Attention to creativity and innovation
		Holding entrepreneurship education courses and training entrepreneurs of the city
		Encouraging citizens and governmental and nongovernmental organizations to actively participate in urban entrepreneurship initiatives.
		Encourage and support small and medium-sized businesses in the city
		Expanding e-government

❖ Strategies

Table 4: The identified concepts and categories related to strategies

The main category	Subcategory	Concept
Strategies	Paying attention to different stakeholders	Paying attention to different stakeholders
		The Role of Citizens in Branding
		Attracting stakeholder participation
		Avoiding individualism in decision making and public interest-seeking
		The Role of Human Capital and Elite in Branding
	Urban Diplomacy	Mindfulness and public demand
		Effective comprehensive communications and interactions inside and outside the city
	Culture-Building	Culture-Building and aligning urban branding with native and local culture
		Educating and promoting the level of culture and knowledge in the field of urban branding
		Holding various meetings, forums and conferences for awareness raising in urban branding
	The necessity to organize and design the proper structure	Creating an independent urban branding team and unit
	Designing the branding process	The dynamism, continuity, and flexibility of urban branding
		The necessity for strategic planning and SWOT analysis
		Alignment of Urban Management and City Branding Strategies
		The Need for Understanding the Competitive Advantage of the City
		Provide regular and transparent periodic feedback and reports
	Advertising	Advertising and location-based marketing
		The role of the media
Using scientific, cultural, artistic, sports and other personalities		
Development of physical	Services and welfare, transportation, healthcare	
	Communication technologies and the development of	



	infrastructure	telecommunication networks
		Educational centers, empowerment of human capital

❖ Consequences

Table 5: The identified Concepts and categories related to consequences

The main category	Subcategory	Concept
Consequences	Social capital development	Cultural and social effects of urban branding
		Promoting political awareness and fulfilling meritocracy
		Acculturation with Branding
	The attraction and development of investment and tourism	The attraction and development of domestic and foreign investment
		Tourism development
	Rural Development and Immigration Reduction	Rural Development and Immigration reduction from village and city
	Economic and entrepreneurship prosperity	Entrepreneurship, Employment and Income
	Increasing competitive power in the market	Material / capital / technology / management skills
		Strategy and structure, and maintain and develop relative and competitive advantages
		Market share and customer loyalty
Developing a competitive environment and improving the business environment		



Selective coding

Open and axial coding lead to the emergence of a sequence of categories. Relating categories to each other is called selective coding (Strauss and Corbin, 2006, p. 118) that uses the results of previous coding steps and chooses the main category and systematically relates to other categories and refines and develops some categories (Strauss and Corbin, 1998). In the current research, we must relate the categories together and offer a certain theoretical system. The following categories are the result of selective coding for the urban branding phenomenon for the Germe County and its role in the development of social capital:

“On the other hand, the globalization phenomenon makes urban branding inevitable and dictates a change in attitudes towards it, on the other hand, scientific-research capacity and student organization in the field of tourism, necessitate the branding for the Germe County. Paying attention to different stakeholders, having proper urban diplomacy, paying attention to culture building, the necessity of organizing and designing the proper structure, designing the branding process, advertising, and the development of physical infrastructure, are strategies that by playing the role of government and public policy making, a robust willpower to approve the Mugan commercial - industrial free zone plan, integrated urban management, and creating infrastructure for entrepreneurship, facilitate and accelerate the branding process. The contexts for doing this important case, according to the strategic location of a city, tourist attractions and tourism, and the suitable economic environment and investment potential of the Germe County are available and they contribute to the implementation of strategies. Social capital development, investment, and tourism attraction and the development, rural development and the immigration reduction, economic and entrepreneurship prosperity,

and increasing competitive power in the market, are those results of the urban branding outcomes that are considered for the Germe County”.

The paradigmatic urban branding model for the Germe County is presented in Fig. 1. To validate the relationships between the categories, we prudently inspected the data, notes, and coding, and after the appraisal, it was ensured that the theoretical plan could explain the observed cases. To increase validity, the pattern was given to experts and they were asked to send their corrective comments. Most of them approved the pattern, and some of them also had corrective comments that in the reciprocating process, corrections were applied and final comments were considered.

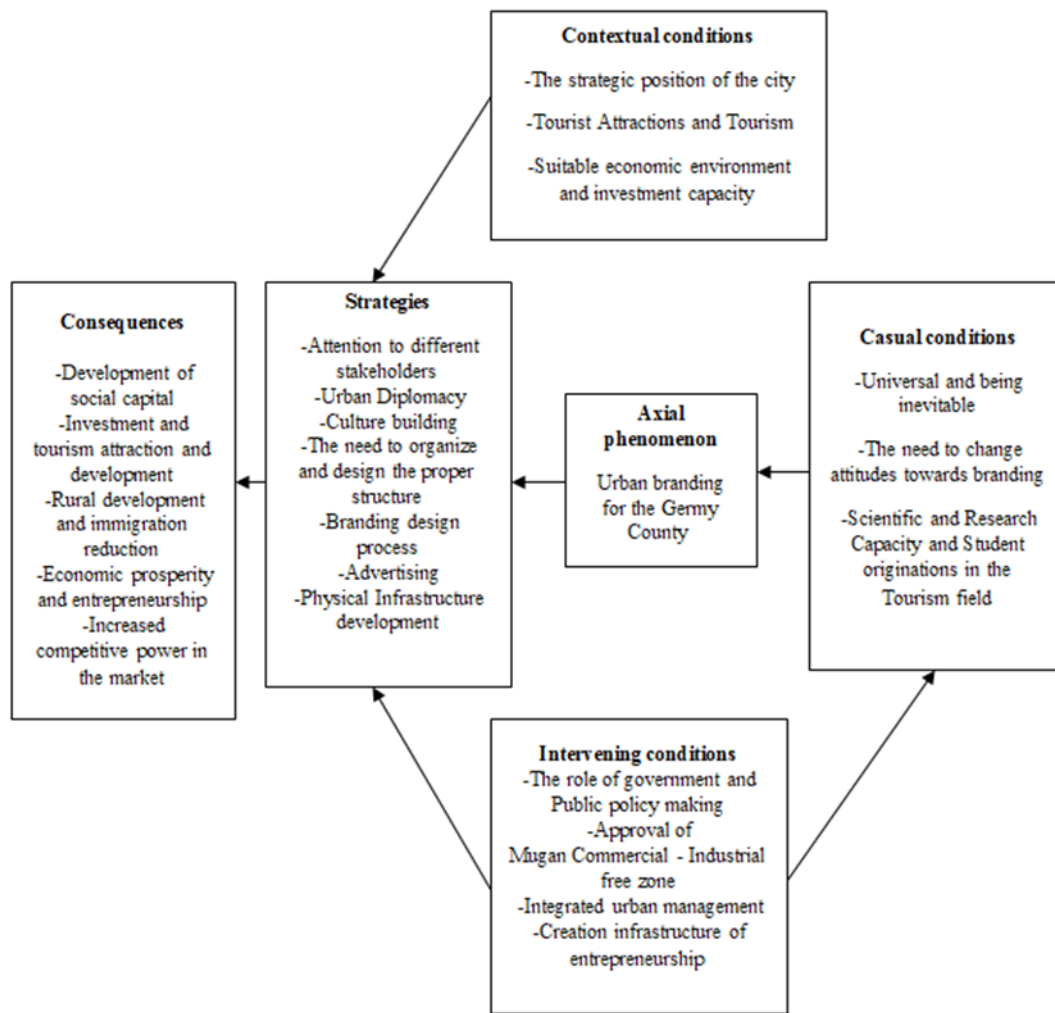


Figure 1: Urban branding paradigm model for Germe County (Researcher-made)

CONCLUSION AND RECOMMENDATIONS

The results indicate that urban branding has led to the social capital development and social capital facilitates the branding process, simplifies and accelerates the necessary measures, and institutionalizes integrated urban management, which is one of the intervening conditions in the model. In the success of urban branding, general and specific maximum participation is a

vital issue and it should be evident throughout the city, and important factor needs public participation. In fact, this action is joining the local social and cultural connections and connections with the urban branding requirements that should happen. All of the provided strategies in the model that are necessary and essential for urban branding, are effective in consequences such as development of social capital (socio-cultural effects, improvement of management and fulfillment of meritocracy, acculturation, improving the quality of life, increasing national and cultural pride, strengthening sense of solidarity, increasing intimacy and trust, tendency towards goals of public utility, institutionalization of norms of group behavior and cooperation, the development of democracy and the rule of law, the establishment of a participatory management system, reducing social damage, rural development and reducing the migration from villages and cities, elites' reverse migration, improvement of city influence, improvement of cultural management, revival of native arts and tradition, increasing the supply of products and services to customers, increasing demand for indigenous products, and as a result increasing the production and prosperity of local industries, especially crafts, etc.). They are also compiled and implemented with valuable social capital and have a relationship and interaction. Even the consequences themselves, if they are realized, are necessary and required; so that social capital intensifies, accelerates and facilitates the investment and tourism attraction and development, economic and entrepreneurship prosperity, and rural development and immigration reduction, and vice versa. The following practical recommendations are also notable and remarkable:

Due to the research results, to succeed in the Germe County branding, there should be public participation and local government support. And a strategic branding committee should be established as soon as possible (with clear and transparent objectives and missions, strategic analysis and selection of suitable strategies, determining short-term and operational policies, goals and objectives, budget and adequate and necessary facilities, and finally calculating, evaluating and continuous and precise control of the urban branding project). There is a massive hidden demand for visiting this county that by means of developing social capital, the necessary infrastructure can be provided and branding process will be pursued with high speed, in order to attract and maintain the mass of location visitors. The overall and precise view of urban branding must be positive and it should consider the needs of tourists, investors, and visitors. We must try hard for culture building and increase knowledge and change the attitude of the stakeholders in order to have a happy, heartsome and lively city and people who are full of interesting and memorable diaries. To understand the necessity of this important factor and general knowledge increasing, it is better to use all the capacities of Islamic Azad University, Payam-e-Noor University, University of Applied Science and Technology, Jihad University, Educational Administration and General Library of the Germe County.

Due to the fact that the national brand affects all the country's foundations in which cities can be also considered, it is suggested that such studies be conducted on the national brand.

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