Place branding:

**Place brand building in Baku**

**Master thesis within:** International Business Administration and Development

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Abstract

Purpose

The aim of this study is to explore if there is a gap between brand identity and brand image in the city of Baku.

Background

Having a strong city brand based on the positive perceptions from both internal and external stakeholders’ point of view is very important in today’s world of globalization when cities have to constantly compete for the share of tourists, investors etc. Therefore, in terms of the thesis we aspire to investigate if Baku has been successful to build a strong brand identity and whether the brand image mirrors it from the Swedish people’s perception.

Method

The study constructed upon a mixed research method, which based simultaneously on inductive and deductive approach. Interviews representing the qualitative reasoning approach are utilized in order to reach the data related the city brand image and city brand identity.

Conclusion

The city has a firm and rationally established brand identity. The current research revealed the gap between brand image and brand identity in Baku. Thus, that the city’s brand image is not fully reflecting the real brand identity, in particular due to the internal facts.
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1. Introduction

The chapter presents the reader the broader concept of current study. Along with a problem discussion, the purpose of the thesis will also be formulated. The chapter will be concluded with the key definitions, which will assist the reader in better understanding of various concepts given in the study.

1.1 Background

There are many definitions for a brand proposed from various experts. Sometimes they provide the same concepts under different names, so in order to escape this Stern (2006) suggests to classify the word brand as an entity (brand) and a process (branding).

The American Marketing Association (AMA) defines a brand as an entity by proposing a brand to be “a name, term, sign, symbol or design, or a combination of these, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors” (Kotler et al., 2002). Meanwhile, branding is generally shown as a complicated procedure of processing, linking and selecting most appropriate attributes (Knox and Bickerton, 2003). All in all place branding accepts city (or country) as a brand with a set of functional, emotional, strategic elements that is being used jointly and simultaneously thus establishing the most favorable image in the public mind (Kavaratzis and Ashworth, 2005). Apparently, the phenomenon of place branding seems to be quite new but in reality, a place has long felt a need to separate themselves from each other in order to achieve their own uniqueness. According to (Kavaratzis and Ashworth, 2010), place branding is as old as the government, which has always been interested in shaping place identity and exhibit it to internal and external markets.

In general, place branding is considered as an umbrella consisting of city, region, nation branding including place promotion and place marketing (Lucarelli and Berg, 2011). In this work, a certain branch of place branding – city branding is observed and studied. Due to economic globalization and increased competition between cities during the last two decades, city branding as a research domain has gained a lot of attention among researchers from different disciplines and practitioners (Lucarelli, 2012, Gertner, 2001). The main premise of city branding is to make the cities attractive for tourists, investors, new residents, students, etc., thus to improve the local and national economy (Hernandez and Lopez, 2011). At this sense, city branding is defined as “the use of various
marketing practices has become a popular way to promote a place’s attractiveness for business, tourists, residents and students” (Andersson and Ekman, 2009). Trying to transfer the existing city image into desired one cities’ governments have adopted the branding concepts to foster their development. Governments and regional authorities should manage the task to realize what a global perception of their places is and develop a strategy for managing it. At this stage, worth noting that the main goal for a city is to establish a positive perception in potential customers’ minds, thus to avoid the gaps between the city’s real situation (brand identity) and desired image (city brand image). Considering the importance of this premise, in this study we decided to concentrate upon this question, in particular the question of gap existence between these two dimensions: brand image and brand identity. In goes without saying that, only in case when city’s brand image and brand identity coincide, the city’s brand considered successfully built and implemented.

Therefore, governments and regional authorities should aim to build a reputation that would be fair, truthful, powerful, attractive and useful for fulfilling economic, political and social goals simultaneously honestly reflecting the spirit and will of the people.

Experience shows that those regions whose leaders understand the importance of branding and the principles of positive brand construction receive great interest from partners, investors. Perhaps we do not realize it, but every aspect of life in the city - from the streets to the purity of the enterprises and their employees’ mood - all this affects the formation of the brand of the city. The city, which is attractive to all types of stakeholders, can reasonably be considered as a valuable product in the global market. Thus, we begin to understand the brand of the city as its originality, identity, uniqueness associated with positioning itself in a series of similar cities. Today, the study of place branding associated with the attempts of the comprehensive understanding of process taking place in society and the world as a whole taking into account the historical context. Thus, the relevance of the topic is related to the necessity of creating a city brand based on analysis of its competitive advantages, research and the formation of the brand positioning strategy.

Despite the urgency of the problem and accumulated experience in this field, significant issues surrounding the formation and practice areas of city branding remain in need of further practical as well as theoretical development, which led to the choice of the research topic.

1.2 Problem discussion

Having a powerful city brand as well as a good reputation and place image is very important nowadays. In order to be able to attain the exact target audience, the city should be marketed
properly both internally and externally (Christensen & Askegaard, 2001). The globalization leads cities towards rapid increase in areas of competition for their share of world’s consumers, tourists and etc. (Anholt, 2007). As it was stated in the background, all the cities are now competing over different types of stakeholders to win a market share and create the best city brand. Therefore, in terms of the thesis we aspire to investigate if Baku has been successful to build a strong brand identity and whether the brand image mirrors it from the Swedish people’s perception.

1.3 Purpose

The aim of this study is to explore if there is a gap between brand identity and brand image in the city of Baku.

1.4 Research questions

- Does Baku has a clear and coherent brand identity throughout the society?
- Is Baku’s brand image mirrors the brand identity?
- Does Baku have an established brand image?

1.5 Definitions of terms

**Branding:** “A distinguishing name and/or symbol (such as a logo, trademark, or package design) intended to identify the goods or services of either a seller or a group of sellers and to differentiate those goods or services from those of its competitors” (Lewis, B. & Litter, D. (1997).

**Brand identity:** “Brand identity is a unique set of brand associations that the brand strategist aspires to create or maintain. These associations represent what the brand stands for and imply a promise customers from the organization members” (Aaker, 2010, p.68).

**Brand image:** “The brand image is a mirror reflection of the brand personality or product being. It is what people believe about a brand- their thoughts, feelings, expectations” (Bennett, 1995, p.28).

**City branding:** “The practice of applying brand strategy and other marketing techniques and disciplines to the economic, social, political and cultural developments of cities, regions, and countries” Anholt (2006).

1.6 Structure
This section presents a visualized general structure of this thesis in order to give a reader a clear understanding of the current study, which consists of five main chapters.

2. Theoretical framework

In this chapter, a short introduction of the theory is provided to the readers’ attention. It starts with an explanation of importance of having a good city brand. This is followed by theories related to place (city) branding, which includes brand components, management tools, and systematical approach and evaluation criteria of the city branding concepts.

2.1 The concept and essence of the brand and branding

In today’s world of globalization, the interests of business and politics are closely intertwined. Often, the same mechanisms can contribute to a successful expansion of geography and scale of the economic activity of the country and its political appeal in the international arena. One such effective means of enhancing the "soft power" and economic prosperity of the country is the so-called place (city) branding. In the global competition among cities, the question of city brand formation is not only a political but also an enormous economic importance.

2.2 Aaker’s Brand Identity Planning Model

David A. Aaker, an American marketing professor developed The Brand Identity Planning Model (see Appendix 1) and presented it in his work – Building Strong Brand (Aaker, 2010). The purpose of the model is to create a firm brand identity, enrich the existing identity, thus to build a positive brand image in the potential user’s mind. This, in turn, pushes to texture a solid and deep brand identity would allow obtaining a competitive advantage over rivals. The model is comprised of three parts: Strategic Brand Analysis, Brand identity System, Brand Identity Implementation System. The essential elements while implementing the Brand Identity Planning Model will be fully observed in the further sections, this information works as a theoretical framework assisting in analyzing Baku's brand image and brand identity.
2.3 Brand components

For the better understanding of the concept of city branding, we have provided the main components a brand is built of. These components have a constant influence and may change each other. (Figure 1). The first one - is brand identity, which shows how the place (city) wants to be perceived (Kavaratzis & Ashworth, 2005). The second - is brand positioning, which “describes how a brand is different from its competitors and where, or how, it sits in customers’ minds (Kotler, 2003). The third one – is brand image, means how brand is perceived in reality. The given definitions are appropriate simultaneously for service, product and city (or a place).

![Brand components diagram]

**Figure 1. Brand components**

Source: Kavaratzis & Ashworth, 2005, p. 508

The description is given above once again emphasizes that the search for terminology and definitions one of the most painful issues. This is due to the specialists’ disputes upon place branding. There are many issues related to the entity, management, branding places boundaries for which there is no single answer. It is worth noting that such a discussion on the nature of the city brand generated from controversies about what the brand is in general. Therefore, to begin with, we consider the best-known definitions of the brand.

Brand – is a certain way to deliver the message about who we are as well as to highlight our uniqueness to the potential target audience. The brand must constantly attract people. The brand should have wide appeal, attracting people from different segments in order to become successful. It should provide an unforgettable experience. Clarity in the product or service is also an important aspect.
Determine of city brand known today to some extent similar to the above-provided definitions:

The brand of the city - it is

- the impression that the city makes to the target audience, the sum of all material and symbolic elements that make the city unique (Moilanen and Rainisto, 2009)
- is competitive city identity (Anholt, 2007)
- a system of association in the minds of the city “consumers”, based on the visual, verbal and mental manifestations. The brand of the city is formed by setting goals, establishing communications and values propaganda (Zenker and Braun, 2010)

What makes the brand so difficult to control is that it formed in the minds of customers. Today, modern marketers have to contend with an established concept that the Identity itself creates the brand. Development of the logo, symbol or slogan are not sufficient for the successful brand (Moilanen & Rainisto, 2009).

A visualization is just a useful tool for the dissemination of merchandise with the logo of the city but ultimately did not play a decisive role. In fact, many world’s entertainment centers – cities do not have a fixed logo; however, it does not prevent them to attract millions of tourists annually. According to Kapferer (2012) “a brand is as a total sum of perceptions, brand-related experiences and information stored in customer’s memory based on various points of contact with the consumer”. Therefore, it contains much more than just a perception. The brand embodies all the thoughts that come to the client's mind when it comes to the product (Moilanen & Rainisto, 2009).

While marketers push branding process, and a customer mentally forms a certain brand image, we should observe the differences between these two processes. In practice, the outcome of the branding does not always coincide with the fact that the brand creators originally planned.

2.4 The place as an image

While discussing the brand components it is better to start with city’s brand image. “Place image (city image) - is a generalization of a big number of associations and information associated with this place. It is a product of the mind trying to process and select relevant information ... ”(Kotler et al. 2005). He also adds that “the biggest challenge for marketers is to build an attractive image of the city to become more competitive in comparison with another city”. As per Lynch, (1960) the core interpretation of city image should answer the following questions:
What does the city's form actually mean to the people who live there?
What can the city marketer do to make the city's image more bright and memorable to the city resident?

The image formed on the basis of information from two sources – one "objective" (territory characteristic, which reflect objective reality), and the second is "subjective" (personal experience, a personal view about the place, on the one hand, the opinions of others, stereotypes and even rumors - on the other), Vizgalov, (2008).

Notwithstanding these sources are not enough when establishing a powerful city image. A city image should carry a clear and unique message, which would satisfy different expectations of society (all of the stakeholders at the same time), Hankinson, (2007).

That is a real issue to deal with because every person has a certain mental map based on his or her own understanding of the city. In addition, it is believed that the image of the city mostly formed outside of its borders.

The definition of the mental map first proposed by K. Lynch collects individual’s various perceptions and values of the place (city) around him. In his book, K. Lynch also states, “each individual holds a unique image of his or her city, a visual representation that guides through daily life and maps out meaning”. Overall, the key to success here is to create a “public image” suitable and favorable for everyone.

From these definitions, we can conclude that the concept of the city brand lies between the "urban identity" - the vision of the city from the inside, and "the image of the city" - the perception of the city from the outside. They actively influence and change each other. Therefore, to understand the essence of the brand, we need to understand these two definitions.

City image understanding was much easier on the contrary to the city identity (territorial identity).

### 2.5 Brand Identity

According to Melin (1997), brand identity is what the brand stands for, what gives it meaning, and what makes it unique, brand’s fingerprint in other words. However, the identity in general - it’s a sense of belonging or connection with one or another community (the people, the staff, language group, party, etc.), culture, tradition, ideology (religion, social movement). Everyone in society has a set of unique features, identities, which determine its behavior.
Obviously that the way the citizens perceive and understand their city as well as the way they identify themselves with it – is the identity of the city. However, this definition is too subjective and should look much deeper. To proof that is a fact that the residents’ city representation largely formed based on the surrounding reality - the so-called symbolic city capital city, which can be considered as a collective memory of ideas and traditions accumulated and transmitted to future generations. This link between residents and city carried out in reverse order as well: the symbolic capital of the city defines inhabitants’ decisions. The power, which manifests urban identity, depends on the local level of consciousness. Vizgalov identifies several parameters for measuring the strength/weakness of the city identity, or, in other words, the level of local self-consciousness:

The uniqueness of the city - the ability of citizens to the vision and development of the unique features and characteristics of the city, unique cultural behavior (cultural codes) in the urban community.

- A positive perception of the city, the inner loyalty - the degree of love and affection (both physical and emotional) of citizens to their city - "my city - the best in the world", the interest of citizens to the history and cultural life of the city, the level of urban patriotism.

- The cohesion of urban community – mutual interests of citizens, the degree of awareness of the common problems of the city development, the willingness and ability to implement joint initiatives, the level of sympathy for countrymen.

- Practical capacity of Identity - the urban community’s ability to self-organization, the level of social activity, idea, and city development strategy, which is accepted and supported by the local community.

The vision of the city of urban community and external target audience should overlap in order to receive the best and a correct positive city image.

**Core and extended identity**

According to Aaker (1996), brand identity consists of two items: the core and the extended identity (see Fig.2). The core identity stands for the brand’s essence, which does not change over time, thus representing the brand’s main values and fundamentals. Since the core identity considered as an intangible item, the extended identity should be presented. Unlike the core identity, the extended identify does not remain unchanged and it draws visible associations in order to build a link between the core identity and the consumer.
2.6 To revive and promote the identity

In addition to economic benefits, public branding strategy is important to determine its place in the global humanitarian space. For Azerbaijan regained its independence a quarter century ago, the construction of the right branding strategy - the strategic importance of the issue. With the collapse of the Soviet Union, Azerbaijan has received a historic opportunity to form their own identity in the international humanitarian space, asserting its place in the global world.

Therefore, the brand of Baku must contain a certain message to the world. On the one hand, it should reflect Azerbaijan's history, culture, that is, to report on the national roots of the city, on the other hand - it should be directed to the future, to show the vector of development of the country, its modernity, inspire and involve both external and internal audience. That is, the brand can consist of different elements of identity - cultural, political, geographic, economic, civilizational, etc. However, all these elements in the sum should explain to foreign audiences:

• Who we are (our culture, history, traditions, values);
• In what direction we are moving (country’s modernity and the vector of its development).

Thus, in an era of global markets and modern media, the art of national branding is becoming a key tool in international relations and the concept of the city brand itself is a multi-faceted category, which includes economic, political and cultural aspects.

Let us try to group the main tasks of branding strategy of Baku:
• Economic - increase of investment attractiveness of the country; stimulation of business activity;
• Touristic - foreign tourist’s attraction. Tourism - a category not only economic, but also cultural. The development of foreign tourism on the one hand, brings economic benefits, on the other - is the promotion of the country and cultural exchanges.
• City image strategy - a favorable image allows emphasizing the most attractive part of the state.
• Outreach - bringing objective information about the achievements and problems of the country to a wider audience, including the dissemination of the realities of the Nagorno-Karabakh conflict.
• Cultural - the emergence of Azerbaijan as one of the most important international cultural centers on the global map.

2.7 City branding

Before going to city branding, first, let us consider the definition of branding itself. Branding - marketing activities to establish long-term product preferences of the firm, which distinguish the product from rivals and realized through the advertising appeals, trademarks on consumers. In 2006, Simon Anholt, one of the world's leading experts in the field of branding, first used “places of branding as a term. Anholt has become one of the gurus - the developer of the new integrated approach to branding areas, as opposed to specialized, focused on one particular aspect (e.g. tourism).

According to Anholt theory, there are six elements of modern territory branding: tourism, export brands, politics, business and investment, culture, people. Nonetheless, tourism is still in the first place, as people bring their own money to the city. Export brands, politics, business, and investment are also estimated to be a source of financial influx. Culture and people - from the social sphere. Residents of the city can and should love the place where they live, to take care of it, and be proud of their culture.

Branding the city - it is a tool to achieve competitive advantages in order to increase investment and tourism, as well as a tool to achieve social development, strengthening local identity and identification of citizens with their city and the activation of social forces, in order to avoid social isolation and anxiety.

The process of city branding is very complex and time-consuming and involves an integrated approach to the creation of brand communications. It is necessary to cover a lot of interests of the
residents of the city and meet the maximum needs. The first step towards this is to analyze the social and economic situation of the city. This helps to determine the benefits, values and available resources of the city, which should be positioned. Developing a good positioning strategy will properly combine the available resources to achieve the desired image of the city, Semenik et al., (1995). Creating a city brand - a complex of measures aimed at the formation of a certain image of the city. In this case, the branding project more complex and multifaceted concept than the individual branding or product, because of the target audience of the city - it is all the townspeople and tourists, officials of the country, and potential investors. In this regard, when the city branding marketers have to violate one of the basic rules and to create a brand virtually "for all". The city brand bears some resemblance to the "classic" brand products and services. First of all, the brand - many associations, "the name has the power to influence the market". (Kapferer, 2012). Places and geographic areas can also cause strong specific associations. For example, Holland may be associated with the complicity feeling («I Amsterdam»), Las Vegas – with crazy entertainment («what happens in Vegas stays in Vegas»), Germany - with the order («Ordnung»). Brands are comprised of functional and emotional features, which assure a positive experience for a consumer (Lambin, 2007).

The positive experiences should be underlined in particular. For comparison, Hiroshima and Nagasaki, Chernobyl – are famous places, but they do not have a positive reputation as a brand (Hildreth, 2010). Just like products and services, the place should create value for its customers, such as Scotland – country of whiskey where it is impossible to return without Scotch whiskey. However, city branding involves complications that arise from a variety of target groups. (Chernatony&Virgo, 2006).

In fact, the purpose of branding the city and the effectiveness of its successful implementation - is the choice of the correct point of linking theory and practice, strategy and implementation plan, and end-users; this is the point where all forces come together. This point can serve as a center of the circle, which can be expanded to include other goals of the city such as an increase in foreign direct investment and tourism development.

Dozens of different definitions suggest that there is no unanimity among the researchers in identifying the terminological basis for city branding. However, in this paper, we consider the brand of the city as the sum of two important components: the city's image and identity. For instance, Baku’s city image – is what others think about it, while city identity – is what the city’s local inhabitants think and feel about Baku.
At the same time, we consider residents not only as consumers of the city, but also as an active city brand "creators" because numerous researchers in this field have come with the idea that the locals are used as markers of the territory assessment for the other target audiences (Zenker & Martin, 2011). In order to build a strong connection between the name of the city and its benefits, tourism marketers can apply the concept of branding. City branding - it is the process of creating a slogan from the message, and then design a symbol or logo, which, together with the slogan will inform potential visitors of the image of the city as well as the features, benefits, and value that the city has to offer. (Kolb 2006, 219).

2.8 **Strategic management and Brand Promotion Tools. Basic tools of formation of city brand**

Identification of common tools for place branding:

**Strategic tools** aimed at creating a kind of “rod brand” with the main characteristics of the territory, using the following methods:

- Foundation of territorial progress strategy that establishes priorities for the development, based on analysis of the socio-economic and political situation, cultural and scientific potential, geographical location;
- Definition of the place’s mission and slogan wording, which reflects its basic meaning of existence and activity.

**Symbolic tools** are specific set of methods of visual impact on the brand’s consumers. These include:

- Creation of a unified style and design of the main attributes of the territory (e.g. flag);
- Issue of advertising and souvenir products
- The creation of official bilingual (at least) Internet portal for territory representing.

**Promotional tools**: dissemination of information about the place, which aimed at drawing attention to the subject of advertising (place), interest formation and its promotion in the external environment.

For this purpose, the following are used:

- Advertising in print (newspapers, magazines, brochures and so on.);
- Advertising on the Internet (the official website of the territory);
- Television advertising (creation of television programs that positively reflect the area);
**PR-Tools** - a set of measures for brand promotion, based on the provision of information to the public about the features of the territory and cooperation with it by engaging in joint activities:

- The formation of a clear positive image of the head of the city (place);
- Updating political leaders, public and historical figures, who are strong, associated with the territory;
- The organization of special events (exhibitions, festivals, conferences, sporting events);
- Development and promotion of local goods and services brands;
- Active cooperation with other regions and territories, interregional joint activities, and projects.

Thus, based on the area’s resource brand is part of a general potential of the site. On the other hand, strengthening the brand's territory through the active use of marketing tools and marketing strategy for customer attraction can increase the efficiency of territory resource utilization and potential.

Municipal authorities most often use the following tools for city brand development:

- Proper governance and a holistic city planning approach
- Diversified development
- Social prerogative (policy)
- Renewal of the local economy by increasing the creative class (academics, researchers, architects, writers, who create new ideas, technology and creative content)
- City an attractive place to stay / residents' satisfaction
- Domestic investment
- “Tourist’s view”
- The rich cultural life
- The close cooperation with the stakeholders (business owners, investors, non-profit organizations, residents, students)
- Food culture
- Reliable and clear communication scheme with the target audience
- Online city branding

Marketers implement such tools as the slogans, slogans, visual symbols or events, etc. for effective brand creation. According to S. Anholt – guru of place marketing “Today, there are only three things required for the prosperous city branding: strategy, management, and symbolic events"
Let us consider the need for such symbolic events in more detail. It should be noted that in recent decades world's major organizations have noticed that direct advertising ceases to be effective. Therefore, they decided to invent a new, innovative ways of informing consumers about their products. This is how they began implementation of "information events", which are still a powerful and effective way for advertising. Therefore, the marketing branches such as "promotion" and "Event Marketing" got a rapid development.

Symbolic events have a strong emotional impact on the audience; they give the city investment not less than the traditional tools can.

Vizgalov offers the following typology of cultural symbolic events in city branding:

- City holidays
- Festivals,
- Exhibitions and showrooms,
- Business events and sport events.

Symbolic events divided into natural and special ones.

Natural events - those that do not need special advertising efforts because they take place in the city naturally every year (anniversaries, traditional seasonal holidays, etc.)

Special events - those that are invented, and then held for the purpose of marketing and city branding. However, they should have the following characteristics:

- Uniqueness
- Symbolic content that is relevant to the city's identity,
- Entertainment, colorful, scenic.

Event Tourism - it is a policy to attract tourists not in the city directly, but on a symbolic event that will be held there.

Business tourism - in English literature known as MICE-economy (from the Meetings, Incentives, Conventions, Exhibitions - Meetings, Incentives, forums, exhibitions). Today we have a large network of firms that are specialized in the organization of large-scale business events. For instance, British Birmingham has positioned itself as a European Capital of event economy. Over the past 10 years, the city has created a powerful infrastructure - the ICC congress center for international business and academic conferences, LG-arena for sports events, the NEC exhibition
center for technical and art exhibitions and concert and entertainment complex NIA. During the year, these sites held hundreds of cultural, business and sporting events of international status. Estimated number of visitors attracted by the city reached 2,000,000 people.

Worth noting that the variety of symbolic events is not the key thing here, but the tasks that could be solved through them. There are a number of cities in which the organization of cultural events is not just a tool for city branding, but also and the initial idea of the city brand. Cities all over the world make huge efforts to be irreplaceable in the urban event market (K. Dinnie, 2010). Continual demand in events and festivals has led cities to position themselves as “eventful cities. (Zukin, 1995). Richards and Palmer, 2010 were the first to name those cities – “Eventful cities.” Therefore, for example, Nevada’s Reno-Tahoe Territory position itself as the ‘Most Eventful City in America’. Edinburgh is positioned as "inspiring capital", it being understood that the main source of inspiration - cultural events in the city.

From Azerbaijani cities, Goychay can be noted. The city is famous for its long history of growing the best pomegranates (symbol of the country) in Azerbaijan. Therefore, since 2006 Goychay holds traditional Pomegranates Festival. Baku also hosts all sorts of festivals, the most markable of which is the International Jazz Festival, Flower Festival to honor the President of Azerbaijan – Heydar Aliyev, "World of Mugham” Festival and others. However, these festivals attract celebrities, media, and ambassadors from foreign countries; they fail to gather a large number of tourists and visitors to the city.

Another branding tool is so-called "Bilbao effect" which considered being the most famous case in the impact on the economy and image of the city by building a bright architectural entity, which attracts tourists and large investments simultaneously. Bilbao (Spain) launched Guggenheim Museum of Modern Art in terms of a big urban regeneration project. The museum has brought millions of people since the day it was founded in the 1990s. Today, due to the new Museum of Modern Art, the city is seen as a modern, cultured, energetic and creative one. It goes without saying that; many cities that are trying to repeat its success have to look for new specific approaches to their city considering their personality, economic model, territorial features and unique history.

Baku also aims to position the city through infrastructure megaproject. One of them - "Flame Towers" skyscraper (the symbol of Baku). His appearance resembles the flame consists of three buildings; south, east, and west. According to skyscrapercity.com, the tower has the lightning in Europe. Visually, they create a giant burning fire effect, which emphasizes the main idea of the skyscraper coating in the title - "Flame Towers".
Another project - Heydar Aliyev Center - cultural center, which is a complex structure, including an auditorium (convention center), a museum, exhibition halls, administrative offices. It was constructed by famous architecture – Zaha Hadid. The outstanding construction was presented on Discovery Channel in the list with one of the most daring modern engineering and architectural masterpieces of the world. The post-modern architecture style building almost does not have straight lines and symbolize the connection of the past with the future.

Such infrastructure megaprojects become a catalyst for cultural initiatives (exhibitions, fairs, festivals), which in turn provokes the creation of appropriate infrastructure, management structures, and information events, creating the brand of the city (Vizgalov 2008).

After examining the main and the most basic place branding tools, we can conclude that during the Baku’s brand establishment only PR- tools were utilized. As an example, there are such bright events as the First European Games, the International Chemistry Olympiad, the Global Alliance Forum UN civilizations, the European Grand Prix, "Formula 1", the Islamic Games, the World chess Olympiad and others.

Therefore, we suggest paying more attention to the symbolic and promotional tools. First, to create an official bilingual (at least) an Internet portal, which will interact with a variety of information portals, representing Baku. Second, to increase television advertising (broadcast television programs that would positively reflect the city development, as well as to shoot more films, using the city as a colorful background).

**To be globally beneficial**

According to Anholt, (2006), the leading expert in the field of brand building, the founder of the magazine “Place Branding and Public Diplomacy city brand image cannot be only created by logos or promotion because the proper reputation must be earned. He claims that in order to get a perfect city image the government should make efforts in solving global humanity challenges. In other words – to be useful to the world and not to withdraw into themselves. We live in a time of enormous global challenges, such as global warming, terrorism, economic instability, etc. Therefore, the more active is a city in addressing the global problems, the best reputation in the international arena it can achieve.

**2.9 Place branding strategies**

The analysis of the territory branding strategies was conducted on the basis of a study a number of articles in which the authors explore the brands of different cities and the degree of their success - how much a brand can create a sustainable positive association with a particular city and contribute
to the achievement of specific marketing objectives related to attracting and retaining target consumers. Place branding is an extremely interesting sphere, as there is no single solution, there is no single "success story" that could be applied to all countries and cities. The development strategy - is a certain document that not only determines the long-term direction of the city development, but it is also a key mechanism for designing the city brand and its positioning in the informational space. The strategy determines the authorities’ personal view of their city - and how it represents it outside, and identifies target audiences, in the establishment of communication with which the territory is most interested. Moreover, strategic documents allow structuring information flows, highlighting exactly those events, events and facts that confirm the validity of the selected areas of development and ensure a real adherence to the specified areas. The strategy defines the vision of the city in the future, which means it defines city’s brand image. According to Shafransaya (2011), five main branding strategies were identified. They represent the most vivid examples of the formation and development of territory brands, which given below in the following table.

<table>
<thead>
<tr>
<th>General characteristic of the strategy</th>
<th>Authors</th>
<th>Symbol</th>
</tr>
</thead>
<tbody>
<tr>
<td>“City for ... &quot; target segment as a differentiator And its needs as the basis of branding strategy</td>
<td>Cassel S.H. [Cassel 2008] Herstein R., Jaffe E.D. [Herstein 2008]</td>
<td>S1</td>
</tr>
<tr>
<td>&quot;Many-sided unity&quot; - many opportunities as a differentiator, high rates of development of new industry economies for the city</td>
<td>Parkerson B., Saunders J. [Parkerson 2005]</td>
<td>S2</td>
</tr>
<tr>
<td>&quot;City with history&quot; - the basis for the brand is a historical person or event, significant in The global horizon of development, and thus, the differentiating the city</td>
<td>Baker M.J. [Baker 2008]</td>
<td>S3</td>
</tr>
</tbody>
</table>
The following is a description of the main opportunities and limitations of these strategies, which further will allow us to assess the degree of their applicability to Baku – the city we are examining. The s1 strategy is conditionally expressed by the slogan "City for ..." When choosing this strategy, cities develop a brand, focusing on one of the target groups of city residents and trying to meet the needs of this particular segment to the greatest extent. For instance, the Danish city of Hjörring, who targeted a group of retired people. The small city of Denmark Hjörring faced significant problems: outflow of residents and a decline in industrial production. The city managed to fix the problem by choosing pensioners as a target audience. The city implemented a special service development program for this target group, including housing conditions improvement and small businesses and entrepreneurship support for those who reached retirement age. As a result, today the city has more than fifty small businesses that produce souvenirs, food, etc., where the average age of employees is around 55 years old. The city logo depicts a gray-haired man engaged in pottery. The city annually hosts various festivals and holidays, oriented to the strategic target segment, thus supporting the integrity of all communications of the city brand.

Worth noting that, this strategy has its limitations: the branding strategy "city for ..." will be quite difficult to implement in large cities, where explicit support for the interests of one of the groups of residents can cause dissatisfaction with other, equally widely represented groups. This strategy can be successful only in small cities; therefore, for Baku with more than two million population, this strategy is not applicable.
The second strategy (S2) concentrates on the industries that provide higher growth rates than competitors. Birmingham and Hong Kong are the examples of cities using this strategy. The brand of the city of Hong Kong is directly connected with the growing role of China in the global economy and the growing number of foreign investors who are interested in investing their money in the developing economy. They also represent the target segment of this strategy. Due to its openness, today Hong Kong is considered as a center where a number of foreign companies have their head offices. The city is very successful in implementation of urban infrastructure, tourism and business development programs. The imperfection of this strategy is that there are only a few number of countries, which can afford such large substantial capital investments. Regarding Baku, this strategy is risky, and it should be noted with regret that our country does not stand out for a high level of economic development, which could decrease the interest and confidence of external investors.

Third strategy (S3) is tourist oriented one and it based on the actual or mythological historical event, which should be significant and memorable for the target audience. In some cases, an outstanding person with whom this event is associated attract more people that the event itself. Many cities implement this tourist-oriented strategy with all of the drawbacks it contains. First, there is a risk that such cities might turn into “single purchase” product from tourists’ point of view.

The next strategy (S4) pursue several target groups: city residents, companies, investors. Highly developed entrepreneurship, the presence of leading research centers and universities are laying in the base of the brand. As examples, there are such cities as Palo Alto, Sophia Antipolis, which use S4 strategy. However, this strategy seems to be very good it demands considerable time and costs spent on the development of the proper scientific research industry. Another fact is that all of the stakeholders – investors, government or local residents should have a certain welfare from that. Keeping in mind that Baku is interested in the innovative development of entrepreneurship because of the level of high education and business system, this strategy could be applicable.

The last strategy (S5) to be observed is co-branding strategy, which means a “marriage” with a much stronger brand. Global event attraction (e.g. the Olympics, sports competitions, music festivals etc.), brands of which are able to captivate tourists to attend events and investors for infrastructure development, is an example of how this strategy performs. The project "European Capital of Culture" in Liverpool and other European cities proves the effectiveness of this strategy [European Capitals of Culture...: online]. This branding strategy is already being rapidly
implemented in Baku during the last few years. As an evidence, Baku holding the first European Games, Fomula-1, Islamic Games and other events important event. 
Thus, after analyzing the five branding strategies described above, we came up with the conclusion that they are largely based on the principles identified in the analysis of the brand and territory branding categories.

After analyzing the chapter devoted to strategic management and brand promotion tools, we identified four main branding tools, including strategic, symbolic, advertising and PR tools, as well as five main strategies used in practice: 1. "City for ..", 2. "Many-sided unity", 3. "City with history, 4." City of opportunities ", 5. Co-branding. In the city of Baku, which we studied, mainly PR-tools with a co-branding strategy were used for brand building.

We proposed to focus on advertising and symbolic tools: create an official bilingual (at least) Internet portal and strengthen television advertising, and use the "City of opportunities" strategy: to develop research centers and universities, transforming them into innovative development centers and providing all city "consumers" with equal opportunities for self-realization.

However, after analyzing successful branding strategies in territorial marketing, we see that borrowing any of the strategies described above "per se" does not provide uniqueness - an important characteristic of the brand, although the logical question then arises: how strong is the marketing component of the city development strategy from the point of view of effective development of marketing Assets? This is what forms the field of further research related to the audit of the marketing assets of the territory and the search for a positive, holistic and attractive brand of the city.

2.10 Summary

It has been decided to utilize all the perspectives given above in order to answer three research questions introduced in the first chapter. However, all the concept like place branding strategies by Shafranskaya (2011), Brand Identity planning Model by Aaker (2010) have been introduced separately, they are linked with each other, thus lead towards the solution of the research problem in this thesis. Due to the Aaker’s theory, it is possible to reveal and overcome the challenges of Baku brand by proposing a new brand strategy approach. The observation regarding city branding leads to adoption branding theories into the city branding framework, which is the core idea in the current study.
3. Method

This chapter aims to clarify the choice of research design and methods utilized in the thesis. The section also presents a report about data analyzing and gathering process in order to transfer the reader a clear picture of how the author have supervised this work.

3.1 Choice of Method

Strong and successful city brand requires various factors to perform together as one (Rainisto, 2003). According to Johan and Power (2006), “The place-based brands, just like product brands, need to be developed and changed according to the customers’ needs and the differentiation of the branding strategy competing places use.” Therefore, the author realized the importance of the current topic and decided it to be worth researching.

The first step towards analyzing and investigating the purpose of the thesis is based on theoretical background. Theory chapter was written relying on the information and literature review as well as the argumentation around the research questions. Due to the theoretical framework, the author has drawn up and held interviews, because there is not a ready tool corresponding to the selected research.

The thesis built partially through the deductive and inductive approach, using qualitative research method. The empirical data gathered in this report is based on the theoretical background. Trochim, (2006) defines the research that was made “from theory to empirics” as a deductive research approach.

The author concentrates on a place brand-building phenomenon and seeks to find out how and through which strategies Baku is framing its brand identity and how it has been recognized from the external point of view. In other words, if the brand image corresponds with the city brand identity. Pursuing the goal to answer the main research questions and to fulfill the purpose, the author uses such apparatuses as interviews, literature review.

3.2 Inductive or Deductive research

The current study has been organized according to the deductive and inductive reasoning approaches. Taking into account the fact, that place-branding field is a quite popular area for scientists, obviously that it has been well archived. Assuming this, alongside with the open questions in the interviews, which derive from inductive reasoning approach, it was decided to
move from “particular to general”, which means deductive manner implementation while investigating Baku city brand building, Gulati (2009).

Opposite to deductive approach, there is an inductive approach. Since they are very different in their nature and the way, they obtain the results, the definitions and main characteristics of inductive and deductive research methods were presented below.

Relying on Wilson (2010) deductive reasoning deals with “developing a hypothesis based on existing theory, and then designing a research strategy to test the hypothesis.” Deductive research examines particularly selected theory in a certain situation and comes up with consequences initially derived from premises and hypothesis. In other words, the researcher selects a hypothesis at the very begging and then applies suitable method to check its credibility (confirm or reject the expected outcome). Worth noting that this strategy has a significant drawback. While selecting the most appropriate information among a huge data flow in order to convey the study, authors in some cases may restrain themselves during the study and build limitations. Obviously that under such conditions and when having a definite prospects there is a threat for a researcher to lose highly valuable knowledge because of these limitations.

Inductive reasoning (or approach) considered as an absolute alternative to deductive approach. Here we see that the researcher does not feel any limitations because he/she may aggregate data from the area of his/her interest without having forecasts or premises at any sense. Hyde (2000) defines inductive reasoning as “a theory building process, starting with observations of specific instances and seeking to establish generalization about the phenomenon under investigation.”

It should be mentioned here that inductive reasoning is an experience-based approach, which avoids any hypotheses at first steps of the research. Moreover, theory formulation process takes place at the final stage of study as a conclusion from the collected empirics.

Just like with deductive approach inductive strategy also has judge points. So, Jacobsen (2002), argued upon the fact that human beings can conduct a survey or any investigation without having a set of predictions in their mind.

Overall, considering the circumstances under the three dimensions: wealth of literature, time, a risk we believe that utilization of both deductive and inductive manner fit the best for this study. (See Table 2)
<table>
<thead>
<tr>
<th>Deductive approach preferred</th>
<th>Inductive approach preferred</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abundance of sources</td>
<td>Scarcity of sources</td>
</tr>
<tr>
<td>Short time available to complete the study</td>
<td>There is no shortage of time to compete the study</td>
</tr>
<tr>
<td>To avoid risks</td>
<td>Risk is accepted, no theory may emerge at all</td>
</tr>
</tbody>
</table>

Table 2: Table guides the choice of specific approach.


After we have presented the main definitions and characteristics of an inductive and deductive method, it is time to justify our option, which is – a mixed method by giving certain examples.

As it was stated, in the current study we applied both inductive and deductive research method when investigating brand of Baku. Thus, the questions in the interview guide shown in appendix 2 directly reflect each of the approaches. For instance, the first question: “What is the first association comes to your mind about Baku?” has been formulated in terms of deductive research method. In fact, if we go back to theory, we see a large number of argumentations devoted to the importance of brand related associations. Aaker (2010) precisely describes the values of brand associations in the formation of strong brand identity. Further, Kapferer (2012) also emphasizes the role of positive associations. He argues that in order to succeed a city should only cause good associations in potential customer’s mind.

Another question conducted upon deductive manner: “What characteristics most accurately convey your feeling from the city?”. The question emerged from the assumption that the characteristics, which depict the brand of the city lay the foundation of functional and emotional features of the city. These conclusions have been presented by Lambin (2007). On the other hand, Aaker (1997) in her work – “Dimensions of Brand personality”, also tries to present a symbolic use of the brand by determining the role of brand personality characteristics.

Considering an inductive approach, the questions as: “Is Baku expensive city for you?”, “Do you consider the trip to Baku dangerous for some reasons?” can be given as examples. Obviously that these inductive reasoning based questions were not initially based on any theoretical premise. These questions were asked with a purpose to get an experience-based responses or patterns and then to build practical conclusions upon them (or to generate a theory).
3.3 **Qualitative and Quantitative methods**

Aiming at getting proper and extensive information, this study demands usage of number of interviews, which presents a qualitative data collection method (Adam & Healy, 2000).

The main goal of this thesis is to establish a firm explanation of how the city governance in Baku is performing to build an attractive city brand image and what the brand of Baku symbolize for internal and external stakeholders (Swedish citizens). Therefore, the author assumes that a qualitative method is the best option for fulfilling the main goals and cover problematic areas. In fact, this method to some extend removes limitations in front of researchers, so researchers can enlarge and deepen their knowledge in the relevant sphere of investigation.

Since we deal with external audience represented by a large group of Swedish locals, our study needs a qualitative approach, which would help to handle more information from numerous respondents, Jacobsen (2002) and it has its own pros and cons.

Among the advantages, Daymon & Holloway, (2003) mentioned that this method assembles and generates results using statistics and figures from massive cases.

On the other hand, the quantitative method facilitates author’s task by clarifying start and finish points, thus saving a lot of time and cost reducing when being involved with the hundreds of respondents in a relatively short period. However, Gummersson (2000) argues that if the initial data in quantitative research defected there is a threat to conclude the study with irrelevant to the reality results. While quantitative method builds logical chains strictly correlated with the realistic viewpoints and based on measurements and theoretical concepts (Gieryn, 1983), a qualitative method turns out to be more open to some extend (Jacobsen, 2002).

On the ground that our work is about branding a city, which has its unique features, characteristics and governance style, there is no general perception or rule about how to brand a place towards its success.

At this sense, qualitative research gives us a freedom by proving a chance to observe numerous sources of documentations when gathering empirical data for the research. In other words, the qualitative method provides deep study and more practical knowledge in comparison with the quantitative method, which focused on the examination of hypothesizes, Ryen (2004).

The interviews conducted in this thesis present qualitative research method, which encompasses a process of gathering and generating non-numerical data. While aiming at receiving the answers
required to fulfill the purpose it is important to clarify the following questions, which arise in a reader’s mind:

- What does it mean that we are doing a qualitative study?
- Why is it valuable to choose qualitative approach?

Thus, it has been decided to use qualitative method since we are dealing with a place (city) branding field of science. City branding considered being science where marketing researchers should not be restricted at any sense. This branch of science is always changing and there cannot be a predetermined list of theory or a plan of actions, which would assure a successful outcome from the city branding process. However, it is possible to do a qualitative study and be acquainted with the basic theoretical framework related to the purpose.

Assuming above-mentioned, we can state that qualitative study in terms of this master thesis means, firstly, a freedom for a researcher. In fact, when conducting an interview the interviewer is free to ask an open-ended question and benefit from a rich data obtained. It helps to understand the phenomenon, which is under the study from the personal and unique perspective of selected responders.

The value of the qualitative approach consists of the following facts:

- Provides evidence based on a person’s individual values, a range of vision and subjective ideas.
- Provides a deeper and practical insight of the problematic area.
- Provides a comprehensive and fully reflected picture of how a human experience the case, which is under the consideration.
- Provides flexibility during the study.

As an example of flexibility and freedom, the fact that interview participants can inspire and motivate a researcher to create and ask the next not–predetermined follow-up question.

To conclude, after analyzing all the possible advantages and disadvantages of the two above-mentioned methods it was decided that the research within this thesis should be conducted with the help of qualitative research method.

### 3.4 Interviews
When conducting an interview about city brand identity in frames of qualitative research, the special attention should be paid on interview pattern in order to obtain purposeful information from the respondents.

To avoid any kind of limitations for both sides (interviewee and interviewer) the interview should be structured in a unique way including open-ended and close-ended questions simultaneously.

Holding interviews is highly valuable for the researchers because it assists for the better understanding of the corresponding field (Belk, 2006).

While designing an interview the author is free to evolve additional questions as the topical trajectories roaming from the settled interview model during the talk. In other words, the interviewer is able to regulate questioning line and remain fixed on the core problem of the study (Sekaran, 2003).

The interview guide utilized when interviewing Swedish residents considered to be semi-structured (see Appendix 2). The author believes that semi-structured interview can provide true, solid qualitative data give to respondents a chance to deliver their thoughts in their own language. In order to fulfill the purpose of the thesis the interview model was built relying on the relevant theory; however, some open-ended questions were added for getting a more vast view on Baku.

Regarding the obstacles that might happen during the interview, implementation of recording devices should be mentioned. However, the recorded interview type is, first of all, guarantees truthfulness, sometimes recording gadgets hamper interviewees from giving their sincere point of view (Creswell, 2003).

Following the ethical norms, the informants interviewed were asked for a permission on the usage of such device. Unfortunately, due to some personal reasons some of the persons kindly objected. The interviews were held in English, however assuming the fact that English is not a native for Swedish residents, respondents received interview questions in both languages. The English interview questions can be found in appendix 2 and the Swedish variant in appendix 3.

**Personal interviews**

According to Wrenn et al. (2002), a face-to-face interview is estimated to be the most explicit, clear and effective type of conversation. Face-to-face interviews have many advantages giving the researchers more transparent explanation of the received responses. It has advantages over another type of research because it held under the special conditions where social attributes can be used. This means that the interviewer has a leading role in this process directing the conversation to the
appropriate channel, follow up questions and thus escaping undesirable misunderstandings (Stevens & Loudon, 2002).

Additionally, social attributes as body language and eye contact play a meaningful role during the interview. For instance, eye contact helps to express a sincere interest in the informant as well as to create an emotional attachment. What comes to the body language, it services to reveal stress or any other problems that can happen with the person.

Worth noting that, there are some drawbacks with face-to–face interviews as well. Sekaran (2002) and Wrenn et al. (2002) agreed that these kind of interviews are not easy to be organized. Geographical limitations and administration increase travel costs and subsequently time consumption to arrange an independent interview with the particular person (Hague et al. 2004).

Regarding this study, financial expenditure was not a problem because all the responders were geographically available.

3.5 Methodology problems

Before starting interviews, worth noting that individuals were sent all the questions in both languages via email or other suitable channels beforehand.

Due to the fact that such system would help to escape long lasting and time-consuming outlays it was decided to follow this pattern. Obviously, that this had a positive influence on the responses since persons were given a chance to get prepared. I feel strongly about that by doing so people were prevented from giving automatic answers during the conversation.

Bearing in mind the research questions in the current thesis, interviews are the most relevant form of data gathering. According to Denscombe (2000), the method guarantees reliable results due to the precise feedbacks from the respondents.

Based on Saunders et al., (2007) dependent on the specific goal, three types of interviews are exist:

- structured interviews,
- semi-structured interviews
- unstructured interviews

Structured (or directive interviews) are commonly used in descriptive research and rarely in explanatory type of research. It consists of the same questions and asked in the same order for each person. The main disadvantage here is that hidden in a lack of friendly conversation.
**Semi-structured** interviews are the most best suitable for exploratory research. According to Saunders et al. (2007), this method can reveal a source of a vast information from the individual’s practical life experience. It can also be a valuable tool at the initial stage of hypothesis development because it can precisely clarify relationships as well as establish a base groundwork for the further investigation.

**Unstructured** interviews considered formal. During this type of interview, the interviewer does not have a guide and gives follow-up questions, which arise from the responses of participants. Owing the absence of prearranged question responders are given a chance to deliver their opinion in their own terms. Saunders, et al., (2007) claims that unstructured interviews must only be employed in case of exploratory research.

For this thesis, the interview guide was created relying on semi-structured interview type. Denscombe (2000) also underlines that this approach helps to remain within the settled borders of what is to be examined. Another valuable advantage is that semi-structured interviews do not compress the selected responder, by giving him/her a freedom to discuss and comment the topic of the discussion without bias.

The interviews were held via personal meetings during which the talk was archived through voice recorded or simple notes.

After having gathered all the data supposed to come from the interview conversations, it was united in one digest for the further observation. Among the final materials developed at the final stage, the author preferably viewed those which had a theoretical linkage.

### 3.6 Sampling and data collection

Data collection approach in most cases depends on the way the researcher arranged the study and the preferred sample.

Author has conducted the work through the interview method, which is a general qualitative research method. The interview was utilized to establish a firm understanding of different Swedish residents in Jonkoping (in the majority) about their perception of Baku. This particular strategy laid in the base of the investigation for the gap between brand image and brand identity of the capital city of Azerbaijan.
According to Merriam (1998), sampling is the most commonly used tool for qualitative researchers. It works towards getting the necessary information from a selected category of community and further using it as an exemplification for that community (Wrenn et al., 2002). On the other hand, sampling is a very beneficial method because it has a list of advantages such as cost saving, frequent and simple data analyze.

Assuming that sampling has a big influence on the quality of the final finding, it was decided to implement this method.

The focus of this thesis is done on the population living in Sweden; however, from the practical point of view, it is impossible to study the whole Swedish population. Therefore, for such cases, the most suitable solution is to observe just a sample of this population, which includes the required units from the aimed population. Additionally, the picked units should fully characterize the population otherwise; this can cause divergent outcomes from the study.

For this thesis, non-probability sampling method was adopted. Non-probability sampling is widely spread engine in exploratory research and allows revealing a problem in a frequent and cheapest way. To be more concrete, relying on the subjective judgment of the author a snowball sampling technique was partly used.

The snowball approach implies a lax form of sampling because the selected persons attracted other participants from the target audience adequate for the current research (Biernacki&Waldorf, 1981). Hence, the potential sampling errors cannot be identified and statistical conclusion from the sample to the entire population is limited because of a narrow community group (Brewerton & Millward, 2001). For making the process a risk free, the author made up a list of favorable informants that might be willing to participate. The number of interviews reached twenty. Additionally, persons were giving direction to which type of interviewee to proceed with in this study. Because of the time restriction, the number of interviews could not exceed twenty. Nevertheless, the author assumes that this did not fluctuate the outcome of the study.

In should be mentioned here that despite the problems related to generalizable issues in snowball approach they did not compromise the study since the major focal point is the brand of Baku. Moreover, the researcher was heedful not to have some emotional impact on individuals, for instance, respondents were asked to be highly honest and unprejudiced.
3.7 Trustworthiness

Test for the trustworthiness in this thesis, which was conducted via qualitative research, varies from those used in quantitative research. In a case of the quantitative thesis, the main tools are reliability and validity. These methods are used to confirm stability and credibility by producing the same test under different circumstances (Daymon & Holloway, 2002).

According to Merriam (1995) in qualitative research, trustworthiness should be observed from the prism of validity, which in turn is divided into external and internal validity.

Silverman (2003) claims that validity approach helps to control truthfulness of the data shown by the author. For this reason at the end of the each interview, participants were presented a terse outline from the conversation in such a way that a person could read and edit if it is required. Moreover, before the interviews were carried out interviewees became acquainted with bilingual versions of questions, in order to verify that the explanations (responses) are truthful.

Internal validity tries to find out if the final findings are consistent with the reality. On the other hand, the reality understanding in qualitative research does not possess one single truthfulness. This occurs because a reality itself considered as a dynamic phenomenon shaped by a humanity. Merriam (1995) also highlights that there is a threat of reality’s misinterpretation because the author could propose his/her own perception of the total society’s perception of reality.

Notwithstanding, there are some options emerged to prevent this issue and help to obtain credible results. For example, in this thesis, the researchers attracted other individuals for cooperation during the interview in frames of triangulation approach.

Triangulation is defined as a strong tool for data validation in social sciences research using several distinct points (two or more interviewers, source). Furthermore, triangulation leads to more grounded and realistic interpretation of reality since it relies on various inferences. Regarding our study, we argue that we managed to accomplish this option thanks to using snowball approach and a large amount of theory.

In the line of above mentioned there is another option used by researchers to promise frankness in responders. In other words, this means that the interview process should exclude anything that can hamper persons from giving honest answers taking into account that all the participants invited and performed volunteering.

In order to gather an empirical data in our research, we interviewed various Swedish stakeholders, which speak for university, community, young generation and entrepreneurs. In fact, stakeholders
representing a particular unit of the community gave approximately the same perception about Baku as a brand. Nonetheless, in general, all of the twenty stakeholders stand for the Swedish society in Jonkoping. This put forward and confirmed the truthfulness of the common image of Baku received from different angles.

According to Marshall & Rossman’s (1999), there is no an ideal research pattern in social science, however, we believe that the conclusions came from this study could be implemented for other studies in city brand sphere. Briefly, we have just analyzed the definition of external validity presented by Merriam (1995) in which external validity described as a degree in which the results of the study can be employed in other investigations.

Unlike the quantitative manner suitable for data generalization, this engine cannot be implemented in qualitative research. However, this fact about qualitative approach should not be accepted as a restriction since it is mainly aimed at getting the more accurate view of the phenomenon instead of trying to figure out what commonly is valid for several. In fact, the clear picture of the phenomenon, which is put under the question significantly, contribute to the author’s confidence about the transferability of the study (Shenton, 2004). He continues with writing that through the solid theoretical basement as well as rich characterizations of the phenomenon a reader can more easily connect the study’s results to the identical research.

In current work, the system in which we perform our study is described in details. Following the common theme, the chapter devoted to theory and empirics is also reflected respectively. The upcoming chapter will present a summarized data according to the interviews with individuals in Sweden.

4. Empirical Presentation

Within this chapter, the author presents an inference summary emerged from the interviews. The most important questions are put under the observation to exhibit what the empirical data based on.

Since there is no ready-made tool corresponding to the selected study in order to analyze the current perception and identify the main characteristics of the brand of the city from the Swedish, residents’ point of view twenty interviews were conducted (Appendix 2).

The limitation of this study is that only English speaking participants can take a part, however assuming the fact that most people in Sweden speak English fluently, that was not an issue.
To increase the reliability of the data collected, the interviewers were not obliged to disclose their names and the interviewer presented brief explanations on the purpose of the conversation and its expected duration at the very begging.

The total number of respondents was 20 people, 20% of them originally from Baku and used to live there many years ago, however currently they are fully-fledged Swedish residents, the remaining 25% visited the city at least once, 55% did not attend, but they want to visit.

In relation to the city, permanent residents, who previously lived in Baku and then moved to Sweden, will act as an internal consumer and a carrier for the identity of the place simultaneously. The rest are totally external consumers and assess the city according to its image without having long-lasting life experience in the city. Based on the review of literature in the first part, our ultimate goal will be the identification of a gap between brand image and brand identity. In fact, it is the only way to reveal and correct the weak points in city branding process in order to assure that external consumers will receive the most correct and positive idea of the city.

Our task is to define and analyze the structure of the associative field of respondents for the city brand. To do this, the interview questions uses the associative methods of psychosomatics, as well as the technique of "The look of the tourist" (John Urry, 1990). Using such methods, we can provide both a set of visual components associated with cities and regions, as well as a set of descriptions, characteristics that are associated with the city.

The variables of the interview guide are conditionally divided into three parts according to their role for research: the portrait of the respondent, personal characteristics of the city and associations with the city of Baku.

Consider a general portrait of respondents. The average age of the respondents was 30 years old. The majority of respondents (30%) are students, 10% are specialists of a private enterprise, 20% state or municipal employees, 35% are entrepreneurs/owners of their own business, others are temporarily not working or are housewives/householders. The interviewees often visit Central and Eastern European countries (55%), Middle East countries (30%), and Asia-Pacific countries (15%).

*What is the first association comes to your mind about Baku? What personality do you associate with the city?*

Respondents were asked to give their associations about Baku. The associations of tourists who have already visited Baku are different from those who have not yet been to this city and are familiar with it from secondary sources.
So, according to figure 3, we see the top three associations with Baku - the oil industry, European Olympic Games and other sport events and specific political regulation (Aliyevs family). However, among the associations, Eurovision song contest, Formula 1 Car Racing were also mentioned.

![Figure 3: The first association with Baku for Swedish residents](image)

Source: Compiled by the author

As previously mentioned the first of the top tree associations arises with Baku is estimated to be petroleum industry.

“My first acquaintance with Baku happened while visiting the Nobel Museum in Stockholm, where I was told that “Nobel Brothers” produced oil in Baku”. (Interviewee #7, personal communication, 26 March 2017). The respondent continues by adding that at that moment she even had no idea where Baku was on the map, however as a petroleum engineer she could not just skip the name of the city to which modern Sweden owes its prosperity to some extent. She further recognizes that Swedish economy is not based on the oil industry and petroleum is of relatively little interest for a Swedes. Nevertheless, the interviewee #7 admits that she feels a little of jealousy with their close neighbor – Norway due to its wealthy oil industry branch. Considering above mentioned she adds,

“However Sweden does not have a rich oil well as Norway does, I was so proud to know that petroleum industry in Azerbaijan was developed by Swedes and this feeling of emotional attachment to the Baku’s history will always remain as my first association with this capital city”, she explains.

The interviewee #5 (personal communication, 15 March 2017) explains this view on Baku by stating:
“As a big chess fan, I have always been interested in countries from where the brilliant chess players come from”. He continues by saying, “My first “journey” to Azerbaijan was due to the famous grand chess master – Garry Kasparov, who hails from Baku”. He believes that while promoting a city, all the tools, including using the names of celebrities in various spheres from sports to culture, is suitable. For instance, he talks about how he first was trying to search for more information about his famous chess player and thus learned a lot about Baku and other former Soviet Union states.

The third frequently mentioned association belongs to Aliyev’s presidential family. The respondents, female in particular, mentioned that they face with Aliyev’s surname very often especially in woman’s popular glamor magazine sources due to the president’s wife – Mehriban Aliyeva and his daughters. Further, female responders underlined the importance of having so stylish and socially active first lady, who aims at the development of national values since her activity and glamorous appearance established initial impression for foreigners.

On the other hand, not all of the responses comprised positive description about Aliyev’s family. According to the interviewee #10 (personal communication, 27 March 2017), city introduction through particular persons’ image (president or his family) is quite a dangerous process because it does not always work, as it was desired initially. “The city is definitely associated with the current president – Ilham Aliyev, whose name is joined with such word like corruption, billionaire, monarchy despite being a president of the democratic republic, not a kingdom”, he explains.

He also argues that today Baku is a modern and wealthy city. “The main drawback of Baku is that despite being the most booming city among all the former Soviet-Union cities is that it has corrupted governmental regulation system”, he adds. The interviewee explained how the Swedish usually form a city image in their mind and what are the important features for a city to be respectful and popular among the Swedish.

As it was written above, 20% of responders are originally from Baku, however, currently, they are permanent Swedish residents. This means that while trying to find out the gap between brand identity and brand image of Baku from the Swedish locals’ perception, we have a unique chance to compare the brand image from both: internal and external point of view.

Further, in this chapter, the author provides the most valuable results from that 20 % in order to compare them with the rest 80%, which stands for Swedish residents.

According to the figure 4, it is obvious that top associations for the internal audience are: Old City, oil, and Fire.
What characteristics most accurately convey your feelings from the city?

Consider the personal characteristics of the city. The main characteristics that convey the sensation from the city of Baku, we see in Figure 5. In the answers, multiple choice was possible, more often; they chose answers such as modern, friendly, safe. Summarizing the results obtained, we can state that the personality of the city in the perception of Swedish residents is more associated with the development of the city (business, dynamic, attractive) and people (friendly, safe).

Regarding those participants originally from Baku, they mostly characterize Baku as friendly, young, business and modern (Figure 6).

In general, the results reflected in Fig. 5 and Fig. 6 have a lot in common, however, such dimensions as successful, safe are strictly change from Swedish point to Azeri point of view.
As interviewee #5 (personal communication, 26 March 2017) puts out during the conversation, “Baku characterized as a dynamic business city, which has gained its wealth due to oil and gas industry. However, a crackdown on basic human freedom in the country worries me, because in Sweden it is number one priority”.

While interviewee #5 presents Baku as a dynamic business city, the interviewee #4 claims that the city deserves to be rated very high due to its beauty and dynamic development, which directly leads to the assumption that it is a rich and successful city.

Interviewee #4 continues by stating: “Baku is characterized as an attractive business city, but I feel that it is not fair that not all the people in Baku are equal in financial terms considering Baku is one of the giants in oil and gas production”. He addresses the need to apply more of the real democracy in Azerbaijan.
Regarding the friendliness, the interviewee #10 (personal communication 13 March 2017) tells that she used to have a fellow student from Baku at the university. She based her responses on her own experience and characterized the city through the personal features of those with whom she interacted. The interviewee #10 proceeds by emphasizing the open-mindedness and friendliness of those she met from Baku; “People from Baku have a friendly interest to the swedes and always happy to talk about their country despite in most cases none of the Swedish locals know anything about Azerbaijan”.

The next question considered as a certain look into the historical past of Baku, namely for nearly 26 years ago when Baku gained its independence from the Soviet Union.

Is Baku the preferred city for visiting in comparison with the other former Soviet Republics or what makes Baku stand out in comparison with the other former Soviet Republics?

Most answers described Baku from the positive angle in comparison with other neighbor countries.

“Comparing with the other former USSR states, Azerbaijan and its capital city stand out of the crowd due to its rich culture and fast economic development”, say interviewee #1 (personal communication, 13 March 2017).

He further explains that Baku should be perceived as a modern city and the fact that it hosts so many globally important events annually proves its potential to reach a strong brand image in Sweden. He, however, explains the importance of having one for the most of the Swedish residents.

Interviewee #2 (personal communication, 13 March 2017) has been involved in the city branding construction process for long years as a part of his job duties working as a place design architecture in the list of European countries. As he explains,

“The main prejudice regarding Baku is its soviet past. This leads Europeans to create a wrong perception that Baku is just a post-soviet heritage city”.

In fact, today Baku is seriously aimed at breaking wrong stereotypes about the city, through implementing a city brand strategy, which underlines the city’s European lifestyle and appearance. These stereotypes are based on the perception about former Soviet Union countries to be nascent and poverty-stricken in comparison with the rest of developed European states

Interviewee #3 (personal communication, 13 March 2017) agrees that European citizens preferably choose European cities when planning their vacation out of their home country. He continues by stating;
“The Swedish people as a part of European society, want to be sure the city tend to be visited by them corresponds with the high European criteria’s”. In other words, he addresses the need to promote the European roots of the city in the line with its adjustment to European life standards.

Subsequently, an interesting question was raised during the interview was if they know the exact location of Azerbaijan on the world’s map. The majority of responses were as follows: “the far away country, which is close to Russia”; “the country, which is stands in the line with Asian states”.

Another fact that Azerbaijan with the capital city of Baku is geographically located between East and West, sitting on the edge of Europe and western Asia. This makes a strong basement for the city management to form a unique city brand, which simultaneously reflects Europe and Asia. However, currently the Swedish often determine Baku as a distant city because of its closeness with Russian Federation.

Nevertheless, interviewee #4 (personal communication, 24 March 2017) says that the issue regarding the incorrect geographical location assumption, especially the problem of being identified as a remote from the rest of Europe emerges from the lack of insight about their European fellows:

“As a part of marketing incentives it would be nice for Baku to deliver their attachment to Europe; however the misunderstanding about Baku’s location is totally referred to the lack of knowledge of Swedish residents about the country as a whole”. The interviewee further explains that due to the policy of neutrality during World war the second, Sweden is not closely familiar with the historical path and the development steps in Baku after the war and its segregation from Soviet union as well.

*What do you consider unique in Baku that can attract Swedish stakeholders?*

According to the interviewee #6 (personal communication, 26 March 2017) in order to attract more people to the city and turn it into a heart of touristic destinations, the city should not only focuses on the beauty, popular events but also on the country’s visa entry regime procedure. She confirms it by saying,

“Travelling is the best way to explore the world and sometimes I make spontaneous decisions about which country to visit. In reality, when I face a long visa procedure requirements in the intended country I simply choose the neighbor country with no visa requirements, for example, Georgia”.
She points out that simplified visa requirements for Sweden might attract more stakeholders to the city. An interesting example here relates to Georgia because here tourist e-visa is not demanded citizen of Sweden.

In general, when asked what you consider unique in Baku that can attract Swedish stakeholders responders mostly claim that it varies according to the interests and preferences of a person.

Interviewee #2 means that attractive market opportunities to launch start-ups or open affiliates oriented on the local customers can attract Swedish stakeholders. He believes that natural resources based industry of Baku has always been fascinating for Europe, especially for Sweden.

“Going back to the history when “Nobel Brothers” oil company set up in Baku, it becomes obvious that business potential definitely attracts the Swedish”, interviewee #2 adds.

While interviewee #2 argues that business forums, conferences are the key attractions. Interviewee #3 believes that cultural and sporting events within the city, which helps to position it as a significant venue for international events, are the best way to captivate the target audience. He also tells the importance of being presented in the surrounding where you want your city brand to be associated. In the city branding strategy, it is desirable to perform clever policy and be focused in the right locale. “It is the right approach for Baku’s government to host such events as Eurovision Song Contest in 2012, 2015 European Games, European Grand Prix in 2016, since they brought together Sweden and Azerbaijan, not to mention other countries”, says interviewee #3. He further mentioned the positive impression from those events because they were well organized and laid first bricks towards creating an attractive city image from the Swedish point of view.

*Do you consider the trip to Baku dangerous for some reasons?*

The safety issues have also been observed in this study. The current bilateral relationship between Azerbaijan and Armenia because of the was in the past decades might have a negative influence on the Baku brand and establish a wrong perception of an “unsafe” city.

Nevertheless, the interviewee #9 (personal communication, 20 March 2017) states that since the territorial conflict between the two countries is properly managed on the diplomatic level, there is to safety threat when traveling to Baku. “Unlike some of the other Asian countries, in Baku, I have never experienced robberies and pickpockets accidents, on the contrary people would rather inform you about the wallet you forgot on the cash desk”, she adds.

According to the interviewee #12 (personal communication, 24 March 2017), there is so no any basement to be scared of the capital city of Azerbaijan. He further explains how he changed his opinion when he first visited Baku during his business trip there. As most of the foreigners that
are visiting the city for the first time, interviewee #12 was surprised and astonished by how modern, safe and European looking the city is. “I expected to see conservative muslin country, where men and women moderately dressing up with the danger to be strictly judged and perceived too much exposing”, he says.

Considering this question, most of the responders stressed the value of having an open-minded society when positioning a city as a safe one. It is essential that you assure your visitors about their safety and freedom at any sense, from religion to sexual preferences respectively.

Is Baku as an expensive city for you?

When asking about if Baku is considered as an expensive city, most respondents answered that they find Baku prices quite comparable to those of European cities except Azeri locals, who mentioned that considering the average wages in Azerbaijan, prices are very high and this cause a lot of discontentment.

The respondents have presented examples of prices for hostels, museums and public transport. We also compared the prices of the corresponding categories in the Swedish markets, in particular in Stockholm, as can be seen from Table 3, the Baku prices, taking into account the current euro exchange rate, are considerably smaller compared to Stockholm.

<table>
<thead>
<tr>
<th></th>
<th>Baku/Azerbaijan</th>
<th>Stockholm/Sweden</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hostel (min price per night)</td>
<td>10€</td>
<td>16€</td>
</tr>
<tr>
<td>Source: <a href="http://www.hostelbookers.com">www.hostelbookers.com</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Museum</td>
<td>14€*</td>
<td>23€*</td>
</tr>
<tr>
<td>Metro</td>
<td>0.12 € per 1 ticket</td>
<td>13€ per 24 hours</td>
</tr>
<tr>
<td>source: <a href="http://www.sl.se">www.sl.se</a></td>
<td></td>
<td></td>
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</tbody>
</table>

Table 3. Examples of prices in Baku and Stockholm*

* The prices are taken from official websites and are aligned with the euro as of 09.04.2017
The results of the research allowed us to identify the key elements of the “Baku” brand for Swedish people. They are based on the rich history and cultural heritage of the Azerbaijani capital.

The assumption that Moscow's visit is perceived as a dangerous journey has not been confirmed. Although the interview conversations showed the presence of such answers as the probability of religious press, the lack of English-language inscriptions on the streets and in public transport, which increase the probability for a foreigner to get lost in the city, however in common most respondents have no serious fears about visiting Baku.

Considering Azeri participants (20% from total), worth noting that during the interview they were asked follow-up questions related to the problems of the city, as well as the opportunity to describe a city in which respondents would like to live. The main problems of the city, according to respondents, are related to overpopulation, transport, environmental problems, asymmetric development of cities, as well as the destruction of the old city. Describing their ideal city, most respondents would like to live in a safe, truly democratic and multicultural city that has preserved its history.

All respondents agreed that Baku's strong cultural heritage and fast development as well as hosting international events are the key reasons for traveling to the Azerbaijani capital.

In addition, they prefer Baku in comparison with other post-soviet states, however, they also mention and comment some drawbacks is the country’s internal and external policy that is clearly observed from outside the country.

The majority of respondents who have not yet visited Baku would like to explore the city and those who visited the city once would like to return and continue to explore the city. This means that Baku managed to establish a positive perception, and proceeds to work upon implementing a correct brand strategy.
5. Data analysis

Within this chapter the author aimed at presenting the reader the analysis and the interpretation of empirical data reclaimed from our interviews and finding.

In order to obtain a proper data analysis, a link with previous chapters in particular with the theoretical framework and empirical data is required to be established. By presenting a data analysis, the author provides answers to the set research questions and shed a light on the problem discussion in the final interpretation.

The analysis in this master thesis is mainly based on Aaker’s Brand Identity Planning model. This conceptual model is estimated to be a valuable framework for city brand building and will help to revise the gathered data from the theoretical point of view.

5.1 Strategic Brand Analysis

This section stands for the Baku city brand analysis and this is the first tread in Aaker’s Model (Aaker, 2010). The reader will be presented the observation of brand heritage, strengths and weaknesses of Baku and real city brand image. Within the strategic brand analysis section, we will cover the difficulties in city branding and reflect the existing brand image and identity.

5.1.1 Strengths and Weaknesses of the Baku brand

Before proceeding with the analysis, first, a brief description of the city should be provided. Baku is the capital of Azerbaijan, located on the coast of the Caspian Sea. As of January 1, 2015, Baku's urban population estimated to reach 2204.2 million people. Relying on official data, about 25% of the country’s residents live in Baku. According to the rating of The Lonely Planet, Baku considered one of the top ten best places in the world for city nightlife.

Baku is a country’s cultural, scientific and industrial center with a number of institutions with their headquarters here. For example, SOCAR, one of the world’s largest oil companies. In the last few years, Baku has become an important place for holding international events. Thus, the city hosted the 57th Eurovision Song Contest in 2012, in 2015 European games, the Grand Prix of Europe and EURO 2020 is projected in a future perspective

The city is known for its sharp winds. It is seen in the city's nickname: "City of Winds" or "Wind Strike". Baku is the capital of Azerbaijan, which many call the second Paris or Dubai, although with a large number of "Soviet genes" half-hidden floating in the background. Few cities in the
world change so quickly, and nowhere else in Eurasia the East and West merge so smoothly or so chaotically.

SWOT analysis is a suitable method for the better understanding of the city brand of Baku. Due to the SWOT analysis, a reader can at once revise the strengths, weaknesses, opportunities and threats in Baku as well as to disclose the core features of the city while analyzing its brand identity and image.

One of the first analytical tools for studying Baku's image can be SWOT analysis. This analysis will be carried out with a phased study and analysis of three main aspects: social, economic and environmental, as the most valuable and essential aspects of sustainable development of any city. The SWOT analysis is based on the information collected from the interviews and different sources concerning Baku.

One of the first analytical tools for studying Baku's image can be SWOT analysis. This analysis will be carried out with a phased study and analysis of three main aspects: economic, social and environmental, as the most important and necessary aspects of sustainable development of any territory, including the city.

We will start with the economic sphere and consider the strengths, weaknesses, as well as opportunities and threats for Baku.

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordable and prices for Europe</td>
<td>• Weak inflow of foreign investment</td>
</tr>
<tr>
<td>• Baku is the largest industrial and economic center of Transcaucasia.</td>
<td>• One-sided development, lack of economic diversification</td>
</tr>
<tr>
<td>• Assistance of local governments in the development of small business and entrepreneurship.</td>
<td>• Insufficient and ineffective work of business associations to protect the interests of local business.</td>
</tr>
<tr>
<td>• Comfortable geographical location of the city for making trips in any direction.</td>
<td>• Insufficient number of skilled workers in the local labor market.</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Development of international trade, oil refining, chemical, machine-building, food, textile industry</td>
<td>• Increasing competition for local enterprises from foreign entrepreneurs.</td>
</tr>
</tbody>
</table>
• Development of tourism
• Development of the non-oil sector
• State support for the creation and development of high-tech industries that require a highly skilled workforce.
• Development of new technologies and creation of production facilities in Baku with jobs attractive for young people.

• Changes in legislation unfavorable for entrepreneurship (increased tax burden, etc.).
• Slowdown or cessation of GNP growth.
• Growth in inflation.
• Unfair competition (for example, launching falsifications of products of local enterprises on the market).
• The ruin of small enterprises and the absorption of large monopolies by them.
• Increase in corruption.

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**Now consider the social aspects:**

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baku is one of the most important educational centers of Azerbaijan, the city has a significant number of educational facilities</td>
<td>• Soviet heritage (ideological and architectural)</td>
</tr>
<tr>
<td>Rich historical and cultural heritage</td>
<td>• Territorial conflict with Armenia</td>
</tr>
<tr>
<td>Diverse architectural city style</td>
<td>• Constant inflow of population from other regions of Azerbaijan to the city of Baku, high urbanization</td>
</tr>
<tr>
<td>• Holding major sporting events (First European Games, Formula-1, etc.)</td>
<td>• Inefficiency of social projects aimed at reducing income differentiation between poor and rich, Social rupture</td>
</tr>
<tr>
<td>• Social Protection Fund (Maintaining the level of social benefits)</td>
<td>• Insufficient level of services of local health care institutions (high cost, material and technical base does not meet modern requirements).</td>
</tr>
<tr>
<td>• The main principle is multiculturalism and tolerance</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
</table>

49
- Increase in the rate of social insurance contributions
- Increase in social expenditures in the budget
- Reduce child mortality
- Increased government funding for local medicine, secondary education and culture

- Europe’s lack of geographical knowledge about Baku’s location
- Delays in the payment of salaries and pensions.
- Increase the property and cultural gap between rich and poor.

Finally, environmental aspects:

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
</table>
| Despite the difficult factors, the spread of the green cover on the territory of Absheron as a result of systematic work over a century-old period (1880-1980), the city of Baku with a semi-desert landscape was turned into a garden city with comfortable living and recreation conditions for the population | • Permanent pollution and degradation of surrounding landscapes, in particular green plantations  
• Pollution of the Caspian Sea by oil wastes  
• Degradation of the unique biological diversity of the Caspian Sea  
• Lack of a perfect legislative framework harmonized with the EU Directives, which would allow rational management of air quality |
| • Cleaning and drying in the vicinity of the capital of lakes polluted with oil and sewage  
• Operation of 16 stations of the environmental protection system of the Caspian Sea  
• Constant work on the greening of the city  
• Ensuring the population of Baku and other populated areas of clean drinking water |
<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creation of an external green belt and an internal green ring will improve the state of the environment</td>
<td></td>
</tr>
<tr>
<td>• Use of alternative and renewable energy sources</td>
<td>• Depletion of sources of drinking water and reduction of its quality</td>
</tr>
<tr>
<td>• Construction of a new oil refinery outside the city (by 2018), as a result, the quality of fuel will be brought to Euro 5.</td>
<td></td>
</tr>
<tr>
<td>• Turning 221 hectares of the industrial space of the Black City into Baku White City</td>
<td></td>
</tr>
<tr>
<td>• Annual increase in emissions of pollutants and atmospheric compounds by motor vehicles (about 70% of air pollution falls on motor vehicles)</td>
<td></td>
</tr>
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</table>

Relying on the SWOT analysis it is seen that Baku has a list of advantages and possesses substantial potential towards city prosperity. However, some of weaknesses and threats which can hamper from establishing a truly and realistic city image were also indicated.

Despite the fact that Baku is a major industrial center of the country, it has too much workload, which entails great problems both in the social and environmental spheres also mentioned by responders during the interviews. This imbalance leads to overpopulation of the capital, to a shortage of jobs, traffic congestion, etc. Therefore, city decentralization is needed. Already, according to the General Plan for the Development of Greater Baku, until 2030, it is planned to transfer the oil refining industry outside the city limits. The creation of such new "sub-centers" with all the necessary urban infrastructure will be very useful for Baku.

The city has good prospects and opportunities for further development both in the economic, social and environmental spheres. First of all, if we use the "City of opportunities" strategy presented in the theoretical framework and with the help of state support, increased state funding for education and culture, high-tech and knowledge-intensive industries can be created and developed that will drive both the economy and the city as a whole. To solve environmental problems, in addition to the constant gardening of the city, it is necessary to introduce energy-saving technologies at the city enterprises, in particular, to attract renewable energy sources into the economic circulation.
Despite the drawbacks underlined in the table, Baku also, has a large number of positive prospects, which considered to be essential in city branding. It should be mentioned, that the city keeps growing and innovating, thus by doing so it attracts more potential citizen and stakeholders day by day (Kahramanova, 2011).

### 5.1.2 Brand Heritage

The city of Baku once called “Paris of the east” thanks to a significant contribution to the world’s architecture in the 19th century has a substantial city brand heritage. During that period Baku absorbed European architectural style (Gothic and baroque), further it was modified under the long effect of Soviet Union’s regime. All above mentioned motivates the city to create a new brand identity as well as a new brand image by changing people’s perception of Baku to be a pitiful and underdeveloped, thus bringing to life a brand capable to too promote tourism and change the quality of life towards the positiveness. Back to the history when national emblems used to play a role of today’s logos, we can see the evolution in appearance beginning from the 19th century until nowadays (can be seen in the images below).


On the other hand, the city creates logos related to the special events such European Games. As it was already mentioned, logos for the brand event timed to the first European games were already used in Baku. We would like to offer a slightly different logo, which combines four basic elements: water, earth, air, fire. After all, the most frequently mentioned associations included: Baku is a city of winds and Azerbaijan has its already recognizable and famous slogan "Land of fire". The name of the city consists of four letters, each of which will represent one element. In the logo, it is also possible to use the city view and spelling the city name in a specific font. This logo will be a kind of one more reminder of the need to protect and preserve the donated nature and our city. An example of the proposed logos is presented in Figure 7.
Thus, carrying out SWOT analysis and analyzing the perception of the Baku city brand, we proposed new approaches and recommendations for further development strategy of the city. First, in connection with the identified imbalance of development in the city, it is necessary to accelerate decentralization, move the oil refining industry outside the city, creating new "sub-centers" with the entire necessary urban infrastructure. Secondly, with the help of state support and increased state funding for education and culture, it is proposed to turn the city into a "City of Opportunity". Serious ascent should be given to the solution of environmental problems: the introduction and implementation of energy-saving technologies and renewable energy sources utilization. After conducting a survey of the city's perception, we proposed the city's slogan "Feel the diversity", which can be used as a future strategy and a constant reminder of the need for diversification. We also proposed the city logo, which will combine four basic elements: water, land, air, fire, and will serve as a reminder of the need to protect the nature and history of the city of Baku.
5.1.3 The Essence of Baku

According to the interview responses, we aimed to clarify what are the core values and basics of Baku brand, and its difficulties when trying to re-fix the city’s essence.

Aaker (2010) gave a good definition of the essence of the brand. As per him, the city’s essence is projected as a function that underlines the brand’s goals and principles, while leading to the desired city vision and position.

Thus, the interviewee # 15 explains: “Modern Baku pursues the goal to be fully admitted as a unique European city, which is capable of meeting all the capable European standards”.

She also continues with stating that: “Baku is considered to have a lot in common with Dubai due to its huge landmarks, the number of which is constantly increasing”.

Although Baku reasonably has some resemblance with Dubai it is not a truly city’s vision. It worth noting that, if we compare Dubai and Baku it is clear that unlike the United Arab Emirates Baku has firm root and history with its diverse cultural and architectural heritage. On one hand, the city is comprised of cosmopolitanism and sophistication, on the other hand, it estimated to be a mixture of Istanbul and Paris.

So, one of the most important tasks when branding Baku is to make it interesting for the European audience, by stressing its European attachment, rich history, and culture.

5.1.4. Brand Image

Considering the main research question, which is aimed at finding the gap between brand image and brand identity, we should observe the image of Baku more detailed. Relying on the obtained empirical data it is possible to form a brand of Baku, which will guarantee the overlap between city’s image and identity. Obviously, that to do so the two important elements should be taken into consideration they are internal perception (which describes the brand identity) and external perception (which describes tourist’s perception, in this case, Swedish residents’ perception). In fact, most of the external responders describe the city as a modern and cosmopolitan, standing in the line with other European metropolises.

Thus, for instance, the interviewee #9 puts out:
“If being asked to describe Baku in a few words they would probably be cultural, lively and eventful”.

Further, we confronted the impression of Baku brand to the vision of its locals, which explained by interviewee #16:

“Representing a relatively young country in its independence, Azeri people are very ambitious and strict towards themselves and this plays a role of a fast engine which pushes the city’s development”.

It is understood that “The grass is greener on the other side”, it also motivates marketers to the constant work in order not to disappoint its stakeholders (internal and external simultaneously).

In common, most of them feel delighted of the capital city when witnessing its rapid modification and prosperity. Nevertheless, people are not fully pleased because of lack of social, political economic stability. They state that still there is a long way to obtain the ideal picture. In fact, behind the colorful lighting and the grace such in-house issues as low quality of life, social schism are hidden.

Assuming all above mentioned, obviously that in the majority the city’s governance succeeded in reduction the gap between brand image and brand identity.

### 5.2 Brand Identity System

Brand Identity System facilitates in achieving deep and unique brand as well as helps city marketers in brand identity diversification (Aaker, 2010). Regarding the Baku brand identity, there are two possible approaches, they are brand as an organization and brand as a product.

### 5.3 Brand as a product

The brand as a product stands for attributes and values linked to the particular product. It serves to build a recall of a product each time when the brand is mentioned. Regarding the city branding, here all the characteristics, which help to satisfy city stakeholders considered to play a role of product attributes defined by Aaker (2010). For instance, in Baku theaters, entertainment offerings are advertised as a product. In reality, the city cannot only be promoted by functional advantages. In order to faster this process, it is decided to add emotional (sentimental) advantages of “experiencing” the city. This means that while experiencing the city (e.g. sightseeing) and being acquainted with its positive atmosphere for the stakeholders, the city is promoted.
5.4 Brand as an organization

This approach concentrates on the organization’s attributes by highlighting individuals and culture within the organization (Aaker, 2010). Briefly, organizational attributes are directly linked with the brand's nature and in turn comprised of its vision and programs. It should be mentioned that it is almost impossible to copy an organization with its values, characteristics, and individuals unlike to duplicate a product.

When looking at Baku, here the organizational attributes can be interpreted as rapidly growing, lively and contemporary. These descriptions are closely attached to the values, which lay in the foundation of European-type brand identity. However, after the research within the thesis, it was carried out that the attributes shown above are not enough to create the unique city brand.

Thus, another element of perspective, which called organizational culture, should be encountered respectively. Daft et al. (2010) put forward a definition of organizational culture, which stand for the norms, beliefs, and visions that are common for all the participants related to the particular organization. Considering Baku here cultural and historical assets norms, manners, national behaviors can be included to the organizational culture. It is important to remember that if prosperity managed culture might be utilized as a promotional apparatus in order to obtain favorable branding strategy goals.

5.5 Brand identity and implementation system

In this part, we will observe the Baku’s brand, in particular, its attributes and execution of those attributes in city branding process. Brand implementation system helps to bring alive and assure its implementation after it has been created of changed.

5.6 Brand position

Brand position considered the first step in the brand identity implementation system process. According to Aaker, (2010) brand position should be comprised of main brand identity as well as the pieces of the projected future identity. These elements should be selected precisely since they are projected to provide a competitive advantage when included to the proposed identity. In fact, the brand positon should be able to capture the extended target audience by putting forward it functional and emotional positive signs.
When looking at the case of Baku, here the main identity is comprised of culture, modernity, and unity. These emerged from the interviews in our research:

- “National culture must be presented to the European society in a way to make it more understandable and fascinating”, says interviewee #16 while stressing the cultural element of the main identity.

- “Modernity approach consisting of innovation and progress is the best way to obtain cultural development”, (Civle et al. 2009), regarding the second element of the main identity. And finally, the third element which is stands for the unity in society emphasizes internal cultural progress inside the city as a key factor which facilitates democratic vision in public, thus highlighting the equal rights of all the citizens.

The target audience is another valuable component for the brand implementation system. In the case of Baku, the first target audience is the city’s locals, whose opinion during the interviews shed a light to “Is Baku brand image mirrors the brand identity” research question. The second target audience is all the external stakeholders (tourists, investor etc.) This secondary target audience is a very important because Baku aimed at positioning the city at an international level in all the aspects (tourism, business, culture). At this stage, emotional and functional advantages push the target audience to interact with the brand. These advantages can be described as follows:

- Emotional advantages: emotional satisfaction and excitedness when being acquainted with the city’s culture and atmosphere.

- Functional advantages: various activities, which the city can offer, for instance, theaters, operas, restaurants, event.

### 5.7 Brand Execution

After we have chosen the key elements for the core identity, the next step is the brand execution. Successfully implemented brand passes through the alternative ways of communicating, as a result, obtains strong attachment with the target audience. For example, holding big events and public relations represent alternative ways of communicating.

In frames of our study, we decided to measure whether the city brand was executed successfully or not. For this reason, an Anholt’s scale was implemented to evaluate the city brand.

Anholt (2011) evaluates city brands with such variables as
• Presence,
• Place,
• Necessary conditions,
• People,
• Pulse,
• Potential

5.8 Overview of the findings

The purpose of this study is to identify the contrasts between the city’s brand image and identity. In the ground of this, the final inference about Baku’s brand image and brand identity would help us to prove or deny this difference (gap) as well as to measure it relying on the theoretical concepts. In order to measure these two dimensions a large number of interviews were conducted. The information obtained regarding Baku’s brand image via the interviews allowed the analysis of the gap between these two definitions.

A big part of our investigation was devoted to understanding target audience’s perception about the city because this considered the best suitable way to fulfill the purpose of the current study. Thus, according to the Anholt’s scale, we obtained general city evaluation results, which helped us to get a common picture about Baku’s weak and strong sides. Table 4 directly reflects an average rating of each of the variables proposed by Anholt (2011). Further, this table lay on the basis of the common diagram (Fig. 8).
<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Average rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Presence</td>
<td>The international status of the city: how familiar are people with the city</td>
<td>40</td>
</tr>
<tr>
<td>Place</td>
<td>Physical aspects: how beautiful and convenient the city is</td>
<td>25</td>
</tr>
<tr>
<td>Potential Opportunities</td>
<td>That the city can offer in terms of economic or educational activities</td>
<td>20</td>
</tr>
<tr>
<td>Pulse</td>
<td>Presence of living city life: how exciting people think is the city</td>
<td>10</td>
</tr>
<tr>
<td>People</td>
<td>Local population in terms of openness and friendliness, as well as aspects of city security</td>
<td>15</td>
</tr>
<tr>
<td>&quot;Necessary conditions&quot;</td>
<td>The main qualities of the city: standards and cost of living and improvement</td>
<td>30</td>
</tr>
</tbody>
</table>

**Table 4. Average estimates of Baku.**

Source: The average estimates are calculated by the author

According to the interviews (a panel of 20 representatives), we have conducted, it is possible to reflect the real perception about the city (Fig. 8). It should be said that Baku has average figures in the eyes of foreigners.
Figure 8. Average estimates of Baku, common diagram.

Source: The average estimates are calculated by the author.

On the Anholt scale, the closer one or another indicator / rating to 50, the weaker it is and the worse it is.

Thus, Baku’s weaknesses are:

"Place" from the point of view as a city that is appropriate for life

"Presence", reflects the international status of the city, as far as foreigners have heard about it and are familiar.

"Necessary conditions", characterizing the main qualities of the city (for example, standards and cost of living), were assessed at a level below the average. These estimates mean that the city has something to work on.

The category that was rated as the highest:

"People" - in terms of openness and friendliness, and from the point of view of city security.

"Pulse" reflects the existence of a vibrant and dynamic city life, as well as the extent to which the city meets their needs, and the average score for this category was 10 points.

“Potential Opportunities” – educational and economy perspective of the city.

As it was mentioned in the previous chapter twenty Swedish responders are divided to 20% (originally from Baku) and 80% (originally from Sweden).
In order to make our finding more understandable for the reader, we decided to give two different diagrams, which evaluate the city brand in the same variables. By doing so a reader can easily compare city’s estimates for the first group of responders (20%) and for the second (80%) respectively. In addition, this would help to provide more clarified answers to the research questions of the study.

Figure 9. Average estimates of Baku, diagram for Swedish residents

Source: The average estimates are calculated by the author
When having a visualized diagram reflecting internal (Azeri) and external (Swedish) stakeholders, it is more simple compare them and to make conclusions related to the purpose of investigation. Before doing so, an important fact should be stressed: first – in the current study Azeri locals stand for the city’s brand identity results, second – Swedish residents’ perception stand for the city’s brand image in terms of the external target audience.

Therefore, Figure 9 tells us that despite having open and friendly people and comparatively dynamic city life, Baku is estimated to have a rather weak international status at least because of the fact that not all of the people (except those who were selected as interviewees) new about the capital country. In fact, from the Swedish point of view, the city has a lack of “necessary conditions”, which in influence on the people’s quality of life and negatively effects on the economic development. Considering the Figure 10, obviously that here responders emphasize people’s friendliness and the city’s dynamic lifestyle as the main advantages. The biggest inconsistency between the two diagrams can be seen in “presence” variables, which presents the city’s internal status. On the other hand, both of the diagrams inference assessed a low standard of city life, characterizing the main qualities of the city. Consequently, the dimension of “necessary conditions” assessed as 35 and 40 respectively. Further comparison puts out that both Swedish and Azeri residents underline that there is a demand for the future improvement in terms of “potential
opportunities” As an evidence to above mentioned, “potential opportunities” were given the value of 25 and 30 in the diagrams.

In the paper, theoretical approaches to the concepts of brand and territory branding were analyzed. The approach to the brand of the city was chosen as the sum of the image and identity of the city, provided that when creating a brand these concepts should coincide. Branding of cities was defined as a means to achieve competitive advantages in order to increase the flow of investment and tourism, as well as the achievements of social development, strengthening the identity and identification of citizens with their cities and organizations of all social forces, in order to ensure social exclusion and excitement. Branding of goods and services has a number of common characteristics with the branding of territories, including stages of branding. The main difference here is an object of branding, in particular people of the city who influence the "rules of the game."

However, we are focused on both internal and external target audience. An analysis of various branding tools and strategies was also conducted on the example of foreign countries. Among the tools considered: strategic, symbolic, advertising and PR tools, PR tools are already used in Baku, therefore we recommend placing emphasis on symbolic and advertising tools: create an official Internet portal that will represent Baku, simplify information search and navigation. Another suggestion is to strengthen television advertising: to shoot and broadcast more TV programs that will tell the history of the city, to reflect in a positive way the specifics and development of the city, and to shoot more films using the city as a colorful background on which the main story unfolds.

Five main types of strategies are identified and the degree of their applicability for Baku is estimated. These are strategies:

1. "City for ..." - the target segment as a differentiator and its needs as the basis of the branding strategy;

2. "Many-sided unity" – various opportunities as a differentiator, high rates of development of new industries for the urban economy as a basis;

3. "City with history" - the basis for the brand is a historical personality or event, significant on the global horizo of development, and thus differentiating the city;

4. "City of opportunities" - the basis is the structure of the economy, the differentiator - specific opportunities for self-realization;

5. Co-branding - the basis is the association of the city with a major, significant event, the differentiator - the actual presence of this event.
As you know, in Baku, much work has already been done towards city’s brand image improvement. However, the work is mainly based on the previously discussed co-branding strategy, when only world-scale events are involved in the city, for example, the First European Games, Formula 1, Islamic games, etc. In most cases, city’s residents opposing such events, considering it more appropriate to redirect these huge funds to the development and improvement of education, and the service sector as a whole. Income from these activities may not cover the costs of their conduct just like in the case of the Olympics in China and Greece. Frequent conduct of major events can adversely affect the daily lives of city residents, for example, blocking roads thus causing discontent among the people. Due to these kinds of reasons recently, the Hungarian government announced that it was withdrawing an application for holding the Summer Olympic Games in Budapest in 2024 because about 56% of the capital city’s residents opposed this event.\(^1\)

Therefore, it is possible to propose, along with the co-branding strategy, a strategy that will promote economic development, primarily the development of research centers and universities. Currently, the co-branding strategy has been applied in Baku, and we have proposed a strategy focused on the development of research centers and universities in the first place. The differential of this strategy will be equal opportunities for self-realization for all target audiences, which will make the city a city of opportunities.

After the analysis of the existing perception of the city, significant brand characteristics for the target audiences are determined, and based on the data obtained, a slogan and a logo for the city are proposed. As a slogan, as a future strategy and at the same time a constant reminder of the need for diversification, it is suggested to use the expression "Feel the diversity". In the creation of the logo, it is proposed to combine four basic elements: water, earth, air, fire, and the approximate types of logotypes offered.

This study has its limitations, and can be supplemented and expanded with new variables; this will require an additional, more detailed study.

For Baku, we can assume the following recommendations: first, when forming a policy for the development of the brand of the city, it is worth paying attention to two factors – modernity and reliability. The main features that a city should have in the perception of respondents are safe, affable, interesting, attractive, reliable and prosperous.

Secondly, the outcomes of the study show that the city’s inhabitants are concerned about the iniquity, lack of democracy and corruption issues in the city. The same outcomes were summarized after having interviews with Swedish residents as well. Therefore, the authorities are recommended to pay attention to the truly democratic society establishment and reduction of corruption in order to make a city for reliable.
Thus, from the words of Jose Torres, CEO of Bloom Consulting, "In every city there is something special. Branding the city is not something new; it is only the discovery of what is already there. "The key to success is to study the characteristics and policies of the city, and then bring everything to one big idea." Taking into account the stipulated limitations, this research can be used as a tool for forming and improving the brand of the city of Baku.

**Further research**

Research in city branding often pushes and motivates for the new ideas and approaches to observe the problematic area within the city branding field of science. In this study, the author came up with the conclusion that further investigation of place brand building from the organizational perspective with the help of organizational theories would give more deep and interesting outcomes. The author believes that this would reveal the economic attitude to the topic of investigation.

**6. Conclusion**

The chapter aimed at providing answers to the research question and presenting conclusions relying on the set purpose within this thesis.

The main purpose of this research is to clarify if there is an inconsistency between Baku’s city brand image and brand identity. Our research has proven that his gap exists, thus the author claims the purpose of the study to be fulfilled. The research questions outlined in out thesis are shown below along with the answers to each of them respectively.

*RQ1 – Does Baku has a clear and coherently brand identity throughout the society?*

Due to the empirical finding based on the interviews and analysis, we were able to emphasize the brand identity of Baku, which can be described is the following statement: “Turn a city from a location into a destination where people want to love, work and visit”, (Salman, 2008). This statement encompasses caring for the city’s residents, their quality of life, caring for the potential stakeholders in order to make them all satisfied by the unique city picture at every stage of interaction. Worth noting that, brand identity might be observed from two various angels: the core
identity and the extended identity. The author claims that the core identity refers to such factors as how the city tries to boost the residents’ quality of life, how it cares about their stakeholders (internal and external) and finally how the city wants to become a desirable destination in comparison with the other European capitals in a future perspective. Extended identity stands for the brand’s ability to adapt to the economic, environmental, fashion changes. In our case extended identity reflects in how the city tries to create a better atmosphere, innovation, how it cares about the high level of safety and city modernity. However, the interview responders stressed various matters they were not inconsistent with each other. For instance, regarding the statement “city as a place where people want to live, work and visit”, which was admitted and underlined by several interviewees, but not by all of them. Nevertheless, they did not deny their viewpoint, but only did not touch it.

That is why we came up with the idea that the brand identity of Baku is estimated to be clear and coherent throughout the target audience.

**RQ2 – Is Baku’s brand image mirrors the brand identity?**

However, there is still a room for the further city development in terms of democracy, equal rights possibilities and quality of life, in general, the Baku’s brand image in majority considered to be implemented. This means that brand was successfully launched and will just keep developing by time. The interviewees explained the city’s brand image from their own vision and in general, the brand image is not fully consistent with the brand identity. However, some of the drawbacks were mentioned, we consider them not to be related to the city branding but to the politics. If we exclude these drawbacks then we can reduce the small gap between brand image and brand identity.

**RQ3 – Does Baku have an established brand image?**

According to the theory and data related to the brand image, we have suggested several questions to the responders in order to reveal their opinion upon city’s brand image. It should be mentioned that we only chose those persons who knew the capital city in advance since we faced with a problem when people simply did not know about the Baku’s existence, not to mention they could draw a city’s brand image. Regarding the responders, who participated in our study most of them, gave clear responses.

Thus, considering above mentioned and according to our findings, we conclude that the brand image of Baku Is fully established for those to whom it is familiar.
7. Bibliography


Gertner, D. (2001). Unfolding and configuring two decades of research and publications on place marketing and place branding. Place Brand Pub Dipl 7(2):91-106


Appendices

Appendix 1

![Strategic Brand Analysis Diagram]

- **Customer Analysis**
- **Competitor Analysis**
- **Self-Analysis**

---

**Brand Identity System**

- **Brand Identity**
  - Extended
  - Core

- **Brand as Product**
- **Brand as Org.**
- **Brand as Person**
- **Brand as Symbol**

- **Value Proposition**
  - Functional Benefits
  - Emotional Benefits
  - Self-Expressive Benefits

- **Credibility**

---

**Brand Identity Implementation System**

- **Brand Position**
  - Brand identity subset
  - Active communication to targets
  - Providing competitive advantage

- **Execution**
  - Symbols
  - Metaphors
  - Alternatives
  - Testing

- **Tracking**
Appendix 2 – Interview Questions. English version

Profile

Tell me about yourself. What is your Name, Age, title?

Which foreign countries do you visit most often?

Brand Identity, Place image, Attractions

1. What is the first association comes to your mind about Baku?
2. What personality do you associate with the city?
   (It can be either a real person or a hero of a novel or film)
3. What characteristics most accurately convey your feelings from the city?
   (It is desirable to choose 3-4 characteristics)
   - business
   - friendly
   - modern
   - dynamic
   - interesting
   - successful
   - attractive
   - Reliable
   - young
   - safe
4. Is Baku the preferred city for visiting in comparison with the other former Soviet Republics or what makes Baku stand out in comparison with the other former Soviet Republics?
5. What do you consider unique in Baku that can attract Swedish stakeholders?
6. What can be the main reason for a Swedish resident to visit Baku?
7. Do you consider the trip to Baku dangerous for some reasons?
8. Select the most important events (events) taking place in the city.
   - Cultural events (festivals)
   - Entertainment events
• Sporting events
• Business forums, conferences, exhibitions
• City Holidays
• Other

9. Important factors: Mark the importance of the factors given below. (1 = most significant; 9 = least significant)
• arts and culture
• education
• healthcare
• infrastructure
• leisure activities
• economy
• safety/crime prevention
• transportation

10. Is Baku as expensive city for you?

<table>
<thead>
<tr>
<th></th>
<th>Baku/Azerbaijan</th>
<th>Stockholm/Sweden</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hostel (min price per night) source: <a href="http://www.hostelbookers.com">www.hostelbookers.com</a></td>
<td>10€</td>
<td>16€</td>
</tr>
<tr>
<td>Museum Source: <a href="http://www.getyourguide.com">www.getyourguide.com</a></td>
<td>14€* *Azerbaijan Carpet Museum</td>
<td>23€* *Stockholm: ABBA The Museum</td>
</tr>
<tr>
<td>Metro</td>
<td>0.12 € per 1 ticket</td>
<td>13€ per 24 hours source: <a href="http://www.sl.se">www.sl.se</a></td>
</tr>
</tbody>
</table>

11. How do you think, what branch(s) can make Baku a prosperous city? *
• Tourism
• Business
• Logistics
• Education
• Industry
• Trade
• Other:

12. If you have already visited once Baku, would you like to come back again?
Appendix 3 – Interview Questions. Swedish version

Bilaga 3 – Intervjufrågor.

Profil

Berätta om dig själv. Vad är ditt namn, ålder och titel?

Vilka främmande länder besöker du oftast?

Märke identitet, Platsbild, Sevärdheter

1. Vad är den första föreningen som kommer i din åtanke om Baku?

2. Vilken personlighet associerar du med staden?

   (Det kan vara antingen en riktig person eller en hjälte av en roman eller film)

3. Vilka egenskaper skiljer dina känslor mest exakt ur staden?

   (Det är önskvärt att välja 3-4 egenskaper)

   • företaget
   • vänlig
   • modern
   • dynammisk
   • intressant
   • framgångsrik
   • attraktiv
   • Tillförlitlig
   • ung
   • säker

4. Är Baku den föredragna staden för att besöka i jämförelse med de andra tidigare sovjetrepublikerna eller vad gör Baku i jämförelse med de andra tidigare sovjetrepublikerna?

5. Vad anser du att vara unik i Baku som kan locka svenska intressenter?

6. Vad kan vara den främsta orsaken till att en svensk bosatt besöker Baku?
7. Anser du resan till Baku farlig av vissa skäl?

8. Välj de viktigaste händelserna (händelser) som händer rum i staden.
   • Kulturella evenemang (festivaler)
   • Underhållningsevenemang
   • Sportevenemang
   • Businessforum, konferenser, utställningar
   • Stadens helger
   • Övrigt

9. Viktiga faktorer:
   Markera vikten över de faktorer som anges nedan.
   (1 = mest viktigaste; 9 = minst viktigaste)
   • Konst och kultur
   • Utbildning
   • sjukvård
   • infrastruktur
   • fritidsaktiviteter
   • ekonomi
   • säkerhet/brottsförebyggande
   • transport
10. Är Baku som dyr stad för dig?

<table>
<thead>
<tr>
<th></th>
<th>Baku / Azerbajdzjan</th>
<th>Stockholm / Sverige</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vandrarhem</td>
<td>10€</td>
<td>16€</td>
</tr>
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<td>(Min pris per natt)</td>
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</tr>
<tr>
<td>Museum</td>
<td>Azerbajdzjan matten museum 23 €</td>
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<td></td>
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<tr>
<td>Tunnelbana</td>
<td>0.12 € per 1 biljett</td>
<td>13 € per 24 timmar</td>
</tr>
<tr>
<td></td>
<td>Källor: <a href="http://www.sl.se">www.sl.se</a></td>
<td></td>
</tr>
</tbody>
</table>

11. Hur tror du, vilka filialer kan avgör Baku till en välmående stad?

- Turism
- Företaget
- Logistik
- Utbildning
- Industri
- Handel
- Andra

12. Om du redan har besökt Baku, vill du komma tillbaka igen?