



Original Article

Place marketing in a logistics context: A Swedish case study and discourse

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ABSTRACT Distance challenged regions, geographically or demographically, need to engage in the development of unique and strategic logistics capabilities in order to support existing business and to attract new business. However, the development of logistics capabilities is not sufficient; place marketing is essential for attracting new business. Today, many regions use place marketing. There is, however, great homogeneity in the way regions market themselves using logistics arguments. The level of differentiation concerning logistical arguments is very low. Approaching the same audience with similar arguments has little chance of attracting investments, as no unique capabilities or features are emphasised in the marketing mix of arguments. The lack of differentiation deters decision-makers, as they have difficulty evaluating location alternatives. This absence of strategic marketing planning constitutes a window of opportunity that, when opened, creates a possibility for the local to have the global ear. This paper provides an insight into the story of a small region in Sweden that has been surprisingly successful in attracting business through its efforts in developing strategic logistics capabilities and using logistics arguments in its place marketing.

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INTRODUCTION

Many markets can be regarded as global because of the increase in international trade and foreign direct investment (Scott and Storper, 2003). The growing internationalisation of firms and the globalisation of markets with comparable prices and harmonisation forces regions to take competitive measures. The same

measures taken 10 and 20 years ago when ensuring a competitive position within the national boundaries are no longer sufficient.

Consistent with the trends of globalisation and internationalisation, business activities are moved to areas where production and logistics activities are efficient (Búrca de Seán, 1997;

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Das and Handfield, 1997; O'Donnel, 1997). As a consequence, business activities in less attractive regions may decrease (Barry *et al*, 1997; Kotler *et al*, 1999). The response by regional governments is often in the form of actions taken in infrastructure development, subsidies and marketing (Kotler, 2000; Hansen, 2002).

In the ever-changing and turbulent environment in which European regions compete, there is a need for uniqueness and superiority in the marketplace (Barry *et al*, 1997; Kotler *et al*, 1999; Porter, 2003). Regions must formulate a set of arguments based on unique skills and capabilities that appeals to the desired audience (Kanter, 1995; Erickson and Roberts, 1997). This process was given the term 'strategic marketing planning' by Kotler *et al* (1999). Regions, nations and public actors in general must realise that marketing of places and building a place image does not involve the application of traditional consumer marketing techniques (Anholt, 2008; Cassel, 2008). In summary, the globalisation of markets and trends in modern logistics and transportation places demands on more unique strategic capabilities in logistics that regions need to develop and place-market if they want to maintain a competitive and attractive position (cf. Kanter, 1995; Kempainen and Vepsäläinen, 2003; Anholt, 2005).

The term 'place marketing' in this study refers to four aims defined by Kotler *et al* (1999, p. 25):

1. Developing a strong and attractive positioning and image for the community.
2. Setting attractive incentives for current and potential buyers and users of goods and services.
3. Delivering a place's products and services in an efficient, accessible way.
4. Promoting the place's attractiveness and benefits so potential users are fully aware of the distinctive advantages of the place.

Location advantages and logistics services are important elements present in all the four aims. Logistics and location-related advantages are in

fact common features in promotional material and publications (Brake and Harrop, 1994; Erickson and Roberts, 1997). In the study conducted by Erickson and Roberts (1997), promotional material was examined for 64 local authorities in England, Scotland and Wales. In this material, 81 per cent of the localities had transportation in general as an argument, and rail and motorway infrastructure predominated.

Through the notions that regional strategic capabilities may facilitate the creation of uniqueness and that place marketing draws attention to regions, this paper addresses the mix of logistics arguments used in place marketing, focusing on a logistics-oriented audience and the logistics capabilities developed by regions. More explicitly, the purpose of this case study is to answer the question 'What are the main logistics arguments and capabilities incorporated into an attractive regional logistics place image?'

Examples of logistics capabilities are infrastructure, logistics facilities, competences, logistics networks and so on. The next section describes the research design and methodology in detail, and its relation to the research question. The nature of this research question requires a cross-scientific context of place marketing and logistics, with a main focus on the latter. Within the field of place marketing and branding, this research relates to and illustrates observations made in other studies concerning the importance of unique identity (cf. Cai, 2002) and emotional links (cf. Gilmore, 2002; Hall, 2004). Related to the model developed by Hanna and Rowley (2008), this study focuses on the interaction and relationship between the place entity 'region' and the brand dimension 'industry'.

METHODOLOGY AND RESEARCH DESIGN

The main method in this study is a discourse analysis of a case with substantial and successful place marketing of logistics capabilities. The scarcity of empirical studies focusing on analysis of logistical arguments used in place marketing is the motive behind the case study approach in

this paper. Based on the importance of strategic uniqueness recognised by Erickson and Roberts (1997), Barry *et al* (1997) and Kotler *et al* (1999) for example, this paper addresses the issue of logistics arguments/responses and strategic capabilities. This issue is highlighted through a descriptive case study of the Nässjö region of Sweden.

The desire to gain an in-depth understanding of place marketing led to the pursuit of a qualitative methodology as suggested by, for example, Lechner and Dowling (2003), Meeus and Oerlemans (1993), Kamann (1993), Zuurbier (1993) and Johanson and Mattsson (1993).

The first identification of cases was research describing favourable logistics locations in Scandinavia, primarily Sweden (for example Inköp & Logistik, 2001, 2005, 2008). As background, two trade journals were analysed in order to identify the logistics arguments used in place marketing: *Svensk Logistik* and *Inköp & Logistik*. The choice of logistics-oriented trade journals reduces the amount of non-logistics arguments used, thus highlighting logistics arguments. Another advantage is the narrow scope of audience, that is, logistics professionals within Scandinavia. *Svensk Logistik* and *Inköp & Logistik* are the prominent trade journals in logistics, and contain the highest frequency of logistics-related place marketing campaigns and advertisements in Sweden. A total of 44 issues between the years 1998 and 2004 were analysed. This study goes back to 1998 to eliminate the problem of catching only few marketing campaigns.

Nässjö was chosen from a pre-study population of 25 regions where place-marketing activities had been identified. For detailed information of the case studies, see Bergqvist and Pruth (2003). Nässjö was especially interesting, as it is a small region with an obvious logistics profile. Furthermore, Nässjö had been ranked as number 5 out of the 20 best logistics locations in Sweden (Inköp & Logistik, 2008).

This case study incorporates place-marketing activities, development of strategic logistics

capabilities, and the coherence between logistics arguments and strategic capabilities. The main empirical sources are trade journals, newsletters, interviews, other published statements and homepage-related material.

The case description is structured according to aspects of *Strategic Situation*, *Logistics Arguments* and *Issue of Coherence*. The *strategic situation* aims at describing the context surrounding the discourse, in order to better understand the situation that the arguments rest upon. The section *logistics arguments* treats the rhetorical aspects of the discourse, and the section *issue of coherence* is an attempt at a critical discourse analysis that deals with the validity of arguments by comparing the findings from the strategic situation with the arguments used, in accordance with Fairclough's (2003) understanding of critical discourse analysis. The discourse analysis is an attempt to reveal the hidden motivations behind a text. The aim is to gain access to the ontological and epistemological assumption behind the logistics projects and the place-marketing statements produced by Nässjö. Every text is conditioned and inscribed in a particular setting and context, that is, a discourse. Discourse analysis does not provide absolute answers to specific problems; rather, it focuses on the understanding and the essence of the problem. The discourse analysis contributes to a holistic and comprehensive view of the issue of place marketing and logistics through its broad scope of perspective.

Finally, discussions and conclusions serve to reflect upon the way Nässjö uses logistics arguments in place marketing and gaps between recognised strategic capabilities and logistics arguments used in Nässjö's place marketing.

Before the case study, a theoretical development of logistics arguments and responses as well as a general picture of the logistics context are presented as a background to, and understanding of, the discourse practice. The theoretical development constitutes a reference point for the results presented in the case study.

RESEARCH SETTINGS

This section provides a frame of reference concerning the logistics system, its potential strategic capabilities, and logistics arguments in place marketing.

Responses

When regions face problems, they have a variety of responses. Kotler *et al* (1999) identify five common responses, the least desirable being to neglect the problem and hope for it to diminish. A common pattern, according to Kotler *et al* (1999), is to scramble for more economic resources or to apply for these from central government. Kotler *et al* (1999) believe that there is a risk involved in such an approach: that regions believe that subsidies are the only solution. With such a response, the region's image is built around the concepts of crisis, unemployment and governmental support. Unfortunately, some regions and communities embark on this road.

The second and most 'aggressive' approach is when regions intensely facilitate new establishments through financial support, that is, massive grant offerings and financial incentives. Financial packages, however, represent promotion programmes rather than systematic marketing programmes. Marketing should be based on a more comprehensive problem diagnosis, of which promotion is only a small part.

The third response focuses on preventing existing businesses from moving away. When businesses announce they are moving, local, regional or national decision-makers initiate an intense discussion often followed by an attempt to find an acceptable solution for all parties. The result of such a response, similar to the effects of the first response, is a public image associated with crisis, unemployment and support.

A fourth response is to compete by investing large amounts in attractions in the area. This response focuses on measures such as theme parks, exhibitions, congress centres and so on. Adjusted to the concept of business establishment, this response is often characterised by

large amounts of investments in infrastructure. However, a region does not necessarily have to rely on massive investment in attractions and infrastructure to be competitive. Intangible capabilities such as collaborative networks and partnerships may foster a recurrent innovation process that can be just as important for the establishment of a competitive and attractive region (Bergqvist and Pruth, 2003).

The fifth response concerns strategic market-oriented planning. Here, private and public sectors cooperate to examine the region's current and future strengths, weaknesses, opportunities and threats. This cooperation focuses on creating a sustainable strategy that the region should be able to maintain in the long run. Kotler focuses on the internal aims of regions that should be achieved, and has little regard for the target group's perspective, the main explanation being of course the general focus of regional attractiveness, both from an individual and a business perspective, which makes an analysis of receivers too widespread and vague.

This paper includes the context of the receivers as an attempt to broaden the analysis. The analysis deals with the present situation, the communicated image and the perceived image/situation. This is important, as practitioners within logistics experience both the present situation and the image communicated. The next section sets out to examine different strategic capabilities that can be developed within the logistics context and logistics arguments related to it.

Logistics context and discourse

This section briefly describes the logistics context and discourse practice in which the analysed case acts.

Organisation for Economic Co-operation and Development (OECD, 1992, 1997) describes the transportation system as consisting of five layers: material flow, transport operation, information operation, transport infrastructure and telecommunication infrastructure. In short, the material flow is consolidated into goods

flows and operated by appropriate means of transportation. Transport operations and logistics services generate a vehicle flow that requires infrastructure capacity to realise movement, a fulfilled conduct of the traffic market. The coordination and the operation of the goods flows are supported by information exchange using telecommunication infrastructure. The layers defined by OECD (1992) focus on physical activities. However, there are several activities surrounding the system in a supportive manner, such as competence-building, knowledge and collaborative networks. When extended with such concepts, the model describes the logistics system better, instead of merely the transportation system. Below are some examples of common logistics arguments and capabilities alluding to specific layers:

- Material flow-related arguments. Arguments concerning this layer are geographical closeness to major logistical flows and existence of industrial clusters, among others.
- Transport operation-related arguments: fierce competition in the logistics service market, and access to high-quality services and competitive prices for transport-related services.
- Infrastructure-related arguments. Arguments related to the possibility of using different modes of transport, that is, rail, road, sea and air. Handling efficiency is another argument strongly related to terminal and handling infrastructure. Furthermore, investments associated with physical establishment are another infrastructure-related aspect strongly affected by the availability and price of land.
- Information technology-related arguments. Arguments concerning either telecommunication infrastructure in the region or access to management services of information operations.
- Immaterial resources/competence and knowledge. As stated previously, this argument is not present as a layer in the transportation system. Competence and

knowledge are not correlating with a specific layer in the system. However, this is a field that affects the total performance in the transportation system, and should therefore be included in the logistics system. Arguments may include academic research in logistics in general or specific areas such as e-commerce, information systems and so on. The assortment of educational possibilities and the existence of skilled labour in logistics are conceivable arguments.

- Interconnections/Collaborative advantages. Strategic capabilities might also be created in the interactions among different layers and actors in the transportation system, interactions that can be valuable as logistical marketing arguments. Public and private collaboration as such may position a region as sensitive to private actors' logistics needs. Infrastructure development and transport planning may benefit from private and public actors' willingness to embark on common actions.

The next section deals with the story of Nässjö, how the region develops its strategic capabilities and the marketing responses it uses.

NÄSSJÖ

The logical succession for the case description is to first account for the logistics capabilities of the region, and then for the logistics arguments used in marketing, and finally to present some reflections of the coherence between the strategic situation and the arguments used.

Strategic situation

The Nässjö region is located on the southern mainland of Sweden. Nässjö is a small region with approximately 30 000 inhabitants (see Figure 1).

Nässjö has a well-developed infrastructure, especially for road and rail transportation services, as can be ascertained from the map. In 2005, the trade journal *Inköp & Logistik* ranked the 20 best logistics locations in Sweden, and Nässjö, combined with the nearby region of



Figure 1: Geographical location of Nässjö.
Source: <http://www.Multimap.com/>.

Jönköping, was stated as the seventh best location (Inköp & Logistik, 2005). The motivation for this ranking was as follows:

A large population in the logistics catchment area. Good infrastructure. Good access to land for establishment. An academic-level education in logistics at Jönköping International Business School. A combined transport terminal. An active logistics network.

(Translated from an article in Inköp & Logistik, 2005, p. 3)

Nässjö's ability to attract business has garnered much attention from other regions, and from researchers and businesses. Since 2005, the Nässjö/Jönköping region has improved its ranking, and in 2008 the region was ranked fifth (Inköp & Logistik, 2008).

The local government has established a number of different networks that offer services to both new and existing businesses. The local government focuses on cooperation among the academic community, local government and industries in the region. The most recent and largest establishment in the region was the construction of a Nordic distribution centre by the Danish company Jysk. One of the reasons

for establishing in the region is its relative closeness to major cities in Scandinavia, according to regional representatives. Travelling time is less than 2.5 hours to the centre of Copenhagen, and about 2 hours to Göteborg and Stockholm.

With respect to competence, the local government has taken the initiative to establish a professorship in logistics at Jönköping International Business School. The purpose is to investigate logistics issues related to the region, and how the regional logistical competitiveness and attractiveness can be improved.

Moreover, the local government has earmarked the Gamlarp area, north of Nässjö and close to the main southern national railway line, for the establishment of logistics-related facilities.

The company Nässjö Näringsliv AB (NNAB), a municipality initiative at the start, manages contacts with interested parties. The company was established in 1987, and has 225 local companies as shareholders with a share of 95 per cent. The remaining 5 per cent is owned by the local government. NNAB was initiated through a field trip in the region, where each company had the opportunity to influence the strategic approach of the company; in turn, the

strategy was regionally anchored and many companies became shareholders. The purpose was to investigate regional logistics opportunities in order to increase the competitiveness and attractiveness of the region. One of the actions in this direction was the establishment of the OneDoor network. One-stop-shopping is the fundamental idea behind the network, hence the name. The network supplies services concerning industry establishments, which fall into the following categories: guidance, risk capital and recruitment. Advice on available land for construction, potential regional partners and legal aspects are core services. Contacts with potential financial supporters, such as banks, institutions and miscellaneous funds, combined with recruitment services, facilitate the possibility of quick and smooth establishment.

OneDoor has numerous sub-networks within the organisation focusing on interactions among regional decision-makers, such as discussions of logistics opportunities for improving the competitiveness of the region. The network includes services that enable allocation of personnel in peak seasons, competence-building of labour and a co-managed trainee programme. In short, the region has a mix of organisational structures and incentives regarding logistics that combines and mobilises logistics actions and development.

Logistics arguments

In promotional materials, Nässjö often stresses closeness to major cities and logistics hubs and the existence of well-functioning infrastructure, such as the connection to the national railway network. From a historical perspective, Nässjö and its function as a hub for rail transport have been much talked about. The long history of reliance on infrastructure is clearly reflected in the arguments used in place marketing. Arguments related to collaboration and communication are often brief, whereas arguments related to strategic location, services and establishments in the region receive more press. The analyses of the logistics arguments used by Nässjö in its place-marketing campaigns

in trade journals reflect the fact that infrastructure is the predominant argument in different forms: rail lines, motorways and a combined transport terminal. Gradually, as one approaches the present, campaigns and advertisements include more arguments related to collaboration and networking, often explaining how one can get involved in networks and partnerships. There is also frequent use of knowledge as an argument, especially the established professorship in logistics. Based on the total sample of advertisements, infrastructure is mentioned in 100 per cent of the ads, whereas knowledge and networking only reaches about 66 per cent. As an example of collaborative formulations, the NNAB homepage explains early on the collaborative platform in the region:

In Nässjö, we are proud of our business generating networks! Here collaboration exists between business, government, municipality and all imaginable actors.

(Translated from the homepage of NNAB)

Arguments focusing on collaboration, partnerships and networking contribute to a potential establisher through the notion that a regional establishment is not only sound and flexible, but also creative and innovative. However, to obtain approval for arguments, the credibility of the storyteller is important. Nässjö enhances the credibility of the arguments used by telling many 'success stories' of previous establishments in the region, and by highlighting positive statements made by top-level managers within business. Credibility is often developed by describing concrete benefits and outcomes of collaborations:

Our collaboration between business, government and other actors has given a number of concrete results in terms of facilitating for companies, investments and new establishments. Exiting developments at the moment are the construction of the combined transport terminal at Gamllarp, Rusta's distribution facility and Jysk's expansion of their Nordic central distribution warehouse.

(Translated from the homepage of NNAB)

The emotional component of a message is very important for the perception that the region is very engaged in supporting and facilitating business. Nässjö often uses emotionally related arguments that rest upon affinity issues such as creativity and entrepreneurship. One example of the affinity that the organisation wants to promote is,

The cost of joining NNAB is related to the size and strength of the company. Do you also want to join the team? Contact ...

(Translated from the homepage of NNAB)

The use of the keyword 'team' in this statement implies that the members of the organisation are not just passive members, but foremost integrated parts of a closely knit group.

Concerning some logistics shortcomings, Nässjö uses subtitle words, phrases and metaphors to smooth over logistics shortcomings, not necessarily by neglecting them, but by stating contradictory arguments. One example is,

Logistics companies in Nässjö sail with a fair wind.

(Translated from the homepage of NNAB)

Nässjö lacks direct access to the seas, which makes the use of a 'water'-based metaphor a little surprising, but also interesting, as it can be interpreted to mean that the region has compensated for the absence of a port and has been able to prosper without a sea connection. The region has a clear disadvantage compared to other regions that are natural hubs for international transport, based on their proximity to borders. The text further deals with the issue of international connections by relating the region to a global setting:

The activities taken at the Gamllarp area outside Nässjö attract much attention both in Sweden and abroad. (Translated from the homepage of NNAB)

This statement mediates an international connection through the fact that foreign actors keep abreast of what is happening in Nässjö. This statement is followed by a short description of the collaboration with the nearby region of Jönköping, and there is a powerful

headline and statement in the text that further enhances the notion of Nässjö being highly important and significant globally:

Jönköping/Nässjö = Position Scandinavia.
(Translated from the homepage of NNAB)

The author also uses metaphors to highlight the transportation alternatives, and to convince the reader that the larger world can be accessed smoothly (wheels) and in many ways.

'Within three blocks there are iron wheels' (rail), 'rubber wheels' (motorway) and 'nose wheels' (airport).

(Translated from the homepage of NNAB)

This statement can be interpreted as a metaphor meaning that something is moving and on its way. It implies that the region is surrounded with activities and opportunities for moving.

Nässjö has the problem of being situated close to a larger nearby region that has approximately the same logistics prerequisites. The situation becomes even more complex when close collaboration with nearby regions is formulated as an advantage. Nässjö copes with this sensitive issue by avoiding comparisons with nearby regions. Furthermore, Nässjö uses arguments that balance the risk of upsetting nearby regional interests by putting forward the image of Nässjö as a better logistics location for establishments.

What is good for Nässjö, is good for us, said the head of Jönköping business development department.

(Translated from the homepage of NNAB)

The argument sounds almost like a guarantee that there is no hostility between the neighbouring regions, even if they are close competitors for establishments. Nässjö formulates this argument in such a way that potential establishers should also understand that by establishing in Nässjö they can also enjoy the advantages offered by Jönköping without any hesitation or opposition from the Jönköping region. This approach to neighbouring regions illustrates the friction between what is an administrative region and a functional region.

Obviously the functional region, from a logistics perspective, incorporates both Jönköping and Nässjö; however, the two regions are administratively separate. The separation imposes a demand for positioning, as the responsible people are representatives of one particular region. This conflict and balance can often explain what can be perceived as strange behaviour, that is, the delicate task of collaborating, on the one hand, and positioning itself, on the other.

Issue of coherence

This section addresses the issue of coherence among the composition of logistics arguments used, the strategic capabilities developed and the responses exercised.

From a critical discourse analysis, the question may be rephrased as: *Is there coherence between the arguments communicated by Nässjö and the common way that the audience perceives the situation of logistics marketing by regions?*

From the introduction of this paper, it is evident that there are some keywords in today's logistics context. 'Globalisation' is a term common in many forums, attractiveness is a word frequently heard in regional contexts and competitiveness and resources combined with collaboration are a very central part of mainstream supply chain management.

The Nässjö people are skilful in their use of these keywords, and as a result, their communication appeals to common social practice. The text produced is easy to consume for the general logistics audience. An example of a statement that alludes to the keyword 'global' is when Nässjö establishes some facts about the way you can connect from Nässjö to the global world, that is, train infrastructure, highways and airports. To further enhance the notion of a global location at a local level, 'glocal', they account for travelling times to main Scandinavian cities. In texts, there are often linkages between Nässjö and Scandinavia as an attempt to position Nässjö as a central node in the Scandinavian region. The geographical linkage is further emphasised on the homepage when it is stated that the

company Jysk serves the markets of Sweden, Finland and the Baltic states from its position in Nässjö. This implies, as Jysk is a recent establishment, that Nässjö in today's market situation is a central position for Scandinavia and the fast-growing neighbouring countries in the east.

Attractiveness is often the result of communication, and is a difficult keyword to communicate. Nässjö, however, tries to increase its attractiveness in texts by pointing out that others have perceived the region as attractive. On the homepage it can be read,

Much attention has been directed to the Danish company JYSK and its powerful establishment and expansion in Nässjö ...

(Translated from the homepage of NNAB)

Here, it is pointed out that the company Jysk has appreciated Nässjö's attractiveness, but maybe more importantly, much attention has been directed towards the establishment.

The keywords 'collaboration' and 'cooperation' are dealt with by referring to activities consciously undertaken to enhance collaboration. Most common collaborative statements refer to examples of partnering between public and private actors and networking between actors, for example logistics managers. Arguments focusing on competitiveness are often competence-oriented, such as current research in logistics and educational opportunities. These arguments, however, are often presented quite factually. Compared to the social context of logistics and supply chain management, more feeling, empathy and insight might help to create approval and credibility for these arguments.

CONCLUSIONS AND FURTHER RESEARCH ISSUES

The Nässjö case illustrates that the creation and marketing of regional logistics capabilities may contribute to regional attractiveness.

In the general context of competitiveness and attractiveness, unique logistics capabilities developed by regions are positive influences on

the place image. The interest in Nässjö's public-private approach and action programmes is evidence of a successful mix that attracts attention from other regions. However, not all attention has been welcomed by the people responsible at NNAB and OneDoor, unless it results in publicity. Consequently, as unique logistics capabilities attract interest, there is an opportunity for other regions to be benchmarked, and thus interest is associated with threat; a possible explanation for why logistics capabilities are not commonly emphasised in place-marketing campaigns and advertisements. Hence, there is a conflict between the interest of attracting business using arguments emphasising logistics capabilities and the threat of being benchmarked. A solution to this is to do what business has done for decades, namely what Kotler *et al* (1999) label *strategic marketing planning*, which emphasises the importance of continuous development of regional logistics capabilities – preferably, logistics capabilities that are tangible in the long run, that is, collaborative networks and recurrent strategic partnering. The need for strategic marketing planning originates from the assumption that the future is uncertain; the future can, however, be influenced and somewhat affected by strategic plans and actions. Unique logistics capabilities are opportunities for benchmarking and are thus more or less temporary in nature, depending on the level of uniqueness. The level of uniqueness determines how difficult the capability is to imitate. As others strive to compete, imitation is necessary, and hence the importance of continuous development of regional logistics capabilities.

The process of developing logistics capabilities is as much a competitive means as a positive contributor to attractiveness of the region. To insure development of capabilities, the key is regeneration, and hence the importance of a regenerating development process of logistics capabilities.

As in the general context of competition, the key for success is aspects of unique capabilities, regeneration and innovation. As decision-makers contemplate potential locations, they evaluate

the criteria on a long-term horizon, and should therefore favour continuous development of long-term unique capabilities.

When contemplating the place-marketing activities pursued by Nässjö, there is little emphasis on unique regional capabilities. Based on advertisement in trade papers, there is an evident problem with the use of over-simplified and very fundamental statements of facts, for example, a circle with a radius of 500 km around the region that states the amount of citizens included. Travel distances to major Scandinavian and northern European cities are also common, for example to Stockholm, Oslo, Copenhagen and Hamburg. These are arguments of facts that are very familiar to the general logistics manager and the common subscriber of Swedish and Scandinavian trade papers on logistics. When observing the marketing approaches taken by regions, infrastructure and number of citizens within a certain radius are given top priority and focus, even if the region has a well-established place image from a logistics perspective. The use of collaborative related logistics arguments by regions in Sweden is today extremely rare even, if such capabilities both exist and are formalised. This is surprising, as it has proven to be successful in other areas such as the United States (Kotler *et al*, 1999) and Japan (OECD, 1997). Regions would promote a much more distinct value proposition if a wider scope of arguments were used, not only factual arguments based on physical assets. This can be summarised in a proposition concerning what contributes to the place image:

Proposition 1: *It is the mix of factual, logical and emotional arguments that postulates a particular place image.*

However, if the mix of arguments is too wide, the message is imprecise. The focus should be on the best arguments. The arguments, consistent with the above-formulated proposition, form a discourse that uses language, keywords and general contextual terms in order to appeal to the general receiver. The audience

has a social practice that needs to be reflected in the arguments used and responses exercised for the discourse to be ‘approved’ by the audience.

Furthermore, approaching the same audience with the same argument is unlikely to attract investments, as no unique capabilities or features are emphasised in the marketing mix of arguments. Lack of differentiation deters decision-makers, as they have difficulties evaluating locations. The lack of differentiation is a likely reason why some regions feel that their marketing effort have little effect. The lack of differentiation and the use of basic and non-informative arguments in place marketing by regions contribute to the difficulty in distributing a distinct value proposition.

A general notion from the case study is that there is a correlation between the internal place image and the arguments used in the external marketing. This reflects the importance of an internal situation that corresponds to the needs of the target market, and corresponds to the observation made by Kotler *et al* (1999) that marketing of places succeeds when citizens and business are pleased with their communities, and the expectations of visitors and investors are met. Nässjö focuses on establishing regional strategic capabilities in the public–private collaborative setting to increase the competitiveness of the region. This strategic aim seems to enhance both the internal and the external place image. The correspondence between the internal and external marketing mix creates credibility and a coherent logistics place image. According to Bennet and Koudelova (2001), the greater the involvement of private actors in public–private partnerships, the more marketing-oriented the organisation. In the case of Nässjö, private involvement is high, which contributes to the marketing orientation of the region. Similar effects of public and private cooperation have been observed in the field of tourism marketing (for example Ashworth and Goodall, 1990).

Nässjö uses high levels of personal contacts and communication in the process of attracting investments and promoting its place image. One

explanation for this may be the relatively modest promotion budget. The region has, however, been able to attract investments, and in relation to the size of the region it must be regarded as a successful strategy. Perhaps the type of aim associated with place marketing using logistics arguments is not suitable for merely impersonal advertisement. The place-marketing message sent must appeal through a mix of arguments that establish credibility in order to positively influence the respondent’s rational, logical and emotional judgements. This reflection is the platform for formulating an element concerning the means of effectively formulating and distributing the place image:

Proposition 2: *Successful marketing of a place image is best communicated in a manner that appeals through rationality and credibility.*

For Nässjö, there is a clear mix of rationality and credibility. Nässjö states some facts about their closeness to major hubs and the existence of well-functioning infrastructure, such as the main railway connection. These are facts appealing to the rational sense; however, as it is a small region, it has to appeal more to credibility than usual. Nässjö enhances the notion of credibility by telling many ‘success stories’ of previous establishments in the region, and by highlighting statements made by private top-level management about Nässjö. Credibility is very important in sustaining the notion that the region is a supporter and facilitator of business. Arguments often rest upon issues of affinity such as creativity and regional entrepreneurship. Arguments focusing on collaborations, partnerships and networks contribute to the notion that a regional establishment is sound, flexible and creative. Nässjö also has a mix of communication methods and channels that supports the mix of arguments. Formal communication in terms of advertisements and brochures is best suited to containing facts and rational arguments, as the ability to commit to the argumentation by the reader is much more difficult when trying to promote a feeling in such a limited text.

Nässjö conveys the message of credibility by a supplementary communication channel: personal and informal contacts. Nässjö actively scans its surroundings for actors that have shown interest in establishment, and quickly tries to initiate a contact. It is very common for representatives from Nässjö to contact potential establishers and invite them for a visit or even suggest a visit from Nässjö, as in the case of Jysk. These communication channels strongly support the notion of Nässjö as a engaged and committed partner. From a place-marketing perspective, Nässjö has recognised the importance of emotional links in place marketing and branding.

The process of developing strategic logistics capabilities and communicating place image is complex and difficult to formulate and communicate explicitly. However, a final statement is formulated based on the integration of the previous formulated propositions in connection to the research question, and as an attempt to summarise the reflections made in this case study:

Regional logistics capabilities constitute the platform for the logistics place image; however, it is the mix of factual, logical and emotional arguments that postulates the particular place image (1). The place image is best communicated in a manner that appeals through rationality and credibility (2).

There are some interesting theoretical developments to be made from this statement. Kotler (2000) believes that a place image should be (1) valid, that is, not far from reality; (2) believable, that is, not overselling; (3) distinctive; (4) simple and (5) appealing.

According to the statement above, a skilful mix of factual, logical and emotional arguments produces an attractive place image. The prerequisite for a successful content is that the place image is valid, believable and distinctive, according to Kotler, 2000. Related to the discussion made by Kotler (2000), (1) valid can be understood as closely linked with factuality. Logics must be present in order for the image to be (2) believable and the combination of facts and logics construct a (3) distinctive value proposition. If the mix of factual, logistical and

emotional in the image is distorted, marketing can be perceived as overselling and lacking rationality and credibility, depending on how the mix is distorted. If the image is distorted, the place image becomes diffuse and complex to understand (4), contrary to the desire of being simple and distinctive. With a well-balanced mix, the place image (5) appeals through rationality and credibility. From this discussion, it is evident that there is one important distinction among the different constructs of a successful place image; the proposition constructed in this paper focuses more on how the elements of a successful place image are constructed, whereas Kotler (2000) focuses on what elements are included in a successful place image. However, combined, it may achieve a more nuanced picture and a deeper understanding of how to attract business to regions by the use of place marketing.

This paper has only briefly treated this statement, mainly through the eyes of the author and the case of Nässjö and the context of logistics. There is a need for further research, especially empirically-driven, concerning place marketing of logistics place images. However, Nässjö illustrates that place marketing is an important part of the logistics context.

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