ABSTRACT

Twenty first century heralds a new form of competition in the market place. The traditional battle for the customers’ wallets among the business entities got amplified and geographies started competing among each other for trades, investments and businesses. Today nations and regions are competing for tourists (domestic and international), investments (FDIs and domestic), students and exports. These rivalries among regional entities have resulted in gradual development of a new stream of marketing thought in the form of place branding. Place branding tries to incorporate the traditional and nontraditional approaches of the marketing discipline with particular focus on branding strategies for promotion, development and enhancement of saleability of a particular place or region towards its prospective customers that include tourists, investors including foreign direct investments (FDIs), students and exports. This in turn makes a place a desired location for prospective investment as the returns can be high.

Place branding involves associations (image) and behavior from the customer’s perspective based on the values and culture that the place offers. These in the branding context, can be alluded to customer based brand equity (CBBE) that results in higher premium for the product or service and/or loyalty from the customer. Therefore, it can be deduced that just like a product or service a place can be considered a brand and thus, customer based brand equity (CBBE) concepts can be applied to places.

The primary objective of the study was to develop a theoretical model of place brand equity from the perspectives of destination branding, public diplomacy, regional identity and investment attractiveness. Subsequently, the study empirically tested the model. For the purpose of developing the model of customer based place brand equity (CBPBE) the generic customer based brand equity (CBBE) model was considered and adapted to suit place branding context.
To measure the dimensions of CBPBE, the study needed instruments that measure brand equity of place from the aforesaid perspectives. In this regard, an instrument to measure CBPBE exists for destination brands in the form of consumer based brand equity for tourism destination (CBBETD) scale. That instrument was adapted to suit the place (West Bengal) considered for the study. However, there was no instrument that measure brand equity of a place from the perspectives of public diplomacy, regional identity and investment attractiveness prior to this study. Therefore, those instruments were required to be developed in the study. The adaption and development of instruments to measure CBPBE was thus the secondary objectives of the study. The process of fulfilling the objectives would have generated data about perceptions of West Bengal when considered from the four mentioned perspectives. Those data could be used for understanding and analyzing the impact of the dimensions of brand equity on the overall brand equity of West Bengal. So this was an additional objective.

The study resulted in adaption of the CBBETD scale and creation of three other scales that measure CBPBE from the perspectives of public diplomacy, regional identity and investment attractiveness respectively. The first scale relating to CBPBE from the perspective of destination branding consists of 12 items that relate to four CBBE dimensions namely, brand awareness, brand image, perceived quality and brand loyalty. Similarly, the instruments to measure CBPBE from the perspectives of regional identity and investment attractiveness have 18 items and 11 items respectively and measure brand awareness, brand image, perceived quality and brand loyalty. The instrument to measure CBPBE from the perspective of public diplomacy has nine items that measure three factors. For this scale, brand awareness and brand image merge to form a single construct. These three scales are observed to be internally consistent and structurally robust and have psychographic qualities for measuring the phenomenon of place brand equity. The scales are then used to develop the model of
CBPBE when the four above mentioned aspects are considered together. The model is subsequently tested and found to be robust. The model suggests that individual perspectives of CBPBE (destination branding, public diplomacy, regional identity and investment attractiveness) as standalones can impact CBPBE rather than each of the dimensions (brand awareness, brand image, perceived quality and brand loyalty) that represent measures originating in the four mentioned perspectives. Moreover, brand loyalty measures seem to matter only for public diplomacy and regional identity.

Subsequently, perceptions of West Bengal’s overall place brand equity are also discovered and the contributions of each dimensions of CBPBE on overall brand equity of the state are analyzed. It is found that the perceptions about West Bengal in each of the dimensions of CBPBE are average irrespective of the perspective from which it is considered. Moreover, it is found that each of the antecedent dimensions of CBPBE significantly impact the loyalty towards the state regarding investments.

Based on these facts, managerial implications are discussed and suggestions are made. In addition, the theoretical contributions of the study are elaborated and processes of integrating the various domains of research that relate to place branding are suggested. Finally, the limitations of the study are discussed and directions of future research in this area are provided.

Keywords:
Place branding, customer based brand equity (CBBE), customer based place brand equity (CBPBE), scale development, West Bengal