City branding in Zürich

Report on the CityLogo study visit to Zurich

Miguel Rivas, Grupo TASO

CityLogo_Innovative place brand management

Utrecht   Coimbra   Genoa   Warsaw   Zaragoza   Dundee   Oslo   Aarhus   Vilnius   Alba Iulia

CITY LOGO

EUROPEAN
PROGRAMME
FOR
SUSTAINABLE
URBAN
DEVELOPMENT

URB
ACT

Miguel Rivas
mrivas@grupotaso.com

Zurich cannot exhibit a consolidated experience in integrated city branding yet. Rather it is still a work in progress. They have got some significant achievements and overall are facing a number of pending challenges, most of them concerning the building up of a stronger collaborative model. And this is precisely the kind of thoughtful experience we were seeking to discuss about, as many of the CityLogo partner cities are into the same juncture as well. That is why Zurich was chosen for the CityLogo second key study visit. Thus, on January 2015, an international delegation of 25 senior practitioners was kindly hosted by the Office for Urban Development of the City of Zurich.

A medium-sized urban agglomeration with a global city profile

Zurich is the largest city of a relatively small country. Around 400,000 inhabitants live within the municipality and 1.8 million in the Greater Zurich area . Besides its strong specialisation in global financial services, which accounts 20% of the working population, Zurich hosts a diversity of high-tech manufacturing sectors [1] and tourism is likewise a growing industry. The business environment is unique, fuelled by one of the smallest taxation of developed countries and a bunch of leading research institutes and universities such as the University of Zürich UZH, the Zürich University of Applied Sciences ZHAW or the Swiss Federal Institute of Technology Zürich ETH [2]

Furthermore, the city used to rank at the highest positions in many world and Europe-wide indexes regarding quality of life, wealth and innovation. As a result, the city-region has experienced a significant population growth of 10% in the period 2001-2013 and it is a magnet for skilled workers from all over the world - at present one third of the population are resident foreigners [3] . Cosmopolitan, multilingual and hyper-connected (thanks to the Zurich international airport), Zurich has quickly developed a strongly globalised profile, despite its modest size.

Cosmopolitan, multilingual and hyper-connected, despite its modest size, Zurich has quickly developed a strongly globalised profile

City branding in Zurich: a work in progress

In this context, a number of entities were promoting the city internationally as business place on the one hand and as destination for visitors and tourists on the other. A range of key stakeholders were also marketing the city to specific audiences and segments such as the international airport,

---

[1] Other significant clusters are life sciences, cleantech, mechanical and electro industry, nanotech, commodity trading and biotech and chemicals.

[2] Those three are leading Universities in Europe and in the World, which account around 60,000 students. ETH is recognized as the best University in the German speaking world.

[3] In cities with this kind of high proportion of foreign residents, like Zurich or Oslo for instance, city branding can be a very useful tool to promote social cohesion, raise sense of place and socialize big urban project and strategic visions for the city.

main universities, Zurich Film Office, etc. First initiatives to unlocking some commonalities between those sector-focussed city marketing practices to increase coordination and promote a more unifying city narrative were initiated twelve years ago.

After several failed attempts, the result in 2011 was the realisation of today´s cooperation between the City and the Canton of Zurich, Zurich Tourism and the Greater Zurich Area (the body in charge of inward investment attraction). It is what they call the **Agreement for an Integrated Destination Marketing**, which has led to a common visual identity under the claim "Zurich World Class, Swiss Made" as well as interchange of information and a few of common projects and events. However, this is still a work in progress, since to some extent the cooperation would need to be extended to other relevant stakeholders and be more clearly institutionalised in terms of a common platform for co-decision-making, specific funding model and dedicated team, among other issues.

Furthermore, smoother articulation of the different efforts related to attractiveness and territorial marketing between the local and canton level on one side and the state level on the other, especially in a small country like Switzerland (8.2 million of inhabitants) is a hot topic too. Indeed, there is a range of agencies belonging to the federal government promoting the Country internationally to different audiences:

- Switzerland Tourism on destination marketing.

- ProHelvetia which works in cultural promotion.

- Presence Switzerland to coordinate the Country participation and Swiss pavillions in global events like World Expos, the Olympic Games and bigger sports events.

- Switzerland Global Enterprise. SGE works all over the world in FDI attraction, business location and internationalization of Swiss firms.

- Swissnex, responsible for the communication of Swiss science and innovation achievements worldwide. It works as a network of science and technology outposts run by the Swiss State Secretariat of Education and Research in cooperation with Federal Department of Foreign Affairs. It handles five outposts in Boston, San Francisco, Shanghai, Bangalore and Singapore, and each outpost is shaped in a decentralized way as PPP. [4]

To summarize, as regards to integrated city branding, and after a long period trying, Zurich has not completed its collaboration model. Although first big steps have been taken, they are now facing the real challenge of building up a stronger collaboration model, horizontally (further alignment of the stakeholders operating within the city-region) and vertically (better articulation among the three main working scales in the country, local-canton-federal government).

---

[4] See Marmier, P and Fetscherin, M (2010) A public-private partnership to foster science, higher education and innovation, the case of Switzerland with Swissnex Boston. In GO, F. and GOVERS, R. Editors. International Place Branding Yearbook. Place Branding in the New Age of Innovation. Palgrave Macmillan. 2010.

In fact, that is a basic aim of city branding everywhere, whether the field is addressed not just as a matter of logos and overall campaigns, but as a cohesive force in the city. From this perspective it is a very political issue and, as such, political awareness is a necessary condition to pave the way to a more integrated approach in the way cities brand and market themselves.

Zurich-West: most dynamic area in the city.

City branding as organizational challenge

Those several attempts to build up a more unifying way of promoting the economic capital of Switzerland was described in detail by Yves Bisang, from the Office for Urban Development of the City of Zurich. The first step is dated back in 2003 and it was driven by an innovative exercise of combining four compelling narratives of contemporary Zurich: "Machine in the Garden" (resulting of bringing together nature -and the impressive landscapes in the surrounding area- and technology), "Knowledge Eccentrics" (highlighting the impressive array of world-class Universities and technology institutes in the city region), "Cultural Innovation" and "Corporate Utopia" (this last one qualifying the city as European headquarter location for global firms from Asia and America).

The result was technically brilliant, albeit too much oriented to business and talent, and perhaps too sophisticated to connect to wider audiences. However, the main reasons why this first step did

not lead to a consistent strategy had to do more with no clear political push [5] to this initiative and no real willingness to cooperate by most of the stakeholders with a stake in promoting the city internationally to the diverse audiences.

A second attempt came in 2007, this time not as a narrative-driven initiative but directly by means of creating one single platform, named "Zurich Netzwerk", with the idea to bring under the same umbrella all the stakeholders which communicate Zurich in one way or another on a regular basis. It was basically a big organizational challenge that failed, probably because of the ambition to align all the possible stakeholders from the very beginning (public and private ones, targeting very different audiences), instead of considering a more progressive way.

Since then until now, the city has moved in two directions. Creating a brand identity under the claim "Zurich World Class, Swiss Made", which equally serves tourist promotion, events, business location, talent attraction, etc. And promoting a kind of flexible coordination among a reduced number of key stakeholders, namely: the City of Zurich [6], the Canton of Zurich, Zurich Tourism and the Greater Zurich Area (the body in charge of inward investment attraction). Such cooperation is based on an agreement, called Agreement for an Integrated Destination Marketing, which is revised annually and embraces the use of a common logo/claim, exchange of information and co-organization of a few projects and events. That is, there is not a bold city brand strategy yet.

In short, Zurich has given first steps towards effective city branding and city strategic communication, and key city officials are aware of the relevance of this approach for the city in terms of global image and positioning, but they still have a way to go. During the CityLogo study visit, Yves Bisang extracted a number of lessons from the Zurich experience in the last 12 years:

- "City branding has to be a political initiative first". Political willingness is necessary condition.

- "It's a matter for the boss!". That is, it is a strategic issue, and therefore decision-making concerning to join or not a common brand platform is a matter of top-level managers. It is important to bear this in mind when launching a process to create a common brand platform aligning a number of local stakeholders.

The main reasons why this first step, in 2003, did not lead to a consistent strategy had to do with no clear political push and no real willingness to cooperate by most of the stakeholders with a stake in promoting the city internationally

- "Sufficient budgets and personal resources". Promoting ad-hoc governing systems for a city brand strategy also demand fully dedicated teams (small teams, not necessarily big

---

[5] Political leadership in those processes is particularly necessary in Switzerland, when it is expected the State or public administration takes the initiative.

[6] The Office for Urban Development is the Unit within the Municipality in charge of city branding. The Office includes cross-cultural Issues, city and neighbourhood development, economic development and foreign affairs. Through interdisciplinary teams, the four subdivisions work out strategic guidelines on social, economic and socio-demographic matters. With their various activities, the four teams contribute to strengthening the brand Zürich inside and outside Switzerland, now under the tagline "Zurich, World Class, Swiss Made".

teams) and specific funding models. On this issue, Yves Bisang suggests the financing of that dedicated team or brand office can be done "via a budgetary redistribution within the general performance agreements with Zurich Tourism and the Greater Zurich Area, with a fixed share of the contribution of the public sector flows back into the umbrella brand".

- "No organizational best practice case". That is why our emphasis in CityLogo in governance and management aspects of city branding. As city branding is basically an organizational challenge, the urban management perspective is needed. The still dominant role of brand and creative agencies leads to an understanding of place branding rather focused on the creative side (logos/claims) and the set of communications, and much less on organizational issues. [7]

- "Minimum level of commitment and obligation". In other words, city branding does not come to substitute the different city marketing practices. On the contrary, its reason of being is just giving support and more consistency to the different communication and promotion efforts by different stakeholders in the city and the Country. To arrange such common ground requires only a minimum level of commitment and "discipline".

- "Forget brand wheels, work with success modules". For instance, in order to get the engagement of local stakeholders, it is better to start with project-based initiatives than keep the focus only in comprehensive long-term strategies. You cannot only engage with strategy. Besides overarching strategy, a number of specific initiatives, grouped around particular narratives and target groups, might involve a particular mix of related stakeholders. Not everybody have to cooperate for everything. Bisang refers to this way of clustering as "brand modules".

Promoting Greater Zurich as business location

Greater Zurich Area AG (GZA) is responsible for promoting business location and inward investment in the cantons of Glarus, Grisons, Schaffhausen, Schwyz, Solothurn, Zug and Zurich, besides the city of Zurich and the region of Winterthur. It covers the region that is accessible within a 60-minute radius from Zurich international airport. Thus, since it operates at regional level, GZA articulates to the upper level of the Swiss Federal Government, represented by Switzerland Global Enterprise (SGE), and to the lower level represented by the cantons and cities.

As international contact partner for marketing Greater Zurich as business region, GZA acts as a mediator between international companies looking to settle in the area and local interests and requirements. It is run by a foundation that was set up as public-private partnership in 1998. In fact, one third of its funding comes from its 20 private partners, mostly firms from the banking and insurance sectors along with the Zurich airport. The agency had a budget about CHF 4m in 2014.

GZA covers the whole cycle of inward investment attraction, which was described by Sonja Wollkopf, Director of the Agency, into four stages:

---

[7] As benchmarks in the organizational aspect, Bisang mentioned Hamburg (holding structure) and Basel, where the Department of External Relations and Marketing Location of the Canton of Basel-Stadt is in charge of city brand management. According to Bisang, in both cases, the initiative came from the state or the canton and was politically supported by the top.

- **Awareness** of Zürich as world-class business place (they speak about Zurich as the place for the "premium-segment" in business), particularly for precision technologies and headquarters functions.

- **Interest** from some specific company in Zurich as a business location.

- **Desire** to be located in Zurich. GZA corresponds to the location criteria, clarifying questions raised during the site selection. The line between Interest and Desire is critical, as it means moving from the long list to the short list in a business location process.

- **Action**. Settlement: a location in the GZA meets the criteria of the company.

For GZA place branding is helpful, especially to catch a preliminary attention. Then, the interaction is on the side of specialized city marketers. But they also appreciate the added value of city branding along the whole cycle of business & talent attraction, linking to other location factors and arguments further to those strictly related to the business environ.
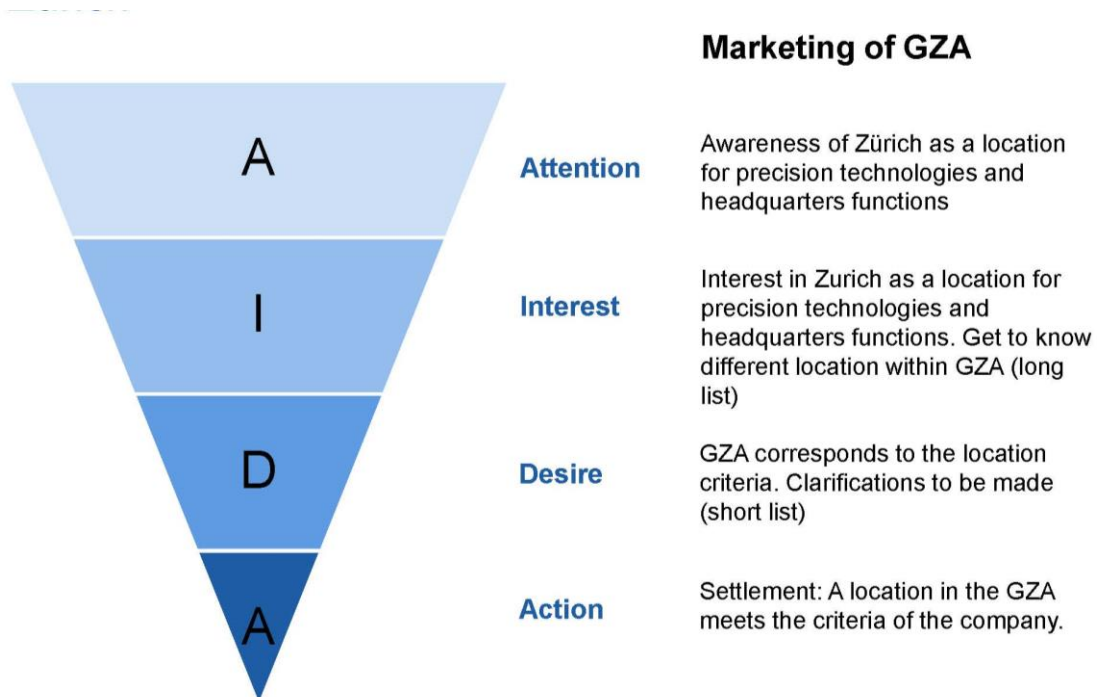
Source: Sonja Wollkopf and Lukas Sieber, Greater Zurich Area AG

GZA rather focuses on all type of activities related to precision technologies and directional functions in transnational companies (international strategy, management, law, finances & treasury, controlling, logistics), as the area market itself as the best location for global and European headquarters, especially to firms from America and Asia. So, GZA manages a very concrete **segmentation and priorities** within the FDI global market. This accurate prioritization within the FDI global market has organizational implications too. For instance, GZA has 4

permanent representations outside Zurich, two in the United States (East and West coast) and two in China (Shanghai and Beijing).

GZA head of communications Lukas Sieber presented a wide range of communication tools, e.g. website, search engine optimization (SEO), facts and stories based on geographical information systems, videos, testimonials, white papers, missions and events, lobbying, brochures, giveaways, banner campaigns, media awareness, social media (Facebook, Linkedin, Twitter, Google+), newsletters. But, most importantly, he showed us how differently these marketing tools are combined, depending on which market if the target.

For example, in the USA, the right mix is comprise of social media, events, giveaways, newsletters, presentations, flyers/brochures and white papers. While in China, the right toolkit to reach firms and organizations with potential to invest abroad is about events, lobbying, brochures, banner campaigns, flyers/brochures, PR/Media and giveaways.

The line between Interest and Desire is critical, as it means for a place moving from the long list to the short list in a business location process

4 wheel drive model to market Switzerland and the Swiss cities as tourist destination

Switzerland Tourism (ST) is the national organisation developing worldwide marketing for the destination Switzerland. It is financed by the Swiss government together with tourism and corporate partners. As in the Greater Zurich Area AG for the FDI global market, Switzerland Tourism handle a double segmentation, functional and geographical. Concerning the former, ST´s project portfolio is organized into five segments: Summer, Winter, Cities, Meetings and other Theme products).

From a geographical perspective, target groups are clustered into three categories:

- Priority markets. The domestic market plus Germany, France, Italy, UK and USA, which represent 75% of overnights in the Swiss hotel sector. 60% of the marketing budget is invested into this segment.

- Active markets, which provide 11% of overnights and absorb 15% of the promotional budget.

- Strategic growth markets. They are Brazil, China, India, the Gulf States, Poland and Russia. All of them provide 8,5% of overnights. 22% of the marketing budget is dedicated to boost the visitor growth from these countries.

ST organizes a wide range of communication channels & actions into four categories:

- **Promotion mix**, which includes TV spots and advertisements, flyers, print supplements, events, brochures, My Switzerland magazine (print run about 300,000, distribution worldwide), official website http://www.myswitzerland.com (over 70,000 visitors per day), contact centre and direct marketing.

- **eMarketing**: SEO (search engine optimization) [8], social media, newslettering (685,000 subscribers in 2013), apps, banners/campaigns, etc.

- **Key media management**: media contacts, organization of media trips and media conferences, hosting TV-crews, etc.

- **Key account management**: specific interaction with tour operators, travel agencies, meeting organizers, trade shows, etc

Rahel Stanig, Marketing Manager at Switzerland Tourism, describes this ecology of different communication channels & actions as the 4 wheel drive marketing model.

Today, generally speaking, tourism promotion in Switzerland is heavily influenced by the experience economy paradigm. Certainly, mountain areas still remain as Switzerland´s unique selling point. However, the urban areas represent the main driver for growth in the tourist sector [9]. As said above, Cities are one of the five products/narratives of Switzerland as tourist destination, along with Summer, Winter, Meetings and other Theme-oriented products.

MyZürich-Maurice Maggi

---

[8] By the way, Zurich is one of the top three search items, along with Zermatt and Interlaken.

[9] In the last decade Zurich has fairly reinforced its international position as tourism destination, accounting around 2.4 million overnight stays in the city and 850,000 at the airport.

ST markets the Swiss urban destination internationally throughout comprehensive campaigns embracing 22 cities as a whole [10]. Those campaigns are financed 50% by the partner cities and 50% by ST. [11] In this context, Swiss cities are basically presented as "boutique towns" [12], and next campaign will be based on specific ambassadors for each city giving their personal view and tips about their hometowns.

However, there is still room to improve, particularly in what concern more effective articulation between strategies at Country level, like the one displayed by Switzerland Tourism, and the mandates and activities developed by a range of agencies and platforms at the local level, like Zurich Tourism https://www.zuerich.com.

MetaDesing: the vision from the creative agencies

MetaDesign is an award-winning agency and global leader in brand consultancy, with offices in Zurich, Geneva, Berlin, Düsseldorf, San Francisco and Beijing. They offer a wide range of services ranging brand positioning, content strategy, messaging, brand architecture, brand management, brand tracking and communication actions (PR, campaigns, events…). The firm was engaged with Zurich's branding process from 2008 to 2010.

Albeit one of the goals of the CityLogo project, as international cross-learning, is precisely to counterbalance the view from brand consultants and creative agencies – often too conventional-MetaDesign was invited to meet with the CityLogo delegation in Zurich. Its managing director Benjamin Gilgen made a visionary presentation about trends in (commercial) branding, a number of which apply or can be inspirational to our work branding and marketing the city:

- **"Brand follows strategy"**. So, get ready to work in a long-term framework with a long-term orientation - 10 years and more. Placebranding is the strategic side while the different city marketing practices work over the tactical ground. Both are complementary.

- **"Designed by You"**. That is, consumers are not only the focus (target) but to some extent they create the brand as well. City narratives get more consistency and credibility when are fed by third parties, besides the agencies and bodies officially in charge of doing that. And the local population has now a double condition, as target group and stakeholder. Anyhow, branding is about identity, urban identities in our case, and this cannot be achieved without the concourse of local stakeholders and even the local population.

---

[10] Those cities are the members of the Swiss Cities Association that was founded in 2000 and it is managed by Switzerland Tourism.

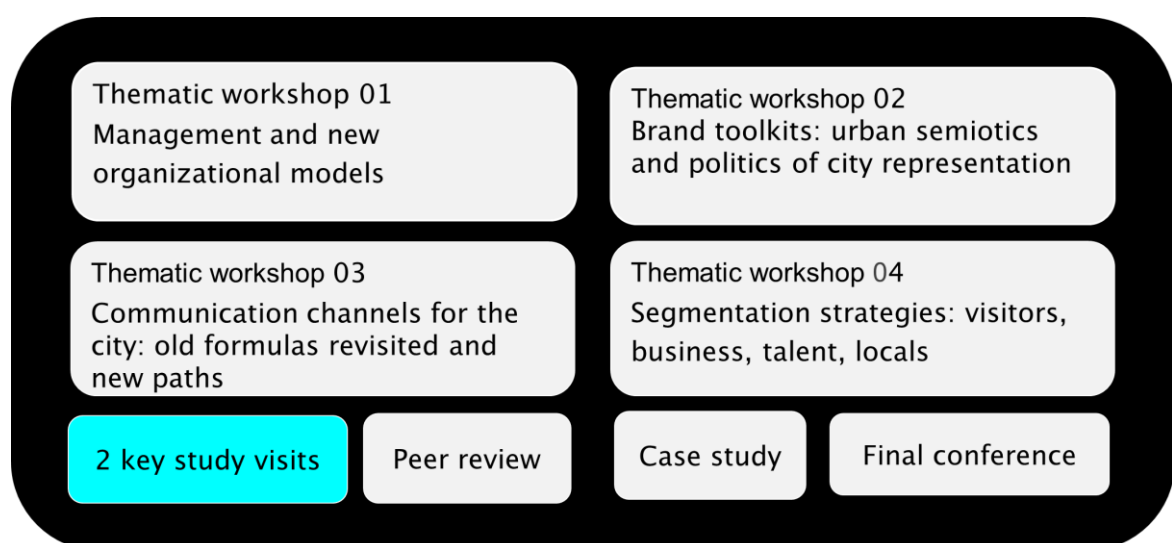[11] For the last campaign, contributions ranged from CHF25,000 to CHF80,000 per city, depending on the size.

[12] The promise is "Swiss cities are boutique towns. Quaint historic centres with a feel-good atmosphere invite visitors to linger. Our visitors are immersed in world-ranking art and culture, with the shortest of distances to the surrounding mountain peaks with their stunning panoramas."

- **"Next Generation B2B"**. B2B marketing is evolving to a B2C logic, where emotional connection is key to engagement. As a matter of fact, this is already transforming the way many cities market themselves as business location. Now they are not only targeting firms and organizations, but also individuals, talented and/or entrepreneurial people, which demands new attractiveness factors and even a new promotional language.

January 2015. CityLogo delegates in conversation with their peers from Zurich.

URBACT-CityLogo is a three-year transnational network working at two levels: locally, shaping specific platforms for stakeholder involvement in each of the participating cities, with the mission to co-produce innovative strategies on integrated city branding; at network level, it is running a range of transnational activities, including thematic workshops, study visits, peer-review and a number of reports.