

Territory marketing strategy: processes digitization and investment development

Kulikova E.S.

Institute of International Relations
Yekaterinburg, Russia
e.s.kulikova@inbox.ru

Abstract — This article discusses the modern features of the development of territory marketing. The research examines the phenomenon of competitiveness of the territory within the interests of the subjects of the territory. The authors determine that one of the changes in the strategic development of territory marketing is the emergence of the "smart city" concept. The main element of the "smart cities" concept is intellectual systems based on information technologies and data analysis, significantly improving the quality of life of citizens and solving modern infrastructure problems.

The research determines the features of the development of an attractive investment environment within the territories in order to ensure the efficiency of life and competitiveness system. The article considers the features and mechanisms of attracting investors within the marketing concept. The object of this research is to determine a system of tools to attract and improve the efficiency of use of investment flows as a tool for territory marketing, which increases the efficiency of processes and allows to stimulate subjects of the territory. Features in the technology of attracting investors in the modern world fully fit the concept of territory marketing.

Keywords — *territory marketing, digitalization, smart city, investment, organizational and economic mechanism.*

I. INTRODUCTION

The modern strategic development of any territory is being actively discussed today within a reasonable combination of market instruments to increase the attractiveness of the territory and improve the quality of life. Territory marketing is today considered as one of the promising direction of development of municipalities since the marketing concept of territorial management involves a certain mechanism that allows you to increase the competitiveness of the territory. There are hardened ideas about what competitiveness implies, what indicators are determined. However, an increasing number of authors agree that these parameters are not a definite constant, and in modern Russia there are changes that contribute to changing the concept of a marketing approach to the process of development and formation of the territory. One of these key changes is the digitalization of the economy and the property Internet, which are becoming more and more popular in the urban space because they offer specific benefits to both consumers of services and subjects of the territory. Technological processes of this industry are actively developed and lead to the creation of target toolset that works for the territory marketing and allows to achieve serious economic results. This direction is determined by the concept of "smart city".

A key element of the concept of smart cities is intelligent systems based on information technology and data analysis,

significantly improving the quality of life of citizens and solving modern infrastructure problems. Technologies transform the urban environment, the economic landscape, social connections. Around the world, a smart city is no longer just a concept - it is an actively applied management practice that is implemented in all spheres of urban life, including water supply, energy supply, lighting, sorting, cleaning and recycling of household waste, managing public transport and public security, etc. "Smart Cities" conduct active monitoring of practically all the most important objects of the urban infrastructure in order to optimize the use of resources and ensure the safe operation of the urban infrastructure. Geo-information system (GIS) is the base, the basis for a variety of subsystems of the "smart city".

II. MATERIAL AND METHODS

Many researchers emphasize the wide application possibilities of smart technologies in territory marketing systems. The mechanism of formation and implementation of managerial aspects of territory marketing implies, in our opinion, the compulsory improvement of the main elements of the organizational and economic mechanism within the local territory, which also implies the use of the "smart city" concept.

All elements of the organizational and economic mechanism are grouped by us in the main directions:

- elements of organizational and managerial nature are an administrative component and involve the introduction of certain regulatory actions within a specific local area in order to create comfortable and efficient life conditions for all the subjects of the territory;

- elements of an institutional marketing nature suggest the initiation of market categories within the territory, as well as activities aimed at increasing the market value, capitalization of business subjects of the territory [3];

- elements of an economic nature are the most significant, since the competitiveness of a territory is manifested primarily, in our opinion, in the possibility of economic growth and development. At the same time, the economic growth of the territory implies increasing the production volumes of the territorial subjects, expanding the parameters of competitiveness, and economic development implies the possibility of applying advanced highly scientific methods of territorial development, deeper study and solution of the social and environmental problems of the territory.

III. RESULT AND DISCUSSIONS

The strategic goal of territory marketing, its organizational

and economic mechanism in this way is to ensure the competitiveness of the territory as a result of the increase in the standard of living of its population, investments inflow, and economic development of economic subjects.

It is the increase in the welfare of the population and investment into the territory and the economic development of economic subjects is the declared goal of the competitiveness policy and is another key change in the context of the concept of a marketing approach to the process of development and formation of the territory. With a high standard of living of the population, excellent competitiveness indicators can be achieved. The competitiveness indicators form the demand for the territory and, accordingly, the possibilities of its further development, the construction of strategic alternatives and the possibilities of choice according to the prospects within various economic processes. This is due to the concentration of technology and capital in the economy, which leads to an increase in labor productivity, product quality, and standardization of production processes, which is also determined by digitalization. Competent territorial and institutional policy, which is also a factor in the economic competitiveness of the territory, allows to increase this concentration since the efficiency of the territory's economy is determined by its ability to generate reserves with a higher level of income of the population [3].

From the point of view of the development of the marketing potential of the territories, the problem of attracting investments is one of the most relevant. The crisis situation that developed in the investment sphere of the territories during the period of structural changes is due to a number of reasons, the main of which are:

- general crisis of the national economy;
- a sharp decrease in the efficiency of regulation of investment processes at all levels of the economy;
- political and economic instability, high investment risks;
- undeveloped market infrastructure, poor information, personnel and technical support for investment management;
- inflation, disorganizing investment activity, suppressing incentives for capital accumulation and undermining external sources of financing by the high cost of credit;
- lack of investment resources related to the diversion of financial resources from the real sector of the economy;
- tax pressure, restraining the development of entrepreneurship and investment activities, etc.

At the present stage, achieving the goals of stabilization and accelerated development of the territories is possible only through the implementation of an effective investment policy (Figure 1), and the digitization of the territory contributes to this.

This scheme, in our opinion, quite clearly demonstrates the influence of investment processes on the development of the territory: Attracted investment resources lead to the development of production in the territory, which ensures income increase, forms the solvency of the territorial subjects and leads to an increase in market capacity and increased use of the marketing environment.

The problems of the socio-economic decline of the regions can be solved only using a complex approach.

We consider that there is a need to help the regions, but this should not be in the form of a standard, supporting the allocation of funds, but financial assistance should be provided to the regions for the actual production of goods and services through projects, programs with increased use of market levers and methods. It is possible to provide additional financial resources on a competitive basis, with the protection of relevant projects, based on the results and effectiveness of local authorities in organizing the functioning of the social sphere, creating institutional conditions for the development of markets of goods and services, labor and capital and regulating production development.

The attraction of investments to the territory can be carried out by creating favorable conditions for the investor. An important point that determines the attractiveness of the territory for investment, is a clear definition of the strategic objectives of the proposed investment object and the territory as a whole.

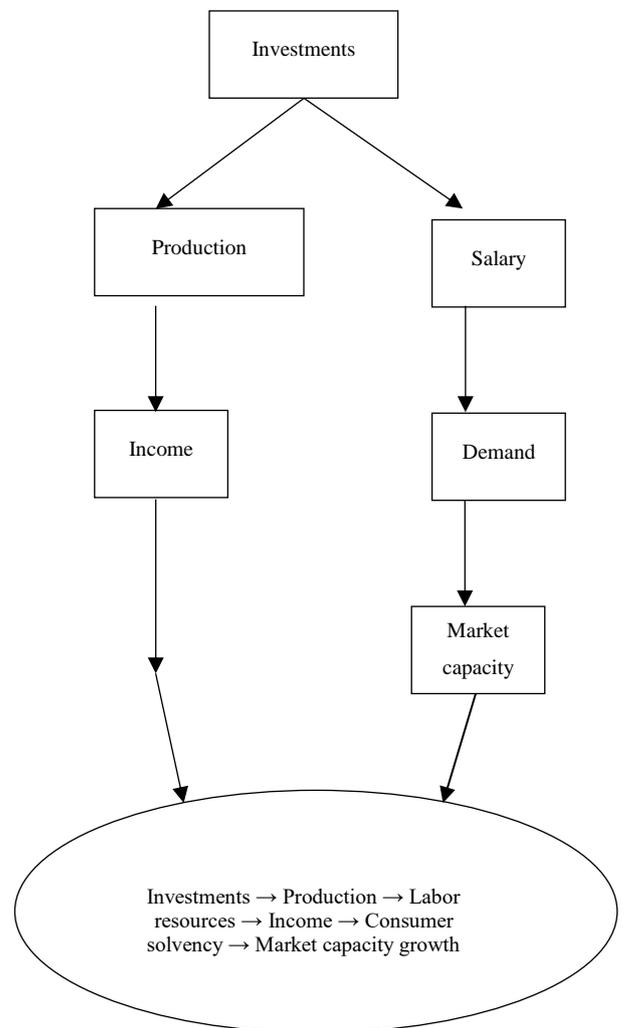


Fig. 1. Investment policy structure

In modern conditions there is a reduction in budget financing at the federal level and for the budgets of many territories as the main source of investment financing are the funds of enterprises and organizations located in the region, the formation of which depends on the development of territory

marketing, as well as funds from external investors (non-residents of the territory), also dependent on marketing development. The authorities should implement an effective investment policy to create economic opportunities to achieve the goals of socio-economic development of these regions. At the same time, the main and most difficult problem to be solved is to attract investments in promising and significant areas for the development of the economy, and these are exactly the digital technologies of the “smart city”.

The territory investment policy for attracting investments to industrial and agricultural enterprises of the territory should be the implementation of a package of projects and programs that make up a functional strategy within established activities of territory marketing. In accordance with the rating of the National Rating Agency "Expert RA", the Republic of Bashkortostan is among the top three subjects with minimal economic risk and legislative support for investment [5]. The territory of the republic we consider as an example of effective marketing policy. The constant increase in the level of ratings contributes to the attraction of borrowed funds in external and domestic financial markets [1].

In Bashkiria, it is planned the creation of favorable conditions for investors and direct participation of public authorities in investment activities: the provision of state guarantees of the rights of subjects of investment activity; the provision of a budget loan of the Republic of Bashkortostan to subjects of investment activity; the provision of benefits for the payment of taxes and other obligatory payments credited to the budget of the territory in accordance with the current legislation, the initiator of the investment project applying for state support for its implementation; purchase of equipment at the expense of the budget of the Republic of Bashkortostan into the ownership of the republic for its further provision to subjects of investment activity on preferential conditions; the provision of a tax credit and investment tax credit in accordance with the legislation; the provision of benefits for the rent for the use of state property of the Republic of Bashkortostan during the implementation of the investment project; equity participation of the Republic of Bashkortostan in the authorized capital of legal entities implementing priority investment projects.

An important point in the implementation of investment policy is its target orientation; control over the target use of investment resources should be carried out on the basis of business projects and investment subjects. The mechanisms of stabilization and marketing development of the territories will be effective if their development and implementation take into account the factors that have the most significant impact on the socio-economic dynamics.

In our opinion, the implementation of stabilization and marketing development mechanisms for the most efficient use of socio-economic potential should be based on a detailed assessment of the existing economic, natural-resource, social, tourist and other potential and include: analysis of the state of industries of the regions; SWOT analysis of key aspects of regional development; detecting critical success factors; formulation of the basic goals of regional development; definition and selection of regional development strategy; definition of the main programs in the strategy structure. The main focus should be on the subjects of the territories

(residents) since without their direct participation the marketing strategies of the development of the territory cannot be implemented. Internal subjects of the territory are always interested in the development of the territory of residence as this leads to an increase in income, an increase in employment, an increase in purchasing capacity, opportunities for differentiation and diversification, and an increase in economic activity within and outside the territory. These factors automatically lead to an increase in investment activity within the territory and therefore are positive by definition. External consultants can only help to develop the existing marketing potential and find ways of its practical use. The study of the territory will help to detect those objects, potential and opportunities that can be used to create attractive and profitable enterprises, regional successful and efficient projects, which is in line with the marketing strategy of attractiveness, marketing of the image.

For the formation of a favorable image and brand of the territory, its positioning, in our opinion, it is necessary to develop marketing activities and market segmentation in order to stimulate sales of the created products and attract investors. It is necessary to publish advertising and informational publications (booklets, catalogs), conduct economic forums, round tables with the appropriate circle of guests, consortia, presentations of regions in Russia and abroad regularly. The image marketing strategy is, in our opinion, the most effective among the territory marketing strategies, aimed at its development from the point of view of the investment process and its regular stimulation within the processes of expanded reproduction [3].

Each territory is concerned with image formation processes, within which it can stimulate investment flows and actively attract investors through various programs. Investment activity increases with the complex formation of the image. If a traditional image is formed during a set of standard events, this usually alarming the investor, as it causes mistrust or a feeling of fullness of a given market niche within this territory. Recently, it is recommended to create a favorable investment image, which is shaped by holding exhibitions, fairs, round tables and other public events widely reported in the media. [4]

To analyze investment projects in order to provide state guarantees, investors need a marketing information system, which, in our opinion, is also an important part of territory marketing and the territory marketing potential. It is the regional information centers that should inform about the assessment of investment projects, carry out general economic monitoring in the region, publish or provide expertise of the developed programs and projects to attract potential market participants. Assessment of investment projects, in our opinion, should be conducted with the participation of representatives of the administration, state statistical and other interested bodies by creating marketing services that prepare information for potential investors.

A well-known mechanism of investment in the territory is the creation of favorable areas, the principle of action of which is to establish a special investment order for the regions, taking into account the features occurring on the territory of reproduction processes and priority sectors for development [1].

IV. CONCLUSION

When creating favorable areas, it is necessary to take into account the territory marketing strategy and priority sectors for attracting investment flows. A special investment activity order is introduced, which determines tax benefits in these territories, the users of which will be only enterprises with a corresponding sectoral orientation, implementing investment projects that meet certain requirements. Regulation of the intensity of investment flows through these levers implies an increase in the activity of the subjects within the required parameters. Reducing the tax burden on enterprises, with potential for development leads to their interest in work, increasing the number of job sites, which directly affects the socio-economic development of territories and contributes to the development of infrastructure marketing strategy and population marketing [2].

The development of forms of interaction between territorial subjects, residents, representatives of small and medium-sized businesses (strengthening inter-sectoral interaction) with big business, external investors, the creation of small enterprises for production on the basis and with the assistance of large enterprises can be a factor activating the development of territory marketing. Conducting large-scale projects with the involvement of well-known market subjects determines the high assessments of the world's leading rating agencies of the region's investment climate, which means the growth of the marketing potential of the territory.

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