Two Cities, Once Brand: A branding insight into local economic development

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Abstract

Increasing attention has been drawn to relational spatial entities as potentially embedding renewed and alternative paths of local development. This research paper discusses the intertwining of an emerging relational configuration of space and the pursuit of post-industrial development, by analysing the formation of an organisational identity. The case of NewcastleGateshead (UK) is interpreted as a brand emerging from urban collective strategy-making which has involved two partner cities, thus crossing administrative borders. By suggesting the importance of recognising the emergence of "branded relational spaces", research results stress the active role of a collective construction of meanings and their communication in the creation of relational spatial entities. This provides an opportunity to reflect on the extent to which branding, here interpreted as collective strategy-making, is a process going beyond mere communication and fostering an institutionalisation of the branded space, thus influencing the way in which local development is spatially and strategically conceived.
1. **Introduction**

The debate on relational spatialities and several related aspects, such as their nature, the relationship between border and identity, and the concept of relational space of agency and participation (e.g. Jessop, 2002; Allen *et al.* 1998; Massey, 2004, 2005; Amin, 2004; Paasi, 2002), enriches the analytical perspectives on the study of post-industrial economies. From the viewpoint of economic development, relational entities may represent the spatial configuration capable of embedding a renewed and alternative path of local and regional development, thus breaking continuities locking-in declining regional systems. To be competitive, cities and regions need to show their capacity to define an economically relevant territory, which may derive from complementarities among different areas (Gordon, 2011). The most effective scale for constructing a competitive advantage may be ‘relational’, thus crossing the borders of territorial units (Cheshire, 1999), in order to determine critical mass and asset diversity (Meijers, 2008). As a matter of fact, the success of one place is not necessarily at the expense of another (Turok, 2004 cited in Bristow, 2011), while the poor performance of one city may negatively impact other cities sharing same networks (Unwin, 2006 cited by Bristow, 2011).

In this direction, this research paper aims at discussing the intertwining of an emerging relational spatial configuration and the pursuit of post-industrial development, by proposing a longitudinal analysis of the process of formation, development and maintenance of a relational spatiality.

In the frame of culture-led regeneration, the case of NewcastleGateshead in the North East of England (UK) provides an opportunity to put the relational space under scrutiny in a post-industrial economic context. “NewcastleGateshead” is the name of the partnership established in around 2000 by the Newcastle City Council (on the north bank of the river Tyne) and Gateshead Council (on the south bank), to jointly manage the bidding process for the 2008 European Capital of Culture (ECoC). The partnership was said to be the result of “urban entrepreneurship” which proactively determined a buzz about local transformation from “coal city to culture city” (Minton, 2003). The “embedded nature of cultural policy on Tyneside” enabled a capacity of collaboration among institutional and cultural actors, committed to providing residents with tangible signs of the occurring regeneration (O’Brian and Miles, 2010: 9). Cultural policy was said to be “embedded” because of its long history in the UK and in the North, a longstanding cultural commitment where the partnership is deeply rooted. In fact, following “global circumstances and de-industrialisation”, the economy of the North East shifted from being production-based (coalmining, shipbuilding and chemicals) to consumption-based (Vall 1999 cited in Bailey *et al.*, 2004: 62), and culture has played a major role throughout this transformation.

The beginning of cultural programming in the region dates back to the 1960s, but two happenings in the mid-1990s represented the turning point of cultural developments in the region, i.e. significant infrastructural investments according to a culture-intensive development programme proposed by Northern Arts (drawing National Lottery Bill funds; see Comunian and Sacco, 2006) and the Year of Visual
Arts in 1996 (a series of exhibitions and art projects raising the national profile of the region in visual arts; see Bailey et al., 2004).

Built on such an arts and culture background, the collaboration between Newcastle and Gateshead has been part of a “successful” culture-led regeneration, having great consequences, i.e. increased attendance to arts events and increased awareness of activities and facilities for the arts in the region, as a result of the sense of local ownership and pride for the regeneration projects (Bailey et al., 2004). The Quayside, the river waterfront which has seen major transformations and represents the trait d’union between the two partner cities, was said to be the result of “a unique, culturally specific set of circumstances” leading the North East to make use of large public art works as a way to show the intention to regenerate (Bailey, 2006). Also owing to the iconic infrastructures of the Baltic, the Sage and the Millennium Bridge, the Quayside is tangible evidence of regeneration, allowing locals to reassert their collective identities (Miles, 2004) and reinvigorate the relationship between cultural, place and personal identity (Miles, 2005).

Literature has drawn much attention to social and cultural impacts of culture-led regeneration in the North East of England, while an organisational perspective on this case has been mostly overlooked. The organisational perspective analyses how the partnership started and how this was maintained over more than a decade and beyond the 2008 ECoC bid, even once this turned into a failure. This embodies a further element of interest providing an insight into the local developments evolving from a failure, which represents a relevant topic due to an increasing propensity (and need) for local, national and regional governments to apply to events, funds, investments and, generally, internationally relevant projects.

Accordingly, this paper deals with the case of NewcastleGateshead in order to explore the formation and development of an organisational identity within the relational space composed of two cities, framed by an institutional collaboration crossing local administrative borders. This will allow an understanding of those dynamics that, co-determined at local, regional and national levels, led to the establishment of an organisational identity (or organisational capacity) in the relational space composed of the two partner cities. The analysis of the underlying process will disclose the collective construction of an organisational identity across the river Tyne linking Newcastle and Gateshead, and will highlight the emergence of a strong legacy of meaning characterising the relational spatiality.

To this aim, this research project will adopt the lens of observation provided by brand and branding concepts, which offer a framework to interpret the NewcastleGateshead brand as an organisational identity. The brand represents a privileged angle of observation, since embracing those soft components (i.e. beliefs, perceptions and values) that are here considered as critical to the process of collective strategy-making. Such soft components are said crucial since contributing to the mobilisation of local stakeholders for pursuing change. Moreover, branding represents the process of communication that makes soft components become visible and shared discourse.
The paper is structured as follows. Section 2 will introduce the notion of brand as organisational identity, while Section 3 will state branding as a process of collective strategy-making leading to the formation of an organisational identity. Section 4 will present the case of NewcastleGateshead and will discuss the related findings. The conclusion section will be dedicated to final remarks concerning the broader meaning of an organisational perspective on relational spatialities in urban regeneration contexts.

2. Brands as organisational identities
This section introduces the organisational perspective on relational spaces by means of the notion of brand, which will frame this research analytically. Brands entered the geographical debate in light of the role played by images, reputation and identities as assets for local and regional development. Accordingly, corporate brand and branding theory have been adapted to geographical settings, thus supporting the “philosophy of place management” in the geographical debate (Ashworth and Voogd, 1995:39). Such adaptation has implied the analogy between the corporate brand, i.e. organisation’s brand, and the place brand. Both, in fact, deal with numerous stakeholders and need to take into account multiple identities (Therkelsen and Halkier, 2008). If we consider corporate branding as not just a construction of visual identity, but also as a process of corporate strategy-making, of consumers and stakeholders’ motivation, of definition of organisation’s ethics and purpose, corporate branding can be a meaningful reference for place management (Anholt, 2005). In other words, corporate brand and place brand may be seen as coinciding with “organisation brands”, if working as the “central organising function” (Anholt, 2005:117). That is, brands can be interpreted as organisational identities provided that these constitute a platform that helps stakeholders (in the case of companies e.g. employers, employees, consumers, etc.; in the case of places e.g. local government, local firms, residents, etc.) to share beliefs and values, adopt consistent behaviours and, thus, draw value from their relationship with the brand.

As an organisational identity, the place brand has to deal with a multiplicity of stakeholders, purposes and expectations, in an attempt to span several industrial and functional contexts, in order to favour economies of scale and resource pooling (Therkelsen and Halkier, 2008). In addition, as it is an ‘umbrella’ identity, the place brand implies mediation efforts to reduce potential conflicts and harmonise multiple realities (Bellini et al., 2010), thus boosting a process of interactions and negotiations that lead to a brand values selection (Ooi, 2004; Hospers, 2006; Jensen, 2007). Promoting and maintaining the brand imply ‘politicking’, that is negotiating the process throughout the mobilisation of support and cooperation, and the creation of a unique, appealing and persuading story about the place, which triggers further interactions and communication flows among stakeholders (Ooi, 2004). The process of negotiation, interaction and selection, however, may create conflicts because, although attempting to be inclusive, the brand tends to reward local hegemonic narrative (Ward, 2000; Therkelsen and Halkier, 2004), with a risk of determining a cognitive lock-in for the place (Bellini et al., 2010).
The ‘multi-headed’ nature of brands emphasises the role of interactions and negotiations as being fundamental mechanisms driving the multiple stakeholders to behave consistently - like an organisation - under a common brand label. This urges reflection on how multiple actors achieve collective behaviour, so that a set of stakeholders is turned into an organisational identity.

That is, the ways in which a collective action takes shape are salient to the formation of organisation identities. The collective action, in fact, identifies the capacity of a set of stakeholders to shape a “collectively acting unit”, where “intelligent conformity” is sought (Carlsson, 2000). A collective action is usually based on resource interdependence, which binds those stakeholders that want to achieve their own individual goals (Carlsson, 2000) but are aware of their need to partner to face complex and uncertain contexts (Weber and Khademian, 2008).

3. Branding as urban collective strategy-making: the formation of organisational identity

Brands are defined above as organisational identities built on the capacity of a set of stakeholders to behave and promote actions collectively. This section will introduce an analytical framework representing the process leading to the formation and maintenance of organisational identities. As a matter of fact, “only few contributions analyse the process of interaction among place marketing stakeholders and how they come to agree on given strategies and actions” (Therkelsen and Halkier, 2008:162). Accordingly, a theoretical platform representing branding as a process of collective strategy-making in the urban context (Healey, 1997) is proposed. Originally dedicated to spatial planning, the proposed model refers to collaborative planning as a process of “shaping places”, by involving multiple stakeholders in composing a complex and open system (Healey, 1997:25).

This model is defined as institutionalist and communicative (Healey, 1997) and these are the two main characteristics allowing the use of this model for branding analysis. Firstly, the process of collaboration starts in a given context in which social relations have established a way to interpret, represent and ‘reproduce’ reality. Institutions, i.e. norms, rules and routines, may determine lock-ins reducing the range of strategic decisions considered viable. Similarly, this may characterise the branding process, which, as said, may see the prevalence of a hegemonic narrative on the place. Secondly, discussions, continuous communication and, thus, discourse-making are at the core of urban collective strategy-making. The discourse consists in a system of meanings imposing “organising concepts” and a “vocabulary of images”, according to which a strategy is designed (Healey, 1997:276). Relying on stories, ideas and metaphors, discourse creation is said to be the most important, as well as the most dangerous step of the process. Once the discourse has reached momentum and has become powerful and persuasive, it tends to be a stable source of legitimacy for actions and behaviour. In line with the above statements, place brands are defined as "articulations within discourses", and as such they are said to be “articulated in specific vocabularies, and transformed into a social reality”
(Jensen, 2007:220). The ‘transformation into a social reality’ is boosted by the act of the communication of the emerging discourse within a given institutional context.

Accordingly, the process of brand formation and maintenance - coinciding with the emergence of an organisational identity - is conceptualised as a looping sequence of steps which compose collective strategy-making. These steps are:

**Moment of opportunity** – The process starts when a discontinuity in local power relations and in the pattern of interdependence occurs, thus raising awareness for the need for change. Accordingly, the collaborative strategy-making is triggered at a given moment in time, interpreted as an opportunity for an organisational effort. This is the phase in which *initiators or leaders* emerge and open the process, being able to “feel” the opportunity for change. Their leadership is not formally stated. Rather, it derives from their visionary and pioneering capacity. The leaders trigger an informal discussion in order to mobilise interest groups and boost participation. During the discussion, the adopted language and style influence the formation of discourse, because they express the ways in which issues are understood and interpreted by local stakeholders.

**Mobilisation of interest** - Throughout the discussion, stakeholders’ interests have to be mobilised towards action. In this regard, a motivational model is here presented to explain stakeholders’ rationale for collaboration and collective mobilisation. Three distinct motivations are here proposed as the basis for collaborative decisions, i.e. the *rational choice*, the *normative conformity* and the *affective bonding* (Knoke, 1990). The propensity for collective action is ‘multi-motivational’ in nature, since it tends to derive from a mixture of motivations. Firstly, the *rational choice* derives from a maximisation of utility, according to which the decision is based on a rational calculation of costs and benefits. Secondly, the *normative conformity* drives decisions according to an internalised expectation about what is fair and equitable, regardless of individual interests. Institutions, thus, influence stakeholders’ behaviour and, accordingly, trigger self-reinforcing patterns. Thirdly, the *affective bonding* refers to an emotional component of behaviour, based on the identification of the stakeholders with a collective entity. Affective bonding may even drive to irrational decisions, since stakeholders are motivated by the desire of belonging to a group, for they identify themselves with it in order to be part of the related symbolic representation. The development of emotional bonding may be a way to solve group cohesion problems, since under external threats affective commitment can result even more effective than other types of motivation (Knoke, 1990).

**Agreement** - The process approaches a *formal arena* where the discussed issues acquire political, administrative and legal legitimacy. This implies that the *construction of meaning* - starting with the ‘moment of opportunity’ and being developed throughout the process – is now turned into a proper strategy by means of an agreement on strategic goals, which mirror “a collective imagining of possible courses of action and what this could achieve” (Healey, 1997:276). Although an agreement is reached, the process needs constant *maintenance of consensus*,


because some stakeholders will inevitably draw more advantages from the agreed strategy than others, while new stakeholders will appear on the scene.

**Institutional design of hard infrastructure** - This consists in a further step that may be reached, and it represents an additional formalisation of the process, in an attempt to provide a reference and guarantee of fairness for all members. However, this step risks imposing a high degree of bureaucracy, undermining members’ direct connection and their participation in the strategy-making. The monitoring of stakeholders’ membership has to be constant, so that the outcomes of the collaborative strategy and the degree of members’ satisfaction fuel a “reflexive critique” (Healey, 1997: 281), which helps keep interest and commitment among stakeholders. Reflexive loops are necessary throughout the process in order to determine durable collective action. As sustained by Healey (1997), the outcome of durable collective strategy-making is the establishment of an organisational capacity (or organisational identity), characterising a “cultural community” that is able to solve collective problems by relying on trust, shared meanings, values, and an ability to work together.

Figure 1 represents the process of urban collective strategy-making leading to the formation and maintenance of an organisational identity.

![Diagram](image)

**Figure 1.** The collaborative process for spatial strategy-making. Source: author’s elaboration from Healey, 1997 and Knoke, 1990.
4. The NewcastleGateshead brand

NewcastleGateshead is the partnership established by Newcastle City Council and Gateshead Council in the North East of England in around 2000. "NewcastleGateshead" is not functional geography nor is it a self-contained functional labour market area, but it is currently said to make sense from a political perspective because of the history of collaboration between the two councils "over branding, image, culture and other issues" (Seex et al., 2007:29). This is the starting point for suggesting that NewcastleGateshead can be interpreted as an organisational identity or organisational capacity.

There is a complementarity between the two partner cities. While finance and business services, information technology, healthcare and education characterise the local economy of Newcastle, manufacturing, construction and retail prevail in Gateshead (1NG, 2010). The tourism industry has been growing in the area and NewcastleGateshead has become a popular city-break and cultural tourism destination (1NG, 2010:71), recording 19,248 full time equivalent jobs in 2009 (NGI, 2009). However, Newcastle city-region’s performance has been worse than national average regarding productivity, employment growth, R&D expenditure and number of start-ups (Urbact, 2010).

National and local contexts have been evolving rapidly. In 2010 the Coalition Government announced dramatic public budget cuts to which North East cities have been particularly vulnerable because of the concentration of public sector jobs in the region (Centre for Cities, 2011). Northern Rock, Sage, Nissan and Findus cut jobs in the area and the unemployment rate grew from 3.3% to 5.2% in 2008-2010 (Urbact, 2010). Within a context of austerity and uncertainty, the area has been experiencing "unprecedented changes" (Newcastle City Council, 2011:147), meaning institutional changes, e.g. the abolition of the regional development agency One North East and the Localism Bill devolving power to local authorities and neighbourhoods, and financial challenges, e.g. the crisis of the Northern Rock bank as well as a significant resource decrease for urban development. Consequently, the NewcastleGateshead case allows an investigation of the formation and maintenance of an organisational identity alongside a process of collective strategy-making currently approaching further stages of development characterised by high uncertainty.

4.1. Methodology

The empirical research aimed at testing the process model presented in Section 3, by gathering evidence – primary and secondary data – which sustain each step of the collective strategy-making. Empirical evidence made the construction of meaning which characterises the brand emerge, and clarified the process of formation and maintenance of the organisational identity within the relational space composed of the two cities.

The depicted process is collective and, accordingly, this research paper aimed at understanding the collective dynamics leading to the formation of an organisational capacity. This was possible by means of primary and secondary research carried out from January to May 2011. Concerning the primary research, twelve in-depth
semi-structured interviews\textsuperscript{1} were conducted with officers of the two Councils, managers from local organisations (i.e. NewcastleGateshead Initiative, NE1 Business Improvement District Company, Newcastle Science City, Creativity, Culture & Education, 1NG), opinion leaders and experts of local economy and society providing an historical insight into the process. The interviewees were asked to tell the “story” of NewcastleGateshead, thus letting them freely identify facts, discourses and actions that were salient to the process in their points of view. By analysing the set of interview scripts as a whole single text, it was possible to identify a pattern fitting the process described in Section 3. In an attempt to double-check the emerged pattern and define a context for data interpretation, secondary sources were analysed, i.e. documents and texts, including official documents produced by the two involved Councils and the organisations managing NewcastleGateshead initiatives.

4.2. Empirical findings
The process of regeneration in Newcastle and Gateshead has not always been collaborative and the two councils had followed different routes of development and regeneration (I1, I3). In the 1990s Newcastle focussed on urban redevelopment by significantly involving private investments, while Gateshead focussed on retail development and cultural projects, whose most visible symbol was represented by the iconic sculpture of the Angel of the North (I1), a 20-metre sculpture that became a powerful landmark of the region. At that time, Newcastle did not have access to the national arts and culture funds. This was partly related to problems in planning, particularly in the definition of urban spaces for building the required (and fairly debated) cultural infrastructures, e.g. the concert hall (I1). On the other hand, uncontrolled urban developments in the 1970s (Hetherington, 2010) had produced an “anti-development atmosphere” (I1). Differently, Gateshead Council showed strong political willingness and ambitions, as well as an entrepreneurial attitude and ability to apply for public national funds, due to a pioneering understanding of funding opportunities in the field of visual arts and culture (I1, I3).

The turning point of the collaboration between the two cities occurred in around 2000, when Newcastle and Gateshead decided to jointly bid for the 2008 European Capital of Culture. The reasons reported by interviewees for such a decision are: a) the need to reach an appropriate size (population and assets) for being competitive (I2); b) the opportunity to become a strong hub for the region (I8); c) leveraging on complementarities to become a medium-sized city (I4), d) pooling resources, particularly competences and skills in cultural programming owned by Gateshead (I8) and ‘urban assets’ owned by Newcastle such as the two universities, the old city centre, several minor cultural venues and, not least, a national reputation, which were all deemed crucial characteristics of a cultural capital (I1).

The bid was, indeed, a turning point since the partnership which was agreed upon in 1998 became a reality in 2001, in response to the opportunity for the two

\textsuperscript{1} In the text the interviews are numbered according to their temporal sequence (from I1 to I12)
councils to work together for the bid (I1). The NewcastleGateshead Initiative (NGI) was established in 2000 to develop the bid, so that the two Councils gave up direct control on the strategy-making concerning the bidding process (I8, I10). The NGI organised large scale events in an attempt to put NewcastleGateshead on the map (I8) and, as reported by an interviewee, these events contributed to turning the area into a “photogenic space” across the river Tyne which projected new images in national consciousness (I7). During the bidding process NewcastleGateshead was said to have succeeded in raising confidence and pride (I8).

In 2003 the title of the 2008 ECoC was lost to Liverpool. To maintain momentum and keep capitalising on collaboration, Culture10 was launched, a long-term cultural programme aimed at attracting projects and events of international relevance. The NGI focussed on destination marketing, thus promoting membership among local tourism stakeholders by offering services, e.g. advertising and communication targeting specific tourism sectors (I10). As a matter of fact, the tourism industry reached a value of £1.2 billion in the area, starting from scratch.

Despite of local and regional developments, in 2006 the OECD published a report in the Newcastle and North East economic perspective, listing criticalities of the regional economic and institutional system. This report focussed on the primary role played by the public sector and highlighted its weak contribution to innovation and economic growth. The OECD was extremely critical of the leadership and institutional capacity at regional, city-regional and local levels (Seex et al., 2007). One year later, a report commissioned by the Newcastle City Council attempted to build on the OECD analysis, and confirmed the NewcastleGateshead unit as a meaningful and appropriate level for institutional collaboration, even though the whole Tyneside was deemed the functional geography for economic programming (Seex et al., 2007). That is, NewcastleGateshead was presented as the realistically workable geography in terms of delivery capacity, so that the collaboration across the river Tyne was reconfirmed in light of the long-lasting experience of collaboration.

However, in current financial crisis, stimuli and incentives for collaboration are low, while the actual and perceived costs of collaboration are high (I1). The speed of change and of public spending cuts challenge decision-making and makes ambitious choices, such as the pursuit of collaboration and partnership, very difficult (I8). On the other hand, some interviewees reported that collaboration now has to involve the whole Tyneside in order to pool additional resources (I3), while some others stressed that local communities are not keen on contributing to NewcastleGateshead, especially once the available public resources have decreased (I7).

It is worth mentioning that, beside the NewcastleGateshead, there has been a proliferation of urban initiatives endorsed by groups of local actors. For example, in 2005 Newcastle Science City was established, a national brand aiming at making the science vocation of UK cities – in this case Newcastle upon Tyne - nationally and internationally visible. Then, in 2008, the NE1 i.e. business improvement district company, was established to promote and support those businesses located in the
Newcastle city centre. Financially sustained by local entrepreneurs, the NE1 gave an answer to those stakeholders in Newcastle who were not feeling represented by NewcastleGateshead, which was “too focused on culture, and too little on business” (I5).

In 2009 the partnership between Newcastle and Gateshead established the 1NG, which was then abolished in September 2011. The 1NG was the city development corporation in charge of producing a joint economic strategy focussed on urban physical regeneration in the space of NewcastleGateshead. This proved an evolution of the collaboration between the two councils, which was a firm conviction of the need for shared development strategies (I8). In 2010 the 1PLAN was delivered as a “spontaneous evolution” and “a pragmatic answer” to the rapid change (I11). The 1PLAN is an economic masterplan identifying urban projects in the core of NewcastleGateshead, here conceived as “one” medium-sized city pursuing a sustainable development over the next twenty years (I4). The plan extended the collaboration to low-carbon industries, science and technology, culture and creativity, and business services, thus going beyond the tourism industry.

The plan is to deal with the persistent economic backwardness of the region (1NG, 2010:15), which reflects a weak local business leadership leaving room to the dominance of the public sector (I1). Currently the development of a pro-business system is deemed crucial and NewcastleGateshead is sustained as the geographical unit ensuring “a good supply of investable propositions for inward investments” (Newcastle City Council, 2011:33). That is, NewcastleGateshead is confirmed as the appropriate space for embedding a pro-business system and attracting entrepreneurs and their investments to the North East.

Recent developments make two main challenges emerge. Firstly, an increasing need to monitor impacts and outcomes, while monitoring is becoming much harder due to an increasing complexity of the partnership’s aims (I8). Secondly, NewcastleGateshead has to be reshaped in order to involve diverse stakeholders (changed and increased in number over time, I4). Put simply, there is a need to tell a multi-faceted story about NewcastleGateshead, thus targeting not only visitors, but also investors, residents and students (I10). This implies a radical shift for NewcastleGateshead, from being a destination brand to being an umbrella brand (I5, I10). Locally there seems to be great agreement on the need to manage the brand reputation in a more consistent way (I2, I4, I5, I6, I11), so that currently general and common interest in the brand has to be recast (I11).

In this regard, empirical evidence made a contradiction emerge. While “the appellation of city is creeping into usage” (Hetherington, 2010:10) since many official documents (e.g. 1PLAN), as well as media, represent NewcastleGateshead as one city, a city separated by a river and a capital city (I11), there is “no emotional attachment to NewcastleGateshead which has evidently failed in terms of consumer-relationship marketing” concerning internal audiences (I5). According to the interviewees, NewcastleGateshead is a symbolic marriage whose partners maintain distinct identities (I12). These, in fact, have to be kept visible to tax-payers (i.e. residents), who compose two separate constituencies (I12).
4.3. Branding as urban collective strategy-making: the formation of NewcastleGateshead organisational identity

This sub-section will discuss the findings by testing the explanatory potential of the model of urban collective strategy-making presented in Section 3. In light of the analysis, the process of collaboration can be divided into three main phases, i.e. the Bid, the Post-Bid and the Transition phase (Table 1). Throughout these three phases the steps of collective strategy-making are highlighted.

Table 1. Framing the collective strategy-making

<table>
<thead>
<tr>
<th>Phase</th>
<th>Motivations</th>
<th>Construction of Meaning</th>
<th>Newcastle Gateshead Brand</th>
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<tbody>
<tr>
<td>The Bid</td>
<td>Rational choice</td>
<td>Public arts</td>
<td>The Brand of the Bid</td>
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<td>Visual arts</td>
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<td>Post-Bid</td>
<td>Rational choice</td>
<td>Cooperation</td>
<td>Destination Brand</td>
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<td>Normative conformity</td>
<td>Public arts</td>
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<td>Culture for tourism</td>
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<td>Transition</td>
<td>Normative conformity</td>
<td>Need for private initiatives</td>
<td>Umbrella Brand</td>
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<tr>
<td></td>
<td>Rational choice</td>
<td>“Business winning system”</td>
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Phase 1 – The Bid

Moment of opportunity – The Bid phase focussed on the definition of the 2008 ECoC bid, which represented the moment of opportunity for the two councils’ collaboration. There was a common interest and the recognition of a resource interdependence according to which individual bids would have been unsuccessful. While Gateshead had physical space easily available for urban development projects, competences in the national bidding process and the well-known capacity to manage high quality cultural projects, Newcastle had crucial urban assets (as said, universities, cultural venues, the old city centre, the hospital and a national reputation). According to technical skills and visionary capacity, Gateshead resulted to be the leader of the process.

Mobilisation of interest – Evidently, the motivations favouring the start of the collective process mainly pertained to the rational choice. That is, a critical mass in terms of population size and assets was needed and deemed necessary to determine a significant urban unit capable of bidding successfully. This motivation was strong enough to overcome historical rivalry and the distinct paths of regeneration undertaken by the two councils.
Agreement - This path led to the establishment of a working partnership. Inspired by culture-led regeneration policies, the partnership undertook a construction of meaning stressing the relevance of culture and public arts for socio-economic development in the North. These became the core elements of the Newcastle Gateshead brand which at this stage was conceived as ‘the brand of the bid’, embodying the deep sense of change characterising the region.

Phase II – The Post-Bid
Mobilisation of interest - This phase was pushed forward by a need for capitalising on culture to further trigger socio-economic change, once the bid failed. The relevance of the partnership was unanimously claimed and the collaboration had to evolve and keep outlining the path of local development. Consequently, beside the rational choice characterising the first phase, the normative conformity played a role in confirming the validity of collaboration. In fact, Newcastle Gateshead was recognised as the most appropriate, and even “natural”, organisational unit for triggering regeneration. It seems that it became part of a collective mind-set emerging from a shared set of values, causal beliefs, perceptions of problems and ways to solve them, which reinforced the partnership.

Agreement – The brand shifted from being “the brand of the bid” to destination brand. The long-term programme Culture10 was launched, while the partners agreed that the Newcastle Gateshead Initiative had to become a proper destination marketing agency. The Newcastle Gateshead Initiative was, indeed, successful in maintaining the consensus and developed a solid membership in the tourism industry, by offering services and providing evidence of its contribution and impact.

Phase III – The Transition
Mobilisation of interest – More recently the discourse on the region has been progressively recast. The 2006 OECD report proposed a critical perspective on the region, by showing the persisting limits of regional socio-economic performance and institutional setting. In addition, local initiatives highlighted the emergence of relevant stakeholders who were not fully represented by the Newcastle Gateshead brand. A renewed construction of meaning emerged and focussed on the need for a bigger role of private stakeholders in the regional economy, in order to build a winning business system characterised by a strong, legitimate and accountable leadership. There are two main elements of change in the discourse. Firstly, the focus has shifted from culture – for improving urban profile and quality of life - to business, stressing the need to attract entrepreneurs and embed start-ups in favour of economic growth. Secondly, the emphasis on strong, legitimate and accountable leadership to face uncertainty clashes with the collaborative framework. By sharing leadership, in fact, councils are likely to need more time for strategic decision-making, while the strength and legitimacy of the partnership’s leadership may be perceived as weaker.

There is an on-going change in the logic of interactions and negotiations shaping the collaboration across the river, and a new equilibrium is sought by involving an
enlarged and renewed set of stakeholders. The motivations confirming the collective brand in this phase are both normative and rational. The rational choice is still part of the collective strategy-making process, since the critical mass argument continues to be crucial, even though resources and incentives for collaboration have decreased. However, along with a widespread feeling that NewcastleGateshead is not the viable geographical unit for economic programming (while the wider Tyneside region seems to be), the rational choice is weakening as a motivation. In contrast, the normative conformity seems to play a major role in maintaining the partnership, since NewcastleGateshead is treated as local mantra of development, i.e. the natural and workable unit for shared decision-making. The collective strategy-making produced an organisational capacity (or organisational identity) and a “cultural community” which is able to deal with problems collectively, by relying on trust, shared meanings and values, and the ability to work together. Since the normative conformity prevails, NewcastleGateshead - intended as organisational identity – seems to have turned into an institution. That is, the history of collaboration along with the outcomes (e.g. growing tourism industry) and rooted routines of collaboration - a collaborative capacity - have turned the brand into a norm which part of local stakeholders - i.e. the ones that have been engaged in the brand (the councils, cultural stakeholders, tourism industry stakeholders) - tend to confirm.

**Institutional design of hard infrastructure** - In such an increasingly complex arena, not only was it decided to maintain the collaboration, but also to make a step forward. The collaboration was, thus, extended and an economic strategy for NewcastleGateshead was designed, i.e. the 1PLAN. This, together with the 1NG, constituted the hard infrastructure of the collective organisation, which aimed at strengthening and enlarging the meaning of NewcastleGateshead, by giving it a broader economic and urban scope. It is worth, however, stressing the abolition of the 1NG in 2011 which, according to some, represents “a backward step for economic development (revealing) muddled thinking and a lack of ambition by the councils”.

The Transition phase presents challenges that currently threaten the NewcastleGateshead brand and the underlying collective strategy-making. The proposed model (Section 3) enables a discussion on the limits of the collective strategy-making characterising the analysed case.

The main criticalities concern the weakness of the brand and the increasing complexity to be managed within the collaborative (i.e. relational) space. Firstly, as said, the destination brand has to become an umbrella brand, but this requires a capacity to mobilise the interests of a much wider set of stakeholders (including entrepreneurial elites from different industries), thus expanding the agency and vision, as well as the set of values, symbols and beliefs currently represented by the

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brand. This means to reshape the emerged organisational identity, which has become an institution over the last decade. Once an organisational identity is institutionalised, there is a need to break from the deriving continuity by fostering a new moment of opportunity. Theoretically, this is needed in order to trigger a renewed (and broader) collective strategy-making. In fact, building a wider cultural community under the brand resulting from the mobilisation of a collectivity at a specific time and in a specific space (the relational space) may be not viable.

At the same time, according to the depicted model, the NewcastleGateshead brand is threatened by the progressive weakening of the rational choice motivations, while normative conformity tends to reaffirm a discourse that seems no longer able to match with the emerging context.

Moreover, there is no affective bonding which lubricates the system and guarantees a collaborative effort. The brand did not develop a sense of emotional attachment and loyalty in local communities (residents and local entrepreneurs), which would have theoretically provided an opportunity to get through the transition phase. The lack of affective bonding characterises the organisational identity within the relational space, because the imagined relational space has not been a “lived” space and has only been a symbolic marriage between two strong and distinct local identities, i.e. Newcastle and Gateshead. Strengthening the brand and the affective bonding was never part of the strategy, since the preservation of two distinct political and administrative identities, i.e. the Newcastle City Council and the Gateshead Council, has always been a priority.

The NGI is currently in charge of an aligning process, i.e. the brand politicking, in an attempt to enlarge the brand membership, but this is challenged by weak motivations among local communities towards NewcastleGateshead. This is also confirmed by the emergence of those city brands endorsed by stakeholders that have not been represented by the NewcastleGateshead brand, e.g. 1NE.

Secondly, increasing complexity is to be managed within the relational space, which is now the stage not only for a bid and tourism industry but it also has to embrace all aspects of local economy and urban development. Consequently, the capacity to monitor both the results of the cross-border collaboration and the engagement of an enlarged membership is going to be much weaker. Monitoring is crucial because it is at the basis of the reflexivity and looping mechanism structuring the collective strategy-making. While in the past the outcomes of NewcastleGateshead had been easily proved (during the Bid, image and reputation improvements were widely sustained by public opinion, media and in literature; during the Post-Bid, the growth of tourism was supported by official statistics), during the Transition phase the pursued expansion of brand goals and initiatives will pose significant challenges. As a consequence, in light of theoretical statements and empirical evidence a collective strategy-making in NewcastleGateshead relational space can be said to be at risk.
5. Conclusion
This paper analysed the case of NewcastleGateshead in order to explore the formation and development of an organisational identity within the relational space composed of two cities, framed by an institutional collaboration crossing local administrative borders. This research paper adopted the lens of observation provided by “brand” and “branding” which allow the interpretation of NewcastleGateshead as organisational identity. The results of this research contributed to understanding the role of relational space in a post-industrial context, by highlighting the pursuit of economic development in a relational geographical setting.

The core of this paper’s contribution stresses the emergence of a “branded relational space” as space for collective strategy-making, driving the formation of an organisational identity. This provides the opportunity to reflect on the extent to which branding, here intended as collective strategy-making, is a process delivering effects going far beyond communication, promotion and visibility. Rather, if intended as collective strategy-making, branding is a process producing an institutionalisation of the branded space (in this case the relational space), thus turning the branded space into an accepted norm, an almost taken-for-granted entity until a crystallisation may occur. Communication and institutionalisation are two sides of
the same coin, since the former makes the emerging discourse on the place and its
development visible, while visibility arguably plays a significant role in the process of
institutionalisation by propelling a “legacy of meaning” (Allen et al., 1998:10).
Together, however, communication and institutionalisation determine the emergence
of a brand whose legacy of meaning does shape the possible ways of understanding
and interpreting the path of economic development, until even locking-in or blocking
economic development within the imagined (branded) space. In the analysed case,
the established legacy of meaning imposed that any developments had to
necessarily deal with the branded relational space and the associated set of
meanings and values.

The broader implications of this research contribute to improving the theoretical
perspective on place brands and branding. Geographical branding, similarly to
corporate branding, can be conceived as a collective process of strategy-making,
playing a role of “central organizing function” that helps local stakeholders share
beliefs and values, adopt consistent behaviours and, thus, pursue a collective
action. On the other hand, the geographical brand can be intended as an
organisational identity or capacity, and not merely as a visual identity based on the
communication of aesthetic values (e.g. the brand logo). Rather, the brand, even
though originally born for marketing purposes, is likely to become an “institution” and
accordingly, it may influence policy-making and, thus, the path of local economic
development.

This research also suggests the need to consider the relational space in the
place brand and branding research agenda. The branded relational space can be
configured as an emerging place, since embedding an organisational capacity
shaping an action unit is characterised by the presence of a cultural community. As
a matter of fact, an imagined relational space can be an appealing space with a
potential in the ‘market of geographies’, to a higher extent than administrative or
functional geographies. However, branded relational spaces may suffer of a lack of
sense of place, i.e. cultural, social and political identity. Although they are
organisational identities, relational spaces struggle to steer emotional attachment,
loyalty and even awareness in local communities that live the brand daily.

This research has adopted a deductive approach in an attempt to interpret the
brand case in light of the proposed theoretical model. Accordingly, additional cases
should be analysed to test the strength of the model in different geographical
contexts. Also, to complement the theoretical effort made by this research, an
inductive approach might be helpful to better understand the limits of the proposed
theoretical framework as well as the limits of its interpretative power.

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