Chapter 6
Customer-Centric Strategies in Place Marketing: An Analysis of Places’ Identities and Perceived Images

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ABSTRACT
This chapter reports the results of a survey articulated into two complementary studies, performed in four districts located in Italy. These studies assess the opportunity to design destination branding strategies on the basis of customers’ perceptions, providing a framework to quantitatively determine the identity of a local district and its perceived image. The chapter proposes that the perceived image of a place can be examined through the concept of perceived personality as adapted to a place, labeled as “destination personality,” and analyzed using the Big Five Model (Digman, 1990). The main contribution of the research consists in presenting a methodology for the evaluation of the consistency between the identity, the image, and the perceived personality of a district. Results demonstrate the strong validity of the destination personality construct as a conceptual tool to analyze the perceived images of local districts, and show how findings may be particularly useful for Destination Management Organizations (DMOs) to design effective marketing strategies capable of attracting and retaining resources.

INTRODUCTION
A customer-centric marketing approach requires a focus on needs and wants of individual customers rather than on those of mass market (Sheth, et al., 2000). Firms interested in adopting such an approach should be committed to interacting constantly with their customers, collecting high-quality information, in order to understand their expectations, desires and perceptions, and design-
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...ing appropriate strategies to increase customer satisfaction and loyalty.

Adopting a customer-centric approach is becoming important in every domain of business and, particularly, in destination marketing. Places (such as cities, districts, regions, nations, and continents) compete to attract and retain the best (monetary and non-monetary) resources available in the marketplace, and this competition has been increasing during the last decades (Guido, 2007). For these reasons, the interest in customer-centric approaches is raising progressively among companies involved in the field of destination management (Liao, et al., 2010). The adoption of such an approach requires that firms, tourism boards, and other supporting institutions interact consistently with their customers, gather information about their needs and gain detailed insight into their perceptions, preferences, and behaviours. Customer relationship management, which concerns the set of activities aimed at recognizing and retaining customers (Ellatif, 2007), may play a key role in determining the success of destination marketing and destination branding strategies. Such activities, in fact, not only permit to deliver tailored services to users, but also support the design of effective communication programs which may foster customer retention.

The development of successful place marketing policies is generally based on matching what a territory supplies (which, in turn, is connected with its endowment of resources and competencies) with customers’ demand (which is shaped by the information users have about the same territory, as well as their personal goals). Consequently, the stock of resources and competences existing within a certain geographical area and characterizing its specific industrial or tourist vocation (i.e., the so-called identity) should mirror users’ needs, inner desires, and expectations relative to the same place (Kotler & Gertner, 2002). The interplay of these psychological dimensions defines a places’ perceived image, that is, the sum of beliefs customers have of a given place (Kotler, et al., 1993). Consistencies or, conversely, discrepancies between identity and image of a local district can determine the success or failure of development strategies pursued by place marketers.

From a managerial point of view, the congruency between destination image (users’ perception of the place) and destination identity (the specific and typical resources of the place) represents a significant issue for Destination Management Organizations (DMOs), because it influences effectiveness and success of place marketing strategies. This duality, based on the relationship and the correspondence between subjectivity (destination image) and objectivity (destination identity), should be considered by place marketing practitioners. In particular, marketing managers should communicate an image of a territory (the objective element) which is congruent with what it supplies in reality (the objective element).

This chapter reports the results of a survey articulated into two studies, performed in four districts located in Italy, that assess the opportunity to design destination branding strategies on the basis of customers’ perceptions. They provide a framework to quantitatively determine the identity of a local district and its perceived image and propose that the perceived image of a place can be also examined through the concept of perceived personality as adapted to a place, labelled as destination personality, and here analyzed using a consolidated model of human personality (the Big Five Model, Digman, 1990). The main contribution of our research consists in presenting a methodology for the evaluation of the consistency between the identity, the image and the perceived personality of a district, which may be particularly useful for DMOs to design effective marketing strategies capable of attracting and retaining resources.

The chapter proceeds first by reviewing the conceptualization of local districts, in general, and identity, image and personality, in particular,