Chapter V

City Marketing Goes Mobile:
Use of Mobile Commerce Techniques
for City Marketing

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ABSTRACT

Mobile services have great potentials in different fields, so it is interesting to have a closer look of them, and about the way they can be used sensibly in the present; in the future for city marketing too. This chapter provides basic knowledge on mobile services, the presentation of restrictions, and opportunities of mobile devices, applications, and communication techniques, to help to understand what advantages mobile services have and for what they could be used for. The descriptions of present and possible mobile services and the three case studies inform the readers of the design of such services and help practitioners to design and implement their own successful mobile services for city marketing purposes.

CITY MARKETING AND THE MOBILE CHANNEL

City marketing is an emerging market everywhere as more and more cities market themselves to get a better reputation. People are getting overwhelmed by information, and cities have to prevail against each other so that enterprises settle there, people intend to live and work there, and tourists want to spend their holidays in that city and not in another. Consequently, cities have to take special positions and need special fields of attention to contrast with other cities. On the one hand the growth in city marketing originates from this competition between the cities and on the other hand also stems from the fact that local economy
and citizens expect factors like a high value of leisure and culture and the proximity of public administration.

As in a number of other contexts the use of mobile phones or other mobile devices is a very promising option to city marketers. By using these devices for their services, cities enter a more or less new field—they can make forecasts but there will be no guarantee for the acceptance of said services. Still, they have to compete with each other. If a city offers mobile services it will look innovative. In most countries the penetration of mobile devices is higher than the internet penetration and mobile devices are cheaper than computers. Thus, mobile services have a great chance to become a popular method to increase the benefit of city marketing.

We define mobile city marketing as any marketing activity in a city which involves the transmission of data via mobile communication techniques in conjunction with mobile devices to increase the attractiveness of the city for different target groups. As mobile devices we refer to mobile phones, smartphones, personal digital assistants (PDA), and—where appropriate—tablet PC.

With mobile services cities can provide information their stakeholders can retrieve at any place or time. Thus cities have a new opportunity to get in contact with their (potential) stakeholders. These measures regard the city, and its surroundings in the domains economic, habitation, shopping, infrastructure, transportation, spare time, environment and culture. While interaction based on the stationary Internet requires forward planning, mobile services enable its extension to the mobile situation where the customer either directly needs to assess information or is potentially very responsive to context-sensitive offers that are made to him. On the other hand, the opportunities of mobile devices in presentation, interaction and bandwidth for data transfer are very restricted (Turowski & Pousttchi, 2004, p. 61).

In this chapter we provide basic knowledge on mobile services and their use. Based on this we give an overview of present mobile services that could be or are already used for city marketing and their prospective chances. This will enable city marketers to generally assess the value of mobile services for their work, to have an overview over existing types of services and to understand the development of new applications for mobile city marketing.

The chapter is organized as follows: In section two we introduce the relevant types of mobile devices, applications and communication techniques in order to examine their potential for city marketing purposes. In section three we will examine existing mobile applications in the area of city marketing, beginning with an itemization of single applications and concluding with case studies of m-city projects in Tartu, Stockholm and Bregenz. In section four we will identify future trends and give an outlook. Section five will provide a conclusion with recommendations to city marketing practitioners about how to use the mobile channel.

**MOBILE SERVICES**

Mobile services add value in contrast to electronic or classic services. They can be used everywhere and anytime without temporal or spatial restrictions (ubiquity), the information can be adapted to the general preferences and even to the current location and situation of the particular user (context-sensitivity). Furthermore the user can be system-inherently identified through his telecommunication account over the network (identifying functions) and the mobile device can interact with and control other devices (command and control functions). (Turowski & Pousttchi, 2004, p. 157)

We do not want to explore the technical aspects in too much detail but we will provide background information on how the attributes of mobile services differ from other communication techniques and provide added values. As an example for proper use of the mobile channel, Koelmel and