

# **Solidified Branding Function: How the Urban Brand Affects a Small Town's Development? Case Study of Wangqingtu, Tianjin, China**

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## **1 ABSTRACT**

Chinese small towns are usually developed with single core industry, and the urban brand is the identity of a town that formed with the development of its industry. However, when the core industry representing its urban brand is facing a changing situation or market, will the brand be a motivation or a obstruction of the development of a town? The paper combined top-down and bottom-up research method to study the function of the urban brand in Wangqingtu town in Tianjin, China. We studied over 400 samples (including government staff and town citizens) to make questionnaire investigation about the town's branding. And we found that the solidified urban brand is a complicated emotional symbol for both government and citizens. The town has demand of exploring and developing new dominant industry, and it has the expectation to keep branding and upgrade its current core industry.

Keywords: Small town planning, Development, Urban brand, China, Tianjin

## **2 INTRODUCTION**

Cities and towns are closely related to branding. A city is able to form a brand, urban development procedure is to build a new brand (Gotham, 2007). Urban brand is the association image of the city or region (Landry, 2008), and can be regarded as the composition of developing strategy of city (Riza, Naciye, & Mukaddes) (Kavaratzis & Ashworth). It is not only a business card for the world to know a city, but also a most important characteristic for a city to attract industries and residents.

For small and medium-sized towns developing manufacturing as its leading industry, their city brands are usually locally produced products. The case site in this study, Wangqingtu in Tianjin, developed bicycle manufacturing as its leading industry. The town area is 54.76 km<sup>2</sup>, with nearly 50000 population. It is called Chinese NO.1 Bicycle Town, which has rapidly formed its own town brand and achieved rapid development with the help of the brand. However, in the process of development, due to the urban space rationing, brand building path and other reasons, after the changes of national and regional industrial strategy and market, the urban development is limited by the brand, so it is unable to carry out industrial transformation and upgrading.

This study analyzed the industrial data of Wangqingtu from 2011 to 2018, and randomly selected 530 samples and conducted a top-down and bottom-up combined questionnaire survey, to analyze and study the function of brand in urban development, so as to put forward relevant conclusions and suggestions.

## **3 DEVELOPING TRAP: BRAND SOLIFICATION IN WANGQINGTUO**

### **3.1 Branding tracks**

During the development of Wangqingtu, the pillar industry, bicycle manufacturing, formed the urban brand of the town. And the brand formation and development process are closely combined with the national industrial development and change. In 1966, Wangqingtu established the bicycle management centre and decided to develop bicycle industry. Then in 2004, 20 bicycle enterprises have obtained ISO9000 certification, and 10 of them have obtained import and export licenses and free import and export rights. In 2012, after the review of the expert group of China's bicycle industry, Wangqingtu has officially become "China bicycle industry base • Wangqingtu". And then in March 2013, the industry base was officially awarded the license and signed Chinese bicycle industry agreement. In July 2013, Wangqingtu took bicycle management center as the service carrier of enterprises and laid a solid foundation for the development of its distinct industries. In this period, there are a large number of small and medium-sized bicycle enterprises in Wangqingtu, but most of them are small or individual workshops. The emergence and development of these enterprises led to the development of Wangqingtu's economy. Wangqingtu quickly formed and solidified its urban brand and achieved development with the help of brand effect. But at the same time, these enterprises have played a destructive role in the environment and industrial quality.

From 2015, China proposes to change the mode of economic development, optimize the economic structure and promote high-quality development. China's manufacturing industry is becoming more and more high-end and innovative and paying more attention to the environment. Under this circumstance, the number of bicycle enterprises in Wangqingtu kept decreasing. In 2016, Wangqingtu has 740 bicycle and bicycle-related accessories enterprises. Then the town administered "Scattered, disorderly and dirty" and shut down 72 bicycle enterprises in 2017. In 2019, there are about 400 enterprises in the town.

### 3.2 Developing bottlenecks

In 2015, China gradually implemented the general strategy of manufacturing upgrading. In this period, under the condition that the production capacity of the bicycle industry is basically stable, the industrial output value of Wangqingtu fell precipitously in 2015 and failed to recover in 2017. The whole town shows the trend of large fluctuation of industrial output value and growth rate with the decrease of investment. The driving effect of urban brands is getting weaker.

On the one hand, it is due to the transformation of the national industrial manufacturing industry and the adjustment of industry structure, the country proposed to eliminate the inferior production capacity from the perspective of environmental protection and high-quality development. On the other hand, it is because local marketing campaigns are presented in the form of price campaign rather than product quality campaign. This directly led to the shut-down of most Wangqingtu's enterprises during the adjustment of industrial strategy and structure at the macro level. And urban brand lost competitiveness in the macro environment of high-quality development. Meanwhile, the external market advocates product campaign more. Only high-quality and innovative products can maintain their position in the market. Thus, Wangqingtu's urban brand influence is gradually replaced by other towns.

In this case, the production capacity and the market will show allometry presented by inconsistent growth and decline. After the solidification of urban brand in manufacturing cities and towns, external recognition of urban brand is decreasing, which leads to the city's or town's weak competitiveness. However, the cities and towns could not adjust the production capacity structure in time with the market changes, which led to consistent bicycle production capacity in Wangqingtu when the total industrial output value was halved. This reveals that there are inefficient and useless bicycle production capacity in Wangqingtu, which forms further development bottlenecks.

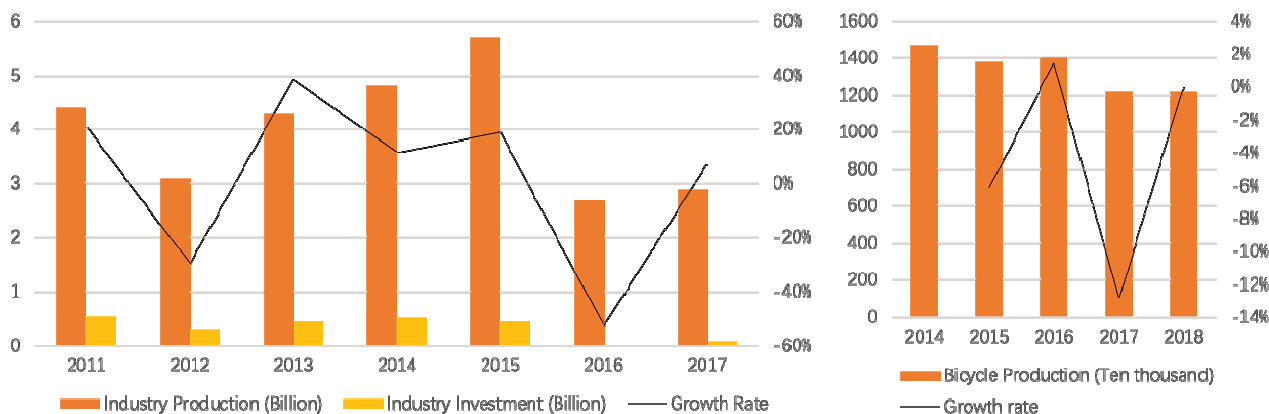


Fig. 1: Town industry development in recent years (left). Town bicycle industry development in recent years (right).

## 4 VISION OF CITIZENS AND GORVERNMENT

We randomly selected 500 villagers from 22 villages and streets in the town to conduct a questionnaire survey, and 465 valid questionnaires of residents were generated. And we selected 30 leaders and staff of the town government to conduct the same questionnaire survey, and generated 30 valid questionnaires.

As for the internal development power of cities and towns, we investigate from the cognition of insufficient development. The residents generally think that agriculture, bicycle and other manufacturing industries are underdeveloped. However, it can be found that there are occupational preferences in each profession and think that there is insufficient development in the industry they are engaged in, after we subdivided the

occupation. From the government's point of view, manufacturing is still the main shortage, but they think that the main reason is that other manufacturing industries are underdeveloped rather than bicycle industry.

But for the restriction of urban development, the cognition of both sides is consistent. Both sides agree that the most important constraint is the lack of policy support. The difference is that the collective cognition of residents shows that there are various problems and limitations in urban development, and these limitations generally show the characteristics of homogenization and distribution. But government officials believe that only policy, market and resource are constraints. However, the reason for agreement on policy support deficiencies is not only due to the adjustment of national policies, but also related to regional competition. The urban brand is not reflected in the improvement of industrial quality, so it formed a negative solidification. The external recognition of Wang qingtuo's brand is a low-end industry that has a negative impact on the environment, so it is unable to form an effective competitiveness at the regional level (Wuqing District, Tianjin) and strive for policy support. Totally, the government and residents have both seen the restrictions of solidified city brand on urban development, and are hoping to break through the influence of negative solidified effect, modify or even change the city brand.

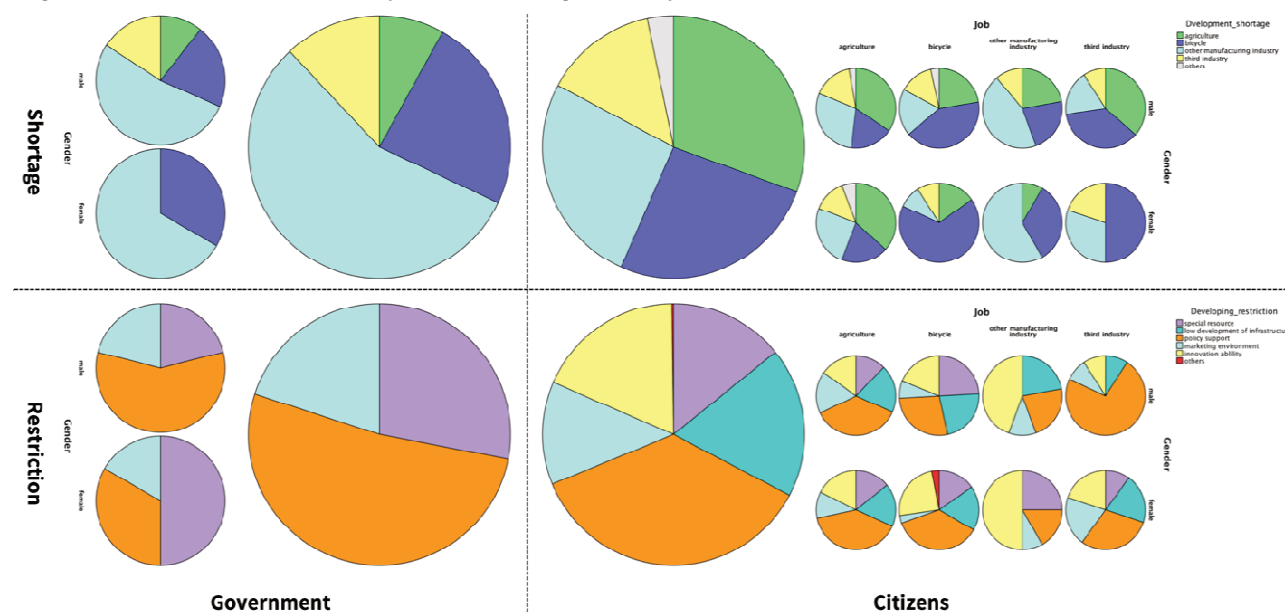


Fig. 2: Questionnaire results of development shortages and restrictions.

## 5 CONCLUSION

Overall, the brand image of small towns has similar features with their industry, that their industrial structure, development path and urban brand are easy to solidify. In the rise period of industry, urban brand will promote the rapid development of cities and towns and attract a large number of economic flow, flow of means of production and population flow. But when the industry develops slowly or even stagnates due to national/regional policy, market changes, management and other issues, the development of such towns will be affected by their solidified town brands and the brands will become a restrictive element of development.

Therefore, in the process of urban brand formation, cities should start from the industry that the brand relies on, to develop the upstream and downstream of the industrial chain. The upstream has the advantages of high barriers and high profits, and the downstream has the advantages of low barriers and diversification. By giving full play to the advantages of the whole industrial chain, promote the city brand to the outside. At the same time, avoid price competition within the town and enhance the industrial strength, to avoid overly singular city brands, which will limit and bottleneck urban development.

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## **7 FUNDING**

This work was supported by National Natural Science Foundation of China (Grant No. 51978447).