Place marketing as an approach to planning place growth strategies - The case of Sydney Darling Harbour

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Abstract. In the past three decades many cities and regions around the world have applied a marketing approach to place planning in an effort to attract development resources, now called “place marketing”. This paper offers a critical review of the evolution of place marketing, discusses reasons for the evolution and then investigates place marketing practices through the case of Sydney Darling Harbour. Although used in much earlier times, place marketing was mainly promotional, intuitive and random then. A more integrated and strategic implementation of place marketing has been evident in recent decades. Place marketing is considered to be both a consequence of, as well as a necessity for, increased competition between places for development resources. Darling Harbour is the starting point of a long-term and large-scale program of marketing the city of Sydney to its target markets - transnational corporations (TNCs) and tourists. Although the way in which it has been implemented is debatable, Darling Harbour is one of the most favoured attributes of the place product offered by Sydney to the target markets.

Keywords: Place marketing, city planning, place competition.

1. Globalisation, place competition and place marketing

When facing economic difficulties over the past decades, a large number of cities or regions (hereafter described as “places”) around the world have applied a marketing approach to planning to enhance their competitive capacity and to boost their local economies, in an effort to find a new way to grow (Kavaratzis, 2007). This approach is called “place marketing”. The place marketing approach implies that the place adopts a marketing philosophy to plan development strategies and applies marketing techniques and solutions: i) to identify its target markets (which can bring to the place development resources - such as desired investors, tourists and human resources) and; ii) then to create and market offerings, which the place believes that it may satisfy the target market’s needs in a better manner than other places can do (Ashworth and Voogd, 1990; Fretter, 1993; Kavaratzis, 2007; Kotler et al., 2002).

Place marketing is said to be both a consequence of, as well as a necessity for, increased competition between places for development resources. The concept of city marketing has gained increasing attention as a means of enhancing the competitiveness of cities (Paddison, 1993, cited in Short and Kim, 1998). “In the effort to respond to the demands of competition and to attract the desired target groups, place administrators have recognised in marketing theory and practice a valuable ally”
Some scholars point out that competition among places is not new. Cities have always existed within a market context of one sort or another, and they compete with others for resources, activities, residents and services (Ashworth and Voogd, 1990, p. 2). Many examples of marketing solutions (mainly promotional measures) which cities used in much earlier times are provided in Ward (1998). However, these early place marketing activities were intuitive and random (Kavaratzis, 2005; Ward, 1998), whereas a more focused, integrated and strategic implementation of place marketing has been evident in recent decades (Kotler et al. 2002). The reason given for this change is increased competition between places as a response to fundamental changes in markets, investment and technology, as a result of a common trend labelled “globalisation”, in which people, capital and companies have become more footloose (Kotler et al., 2002; Short and Kim, 1998).

In any stage of development, to maintain their economic position and to grow, places need to retain and develop resources. In earlier stages of development, retaining and developing resources could be supported to a greater degree by non-competitive factors such as protectionism, domestic market growth suitable for local industries, the dependence of enterprises on conditions in a particular country or region, and technical difficulties in investment and labour mobility. For some countries, such factors might have been so strong that international competition played a relatively weak role. However, while they are still relevant, the influence of these non-competitive factors has decreased during the progress of globalisation, as a result investment flows (enclosed by technology, managerial know-how, working capital and cultural factors) have become increasingly mobile. The strong flow of traditional industries from cities in developed economies to those in developing countries has been well documented, and has impacted on the growth of these developing cities.

One influential discussion of these issues is that of Ohmae (1995), who described these changes in terms of “the four I’s”, which are still relevant to date. The first is investment. Investment flows move across borders, with the cross-border flows driven by the quality of the investment opportunity: the investment will go to where the best opportunities are to be found. The second is industry. The strategies of modern multinational corporations are shaped and conditioned by the desire - and the need - to serve attractive markets wherever they exist, and to tap into attractive pools of resources wherever they sit. The movements of both investment and industry have been greatly facilitated by the third “I” - information technology. This technology makes it possible for a company to operate in various parts of the world, resulting in “the shrinkage in the space-time networks” (Short and Kim, 1998, p. 55).

Finally, individual consumers have also become more global in orientation. With better access to information about lifestyles around the globe, consumers are much less likely to want to buy American or French or Japanese products merely because of their national associations. They increasingly want the best and cheapest products, no matter where they come from (Ohmae, 1995). This opens more opportunities and pressures for investment and industry flows, by exposing more local markets to outside suppliers. The effects of these four factors have become stronger over time and are often referred to in many works (e.g. Kotler et al., 2002; Short and Kim, 1998).

These global trends open up opportunities for many different places, but it is a complex process to turn an opportunity into reality. In particular, the increased mobility of the factors, production and/or the need to relocate traditional manufacturing industries provide great opportunities for places in developing economies. But, although the pressure to move these industries to developing countries is strong, these flows will not of course come to all developing cities. As a rule, they will come to, and concentrate in, places where investors can maximize their benefits, i.e. to the places...
which are able to offer the best solution to investors. It is necessary to note that the best solution is that as perceived by the investors, not as seen by the place authorities. The opportunities will turn into reality only for the cities or regions that can provide a high quality solution to investors.

Post-industrial cities, despite being seriously impacted by this relocation of industries, have opportunities to build on the foundation created in the industrialization period to develop hi-tech industries, for both goods and services, which promise high value added. An advanced base of technique, science and education and a high level of management and organisation are advantages that post-industrial cities possess in developing high-tech industries. Although the potential of post-industrial cities to develop hi-tech goods and services industries is significant, these high technology industries will not come by themselves. To develop and then apply them, cities need resources (e.g.: investment and human capital) and right strategies. As in the case of developing cities, investment flows come to and concentrate on locations where investors can maximise their benefits. Moreover, the high-tech developments have a higher degree of locational flexibility, because they are more concerned with access to information than with closeness to traditional resources (such as coalfields or sources of power) (Short and Kim, 1998), although they have tended to cluster around high quality knowledge resources. But the situation in both developing and post-industrial cities in the face of globalisation is driven by the common rule: global investment and industry flows will go to where investors can get the greatest benefits.

With the more limited role of non-competitive factors, which prevents the mobility of investment, competition has become unavoidable and a major means for places to retain and/or obtain necessary resources. Thanks to globalisation progression, an increasing number of places/cities participate in this competition, and the movement of global factors can create the potential for even small places to take part in the competition (Kotler et al., 2002). It is now regularly the case that products that are made in small places in developing countries are penetrating supermarkets in the cities of Australia or of other industrialised countries. The participation of these small places in the world market means they are also participating in the competition between places. Although their names might not be widely known, thousands of such small competitors have drawn big investors away from developed economies, leaving gaps in employment and in the tax base in post-industrial cities. The shift of the former socialist economies from closed markets and centralized planning systems towards a market economy and to participation in global trade has made the competition among places even more intense.

In addition to the severity of this competition, a mounting number of cities in emerging economies are able to compete to attract resources for developing high-tech industries. For example, Intel has announced that it will open a wafer fabrication facility in China in 2010 to produce chipsets first, and then possibly other types of chips, after negotiating with the Chinese Government and also after getting U.S. government approval. The project, costing around US$2.5 billion for building the plant and located in the north eastern city of Dalian, is referred as a significant milestone for both the industry and China(1) (Barboza, 2007; Kanellos, 2007). Despite being limited by strict US regulations in putting cutting-edge chipmaking equipment into production overseas(2), Intel’s intention to move to

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(1) There are only seven other Intel wafer fabrication facilities like it in the world, mostly in western United States. The move could open the door to even more advanced chip technology moving into China (Barboza, 2007).

(2) The decision to concentrate on chipsets, rather than flash memory or processors, derives from U.S. regulations that prevent domestic companies from bringing cutting-edge chipmaking equipment to China. Generally, U.S. companies can only bring in so-called N-2 equipment, or equipment that’s two generations behind the most advanced contemporary standard (Kanellos, 2007).
China reflects China’s rise as the world second largest information technology market, likely to become the number one market by 2010. This process of setting-up a global network of production reveals the strong benefit-maximizing dynamic behind the moves of corporations and the great efforts of China and other countries to attract advanced technology design and manufacturing. Manufacturing this type of chip is not the most advanced technology, but a US$2.5 billion chip manufacturing plant is certainly attractive for both developing and post-industrial cities as well. The competition is, therefore, not only among developing places or among post-industrial cities but also between developing places and post-industrial cities, which has resulted in more aggressive and complex forms of competition. As a consequence of the increasingly wide-ranging and aggressive competition, a place marketing strategy for retaining and attracting footloose investment has become essential.

Such a strategy must meet two requirements. To attract investment, the place must provide strong offerings in terms of maximising the benefits to investors. At the same time, the strategy must deliver real development benefits to the place. This is the primary goal of the strategy. Satisfying the local benefits requirement is also necessary to meet the first requirement, because if the place cannot grow, it fails to guarantee conditions needed to maximise investor benefits. In order to achieve this goal - retaining and attracting investment through competition - place marketing can be considered as the means.

However, the allocation of the scarce investment resources of a place to create place products that maximise investor profits requires the adoption of a principle for allocating social resources in the light of market mechanisms. Assuming that the movement of the four global factors mentioned above, which drive the competitive process of resource allocation on the global scale, is an inevitable and long-term trend, pursuing such a new principle will become an important component of development strategies responding to that movement.

2. Place marketing practices: The case of Sydney Darling Harbour

The recent evolution of place marketing can be divided into two stages. The first stage started in the late 1970s with the participation of many post-industrial cities. Place marketing practices developed vigorously under the ideology of neo-liberalism, particularly post-Keynesian urban policies (Thatcherism and Reaganomics) in the USA, Europe and Australia, to deal with urban crises. The common paradigm of place marketing in this stage was to regenerate and expand inner city areas by boosting tourism and service industries (Gleeson and Low, 2000; Murphy and Watson, 1997; Taylor, 1998; Ward, 1998). There are remarks that “the use of tourism as a mechanism to regenerate urban areas through the creation of desirable middle-class leisure-tourism environments appears almost universal in Western society” (Hall, 1999). The centre of the place marketing strategy is the “promotion” of city images: a single city finds itself in a severe competition to create a more attractive “city image” than that of other cities. The attribute of the “entertainment” provided by a city is emphasised. One can see this emphasis in mottos or snappy slogans such as “Making Cities Fun” (Sydney) (Hall, 1999), “I New York” (then so much copied that it has become a formula: “I X”), “Glasgow’s Miles Better” (Glasgow Smiles Better), “A day out of this world” (Glasgow), “The Pride of Baltimore”, “Turning the Tide on Merseyside”, “The Big Heart of England” (Birmingham), and many of the like (many authors cited in Ward, 1998). Cities have made concerted efforts in foraging their assets (such as heritage, natural landscape and culture) to find a basis for creating attractions. Large amounts of money have been poured into promotional campaigns and projects to turn these assets into attractions, as well as to make new attractions (Hall, 1999; Philo and Kearns, 1993; Ward, 1998).

In recent years the second stage, of the place marketing approach has been applied by
various economies, including in cities in developing and transition countries. The progress of technology and investment flows has gradually laid a new development impetus: hi-tech industries. While city promotion is still employed intensively to boost the tourist industry, especially in cities that possess strong advantages for attracting tourists, place marketing is now also focused toward attracting resources for high value-added industries, such as hi-tech industries, financial and banking service industries, telecommunication services, high-tech based entertainment industries and real estate investment. This is a major development trend in post-industrial cities in developed countries, while the major trend in developing cities is that of receiving traditional technology industries transferred from advanced economies, although these two trends have recently become more mixed together. On the grounds of this new impetus, which allows cities to have more options, as well as the lessons of the previous stage, place marketing strategies in a number of cities have become more comprehensive and sophisticated. The place marketing approach is not only practiced as a means to solve the “urban crises” of post-industrial cities, but also has a place in the development model of many developing countries, given the role for place governance in the globalisation context. Actually, such a view was suggested earlier by some pioneer academics, and clearly has been employed in a variety of economies throughout Europe, America, Asia and Australia (Barke and Harrop, 1994; Fretter, 1993; Fulong and Jingxing, 2007; Gleeson and Low, 2000; Hospers, 2004; Kavaratzis, 2005; Kotler et al., 1999; Kotler et al., 2002; Lodge 2005; McGuirk 2005; Morgan, Pritchard and Pride, 2004; Murphy and Watson, 1997; Philo and Kearns, 1993; Ulaga, Sharma and Krishnan, 2002; Youcheng and Zheng, 2007; Young, 2005).

As a Western-style economy, Australian cities have experienced a range of problems in the post-industrial period since the late 1970s (generally later than the US and Europe). Australia lost several hundred thousand manufacturing jobs between 1971 and 1981 (Forster, 2004, p. 29), Australian cities entered a period of economic recession and restructure. The economic base changed fundamentally. Employment in the service sector – particularly in business, finance, and community services – grew rapidly but was not sufficient to fill the gap created by the decline of manufacturing. Unemployment rates rose sharply from two per cent or less in 1971 to 10 per cent or more in the early 1990s and many workers suffered a loss in real income (Forster, 2004, p. 55).

In the Australian context, cities have been shaped by three levels of government: federal, state and local. The federal government controls macro-policies such as immigration, industry protection and some large projects. Urban planning and development control are constitutionally the responsibility of the states (Forster, 2004; Gleeson and Low, 2000; Murphy and Watson, 1997; Searle and Bounds, 1999), i.e. place marketing activities in cities are mainly formulated and implemented by state governments. State governments faced challenges in the wake of the 1970s: how to reduce mounting unemployment and government debts due to the rapid decline in traditional industries, which meant that the cities were losing resources for growth. These difficulties placed state governments under a pressure to compete to retain and attract development resources (Gleeson and Low, 2000; Hall, 1999; McGuirk, 2005; Searle and Bounds, 1999). Meanwhile, as noted by Searle and Bounds, the Australian federal system itself created a climate for interstate competition for investment (Searle and Bounds, 1999). This interstate competition for investment has increasingly become central for state governments, underpinning state economies and jobs (Gleeson and Low, 2000; Murphy and Watson, 1997; Searle and Bounds, 1999).

Many publications cited in the works of McGuirk (2005) and Searle and Bounds (Searle and Bounds, 1999) provide evidence of the emergence, since the 1980s, of an “entrepreneurial city paradigm”, in which
governance and planning were recast to replace regulatory mechanisms with facilitative approaches for businesses, with state capacity being directed towards the coordination of private sector investment to secure a city’s repositioning. Place marketing in Australian cities has been implemented throughout the different state governance models since the 1980s: Managerialism (also known as “Corporate Management” - CM) during the 1980s, Corporate Liberalism (CL) during the 1990s and the current period of post-CL (Gleeson and Low 2000; McGuirk 2005). Place marketing activities started in the managerialism model and were strongly employed in the CL model, which might make one think that the place marketing approach is a product of these models, especially of the CL model. Consequently, some failures in place marketing activities and then the end of the CL period might raise questions about place marketing’s efficiency and whether it would continue to be used. However, the role of place marketing has not diminished, and place marketing has developed further in terms of both the scale and scope of its application. These claims will be illustrated in the case study of Sydney Darling Harbour below.

In the 1970s, New South Wales (NSW) was one of the first to develop a place marketing approach to emerging post-industrial issues in the capital, Sydney, with many initiatives in which the Darling Harbour Project was the earliest and perhaps the largest initiative.

Darling Harbour is situated next to Sydney’s traditional central business district. The locality extends from Chinatown, along both sides of Cockle Bay, to King Street Wharf on the east, and to the suburb of Pyrmont on the west.

During the 1980s, the state government of New South Wales (NSW) led by Neville Wran of the Australian Labour Party (ALP), had a vision of positioning Sydney as a world city, a centre for the new regional financial system and tourism. The Darling Harbour project was considered the first move in achieving this goal (Daly, 1987, cited in Gleeson and Low, 2000, p. 81). Before becoming a famous place, Darling Harbour had been an obsolescent waterside industrial area with no resident population. It was originally part of the commercial port of Sydney, including the Darling Harbour Railway Goods Yard.

Darling Harbour, which was designed to become a first class convention, exhibition, market and tourist centre, was a big change to the area. The first attempt was made in 1980, with plans to develop Darling Harbour as a site for an international expo held in 1988, but the plan was not supported by the then Federal Government (Liberal and National Parties - LNP). The next attempt was in 1983, following a victory of the Labour Party in the federal election. The Darling Harbour project, with a focus on tourism, was backed by the Federal Government for both political and economic reasons. Promoting tourism as a growing industry was an important point in the Federal Government’s agenda (Gleeson and Low, 2000, p. 81). As a result, the Darling Harbour development was intensively implemented, and the implementation process is summarized as follows.

a. Organisational pattern and costs

The Darling Harbour Authority was constituted under the Darling Harbour Authority Act 1984, (Act No. 103, 1984). The Act gave the Authority the legislative framework “to promote, encourage, facilitate and carry out the development of land within the Darling Harbour Development Area (known as Darling Harbour)” (2007). The area is comprised of about 50 ha of land and 12 ha of water. The Darling Harbour Authority Act, 1985 (Further Amendment Act) granted the Authority the right under “Scheduled Works” to install and operate the Monorail, which was to be constructed beyond the Darling Harbour area, connecting it to the centre of the city. These Acts provided the Authority with absolute planning controls, exempting them from the Environmental Planning and Assessment Acts and other Acts which control such issues as heritage conservation and the
height of buildings. The Authority had powers greater than those of the Sydney City Council and the State Planning Department (Gleeson and Low, 2000, p. 82; Hall 1999). The Authority’s powers were placed under the Minister’s control only in the manner that its acquisition, management and disposal of land as well as its other development activities were “in accordance with plans approved by the Minister on submission by the Authority” (2007). In return, the Authority was given an extremely tight timetable to complete the development. Detailed information of the project was not revealed to the public and no meaningful consultation with the wider community was conducted (Hall, 1999).

The Darling Harbour development was carried out by a public-private partnership. As announced in 1984, the public-private joint venture cost $1 billion, including the overhead monorail through Sydney’s CBD to bring people to the site and to a casino, costing $750 million, which was expected to be “the principal money-spinner for the government” (Gleeson and Low, 2000). But actually, according to the Darling Harbour Authority (1996), the NSW Government directly invested at least $950 million into the project and subsequent private sector investment totalled $1,431 million (Hall, 1999).

Laurie Brereton, the Minister responsible, also signed an agreement with the unions to ensure that the project was completed quickly, in time for the 1988 Bicentennial and, perhaps more importantly, for the election of the state government in 1987 (Gleeson and Low, 2000, p. 82).

b. Outcomes

The project was the subject of furious public objection and academic debate in terms of both cost efficiency and of the way in which it was undertaken (Gleeson and Low, 2000; Hall, 1999). The union troubles added pressures and obstacles to the project implementation. In fact, the idea of the casino was abandoned (but later revived), leaving $450 million in public sector costs. Premier Wran retired from politics for personal reasons. The Labour Party lost in the 1987 election to the Liberal-National Coalition and the Darling Harbour project was considered a major factor in that loss. The project was officially opened by the Queen for the Bicentennial in May 1988, but it was only half-finished (Gleeson and Low, 2000).

Darling Harbour can be seen as the starting point of a long-term and large program of marketing Sydney, which has been implemented by successive NSW governments. The way Darling Harbour was governed and undertaken follows the model of Managerialism (also as known as “Corporation Management” or CM) under the influence of neo-liberalism ideology with the state governments practicing measures to encourage private investment within a framework of market prices. Managerialism was applied in almost all states of Australia during the 1980s (Considine, 1990; Gleeson and Low, 2000). The place marketing approach started in this model when the economic welfare of cities and other regions became the focus of government agendas, and governments began taking the role as a key actor in building and promoting a place’s competitive image. The NSW government succeeding that of the ALP - the LNP Coalition (1988-1995) - continued the neo-liberalism ideology, but at a greater and more intensive level in the corporate liberalism model (CL).

Corporate liberalism assumes that the state, in response to trends in global business, needs to have a main function of creating the conditions for attracting investment, such as low taxes, financial stability and subsidies to business. Place marketing was enhanced in this period and was considered as a main objective of reforms. Gleeson and Low viewed that Corporate Liberalism is a combination of managerialism and the neo-liberalism ideology. Neo-liberalism developed into the dominant ideology of government during 1990s (Gleeson and Low, 2000).

For this content, planning tends to become place marketing. Private entrepreneurial ventures and public-private projects, which were supposed to improve the attractiveness of
the place through capital investment and to create entertainment facilities, were supported and subsidized by the governments (Gleeson and Low, 2000, pp. 73, 92-101; Hall, 1999; Searle and Bounds, 1999). The role of competition and market mechanisms was extended to cover many public areas in this period. Under corporate liberalism, public expenditures were cut back to critical and sensitive areas, such as school and hospital budgets. The managerial reforms in public governance were carried out in order “to create an institutional framework for government which resembles the market as closely as possible’ (Greiner, 1985) with an assumption that these reforms would cut down public expenditures and improve the city’s attractiveness to investors. Searle and Bounds remark about these reforms and their relation to place marketing as follows:

This change [from CM to CL] was driven by a perceived need for services and infrastructure to be provided as efficiently as possible to attract investment via lower charges, and to reduce government debt. This would retain the state’s AAA investment rating, almost essential to attracting international finance for its capital needs in the absence of adequate national saving in Australia and the global movement against higher taxes (Searle and Bounds 1999).

In such a model, Sydney was more strongly marketed to tourists and multinational corporations. In the work Surface City: Sydney at the Millennium, Murphy and Watson (1997) used the two headlines in the Sydney Morning Herald (SMH) (16 June 1994) as representatives of Sydney’s choice of target markets. The first was “Australia is as cheap as chips: just ask IBM’, which referred to IBM’s decision to set up a $30 million regional computer service centre. The second was the annual Gay and Lesbian Mardi Gras and the economic benefits from this event (Murphy and Watson, 1997, p. 37), which were estimated to generate $38 million additional private expenditure (Marsh and Greenfield, 1993, cited in Murphy and Watson, 1997).

In general, the NSW government’s strategy on marketing Sydney was directed at Sydney’s position as a financial, cultural and leisure city of global significance (Wirth and Freestone 2003). Its choice of target market can be illustrated by the above two events. The strategy assumed that Sydney’s economic future would be driven by TNCs and that international tourists had become dominant. Under this assumption, Sydney had to compete with other cities, both national and international, for investments and tourists. Attracting mobile flows of investment funds and to boost the tourism industry has been the NSW government’s mission, so that “government strategies to market the city have exploded” (Murphy and Watson, 1997, p. 37, 40). Particularly, Sydney was targeted to become home of TNCs’ global and regional headquarters. The functions of the headquarters office are to perform the TNCs’ command and control activities. To undertake this function, the headquarters needs to be assisted by a service system ranging from advanced services such as legal consultation, accounting, tax, computing, marketing research and marketing, to less demanding services like office cleaning, office security and data entry. The establishment of a number of headquarters offices would, therefore, create a business cluster of support services. The IBM regional computing service was expected to create initially 189 skilled jobs, but it was also expected to generate many more jobs in businesses servicing the corporation (Murphy and Watson, 1997, p. 50). Sydney’s growth, supposedly, was based on renting offices, expanding business support clusters and earning income from tourists.

To boost Sydney’s tourism, to attract corporate headquarters and to create Sydney’s image as a world entertainment city, the NSW government developed a series of projects involving facilities, amenities and marketing tools, as a basis for campaigns to market Sydney. This process was also expanded to Sydney’s suburbs with the projects leading to drastic
changes in the spatial and socio-economic structures of Sydney’s foreshore and bays, such as Eastern Creek Raceway and Bondi Beach. To date, Sydney’s image is coupled with images of beautiful beaches and a waterfront city. This is the effect of Sydney’s natural advantages as well as the outcomes of the NSW government’s programs started in prior decades which have regenerated foreshore areas and marketed them to the target markets. Although the way in which Darling Harbour has been implemented is debatable, Darling Harbour is one of the most favourite attributes of the place product offered by Sydney to its target markets.

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Áp dụng marketing địa phương trong việc hoạch định chiến lược phát triển địa phương - Nghiên cứu trường hợp Sydney Darling Harbour

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Tóm tắt. Trong ba thập kỷ qua, nhiều thành phố và khu vực trên thế giới đã áp dụng phương pháp tiếp cận marketing tới việc hoạch định địa phương nhằm thu hút các nguồn lực phát triển. Phương pháp tiếp cận này hiện nay được gọi là “marketing địa phương”(3). Bài viết này đánh giá tổng quan về sự tiến triển của marketing địa phương, thảo luận về lý do sự tiến triển và sau đó tiến hành nghiên cứu thực tế marketing địa phương thông qua trường hợp của Sydney Darling Harbour. Mặc dù được sử dụng từ rất sớm, nhưng marketing địa phương chủ yếu là quảng cáo, mang tính tự phát và không nhất. Các chúng cụ thể thực tế trong những thập kỷ gần đây cho thấy rõ ràng việc thực hiện marketing địa phương đã tập trung và mang tính chiến lược hơn. Marketing địa phương được coi là kết quả, vừa là sự cần thiết của sự cạnh tranh đang gia tăng giữa các địa phương và các nguồn lực phát triển. Darling Harbour là điểm khởi đầu của một chương trình marketing Sydney đại diện và quy mô lớn tới các thị trường mục tiêu của nó là các công ty xuyên quốc gia (TNCs) và khách du lịch. Mặc dù cách thức thực hiện gây ra nhiều tranh luận nhưng Darling Harbour đã là một trong những đặc tính được yêu thích của “sản phẩm địa phương” (place product) mà Sydney đã đưa ra cho thị trường mục tiêu của nó.

(3) Từ “địa phương” ở đây không có nghĩa đối lập với nghĩa “trung ương”, nó chỉ một khu vực lãnh thổ ở các cấp độ khác nhau như khu vực, quốc gia, tỉnh, thành phố, thậm chí bán, lãnh hay khu vực dân cư.