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THE CITY OF BERGEN. IMAGE AND MARKETING

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This paper presents a case study of city marketing with focus on a deliberate image construction. The analysis takes its point of departure in a theoretical discussion where both neoclassical and institutional economic viewpoints and the role of local political interests will be included in the context of active city marketing strategies. The empirical discussion will centre on an analysis of the collaboration of public and private interests during a process of strong industrial restructuring and where space was actively used as a measure in reorganising image and attracting new economic interests to the area. This is reflected both in development of new forms of transportation infrastructure and in land use. A special case in point, illustrating the optimistic undercurrent among the political elite was the application for status as Cultural City of Europe in the early 1990s. A short analysis why this move was bound to fail, when viewed in a broad context, will be the epilogue of the paper.

Key words: City Marketing, Image Construction, Industrial Restructuring, Collaboration, Bergen.

PART I THEME AND THEORY

Introduction

City marketing has attracted much attention during the last decade throughout the western world. The phenomenon can to a large extent be attributed to the changing dynamics of economic and social development within the western city system as a whole and particularly to inner city restructuring. This development path, clearly manifested during the 1980s, is documented in a series of books and articles from the late 1980s and early 1990s, among these DATAR (1989), CHESHIRE and HAY (1989), LEVER (1993). The essential strategic means resorted to is a sharpening of competition between the cities in the western world. This situation has been interpreted in various ways. As stated by HARVEY (1989), it reflects the post modernist capitalism's response to the new fragmented urban regional situation, being a mobilization by the ruling classes in industry and government "in order to wage geopolitical struggle in a world of uneven geographical development".

Selling of cities is nothing intrinsically new. According to PADDISON (1993) both promotion of places and the implementation of policies to attract new investment, including provision of sites for development and economic incentives, have existed for a long time. The situation in the 1980s, however, contributed to promoting a more systematic organisation and marketing process in the different fields of the urban context. The strategies adopted have been contingent on the particular problems of

the different cities. The need for exposure has been different in cities with an established positive image as background and in places with a more negative image and concomitant social problems.

City marketing as a concept and strategic device

According to ASHWORTH and VOOGD (1990) city marketing is a process whereby urban activities are related to the demand of targeted customers in order to maximize the social and economic functioning of the area in question in accordance with established goals. This type of marketing differs from conventional commodity sales in many respects, mainly on the supply side. The product being marketed is far less tangible and clear-cut than the products usually offered in the marketing process. It generally possesses a lot of characteristics, which are both physical, economic, social and cultural. This has led VAN DEN BERG to argue for a more holistic interpretation of city marketing, encompassing all kinds of societal welfare. This viewpoint also fits into the idea put forward by KOTLER (1986) of social marketing, creating of attitudes in order to enhance the consumer's and society's well-being. The latter idea makes up a meeting point between marketing and city planning, a point also emphasized by BORCHERT (1994). It means to put more emphasis on the city or city region as a spatial product that, it is hoped, will be demanded by different types of consumers whether residing inside or outside the boundaries of the area in question. This brings us to consider city marketing as a supply-demand function, where a close juxtaposition of both sides is needed if successful transactions are going to take place (BORCHERT op. cit.). The product must not only have a general appeal, but an appeal just to the buyers whom one is going to persuade to buy it. This presupposes, in order to be efficient, an analysis, however crude, both of the demand and the supply side of the equation. The city as a product (the supply side) has in this context a much wider connotation than most other products being marketed, ranging from heritage from the past to modern artefacts, economic and social organisation and environmental qualities.

In a marketing process the strategies for presenting and renewing the product will depend very much on the target groups on whom the city authorities will concentrate their effort. These groups are both extremely complex and overlapping. However, generally there is a segmented market to be taken care of and whose potential will have to be appreciated. Depending on the type of product(s) and thus the scope of marketing it, both a concentration and differentiation can be necessary. Simultaneously the marketing measures may be directed towards existing consumers whose demand it is of interest to reinforce, and new target groups among whom demand must be created.

With all these rather complicated structures as a background urban marketing, to be successful, needs a constant evaluation both of the product and its users. It is above all necessary to pay heed to changing demand and try to find out how broad

societal development influences both the specific demand in the industrial sectors and in the social, cultural domain. As crucial, however, is to analyse and assess the performance of the city itself in supplying these specific products. This is particularly important in the external marketing process in order for the city to position itself among its competitors. This brings us to another important concept, that of image and image-building.

The role of image in the city marketing process

Images are constructions perceived by people as impressions and ideas of commodities, services, organisations and the like. Image may also be constructed of geographical entities, notably places and accordingly, cities. These are more difficult to make, however, because of their many attributes. Such images may therefore easily develop into oversimplified stereotypes so that they, instead of being means of communicating the richness and complexity of experience and emotion, HOLMAN (1989), may become distorted cues, which are little helpful in decision making. Image making, by and large, is a communication process, dependent on a sender and a receiver, often through many channels before the message can be decoded by the receiver. Thus the original information sent may suffer much loss on the way.

Three kinds of place images are crucial in place marketing: entrepreneurial images, residential images and tourist images (ASHWORTH and VOOGD *op. cit.*). As important as segmenting the images, however, is realizing that there are clear links between them. The prospective entrepreneur will, as a rule, not only be interested in knowledge of the qualities of the locality for location of economic activities but is also curious of qualities of residence.

A positive portrayal of the socio-economic situation is common in most image making. False and distorting images may turn out to be counterproductive, however. This is particularly a risk to run in attempts at image remaking of places of which predominantly negative images are held. PADDISON (1993) has shown this for Glasgow, and MADSEN (1992) for Liverpool. In such an image revision-making there is a temptation to forget the realistic portrayal and resort to symbolic representations. Undue emphasis was thus put on the "dockland facelift" in Liverpool and on the cultural activities in Glasgow. Although there were some improvements in ratings, the efforts resulted, as contended by the authors in few lasting effects with only scant external investment.

The cultural image and its promotion

The particular cultural endowments of a place have been used for extending positive images, although not so explicitly, according to BORCHERT (*op. cit.*), in the marketing process. The meaning of culture in this context has not been unambiguous, however. KLAUSEN (1977) strongly emphasizes the need for

differentiating between culture as an aspect and as a sector, the former concept reflecting the values, norms, artefacts etc. of a collective, the latter the activities linked to art in the widest sense of the term, to conservation of heritage, whether tangible or non-tangible and to other non-material pursuits, notably folklore. In the Nordic countries both conceptions have been used for developmental purposes, in the 1970s by underlining culture as a goal in itself, as a means of enhancing personality development through participation, extending the concept from a reactive enjoyment of the fine arts to a more proactive production and consumption. Later the role has become more instrumental and sectoral, the importance of the activities lying in boosting economic development both as a prerequisite and through the multiplier effects of the activities themselves.

The importance of culture as a force in promoting industries has been disputed, however. Extensive investigations show no conclusive findings. LINDEBERG (1991) clearly argues for a positive relationship, as she claims culture to make up an important competitive factor. DEDEKAM (1992) although finding a concentration on cultural variables valuable per se, is very careful in inferring both social redistributive and economic impacts and multiplier effects in other industrial sectors. HANSEN (1993) emphasizes culture as an important condition for location of other activities, but is careful in using it as an argument for increased employment and wider economic effects. Its value is primarily social, in enhancing quality of life, creativity and a sense of esthetics, economic gains being largely unintended. In the same vein ARNESTAD (1993) concludes that direct investment in tangible production is more profitable for society in economic terms than cultural investments, which mainly are made for political purposes.

In spite of these vague and uncertain linkages both theoretically and empirically between place promotion and investment in culture, the fact that image builders in cities and regions so overtly use culture as an argument, necessitates us to include it as a variable when analysing marketing of cities. In an increasingly fierce climate of competition cultural uniqueness has also grown in importance. It is in this context that this variable will be included in the case study that follows.

Organisational aspects of city marketing

Marketing of cities is a professional activity in a modern society. As such it needs efficient and adequate organisation. Its role in changing socio-economic conditions of the entity simultaneously calls for transparency and accountability versus the people and interests who are affected. These considerations have frequently been neglected. The main objection to the Glasgow renewal during the late 1980s, as seen from the left (BOYLE and HUGHES 1991), was ignoring of interests of common people and enhancement of elite culture. Characteristic of many of the city promotion efforts during the last decade have, on the whole, been disentangled actions, often carried out by agencies and institutions with few linkages to each other. Special

interest groups have all too often operated in isolation with few linkages to central local political bodies. Originally an American legacy this development path has been transferred to Europe, falling on fertile ground under neo-liberal regimes. It is described by HARVEY (1985) as cross-class alliances, very much founded on common interest in enhancing already invested infrastructure by "boosting an upward spiral of perpetuated and sustained accumulation". As a countervailing force to unbounded decentralized entrepreneurialism URRY (1990) urges well planned and coherent locally based policies, serving both inner and outer markets efficiently, but at the same time being participatory (empowering the local population at large). This organising of sales promotion might be a public and private co-effort, integrating public planning and city marketing as underlined above. It would represent a conception theoretically in line with institutional more than conventional neoclassic market economics. With a good organisation and competence in marketing its promoters would still be able to reach interesting entrepreneurs and simultaneously prevent lopsided social development. In the case of the Bergen City and region marketing this is a valid proposition.

PART II THE CASE STUDY

The Bergen case of city marketing will be the theme of the remainder of the paper. It gives an example of a deliberate image making in order to boost a felt need for restructuring, but without reconstructing an ill-reputed image like in the cases of so many other western cities.

The background of city marketing. The Bergen region and its industrial transition.

The national and international legacy

Located on the middle of the West Coast of Norway, Bergen early rose to national and even international prominence under the prevailing technology and organisation of world trade. It functioned during the late Middle Ages and for more than a hundred years thereafter as the northernmost link in the commercial network of the Hanseatic League. As a visible reminder what is left of the old wharf is today a Unesco World Heritage.

Even after the withdrawal of the Hansa Bergen for a long time acted, through the organisation and networks which had been created, as Norway's most important gateway to the world. It was still a substantial commercial centre, outwards in international trade, inwards not primarily as a node for the subnational region, but as a continuation of an old tradition as a centre for the northern part of the country in the fish trade and in supplying consumer goods. Moreover, the Bergen area early developed as an industrial nucleus, particularly in textile manufacturing, where it became a national centre of gravity.

New transportation technology, new industrial organisation and administrative restructuring, has done away with much of Bergen's comparative *situational* advantages and made Oslo a more natural nucleus in the national context. Bergen's gateway functions were negatively affected by the transition from sea to air connections and her domestic trade advantages were eroded by the growing landward orientation in transportation. New administrative structures, especially decentralisation in the public sphere, further undermined the city's role. Finally new international division of labour and industrial organisation put an end to the advantages enjoyed in the main industrial sector, thus reducing the textile and clothing business to a mere trifle from the 1970s. Another heavy sector, shipbuilding, also drifted into trouble, although it was to some extent compensated by switching to functions linked to the petroleum activity (platforms, modules, machinery).

The problem of *situation* was also aggravated by constraints of *site*, which had been excellent under the old technology and the traditional industrial structure. The topography turned out to be hostile to firms requiring more space in a modern development process and particularly problematic for developing a modern communication infrastructure. Tunnel solutions helped to some extent, but soon created congestion problems in the central city. To this was added a political-administrative bottleneck. Only in 1972 was the city area enlarged and it took some time before the planning system could be coordinated in order to bring city development out of deadlock.

Still, the next twenty years were to bring about a veritable transformation process both in the industrial and spatial structure, the latter often a prerequisite for the former, as we shall presently see.

The recent restructuring process

The structural changes in employment 1980-1990 by main industrial groups is shown in Table 1. The illustrations clearly reflect the declining (sunset) industries as well as their counterparts, the growing (sunrise) activities. Decline in manufacturing is vividly demonstrated, signifying a veritable deindustrialisation. But relative losses are recorded also in the distributive trades (including transportation) and personal services. This is part of a rather general process in all industrial countries, being, however, as the figures show, rather accentuated in this case. The decade witnessed a rise in the vigorous producer services industrial group, supplemented with gains in an educational, research, health and petroleum service group. To this must be added a growing tourism. All these subsectors mark new growth clusters in the industrial structure.

By following the cluster of declining industries over time (manufacturing, commercial, transportation and personal services), we find that as late as 1970 about 60% of the workforce was engaged in these trades. This figure was reduced to 52% in 1980 and 43% in 1990 – signifying for most of the activities a loss even in absolute terms. The comparable cluster of growing activities (petroleum activities plus the advanced services and the tourist group) – shows quite an opposite trend – from a

mere 22% of the workforce in 1970 to 32% in 1980 and 41% in 1990. Thus the modern growth activities have today converged in relative strength with the traditional industries of the Bergen area.

Table 1 The workforce in the Bergen region by industries

	1980		1990	Change	
	Share of		Share of	of	
	total	Workforce	total	Workforce	
	Workforce	Workforce	Workforce	Workforce	
Oil extraction and mining	429	0,3	2662	1,8	+ 2233
Other primary	3160	2,3	2929	2,1	- 231
Manufacturing	25502	18,7	19166	13,0	- 6336
Whereof textiles clothing	3412	2,5	913	0,6	
Construction, gas, water supply	11682	8,5	12673	8,6	+ 991
Trade (wholesale & retail)	22391	16,4	23086	15,7	+ 695
Hotels and restaurants	3562	2,6	4870	3,3	+ 1308
Water transport	5101	3,7	3374	2,3	- 1727
Other transport, communic.	8979	6,5	9229	6,3	+ 250
Financing, insurance	2751	2,0	4090	2,8	+ 1339
Real estate and producer services	5623	4,1	10122	6,9	+ 4499
Public adm. and defense	10237	7,5	10451	7,1	+ 214
Education and research	11484	8,4	14441	9,8	+ 2957
Medical and social services	18684	13,7	23429	15,9	+ 4745
Cultural services	1360	1,0	1714	1,2	+ 354
Others (personal services)	5767	4,3	4711	3,2	- 1056
Total	136712	100,0	146947	100,0	10235

Source: NOS. Censuses

This change is marked by the growth of a series of subclusters, four of which should be emphasized:

1) Activities linked to the petroleum business, both in the production and service sphere.

2) Fish farming and related activities – a reflection of Norway's prominent position in salmon aquaculture, of which about 60% of the output and distribution is located in the Bergen region with spin-offs in biotechnical R & D and subdeliverers.

3) Financial and maritime pursuits – traditional sectors, which have been upgraded during the 1980s. The former sector, consisting originally of domestic activities went international during the late 1980s to be hit by a severe crisis on the threshold of the 1990s, from which it has not recuperated. Maritime activities have always been international in scope. In this sector manning of the fleet has clearly declined, whereas services linked to the industry have grown. Among these can be mentioned consultancy and brokerage activities which have expanded during the whole period.

4) Higher education, research, medical services, high tech and producer services have expanded particularly vigorously, some of them being linked to the above mentioned clusters. These activities are mainly affiliated with the Norwegian School of Economics and its research foundation, with the University of Bergen, the second largest Norwegian university, and the CMI research foundation. Of some interest is the establishment of a High Technology Centre with linkages to a science park.

The growth of these highly competent industries is also reflected in the boosting professional structure of the workforce, and the declining numbers of manual workers.

The scientific, professional and related workers and to a lesser extent administrative and managerial personnel have in reality increased more than total net growth of jobs. Even if the group is heterogeneous, most have an education beyond the primary level and a substantial number have attained a very high level. Thus during the 6 years from 1986-1992 the highest grade of university education grew by 1 percentage point in the labour force and the next highest level by 4,2 percentage points, while the lowest grade of education, (primary education only) suffered a decline, the share falling by 6,5 percentage points during the period to a mere 18%.

This development has brought the share of the labour force at university level up to more than 25%, second in relative frequency only to the Oslo region, very strongly linked to the clusters and industrial complexes which in the above paragraphs have been termed sunrise industries.

This restructuring process in its many details seems to have given the metropolitan region back some of its former vigour.

In the short analysis which follows we shall try to put this development into the context of deliberate promotion by the public authorities and other cooperating agencies, following as closely as possible the theoretical systematization outlined in part I.

Actors and forces behind the changes

Behind the structural changes which have been outlined above many forces have been at work, acting both singly and in concert. It is of course difficult to evaluate how much of the transition should be attributed to direct responses to the new

challenges by entrepreneurs, and how much is attributable to an effort by public and semipublic bodies and agencies in image building and sales promotion, to which also belongs development of needed infrastructure in traffic and communication systems and site preparation. The Bergen City region, as we now are familiar with the concept, was a very loose construct after the enlargement of the central city area in the early 1970s; only gradually was there an orientation towards an enlarged city region. The first decade was in reality a search process for a new role both in industrial development, in residential amenities and servicing of the new socio-economic structures. Two important foundations were laid in the outer region in this period, a supply and maintenance base for petroleum activities at Ågotnes and a refinery for North Sea oil at Mongstad, reinforcing the activities in subcluster 1, mentioned above (Figure 1). It would be premature to claim, however, that this immediately triggered off a strategy for the further development, including internal systematization of planning and outward directed promotional efforts in order to broaden the industrial structure. What in reality occurred was the start of a process of a series of measures, at times seemingly uncoordinated both in planning and implementation, but gradually better timed until a strategic industrial planning for the whole county emerged by the early 1990s, centering on the Bergen region as a spearhead of development (Figure 1).

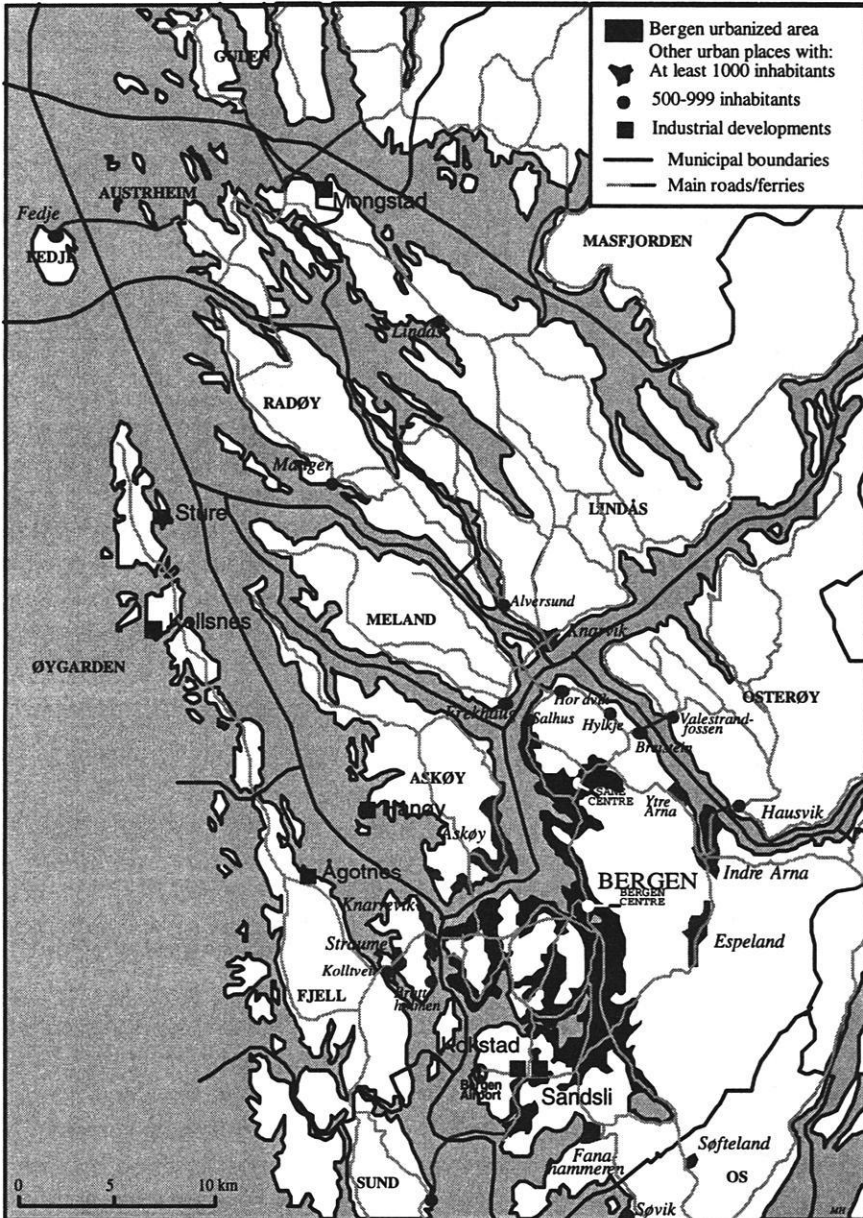
Basic conditions and infrastructure

These changing visions were reflected in physical planning, including zoning of industrial activities into appropriate areas near the airport and development of new infrastructure by tunneling and bridging the whole metropolitan region. Although being the responsibility of the state, the development of the traffic structures have actively been promoted by the City of Bergen by introducing the toll road ring, the first one in Norway for further investment purposes. In this way a basic coordination has occurred which has given the area a physical cohesion, which it formerly lacked and which frequently was an obstacle in the urban development process. Modern connections have been developed with all important sites within the Bergen municipality, and all the islands have been bridged into a well integrated system. This is in reality an outstanding example of actively manipulating space in modern city development process in order to facilitate both location and circulation, creating new basic conditions for further development purposes, also through a deliberate marketing process.

Images in the city marketing

On the background of the active use of space referred to above, the Bergen city (the inner town) and the Bergen region have been able to expose themselves as a coherent and functional area, entrenched in an historical legacy but with future

Figure 1 Built up areas, road and ferry networks in the Bergen region.
Brought up to date 1994



development prospects. This image-building has been promoted by many organisations, but mainly by the municipal authorities, who also in this case have

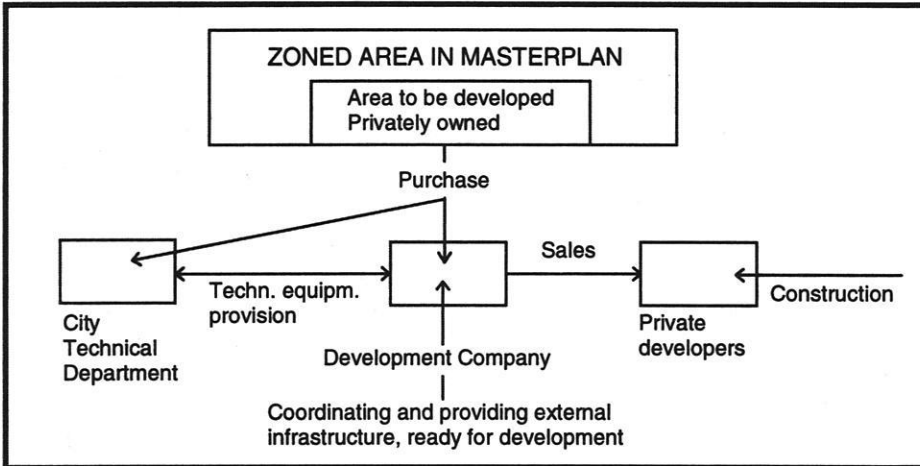
used space rather deliberately by depicting a historic city with a unique setting with accessibility by way of the sea right into the heart of the historic centre, which is surrounded by charming small scale neighbourhoods and a compact neoclassical rebuilt central part. To this picture of an historic and modern integrated city with a clear identity is added that of an increasingly environmentally clean central area, made possible by the new large scale traffic solutions on its tangents and by direct measures in the CBD, although reality does not quite correspond to the image. There are examples of extreme traffic overload in vulnerable city-near locations, even right into the heart of the city; suffice it to mention the area along the old Hanseatic Wharf. This environmental image is supplemented with that of a cultural city, strongly embedded and visible in the city core, a conditioned truth though, as, according to a recent investigation, ARNESTAD (1993 b), the share of cultural employment in the Bergen work force is the relatively lowest among the four largest Norwegian cities.

Finally the image is sought completed by portraying a modern, well-functioning city with a variegated industrial structure, reinforced by a close cooperation between research, development and industry in spite of a regional industrial structure which is heavy in primary industrial production and has a rather low degree of refinement. To this picture belongs the above mentioned availability of land, tailored to new development on a large scale on the outskirts of the city area and access to science park facilities near the centre of the city.

The marketing process

The image construction is consciously or unconsciously a link in selling the city as a modern economic and social entity. In the organisation of this development promotion both direct public and semi-public organisations as well as private interest organisations participate. It would take us too far to analyse contributions by all these bodies and the result of their work. What is important is to locate the most central agencies. The particular organisational model in the case of Bergen has been a combination of a strong politically accountable management, centred in the municipal council, its board, in sectoral implementing agencies and particularly bodies of implementation for development and marketing. Among these should be mentioned, The Bergen Site Development Company, the Bergen Inner City Renewal Corporation, the Chamber of Commerce and the Bergen Tourist Board. The development company is particularly crucial, as it should be considered the lengthened arm for the municipality's physical development. It is fully publicly owned but at the same time a free standing corporation with full economic responsibility and accountability. It is responsible both for acquiring land, coordinating its preparation for further development and in cooperation with the technical department of the municipality, for equipping it technically, and finally selling it at full cost, leaving it to buyers to construct the necessary buildings (Figure 2).

Figure 2 Actors in development and marketing of land, applied to Bergen city development



In this way the company differs markedly from development corporations elsewhere, notably in the US and Britain, where, as shown by LEWIS (1994) the public control is lax, transparency non-existent and participation by the final consumers minimal. As discussed in the theoretical part of the article above, the city marketing has also in this case been rather selective. It is mainly directed towards three target groups or sectors of consumers: entrepreneurs, residents and tourists.

Increasingly in cooperation with surrounding municipalities it has been a social goal not to forget the responsibility towards the residing population at the same time as attracting outside investment and residents into the city and region. Although some criticism has been voiced, particularly in the heyday of development of petrol related activities, it would be correct to conclude, that little of the criticism referred to in the theoretical part of inner city prestige projects at the expense of badly needed renewal programs, is applicable to the Bergen situation.

The entrepreneurial target group

Central in marketing of the city as a location of activities is the Development Company, to some extent supported by a revitalized Chamber of Commerce, both being organisations with competence in marketing. In an evaluation of development policies of main Norwegian cities the Bergen Company is emphasized as an adequate model for promoting development also in accordance with superior master plans (JENSEN 1992). This is due to a good management of land by long term strategic acquisition, thereby lowering prices and being able to time development in a better way. The flexibility this can offer developers is a clear competitive factor, demonstrated by the agreement reached with the largest national petroleum

companies in the 1980s. The companies located the coordination of their offshore activities, including consulting functions for the northern part of the North Sea, to the largest site development, Sandsli, near the airport (Figure 1). The companies would probably have located somewhere in the Bergen region anyhow, but the timing and the particular location offered undoubtedly triggered off the establishment also of other enterprises which otherwise might not have come to the area. Location of foreign companies has by and large been restricted to various engineering and consultancy companies, partly mediated by the Bergen High Technology Centre with spin-offs in marketing even to the United States. Finally, when adding a building site for platforms as a joint venture between the Bergen and the neighbouring Askøy municipality in the Hanøyarea, sold to large national construction companies, we are led to conclude that much of the industrial transformation of the city and the region, spatially clearly visible to-day (Figure 1), can be attributed to the deliberate activities of specially designed place marketing organisations.

The residential target group

There is a close connection between entrepreneurial activities, incoming investment and residential development. Key personnel moving to the area generally demand access to good residential properties. In a situation with outward directed acquisition there is therefore a danger of discrimination, which was an issue in the 1980s. However, by and large, development and marketing of properties have been targeted towards domestic buyers. In Bergen a division of labour has developed between the aforementioned Development Company and the Institute of Town Renewal, the former taking care of new suburban development, the latter of the renovation of the inner city. The development company has been rather proactive in the process, having tried to coordinate as far as possible, also spatially, the parallel industrial and residential development.

The inner city development has mainly been a facelift of the housing areas on the fringes of the CBD. Starting 15 years ago, a comprehensive planning and implementation process was initiated by cooperation between the municipality and the dwellers. The renewal was planned and implemented by blocks, taking care of both houses and outer areas. In case of sufficient resources, also through cheap loans from the State Housing Bank, this was largely done by participation from the dwellers themselves, otherwise by another city owned renovation company, the Institute of Town Renewal, later reorganised as the Bergen Inner City Renewal Corporation. This renewal process met with difficulties, as the first development company virtually went bankrupt. Liability has come to rest heavily on the municipality, also because of sluggish marketing of properties needing to change owners. However, the fact that about 6000 dwellings, more than 50% of the targeted total, have been renovated with relatively scant displacement of original dwellers, is a testimony of a revitalization without gentrification, and is, on the whole, a quite satisfactory result.

Tourism as a target sector

This is the third main area concentrated on in order to find customers to the heritage and the attractions of the city. These consumers make up a very heterogeneous group, mainly though participants in congresses and conferences and recreative tourists. The latter are both individual and group travellers. In the Bergen tradition tourists have largely been seaborne. However, regular line passenger traffic has been very much reduced over the last two decades or so. This decline has to some extent become compensated by airborne passengers, but mainly by cruise traffic, Bergen having become the main cruise port of northern Europe with a spectacular growth in the volume of traffic during the 1990s, from about 100 calls at the port in 1990 to 165 in 1994. Today, like in other Norwegian regions, the majority of tourists are travellers in private cars, increasingly in motor homes. Whereas the traditional group tourists, including cruise travellers, are predominantly recruited from overseas, the bulk from USA and Japan, the landward tourists mainly originate in Norway, the Nordic countries and on the European continent, notably in Germany.

Although tourist traffic is largely very income elastic, a fact which has tended to boost the activity, it is also price elastic, and particularly sensitive to changes in exchange rates. Moreover, conflict situations on the global and regional scale cause fluctuations, recruitment of American tourists being particularly vulnerable to this factor. Thus heavy requirement is put both on image-making and marketing in the modern development of tourism. The Bergen image does not make up an isolated product, but is advertised as the gateway to the fjords. Gradually this image is supplemented with culture, mainly but not exclusively a Bergen product. In the tourist business an interdependence is developed between producers, travel agencies, transport companies and operators. To these should be added the County Tourist Council and the Bergen Tourist Board, the latter being active for marketing purposes at international fairs, including a yearly cruise operator fair in the world centre of this traffic, Miami.

A systematic evaluation of the marketing efforts and their effects is still to be undertaken. It is only possible to indicate a connection between marketing measures and results by the spectacular growth in the traffic and its multiplier effects, mainly increased tax-free sales, which has taken place from the beginning of the 1990s, in a period of world wide recession, but which was preceded by a reorganisation of sales promotion. On this background prospects are good. Cruise traffic, for instance, which used to be an upper class phenomenon, has become democratized, the middle classes following in the footsteps of the former elites. Great interest is therefore linked to the possibility of making Bergen a turning point in the cruise traffic by flying in the passengers who would board the cruisers in the Bergen harbour. This would probably increase income through deliveries to the fleet without necessarily adding more negative environmental impacts by congesting already vulnerable sight points.

Bergen as The Cultural City of Europe

From the early 1990s the Bergen City Council came to advocate cultural development as an instrumental measure in city development. This was to be achieved within a wide context both by supporting decentralised popular cultural activities and the fine arts, the latter located mainly in the central parts of the city. This is the background of the idea of a European cultural city arrangement, which reflected both a strong self-consciousness and the perception by the authorities of a good investment for city marketing.

The Cultural City of Europe was conceived as an idea by the late Greek Minister of Culture, Melina MERCOURI. Adopted by the EU, this yearly arrangement was originally restricted to EU cities. The status has yearly been bequeathed on some European city with Athens as the first city in 1985. In 1992 the EU offered eligibility to non-EU members, thus making it possible for Bergen to apply for the status. The motivation of most of the cities having applied has been a prospect of attention and investment, also in non-cultural fields. This was also the argument of the Mayor of Bergen, when applying for this special status for 1998/99. The background and the argumentation for the application were the general historical legacy and the fact that Bergen always has been a window open to Europe and the World. The role as a cultural centre was underlined by the fact that Bergen in relation to its size possesses a high number of international relevant institutions and arenas. The hosting of the Bergen festival was also stressed as a positive factor besides the broad experience as a host of more specific international arrangements. As relevant in this context were emphasized coming events like The World Conference of Heritage Cities in 1995 and The Hanseatic Days in 1996.

The application was well composed and gave a broad qualitative presentation of the city and its amenities. When it never came to be considered by the EU, it was due to the fact that it was not forwarded by the Norwegian Government. The official argument was late arrival of the application. There are probably other reasons, however, one of these being Copenhagen's already conferred status for 1996 and the simultaneous application by Stockholm. The prime minister had challenged Sweden and won in the fight for the Olympic Contest, and by the time of the application a great deficit in the Olympic budget was still the headache of the Minister of Culture. A rather narrow definition of culture compared to that of the Copenhagen application (ANDERSEN & WICHMANN MATTHIESSEN 1994) might also have contributed to cooling the enthusiasm. Officially the application is not withdrawn, however, only laid to rest. It remains to be seen whether it will again be advanced. That would be no surprise. Bergen people are full of courage.

Concluding remarks

We have in this paper tried to show that marketing of cities as a modern form of city promotion takes on many forms. It seems that the most balanced strategies

presuppose a combination of public planning and – semipublic – private implementation. The role of participation by the different parties may vary, however, according to the products marketed. Tourist products would probably sell better by private organisations than by public agencies, whereas sales to entrepreneurs could be taken better care of through more public intervention. We have tried to analyse a case where the development model, also in marketing, and particularly when addressing industrial investors, has been an efficient one as far as the need for meeting the demand for flexibility and right timing is concerned. This has certainly been of great value for the Bergen city development in a process of profound restructuring. In theoretical terms organisation and practice comply more with an institutional than a neoclassical economic model.

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