

***How Do Cities Promote Online Their Investment Potential? Comparative Analysis of Investment Promotion Websites of Barcelona, Manchester, Wrocław, and Lublin***

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**Abstract**

Investment potential is one of the key assets of the city that are used to develop the local economy. Hence, cities compete against each other in a global market to attract investments. They use many sophisticated marketing tools, both offline and online. However, currently, the influence of the Internet channels of communication, including social media, on everyday life and work is bigger and bigger. Accordingly, the online sources of information about the city play a very important role in the decision-making process regarding choosing the proper location for the investment. Therefore, the inward investment promotion websites of four leading European cities concerning the foreign direct investment strategy (fDi Magazine: European Cities and Regions of the Future 2016/17): Barcelona, Manchester, Wrocław, and Lublin, were analysed comparatively using modified Website Attributive Evaluation System. The purpose of the research was to identify common features of these websites and to indicate the crucial information that must be communicated towards potential investors and business analysts to draw their attention, thereby increase the chance of the city to be chosen as the investment location. The analysis showed that all four cities' websites are, apart from the significant differences in graphic layout, very similar concerning presented content. Moreover, the comparative approach to communication with investors is clearly visible. Assuming the cities' expertise in investor service, proven by the highest positions in the strategy for attracting investors rankings, it indicates that it could be possible to design perfectly transferable scheme of the city's inward investment promotion website.

Keywords: place branding, city marketing, investment marketing, investment potential, website, business

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## **Introduction**

In the 21<sup>st</sup> century, global economy's development is driven by the cities, which are the centres of cultural and social life, tourism, and entrepreneurship. Apart from the locations which merely base on tourist assets, the main fundamental of local growth is business potential. Cities are dependent on investments, both domestic and foreign firms. Globalised world demand from them to compete against each other to convince the most progressive companies to locate right there and to acquire the most prominent investments. To achieve these goals, cities promote their investment potential both offline and online.

This paper aims to answer the question how do cities promote online their investment potential. The primary tools of online city marketing – inward investment promotion websites – of four leading European cities concerning the foreign direct investment strategy: Barcelona, Manchester, Wrocław, and Lublin (fDi Magazine, 2016) were analysed comparatively. The reason was to indicate the elements that compose the model site and to point out crucial information that must be communicated towards potential investors and business analysts. The method used was based on the Website Attributive Evaluation System, which was adjusted to this kind of business promotion sites. The main idea was to check if it is possible to design perfectly transferable model of the city's inward investment promotion websites by the current best practices, or the ways of promoting city's investment potential are entirely different.

## **Importance of the online promotion tools**

Competition between cities to gain investment is constantly increasing. Both domestic and foreign investment have a substantial impact on an urban economy. Hence, they are one of the most crucial factors of future development of the city. Therefore, the more high-quality investments are located in the city, the faster city's budget grows and the quality of life increases. As the global economy is becoming more open, with less interrupted capital and trade flow, cities' role in the modern economy is rapidly growing. One of the greatest examples of this phenomenon is the position of cities in the European Union and precisely in the Single European Market (Metaxas, 2010). With rather similar economic conditions of the countries in the EU and with particular financial incentives limited by the European Union law, the business offer created by the urban regions is often the most important factor that provides the added value that is decisive in the investment process. Cities form their business offers by having influence over local taxes, infrastructure, industrial estates and offices development, quality of life, and overall attractiveness of the city. On that account, the real competition during the process of investment location choice is between the offers provided by the cities, and so it requires certain forms of investment promotion of the city to have its candidacy included in the investor's location shortlist.

The rapid development of information and communications technology allowed cities to promote their business offer in many new ways using sophisticated Internet tools (Makombe & Kachwamba, 2011). It is eminently important in the times of broad access to the Internet and the diffusion of mobile communication devices. The time spent online is notably longer each year. Now, the knowledge of the city's economic situation and its advantages and disadvantages is available regardless of place and time for anyone who needs to get it. It means that the cities' investment promotion is

not limited only to personal selling during trade fairs and exhibitions, conferences, and bilateral meetings with the representatives of companies, and to advertising using traditional outdoor promotion or publishing printed point of sales materials (Wells & Wint, 2000). Hence, cities have a possibility to use online promotion tools, ex. websites, blogs, social media presence, or banner ads, for providing information to their target groups: entrepreneurs, business analysts, or representatives of trade organisations (Lozada & Kritz, 2007). It allows them to reach with information their target groups' members faster than their market competitors and finally to acquire the investment.

## **How do cities promote online their investment potential?**

### ***Tools of promotion***

To point out the tools of online promotion used by cities to promote their investment potential and then to analyse comparatively inward investment promotion websites, I chose four leading European cities concerning the foreign direct investment (FDI) strategy, assuming that one of the factors of their success in terms of FDI is very efficient city marketing. According to the fDi Magazine (2016) European Cities & Regions of the Future 2016/2017, the best FDI strategy among major European cities has Barcelona, Spain; in the category of large European cities Manchester, UK, is in the lead; Wrocław, Poland, has the best FDI strategy of mid-sized European cities; and from the small European cities I chose Lublin, Poland, placed 3rd, because this is the city I live and work in and so I had started my research on the inward investment promotion of the cities with the case of Lublin.

According to these four cases, the tools of city online investment promotion can be divided into two groups regarding interactivity, interoperability, and the possibility for the active viewing of the content, which is exactly the Web 1.0 and Web 2.0 division. However, the basis of all online promotional activities is always the inward investment promotion website which provides all necessary information about the city's business offer. All remaining tools are embedded in the information and visual system of the website. These are Web 1.0 ones that limit the addressees to the passive viewing of content: newsletters, downloadable documents and reports, online document repositories, infographics, animations, and videos. On the contrary, Web 2.0 tools are interactive and allow two-way communication with the target of promotional messages (Florek, 2011). These are all social media platforms that are used by the cities in their investment marketing: LinkedIn and Twitter, which are the most important for business audiences, and Facebook, YouTube and SlideShare. They support sharing economic information about the city a lot more efficiently than Web 1.0 tools and, what is more, encourage the representatives of the target groups to react on all those information immediately, which provides very significant feedback to the marketer.

### ***Website Attributive Evaluation System***

In order to analyse comparatively inward investment websites of Barcelona, Manchester, Wrocław, and Lublin, the qualitative method of evaluating both technical and substantive elements of the websites. Hence, I based it on Website Attributive Evaluation System (WAES). WAES was developed by the Cyberspace Policy

Research Group (CyPRG) of University of Arizona and George Mason University in 1997 and was used to evaluate national-level public agency websites (La Porte et al., 2001).

WAES is a highly formalised evaluation instrument that uses simple binary criteria to build a nuanced picture of an organisation's transparency and interactivity in Web operations (CyPRG, 2012, Jan 29). Transparency and interactivity are measured by examining a website in terms of five clusters of attributes comprised of 45 specific criteria about web operation structure and functioning. Despite it is 20 years since WAES has been developed, it is not obsolete, and it is still used to evaluate both public and non-governmental organisations' websites (Marjak 2008; Porębski, 2011).

### **Modified WAES**

Table 1: Modified Website Attributive Evaluation System

<b>Modified Website Attributive Evaluation System</b>		
<b>Category</b>	<b>Criterion</b>	<b>Scoring</b>
<b>Informational Content</b>	A1: agglomeration profile	Marked by 0 or 1.
	<b>A2: business environment</b>	Marked by 0 or 2.
	A3: transportation and access	Marked by 0 or 1.
	A4: quality of life/social environment	Marked by 0 or 1.
	A5: labour market	Marked by 0 or 1.
	A6: innovation and R&D potential	Marked by 0 or 1.
	A7: financial incentives	Marked by 0 or 1.
	<b>A8: investment opportunities</b>	Marked by 0 or 2.
	A9: administrative processes	Marked by 0 or 1.
	A10: strategic plans	Marked by 0 or 1.
	A11: country profile	Marked by 0 or 1.
	A12: comparison with other cities	Marked by 0 or 1.
	A13: testimonials	Marked by 0 or 1.
	A14: general info (news, events)	Marked by 0 or 1.
	A15: secondary resources	Marked by 0 or 1.
<b>Agency information</b>	B1: identity	Marked by 0 or 1.
	B2: contact information	Marked by 0 or 1.
	<b>B3: personal contacts</b>	Marked by 0 or 2.
	B4: corporate roles and support	Marked by 0 or 1.
	B5: social media presence	Marked by 0 or 1.
<b>Content Quality</b>	<b>C1: clarity of purpose</b>	Marked by 0 or 2.
	<b>C2: credibility of information</b>	Marked by 0 or 2.
	<b>C3: currency of information</b>	Marked by 0 or 2.
	C4: use of graphics	Marked by 0 or 1.
	C5: multilanguage	Marked by 0 or 1.
<b>User interaction</b>	D1: newsletter	Marked by 0 or 1.
	D2: Facebook	Marked by 0 or 1.
	<b>D3: LinkedIn</b>	Marked by 0 or 2.
	D4: Twitter	Marked by 0 or 1.
	D5: document and video hosting services	Marked by 0 or 1.
<b>Technical</b>	<b>E1: Responsive Web Design</b>	Marked by 0 or 2.
	<b>E2: navigation ease</b>	Marked by 0 or 2.
	E3: reading ease	Marked by 0 or 1.
	E4: web prominence	Marked by 0 or 1.

	E5: two-way communication	Marked by 0 or 1.
	E6: search engine	Marked by 0 or 1.
	<b>E7: downloads</b>	Marked by 0 or 2.
	E8: disability access	Marked by 0 or 1.
	E9: no add-ons	Marked by 0 or 1.
	E10: no errors	Marked by 0 or 1.

The method of comparative analysis of inward investment promotion websites is based on WAES by sharing its basic features: simplicity of binary criteria, division into categories of criteria, and objectivity, but the categories and criteria are adjusted to the specificity of this kind of sites. It is comprised of 40 specific criteria in five categories. The first category is Informational Content, and it describes the information about the business offer of the city provided to the target audiences in 15 selected criteria based on literature (Grieg-Gran & Edlund, 2008; Ilie, 2015; Kimelberg & Williams, 2015; Lataj, 2011) and personal experience. Next category is Agency Information, and its five criteria indicate if the agency responsible for the site is transparent, shares contact information, and actively communicates with its stakeholders. The third category, Content Quality, includes five criteria assessing the quality of the information provided in the prior two categories. The penultimate is User Interaction, which in five criteria indicates the most important elements that allow two-way communication with users of the website. The last one comprises ten technical elements that are the most important for well-designed, modern website.

The main difference between original and modified WAES is the Major Criteria concept. These are ten most crucial factors of success of the inward investment promotion website. To distinguish them from the others, they have doubled weighting. 'A2: business environment' and 'A8: investment opportunities' deliver information about the most prosperous economic sectors in the city and describe potential convenient ways of investment there. 'B3: personal contacts' allows the website's user to communicate with the person in the agency responsible for serving the specific inquiry directly. Three criteria from the Content Quality category are crucial for credibility and image of the whole website and, therefore, the agency itself. 'D3: LinkedIn' indicates the need of using social media and especially LinkedIn, which is considered as the most business social media platform nowadays. The last three technical major criteria are 'E1: Responsive Web Design', which is essential for mobile internet devices, 'E2: navigation ease' that is the most important factor of user experience, and 'E7: downloads' which allow the user to use provided information in forms of reports, infographics, data sheets, etc. also being offline. Concluding, website evaluated using Modified WAES can get maximum 50 points.

## **Comparative analysis of investment promotion websites of Barcelona, Manchester, Wrocław, and Lublin**

### ***Investment promotion website of Barcelona***

Barcelona is considered as the leading European city regarding FDI strategy. However, its inward investment promotion website is not the best example of its kind. The biggest problem of Barcelona is very difficult navigation that actually guides user through three different sites:

meet.barcelona.cat/en/doing-business, w42.bcn.cat/web/en/, and

empresa.barcelonactiva.cat/empresa/en/. In spite of using so many pages, the amount of information presented is low and it is not always up to date. The site neither informs about investment opportunities, nor shares personal contacts of the agency's team members. Moreover, it is not responsive, so it hinders any access from mobile devices. Last but not least, Barcelona does not communicate any general business activities that take place in the city. Hence, Barcelona got a 31 score and just 10 out of 20 regarding Major Criteria. However, it is worth mentioning that the site includes very detailed secondary resources: key sectors folders and splendid 'Welcome to Barcelona' guide.

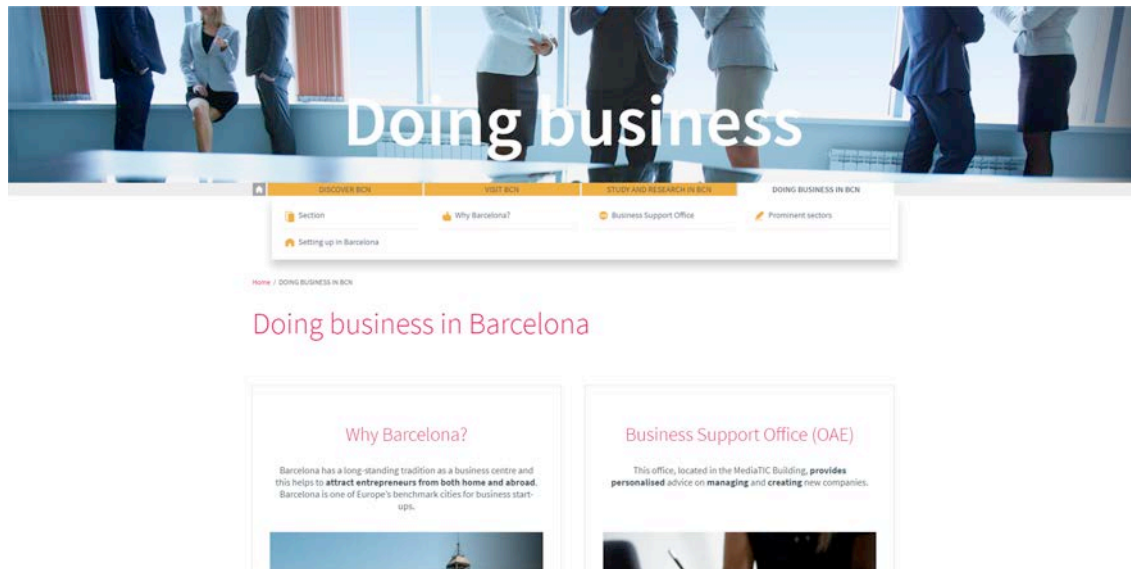


Figure 1: Website meet.barcelona.cat/en/doing-business

### ***Investment promotion website of Manchester***

Manchester's website is the newest of the four analysed ones, which is visible on the scorecard. It got 40 points and 18 out of 20 concerning Major Criteria – it lost two points on 'B3: personal contacts' criterion. Concluding, it is very well-designed modern, fully responsive website with excellent content quality, rich database of available properties and full business social media support. By the time of analysis, the site appeared to be still under construction, because popular among other sites, image-building 'testimonials' section was still empty.

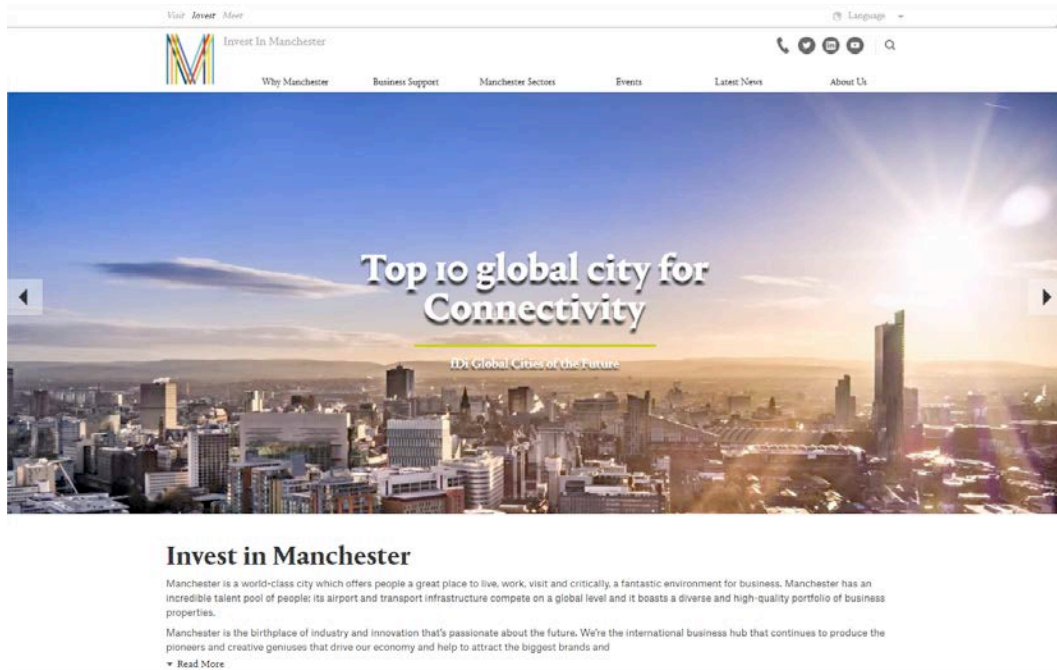


Figure 2: Website investinmanchester.com

### ***Investment promotion website of Wrocław***

Wrocław, the city in southwestern Poland, is one of the most rapidly developing cities in Poland and the European Union, thanks to its long-term FDI strategy. Its inward investment website is a large project of the municipal investment agency and JP Weber consulting firm. It results with the abundance of data presented on the website, but sometimes it is outdated. What is unusual, the site provides a very rich database of potential investment locations both with available suppliers. A characteristic feature of the website is that the general info from the city – news, events, and publications – covers most of the main page. According to the score, Wrocław achieved 38 points and 14 points from Major Criteria. The site is not responsive, does not provide personal contact information, and the data is not up-to-date, but these drawbacks were over-compensated with the complexity of information.

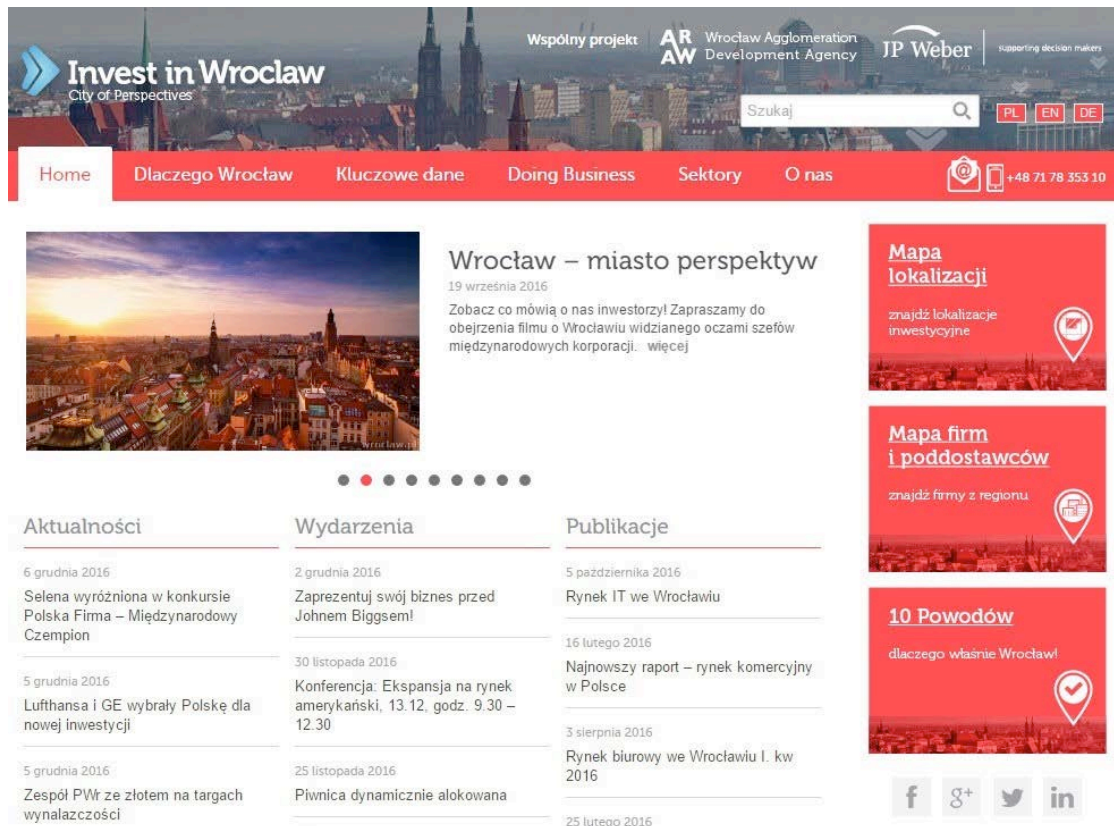


Figure 3: Website investinwroclaw.pl

### ***Investment promotion website of Lublin***

The site of Lublin – [invest-in-lublin.com](http://invest-in-lublin.com) – is significantly visually different from the other three analysed sites. It has fully responsive block design, which works perfectly both on desktops and on mobile devices like smartphones and tablets. What is more, it does not have general agency contact info provided, but it is the only site that shows the list of staff dedicated to the attraction of investments and ways to communicate with them directly, which was considered as best practice by Lataj (2011, p. 74) and Ilie (2015, p. 19). Moreover, Lublin puts a strong emphasis on social media user acquisition from LinkedIn, SlideShare and Twitter. Hence, it scored 20 points in Major Criteria category, and overall it got 38 points, because of points losses for lack of on-site search engine, different language versions, and no general contact information, which was standard for the previous sites.



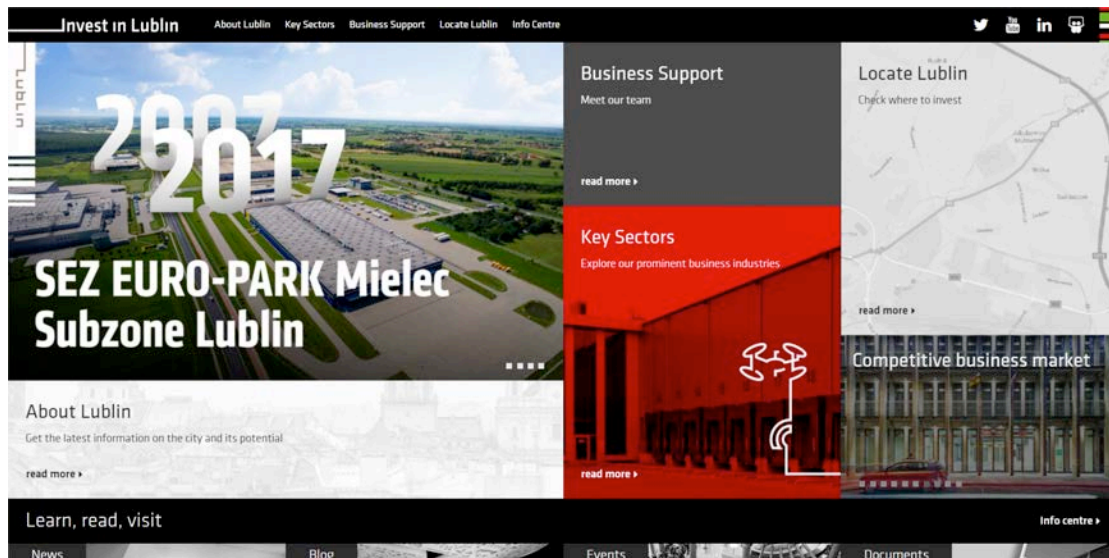


Figure 4: Website invest-in-lublin.com

### Comparison of the four websites

Table 2: Website comparison

Category	Score	Barcelona	Manchester	Wroclaw	Lublin
Informational Content [A]	max 17	8	12	14	12
Agency Information [B]	max 6	4	4	4	5
Content Quality [C]	max 8	6	8	6	7
User Interaction [D]	max 6	5	4	5	4
Technical [E]	max 13	8	12	9	10
<b>Major Criteria:</b>	<b>max 20</b>	10	18	14	20
<b>Total score:</b>	<b>max 50</b>	31	40	38	38

The results of comparative analysis of four inward investment websites are presented in Table 2. The site of Manchester achieved the highest overall score, and Lublin got the best results as the sum of Major Criteria points. However, the differences between the sites were not significant – there are a lot of similarities. They all provide very similar information categories about the city – they always consist of agglomeration profile, business environment, transportation and access, quality of life, and innovation and R&D potential. All sites use downloadable secondary information resources. On the other hand, they do not inform about the country profile, strategic plans, or they do not compare themselves with other cities. In the category of ‘Agency Information’, the only difference is the approach to personal contacts. All analysed websites have clear inward investment attraction purpose and provide credible information. The primary language is always English – for Lublin, it is even the only language used. All cities use social media services to interact with the representatives of their target groups. Only Wroclaw uses Facebook for business communication, and only Barcelona uses the newsletter, which appears to be an obsolete tool of promotion now. Slightly more differences are in the technical category, where only two sites

scored in the criterion of Responsive Web Design: Manchester and Lublin. Also, just two of them uses on-site dynamic scripts allowing two-way communication. Finally, the analysis has diagnosed one general problem. The cities forget about disabled people in their online investment promotion. None of the sites is using even very simple disabled-friendly mechanisms like colour or text size adjusting.

### ***Optimal model of the city's inward investment promotion website***

The analysis has shown that there is a particular design of inward investment promotion website of a city. It consists of certain elements that exist on each of the analysed websites of the leading European cities regarding FDI strategy. On the basis of the analysis, it is possible to design an optimal model of this kind of website.

The model of city's inward investment promotion website should comprise information about agglomeration profile, business environment, transportation and access, quality of life, innovation and R&D potential, labour market, financial incentives, and investment opportunities. The agency responsible for investment promotion should be easy to identify and provide information about the corporate roles and support for possible investors and the staff with all necessary personal contact data. Moreover, it should be present in especially business social media – LinkedIn, Twitter – integrated into one system with the website. The content should be credible and up-to-date, graphics should be relevant, and the purpose of the site should be clear and focused on business needs. The primary operation language used on site must be English. According to the technical requirements, the model website should be easy to navigate and use thanks to Responsive Web Design, to find by search engines, and to read by using regular fonts. It should offer downloadable secondary materials and access for disabled users. Finally, the site must be add-on free and error free. This design will allow every city to build its own inward investment promotion website that answers the business needs and will help the city with all modern investment marketing activities.

### **Conclusion**

Cities use online marketing tools to promote online their investment potential. The main form of this promotional activity is special investment promotion website supported by business social media presence and on-site downloadable materials. This kind of website consists of certain parts that are common to all cities. According to the four analysed websites, the most crucial information that must be communicated towards potential investors and business analysts includes agglomeration profile, business environment, transportation and access, quality of life, innovation and R&D potential, and the agency's business support.

The method used in the study to analyse comparatively the websites – modified WAES – may become a useful tool to evaluate their quality and structure. However, the criteria applied in the method should be confronted with prospective research of the importance of business location factors and the effectiveness of city investment marketing.

All compared websites have many common features in every analysed category. There is an evident similarity in the approach to building structure and content of investment promotion website. Assuming the cities' expertise in investor service,

proven by the highest positions in the strategy for attracting investors rankings, it indicates that it could be possible to design perfectly transferable scheme of the city's inward investment promotion website. On the other hand, the small research sample consisting of only four websites indicates the need to broaden the research to achieve more accurate results in designing an optimal model of the site.

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