"Urban Revitalization and Town Centre Management: the Role of Stakeholders"

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1. Introduction

Despite the importance of retailing for urban economy has been widely recognized and relevant studies conceptualize the application of marketing concepts and techniques to town and cities (Asworth and Voogd, 1990; Kotler, Haider and Rein, 1993), the promotion of urban places as retail destinations has been somewhat neglected by both marketing practitioners and academic researchers (Stubbs et alii, 2002; Hogg et alii, 2001). Over the last years, the marketing of these locations has largely focused on the attraction of inward investment and tourism revenues (Warnaby, Davis, 1996), while rather less effort has been put into "cultivating consumer services", especially retailing (Williams, 1996).

However, as suggested by Warnaby and Davis (1996, pag. 204) actually "it could be argued that the climate has never been more favourable to the promotion of urban centres as foci for retail activities". In the last fiftheen years many EU countries have seen the shift of retail development away from the traditional shopping areas in town and city centres toward out-of-town retail locations. As a consequence, a growing number of urban centres, especially those with relatively weak retail provision, have experienced some negative impact on their retail sales, which have led to significant concerns about their "vitality and viability". More recent studies indicate the consistent difficulties imposed by the competitive effects of sustained retail decentralisation, particularly amongst the small and medium centres (Thomas, Bromley, 2002, pp. 794-795). In the UK, where the process of decentralization has been going on since the 1970s, responses to these concerns have taken on a

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number of forms, ranging from central government action through town centre loyalty. Of these responses, the most powerful has been the development of Town Centre Management (TCM) schemes. One of the most common definition of Town Centre Management is "the effective co-ordination of the private and public sectors, including local authority professionals, to create, in partnership, a successful town centre — building upon full consultation" (Healy and Baker, 1994). Such definition underlights the purpose of TCM as the enhancement of the quality of shopping in town centres in the face of increasing competitive pressure and emphasizes the importance of the partnership and cooperation between the private and public sectors.

The rapid increase in the number of town centre management projects has generated considerable comment both in practitioner and academic literature. Since the first explorative contributions at the beginning of 1990s that provided a summary of this topic (Jones, 1990, Wells, 1991) most of the academic literature on TCM has focused on descriptive case studies of specific schemes or has analysed particular aspects of current practices, for example, monitoring and measurement indicators (Pal and Sanders, 1997), marketing planning (Stubbs et alii, 2002) and reasons for retail involvement/non-involvement (Medway et alii, 2000). These studies have made a substantial contribution to understanding of the evolution of TCM practice (Whyatt, 2004); they show that as a concept TCM is maturing from its original janitorial and promotions management role (founded and financed mainly by the local authority) to one which is more concerned with the implementation of a strategic vision and which requires a higher involvement of private stakeholders (represented mainly by the commercial sector).

As recognised by some academics however, as the concept of TCM matures, there is an increasing need of research about this topic. Arising from the above considerations the main purpose of our paper is to provide some insight for the identification of stakeholders for town centre management; by reviewing the academic literature about stakeholder analysis, our paper highlights the importance of distinguishing among different stakeholders and provides suggestions about how to analyse their stakes toward town centre. The theoretical framework is enriched by an empirical case study: we used stakeholders in-depth interview for assessing the main problems of the town centre of Benevento and the possible solutions and suggestions for the town centre management project. Preliminary results from our exploratory research will show that an effective strategy for promoting town and cities as shopping destination requires consensus from a plurality of key stakeholders about what it should be doing and how these things should be done.

2. THE ROLE OF STAKEHOLDERS IN TOWN CENTRE MANAGEMENT

Since the first contributions aiming to provide a comprehensive definition of Town Centre Management, academic literature has acknowledged the existence of different stakeholders with a variety of potentially contrastant interests and emphasizes the need of a co-operative and collaborative approach to develop a strategy for the town centre. In his seminal work, Wells defines the town centre management as "a comprehensive response to competitive involves development, management and pressures which promotion of both public and private areas within town centres, for the benefit of all concerned" (Wells, 1991, p. 24). In the same definition provided in the previous paragraph Hearly and Baker emphasize the need of "the effective co-ordination of the private and public sectors, including local authority professionals, to create in partnership, a successful town centre - building upon full consultation" (Healy and Baker, 1994). Finally in the last few years the concept of town centre management has moved from a tactical role to one which is more concerned with the implementation of a strategic vision by focusing on "the search for competitive advantage through the maintenance and/or strategic development of both public and private areas and interests within town centres, initiated and undertaken by stakeholders drawn from a combination of the public, private and voluntary sectors" (Warnaby et alii, 1998, pp. 17-18).

All the above definitions point out the fact that town centre vitality and viability is of relevance to wide range of stakeholders including retailers, landlords, investors, shoppers, local authorities, police force, bus companies, property owners (commercial and residential) and local residents; therefore the need to satisfy this wide array of interested parties has a relevant influence in the shaping of the TCM concept (Pal and Sanders, 1997). More specifically, the Association of Town Centre Management (ATCM) indicates that three main categories of stakeholders should be involved in TCM initiative (Medway et alii, 2000) (fig. 1):

- Public Sector: local authorities, police, public transport, tourist agencies, emergency services, training and enterprise councils, school, colleges and universities, leisure centres;
- Private Sector: retailers, banks/building societies, chambers of commerce, transport operators, property owners,

- managing/estate agents, restaurants and cafes, pub and night clubs, leisure facilities, hotels, solicitors and other professionals;
- Voluntary Sector: Civic societies, conservation groups, disabled groups, residents' groups

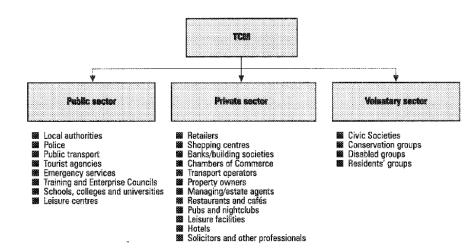


Figure 1. Sectoral classification of TCM stakeholders

Source: Medway et alii, 2000 (pag. 369)

However, as noticed by Medway et alii (2000), usually just a few of the urban actors above indicated are effectively involved in TCM schemes. Specifically, from the public sector TCM initiative are usually promoted and leaded by local government; from the private sector notable involvement comes only from retail stakeholders, while other private actors (for example property owners and residents group) have a significant minor, if any, role.

As consequence, despite the need of promoting a partnership approach between the public and private sector has been recognised as a vital ingredient for the implementation of TCM initiatives, research in this field is characterized by a lack of detailed investigation about the role and the involvement of specific groups of stakeholders. Much of the literature so far has focused mainly on retailers as key players of TCM schemes, with particular emphasis on the reasons for involvement/non involvement in TCM (Medway et alii, 2000) and on their contribution towards its funding (Medway et alii, 1999). This

emphasis is probably determined by the fact that since its beginning TCM borrowed many of its concepts from shopping centre management (Pal and Sanders, 1997; Zanderighi, 2001); however, the management of town centres is obviously much more complex than the management of shopping centres, as it involves numerous stakeholders and attempts to satisfy a wide array of interests that goes beyond the promotion of retailing (Pal and Sanders, 1997). Moreover, consumers perceive the urban shopping destination as an holistic entity and assemble it from the variety of services and experience obtainable within it; as consequence the retailing is only one aspect of the urban experience, and the interaction with other urban land uses is important to facilitate the ability of the consumer to create the bundle of benefits appropriate to his or her needs and wants (Warnaby and Davies, 1997; Whyatt, 2004). Therefore, although retailers play a major role in town centre regeneration sustainable competitive advantage dependent on the overall quality of the "shopping destination product", built as result of the interaction of a wide range of private and public stakeholder.

In the last few years, academic literature has devoted more attention to the effective involvement of stakeholders in town centre revitalization, in accordance with the evolution of the TCM model from a tactical to a more strategic role. According to such approach, the implementation of TCM schemes requires a strategic planning process aiming to create a better fit between the town's competences and the needs and benefits that the consumer seeks (Whyatt, 2004). In this orientation "all stakeholders, from a range of public and private sector bodies, must work together to ensure that the range of competences, services and assets offered by the town meet the customers' varied needs. This requires stakeholders to work in partnership; commit to a strategy for the town; communicate market information; develop a market orientation; learn best practice from each other and support both the visible and the invisible elements in the provision of the customers' town centre experience" (Whyatt, 2004, p.352). However, as the wide range of potentially different interests and agenda may lead to the existence of some tension within partners, urban destinations need to develop organizing capacity defined as "the ability to enlist all actor involved and, with their help, to generate new ideas and to develop and implement a policy designed to respond to fundamental developments and create conditions for sustainable development" (van den Berg and Brown, 1999, p. 995). Among the main conditions contributing to organizing capacity, the authors indicate the adeguate functioning of administrative organization, the developing of strategic network among public and private actors, the leadership by key persons or organizations, the existence of a integral vision and of spatial-economic conditions, and the support by political and societal circles. While the principles behind the need for a coordinated approach among public and private stakeholder have been widely discussed, so far academic literature has not provided significant insights about the criteria for the identification of the key stakeholders to be involved in urban revitalization initiatives.

3. THE IDENTIFICATION OF STAKEHOLDERS FOR TCM INITIATIVES

Several scholars in Stakeholder Theory have attempted to identify stakeholders using systematic criteria. However, the focus has always been on the stakeholders' identification according to the relationship with the organization. Thus, we can see stakeholder identified as primary or secondary; as owners and non-owners; as owners of capital or owners of less tangible assets; as those exiting in a voluntary or an involuntary relationship with the organization; as right-holders, contractors, or moral-claimants; as resource providers to or dependents of the organization; as risk-takers or influencers, and so on (Mitchell et al., 1997).

All organizations – private and public ones - have primary and secondary stakeholders. A primary stakeholder group is one without whose continuing participation the organization cannot survive as a going concern. They are those who have formal, official, or contractual relationships and have a direct and necessary economic impact upon the organization. Primarily stakeholder groups typically are comprised of shareholders and investors, employees, customers, and suppliers, together with what is defined as the public stakeholder group: the governments and communities that provide infrastructures and markets, whose laws and regulations must be obeyed, and to whom taxes and other obligations may be due. There is a high level of interdependence between the organization and its primary stakeholder groups. Failure to retain the participation of a primary stakeholder group will result in failure for that organizational system. Secondary stakeholder groups are defined as those who influence or affect or are influenced or affected by the organization, but they are not engaged in transactions with the organization and are not essential for its survival. Secondary stakeholders can be very influential especially affecting reputation and public opinion – but their stake is representational, not direct. The media and a wide range of special interest groups are considered as secondary stakeholders under this definition.

The organization's survival and continuing success depend upon the ability of its managers to create sufficient wealth, value, or satisfaction for those who belong to each stakeholder group, so that each group continues as a part of the organization's stakeholder system (Clarkson, 1995). But organizations should re-examine their fundamental definition of stakeholders. Stakeholders are not merely the primary or secondary persons or entities that organizations identify. The definition of stakeholders must be broadened to include more people and individuals. Stakeholder analysis for decision-making, like all management tools, needs to be applied effectively, because, if misapplied, it can lead to some errors.

In this regard, there has been a big effort from literature to identify all the potential stakeholders according to different kind of relationship with the organization. A very useful model for the identification of stakeholders to be involved in TCM initiatives is the "linkage model" developed by Grunig and Hunt (1984). This model is based on four linkages that identify stakeholder relationships to an organization (Figure 1): enabling linkages, functional linkages, diffused linkages, and normative linkages:

- Enabling linkages identify stakeholders who have some control and authority over the organization, such as governmental legislators and regulators, Chamber of Commerce, Local Industry Associations, Retailers Associations and single retailers that provide financial assistance to TCM schemes. These stakeholders enable an organization to have resources and autonomy to operate;
- Functional linkages are those that are essential to the function
 of the organization, and are divided between input functions
 that provide labour and resources to create products or services
 (such as non financing retailers, leisure and entertainment
 facilities and dining) and output functions that consume the
 products or services (such as local consumers and tourists);
- Normative linkages are associations or groups with which the organization has a common interest and share similar values, goals or problems. In TCM schemes stakeholders in the normative linkage may include residents, tourism agencies, police, public transport and parking;
- Diffused linkages are the most difficult to identify because they
 include stakeholders who do not have frequent interaction with
 the organization, but become involved based on the actions of
 the organization. These are the publics that often arise in times
 of a crisis. In TCM schemes this linkage may include disabled

groups, Universities, media, civic societies and conservation groups.

The diffused linkage stakeholders would be different according to the situation, but the enabling, functional, and normative linkage stakeholders are likely to be constant (Rawlins, 2006).

4. APPLYING LINKAGE MODEL TO TOWN CENTRE MANAGEMENT: THE CASE OF BENEVENTO

Benevento is a medium sized town in the South of Italy. Starting from 2005 it has formalised the operative proposal for the constitution of town centre management in its historical town centre. Actually the project is still in its gestation stage: thus the main area on intervention have not yet been defined.

According to the theoretical framework presented in the previous pages, linkage model was used to identify public and private stakeholders to be involved in the project and a series of in-dept interviews were conducted in order to provide a clear guidance for the identification of the main area of intervention of town centre management. In this aim a semi-structured questionnaire was prepared providing a definition of the overall offering system of the historical town centre based on urban management and service management literature.

On the basis of the linkage model, the following stakeholders were selected for our study: Comune of Benevento, Confcommercio (Retailers Association), Confesercenti (Retailers Association), CNA (Craftsmen Association), Confartigianato (Small Industries Association), Unione Industriali (Industries Association), API (Small **Industries** Association). Adiconsum Association). Associazione dei residenti (Residents Association). Provinciale per il Turismo (Tourism Association), Associazione IsideNova (Entertainment Agency), Sannio Europa (Local Development Agency). CGL (trade-union), Historical Museum of Sannio.

THE "OVERALL OFFERING SYSTEM" OF HISTORICAL TOWN CENTRE

Likewise previous research on marketing of urban centres, (Warnaby and Davies, 1997) in our research the overall offering system of the town centre was defined arising from the academic literature on service management (Norman, 1994, Langeard et alii, 1981) and urban marketing (Ashworth and Voogd,). Specifically, research on service management points out the role of the three

components – clients, physical setting and contact personnel – that define the process of service delivery (Normann, 1984) and their interrelations. Referring to the town centre environment, the importance of such elements is somewhat higher than in other service environments; first, as town centre services are used in the same moment by a multitude of people, people are actively involved in the service delivery (for example in the case of events); second the different components of the overall offering of the historical town centres are "personnel-intensive" (for example contact personnel have an important role for store clients and tourists); finally the physical setting in historical town centres is not only part of the environment but is one of the components of the overall offering as functional and aesthetic tool.

As noted by Warnaby and Davies (1997), the city product is assembled by the consumer from the variety of services and experiences available on the basis of the specific "boundle of benefits" they seek to satisfy. As consequence, the servuction model (Langeard et alii, 1981), by emphasizing the fact that consumer receive his or her own individual bundle of benefits from the experience of the interactive process with the visible elements of the organization and with other customers, seems be a suitable framework to provide a definition of the overall offering system of historical town centre. By adapting the original servuction model Warnaby and Davies divide the overall setting of the urban shopping destination into the visible and invisible elements. The visible element includes the physical setting (retail venues, cultural venues, activity venues, leisure venues, general ambience) and the contact personnel within all those venues. The invisible element includes threshold services that improve the overall quality of the visit experience (such as toilets, car parking, basic catering provisions and so forth), motivating services that provide consumers with a more extensive catering provision (cafes, full service restaurants) and the logistical infrastructure (basic transport infrastructure, delivery service, and so forth).

On the basis of the above considerations, in our research the following categories of items were used to define the overall offering of the town centre:

- 1) Accessibility: it includes the efficiency and adequacy of parking, public transportation, car and walking streets
- 2) Quality of life and viability: it includes town centre crime and security, the efficiency and quality of the services for disabled people and the level of cleaning of the roads, urban furnishings and buildings.

- 3) Retail offering: it includes the variety of the assortments, the adequacy of quality/price, the courtesy and availability of the contact personnel and the adequacy shops timetables
- 4) Leisure, cultural and of public utility services: it includes the consistency, variety and quality of dining services, the consistency, variety and quality of the cultural services and entertainment (e.g. cinema, games, music stores, night club), the consistency and adequacy of the public utilities (e.g. banks, mail offices), the courtesy and availability of the contact personnel, the frequency and consistency of the organization of events, cultural and entertainment initiatives and the presence of parks and public spaces
- 5) Heritage and valorisation of the historical and artistic patrimony: it includes the state of maintenance and protection of the town centre historical items, the quality of routes and attractions for tourists, the efficiency of indications close to the historical attractions and the frequency and consistency of initiatives and events aiming to promote the historical and artistic patrimony of the historical centre within tourists and residents.
- 6) Marketing strategy: it includes the quality of advertising campaigns and public relations, the level of knowledge of consumers' profile and attitudes, the level of collaboration in the definition of marketing strategies and actions.

METHODOLOGY AND PRELIMINARY RESULTS

Once defined the main components of the town centre, in dept interviews to public and private stakeholders were conducted in order to investigate the actual situation of the town centre of Benevento and identify the main area of intervention of Town Centre Management. Interviews were made between January and April 2006; for each of the categories used to define the overall offering of town centre, stakeholders selected for our study were asked to provide comments about the actual situation of the town centre of Benevento and to identify the main area of intervention on the basis of the specific needs and interests they represent.

All interviews were recorded and then transcribed on a Word file; for each category coding labels were defined and a dictionary of keywords was built to analyse the text from in-dept interviews.

After a preliminary analysis on the text of the interviews, two new categories were identified:

7) Tourism services: it includes the presence and quality of tourism information services, the consistency and quality of

accommodation facilities, the quality of income services and the quality and presence of itineraries for tourists

8) Level of knowledge and attitudes toward town centre management: it includes the level of knowledge of town centre management schemes, the level of involvement in the town centre management project in Benevento, the attitudes toward the town centre management project in Benevento

The content analysis software package Sim Stat/Word Stat was used for data analysis. Specifically the following analysis were performed:

- Frequency counts of categories
- Frequency counts within categories

The preliminary results of frequency counts of categories (tab.1) show that the priority area of intervention in the town centre of Benevento are marketing strategy (frequency= 11; %cases=85,7%), leisure, cultural and public utility services (frequency=10; % cases=92,9%), accessibility (frequency=71,4; %cases=71,4%) and retail offering (frequency=9; % cases=100%).

Table 1. Frequency counts of categories

Category	Frequency	Nb Cases	% Cases
Marketing Strategy	112	12	85,7%
Leisure, cultural and public utility services	105	13	92,9%
Accessibility	97	10	71,4%
Retail offering	92	14	100%
Level of knowledge and attitudes toward TCM	61	10	71,4%
Heritage and valorisation of the historical and artistic patrimony	61	9	64,3%
Tourism Services	44	12	85,7%
Quality of life and viability	23	8	57,1%

Table 2 shows the results of frequency counts within each category; only the most cited items are reported.

Table 2. Frequency counts within categories

Category	Most cited item	Frequency	Nb Cases	% Cases
Marketing Strategy	Quality of advertising	39	13	92,9%

	campaigns			
Leisure, cultural and public utility services	Frequency of the organization of events	88	14	100%
Accessibility	Efficiency and adequacy of parking	29	12	85,7%
Retail offering	Variety of the assortments	64	14	100%
Level of knowledge and attitudes toward TCM	Level of knowledge of TCM schemes	14	10	71,4%
Heritage and valorisation of the historical and artistic patrimony	Quality of routes and attractions for tourists	9	6	42,9%
Tourism Services	Presence and quality of tourism information services	10	7	50%
Quality of life and viability	Efficiency and quality of the services for disabled people	3	1	7,1%

CONCLUSIONS AND IMPLICATIONS

Our study has significant implications both for practitioners and for academics. From the management prospective our results may provide a clear guidance for the implementation of the TCM project in the historical centre of Benevento, by identifying the main area of intervention according to public and private stakeholders' interests and needs. As well, the same framework could be used in other cities or towns that have undertaken projects aiming to increase the vitality and viability of their historical town centres. From the research prospective our research addresses a gap in the academic literature by a) using the linkage model to identify the public and private stakeholders to be involved in TCM and b) providing a definition of the overall offering system of the town centre. Such frameworks can be utilized in further research on urban revitalization; for example new studies could investigate the impact of the components of the town centre offering identified in our study (i.e. leisure, tourism attractions, retail offering) on visitors' attitudes and behaviors. As well, our framework could be used in studies aiming to define a model for the analysis of customer satisfaction in historical town centres.

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