

Open Research Online

The Open University's repository of research publications and other research outputs

In the shadow of Bangalore – place branding and identity for Chennai

Book Section

How to cite:

Little, Stephen (2010). In the shadow of Bangalore – place branding and identity for Chennai. In: Go, Frank and Govers, Robert eds. International Place Branding Yearbook 2010: Place Branding in the New Age of Innovation. Basingstoke: Palgrave Macmillan.

For guidance on citations see [FAQs](#).

© 2010 Palgrave Macmillan

Version: Accepted Manuscript

Link(s) to article on publisher's website:
<http://www.palgrave.com/products/title.aspx?pid=474487>

Copyright and Moral Rights for the articles on this site are retained by the individual authors and/or other copyright owners. For more information on Open Research Online's data [policy](#) on reuse of materials please consult the policies page.

oro.open.ac.uk

CHAPTER 9

Case D: In the Shadow of Bangalore – Place Branding and Identity for Chennai

Stephen E. Little

A GLOBAL CONTEXT FOR PLACE BRANDING

Across the world, individual cities are striving for visibility at the first tier of their nation's urban regions. In the high-growth economies, new competitors are emerging to challenge the existing first tier of cities for a place in the global economy. Such dynamic metropolitan areas have been identified as the nodes in an economy of flows (Castells 1987) and the location of creative and artistic sectors that enhance inward migration and economic development (Florida 2002; Markusen and King 2003).

For urban and regional governments, the economic downturn current at the time of writing raises the question of what drivers will trigger a sustainable recovery. With the growing appreciation of the emerging economic power of both China and India (Winters and Yusuf 2007) there is also a growing consensus that these countries will deliver one route out of recession for the global economy through the development of their domestic demand for goods and services. To sustain the previous record growth rates as the leading cities of the first wave of globalization become increasingly congested and lose their absolute cost advantages, the economic engagement of second- and third-tier cities in this global system is essential. This means foreign and national direct investment, which in turn requires a presence and appropriate image in the national and intentional consciousness of potential inward investors and migrants. This implies a key role for tourism in developing a cultural footprint to support the necessary image development and place branding projects. Tourism infrastructure can support developments in other sectors directly; however, it can also enhance the attractiveness and identity of a location by providing the direct exposure to that location that is needed to dispel stereotypes. Nevertheless, stereotypes are powerful and persistent.

This prospect of an Asian-led recovery derives in part from the genuine need for substantial infrastructure projects to sustain the future development of both India's and China's national economies as second- and third-tier cities are drawn into the growth economy. These projects include road, rail and air transportation – which are also relevant to internal labour market development and the return migration encouraged by central government policies in both India and China.

In common with many large and well-established cities, Chennai (formerly Madras), is facing increasing economic competition, both domestically and internationally. This chapter presents the range of challenges to the development of a brand which conveys both contemporary capacities and the historical richness of the roots of these capabilities.

In India, Bangalore has come to represent the new India that is emerging after decades of economic liberalization leading up to World Trade Organization (WTO) accession. However, there is a danger that new stereotypes of India will simply replace old ones from the period of

economic self-sustaining policies, with the new stereotypes being based on the successful sectors of Bangalore.

On both regional and global scales, competition for attention is intense. Bangalore in turn faces competition from regions adjacent to the Union's capital, Delhi – Gurgaon and Noida – and from smaller innovative clusters in Pune and Hyderabad. A report on investment opportunities in China identifies 274 cities with populations of more than one million. This compares with just twenty-three in India (CBBC, 2008). For many of the Chinese cities, achieving any prominence within or outside their country is problematic. Few have achieved any presence in western consciousness dominated as this is by images from the Shanghai and Guangzhou regions. With a lower level of urbanization, the larger Indian cities enjoy more prominence nationally and internationally, but are still caught in an increasingly competitive framework, as can be seen in Chennai's role as the smallest top-tier city, with growing competition from second-tier Bangalore and Hyderabad.

In seeking to reposition themselves city and regional governments, are in danger of simplistic copy-cat responses that seek to emulate the success of leading centers, and a lack of understanding of the subtleties behind successful science has been identified (Massey and Wield 1992; Castells and Hall 1994). And in relation to tourism management, Carson and Taylor (2009) refer to a self-inflicted flattening of the image of Australian Outback destinations through a simple repetition of the same formulation. An agreed understanding of a strong historical and cultural framework is one key to the maintenance of a genuine differential between locations.

THE INDIAN CONTEXT OF BRANDING FOR CHENNAI

India's present engagement with the world economy follows decades of economic liberalization leading to WTO accession, and the city brand most identified with this "New India" is Bangalore through its global presence in IT and service outsourcing. The four first-tier cities of Mumbai, Delhi, Kolkata and Chennai have been challenged by Bangalore's new international profile. Delhi is the Union capital of the federal state, Mumbai the key financial center, and Kolkata the former colonial capital. Chennai is the smallest of the big four and the first center with a European presence on the subcontinent. Other second-tier cities, including Hyderabad and Pune, are also establishing a wider presence in the global economy.

Chennai is the capital of Tamil Nadu and home to the Tamil movie industry, which is second only to the Mumbai industry within India. Its commercial and administrative history spans two millennia and offers a strong base to enhance its identity through metropolitan tourism.

Key local features of value to the development of a differentiated brand are the world's second-longest urban beach and the historic Fort St. George complex, the site of the eighteenth-century foundation of the European core of the city. Rao *et al.* (2001) show that the historical consciousness of South India long pre-dates the arrival of European influence. The adjacent nineteenth-century administrative buildings are the seat of much of the modern administration of the state of Tamil Nadu and this overlay typifies the richness of the city and the region's history and culture, which includes an early connection with Christianity and the coexistence of Hindu and Muslim traditions.

As a conurbation of some 7.6 million people, and the administrative capital of a state of 66 million, the task of branding Chennai is similar to that of branding a medium-sized country. Caldwell and Friere (2004) differentiate between country and region or city branding, but the size of Tamil Nadu means that it is subject to the national and subnational pressures identified by Camilleri and Falk (1992) in their analysis of the constraints on nation states. The subnational pressures within India can be seen in the continuing controversy over the potential division of the state of Andhra Pradesh to create a new state of Telangana around the growing center of Hyderabad. Such tensions are a likely product of continuing rapid development, where unevenness is perceived as the result of relative neglect and emphasize the need to align local aspirations with a national perspective to retain the “imagined community” (Anderson 1983) of the national state.

To secure the branding objectives set out by Gnoth (2002) a portfolio approach is required. In this respect, the policies for Chennai must draw on the national brand while acknowledging and developing the local elements from within its region. The wider claims for the cultural richness of the whole subcontinent, for example, must be translated into the context of Tamil culture and its traditional expression through performance arts and their modern counterpart in the thriving Tamil movie industry – “Kollywood”.

A combination of cultural and economic resources must be developed to support the consistent communication of brand identity, both internally and externally. Hankinson (2002) develops a model from de Chertonay (1993) in which internal and external brand identities are combined to deliver consistent brand communication. However, for Chennai, three levels of brand development – local, conurbation and national – must be structured to face a set of separate but related audiences. The city is competing for prominence and resources within the national state of India, so the total brand portfolio must address an intra-national audience. Equally, the global competition for foreign direct investment and talent requires engagement with an international constituency. In addition, there is the local audience of the city and its associated region, which must identify with the brand image for it to be effective. The challenge is one of coordinating multiple stakeholders and partners to achieve the necessary public buy-in for each level of representation.

De Chertonay (1993) identifies functionality – the satisfaction of performance needs, and representationality – the satisfaction of personal expression, as key complementary dimensions of brands. In destination branding, representationality can be identified in the culture and identity associated with a location. For Chennai, the functionality resides in the economic activities of the city and region, and their supporting physical and intangible infrastructure.

CHENNAI’S ECONOMIC PORTFOLIO

Chennai’s brand functionality resides in a number of areas of substantial economic activity, some of which can be seen as follower responses to success in other locations within India. A “cyberport” has been established at the site of the local movie studios, and IT services are offered by a number of firms of varying sizes within the city. Key support is delivered to overseas companies, particularly in the USA. However, Chennai also has its distinctive presence in other sectors, with its highest manufacturing profile being in the automotive industry.

The “Detroit of South Asia”

Chennai has its own tradition and identity in manufacturing, with evidence of global competitiveness in the achievement of the Japanese-sponsored Deming quality award by local companies. The technical sophistication of indigenous products has benefited from incoming technology through foreign investment, such as the Delphi–TVS joint venture manufacturing diesel fuel injection equipment for a wide range of vehicle types. Delphi is the largest automotive supplier in the world, and TVS the largest automotive systems supplier in India. The company is the successor to the Lucas–TVS joint venture established in 1961 and was awarded the 2004 Deming Application Award by the Deming Prize Committee of the Japanese Union of Scientists and Engineers (JUSE).

The initial limited range of joint ventures in place at the beginning of economic liberalization has been supplemented by greatly expanded foreign direct investment in auto manufacturing. Investment has come from auto makers such as Hyundai, Ford, Renault-Nissan and BMW. All have expanded their investment in Chennai, along with established national player Ashok Leyland. Nevertheless, the growing automotive sector in Chennai faces strong national competition from both Pune and Gurgaon, where DaimlerChrysler AG and Volkswagen AG, and Maruti Suzuki India have their Indian plants plus equally strong international competition from China and from restructured North American and European operations.

The domestic automotive market of India attracts foreign companies, despite lower growth rates than those of China. Indian brands are making inroads into middle-income countries such as Turkey, though there have been false starts in entry to more sophisticated markets, with the supply of the Tata Indica model branded as the City Rover adding little to the failing Rover company in the UK. Tata’s subsequent acquisition of the high-value brands of Land Rover and Jaguar is an alternative strategy for both domestic and export markets. A comparable strategy was evident in the IT sector in the 1980s and 1990s, when some Indian software companies sought European partners to co-brand with for entry into the North American market.

Brown *et al.* (2003) describe the extension of automotive brands into retro areas with Volkswagen’s “new beetle”, but India’s automotive industry has maintained brands such as the Hindustan Ambassador and the Royal Enfield motorcycle that have achieved retro heritage status. The Royal Enfield factory is one of Chennai’s tourist destinations (see <http://www.royalfields.com/>). The potential value of heritage brands is demonstrated by the Harley-Davidson company’s application for permission to establish retail outlets in the country, to be followed by local assembly to avoid luxury import taxes. However, the associations of such traditional designs is not entirely positive, and has masked the progress and transformation of Indian manufacturing capacity from outsiders.

The development of the Tata Nano represents a more progressive and promising initiative with global implications. As an entry-level vehicle for the Indian market it has stimulated the development of small models within India by overseas manufacturers. Toyota Motor Corp., Ford Motor Co., General Motors Corp. and Volkswagen AG have plans to launch small cars in India during 2010.

The Nano has created a low-cost low-content paradigm which is impacting on design thinking beyond India (DeLoitte Touche Tohmatsu 2009) and foreign companies are establishing research and development (R&D) centers within India. Renault has established one in Mumbai for the development of local design and Daimler has a technical center in Pune. These initiatives

add value to the presence of foreign firm and generate local intellectual capital (IC) and intellectual property (IP).

In the innovative area of electric vehicles, Reva, based in Bangalore, has stepped out of stereotype into a global niche and mainstream acceptance by leveraging a first-mover advantage from their domestic production experience to offer new models to a design standard acceptable in developed economies. With growing political support for electric vehicles in the USA, Reva is considering franchising the new NXR model for US production and sales, and has agreed to provide its drive-chain technology to General Motors (GM) for the electric version of the Chevrolet Spark, which is expected to go on sale in India by the end of 2011.

While no Indian company at the time of writing appears among the current global top-ten automotive manufactures, DeLoitte Touche Tohmatsu (2009) argue that there is every possibility that by 2020 there will be at least one.

While Chennai faces significant challenges to its emergence as the “Detroit of South Asia” (Automotive World, 2008) the presence of major component manufacturers with new and expanded component plants from GKN and Delphi India, and the level of indigenous capability demonstrated by Deming awards, suggests that this sector will continue to be a major asset.

The limiting factor for all competing Indian automotive centers is likely to be in the availability of a sufficiently highly skilled workforce (DeLoitte Touche Tohmatsu 2009). This places the ability to attract and retain a skilled workforce at the center of policy, and reinforces the importance of the balance between functionality and representationality in place brand management.

Service Tourism

As noted at the start of this chapter, tourism offers a key means of raising the profile of urban locations and of developing the identity of these locations for residents and visitors alike. Both place branding and the resources developed for tourism can support the attraction of inward investment, joint ventures, and local and global brand development.

Tourism infrastructure can support developments in other economic sectors directly, as with medical tourism, which draws on India’s cultural heritage to attract foreign patients (Halemane and Mandemaker 2007). While this presents a specific challenge to the Indian and Chinese health services, it offers an extension of the successful service innovation of the IT sector, drawing on a large pool of highly trained doctors and low treatment costs (*The Economist* 2004).

India has also developed a significant global presence in pharmaceuticals and maintained this under WTO conditions (Kale and Little 2009). The key centers and innovative biotechnology clusters are some distance from Chennai, in Pune and Hyderabad in particular. However, Indian life-science companies such as Wockhardt are providing healthcare packages combining medical procedures with recuperation in cultural or environmental surroundings. The continuing economic development of India is leading to the emergence of life-style disease more common in the developed world alongside health conditions associated with poverty and underdevelopment. Major employers are responding with fitness and health awareness campaigns for their workforces (*India Today* 2009). The development of medical tourism is one way to cross-

subsidize these challenging demands on national health care provision. The leading eye hospital in Chennai already cross-subsidizes its support of more remote rural communities through internet diagnosis with the income from patients who can afford to pay for their care, a model used elsewhere in India (Healthcare Management Express 2002).

Kollywood and the Tamil Diaspora

Movies have been produced in Chennai since 1916, and at the end of the 1930s, the legislature of the State of Madras passed the Entertainment Tax Act 1939. Chennai had become a hub for the movie-making industries in other languages, including Sri Lankan cinema and Sri Lankan Tamil cinema in the 1900s (Abram *et al.* 2003). However, the Chennai movie industry differed from its counterpart in Mumbai in the influence of politics on Tamil movies – chief ministers and opposition leaders have been directors, actors and scriptwriters. The Tamil Nadu government has granted entertainment tax exemption for Tamil movies with pure Tamil titles.

The movie industry is of significance as a means of enlisting the Tamil diaspora in the cause of Chennai's and Tamil Nadu's development. Two major relocations created this key audience. In the eighteenth century, indentured labour began to spread to other parts of the developing British empire, with associated migration, and, from the last quarter of the twentieth century, communal tensions and unrest in Sri Lanka led to a further dispersal, this time to many of the key centers of the global economy. The cultural industries can support both the functionality and representationality dimension of a place brand.

Tensions or Synergies: Post-colonial cities, modernization and heritage

Mackenzie (2005) argues that the cultural mapping of the globe is a colonial/imperial framework. While cities are signifiers of modernity, the colonial view distinguishes between colonial India, the European cantonment and the “native town” (Mackenzie 2005, p. 36).

In the modern cities of India, the distinction is between formal and informal development. Recent representations in both cinema and literature have contrasted the informal slums (for example, *Slumdog Millionaire*) and the “darkness” of village India (for example, *White Tiger*) with the symbols of urban modernity. Arvind (2008) describes the presence of the informal construction workers' settlements even within the limits of Gurgaon, the modern center of growth south of Delhi.

In seeking cultural recovery, the Bharatiya Janata Party (BJP) has implemented a policy of replacing colonial names. However, the pre-colonial names chosen evoke only part of the complex history of human settlement on the subcontinent. In the case of Chennai, the name change from Madras arguably ran the risk of obscurity to the external viewer, making the task of international branding harder.

The need for infrastructure development flagged up at the beginning of this chapter is reflected in policies common to the major Indian cities. The maintenance and development of adequate infrastructure to support investment and development is essential to the functionality dimension of place brands.

Across India, electricity privatization has produced mixed results in terms of continuity of supply, but better results have been achieved in the improvement of transport and communications. Urban transit systems are becoming de rigueur for cities aspiring to global status, and Chennai had completed the first two phases of a heavy rail transit system by 2007.

Urban congestion and traffic pollution are widely recognized as problems by Indian city governments. The legislation requiring reduced emissions matches European standards. Though the effectiveness of this policy is jeopardized by the widespread practice of fuel adulteration, it ensures access to export markets for current Indian products. Telecommunications issues have largely been solved through cellular technology, with Indian companies such as Bharti Airtel producing business models that allow subscribers at village level access to the technology for modest monthly charges. Satellite television and the cell phone have replaced the traditional connection with the center through cinema. Coupled with the health outreach projects described earlier, the connection with the village hinterland is an essential aspect of brand building for Indian cities if they are to maintain credibility with the un-urbanized majority of the state populations.

PLACE BRANDING AS CO-BRANDING

Olins (2002) demonstrates that the practice of national branding has a strong historical precedent, not least in the France, where national identity has been linked to a changing succession of monarchic and republican forms, while Urde *et al.* (2007) analyze monarchies as “heritage brands”.

While a country may act as the umbrella brand for its regions, the national stereotype becomes the brand by default. Place brands are complex “products” requiring a bottom-up approach and a community of support (Gnoth 2002), and in the case of India a federally governed subcontinent is an even more complex proposition.

Chennai enjoys potential synergies between its manufacturing capability and Bangalore’s IT competence, exemplified by the indigenous computerized engine management systems developed by the TVS Motor Company.

For the city to maximize its profile it needs to map brand elements both between levels and against the audiences at the city brand level. Tensions emerge between traditional images, cultural resources and global profile for external inward investment. Different demands are made by participants in return migration and the internal local and national labour markets.

Specific initiatives and developments at each of the three levels can address some or all of these audiences. In addition, particular economic sectors or activities will naturally draw on a different balance of these constituencies.

To monitor policy decisions effectively will require an approach similar to that used in assessing alternative futures in scenario planning (Schwartz 1991; Ringland 2002). The policy space between alternative choices can be mapped to see which audiences need to be engaged by different sectors and related initiatives.

REFERENCES

- Automotive World* (2008) Chennai to see auto invest jump four-fold by 2015 18 February. Available at AutomotiveWorld.com.
- Abram, D., Edwards, N., Ford, M., Sen, D. and Wooldridge, B. (2003) Of Movie Stars and Ministers, in *South India*, London: Rough Guides.
- Anderson, B. (1983) *Imagined Communities*, London: Verso.
- Aravind, A. (2008) *The White Tiger*, London: Atlantic Books.
- Brown, S. Kozinets R.V. and Sherry J.F. Jr (2003) Teaching Old Brands New Tricks: Retro Branding and the Revival of Brand Meaning” *Journal of Marketing* 67 (July) 19-33
- Caldwell, N. and Friere, J. R. (2004) The Differences between Branding a Country, a Region and a City: Applying the Brand Box Model, *Brand Management*, 12(1) September: 50–61.
- Camilleri, J. A. and Falk, J. (1992) *The End of Sovereignty? The Politics of a Shrinking and Fragmented World*, Aldershot: Edward Elgar.
- Carson, D. and Taylor, A. (2009) “We’ll All Go Down Together”: The Marketing Response of Australia’s Outback Destinations to Recent Declines in Performance, Paper presented at the 3rd Advances in Tourism Marketing Conference, “Marketing Innovations for Sustainable Destinations: Operations, Interactions, Experiences”, Bournemouth University, UK, 6–9 September.
- Castells, M. and Hall, P. (1994) *Technopoles of the World: The Making of 21st Century Industrial Complexes*, London: Routledge.
- CBBC (2008) *Opportunities for UK Businesses in China’s Regional Cities* London: UK Trade and Investment
- de Chertonay, L. (1993) Categorizing Brands: Evolutionary Processes Underpinned by Two Key Dimensions, *Journal of Marketing Management*, 9: 173–88.
- Deloitte Touche Tohmatsu (2009) A New Era: Accelerating towards 2020 – An Automotive Industry Transformed. Available at <http://www.amchamindia.com/India%20A%20New%20Era%20-%20Auto%20Transformation%20Report.pdf>.
- Economist, The* (2004) Medical Tourism to India, *The Economist*, 7 October.
- Florida, R. (2002) *The Rise of the Creative Class: And How It’s Transforming Work, Leisure Community and Everyday Life*, New York: Basic Books.
- Gnoth, J. (2002) Leveraging Exports Through a Tourism Destination Brand, *Brand Management*, 9(4–5) April: 262–80.
- Halemane, M. and Mandemaker, P. (2007) Strategies for Co-Creation of Medical Tourism to India, Paper presented at the Conference, “Imagination, Media Power and Reputation”, 30–31 May, The Hague.
- Hankinson, G. (2002) The Management of Destination Brands: Five Branding Principles Based on Recent Developments in Corporate Branding Theory, *Brand Management*, 14(3) February: 240–54.

Healthcare Management Express (2002) Eye Hospitals May Be the Next Big Thing in Super-Specialty, *Healthcare Management Express*, Mumbai: Indian Express Group. Available at <http://www.expreshealthcaremgmt.com/20020630/cover2.html>.

India Today (2009) India Inc on Health Drive, *India Today*, 11 September. Available at www.indiatoday.intoday.in.

Kale, D. and Little, S. E. (2009) Globalisation, Migration and Knowledge Transfer: The Reconfiguration of R&D Capability in Indian Pharmaceutical Firms, in S. Verma (ed.), *Organizing and Managing in the Era of Globalization*, New Delhi: Sage.

Leitch, S. and Richardson, N. (2003) 'Corporate Branding in the New Economy', *Journal of European Marketing*, 37(7–8): 1066–79.

Mackenzie, J. M. (2005) Empires of Travel: British Guidebooks and Cultural Imperialism in the 19th and 20th Centuries, in J. K. Walton (ed.), *Histories of Tourism Representation, Ideology and Conflict*, Clevedon: Channel View.

Markusen, A. and King, D. (2003) *The Artistic Dividend: The Arts' Hidden Contributions To Regional Development*, Minneapolis, Minn.: Humphrey Institute of Public Affairs.

Massey, D. and Wield, D. (1992) Science Parks: A Concept in Science, Society, and 'Space' (a Realist Tale), *Environment and Planning D: Society and Space*, 10(4): 411–22.

Olins, W. (2002) 'Branding the Nation – The Historical Context', *Brand Management*, 9 (4–5) April: 241–8.

Rao, V. N., Schulman, D. and Subrahmanyam, S. *Textures of Time: Writing History in South India 1600–1800*, Delhi: Permanent Black.

Ringland, G. (2002) *Scenarios in Public Policy*, Chichester: Wiley.

Schwartz, P. (1991) *The Art of the Long View*, New York: Currency Doubleday.

Urde, M., Greyser, S. A. and Balmer, J. M. T. (2007) Corporate brands with a heritage, *Brand Management*, 15(1) September: 4–19.

Winters, L. A. and Yusuf, S. (eds) (2007) *Dancing with Giants: India and China in the Global Economy*, Singapore: World Bank/Institute for Economic Studies.