

Vision and Market Segmentation in Urban Strategies: a Case Study of Sumy City

Abstract

The main issue for the Ukrainian municipalities these days is their slight acknowledgment of losing an enormous amount of human resources. Moreover, for them, it is still not clear that competition for all kinds of resources has already started both inside and outside the country. A low standard of living and ongoing military conflict makes people search for higher-income opportunities. According to the Ministry of Social Policy of Ukraine, the number of Ukrainians who are permanently employed abroad is 3.2 million. This is 18% of the total labour force of the country.

According to The Global Competitiveness Index 4.0 (2019), Ukraine occupies 85th position among 141. It is the least competitive state after Moldova among neighbouring countries. Under competitiveness we mean the productivity of the country, which eventually leads to economic growth and rise of the human well-being.

After the decentralization process and budgetary reform in 2015 Ukrainian cities got more resources and consequently power in determining their future (for comparison, the development budget of Sumy city for 2013 was 60 million UAH, and for 2016 it became 600 million).

Therefore, the municipality should have a clear vision formalized into the city marketing or development strategy to raise the city's competitiveness level. Attractiveness and investment potential of the settlement can be and must be broadcasted by efforts of local public administration and all the stakeholders.

The main purpose of the article is to analyse the current "Sumy Development Strategy 2030" in a sense of city marketing. The latter term is defined by the author as a long-term strategic activity aimed at the operation and development of the city according to its (potential) market's demands, stakeholders' wants and needs, and competitive environment.

The analysis will be made based on a comparative method. The benchmarking city marketing strategies were selected by the author and include Helsinki, Whitehorse, and North Port. The comparisons will be made in a cross-sectional framework, where objects in cities' strategies will correlate by defined criteria. The analysis will be limited to a description of the state of affairs (descriptive comparison) without predictive conclusions.