




## The Role of City Branding in Shaping Policy Strategies and Promoting Inclusivity in the Development of Human Resources for the Creative Economy

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ARTICLE INFO	ABSTRACT
<p><b>Keywords:</b></p> <p>City branding Creative economy Governance Human capital Public policy</p>	<p>This study examines the role of city branding as a governance-related instrument in regional development, focusing on its interaction with the creative economy and human capital in shaping inclusive outcomes. Using a qualitative literature review of ten peer-reviewed articles published between 2010 and 2025, the study applies thematic analysis to identify key patterns across the selected literature. The findings suggest that city branding may help align development priorities when supported by strong governance, institutional coordination, and stakeholder participation. The creative economy appears to provide a potential domain for operationalizing branding strategies, while human capital may influence the inclusivity and sustainability of outcomes. However, these relationships are conditional; where governance and policy integration are weak, city branding tends to remain symbolic and fragmented. Given the relatively small and selectively assembled sample of literature, these findings should be interpreted with caution and cannot be readily generalized. The study offers a conceptual synthesis rather than definitive conclusions and highlights the need for further empirical research to validate and refine these relationships.</p>
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### INTRODUCTION

The intensification of interurban competition in the era of globalization has compelled local governments to move beyond growth-oriented strategies toward more integrated and governance-based approaches to development. Cities are increasingly required to construct distinctive identities that are competitive, sustainable, and socially grounded. Within this context, city branding has emerged as a strategic instrument through which cities articulate their identity, coordinate development priorities, and position themselves within broader economic and social networks. In this study, city branding is conceptualized not as a mere promotional activity, but as a governance-oriented process that integrates symbolic representation with substantive policy direction. As argued by Andrea Lucarelli (2011), city branding involves the interaction of multiple actors including government, private sector, and community, thereby reinforcing its role as a governance process rather than a purely communicative tool. This perspective shifts branding from a communication tool to a policy-relevant mechanism that shapes how development strategies are formulated and implemented.

Consequently, the effectiveness of city branding depends not only on the strength of its narrative, but also on the coherence between branding strategies, institutional capacity, and public

policy alignment (Lucarelli & Berg, 2011). However, a recurring issue in the literature is the reduction of city branding to visual identity, slogans, or promotional campaigns. Such approaches often result in symbolic branding that lacks substantive impact on development outcomes. Empirical and conceptual studies have emphasized that without policy integration and stakeholder collaboration, city branding remains disconnected from the socio-economic realities it intends to represent (Wafi et al., 2025). This highlights the need to reposition city branding as an instrument embedded within governance structures, rather than as an isolated communication strategy.

To operationalize city branding as a governance instrument, the creative economy functions as a key domain through which city branding can be materialized. The creative economy refers to an economic system driven by creativity, knowledge, and innovation, in which cultural and intellectual resources are transformed into economic value (Waldemar Cudny & Wolaniuk, 2020). It provides a practical arena in which branding narratives are translated into tangible outcomes, such as creative industries, cultural production, and innovation-driven enterprises. Reports from UN Trade & Development underline that the creative economy contributes to diversification, employment generation, and the utilization of local cultural assets, particularly in developing countries (UNCTAD, 2024). In this sense, the creative economy supports city branding by grounding identity in real economic activities rather than abstract representations.

In addition, the effectiveness of city branding as a governance instrument depends on the quality of human capital. Human capital, in this context, is not merely a factor of production but a key driver of creativity, innovation, and social participation. Studies indicate that regions with strong creative human capital tend to demonstrate higher levels of innovation and competitiveness (Posnova, 2019). Therefore, inclusive human resource development becomes a critical condition for ensuring that city branding does not only benefit certain groups but contributes to broader social inclusion. Weak institutional coordination, limited stakeholder participation, and underdeveloped human capital have been identified as major constraints in aligning city branding strategies with actual development outcomes (Fadilla et al., 2024). Despite the growing interest in city branding, existing literature often treats governance, creative economy, and human capital as analytically separate domains, with limited attention to how these dimensions interact within a unified policy framework. There is still limited analytical clarity on how city branding functions as a policy instrument that integrates these dimensions into a coherent development strategy. This gap is particularly evident in developing country contexts, where institutional capacity and policy coordination remain uneven.

Based on this gap, this study aims to examine city branding as a governance and policy instrument and to analyze how it interacts with the creative economy and human capital development in shaping inclusive regional development. To address this objective, the study proposes the following interrelated research questions:

RQ1: How is city branding conceptualized as a governance and policy instrument in regional development?

RQ2: How does the creative economy support the operationalization of city branding strategies?

RQ3: What is the role of human capital in determining the effectiveness of city branding?

RQ4: What governance conditions enable city branding to contribute to inclusive development?

This study employs a qualitative literature review to develop a more integrated conceptual understanding of city branding within the broader framework of regional development. The scope of this paper is limited to conceptual synthesis, with particular relevance for developing regions where the alignment between policy, identity, and inclusivity remains a critical challenge.

## METHOD

This study employs a structured qualitative literature review to examine how city branding functions as a governance and policy instrument and how it interacts with the creative economy and

human capital development in the context of inclusive regional development. A structured qualitative literature review approach was selected to enhance transparency and methodological rigor in identifying, selecting, and synthesizing relevant scholarly work. Unlike a traditional narrative review, this approach follows a structured procedure that minimizes selection bias and strengthens the analytical validity of the findings (Snyder, 2019). The literature search was conducted using Scopus and ScienceDirect as the primary academic databases, while Google Scholar was used as a supplementary search tool to broaden the coverage of relevant studies. ResearchGate was not treated as a primary database but was used only to retrieve full-text versions of articles already identified through indexed sources, rather than as a source for independent article identification.

The search process was conducted within a defined time frame, focusing on publications from 2010 to 2025 in order to capture contemporary developments in city branding and the creative economy. A combination of Boolean search strings was applied to ensure precision and relevance. The main search string included: (“city branding” OR “place branding”) AND (“public policy” OR “governance”) AND (“creative economy” OR “creative industries”) AND (“human capital” OR “human resource development”). The search was limited to peer-reviewed journal articles published in English and Indonesian. Only studies with full-text availability were considered to ensure complete analysis. The screening and selection process followed a structured review procedure to enhance transparency and rigor. The initial database search yielded 19 articles across the selected databases. After removing duplicate records ( $n = 3$ ), 16 articles remained for title and abstract screening. Articles that did not meet the inclusion criteria were excluded during this stage. The remaining studies then underwent full-text eligibility assessment to evaluate their conceptual relevance and methodological clarity. Following this process, 10 articles were retained as the final analytical sample for thematic synthesis.

This study applied explicit inclusion and exclusion criteria, focusing on peer-reviewed journal articles published between 2010 and 2025, written in English or Indonesian, and addressing city branding in relation to governance, policy, creative economy, or human capital. Non-academic sources, studies limited to tourism marketing, and articles lacking clear analytical grounding were excluded. The selected articles were examined based on their direct relevance to the research questions and their conceptual contribution to the study.

Key information was extracted and coded into core themes using an iterative coding process, combining deductive categories derived from the research questions with inductive refinement based on patterns emerging from the literature. Methodological and background references, including Snyder, (2019) and UNCTAD, (2024), were used to support the conceptual and methodological framing of the study and were therefore not included in the final analytical sample. This study acknowledges that the limited number of articles and the interpretive nature of qualitative synthesis may constrain generalizability. However, the use of systematic procedures and explicit criteria strengthens the credibility of the analysis.

## RESULTS AND DISCUSSION

The synthesis of the selected studies reveals that city branding has undergone a significant conceptual shift, evolving from a promotional tool into a governance-oriented policy instrument. However, this transformation is neither uniform nor uncontested across the literature. While several studies emphasize the strategic role of city branding in shaping development direction, others highlight its limitations when it remains detached from institutional capacity and policy implementation city branding tends to be effective when embedded in governance structures characterized by strong institutional coordination and stakeholder participation, but less effective in fragmented policy environments. Conceptual studies emphasize that city branding operates as a multi-actor governance process (Lucarelli & Berg, 2011), while broader urban governance literature reinforces the importance of institutional integration and cross-sectoral coordination (Si Ying Tan,

2020; Zhanpeng Huang, 2023). These findings suggest that city branding operates not in isolation but as part of a wider governance ecosystem

However, the literature also reveals important divergences. While Beatriz Plaza et al. (2015) highlight the role of symbolic capital—such as iconic architecture and media representation in strengthening city image, other studies question the sustainability of such approaches. Empirical evidence from Ayu, Dwihantoro, et al. (2020) and Abil Hibatul Wafi et al. (2025) demonstrates that strong symbolic narratives do not necessarily translate into effective development outcomes, particularly when local governments fail to integrate branding strategies with policy implementation. This contrast indicates a fundamental tension between symbolic branding and substantive policy-driven branding. The former emphasizes visibility and reputation, while the latter requires institutional alignment and long-term policy commitment. The role of the creative economy further illustrates both convergence and variation across studies. A recurring pattern across the literature suggests that the creative economy provides a practical domain through which city branding can be operationalized. Studies by Waldemar Cudny & Wolaniuk (2020) and N J Setiadi, H Sutanto (2021) show that creative industries can function as drivers of economic transformation and identity formation. Likewise, Barbara (2019) demonstrates that the development of the creative economy varies significantly across cities, suggesting that there is no universal model for integrating creativity into branding strategies. This finding challenges more generalized claims in the literature and underscores the importance of context-specific policy design.

At the same time, several studies highlight structural constraints that limit the effectiveness of the creative economy as a supporting domain for city branding. For instance, Ayu, Dwihantoro, et al. (2020) and Abil Hibatul Wafi et al. (2025) identify gaps in policy coordination, limited understanding of the creative economy concept, and weak institutional support as key barriers. These findings contrast with more optimistic accounts that present the creative economy as inherently transformative. The evidence suggests that without adequate governance capacity, the creative economy may remain fragmented and fail to substantively support city branding objectives. Human capital emerges as another critical dimension, yet the literature presents both reinforcing and contradictory perspectives. On one hand, studies such as Li et al. (2021) indicate that strong city branding can enhance psychological capital, attract skilled individuals, and stimulate innovation. On the other hand, multiple studies point to persistent inequalities in access to skills development, training, and economic opportunities within the creative economy (Ayu, Dwihantoro, et al., 2020 & Abil Hibatul Wafi et al., 2025). This suggests that while city branding can contribute to human capital development, it may also reproduce existing disparities if not accompanied by inclusive policy interventions.

Taken together, these findings indicate that the relationship between city branding, creative economy, and human capital is not linear but conditional. The literature consistently points to governance quality, institutional capacity, and stakeholder participation as key mediating factors. Where these conditions are strong, city branding is more likely to be a strategic policy instrument that aligns development priorities and fosters inclusive growth. Where they are weak, branding tends to remain symbolic, fragmented, and uneven in its impact.

To address the four research questions, the discussion is organized into four interrelated thematic subsections covering city branding as a governance instrument, the creative economy as an operational domain, human capital and inclusivity, and the governance conditions shaping policy integration.

### **City Branding as a Governance Instrument**

This subsection addresses RQ1, which examines how city branding is conceptualized as a governance and policy instrument in regional development. The reviewed studies collectively reposition city branding as a governance instrument that shapes policy direction rather than merely reflecting it. City branding provides a strategic narrative that influences how cities define their development priorities, particularly in identifying whether they position themselves as creative,

cultural, or innovation-driven regions. This narrative function is not merely symbolic; it has practical implications for policy alignment and resource allocation. However, the literature also highlights a critical distinction between top-down branding and collaborative branding. Studies such as Ayu et al. (2020) demonstrate that top-down approaches often lead to a disconnect between the constructed image and local realities. In contrast, collaborative approaches where stakeholders actively participate in shaping the city's identity tend to produce more coherent and sustainable outcomes. This suggests that participation is not an optional component but a structural requirement for effective city branding.

### **The Creative Economy as an Operational Domain**

This subsection addresses RQ2 concerning how the creative economy supports the operationalization of city branding strategies. Across the reviewed studies, the creative economy consistently appears as the primary domain through which city branding is translated into practice. However, the degree of effectiveness varies significantly. In some contexts, such as those described by Waldemar Cudny & Wolaniuk (2020), creative industries are successfully integrated into broader development strategies, contributing to both economic growth and identity formation. In others, such as the case of Kendal (Aulia Suminar Ayu, Prihatin Dwihantoro, 2021), the potential of the creative economy remains underutilized due to weak policy integration. This variation highlights a key insight: the creative economy does not automatically operationalize city branding. Its effectiveness depends on the presence of targeted policies, institutional coordination, and access to resources. Without these conditions, creative economy initiatives risk remaining fragmented and disconnected from broader branding strategies.

### **Human Capital and the Challenge of Inclusivity**

This subsection addresses RQ3, which explores the role of human capital in determining the effectiveness of city branding initiatives. The literature consistently identifies human capital as a central determinant of city branding effectiveness, particularly within the creative economy. However, the findings also reveal a significant gap between potential and reality. While city branding can enhance attractiveness and stimulate innovation, it does not inherently ensure inclusive participation. Several studies point to unequal access to education, skills development, and economic opportunities as persistent challenges. This creates a situation in which the benefits of city branding are concentrated among specific groups, particularly those with existing access to resources and networks. This pattern suggests that the benefits of city branding are mediated by existing socio-economic structures, where access to skills, networks, and institutional support determines who can participate in and benefit from creative economy initiatives. In this context, city branding risks reinforcing inequality rather than promoting inclusive development. These findings imply that city branding strategies must be accompanied by inclusive policy interventions, particularly in education, skills development, and access to economic opportunities, to avoid reinforcing existing inequalities.

### **Integrating City Branding, Policy, and Inclusivity**

This subsection addresses RQ4 regarding the governance conditions that enable city branding to contribute to inclusive regional development. The synthesis suggests that city branding functions as a strategic policy instrument only when symbolic narratives are aligned with institutional capacity and policy frameworks. Its effectiveness depends on the alignment between symbolic narratives, policy frameworks, and institutional capacity. The creative economy appears to serve the operational domain, while human capital determines the inclusivity and sustainability of outcomes. However, the relationship among these elements is mediated by governance factors. Weak coordination, limited participation, and insufficient institutional capacity can disrupt this integration, resulting in fragmented and ineffective development strategies. Conversely, strong governance enables city branding to move beyond symbolism and function as a coherent framework for inclusive regional development.

## CONCLUSIONS

This study provides a conceptual synthesis of the literature on city branding, emphasizing its evolving role as a governance and policy instrument in regional development. The findings suggest that city branding has the potential to function not merely as a promotional tool, but as a strategic framework that can help align development priorities, particularly when supported by coherent policies, institutional capacity, and stakeholder participation. Within this framework, the creative economy appears to serve as an important operational domain through which branding narratives can be translated into tangible economic and social activities, while human capital plays a critical role in shaping the inclusivity and sustainability of these processes. However, the analysis also indicates that the relationship between city branding, creative economy, and human capital is highly conditional. The effectiveness of city branding depends on governance quality, policy integration, and the extent to which development strategies are implemented in an inclusive manner. In contexts where these conditions are weak, city branding tends to remain symbolic and fragmented, with limited impact on broader development outcomes. These findings highlight that city branding should be understood as part of a broader governance system rather than as an independent or self-sufficient strategy.

It is important to note that the conclusions drawn in this study are indicative rather than definitive, given the nature of the methodology. This research is based on a qualitative literature review with a relatively limited number of selected studies, which were chosen through a purposive and conceptually driven approach. As such, the findings do not aim to provide empirical generalization but rather to offer a structured interpretation of existing knowledge. In addition, the interpretive nature of thematic analysis may introduce a degree of subjectivity, despite efforts to ensure transparency and analytical rigor. Based on these considerations, this study contributes primarily at the conceptual level by offering a more integrated understanding of how city branding interacts with governance, creative economy development, and human capital. Future research may build upon this framework through empirical investigation, comparative case studies, and quantitative analysis to further test and refine the relationships identified in this study.

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## AUTHOR CONTRIBUTION STATEMENT

SYP research conceptualization, data collection, data analysis, and manuscript drafting. AOP research methodology, data validation, supervision, and manuscript reviewing and editing. SKAP interpretation of research findings, data visualization preparation, and final manuscript review. All authors have read and approved the final version of the manuscript.

## AI DISCLOSURE STATEMENT

The author used ChatGPT to search for several references during the preparation of this work. After using the service, the author thoroughly reviewed and edited the entire content of the manuscript and takes full responsibility for the content of this publication.

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