

CALLE CUATRO

Place Brand Strategy

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01. Opportunity for Downtown Santa Ana

Latino-focused destination districts have proven an effective way to differentiate and revitalize downtown retail areas. Districts such as Calle Ocho in Miami, San Antonio's downtown and historic Market Square, and Chicago's Little Village effectively service both established Latino residential communities as well as large numbers of visitors seeking an authentic Latino experience.

In California and nationwide, the Latino consumer segment has one of the most steadily growing sources of U.S. consumer demand. To cite Nielsen, the global market research company¹:

"It has become increasingly important to challenge commonly held misconceptions about the Latino market that undermine the importance of its size, uniqueness, and value. Latinos are a fundamental component to business success, and not a passing niche on the sidelines.

- Rapid Latino population growth will persist, even if immigration is completely halted.
- Latinos have amassed significant buying power, despite perceptions to the contrary.
- Hispanics are the largest immigrant group to exhibit significant culture sustainability and are not disappearing into the American melting pot.
- Latinos exhibit distinct product consumption patterns and are not buying in ways that are the same as the total market.

Hispanics already account for an important share of consumer expenditures and given their youth, educational advances, and increasing spending capacity, Hispanics are fast becoming preeminent drivers of growth and likely trend setters in the marketplace. Marketers will need to understand the what, where, how and why of their role in tomorrow's consumption space."

A 2014 market study of Santa Ana established the extent to which the largest, readily available source of purchasing power for downtown goods and services is the predominately Latino, central Santa Ana residential community. The attraction and improved servicing of this residential community is key to meeting the objective of downtown revitalization.

¹ Nielsen (2012). *The State of the Hispanic Consumer: The Hispanic Market Imperative*. April 17, 2012. URL: <http://www.nielsen.com/us/en/insights/reports/2012/state-of-the-hispanic-consumer-the-hispanic-market-imperative.html>

Broad trends in the retail sector have placed pressure on downtown retail areas nationwide. In Santa Ana, the displacement of goods and services offerings and public spaces for the downtown's largest available customer base has increased these pressures. In addition to lost loyalties of traditional central Santa Ana resident-consumers, the city has failed to develop perhaps its greatest point of differentiation from other retail areas in Orange County: its distinctive Latino cultural character.

The SABC and its member retailers and service providers have been working to re-establish such Latino character through their Calle Cuatro programming and marketing strategy. Added to this, Santa Ana community organizations have established some of the largest festivals in Orange County, associated with traditional Mexicano culture and themes. Tens of thousands of residents and visitors turn out each year for these festivals and events. This is indicative of the revitalization potential offered through a re-embrace of the downtown's cultural history and its current Latino community character. It further demonstrates how a Latino district approach can service multiple consumer segments simultaneously.

Reflecting these realities, SABHC established a brand strategy development process for Calle Cuatro that involved a wide range of community-serving organizations and SABC. The process involved two participatory workshops, and addressed the following:

- How to re-establish the emotional connection and retail loyalties of central Santa Ana residents to the downtown
- How to make the downtown a greater attractor of visitors based upon a consistent offering of authentic Latino experience, goods, and services
- How to collectively align the interests of downtown resident, community/civic, and commercial interests behind a core proposition for the Calle Cuatro as:

Southern California's most authentic, living Latino center.

PLACE BRAND STRATEGY versus MARKETING

Place branding is often pursued in only a limited sense. Cities and business associations focus on naming, slogans, logos, and other forms of marketing. But establishing an impactful, resilient place brand involves much more than marketing.

A brand is a strategy. A brand strategy is based upon a clearly defined promise: that each type of user, customer, and visitor will be offered particular emotional experiences and practical benefits when they visit, reside and shop in a place. A brand strategy requires active governance and programming to accurately communicate and to collectively fulfill that promise.

02. Background to this Report

The following brand strategy analysis was commissioned by Santa Ana Building Healthy Communities. It is meant to serve as a contribution to the implementation of the City of Santa Ana ‘Wellness District Resolution.’ The resolution was adopted by the Santa Ana City Council in June 2015. The resolution calls for the establishment of a name re-designation of 4th Street as Calle Cuatro and of Plaza Santa Ana as Plaza Calle Cuatro. The designation was supported by the Santa Ana Business Council, and has been subsequently supported by other downtown business and civic organizations.

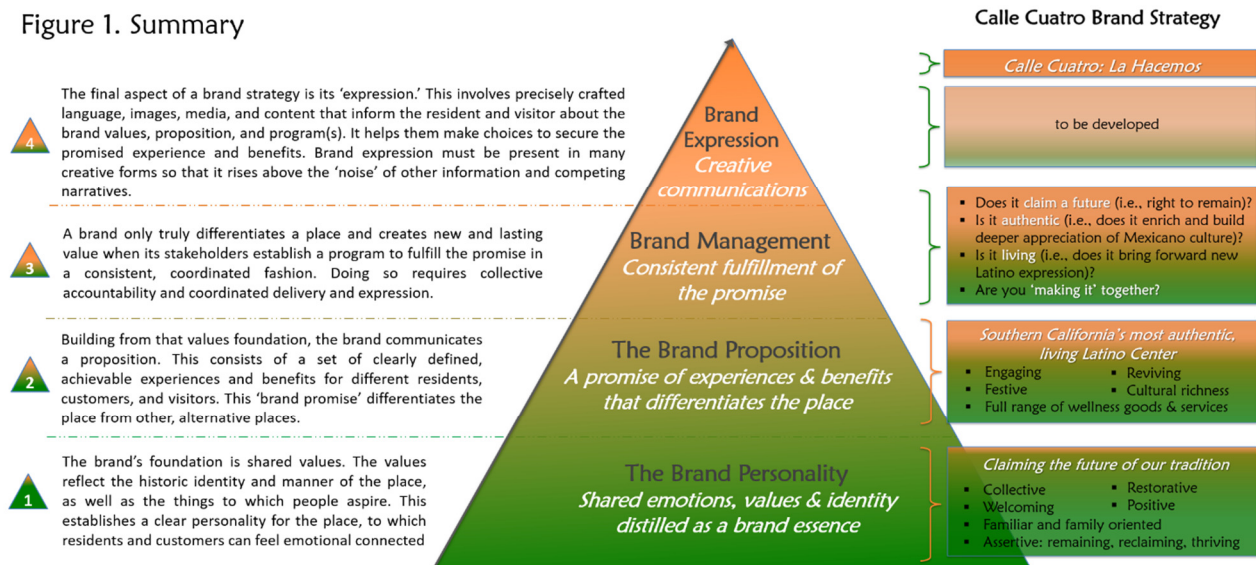
For Santa Ana Building Healthy Communities and for the Santa Ana Business Council (SABC), the re-naming of Calle Cuatro is just one component of a strategy to re-establish and maintain the Latino identity and character of this primary downtown commercial corridor.

The brand strategy development process was managed by The Next Practice (TNP). TNP partners Jeb Brugmann and James Waite together have decades of experience in brand strategy for the corporate and government sectors. This includes work for global brand agencies (e.g., Winkreative), global brands (e.g., Adidas), property companies (e.g., Swire Properties), countries (e.g., Taiwan Tourism Board) and city governments (e.g., Barcelona, Kitakyushu, Perth/Western Australia). Waite is co-founder and chairman of a leading global brand management company, Adgistics (www.adgistics.com), which actively serves scores of brands including Cirque du Soleil, Disney, Ford, Honda and Rotary Club. For more information about The Next Practice see www.thenextpractice.com

03. Summary

The following figure summarizes the approach taken to brand strategy development for Calle Cuatro, and the resulting brand concept.

Figure 1. Summary



The Elements of Brand Strategy

Brand Positioning. The proposed market positioning is to make Calle Cuatro and downtown Santa Ana: *Southern California's most authentic, living Latino center.*

Brand Personality. The underlying brand personality or 'essence' is that of an active, collective undertaking to achieve this positioning: *Claiming the future of our tradition.*

There are three key qualities to the delivery of that personality and to the achievement of that positioning. As will be further described, these qualities are proposed to be used as a planning, design and governance filter for the effective management of the Calle Cuatro brand.

03.1 Restorative and Authentic. The resident shopper and non-resident visitor will have a **restorative** experience. At the most basic level, a wide range of goods and services offerings will be available for family sharing and enjoyment, relaxation, cultural enjoyment and learning, festivities, recreation and exercise in a warm, welcoming, and engaging social environment. It is particularly important that this wide range is available for the residents of Central Santa Ana. These residents are the downtown's primary place 'asset' for achievement of the Brand Positioning. A critical aspect of the restorative experience will be **authenticity**. Securing and maintaining destination status for both residents and visitors will depend on offering a richer experience of Mexicano and Latino culture than the norm in southern California. Shoppers and visitors will have

access to the goods, cuisines, music, dance, histories, and other cultural traditions of U.S. Latino history, of Mexico's regions, and of other Latin American countries. Concerted efforts will be made to avoid a drift towards generalized or commodified forms of Latino expression. The resident and visitor will come back because they will often be exposed to new aspects of Latino expression. A visit will offer a learning experience, and a chance for deeper understanding.

03.2 Living and Future-oriented. The above experience depends upon an evolving and future-oriented perspective. A successful destination district is a **living** place. A destination needs to offer more or different life, invention, and choices than the norm. The aim is to achieve more than single visit novelty. The visitor and shopper must know that loyalty and repeat visits will be rewarded with an evolving relationship and experience. To be living, the goods and services offerings must address the evolving preferences and aspirations of the Santa Ana Latino resident. Ideally, Calle Cuatro will be the place **where future of southern California Latino culture is invented** and advanced. Calle Cuatro's restoration should represent a creative moment in Latino culture and presence in California. This should be much more than just marketed: it should also be studied, reported upon, blogged, tweeted, and debated.

03.3 Engaging, Positive, Welcoming. Downtown Santa Ana will face further affordability and demographic challenges. It will continue to be pressured by macro-level trends in retail. To be restorative and to also have creative authenticity, the resident and visitor need to be relatively free of tension and fractious interactions. As collective brand managers, the downtown's diverse stakeholders must recognize tensions openly together, and collectively forge ways to provide the variety of shoppers with an **engaging, positive, welcoming** experience. The best way to do this is to provide multiple and varied **opportunities for engagement** together. Places and events need to be designed where different peoples mix. Programming needs to create conversations, stories, understanding, and chances to participate in restoration of a new Calle Cuatro community.

Further details about the above three qualities of the brand experience and benefits are further presented in Section .05.

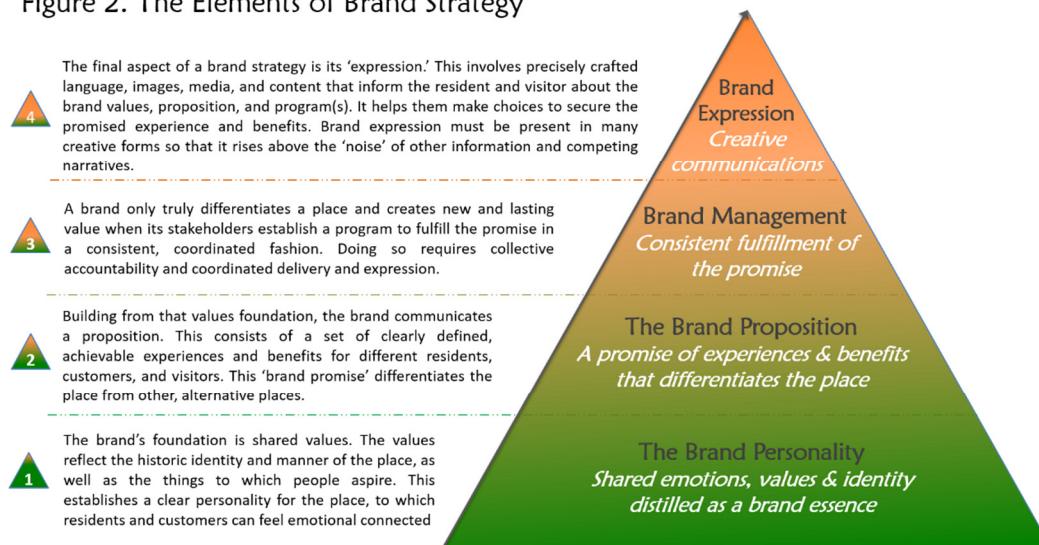
These qualities can be symbolized or represented by the Brand slogan:

Calle Cuarto: La Hacemos

04. About Place Brand Strategy

This section further describes the approach taken to place-brand strategy development. **Figure 2** summarizes the four main parts of a brand strategy.

Figure 2. The Elements of Brand Strategy



04.1 The **Brand Personality** is the first element of a place brand. The Brand Personality establishes the resident's or customer's emotional connection to the place. Emotional connection is an important aspect of loyalty and repeat visits or purchases.

The fundamental first understanding required between local stakeholders, to guide what they will collectively create, provide, and preserve, is the aspects of the Brand Personality. These are:

- **The Brand Emotions.** The emotions that the prioritized residents, customers, and visitors want to feel when they visit the place. What emotional associations do you want to create in the minds and hearts of users/customers, to build their loyalty?
- **The Brand Identity.** The identity that the users, customers, and visitors like to have when they visit the place. How do you want to enable their expression of their identity through visits and activities (including shopping) in the place?
- **Brand Values.** The values that local stakeholders and users, customers, and visitors collectively wish to uphold or to advance through their investments in the place and their visits/uses of the place.

Typically, the identified emotions, identity, and priority values are distilled into an easily communicable ‘essence.’ The essence that was developed for Calle Cuatro in the branding process is:

Claiming the future of our tradition

04.2 The **Brand Proposition** second part of a brand strategy. The Brand Proposition is the mix of benefits—goods, services, experiences—that stakeholders propose to offer or ‘promise’ to residents, users, shoppers, and visitors. While the Personality emotionally attracts or connects people to the place, the Proposition offers them some of the things that they practically aim to achieve when they make a visit. The Proposition needs to differentiate the place from the alternative destinations of the shoppers and visitors. The Proposition is normally distilled into a positioning statement. The positioning statement developed for Calle Cuatro in the branding process is

Southern California’s most authentic, living Latino center

04.3 Brand Management is the third part of a brand strategy is. Brand Management is has three main aspects. These are:

- **Governance.** Brand governance involves collective, coordinated efforts to help stakeholders understand how to support the realization of the brand (i.e., the delivery of personality and promise) and to address any issues that undermine its realization and consistency. Place brands are different, and more complex, than product brands because the atmosphere, events, and offerings in places often involves numerous different kinds of stakeholders and interests, who are not directly accountable to any central or executive authority. For this reason, in real-world places there is greater scope for divergence and for even contradictory efforts. This is why many successful destinations are either corporate attractions (e.g., Disneyland), or tight-knit ethnic communities (e.g., Calle Ocho), or centers of specific activities (e.g., downtown Nashville). The broader the range of stakeholders, the more importance that must be given to mechanisms for brand governance and related coordination. Where there are multiple parallel alliances and governance mechanisms, there are greater risks of competing brand strategies and loss of coherent identity and clear market positioning. **Appendix A** provides two simple worksheets to aid discussions about alignment of activities with the brand.
- **Programming.** The delivery of a brand promise requires a carefully constructed, regular program. The program consists of:

- information (e.g., calendar of events, signage, wayfinding),
- guidance (e.g., visitor resources and bureau, guides, greeters),
- events (e.g., festivals, special markets, parades, tours, entertainment stages, sales, etc),
- regular activities (e.g., weekly markets, buskers, classes, exercise activities)
- and of the unique but regular parts of a day lived in the place (i.e., the mix of things that create ‘sense of place’--special atmosphere, chances for people watching, unique rhythms of the day).

The program does not have to be centrally organized. A many-flowers-bloom approach can work very well. It often produces greater authenticity. But brand management needs to ensure that enough is taking place and being offered to collectively deliver the promise and sustain the personality.

- **Design/Collateral Management.** The ‘expression’ of the brand uses symbols—logos, slogans, colors, work marks, brochures, signs, structures, etc—to help people build mental associations and emotional connection with the place. These designs, electronic files etc. of these materials need to be stored and managed so that they can be collectively used.

04.4 Brand Expression is the fourth part of a brand strategy. Building a brand and the place’s aspired market positioning is greatly supported by the use of symbols and designs that constantly remind people about the place’s personality and proposition. For example, when we see the ‘golden arches,’ or the Starbucks’ logo, or watch the Pixar cartoon lamp hop across the screen we are being reminded of a wide range of opinions, feelings, experiences, and expectations about that company, product, or event.

As in Brand Management, consistency is key to the effective use of symbols to trigger those memories and associations so efficiently. When a resident or visitor has an experience or secures benefits from a place, this experience needs to be reinforced *in situ* and online with brand symbols. This enables the individual to become a brand ambassador. For example, when a friend or family member sees a logo for the first time and asks ‘What’s that?,’ the resident or visitor should be able to explain, in essence, the aspects of personality and promise that affected them.

Brand Expression is only truly impactful if the symbols are associated with an effectively and consistently managed place. Marketing cannot change the place’s personality, and it is not an effective substitute for real personality. Likewise, marketing does not substitute for the work of actually delivering the place’s promised benefits. Marketing that exaggerates actual delivery calls into question the abilities or seriousness of stakeholders to deliver on their promises. Active marketing with poor delivery can undermine the credibility of the revitalization effort.

The above outlined Calle Cuatro brand elements were developed by participants using a common framework for brand development, called the brand wheel. The brand wheel engages stakeholders to define the main personality/emotional characteristics and the main objective/practical realities of the place. It then guides them to distill the brand essence and brand proposition from these characteristics.

Figure 3. The Calle Cuatro Brand Wheel



06. Recommended Next Steps

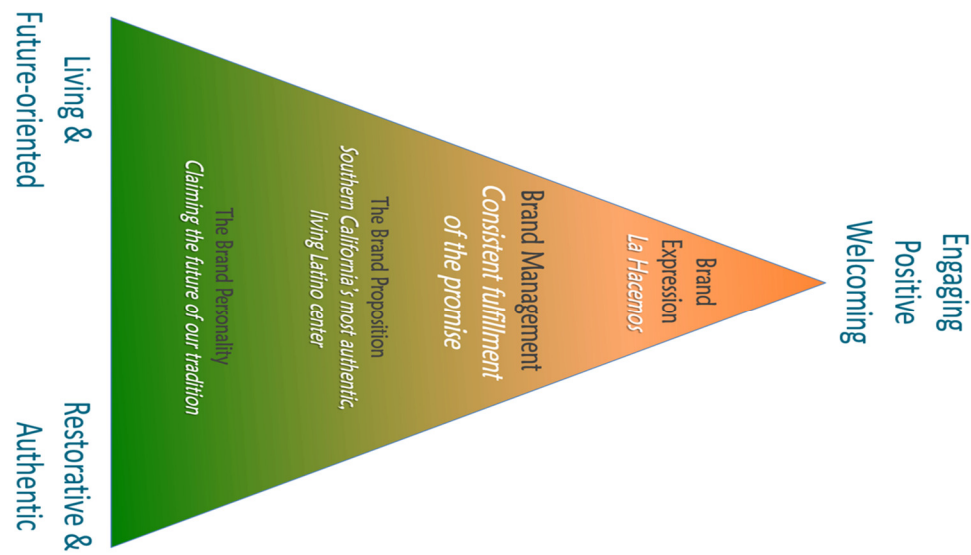
- 06.1** Present and discuss the proposed brand elements and begin to develop implementation strategies and programming ideas with key stakeholders.
- 06.2** Decide on your brand governance arrangements, and on your brand non-negotiables. TNP has proposed that the following aspects be considered as core principles of brand partnership to maintain the integrity of the brand. These are further elaborated in section 03 above.
- ✓ The activity needs to be restorative of community, individuals, and place
 - ✓ The activity should maintain authentic Latino and other cultural character
 - ✓ The activity should support a living community—with engagement and collective effort
 - ✓ The activity should create and introduce future forms of Latino life, livelihood, culture, cuisine, social activity
 - ✓ The activity should be positive: for something and creating something that advances the brand positioning and personality
 - ✓ The activity should create a welcoming atmosphere for diverse residents, commuters, visitors, and other users.
- 06.3** Inform all the downtown stakeholders about the brand strategy, and encourage them to complete the simple brand contribution exercise outlined in Appendix A. The exercise can be used determine how their program, projects, and activities can contribute to the realization of the brand—how their efforts express the personality and deliver the proposition/promise. Not every organization or activity will be able to manifest all aspects of the brand, but they will all ideally be consistent with the above core principles and will contribute something to delivery.
- 06.4** Develop a Calle Cuatro program that includes the contributions of the different stakeholders
- 06.5** Develop brand management arrangements that provide support, information resources and guidance to both stakeholders and ‘users.’
- 06.6** Engage professionals (hired or volunteer) to design the different forms of brand expression.
- 06.7** Decide on brand governance arrangements for ongoing refinement, progress review, and issues resolution.

Appendix A. Calle Cuatro Brand Contribution Worksheets

The fulfillment and maintenance of a place brand is particularly challenging, because numerous stakeholders directly make decisions that influence both the functional realities and the experience of a place. Therefore, a key part of place brand management is to discuss with each stakeholder how their efforts will align with and contribute to the fulfillment of the brand promise. The following two worksheets may be used to guide this discussion.

Worksheet 1. Calle Cuatro Brand Alignment

Four foundation principles have been identified for the Calle Cuatro brand strategy. Use this worksheet to identify if your initiative, policy, or business is aligned with these principles.

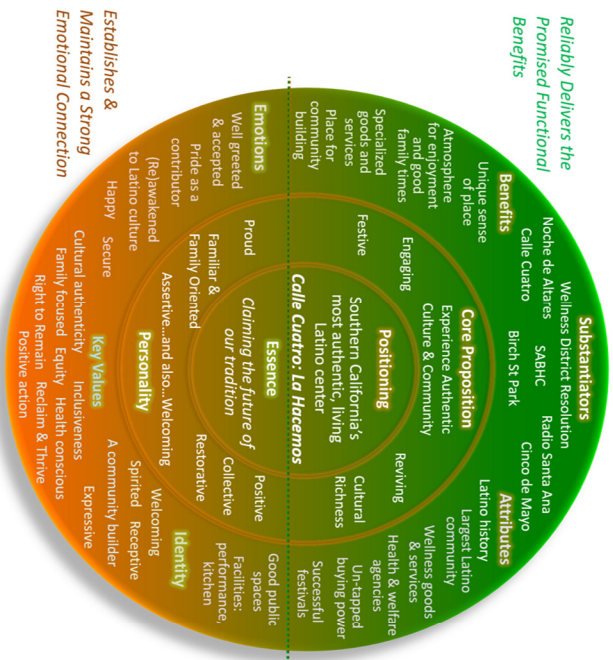


DOES THE INITIATIVE, POLICY, PROJECT OR EVENT:

1	'Claim a future' for an authentic Latino residential community in central Santa Ana? How so?
2	Enrich and build deeper appreciation for Mexicano culture? How so?
3	Support and advance new kinds of Latino-American expression? How so?
4	Welcome and engage people of different backgrounds, both residents and visitors? How so?

Worksheet 2. Calle Cuatro Brand Contribution

Use this worksheet to identify how your business or initiative contributes to the Calle Cuatro brand strategy.



Functional Aspects of the Brand Promise

- Attributes: Of the assets and realities of the place, which will your efforts most reinforce?
- Benefits: Of the functional/practical benefits that people have typically sought from the place, which will your efforts most strengthen?
- Substantiators: What will you do to demonstrate the Attributes and Benefits?

Emotional Aspects of the Brand Promise

- Emotions: Of the emotions that people want to feel, which will your efforts evoke?
- Identity: Of the identity that people want to have, what parts will your efforts help them to realize?
- Values: Of the values that people have, which will your efforts most advance?