

A Branders Publication

When Living Space Becomes a Brand

Something that is considered a decisive success factor for companies and products is still largely unknown in the location promotion and area development sectors.

Many real estate firms still don't know what they should build, where they should build it, and who they should build it for. Many projects are not adequately tailored to the needs of future tenants. But just like consumer goods, an entire living space can be linked to a brand. Real estate branding is considered a promising instrument for tapping into unused return potential.

Real estate branding is still largely unknown and commonly used as a synonym for location or real estate marketing. This mix-up makes it clear that for many real estate firms, branding is little more than project marketing using individual, short-lived marketing and PR measures. But because real estate branding must be seen in the long term, it is necessary to incorporate market-oriented, social, and environmental developments into the process.

The objective is neither stylish logos, elaborate Web sites, nor high-gloss brochures, but rather integrated planning, design, and communication of a new neighborhood or major project. Key questions emerge even before the new living space exists: who should live in the new area? What sets the neighborhood apart? What existing potential can be built on? How will the area look in ten or fifteen years? Just as these kinds of targeted questions create ideas about a living space, targeted brand positioning, differentiation, authentication, and cultivation should create a lasting *genius loci*.

More and more emphasis is being placed on city development projects realized by private and public sector partnerships with the goal of creating attractive living and cultural spaces. As a result of society's in-

creasing individualization, experts assume that districts, neighborhoods, and large developments will become more and more of a projection screen for individuals' own identities.

Where we live as a reflection of identity

The places we choose to live in are increasingly becoming decisive image factors in the business and private sectors. That is why to a branding specialist, a property isn't just a piece of land that can be built upon any old how, but rather a consumer good that must meet future tenants' wants and needs.

Districts or large-scale projects have to be planned so as to embody a certain attitude toward life, thus conveying values that go beyond the physical aspect. Not just living and commercial spaces are tailored to future tenants; a complete, coherent living environment should be created, from the design of the environment to the actual range of products and services offered. Architecture is understood as a medium for creating a three-dimensional brand space for brand experience; it serves less as a vehicle for direct sales promotion than as a stage for the overall product.

This is how living space develops that doesn't just follow today's economic criteria for use, such as utilization factors, earning power, and vacancy figures. For the identification of the tenant group, additional criteria such as future orientation, life objectives, degree of individualization and self-realization, or leisure and consumer behavior are also taken into account. This ranges from more general definitions such as child-friendly construction for families to living environments that meet the needs of an urban achievement-oriented society. For example, a building development with intelligent service design taken into account during architectural planning, and later on in the usage concept, can be a highly exciting living space concept for singles.

Future tenants will find relevant shopping facilities, services, and entertainment options right in their own neighborhoods. Leisure and recreational rooms as well as the architecture itself are also tailored to the tenants' wants and needs. A key factor is ensuring that the concept is suited to the structure, environ-

ment, region, and individuals who will be using the property; if it doesn't, the brand created through real estate branding is doomed to fail. But when real estate branding is successful, the property becomes one-of-a-kind and irreplaceable for the target group as the embodiment of a lifestyle.

Efficiency and enhanced quality in the planning process

Real estate branding should start during the development phase. Investments, physical and economic plans, the architecture itself, events, and communication should ideally be oriented toward the aforementioned branding strategy.

Requirements for the new living space can be outlined within the framework of the architectural competition through focused concentration on the targeted tenants' attitudes toward life and lifestyles. It is not just the right mix between living and working that should be established at the project's onset, but the needs for specific forms of living and working as well. In contrast to a traditional planning process in which such considerations are only taken into account on a superficial level or addressed too late in the game – and thus handing their responsibility over to the architect – real estate branding experts employ a more targeted approach. It allows for a better bidding invitation process and a more well-founded selection of architects. The use of clearly defined concepts means that only those firms are invited to bid whose style matches the profile of the future living space. This approach increases the quality of project proposals and makes it easier to select a winning project since the projects can be judged according to a set of specified criteria. Also of equal importance is that every individual involved in such a project remains faithful to his or her basic idea and its realization.

It is not enough to define values in order to create a brand. The attitude toward life that needs to be conveyed has to be something that can be felt and continuously experienced to be both credible and sustainable. As initially mentioned, the same holds true for companies and consumer goods: if you want to sell something, the product must have a name

and a package that speaks to the target group. As an additional factor, a product's packaging and its contents have to match and deliver the promises they make. The process is successful when the product interacts with the actual framework conditions. These rules hold true for new construction projects and the revitalization of existing locations, even if these feature negative attributes. Real estate branded in the right way should awaken a renter's, buyer's, tenant's, or owner's desire to put down roots and make the location's identity their own.

Current trends and limitations of real estate branding

As with many new approaches, real estate branding comes with certain risks for modern society when taken to an extreme. Due to the continuous repetition of standardized brand worlds not tied to a specific location – such as McDonald's, H&M, or Starbucks – certain neighborhoods or, in extreme cases, entire cities run the risk of appearing increasingly similar.

On the one hand, this kind of public space labeling offers guidance to those unfamiliar with the area for satisfying everyday needs; on the other hand, the density of the chain retailers' signs tend to hide a place's local flavor, thereby replacing those characteristics that makes it distinctive and authentic. Retailers' branding strategies can thus contribute to the homogenization of areas, which highlights the necessity of a strong brand identity for the location.

The other current phenomenon is the often-cited Bilbao Effect: the targeted upward valuation of a location through impressive structures designed by star architects. The outstanding architectural monument becomes the landmark of the city or town, serving as a distinctive symbol of popularity, identity, and authenticity. Paradoxically, the very strategy meant to create identity and uniqueness can also have exactly the opposite effect, for instance if the desire to outdo another location with architectural sensations is greater than the resulting functionality, profitability, or sustainability. If this is the case, the relationships of such large-scale projects to their environment can suddenly disappear, rendering them unrecognizable to residents.

Another example are areas that are guarded and separated from the public, such as the so-called gated communities, which are currently booming in different parts of the world. There is an immense desire to surround oneself with other like-minded individuals, thereby distancing oneself from potential factors of irritation. However, the risk is that these kinds of isolated societies will develop without any connection to their environment, which, in the worst-case scenario, can end in a modern-day ghettoization.

These examples emphasize the importance of real estate branding for the entire underlying development process. All of the partners involved in construction, including investors, regulatory authorities, general contractors, and spatial planners, develop a joint long-term vision for a part of town or major development in which the area's history and environment assume a key role. Places cannot be reproduced over and over. Only those individuals who accept that locations are part of an environment and exposed to different target groups can create places with a strong sense of identity or places of identification. Only in this way can the newly planned living space enrich the environment and provide essential momentum for the development of an entire city or region.

Real estate branding gives all participants involved a clear idea of the direction in which the living space will develop over the long term. But real estate branding requires consistency and perseverance, both of which take courage in these ephemeral times. In the long run, though, it pays off – in the form of higher returns for investors, and in the form of comprehensive planning and the subsequent upward valuation of living spaces for administrative bodies and future tenants.



Branders is a specialized consulting firm for branding. As a competent, independent consultant for small, medium, and large companies, Branders deals with brand strategy, creation, and management. The team of economic, psychology, and design specialists provides consulting for companies on all issues to do with branding. Branders also handles specific topics such as employer branding and internal branding. Branders is currently working on projects in Switzerland, the US, and China.

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