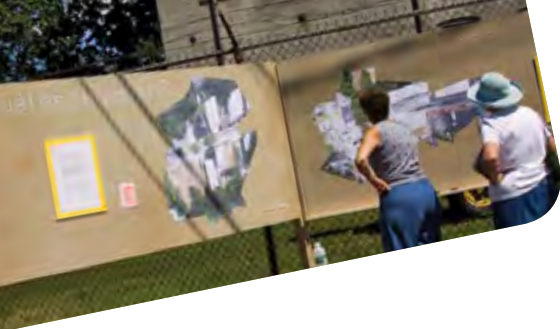


# Neighborhood Branding and Marketing

A series on redefining  
your neighborhood's image



## An Overview



## **This article is part of a series of publications by the NeighborWorks America Stable Communities Initiative**

that shares key concepts, strategies and tools to assist nonprofit community developers and other community-based organizations in repositioning perceptions of their target neighborhoods. The purpose of this series is to help these groups to create community pride and attract and retain residents, businesses and investment. Visit [www.StableCommunities.org](http://www.StableCommunities.org) to download the complete series and access additional resources to inform your community stabilization efforts.

### **NEIGHBORWORKS AMERICA**

NeighborWorks America is one of the country's preeminent leaders in affordable housing and community development. We work to create opportunities for lower-income people to live in affordable homes in safe, sustainable neighborhoods that are healthy places for families to grow. NeighborWorks delivers many of its community-focused programs and services through the national NeighborWorks network – more than 240 independent, community-based nonprofit organizations serving more than 4,500 communities nationwide.

### **THE STABLE COMMUNITIES INITIATIVE**

NeighborWorks America launched the Stable Communities Initiative in 2007 to support the efforts of local nonprofit organizations to mitigate the damaging effect of vacant and abandoned foreclosed homes on their communities. The vision of the Stable Communities Initiative is to promote comprehensive community stabilization strategies that produce new homeowners, quality rental housing and sustainable revitalized communities. This vision is accomplished by facilitating partnerships at the national and local levels and by providing a host of resources including training, technical assistance, workshops and publications on issues related to community stabilization.

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# 1. Introduction

Neighborhoods mean many things. At their most fundamental level, they are the places where people live. But the word “neighborhood” means much more than the geographic area where one’s house is located. It is about neighbors — people one gets to know and connect to — and about a texture of shared life and experience. It can be an identity, as when someone says, “I’m from Southside,” and the listener understands exactly what that means. It is also a place to which one makes a commitment, by buying a house, improving one’s property, joining a civic association or participating in block parties or clean-up campaigns.

While we sometimes like to think of neighborhoods in sentimental or nostalgic terms, the reality is that most of the features that we care about when we think of neighborhoods are based on a solid foundation of housing market conditions, on choices people have made and continue to make about where they want to live, and on their willingness to make an emotional as well as financial commitment to that place. People make those choices for reasons, and in today’s competitive world, neighborhoods compete with each other to be chosen.

This article is designed to introduce people who are thinking about marketing or branding their neighborhoods to some of the key tools that neighborhood organizations and community development corporations (CDCs) can use to help their neighborhoods compete more effectively. Marketing and branding are not a substitute for the hard work of making the neighborhood a safe, attractive, enriching place to live. Rather they are the tools a neighborhood can use to get information to people, change misinformed or inaccurate perceptions about the neighborhood and help potential residents come to understand that the neighborhood may be a good place for them to choose to live in.

The first section of this article discusses generally how neighborhood housing markets work, while the second explains how a neighborhood organization or CDC can figure out how their neighborhood fits into the citywide or regional housing market and how well it is competing in that market. The third section explores how a neighborhood’s image is formed and perpetuated, and the fourth addresses how a neighborhood organization can engage the neighborhood’s residents in building a marketing strategy to define its brand and change its image and its competitive position.



## 2. Understanding Neighborhood Housing Markets

### A. NEIGHBORHOODS COMPETE WITH EACH OTHER

One hundred years ago, people's choices about where to live were often limited by powerful social and economic forces. Both legal and informal pressures often limited where people, particularly African Americans but also members of other ethnic groups, could live. Factory workers lived in neighborhoods close to the mills, while immigrant ethnic communities clustered together in neighborhoods where they could speak their language in the stores and the streets and worship in their own churches. As children grew up, they tended to stay in the neighborhood, buying or renting within a few blocks of their parents.

While ethnic pockets still exist, and new ones are being created by new immigrant groups, the constraints that once existed are far weaker. The mills are gone, and car ownership is the norm. Today most people can choose where they want to live, mainly constrained by their income, and fewer people feel an emotional attachment to "the old neighborhood" strong enough to affect their choices. They may go back on Sundays for church, but they don't live there.

Because people have many choices about where to live, neighborhoods exist in a competitive environment. Basically, every neighborhood is competing with every other neighborhood in a city or metro area for the pool of people making decisions about where they will live. That pool includes people moving into an area and people already in the area who are deciding whether to stay in their present house or neighborhood, move to another house in the same area or move to a different area entirely.

If enough people with the means to buy and maintain houses and the desire to settle in and make a commitment to their community choose to move in or stay in a neighborhood, it is likely to be a healthy, vital neighborhood. If people don't choose to move in or existing residents chose to move out, the neighborhood is unlikely to remain healthy or vital for long. Neighborhoods are built on a foundation of market choice. Everything else follows.

### B. WHAT DRIVES NEIGHBORHOOD CHOICE?

Understanding how and why people make those choices, as well as what aspects of a neighborhood affect their choices, is the starting point in under-

standing how to market a neighborhood. We need to know the following:

- What drives homebuyer decisions?
- How do different features of a neighborhood influence those decisions?

There are important reasons to focus principally on homebuyers, rather than investors or renters, which we will explain later. However that does not mean that renters and investors are irrelevant.

### ► What drives homebuyer decisions?

While the psychology of consumer decision making is complicated, ultimately every major decision reflects some combination of the practical and the emotional. When it comes to home buying, both elements are powerfully present. The practical side can be divided into functional and economic factors. Functional considerations have to do with such matters as whether the house has enough bedrooms for the family, a yard big enough for the family dog or a garage big enough for the family's collection of antique motorcycles. If a neighborhood lacks a house that meets the family's basic requirements, the family will probably look elsewhere, although some families may want to live in a particular area badly enough that they will compromise on some features of the house they buy.

### ► Does the house make economic sense?

While economic considerations begin with whether the family can afford the house, they do not end there. Basically, they reflect the question: *does this house make economic sense?* In addition to the cost of the house and the monthly payments, that question reflects such issues as commuting costs and convenience, the cost of sending children to private rather than public school where that is a consideration and, perhaps above all, the buyer's expectations of future house value – is it likely to go up, go down or stay the same over the coming years?

The home buying-decision is not entirely economic. Buyers will sometimes fall in love with a house, even though it may not meet their needs as well as other

houses on the market, because of something about its appearance or something that reminds them of their childhood home. Appearance – the “feeling” of the neighborhood – is equally important. A home-buying decision is a critical one for most families and requires a comfort level about the neighborhood as well as the house. At the same time, many emotional signals are also economic ones. Trash in the gutters or a boarded-up house on the corner may trigger a negative emotional reaction, but that reaction reflects underlying concerns about property values or risk to personal safety.

### ► How do different neighborhood features influence homebuyer decisions?

It is a truism that people choose neighborhoods more than houses. While houses matter, they exist and are seen by prospective buyers as part of a neighborhood, not free-standing objects. Certain features of a neighborhood attract buyers or alternatively repel them. As we discuss below, such features fall into two broad categories – neighborhood *stability* and neighborhood *amenities*. Each neighborhood is likely to have a mixture of assets in either or both categories, as well as some liabilities. As we discuss below, neighborhood features, both positive and negative, do not affect all people the same way. A prized amenity for one household may be a matter of indifference, or even a negative, for another.



### C. WHAT DOES NEIGHBORHOOD STABILITY MEAN?

Neighborhood stability does not mean that nobody ever leaves, and that people die in the same house they grew up in. That may have been true once but is no longer. What it means today is that *people feel confidence in the neighborhood and believe that they have made a good investment – both financial and psychological – by moving into or staying in the neighborhood.*

Some of the factors that undermine confidence, and thus neighborhood stability, are as follows:

- A dramatic change in housing prices
- Presence of visibly vacant or abandoned buildings or neglected vacant lots
- High levels of foreclosure
- Property disinvestment and poor maintenance of buildings and yards
- High crime
- Low or declining home ownership rates

Some of these are clearly visible. A boarded-up house on the corner is a powerful symbol of instability, as is a trash-strewn vacant lot. Others can be reflected in physical outcomes. Crime may be reflected in the fact that few people are out in the evenings, windows may be barred, and alarm/security signs are common, while declining homeownership rates may be evident in the reduced maintenance that often follows as homes are bought by investors rather than homeowners.

Every neighborhood has a mixture of forces working for greater stability and forces working against

it. Jane Jacobs, in her famous book *The Death and Life of Great American Cities*, wrote that a stable neighborhood is one “that keeps sufficiently abreast of its problems so that it is not destroyed by them.” However it is not enough to reduce or even eliminate negative factors to create a healthy neighborhood. Only when the positive forces and positive events, including strong amenities that hold and attract people, outweigh the negative is the neighborhood likely to become increasingly stable and healthy.

### D. WHAT ARE NEIGHBORHOOD AMENITIES?

Neighborhood amenities are the positive features that people look for when they choose a neighborhood. Figure 1 identifies some of the most important neighborhood amenities that affect homebuyer decisions and the key features of each amenity. Some of those features – particularly appearance and schools – could also be considered elements of neighborhood stability.

Any neighborhood feature can be an asset, can be neutral or can be a drawback to the market, depending on its particular characteristics. A park that is well-maintained, safe and actively used is a neighborhood asset, but the same park, if poorly maintained and unsafe, may discourage families from moving nearby. A shopping district that caters to a particular ethnic or economic group may be an asset for that group, but neutral – or even negative – to others.

Prospective buyers vary widely by age, family status, education, values, and lifestyle preferences. For some, easy access to a light rail line, for example,



# Example

Figure 1: Amenity factors in home-buying decisions

AMENITY VALUE	FEATURES
Appearance (curb appeal)	<ul style="list-style-type: none"> <li>· Appearance of houses and front yards</li> <li>· Appearance of vacant lots</li> <li>· Appearance of vacant buildings</li> <li>· Trash and debris in streets and front yards</li> <li>· Fencing of yards and lots</li> <li>· Unattractive, incompatible uses such as junk yards, auto-body shops</li> <li>· Graffiti</li> <li>· Quality of streetscape (street trees, sidewalks, curbs)</li> <li>· Appearance of commercial areas (facades, parking areas, sidewalks)</li> </ul>
Parks and open space	<ul style="list-style-type: none"> <li>· Amount and characteristics of open space</li> <li>· Utility of open space (the fit between neighborhood recreational needs and nature of facilities)</li> <li>· Maintenance and appearance of open space</li> <li>· Programming and activity level in open space</li> <li>· Safety of open space</li> </ul>
Transportation	<ul style="list-style-type: none"> <li>· Easy access to workplace</li> <li>· Variety of other public transportation destinations (downtown, shopping centers, other major destination)</li> <li>· Frequency of service</li> <li>· Type of service (bus, bus rapid transit, light rail, commuter rail)</li> <li>· Quality of service (length of trip, appearance of vehicles, price)</li> </ul>
Shopping	<ul style="list-style-type: none"> <li>· Access to basic shopping needs</li> <li>· Variety and nature of shopping</li> <li>· Appearance of stores</li> <li>· Price and quality of merchandise</li> <li>· Access to dining and entertainment opportunities</li> </ul>
Schools	<ul style="list-style-type: none"> <li>· Quality of educational program</li> <li>· Safety on school grounds and on trip to/from school</li> <li>· Appearance/condition of school facilities</li> </ul>
Lifestyle	<ul style="list-style-type: none"> <li>· Quiet, peaceful residential quality</li> <li>· Urban, mixed use vitality</li> <li>· Hip, artistic or creative atmosphere</li> <li>· Active and engaged, community character</li> </ul>

or having a bustling shopping street within walking distance may outweigh many disadvantages. For others, those features may be matters of indifference if they commute to work in an outlying area or if they prefer to shop at the mall, or even negatives if they want a peaceful, quiet neighborhood. Small houses, however charming, may not appeal to child-rearing families, but may be desirable to single people or empty nesters. A critical part of marketing a neighborhood is identifying the right targets – those who are likely to be most attracted by the neighborhood’s strengths and least discouraged by its weaknesses.

Many community organizations and CDCs have trouble distinguishing between what they see as neighborhood assets, and what prospective homebuyers may see as assets or even problems. Health care centers, social service facilities, even bus service, are usually not considered amenities by most would-be homebuyers, even though they may be valuable resources for many of the neighborhood’s less affluent residents. Any marketing effort must begin with the ability to look at the neighborhood through the eyes of those you hope to retain or attract to the area, not what preferences the leaders of the neighborhood organization or CDC may have.

## E. WHY ARE HOMEBUYERS SO IMPORTANT?

Not everybody needs to be, wants to be or should be a homeowner. About two-thirds of American households are homeowners, and about one-third renters. Low-income households are more likely to be renters, as are single-person households – although over half of all single person households are, in fact, homeowners. Neighborhoods should have room for renters as well as homeowners.

However from the standpoint of building a stronger neighborhood and marketing that neighborhood, there is a big difference between homebuyers – people who buy houses to live in themselves – and investors (people who buy houses to flip or rent out) or renters.

Homebuyers in general are truly interested in investing in the neighborhood, both by putting money into



## F. WHAT ABOUT RENTERS AND INVESTORS?

Not everyone who buys property or moves into a neighborhood will be a homeowner. In many neighborhoods trying to rebuild their markets, most of the people buying houses are likely to be investors or landlords. That means that many of the houses in the neighborhood will be occupied by tenants, not homeowners. One of the biggest mistakes a CDC or neighborhood organization can make is to ignore landlords and tenants and focus entirely on homeowners, particularly in neighborhoods where homeowners may be less than half of all of the households in the area, and where increasing the share of homeowners needs to be seen as a gradual, long-term goal. Where investors are a major part of the market, CDCs must also focus on drawing responsible investors and trying to engage tenants in the neighborhood.

This can be difficult. In neighborhoods with low house prices, many interested investors may be speculators looking for a fast buck. Even many responsible investors may have little personal investment in the area, and may not plan to hold onto their properties for more than a few years. There are many things a CDC or neighborhood association can do, particularly if they can partner with city government, to discourage predatory investors from buying in a neighborhood and to draw landlords who will maintain their properties and, in some cases, become actively engaged in the neighborhood. For more on this topic see *When Investors Buy Up the Neighborhood: Preventing Investor Ownership from Causing Neighborhood Decline* (PolicyLink, 2010) and *Meeting the Challenge of Distressed Property Investors in America's Neighborhoods* (LISC, 2010).

Similarly, renters are harder to engage than homeowners, particularly renters who may only expect to be around for two or three years. Many renters, however, may have or may develop neighborhood ties and become long-term residents. Some will ultimately become homeowners, either in this neighborhood or elsewhere. They are all part of the neighborhood, along with the investors and the homeowners.

the house they own and by living there. In contrast to renters, who live in the same house or apartment on average little more than two years, the median homeowner in older states like Michigan or Pennsylvania (where the figures aren't thrown off by large numbers of recently built houses) will live in the same house for 13 to 15 years. While monthly cost is only one factor in the homebuyers' decision and often not the most important, renters are powerfully driven by the monthly cost and much less by neighborhood features.

Homeowners tend to be more involved in the neighborhood than either renters or investors. They are more likely to improve their homes and yards in the ways that make them assets to their block and make them into the kinds of houses that prospective buyers would like to have next door. Increasing homeownership is likely to increase not only neighborhood property values but also neighborhood stability, while a decline in homeowners is likely to have the opposite effect.

From a neighborhood marketing strategy, drawing homeowners with choices is the critical piece in the puzzle. They are the people you are trying to reach. You need to know how to reach them and what you tell them.

## G. INFORMATION IS CRITICAL

Markets are all about information. Consumers can only choose among those products for which they have information. In some spheres, this is relatively easy. When one wants to buy a car or a vacuum cleaner, a variety of useful products, such as catalogues, consumer guides and websites, enable consumers to get enough information to make a rational choice. When it comes to buying a house, the situation is more complex. Information is much less systematic and can be poorly organized, and the nature of the channels through which homebuyers get information often puts neighborhoods with image challenges at a serious information disadvantage.

First, most homebuyers are likely to seek advice from family, friends, co-workers and other acquaintances. Depending on where they live, these contacts may have limited familiarity with certain neighborhoods. Alternatively, they may have negative perceptions of particular neighborhoods, and may warn prospective buyers against buying a home in those areas. Those perceptions may be obsolete or unfounded, but the potential homebuyers may have no way of knowing that.

Second, since real estate professionals are paid on commission — a percentage of the selling price — they tend to favor more expensive, faster-selling homes and neighborhoods. Where houses are low-priced and hard to sell, it is hard for brokers to make money. As a result, there are few full-service

brokerage firms in many cities, and those that do exist tend to concentrate on the city's more affluent neighborhoods or on resurgent downtown areas.

Neighborhood marketing and branding campaigns have to counteract these tendencies in order to get information into the hands of prospective buyers: not just any information, but information that will make them think more positively about the neighborhood and consider buying homes there. The information, however, must correspond to reality. If a neighborhood truly has a serious crime problem, to claim that the problem is solely a matter of outsiders' perceptions is a form of denial. Where the problems are real, the reality must be tackled in order to change perceptions. At the same time, there may be other, more positive aspects of the neighborhood that people outside are not aware of that ought to be highlighted as well.





### 3. Looking at Your Neighborhood: Where Does It Fit in to the City and the Region?

We began with the basic point that neighborhoods are in competition with one another for the pool of prospective homebuyers. Whether it is people in the neighborhood who can now afford to move, people in the larger area who are considering moving because their children are now grown, young couples looking to buy their first home, or immigrants trying to decide where to live in a new and unfamiliar community, they all have choices, and those choices are in competition with each other.

Not all neighborhoods are in competition with all other neighborhoods. In fact, each individual neighborhood is likely to be in competition with a limited number of other areas around the city and region. Neighborhoods are segmented by a host of different factors, including price, location, life style and condition. Similar neighborhoods that potentially attract similar types of households compete with one another.

In order to develop an effective marketing strategy, one must know the competition and how your product stacks up against it. This is true whether the product is a car, a vacation resort or a neighborhood. Club Med doesn't worry about the Ritz Hotel in London, but it pays close attention to other Caribbean resorts catering to young adults. A neighborhood of 1950s Cape Cod cottages is unlikely to be in direct competition with a near-downtown neighborhood of Victorian row houses. However, most metro areas are likely to contain more than one location where 1950s Cape Cods are the principal house type, and they will compete with one another.

Organizations planning a neighborhood marketing campaign should ask three closely related questions:

- What are the features of the neighborhood that define its target market (or markets)?

- What are the market conditions in the neighborhood?
- How is the neighborhood trending?

In order to address these questions, cities, businesses and organizations use **typologies** to organize relevant information. A typology is a way of classifying different entities – be it animal species, star types, or neighborhoods – either on the basis of common characteristics or key differences.

Different typologies are used to analyze different things, and it is important to use any particular typology appropriately. A typology that identifies a neighborhood’s target markets may not tell you how attractive the neighborhood currently is to those markets. Conversely, a typology that can be used to evaluate the strength or weakness of the neighborhood housing market will not tell you to whom the area should be marketed. Both are relevant, and together they can provide a picture that neither can offer separately.

## A. WHO ARE YOUR TARGET MARKETS?

As we’ve mentioned, not all prospective homebuyers – or tenants – are alike in their characteristics or preferences. In fact, prospective buyers can be divided into literally dozens of separate subgroups based on economic conditions, life cycle, culture, ethnicity, lifestyle preferences and other factors. The Nielsen Organization has developed a typology they call PRIZM that divides households into social and life stage groups, each with distinct consumption preferences, as shown in Figure 2. Each of these groups is further defined in the typology; for example, group 40 “Close-In Couples” is defined as follows:

Close-In Couples is a group of predominantly older, ethnically diverse couples living in older homes in the urban neighborhoods of mid-sized

metropolitan areas. High school-educated and empty nesting, these mostly older residents typically live in older city neighborhoods, enjoying their retirements.<sup>1</sup>

The PRIZM model, like other commercially available market typologies, is oriented toward consumer purchases and not neighborhood marketing, but it is worth looking at PRIZM’s social and life stage groups, both to appreciate the diversity of the many target markets that potentially exist in a city or region and to develop a sense of how marketers look at different segments of the population.

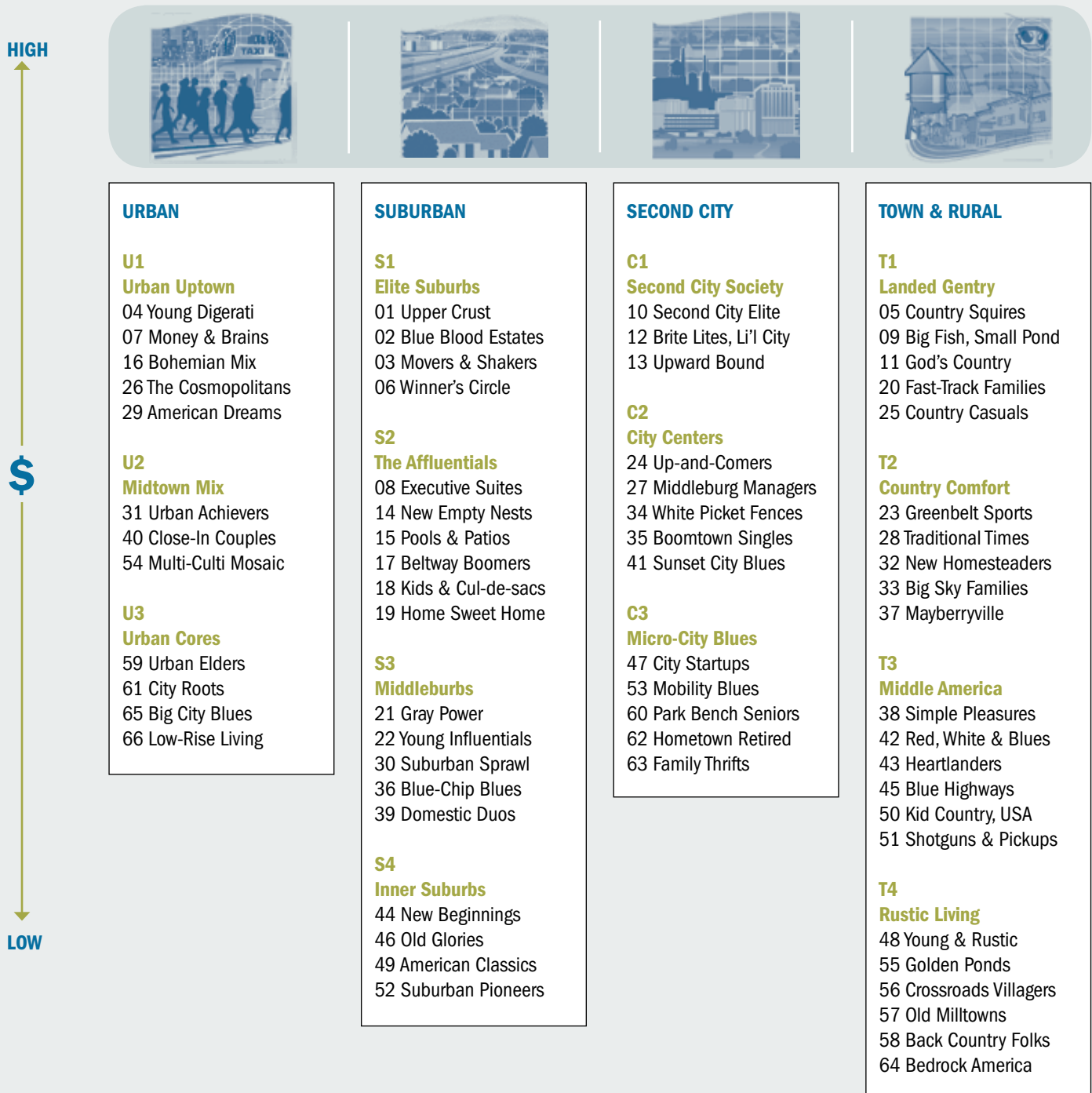
In looking at a neighborhood from this perspective, it is often a good idea to begin by thinking about for whom the neighborhood was initially built, and – to the extent that it has remained a community of choice – who the buyers have been in more recent years. They may be considered the neighborhood’s “historical” target market. One neighborhood, for example, may have initially been developed to house the families of workers at a nearby steel mill. The mill may be gone, but the neighborhood’s houses and atmosphere may make it an attractive destination for new working-class immigrants and their families.

Whatever the historical target market may have been for a particular neighborhood, it may be difficult to draw that market to that neighborhood today. A neighborhood of large single-family houses on individual lots on tree-lined streets may appear to be an ideal location for middle-class families raising children, but will not be seen that way if the schools are deemed problematic and the neighborhood unsafe. Moreover, as demographics change, the number of people making up a particular target market may decline. For example, the number of married-couple families raising children in the Cleveland metropolitan area dropped by 20,000 between 2005 and 2010. To capture a larger share of a shrinking pool is a lot harder than holding onto the same share of a growing pool.

1. More information can be found at <http://www.claritas.com/MyBestSegments/Default.jsp?ID=70&&pageName=Learn%2BMore&menuOption=learnmoreThe PRIZM>

# Example

FIGURE 2: Nielsen PRIZM social groups



In that situation, those organizing the marketing campaign have to consider two basic alternatives:

- Can they strengthen their appeal to the “historical” target market, either by changing perceptions or changing the realities blocking them from drawing that market?
- Can they identify a different target market which may be more strongly drawn by the neighborhood’s assets and less sensitive to its weaknesses?

For example, a neighborhood close to a hospital or university may see their workers as its target market and partner with the institution, which may assist by disseminating information or by providing homebuyer incentives.

An important part of any neighborhood’s target market is the people who already live in the neighborhood. Every year, many neighborhood residents – homeowners and tenants – make decisions about staying or moving. Encouraging as many as possible to stay and either improve their property or move to a larger house in the same neighborhood should be an important part of any marketing strategy.

## **B. HOW EFFECTIVELY IS YOUR NEIGHBORHOOD COMPETING IN THE MARKET?**

Neighborhoods vary widely in terms of how effectively they compete within the city and region for homebuyers. Since the goal of the marketing strategy is to make the neighborhood more competitive, it is important to start by understanding where the neighborhood fits from a competitive standpoint. Indicators of market condition can be combined to create a neighborhood typology, which can then be used to compare the neighborhood to the region or to other neighborhoods with similar housing stock or other features. Figure 3 shows a straightforward typology of neighborhood housing market characteristics.

The most basic questions that should be asked about the neighborhood’s market condition are these:

- Do houses in the neighborhood sell when they come on the market?
- Are they selling at prices that are competitive relative to the rest of the city and the region?
- Are most of them selling to homebuyers (future owner-occupants) or to investors?
- What are vacancy rates, and are there abandoned houses in the neighborhood?

While turnover slows down during recessions and tends to speed up in areas where prices are rising rapidly, houses tend to turn over at fairly predictable rates, usually between five percent and seven percent each year. Thus, by comparing the number of single-family sales to the total number of single-family units in the neighborhood, one can get a very good idea about whether houses are selling or not.

Sales prices are an equally important indicator. Although some people think of low prices as a good thing in that they make housing more affordable, low prices can be problematic. Prices significantly



# Example

Figure 3: Neighborhood housing market typology

CATEGORY	HOUSE PRICES	BUYER ACTIVITY	HOUSING CHARACTERISTICS
6	Prices are high by regional standards	<ul style="list-style-type: none"> <li>· Demand exceeds supply</li> <li>· Homebuyers substantially exceed absentee buyers</li> <li>· Homebuyers are largely upper income</li> </ul>	<ul style="list-style-type: none"> <li>· Houses well maintained</li> <li>· Very low vacancy rate</li> <li>· High level of reinvestment or replacement in existing housing stock</li> <li>· Infill lots quickly reused by private builders</li> </ul>
5	Prices are high by city standards	<ul style="list-style-type: none"> <li>· Demand moderately exceeds supply</li> <li>· Homebuyers substantially exceed absentee buyers</li> <li>· Homebuyers are middle and upper income</li> </ul>	<ul style="list-style-type: none"> <li>· Houses well maintained</li> <li>· Low vacancy rate</li> <li>· High level of maintenance but only moderate reinvestment or replacement in existing housing stock</li> <li>· Infill lots sometimes reused by private builders</li> </ul>
4	Prices are average or slightly above average by city standards	<ul style="list-style-type: none"> <li>· Demand and supply in balance</li> <li>· Homebuyers moderately exceed absentee buyers</li> <li>· Homebuyers are largely middle income</li> </ul>	<ul style="list-style-type: none"> <li>· Most houses well maintained, but exceptions are visible</li> <li>· Moderate vacancy rate, scattered abandoned properties</li> <li>· Moderate level of maintenance and reinvestment</li> <li>· Infill lots rarely reused by private builders</li> </ul>
3	Prices are average or slightly below average by city standards	<ul style="list-style-type: none"> <li>· Supply beginning to exceed demand</li> <li>· Mix of homebuyers and absentee buyers</li> <li>· Homebuyers are largely moderate income</li> </ul>	<ul style="list-style-type: none"> <li>· Most houses well maintained, but increasing number are not</li> <li>· Moderate vacancy rate, scattered abandoned properties</li> <li>· Moderate level of maintenance, with increasing evidence of disinvestment</li> <li>· Infill lots not reused except for scattered subsidized housing</li> </ul>
2	Prices are below average by city standards	<ul style="list-style-type: none"> <li>· Supply exceeds demand</li> <li>· Absentee buyers exceed homebuyers</li> <li>· Homebuyers are low and moderate income</li> </ul>	<ul style="list-style-type: none"> <li>· Some houses well maintained, but many show evidence of disinvestment</li> <li>· High vacancy rate, scattered abandoned properties on most blocks with abandoned property clusters emerging</li> <li>· Low level of maintenance, with increasing evidence of disinvestment</li> <li>· Infill lots not reused except for scattered subsidized housing</li> </ul>
1	Prices are substantially below average by city standards	<ul style="list-style-type: none"> <li>· Supply substantially exceeds demand</li> <li>· Buyers are predominately absentee</li> <li>· Few homebuyers at any income level</li> </ul>	<ul style="list-style-type: none"> <li>· Most houses show evidence of disinvestment</li> <li>· Very high vacancy rate with widespread abandonment</li> <li>· High level of disinvestment</li> <li>· Infill lots not reused except for scattered subsidized housing</li> </ul>

SOURCE: Alan Mallach, *Managing Neighborhood Change*, National Housing Institute (2008)

below the replacement cost of the house are an indicator of low demand or if too low, of market failure. They discourage homebuyers, because they suggest that there is little confidence in the neighborhood, and they discourage owners from improving their properties, because they are unlikely to recoup the value of the improvement if they sell. Low prices discourage rehab, because the cost of rehab is likely to exceed the resulting market value of the house, as will the cost of infill construction on vacant lots.

Even if houses are selling, however, they may not be selling to homebuyers. If investors rather than homebuyers are buying large numbers of houses, especially at low prices in neighborhoods with traditionally high home ownership rates, it is a strong sign of market weakness and potential future destabilization.

Vacancy rates are another powerful indicator of market condition; nationally in 2013, vacancy rates



# Example

Figure 4: Measures of neighborhood market trends

FEATURE	POSITIVE TREND	NEGATIVE TREND
Sales turnover	Turnover increasing up to about 7-9%	Turnover declining below 5% or increasing above 10%
Sales prices	Prices increasing	Prices declining
Homebuyers	Share of homebuyers increasing	Share of investor buyers increasing
Vacancy rate	Vacancy rate decreasing down to about 4-5%	Vacancy rate increasing above 8-10%
Homeownership rate	Homeownership rate increasing or if high, stable	Homeownership rate decreasing
Household incomes	Household incomes rising, or if high, stable	Household incomes declining
Tax foreclosures	Number of tax foreclosures declining	Number of tax foreclosures increasing
Home improvement	Volume of unsubsidized home rehab and upgrading increasing	Volume of unsubsidized home rehab and upgrading decreasing
Crime	Crime declining	Crime increasing

were roughly two percent for houses for sale, and eight percent for units for rent. High vacancy rates reflect low demand for the housing in the area, particularly high levels of what the Census Bureau calls “other vacant,” which are units that are not being offered for sale or rent, or that are being held pending sale or for seasonal or temporary occupancy — in other words, abandoned houses.

Many other factors can be used to assess neighborhood markets, including the number of tax or mortgage foreclosures, as well as trend data (discussed below). Whatever data is used, however, it is important that it be available across the region, so that comparisons can be made between different neighborhoods.

### C. HOW IS YOUR NEIGHBORHOOD TRENDING?

Neighborhoods are constantly changing. Today’s market conditions are only part of the picture; the other part is how they are trending — whether the neighborhood appears to be on an upward, stable or downward trajectory. In addition to trends in the data sets mentioned above, others, such as crime or the level of home improvements, can often be fol-

lowed over time to track neighborhood trends, either in absolute terms or relative to the city, the region or other comparable neighborhoods. Some of these measures are shown in Figure 4.

Statistics have some serious limitations when it comes to tracking neighborhood trends. Many statistics are not available until a year or more after the period they measure; some are only available (like census data) at 10-year intervals, and others — especially when they are based on a small sample, like the American Community Survey — may have a large margin of error. To get a good sense of how a neighborhood is trending, it is important to add a human element to the statistics. Many knowledgeable people, including local real estate brokers, appraisers, police officers and others, as well as thoughtful residents and business owners, can have insights into what is happening in the neighborhood that are far more timely than the available statistics. Organizing a focus group or “kitchen cabinet” of people who have their finger on the neighborhood’s pulse and bringing them together at regular intervals for a reality check on the neighborhood’s trends is indispensable.



## 4. Understanding Your Neighborhood's Image

Any successful product needs to have a positive image among its potential consumers, and building a strong, positive image for a product is often critical to its success. Cuisinart was able to create an image for its products that made it stand out from other food processors, and BMW promoted an image that made its automobiles stand out from the competition. In both cases, strong images helped these companies capture large shares of their target markets. While these two companies built an image around both quality and a certain upscale (but not *too* upscale) cachet, other companies like Walmart or Dress Barn, which target other markets, build their image around value for money, dependability or the wide variety of products under one roof.

In each case, they created a distinctive identity for their brand, which comes to stand for specific things in consumers' minds.

A company cannot build a successful image, or retain it for long, however, unless it is based on reality. Toyota built a reputation for reliability and depend-

ability; when its problems with sticking accelerators came out in 2009 and it was forced to recall 4 million cars, its sales dropped sharply. While the company ultimately recovered, an unpleasant reality had at least temporarily compromised its image and harmed its bottom line. Image and reality are not always the same thing, as many neighborhood leaders know, but they are intimately connected.

### A. WHAT IS YOUR NEIGHBORHOOD'S IMAGE?

Neighborhoods too tend to have an image. If people have heard of a neighborhood, they tend to associate it with particular features, good or bad.

The neighborhood image can be generic, such as "That's a really classy area" or "It's dangerous," or it can grow out of specific associations such as "That's the area with all the great Portuguese restaurants" or "That's where my cousin's mother-in-law was carjacked, I think." If the image is bad enough, it becomes associated with the name of the

neighborhood, and even the name of a neighborhood can elicit a negative feeling. If the neighborhood is known as “felony flats,” even people who know nothing about it are likely to have negative reactions to the area.

One major difference between neighborhoods and commercial products is that companies make a constant effort to define and manage their image, while neighborhoods generally do not. As a result, the image of most products is fairly consistent, meaning that different people tend to have pretty much the same image of a Cuisinart or a BMW. Neighborhoods, however, tend often to have very different images among different people. The people who live in a neighborhood may have a different take on it than people who live elsewhere, while young people may think of it very differently from older people, or city people from suburbanites. Everyone sees the neighborhood from a particular vantage point and sees it differently.

A BMW is a car, period, while neighborhoods are a lot of different things at the same time. For some a neighborhood is friends and family. For others it is what they read about it in the papers or what they see as they drive through on the way to work, while still others project onto the neighborhood the reasons they left the city 20 years earlier. It is this sheer multiplicity of messages, some more and some less accurate, that make it so important for a neighborhood to *manage* its image, to project a consistent, positive sense of the neighborhood to the world.

Image means two different things:

- The visual impression that people get of the neighborhood
- The neighborhood’s “brand” – the idea of the neighborhood that people have in their heads

Both images feed off and reinforce one another.

The visual impression a neighborhood makes is the most direct way it communicates with the outside world. As the city of Norfolk, Virginia, puts it, “attracting good neighbors is largely determined by the message the neighborhood sends.” Realtors use the term “curb appeal” to refer to the impression a house makes from the curb; the same applies to the impression a neighborhood makes on someone walking or driving through it. Some of the different features that contribute to making up that image are shown in Figure 5.

Neighborhood residents planning a marketing campaign should carry out a simple exercise: walk down the neighborhood’s streets, and *imagine that you are a typical member of your target market trying to decide whether to buy a home in the neighborhood*. What do you like about what you see, and what do you dislike? Even better, try to pull together a small group of people who are representative of that target market and ask them to spend some time with you walking down neighborhood streets and sharing their impressions.

The second type of image is harder to pin down. To truly understand what the neighborhood’s image is in people’s minds, it is important to pull together sufficient information from many different people before drawing any conclusions. It can be unwise to build a long-term marketing effort on the basis of a handful of scattered and perhaps unrepresentative anecdotes. Information can be gathered through formal or informal surveys, focus groups, or just by



# Example

Figure 5: What factors contribute to the visual image of a neighborhood?

ELEMENT	KEY FEATURES	KEY NEGATIVES
Occupied houses	<ul style="list-style-type: none"> <li>• Paint</li> <li>• Trim</li> <li>• Window treatment</li> <li>• Porches and stoops</li> </ul>	Signs of lack of maintenance, such as peeling paint, are negative signals, as is evidence of poor housekeeping, such as sheets in windows instead of shades. Poorly maintained or deteriorating porches and stoops are particularly visible.
Vacant houses	<ul style="list-style-type: none"> <li>• Presence</li> <li>• Condition</li> <li>• Treatment</li> </ul>	Vacant houses are an inherent negative, particularly when they appear neglected or abandoned. Boarded-up doors and windows, while often important for security, signal long-term abandonment, and should be avoided if possible. If boarding is required, consider decorating or painting the boards so they don't stand out as much.
Yard or lot	<ul style="list-style-type: none"> <li>• Grass or ground cover</li> <li>• Plantings</li> <li>• Objects</li> <li>• Trash</li> </ul>	Yards with dirt instead of grass or other ground cover are a negative signal, as are untended lawns and vegetation, as well as trash or other objects – particularly if in poor condition – in front yards. Vacant lots, whether in use or not, have to be rendered particularly attractive in order not to be seen as a problem.
Fencing	<ul style="list-style-type: none"> <li>• Material</li> <li>• Condition</li> </ul>	Both the type of fence and its condition can be an issue; a chain-link or chicken wire fence tends to be seen as a negative signal, whatever its condition, while picket or wrought iron fences will be seen as negative if not well maintained.
Public realm	<ul style="list-style-type: none"> <li>• Trees</li> <li>• Sidewalk condition</li> <li>• Condition of verge (area between sidewalk and street)</li> <li>• Street condition</li> <li>• Trash and debris</li> </ul>	Treeless streets in residential neighborhoods tend to leave a negative impression, while the condition of the sidewalk and of the strip of dirt or grass that is often bound between the sidewalk and the curb is highly visible. The presence of trash on the sidewalk, in the verge and in curbs and gutters makes an immediate negative impression.

having neighborhood residents make a point of asking people at work, school or elsewhere for their impressions of the neighborhood and keeping track of what they are told. Ultimately, a picture will emerge. It may point clearly in a particular direction, or it may be more mixed: people may have varying perceptions, and some may never have heard of the neighborhood.

Once the organizers of the campaign have assembled enough information, they must first ask a series of key questions. The first is whether most people have heard of the neighborhood. Some may have not heard of it at all, while others know of it, but think it is part of a larger area rather than a distinct neighborhood of its own. Or they may know it by a different name than the one used by the neighborhood to identify itself.

The second task, assuming most people have heard of the neighborhood to some extent, is to sort out people's perceptions of it. Some of the key questions are:

- Are people's perceptions mostly positive or negative?
- What are the particular factors that prompt either positive or negative perceptions?
- How do perceptions vary, if at all, by different population groups – age, gender, ethnicity, economic status?

Ultimately, the goal is to create something of a "map" of how the neighborhood is perceived to be used as a tool for building the marketing strategy, to understand both who the target market is and what



features of the neighborhood are most important to them. The more information that goes into that map, the more useful it will be.

Knowing that people see the neighborhood either negatively or positively is useful, but that is less important than identifying the specific reasons for either set of perceptions. Those reasons provide the critical information about what negative perceptions (or realities) have to be fixed, or what features of the neighborhood that are perceived positively can be used as good starting points for the marketing strategy. This type of information may be difficult to assemble; it is possible to build a marketing strategy without it, but having good information in hand allows one to focus the strategy far more effectively.

## **B. DOES THE NEIGHBORHOOD'S IMAGE REFLECT ITS REALITY?**

If a neighborhood is perceived in negative terms by others, those perceptions may be an accurate reflection of the neighborhood's reality or may be based on things that were true in the past but are no longer. In other cases, the perceptions may have nothing to do with either past or present reality. In sorting these questions out, however, it is important to look at peoples' perceptions through their eyes, and recognize that different people can legitimately view the same neighborhood realities differently.

*Respect peoples' perceptions.* In evaluating the negative perceptions outsiders may have of a neighborhood, it is good practice – albeit perhaps painful – to start with the premise that it is has some relationship to reality, unless it is obvious that it is not. For

example, someone may say, "I understand that there are a lot of vacant abandoned houses in that neighborhood." As a resident of the neighborhood, you may consider the number of abandoned houses to be quite small, and may be proud of the fact that the number has gone down from what it was five years earlier. However, to someone who is accustomed to neighborhoods that have *zero* abandoned houses, *one* may be a problem. What you consider a minor annoyance to be balanced against other positive things may be a major source of discomfort to her.

Many negative perceptions of urban neighborhoods revolve around crime and safety. Sadly, many urban neighborhoods do have serious crime and safety problems. Some may be worse than others, but many fall short of what people – particularly people unfamiliar with urban living – consider a solidly "safe" neighborhood. *That does not mean you have to drop everything in order to solve the neighborhood's crime problems before you start marketing the neighborhood.* While the crime rate must be recognized as a real problem that needs to be addressed, depending on how severe it is and the extent the neighborhood has counter-balancing assets that can be emphasized in its place, the marketing strategy can and should move forward. As neighborhood marketing strategist Marcia Nedland with Fall Creek Consultants writes, "...actively change the subject. Give the media and the public lots and lots of stories about things that are wonderful in the neighborhood."

The outside image of a neighborhood is less likely to be factually wrong than partial or incomplete. It is likely to be skewed to the negative side of reality, because – as we discuss in the next section – people are likely to get more information about negatives than about positives. It also may be outdated and may be based on information that individuals absorbed some years ago, even though many things have changed in the interim. Part of the value of gathering good information on how the neighborhood is currently perceived is that it enables the people organizing the marketing effort to zoom in on the inconsistencies between image and reality where they exist, and to design their strategies specifically to address those inconsistencies.

Just as the existing image of the neighborhood is likely to reflect reality to some extent, even if skewed or out of date, any effort to recast that image must also reflect reality. It is one thing to accentuate the good things that are happening; it is another to be misleading or deceptive. The goal is not to create a momentary positive buzz, but to build a sustained recognition that the neighborhood is a good place to live. That can only succeed if the neighborhood is, in fact, a good place to live.

### **C. WHO DEFINES THE NEIGHBORHOOD'S IMAGE?**

A neighborhood's image is the sum total of many different strands of information that flow from many sources to the people who live in the city or region. While everyone is part of a different network and gets information from different sources, it is important to distinguish between how people in general get information, and how people looking to buy a home get their information.

People who are not currently looking to buy a home and have no personal connection to a neighborhood tend to get their information about neighborhoods in only a few ways. Probably the most important one is word of mouth – what they hear from neighbors, friends and co-workers. Second is what they pick up from media – not because they are actively looking, but because it comes their way: television news, newspapers, Internet and social media.

While most people may not actively work to find out about a neighborhood to which they're not personally connected, people looking to buy a home are very different. *They actively seek out information that they believe will be useful in making their decision.* They will ask friends and coworkers about different neighborhoods. What they learn from them is a key issue for a neighborhood's marketing strategy, because they are often the starting point for whatever information newcomers to the area get about potential housing choices. Homebuyers will also talk to real estate agents. They will reach out, however, to many other sources. A host of websites and printed documents offer home seekers useful tips in that respect. One such article on about.com offers tips for checking out six neighborhood features:<sup>2</sup>

- Crime and safety
- Look and feel
- Transportation
- Schools
- Property values and taxes
- Amenities

The author discusses checking out Internet, official and other sources, but stresses looking for oneself, advising buyers to “Spend time walking through the neighborhood. Take note of the condition of the houses, the front yards, the streets and sidewalks. Observe if people you encounter make eye contact with you.”

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2. “How to Choose the Right Neighborhood” by Diane Schmidt. The full set of tips can be found at [http://moving.about.com/od/findingaplacetolive/a/choose\\_neighbor.htm](http://moving.about.com/od/findingaplacetolive/a/choose_neighbor.htm)



Newspapers and television news are probably less important for newcomers, but more so for long-term area residents. Many urban activists resent what they perceive as the focus many newspapers have on crime and murders, rather than the positive things that happen in their neighborhood. This is understandable, but misplaced. *Murders are news.* To expect the local newspaper not to report on murders is like expecting the *New York Times* not to report on a revolution in the Middle East. As we will discuss in the next section, a more productive approach is to build the sort of relationships with the media that lead to more reporting of positive features and events, while trying to reduce the actual incidence of negative events by changing the reality on the ground. *The only way to get fewer reports of bad things in the paper or on the local television channel is to reduce the number of bad things that happen.*

*Without an effective marketing strategy, the neighborhood's image will largely be defined people outside the neighborhood.* People get information from personal contact, and most of the people they come into contact with live outside the target neighborhood. As we mentioned earlier, most real estate agents tend to promote houses in areas with higher

property values, so they can make larger commissions. Other information will come from contact with municipal officials, when prospective homebuyers inquire about property taxes, or about crime and safety. One cannot count on public officials helping you market the neighborhood. Police officers often have a negative view of the areas where they work, while prospective buyers are likely to take what officers tell them about different neighborhoods very seriously.

The *one* area where neighborhoods make their own impression directly is when people drive or walk through the area – assuming, of course, that the would-be buyer is not discouraged in advance from even considering the neighborhood as an option. If they do, they may approach the neighborhood with some hesitancy, based on what they may have heard. The question then is whether they are favorably surprised by the neighborhood, or whether what they see confirms negative things they may have heard. The first step in building a positive image is often to address the reality on the ground.



## 5. Changing the Neighborhood's Image

In order to change the neighborhood's image you must first understand how information flows to people and what it consists of, and then figure out how to get your information into the flow. While neighborhoods lack the resources to mount the sorts of massive marketing campaigns that large corporations routinely undertake, they have the ability to mobilize people power, in the form of the time and energy of neighborhood residents and business people, in support of the campaign. That may be worth more than ad campaigns and billboards.

Three basic questions must be asked before initiating a marketing strategy:

- What needs to happen in the neighborhood?
- What is your story?
- How do you get your story across?

### A. WHAT NEEDS TO HAPPEN?

Neighborhoods don't have to be perfect, but they do have to fit the image that you're planning to present to the outside world; if the neighborhood is being presented as a hip, happening place, it has to *be* a hip, happening place. In many cases, aspects of the

neighborhood may be at odds with the image you would like to present and things that need to happen in the neighborhood in order to improve the fit between presentation and reality.

One of the most fundamental issues is that of appearance. If the neighborhood does not do a good job of selling itself in terms of its visual appeal to a first-time visitor, it is already at a marketing disadvantage. In many cases only small things may be needed, like putting up a neighborhood welcome sign, erecting attractive signage throughout the neighborhood, or getting families to hang out banners or put out flowerpots to spruce up an area that is basically not bad but will have greater appeal if it is livelier or offers a more distinctive identity.

Some areas may need more substantial beautification and streetscape improvement efforts, such as tree plantings, sidewalk replacement or working with property owners to replace fencing and maintain front yards, before they create the positive impression you are seeking. It may be important to get rid of a handful of highly visible abandoned houses. This does not mean that the neighborhood has to be picture perfect. Many potential buyers are open to



becoming part of a work in progress, as long as the sense of progress is tangible.

Understanding where the neighborhood fits on a typology of neighborhoods (as illustrated in Figure 3 above) and how it is trending, as illustrated in Figure 4, is important in figuring out what needs to happen and the scale and nature of the changes that need to take place. Similarly, the typology can be used to compare the target neighborhood with other areas in the city or metro area that appeal to the same target market in order to better identify those particular steps that are most likely to increase the target neighborhood's competitive position.

Another area where work may be needed is in creating the types of activities and events that add visibility to a neighborhood. This can include modest activities such as farmers' markets or outdoor concerts in a neighborhood park. It can also potentially involve creating a "signature" event or festival to showcase the neighborhood. The Lincoln Park neighborhood, a reviving area near downtown Newark, New Jersey, held its first hip-hop music festival in 2006, and in recent years it has drawn as many as 50,000 people. The Soulard neighborhood in St. Louis first organized its Oktoberfest in 2004; today it draws some 60,000 people and claims to be "the Midwest's second largest draught beer event and the fastest growing Oktoberfest in America."<sup>3</sup>

In some cases the neighborhood's name itself may be seen as part of the problem; as a result, some neighborhoods have rebranded themselves in order to overcome the stigma of the old name. When the city and a partner CDC decided to mount a major – and ultimately highly successful – revitalization and improvement effort in Indianapolis's King Park neighborhood, which had come to be known as a heavily crime- and drug-ridden area, they chose the

name Fall Creek Place to reposition the newly transformed neighborhood.

If the overriding goal of the neighborhood organization or CDC is to change the neighborhood's image and reposition it within the regional marketplace, the activities that are carried out must be carefully chosen to support and reinforce the marketing strategy. That can sometimes create tensions within an organization, particularly a CDC that may also want to pursue other goals more associated with community services or direct low-income benefit. Many such goals may not conflict with the marketing strategy; it is important, however, to develop some form of filter to avoid pursuing conflicting or contradictory strategies.

## B. WHAT IS YOUR STORY?

The second question could also be phrased "What do you want your brand to be about?" Obviously, it should be positive, but it needs to be more than that – it should identify those features of the neighborhood that you want the rest of the world to associate with the brand. The story should resonate in particular with the target market that you are trying to attract. The Fall Creek Place website introduces the neighborhood with this description:

Located near downtown Indianapolis on the city's near north side, **Fall Creek Place** is a neighborhood filled with a **diverse mix of hard-working people** who appreciate the benefits of **downtown living**. This innovative development features **newly constructed homes** along with **restored historic homes** in a neighborhood with **new parks, new sidewalks** and other **amenities** all less than two miles from the heart of downtown. And, unlike many of the housing developments surrounding Indianapolis, it's a **neighborhood that wasn't carved out of a cornfield overnight**.<sup>4</sup>

In three short sentences, this description offers many different signals designed to whet the appetite of potential buyers as well as define their target market as a "diverse mix of hard-working people

3. <http://www.soulard.org/soulard-oktoberfest-moving-to-lyons-park-to-handle-growth/>

4. <http://www.fallcreekplace.com/>

most active community, human connection is as readily available as a block party, a little league game, a walk in the park, a visit to the farmers' market or a simple driveway conversation.<sup>6</sup>

The story should focus on the neighborhood's target market and be about why people in that group – however defined – should *want* to move into the neighborhood. As we'll discuss a bit later, it should also be designed to resonate with the people who already live in the neighborhood.

who appreciate the benefits of downtown living.” Another neighborhood, Cleveland's Detroit Shoreway, introduces itself this way:

The Detroit Shoreway neighborhood is one of Cleveland's coolest, most diverse neighborhoods along the North Coast. New residents are moving in, businesses are setting up shop, theatres are opening, the EcoVillage is blossoming, block clubs are growing and visitors are arriving.<sup>5</sup>

Both the message and the tone are very different. The branding of these two neighborhoods reflects the difference not only in their self-definition, but in the type of target market they are trying to draw.

The neighborhood's story must be about more than the basic message of the neighborhood being a “good place to raise a family” or a “lively, happening place.” Once you have come up with the basic definition, you then have to figure out what it is about the neighborhood that can be highlighted in support of that basic message. Detroit Shoreway highlights its Gordon Square Arts District, as well as its EcoVillage, a “national demonstration project for green urban living.” Detroit's Grandmont Rosedale neighborhood stresses its physical character and the opportunity to be part of an involved, engaged community:

Custom-built homes in an array of architectural styles give the community an every-house-is-different feel. Pocket parks, manicured lawns, tree-lined streets and landscaped boulevards enhance the beauty of the architecture and encourage walk ability. In the end, however, it's Grandmont Rosedale's neighbors that make the neighborhoods what they are. As Detroit's

### C. HOW ARE YOU COMMUNICATING YOUR STORY?

This is the acid test. No story exists unless it can be communicated, and in this day of multiple, fragmented information media, where every individual seems to get his or her information from a different collection of sources, it has become particularly challenging to reach an audience. To reach all of the different people you want to reach, you have to do a lot of different things and use a lot of different media. At the same time, the most important connections you can make are personal ones: even in this age of Facebook, Twitter and the like, a lot of information still gets passed along by word of mouth.

#### ► Personal relationships are a key to success

Personal contact and the relationships you build remain possibly the single most important part of any marketing strategy. Building good relationships with newspaper reporters and editors will help get more stories about the positive things going on in the neighborhood into the paper, as long as you also remember that they are interested in news and human interest stories. It is equally important to reach out to the people who are critical intermediaries in other peoples' home-buying decisions. Particularly important intermediaries are real estate agents and the people who staff the public affairs and human resources departments in the offices of major employers in the region, in particular universities and medical centers. Making presentations to local boards of realtors, chambers of commerce, service clubs such as Rotary or Kiwanis, and other places

6. <http://www.grandmontrosedale.com/about/neighborhoods.html>

5. <http://www.dscdo.org/>

where intermediaries gather can be useful, not as one-shot activities, but with follow-up carefully built in. Other useful steps can include organizing visits and tours and preparing brochures and other materials for them to use in their work. These steps can turn many of these key information providers into your allies.

Tangible physical objects such as brochures, flyers or posters as well as promotional materials with the neighborhood logo on them, such as mugs or T-shirts, may serve some purpose but rarely do so by themselves. As a rule, they add value only where they are part of a strategy that focuses on personal contact and interaction.

► **A good website and social media presence are fundamental**

A website and a neighborhood presence on Facebook and Twitter need to be part of any strategy today. When somebody hears about a neighborhood, her first reaction is likely to be to Google it. The neighborhood website – maintained by a CDC or a neighborhood association – is where many first impressions are made. For many people, Facebook serves a similar function, while both it and Twitter provide vehicles for you to communicate with people who have shown potential interest in the neighborhood, as well as a way of keeping residents involved.

Not all websites are created equal. The website must convey the neighborhood's message clearly and effectively, not only through its text, but in its design and its use of images and graphics, and it must be kept rigorously up to date. In today's computer-minded age, a cluttered, visually unattractive website, or one where it is hard to find good neigh-

borhood information, or where the event listings are months or years old, sends almost as negative a message as sagging front porches or trash in the gutters. While a community website often needs to serve multiple purposes – as a vehicle for internal communication within the neighborhood as well as external marketing – a visitor to the site needs to see the neighborhood message first, not the organization or the nitty-gritty details of fixing neighborhood problems.

► **Market the neighborhood, not the organization**

One pitfall some organizations fall into is to focus more on the organization than on the neighborhood, or to see the neighborhood marketing strategy as a vehicle for building the organization. Many neighborhood association or CDC websites hit the visitor to the site with a barrage of information about what the organization is doing, but make it hard to find the information about the neighborhood she's looking for, even though it may be there somewhere. The neighborhood's story – its elevator speech – should appear right on the home page, like the examples given earlier, carefully crafted to embody the key message in a few carefully chosen words.





Instead, the story presented may appear to be more about the organization than the neighborhood, as this example of what a visitor reads after clicking on “living here” on one organization’s website:

[ORGANIZATION] uses the “complete community experience” as a model for this area. We acknowledge our present-day neighborhood arts and entertainment institutions, galleries, places of worship, schools, restaurants and businesses. [ORGANIZATION] wants individuals and families to feel they can safely live, eat, worship and be educated within proximity of their homes.

Community safety and awareness fosters pride in neighborhood and place — very essential elements in spurring economic growth within the community. These elements drive [ORGANIZATION]’s determined promise — an equal opportunity for *all* to garner an ever-enhanced quality of life.

*This is about the organization, not the neighborhood.* It tells the reader about the organization’s aspirations for the neighborhood, but doesn’t tell her anything about the neighborhood itself. In fact, by putting safety front and center, and by presenting it as an aspiration rather than a reality, it may even be counterproductive.

Don’t be afraid to put the information about the organization, or about the nuts and bolts of neighborhood

activities, a few clicks downstream. As long as the site is reasonably user-friendly and well-organized, the people who are looking for that information will find it. The information that must appear front and center is the information you most want to convey to people who *don’t* know the neighborhood and don’t necessarily know what they’re looking for. If the organization’s name is unlikely to pop up quickly when someone Googles the neighborhood, it may be a good idea to create a separate neighborhood website specifically focused on telling the neighborhood story and promoting the neighborhood brand.

► **Engage neighborhood residents and stakeholders – market internally**

Another dangerous pitfall of a marketing campaign is to focus exclusively on people outside the neighborhood and forget about the neighborhood’s own residents and other stakeholders. Engaging the residents of the neighborhood is particularly important, for many different reasons. At the most basic level, how the neighborhood’s residents feel about their neighborhood and about the idea of a marketing strategy – and whether they buy into the story you’re trying to tell the world – is critical to the success of the strategy. If a prospective homebuyer is walking down a neighborhood street and asks a resident about the area, and she says “I can’t wait to get out of here,” that homebuyer is likely to get into her car and never come back. *If residents don’t believe the neighborhood is worth it, nobody else will.*

A big part of homebuyer demand, moreover, comes from inside the neighborhood. While it is important to encourage newcomers to move in, it is equally – or perhaps more – important to encourage people who live in the neighborhood to stay, especially the people who are improving their lives and increasing their earning power through better education and better jobs. If they are renters looking to buy, or homeowners looking for a bigger or nicer home, part of the strategy should be to encourage them to buy in the neighborhood rather than elsewhere. The marketing campaign needs to be directed as much to the people who live in the neighborhood as those outside.

The internal campaign should be aimed not only at neighborhood homeowners and tenants but at other stakeholders as well. People who own property, or do business in an area, are often natural allies in a marketing effort. Responsible and civic-minded absentee owners can become advocates for the neighborhood, while in neighborhoods with a business district, the merchants and business people along the commercial street or in the shopping center should be an integral part of the campaign. Each of the members of these stakeholder groups is likely to move in different circles, and be part of different networks, potentially amplifying the neighborhood's message.

Getting residents and other stakeholders on board is only the starting point. The next step is to enlist residents, as the neighborhood's "ambassadors," particularly those who work or study where they are likely to come across people from other parts of the region. An ambassador is someone who is not only knowledgeable about the neighborhood and its message but also committed to spending time and energy helping to get that message across. Ambassadors do that in many ways, including fostering informal encounters at their workplace, hosting home or restaurant gatherings, welcoming people on neighborhood tours into their homes, and volunteering to help out with events both inside and outside the neighborhood where the neighborhood's message can be communicated.

#### ► Keep the focus

Getting a story across to a city and region takes time, and where it needs to overcome existing negative perceptions, it takes even longer. The image that people currently have of your neighborhood was not fashioned overnight but over the course of decades. To change those perceptions and instill a positive view of the neighborhood in the public mind is a long-term effort that needs to be sustained over many years. Unless the individuals and organizations considering a neighborhood marketing and branding effort are ready and willing to maintain it for the long haul, it may not be worth the trouble to start.

A good way to start is to put together a three- to five-year business plan. That does not mean that everything will be done in three to five years, but that is about as long a period as one can plan for in advance. Assuming the strategy is gaining traction, it is likely that it will need to continue well beyond that period.

The purpose of the plan is to answer a series of basic questions:

- What do we need to do?
- When should we do it and in what sequence?
- How much will it cost, and where will we find the money?
- Who will take responsibility for doing it?
- How will we keep track of and measure our progress?

Each one of these breaks down into many different pieces. Without going into detail, here are a few key points about each.

Timing is critical. While defining the brand clearly needs to precede most if not all of the actual marketing efforts, the relationship between the marketing pieces and the things that have to happen in the neighborhood – whether it is a matter of signage, streetscape, knocking down a vacant building or starting a music festival – is more complex. It's a good idea to put together a list of things that need to happen and then figure out which ones have to happen early and which can be phased in as the strategy unfolds. You may even want to do a critical path analysis – laying out all the steps that need to happen and which steps must take place before others can begin – in order to define the sequence in which activities need to take place.

Cost is another issue that should be considered. Few neighborhoods have more than a modest bud-

get with which to do marketing activities. Fortunately, many of the activities involved do not require much money, and it is often possible to recruit partners and sponsors to help with others. As a general proposition, it is worthwhile to identify, reach out to and try to engage as many potential partners as possible in the effort. Some of the entities that are potential partners for a community organization or CDC's marketing effort include the following:

- City government, elected officials (particularly the ward or district council member) along with key personnel in community development, code enforcement, public safety, sanitation, and parks and recreation
- Major community institutions, such as hospitals and universities, particularly those in or close to the neighborhood
- Neighborhood-based small and medium-sized businesses
- Larger corporations with a headquarters or major presence in the city
- Religious institutions, including churches located in the neighborhood but with membership drawn citywide or region-wide
- Citywide or region-wide historic preservation, environmental and open space organizations
- Organizations linked to specific potential target markets, such as artists' or LGBTQ organizations
- Print and broadcast media, including individual reporters and editors, especially media targeting the neighborhood's particular target markets
- Local advertising and marketing firms
- Financial institutions

It may be possible to get CDBG funds through the municipality to pay for signage and streetscape improvements or to get a local corporation with an in-house publications office to pick up the tab for designing and printing brochures and flyers. Events are natural opportunities to find sponsors. With any

luck, an organization can cover its costs through sponsorships and use the box office receipts or concessions to fund other activities. The organizers of the Lincoln Park music festival list over 30 different sponsors on their website, from the city of Newark to major corporations like United Airlines and Prudential and beverage producers like Remy Martin and Grey Goose.

Still, most of the work will have to be done by volunteers. People who live or work in the neighborhood may have relevant skills in advertising, marketing or graphic or website design, while local colleges often have students or faculty who can help with market research, design and promotional work. It is critical, however, to make sure that any volunteer who offers to help in an area requiring sophisticated skills actually *has* those skills; a poorly designed, cheap-looking website or brochure can be worse than no website or brochure at all.

Accountability has to be clear. Some specific individual has to be responsible for each item on the list, and somebody has to have the big picture and hold everybody accountable. As they say, if everybody is responsible for everything, nobody is responsible for anything.

Finally, track your progress. Tracking can be difficult, but it is essential. Over the long run, progress should be seen in such things as increased house prices, or lower vacancies or more people taking out building permits to fix up their houses. That information can be hard to get and often lags a year or more behind real time. While CDCs and neighborhood associations should track data about their neighborhood, they should also look at informal ways of tracking progress, including positive articles or blog posts, hits on the neighborhood website, and feedback from key stakeholders such as real estate agents. As information comes in, it is important to look regularly at the marketing plan, adapt or discard strategies that don't seem to be working and come up with new ones that may be more effective. Neighborhoods constantly change, for better or worse, and any strategy needs to be flexible and adaptable to respond to those changes.



## 6. Closing Note

Neighborhoods mean a great deal to many people. They are places to live and places of connection, with personal associations on every block and corner. At the same time, they are products – albeit a unique kind of product – competing for their futures as healthy, sustainable communities with other neighborhoods in the same city and throughout the region. Defining the neighborhood’s brand, and building a marketing strategy around that brand, are a response to that competitive reality – strange as such activities seem to people for whom neighborhoods are about home and connection. Branding and marketing have become an increasingly important part of any effort to sustain a healthy neighborhood’s vitality or to restore health to a neighborhood that has been undermined by negative pressures. It is hard work, to be sure, especially when the neighborhood – as is often the case – has been the subject of years of bad publicity, and is widely perceived in negative terms outside, and sometimes inside, its borders. It is well worth the effort.



### Photo Credit

The images in this article are courtesy of Hudson River Housing. As part of the NeighborWorks America Neighborhood Marketing Program, Hudson River Housing has been promoting the Middle Main neighborhood in Poughkeepsie, NY as a strong, vibrant, and creative neighborhood of choice. To learn more about this “neighborhood just a little off center,” visit <http://middlemain.com/>.

