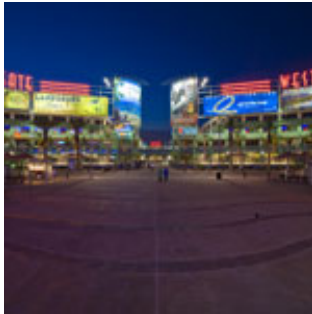


Baked Into Buildings' DNA

Out of home is intrinsic to the 'branded cities' concept

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-By Janet Stilson



Westgate City Center

The northwest corner of Atlantic Avenue and Firestone Boulevard in the Los Angeles community of South Gate was never much to speak of. But that's about to change.

Construction begins this May on El Portál, which may well become the most ambitious branded city in the country.

Like all branded cities, El Portál is an urban real-estate development with out-of-home advertising opportunities written into its DNA. Shopping, entertainment and town hall locations will be laced with a particularly large and sophisticated quantity of digital displays, which will total 4,500 square feet.

Three high-definition LED billboards will beam down on a plaza, where live performances will take place and some 4,000 people can gather. A so-called "e-canvas," located on the façade of a Regency Theatre movie house, will involve a variety of interactive screens where the public can compete in multiplayer gaming tournaments or flip a screen's "channel" to watch anything from local sports events to user-generated content. And commercial messages are part of the experience.

That's not all. El Portál is the first branded city in the United States that is catering to a specific cultural group, Latinos. And it's designed to appeal to the very social and family-oriented nature of that community.

"It's smack dab in an area that's 90 percent Hispanic. Ten percent of Los Angeles County is within five miles of our site," says David Goldman, managing partner of Allied Retail Partners LLC, the real-estate development company behind the project. He predicts 22 million people will visit El Portál each year and that the advertising initiative will be "highly profitable"—all the more so because the complex aims to collect data on around 200,000 customers via a retail loyalty program, which will be made available to advertisers.

It's easy to see why branded cities—places where people either work, live or play—are catching on. They are self-contained urban centers where signs aren't just viewed for a few seconds from a car window—or maybe a few minutes, if someone is on foot. The interactive element provides an added attraction: "If you create an environment where people engage in media, it changes the dynamic," says Adam Bleibtreu, CEO of The Retail Media Company, which is responsible for the design and advertising strategy of El Portál. "If you give people the opportunity to effect their environment, they talk about it; they come there more frequently; they stay longer."

Real estate is deeply bruised by the economic recession. But those involved with branded cities say that while some projects may be put on hold, the concept is likely to grow and prosper in the coming years.

"They're inevitable. The market will dictate their success in this temporary cycle, but for the most part, they're coming," says Mark Herring, CEO and executive producer of the Herring Media Group, an agency specializing in environmental media. He reports that there are developments weighing the branded cities approach in south Boston and Hartford, Conn.

New Orleans, Minneapolis and Baton Rouge projects may also take the branded cities approach, according to Robert Marans, a professor at the University of Michigan's Institute for Social Research. He was hired by the Foundation for Outdoor Advertising Research and Education to visit six locations in advance of a possible FOARE-funded study that would involve "man on the street" research to gauge what the public thinks of branded cities. (FOARE is administered by the Outdoor Advertising Association of America.)

Daniel Jasper, vp of marketing and business development for Clear Channel Communications' Branded Cities division, offers a key reason why they will spread: "Look at the way sports and entertainment destinations are being conceived of now. The traditional mall out on the highway, with four walls and a roof, is outdated. There are not a lot of new ones going up."

Clear Channel has about a dozen branded cities projects in various stages of development, according to Jasper. And it already has one that is highly successful—Westgate City Center, in Glendale, Ariz. It features the University of Phoenix Stadium, home of last year's Super Bowl and the NFL's Arizona Cardinals. Also on the premises is the Jobing.com Arena, which features the NHL's Phoenix Coyotes.

The Super Bowl involved a whole week's worth of events at Westgate and drew some 600,000 to 700,000 people, giving massive exposure to the companies that advertised on its 32 "spectacular" signs, according to Dave Groff, president of Westgate Sports & Entertainment. Only one of them is digital at this point, "but we're hoping one day they'll all be," he says. Westgate offers an OOH/grassroots approach. "Nissan is our official automobile company at Westgate," Jasper says. "It has multiple ad placements and the right to display autos in public spaces. One year they sponsored a 10-event concert series in the fall."

But for all the advantages, branded cities still pose some challenges. "We're in the beta stage of branded cities," says Philip Lenger, president and founder of Show & Tell, which is working on El Portal's signage strategy. "We're trying to find out what works and what doesn't, from business model, community and technical standpoints."

A big lesson was learned in Dallas, at Victory Plaza, whose signage architecture was also designed by Show & Tell. The complex is "very impressive," in the words of Marans. Like El Portal, it features an array of digital screens that look out over a large central area. Among them, "there are two pairs of four LED screens that move along giant tracks, and at any time they can come together in a ballet and become two or even one giant screen," says Lenger.

The plaza is right next door to the American Airlines Center, home of the NHL's Dallas Stars and NBA's Mavericks. Special pre-game and postgame concerts and parties in the plaza draw traffic from the arena, typically ranging from 20,000 to 35,000 people, according to Clark Dunklin, a partner in the out-of-home agency Big Media, which sells ad avails for the complex.

Victory Plaza has three blue-chip long-term sponsors: American Airlines, Target and Bank of America. But the advertising sales strategy originally devised for the plaza—to only sell long-term sponsorships—didn't work. "We now have opportunities for agencies and advertisers to buy four-week periods," explains Erinn Zielke, director of partnership marketing for Hillwood, the developer that owns Victory.

Big Media handles those short-term sales. And Hummer, one of the brands that's bought in, is more than satisfied with the results for a campaign that ran from Nov. 15, 2008 to Jan. 15, 2009. It featured Hummer's new flatbed truck in a series of 15-second messages.

Ann Peebles, a vp who handles the Hummer account at agency Martin Retail Group, says she wanted to build awareness. Between the sports-event spillover and a huge New Year's bash in the plaza that drew a crowd of 50,000, "I reached a whole lot of people. The ads ran 12 times every hour, for 12 hours each day."

The jury will be out for some time on how long it will take for branded cities to reach the critical-mass stage. Stephen Freitas, the OAAA's chief marketing officer, notes their effectiveness in a challenged environment: "When you look at areas that come back from a down period, signage is integral to their success."

Marans looks at it another way: "I see redevelopment areas [without signage] that are kind of sterile. They may be well-designed buildings, but most of it is pretty bland."