

BRAND

MAGNETISM



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M A G N E T I S M

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MAGNETISM

BRANDING. THE TERM ALONE EVOKES A MYRIAD OF THOUGHTS, DEFINITIONS, AND EVEN FEELINGS. THROUGHOUT OUR COMBINED 30+ YEARS OF MARKETING EXPERIENCE, WE HAVE HELPED MANY ORGANIZATIONS UNDERSTAND THE DIFFERENCE BETWEEN WHAT THEY PERCEIVED BRANDING TO MEAN VERSUS THE REALITIES THAT DRIVE THEIR BRAND'S CULTURE AND THE CUSTOMER EXPERIENCE.

WE HAVE SEEN GREAT BRANDS DEFINED AND REDEFINED, SEEN COMPANY CULTURES COME TO LIFE, WITNESSED NEW LAUNCHES LEADING TO CUSTOMER ENGAGEMENT, AND PRODUCTS LAUNCHED INTO THE MARKETPLACE THAT EVOKE NATIONAL APPEAL.

WHAT DOES ALL OF THAT MEAN TO YOU, CHARGED WITH GROWTH IN THE STUDENT HOUSING BUSINESS VERTICAL? CLARITY. CONFIDENCE. STABILITY. GROWTH.

LET'S START WITH A SIMPLE DEFINITION.

WHAT IS A BRAND?

MANY PEOPLE SEE BRANDING AS A LOGO, A COLOR PALETTE, AND MAYBE A FEW ICONIC PHOTOS ROLLED OUT INTO MARKETING MATERIALS THAT SHOULD SELL THEIR PRODUCT OR SERVICE. THESE ARE ALL PIECES OF THE BRANDING PUZZLE TO BE CERTAIN, BUT THEY ARE MORE LIKE FRUIT THAN ROOTS. **TRUE BRANDING STARTS MUCH DEEPER AND BEGINS WELL BEFORE DESIGN ELEMENTS ARE CREATED.**

Branding is the process involved in creating a unique name, image, and message to represent a product or service being provided. From that process, logos, color palettes, imagery, taglines, and content emerge. But before these elements come to life, branding begins and ends with a feeling. It's a feeling the seller has about their product or service, and he or she uses all these brand tools to communicate that vibe and establish a shared feeling with the buyer about what's being sold.

The ultimate goal is to have the buyer connect emotionally, believe in the superiority of

the brand, and demonstrate ideological allegiance to the personality of the brand, allowing it to become part of the buyer's own personal identity. Once this connection is made, the buyer effectively declares, "this brand is like me, and I'm like this brand", and it becomes a social signal. People are drawn to confident identities, and as more people sign onto the beliefs their friends have about a certain brand, a culture and community develops. Let's look at a few brands that we are exposed to who do this well.

01

NIKE

Just Do It. Everything about Nike pushes us to stretch our limits and work hard for results when it comes to athletic ability.

02

STARBUCKS

Starbucks set out to become the “third place” — the other place you go when you’re not at work or home. Just mention to your team that you’re stopping at Starbucks to pick up coffee for everyone — guaranteed line in your office.

APPLE

Speaks to innovation, intelligence, and having the very best at your fingertips. People who carry iPhones are smarter — they “think different.”

03

FOUR SEASONS

Extraordinary Experiences. You’ll be treated like royalty when you arrive — receiving excellent customer service and surrounded by luxury.

04



You may be thinking, “we’ll never be like a national brand like Starbucks,” but the fact is you can reach levels of success with clarity and brand confidence in the markets that you serve and see where that success may take you.

5-STEP

BRANDING

PROCESS

WHEN WE TAKE ON BRANDING PROJECTS, WE EMPLOY A FIVE-STEP PROCESS TO BE SURE EVERY BRAND WE DEVELOP IS GIVEN THE OPPORTUNITY TO COMMUNICATE ITS OWN MAGNETISM — THAT UNSPOKEN AUTHORITY THE AFOREMENTIONED BRANDS EXPRESS BY NATURE.

This five-step process can be scaled to the necessary level of complexity or simplicity based on the product in focus. The process always remains the same, but the depth of each phase varies based on the nature of the engagement.

So how can we take these concepts and apply this process for companies in the various scenarios encountered in student housing?

FOLLOW THESE

5 STEPS

01

RESEARCH AND APPRAISAL

- Clarify vision, goals, and values
- Research stakeholders' needs and perceptions
- Conduct marketing, competitive, technology, legal, and language audits
- Interview key management
- Evaluate existing brands and brand architecture
- Present audit summary

03

IDENTITY DESIGN

- Brainstorm visuals for the big idea
- Design brand identity
- Explore applications
- Present visual strategy
- Achieve agreement

02

BRAND STRATEGY

- Synthesize earnings
- Clarify brand strategy
- Develop a positioning platform
- Define brand attributes
- Write a brand brief
- Achieve agreement
- Create a naming strategy
- Develop key messages
- Write a creative brief

04

COLLATERAL DEVELOPMENT

- Finalize identity design
- Develop look and feel
- Initiate trademark protection
- Prioritize and design materials

05

ASSET MANAGEMENT

- Build synergy around the new brand
- Develop launch strategy and plan
- Launch internally first
- Launch externally
- Develop standards and guidelines
- Nurture brand champions

PROPERTY

BRANDING

YOUR BRAND IS YOUR PERSONALITY STATEMENT. IT CAN EVOKE ACTION OR TURN AUDIENCES AWAY. EVERYTHING SHOULD WORK TOGETHER TO CREATE A STRONG, CONCISE, AND CLEAR MESSAGE — ALL YOU HAVE TO DO IS TAKE A STEP BACK TO CREATE THE STRATEGY, DEFINE YOUR BUDGET, INTRODUCE THE RIGHT PARTNERS, AND GET READY FOR THE RIDE.

If you are unsure what your corporate brand is, it will be difficult to establish consistency down to the property level. Therefore, it is important to ensure you know who you are and who you want to be for your target audience. For this white paper, we will focus more on the property side, but many of the same principles apply for defining or redefining your corporate brand.

The three categories we'll focus on include new developments, acquisitions, and a portfolio refresh.



NEW

DEVELOPMENTS

IT IS IMPORTANT TO NOTE THAT ESTABLISHING A STRONG BRAND APPEAL TO THE MARKET YOU ARE DEVELOPING IN SHOULD START AT THE BEGINNING. ESTABLISH A RELATIONSHIP WITH A MARKETING FIRM AND AN INTERIOR DESIGN FIRM IN TANDEM. I HAVE SEEN GREAT SUCCESS WHEN VENDORS ARE INTRODUCED EARLIER ON INTO THE DEVELOPMENT PROCESS AS IT SAVES VALUABLE TIME AND MONEY.

Everything needs to match — interiors, exteriors, and any marketing piece that is created to represent the property. Naming, logos, brand boards, imagery, taglines, messaging, furniture, interior designs, and signage should all work together to provide a clear signal to the market about who you are and what you offer. Make it easy for students and guarantors to get it quickly so that a leasing decision can be made.

If you have plans for a temporary leasing space, have your brand established so that the strength of what is created carries into the permanent space. It's important not to just throw something together that may confuse the market.

The branding process will carry the property from a pre-lease to ongoing marketing and the leasing state.

CASE STUDY: THE KNOX

Catalyst was engaged to establish the brand and marketing materials for a new development in Knoxville, TN. The development required a full branding effort to include naming, logo design, overall look and feel, coordination with the interior design group, website design and development, lead building, and marketing collateral.

One of the challenges was that the university would not provide prospecting lists for the property. One of the ways we overcame the challenge of not having prospects for key leasing outreach was to begin building our own database of leads. Catalyst created an initial website with the intent to gather key prospect information. We encouraged students to sign-up for our VIP list in order to receive updates on the latest offers and information from the property.

We collected over 750 initial leads for the leasing team through social media and other marketing tactics. This led to a huge success for the temporary leasing space grand opening. The property had outlined a goal to be at 10% pre-leased by the end of 2015 — and was at 10.21% by October 2015. As of January 20, 2016, The Knox is at 35% pre-leased.

Catalyst continues to assist the leasing team in meeting their goals with current rates pushing the market.





ACQUISITIONS

DETERMINE THE CURRENT SENTIMENT OF THE PROPERTY. WHAT IS THE REPUTATION, AND IS THERE ANYTHING THAT YOU HAVE TO OVERCOME? A NAME CHANGE IS FORCED MANY TIMES DUE TO OWNERSHIP, BUT NOT ALWAYS. THE SAME PROCESS AND DELIVERABLES APPLY HERE AS IT WOULD IN A NEW DEVELOPMENT. SPEAK WITH YOUR MARKETING FIRM EARLY ON IN REGARD TO DEADLINES THAT ARE IMPOSED, AND OUTLINE A STRATEGY OF CREATING A BRAND REFRESH.

Introduce any partners that will be working on capital expenditure improvement plans to your marketing group. New interiors, amenities, marketing materials, a website, and ongoing digital advertising can all work together in a powerful way to send a new message into the marketplace about your arrival, and what you plan to offer to the market.

CASE STUDY: THE REPUBLIC

Catalyst was engaged after Campus Advantage acquired a property in Huntsville, Texas — University House Lake Road. The acquisition required a renaming of the property, and Catalyst was selected to perform a complete rebrand. Catalyst team members visited the site and found it was the closest of its competitors to the Sam Houston State University campus — the local university — and the only one within walking distance to the campus. Additionally, it was found that nearly 97% of students attending SHSU call Texas home.

The Catalyst team drew on the history of the university and the state of Texas in rebranding the property under the name Republic at Sam Houston. The name resonates with students and instills a sense of pride to residents, while remaining simple for students to reference among peers. Furthermore, Catalyst prepared new signage and marketing collateral for the property in preparation for a reveal event.

On March 31, 2015, the new name and brand were revealed to the community with a Texas-themed barbecue for residents and students to attend. The event was very successful, with food running out within an hour due to the overwhelming attendance. There were giveaways for attendees and specials for those who signed leases. The party resulted in 14 signed leases and 11 applications — a huge success for the typically late-leasing market.

In July 2015, Republic at Sam Houston hosted a grand reopening. Since that date:

- The effective rate increased from \$504 for 2014-15 AY, to \$519 for the 2015-16 AY or 3.0%
- Pro forma effective rate for 2015-16 AY was \$514
- Occupancy was stable when acquired
- Leased to 100% in 2015 (98.3% in 2014)
- Raised effective rates 3%
- Currently trending 20% ahead of their 2015 velocity



PORTFOLIO REFRESH

MAYBE YOU HAVEN'T ADDRESSED A NEW REDESIGN OF YOUR WEBSITES OR MARKETING MATERIALS IN A LONG TIME, AND IT IS IMPACTING YOUR ONLINE TRAFFIC AND LEASING OPPORTUNITIES. PROVIDING A BRAND GUIDE REFRESH WITH NEW COLORS, IMAGES, AND SOMETIMES EVEN A NEW LOGO CAN REENERGIZE YOUR INTERNAL TEAMS AND CREATE A NEW VIBE FOR YOUR PORTFOLIO.

Plus, with today's constant technology improvements, your website should serve as a lead generation engine for your properties. If it isn't ranking due to an outdated platform, jump on a refresh.



CASE STUDY: THE MARQ

Catalyst was engaged to complete a rebranding of 2040 Lofts, a newly acquired student housing property that was negatively associated as the international house among Marquette University students in Milwaukee, WI. The target market for the property was primarily college students (18- to 24-year-olds) in Milwaukee, attending Marquette University, Milwaukee Institute of Art & Design, Milwaukee School of Engineering, University of Wisconsin-Milwaukee, and Milwaukee Art Institute.

Traditionally, the property leased to affluent students attending Marquette and the surrounding local universities, but in the past year, international students accounted for nearly 23% of the residents. This took a toll on the property's leasing numbers and caused a negative sentiment in the marketplace. Additionally, the property was in an older medical building that was converted to student housing. Minimal upgrades resulted in the property feeling old, while students were seeking a new and modern property in their apartment search.

Upon assessment of the property and due to the new ownership, Catalyst determined that rebranding the property and incorporating some remodeling in common areas would allow 2040 Lofts to be reintroduced to the marketplace and change current perceptions of the property. A site visit and student intercepts revealed that customers in the marketplace desired upgraded amenities and high-speed Internet. Upon meeting with the interior design company performing upgrades to the common areas, it was determined that the property needed to be presented to the market with a fresh brand. After conducting surveys on a variety of names, The Marq was chosen. A new website was designed and developed, new print collateral was created, and new signage was designed.

To introduce The Marq to the Milwaukee market, Catalyst promoted a VIP party to be held at the property prior to the start of the 2014

school year. The new brand was teased in direct mail invitations, email invitations and reminders, and social media posts, all of which drove traffic to an RSVP landing page for the event. Of the approximately 250 people who attended the event, 51 signed leases and another 87 leases were pending guarantor paperwork at the end of the night. The event allowed The Marq to kick off their leasing season with nearly 21% of their beds leased at the VIP event, an increase of 13% from where they were the previous year at the same time in the leasing season.

Since the reveal party, The Marq has consistently stayed ahead of their leasing goals and out-performed their numbers from the previous year. By the end of 2014, they were 54% pre-leased, compared to only 30% pre-leased in the same time period from the previous year.

As of 2015:

- The effective rate increased from \$674 for 2014-15 AY to \$695 for the 2015-16 AY, or 3.1%
- The pro forma effective rate for 2015-16 AY was \$690
- Occupancy increased from 81% in fall 2014 to 95% for fall 2015
- Raised effective rates 3%
- Currently trending 7.5% ahead of their 2015 velocity

The rebrand and relaunch work for this property has won four marketing awards:

- 2015 Communicator Awards: Gold Award of Excellence in Marketing Effectiveness
- 2015 W3 Silver Award for Integrated Campaigns in Real Estate
- 2015 Internet Advertising Competition: Best Real Estate Integrated Ad Campaign
- 2015 Silver Davey Award for Marketing Effectiveness in an Integrated Campaign



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