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City of Las Cruces[®]
 PEOPLE HELPING PEOPLE

Council Action and Executive Summary

Item # 13 Ordinance/Resolution# 13-141

For Meeting of _____
 (Ordinance First Reading Date)

For Meeting of April 15, 2013
 (Adoption Date)

Please check box that applies to this item:

QUASI JUDICIAL LEGISLATIVE ADMINISTRATIVE

TITLE: A RESOLUTION ADOPTING THE MAIN STREET DOWNTOWN LAS CRUCES LOGO AND ACCEPTING THE LAS CRUCES DOWNTOWN MARKETING & BRANDING PLAN.

PURPOSE(S) OF ACTION:

Approve logo and accept marketing plan.

COUNCIL DISTRICT: N/A		
<u>Drafter/Staff Contact:</u> Andy Hume	<u>Department/Section:</u> Community Development / Planning & Neighborhood Services	<u>Phone:</u> 528-3048
<u>City Manager Signature:</u>		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

On December 20, 2005, the consulting firm Vaughn Wedeen submitted the final draft of a plan entitled *Las Cruces Downtown Marketing & Branding Plan*. Within this plan is the basis for the Main Street Downtown Las Cruces logo, attached as Exhibit "A".

As described in the plan, the logo "reflects southern New Mexico heritage," "bright, festive, and celebratory" colors, and "includes a flourished heart, symbolizing MSD (Main Street Downtown) as the corazón, the heart of the city."

The Main Street Downtown Las Cruces logo is also versatile enough to merge with designs advertising Downtown events. Exhibit "B" shows examples of how the logo can be combined to advertise the Ramble and SalsaFest.

The final version of the *Las Cruces Downtown Marketing & Branding Plan* was never brought before City Council for final consideration. Since the logo has its basis in the plan, the plan is being presented to Council for acceptance. If Council accepts the plan, the policies and concepts can continue to guide marketing decisions made by the City and its partners.

REFERENCE INFORMATION:

1. N/A

RESOLUTION NO. 13-141

A RESOLUTION ADOPTING THE MAIN STREET DOWNTOWN LAS CRUCES LOGO AND ACCEPTING THE LAS CRUCES DOWNTOWN MARKETING & BRANDING PLAN.

The City Council is informed that:

WHEREAS, Vaugh Wedeen, a marketing consultant, submitted a final draft of the *Las Cruces Downtown Marketing and Branding Plan* on December 20, 2005; and

WHEREAS, the plan laid out ideas for branding Main Street Downtown including the basis for a logo; and

WHEREAS, the plan has never been formally presented to City Council; and

WHEREAS, the logo has never been formally adopted by City Council; and

WHEREAS, the policies and concepts within the plan can be used to guide marketing decisions.

NOW, THEREFORE, Be it resolved by the governing body of the City of Las Cruces:

(I)

THAT the Main Street Downtown Las Cruces logo, as shown in Exhibit "A," attached hereto and made part of this Resolution, is hereby approved.

(II)

THAT the Main Street Downtown Las Cruces logo can be amended to coordinate with Downtown events and activities, as shown in Exhibit "B," attached hereto and made part of this Resolution, is hereby approved.

(III)

THAT the *Las Cruces Downtown Marketing and Branding Plan*, as shown in Exhibit "C," attached hereto and made part of this Resolution, is hereby accepted.

(IV)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED this _____ day of _____, 2013.

APPROVED:

Mayor

ATTEST:

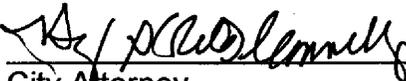
City Clerk

(SEAL)

Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:



City Attorney

VOTE:

- Mayor Miyagishima: _____
- Councillor Silva: _____
- Councillor Smith: _____
- Councillor Pedroza: _____
- Councillor Small: _____
- Councillor Sorg: _____
- Councillor Thomas: _____





Vaughn Weeden

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City of Las Cruces

LAS CRUCES DOWNTOWN MARKETING & BRANDING PLAN
10104 ORDER
20 Dec 03

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LAS CRUCES DOWNTOWN MARKETING & BRANDING PLAN
 LC104 CBBSW
 20 DEC 05

Overview

Situation

The City of Las Cruces is at an important and exciting juncture in its development. The city has been cited in numerous national publications as a top city in which to relocate. Consequently, Las Cruces has been experiencing notable growth and attention. In the early 1970s, following a national trend towards enclosed downtown malls, Las Cruces closed off Main Street to traf-



fic and created their own mall which was supposed to stimulate business and activity. Like other cities around the country, the experiment failed and the result has been a downtown which has discouraged growth, severely limited activity and negatively impacted the city as a whole. For almost a decade, there's been ongoing discussion regarding the redevelopment and rejuvenation of the downtown area. In the past three or four years that movement has picked up real momentum. On November 1, 2004, The Las Cruces City Council approved a contract to proceed with the implementation of planning, design, and economic development strategies outlined in the Downtown Revitalization Plan.

Goal

The combination of planning and redevelopment of the downtown core, supported by branding and promotion of the area, as well as the revitalization movement itself, will result in a reborn downtown that has economic vitality and becomes a center of activity and commerce. In addition, the revitalized heart of the city will bring economic development, enhanced quality of life and improved visitor experience not only to downtown, Mesquite and Alameda Depot dwellers, but to the whole city of Las Cruces, Dona Ana County and Southern New Mexico as a whole.

Action

Utilizing psychographic data and a series of public input sessions with various constituencies, Vaughn Wedeen developed a name, brand and promotional program for the downtown area which supports and expedites the redevelopment process while igniting and motivating local citizens to support and participate in these efforts.

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Naming and Branding

Situation

In order for the branding and promotional program to move forward, a name and logo had to be developed for the revitalized downtown area.

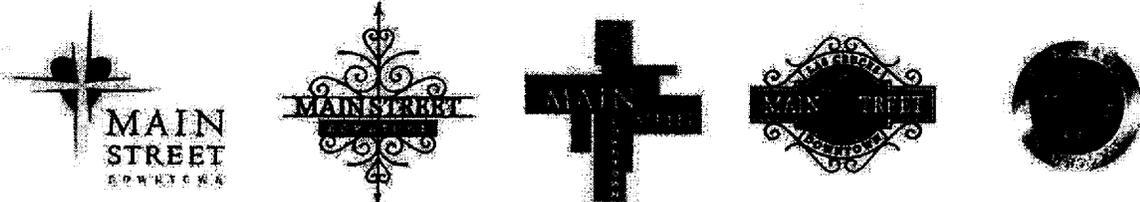


Goal

Our ultimate goal for this first phase was to extract a name for the district and develop a logo and brand identity program which would serve Las Cruces for the next few years as the revitalization progressed. If the transitional identity program took hold and became permanent, all the better, although that was not an immediate concern.

Action

Inclusion, authenticity and natural evolution were key values to keep in the forefront of the brand creation for downtown Las Cruces. Conversations and discovery sessions were conducted with a wide spectrum of stakeholders, influencers, and constituents. From this input, a long list of potential names for downtown was assembled and eventually boiled down to four: St. Genevieve Historical District, Main Street Garden District, Main Street Market Center and Main Street Downtown. A public awareness campaign was created and implemented around the public vote, complimented by a ceremonial (and actual) destruction of the downtown mall walls. With Main Street Downtown the clear winner, VWC now has the task of translating this name into a visual identity that can be used to publicize the revitalization.



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The Main Street Downtown Identity

Situation

The logo has been chosen. The winning design reflects southern New Mexico heritage with its Spanish/Mexican wrought iron design which is very well represented in Las Cruces architecture and ornamentation. The colors are bright, festive and celebratory, reflecting the Hispanic as well as Indian influence, while at the same time making a bold statement that is contemporary and fresh. The wrought iron design includes a flourished heart, symbolizing MSD as the corazón, the heart of the city. The typography in the "MAIN STREET" component of the logo is representative of the Main Street commercial corridor, a row of mercantile facades. The rolling out of the MSD brand is ready for the public.



Goal

The rolling out of the MSD brand is ready for the public. Our objective is to create an implementation program that will introduce the new brand, the new name and the acceleration of the transformation of downtown from a depressed, underperforming area to a vital, exciting and dynamic area which does indeed attract business, activity and visitors.

Action

The next step is to embrace the new identity and apply it to a series of deliverables that would attract attention, support, participation and investment in the Main Street Downtown area.

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LAS CRUCES DOWNTOWN MARKETING & BRANDING PLAN
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Components

Situation

A name, Main Street Downtown, was chosen for the downtown redevelopment district and a logo and visual branding system established. The question now is how do we get this out into the public eye?



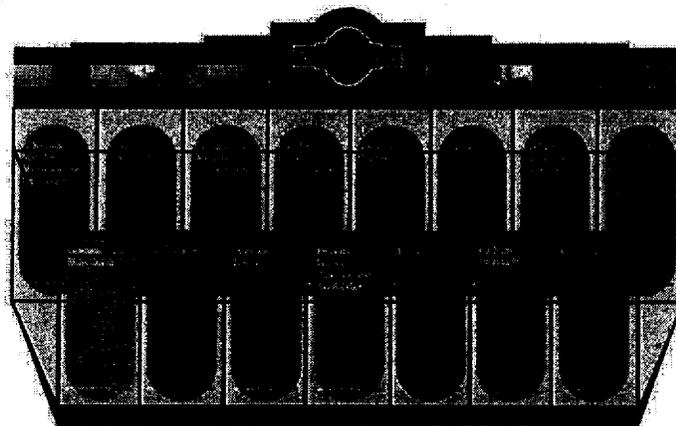
Goal

Our objective is to create a brand for MSD which would create excitement, belief, support, and buy-in from the various constituents of the city, county and state. A multi-pronged approach would be most effective.

Action

We developed a tactical map (above) with a micro-strategy for each of the delivery channels specified.

1. A program for earned media (public relations) has been developed and implemented for efforts thus far. The two newspapers as well as radio and television stations have been brought on board for news, updates and publicity surrounding important developments, events, milestones, decisions and progress. We will continue to identify and address future events and to keep the rejuvenation front of mind with citizens and stakeholders.
2. A collateral program which will inform the public as well as target potential customers – commercial real estate brokers, developers, investors, property owners and retailers will be designed and produced.



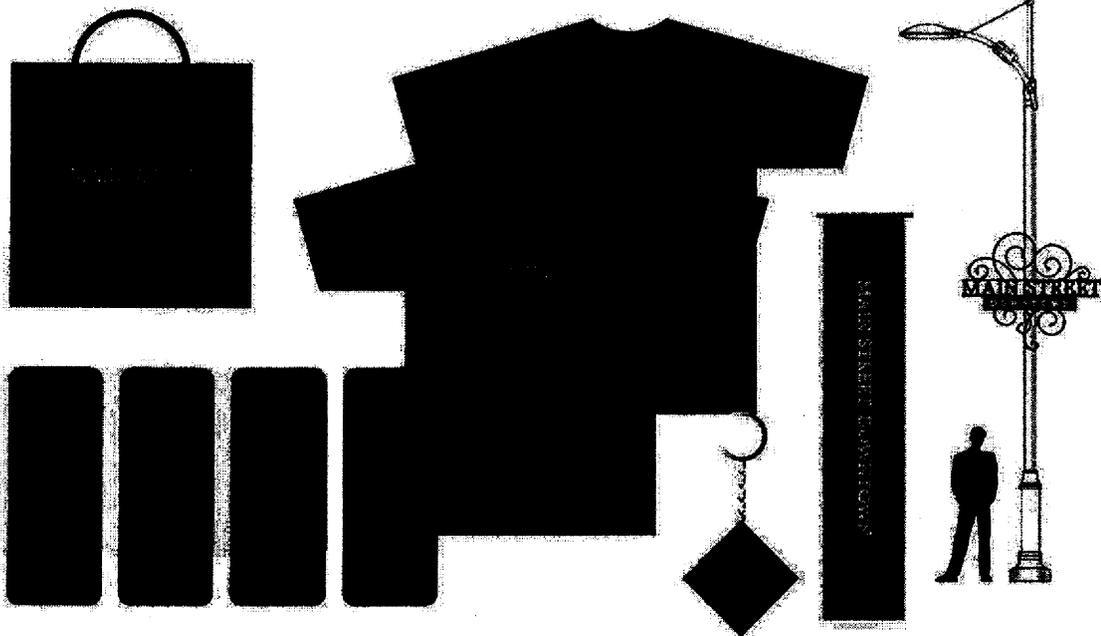
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Components (continued)

- 3. Environmental graphics will be used as a powerful attention-getter and will help expose and inform the public to activity and progress within the redevelopment area. The signage will also serve to help with wayfinding during construction and will double as safety barriers as well.
- 4. A multi-media advertising program may be considered for the future, when construction and progress are further along. Premature mass promotion would be counter-productive, wasteful and ineffective.
- 5. Exhibits and displays have been added to the tactical plan. This may include kiosks, "manned" exhibit booths in public places like malls and government centers as well as at holiday or civic celebrations and public gatherings. In the future, info centers may be located on Main Street.



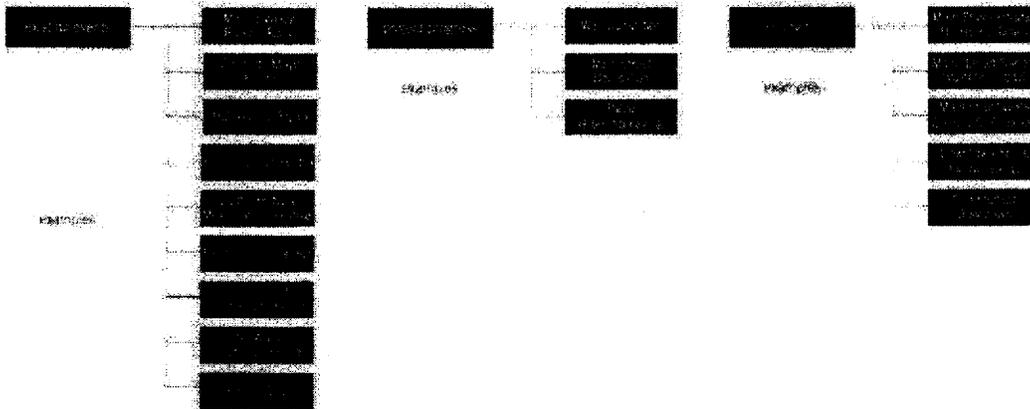
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LAS CRUCES DOWNTOWN MARKETING & BRANDING PLAN
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Components (continued)

6. A program will be created which includes promotion and visibility at existing as well as created events.



7. E-media, including a dedicated website, will be created to enhance the reach of the new brand as well as provide a portal for information and news regarding Main Street Downtown.

In addition, other necessities like stationery, forms, etc will be incorporated into the execution program. And other creative ways of "spreading the word" and building the brand will evolve as time goes by and needs and opportunities arise.

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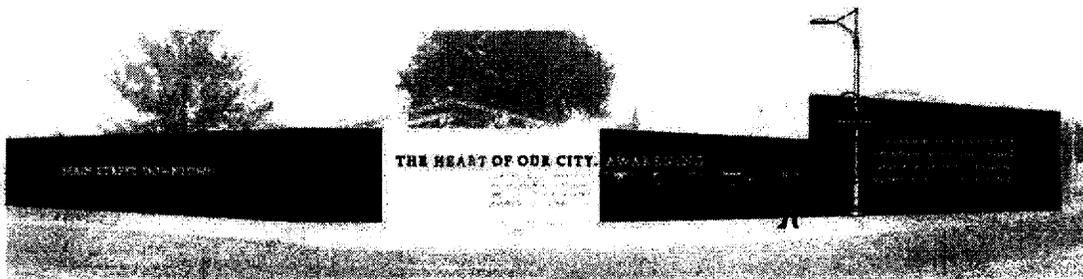
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The Physical Space (outside)

Situation

The redevelopment of Main Street Downtown will be a steady but slow process. Since the project is being done through a natural evolutionary model rather than a masterdeveloper model, the progress, at times, may seem anything but swift to the outside world. The construction will progress in spurts and the transformation from today's sleepy downtown to tomorrow's bustling hotbed of activity will not be apparent and therefore may not seem as encouraging or as stimulating as it should.



Goal

By utilizing the new logo and branding program, how can we create a more tangible sense of place...and progress as the multi-year process continues? That's our goal, to help create a more "real" sense of the downtown transformation and enhance the perception and experience for those who come to see what's going on, or happen to drive by or near the MSD area.

Action

A exterior branding program in the form of perimeter walls and graphics, a billboard-scale newsletter of activity, progress, information and updates has been developed to create a sense of reality for the project as well as creating curiosity and interest. A program of updates and changes, in the form of a larger than life newsletter, or even a museum exhibit, will keep the area interesting while promoting progress and change.

Secondary Benefit

The downtown mall environment has provided significant challenges for existing businesses. Once construction commences, the barriers will increase and the threat to retailers will grow. The perimeter signage will not only create a noticeable and inviting destination, but the graphics will invite folks to visit and support those businesses.

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The Physical Space (inside)

Situation

The outside perimeter signage will draw attention to the Main Street Downtown area. However, assuming that we, and the existing retailers are successful in creating interest and generating traffic, we will need to retain or even enhance that perception when a visitor or customer enters the "mall" during the transition period.



Goal

We should continue the pizzazz and excitement that is being conveyed on the outside (as well as in other branding efforts) on the inside as well. Our objective is to create cost-effective efforts that will generate excitement among visitors.

Action

All interior surfaces – walls, sculptures, planters, trash receptacles, store facades, windows, doors and sign fronts are potential "billboard spaces" for our mall makeover. Dynamic graphics and adherence to the MSD brand identity will create an enticing, attractive and more "saleable" environment for visitors as well as potential business owners, investors or other developers.

Psychographics: An Introduction

Situation

To market and sustain a revitalized downtown, it was critical to understand who the constituencies are, what kinds of lifestyle choices they make and whether or not these population groups can support the businesses needed to bring downtown back to life.

Goal

Unlike demographic analysis which deals with quantitative data such as population growth and household income levels, a psychographic assessment uses the interests, lifestyle, sensibilities and aspirations of individuals as a guide to determine their consumer preferences. The goal here is to zoom in on what kinds of businesses are likely to thrive in downtown Las Cruces and who will support those businesses.

Findings

Las Cruces continues to grow in population despite the absence of a vibrant core. Because this community, like so many American cities, is automobile dominated, the Telshor/Lohman area has emerged as the latest center of commercial activity. However, both locals and new transplants are hungry for a taste of New Mexico's distinct culture. There is no more appropriate place for this to happen than Downtown which has historically brought diverse cultures and peoples together. A revitalized downtown would give them a way of experiencing the true meaning of Las Cruces, the crossroads.

It's important to realize, however, that no one sub-market--not students, or active retirees--is large enough to sustain the entire stretch of the existing mall. Pulling from the full range of the city's diversity will be critical to the success of the Downtown revitalization effort. Other segments will have to be drawn in...and interested businesses need to take note. For this reason, initially at least, more widely affordable businesses will probably have greater draw than upscale national chains.

The attached psychographic analysis is a comprehensive look at the viability of particular business segments including:

- A Movie Theater Anchor
- Restaurants
- Bars and Cafes
- An Outdoor Recreation Superstore
- Fashion Retail
- High-Culture Retail

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CITY OF LAS CRUCES MAIN STREET DOWNTOWN PSYCHOGRAPHIC ANALYSIS
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What is "Psychographics"?

Demographic analysis deals with quantitative data such as population growth trends and household income levels. Psychographic assessment, on the other hand, takes the interests, lifestyle, sensibilities and aspirations of individuals as a guide to determining what their consumer preferences are most likely to be. The former is essential to understanding the retail potential of a given business district on a general level. But the latter is also necessary in order to pinpoint the kinds of businesses that are likely to be successful.

Let's take an example. The Robert Charles Lesser & Co. (RCL & Co.) study utilizes a purely quantitative approach. It concludes that Downtown Las Cruces can support 111,000 sq.ft. of "Clothing & Clothing Accessories" stores. But this category covers a very wide range of possibilities. Does it mean fashions for teenage girls? For plus-sized women? For the trendy or the traditional? For the budget-conscious or the well-off? Much more detail is needed before one can truly understand what is possible or should be expected. Psychographic analysis helps to provide that detail.

Psychographic analysis also sheds light on the kinds of businesses that are likely to be popular within particular retail categories. Certain media preferences, for instance, suggest certain types of drinking establishments. A reader of Rolling Stone would probably favor the rough-and-tumble, "anything-goes" vibe of Mesilla's El Patio. Someone who subscribes to Metropolitan Home, on the other hand, might prefer a more trendy look, like that of El Paso's Geo Geske (see page 6). Of course these kinds of connections do not always apply on an individual level, but they do provide at least some general direction.

This example points to another reason why quantitative analysis must be supplemented by psychographic assessment. RCL & Co.'s report indicates very little opportunity for "Drinking Places" in Downtown Las Cruces. However, this study simply compares the estimated demand for alcoholic beverages (away from home) with total receipts at area watering holes. But just because someone buys a beer at the local tavern does not mean that he is happy with the selection, the atmosphere, the clientele, etc. In other words, RCL & Co.'s approach does not account for the possibility that: 1) the current bars might be leaving certain types of people under-served or dissatisfied, or that 2) the addition of new concepts (like a Geo Geske), while possibly taking sales from the more conventional and less inspired venues elsewhere in the city, might help to jump-start activity in the core and create some positive momentum there.

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How do we use "Psychographics"?

For the purposes of this analysis, we will be drawing on psychographic reports ordered from Claritas, Inc. Claritas is an San Diego, CA-based information services company that provides developers, retailers, marketers and many others with the data needed to analyze and evaluate potential business opportunities. Founded in 1971, it is a widely-accepted leader in the field. It has devised a system, known as PRIZM NE, that divides U.S. households into 64 separate lifestyle "clusters" or groups, each defined by a particular set of buying patterns, leisure interests and media preferences.

After we translate the psychographic data into specific kinds of retailers (as described above), we then have to determine whether it would be realistic to expect these retailers to consider locations in Downtown Las Cruces. This involves an assessment of the other shopping areas in the region where new businesses might open or where competitors already exist. We will also draw on our understanding of what such businesses look for in a possible site, and which ones are generally unwilling to consider downtown locations.

Say, for example, Las Cruces is filled with households that buy from Fingerhut, the catalog and on-line retailer for moderate-income shoppers. This would suggest that some sort of discount variety store concept could work. However, this business would require a much larger space (to accommodate items like furniture and electronics) than is currently available in the Downtown. And it would be outcompeted in any event by the two Wal-Mart Supercenters in the region. In this way, the psychographic data is analyzed alongside other relevant factors, such as site location criteria and the existing competition.

Finally, we also incorporate into this study effort an understanding of what kinds of businesses are most likely to take a chance on and be able to spark a turnaround in a setting such as Downtown Las Cruces. Many retailers, especially chains, are unwilling to act as pioneers. They prefer instead to wait until other merchants establish that there is in fact a market and that money can be made. Indeed, certain types of stores, particularly ones that are heavily dependent on foot traffic, would be hard-pressed to survive in the earliest stages of the revitalization process. At the same time, other kinds of establishments, most notably restaurants, bars and clubs, are often able to build a following regardless of location, and have proven very effective in returning vitality to and reviving interest in business districts that had been largely forgotten.

Young singles

In the following analysis, we sub-divide potential shoppers into the various sub-groups that have been proposed as possible linchpins for Downtown revitalization. The first, and the one that has been instrumental in similar efforts elsewhere, consists of young singles, studying at university and/or in their 20's or early 30's. Roughly 8,500 households within a 15-minute drive of the downtown fit this description.

The largest lifestyle cluster in this demographic is called **City Startups**. This group consists primarily of the sort of young people that one might find in College Station, TX (Texas A&M), Gainesville, FL (University of Florida), Manhattan, KS (Kansas State) or Laramie, WY (University of Wyoming). It accounts for some 2,900 households within a 15-minute drive of the Downtown. These households are concentrated most heavily in the area immediately north of New Mexico State University, although there is also a significant number in the East Mesa, with many upperclassmen renting units in the multi-family complexes on the east side of Telshor Boulevard.

After reviewing the psychographic characteristics of the typical City Startups household, we have selected the following pieces of information as the most relevant ones for the purposes of this study effort:

- Racially-mixed, 18-to-24-year-old students enrolled at NMSU and with very little disposable income (median: \$22,000)
- Developing more educated/refined tastes and sensibilities, e.g. reading *New York Times* and *Food & Wine*
- Stylish and fashionable, like to shop, patronize Express, Banana Republic, T.J. Maxx, etc.; require larger sizes, buy from Lane Bryant
- Shoot pool and frequent a diverse array of bars/nightclubs
- Do not dine out often at sit-down restaurants
- Read *Premiere* (a magazine devoted to Hollywood movies), but do not go to the cinemas
- Buy tents and camping equipment

The second largest lifestyle group in this demographic, **Mobility Blues**, accounts for almost 2,600 households within a 15-minute drive of the Downtown. Many in this cluster arrived in Las Cruces in the last five years, so we can expect that its numbers will continue to grow. Typically found in small cities, some of the most relevant psychographic features include the following:

- Racially-mixed, 18-to-24-year-old singles and single working moms
- Low disposable incomes (median: \$28,000), never graduated from high school, working in low-end service occupations
- Females aspire to the lifestyle of the young single urban professional, but their reality falls far short, e.g. some have kids, trying to balance work and home

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- Women pay attention to fashion, drawn to urban/trendy/sexy styles, shop at New York & Co., but spending is limited by moderate incomes; require larger sizes, buy from Lane Bryant
- Tend towards a "homebody-ish" lifestyle, do not lead especially active night-lives (given their age), prefer to watch movies on video (rather than in the cinema)
- Do not dine out often (except for fast food)
- Buy tents and sleeping bags

The third largest lifestyle group in this demographic is **Suburban Pioneers**, which accounts for 2,000 households within a 15-minute drive of the Downtown. It is found in especially high concentrations in Texas: five of the top ten counties in the U.S. for this segment are in the state (i.e. Webb, Hidalgo, Maverick, Potter and Cameron). Its most relevant psychographic characteristics are as follows:

- Hispanic or racially-mixed, 18-to-34-year-old singles, sometimes recently divorced and/or single parents, with many young children aged 0 to 9
- Low disposable incomes (median: \$32,000), working in blue-collar or low-end service jobs, living in mobile homes or trailers
- Ambitious and entrepreneurial, aspire to something more, strive to "make it rich" one day
- Eclectic and unconventional, value independent thinking
- Take adult education courses
- Expensive tastes (shop at Neiman Marcus and read Metropolitan Home, a magazine devoted to high-end/contemporary home décor), but spending power constrained by low incomes and large households
- Require larger sizes, buy from Lane Bryant
- Some eat out rarely, while others do so often, at both fast-food and sit-down establishments

Although they are smaller in number, two other lifestyle clusters are worth mentioning here. **Boomtown Singles** only accounts for 650 households within a 15-minute drive of the Downtown, but those belonging to this psychographic are most heavily-concentrated in the neighborhoods immediately surrounding Downtown (i.e. Alameda Depot, South Mesquite, and south of the Mall), and are therefore likely to be its heaviest users. Furthermore, like Mobility Blues (above), many within this segment arrived in Las Cruces in the last five years, and so one might expect that its numbers will continue to grow.

This cluster consists of the kinds of singles that one would find in college towns like Charlottesville, VA (University of Virginia), Boulder, CO (University of Colorado) and Lawrence, KS (University of Kansas). Its most relevant psychographic features include the following:

- Racially-mixed, 18-to-34-year-old singles
- Lower middle-class incomes (median: \$37,000), working in a wide variety of occupations, including low-end service, non-profit, academic, creative, etc.

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- "Artsy" types who paint, draw, play musical instruments, etc.; intellectual and in certain ways anti-establishment
- Entrepreneurial
- Take adult education courses
- Some eat out rarely, while others do so often, especially at casual sit-down restaurants
- Frequent a diverse array of bars/nightclubs, go bowling, play pool
- Females obsessed with fashion but constrained by budget, patronize Express, Marshalls and Old Navy; require larger sizes, shop at Lane Bryant
- Buy tents and camping equipment

Finally, **New Beginnings** accounts for less than 500 households within a 15-minute drive of the Downtown. But again, like **Mobility Blues** and **Boomtown Singles** (above), many in this cluster arrived in Las Cruces in the last five years, and so one might expect that its numbers will continue to grow. Typically found in larger metropolitan areas, its most relevant psychographic characteristics are as follows:

- Hispanic or racially-mixed, 18-to-34-year-old singles, starting out on their career paths, or starting over after recent divorces or company transfers, often with young children aged 0 to 4
- Low disposable incomes (median: \$30,000), working in academic or service jobs
- Looking to "settle down"
- Not especially sophisticated or stylish, do not shop much; require larger sizes, buy from Lane Bryant
- Go to the cinema often, but do not frequent bars/nightclubs
- Patronize fast food establishments, but do not dine often at sit-down restaurants
- Buy tents

Young families

A number of the "young single" clusters discussed above include large numbers of single-parent households, but while the responsibilities involved in raising a child are no doubt significant, the differences between the lifestyle of a single parent and a child-less single are considered to be less relevant to this analysis than those between a nuclear family and a single parent. For this reason, a second sub-group is proposed here, one consisting of households with a mother, a father and their children.

In this region, only one such cluster – **Family Thrifts** — reaches critical mass, although it is the second most heavily concentrated overall, accounting for 2,800 households (7.7%). Furthermore, the segment has been arriving in especially large numbers over the last five years – probably in response to the many construction and service jobs that have been created by the region's recent growth spurt — and so its number and percentage can be expected to keep rising in the near future.

Across the country, Family Thrifts households are most heavily concentrated in small cities. Examples in neighboring Texas include Gatesville (Coryell County), Kingsville (Kleberg County) and Belton (Bell County). The cluster's most relevant psychographic characteristics are as follows:

- Hispanic and racially-mixed, young couples (e.g. 18 to 24), with lots (i.e. 3+) of young children
- Poorly educated (i.e. did not attend high school or attended but did not earn diploma), tolling in farming, blue-collar or entry-level service jobs and earning low incomes (media: \$28,000)
- Play the lottery often
- Busy/harried lifestyle that revolves around kids and the family (e.g. spend money on dolls and action figures, frequent Chuck E Cheese)
- Females read parenting magazines and follow soap operas, while males are obsessed with automobiles and fitness/bodybuilding
- Shop at Wal-Mart and by catalog
- Dine out often, at both fast food and casual sit-down establishments (i.e. family, Tex-Mex)
- Go to the movies (i.e. family-friendly films), roller-skate, play billiards/pool
- Buy tents and sleeping bags

Retirees and Empty Nesters

The third sub-group, and arguably the most important, consists of the retirees and empty nesters. Due to a variety of factors, including the weather and the scenery, Las Cruces has long been popular among those who spent their working and child-rearing years in the colder climates of the Northeast and the Midwest. Today, however, it is also experiencing an additional influx from the overheated property markets of Southern California, which is in turn largely responsible for the explosive growth on the East Mesa.

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Only 6,200 households within a 15-minute drive of the Downtown fit the retiree/empty nester description, versus 8,500 for the students, twenty-somethings and early thirty-somethings. But the former assumes an importance in this analysis that is disproportionate to its actual share of the overall population, because 1) it is growing so fast; 2) many of the newer arrivals, from both the Midwest and the West, boast relatively high household incomes; and 3) a large number fit the profile of the so-called "active retiree", who is still relatively young, shows no intention of slowing down and is in some cases even starting a second career upon his/her arrival in Las Cruces. Of course their influence is lessened to some extent by the fact that some are actually just "snowbirds", and that many of the permanent residents are not in town for prolonged periods of time because they have second homes elsewhere or are traveling the country by RV.

First, we will detail the four retiree/empty nester clusters that have been in Las Cruces for many years. The largest is **Sunset City Blues**, which accounts for 1,796 households (4.7%) within a 15-minute drive of Downtown. A relatively large percentage have been living in their current dwelling unit since the '60's if not earlier, and unsurprisingly, very few — just 18 (0.3%) — reside in the East Mesa.

Across the country, the Sunset City Blues cluster is most heavily concentrated in small cities, like Roswell (Chaves County, New Mexico). The segment's most relevant psychographic characteristics are as follows:

- 65-and-over retirees, with lower middle class incomes (median: \$36,000)
- Modest educational backgrounds, not especially cerebral
- Conservative "Middle American" sensibilities, i.e. read Saturday Evening Post
- Value "the way things were", e.g. when Las Cruces had a Main Street?
- Travel extensively, both domestic (by motor home/camper) and foreign -- still willing to "rough it", i.e. get around by bus
- Enjoy sedate pastimes (e.g. reading, gardening, bird-watching, woodworking, electric trains, television)
- Shop at Wal-Mart, dine at inexpensive sit-down restaurants (e.g. Sizzler, Golden Corral)
- Play bingo, belong to fraternal orders and veterans clubs
- Watch classic movies on television and keep abreast of more contemporary fare, but do not go to the cinema

The second largest "long-time" cluster is **Hometown Retired**, which accounts for 1,590 households (4.2%) within a 15-minute drive of Downtown. Again, a very large percentage have been living in their current dwelling unit since the '60's if not earlier, and virtually none reside in the East Mesa.

The Hometown Retired cluster is also most heavily concentrated in small cities, like Roswell (Chaves County, NM), as well as Eagle Pass (Maverick County), Del Rio (Val Verde County) and Laredo (Webb County) in south Texas. The segment's most relevant psychographic characteristics are as follows:

- 65-and-over Hispanic retirees/widows, with low incomes (median: \$25,000)
- Poor educational backgrounds (i.e. never finished or did not attend H.S.)

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- Travel the country by motor home
- Enjoy sedate pastimes (e.g. reading, garment sewing, bird watching, television)
- Do not shop, dine at inexpensive sit-down restaurants (e.g. Shoney's, Golden Corral)
- Play bingo, belong to veterans club

The third largest long-time cluster is **Traditional Times**, which accounts for 779 households (2.1%) within a 15-minute drive of the Downtown. The arrival of Traditional Times is more recent than that of Sunset City Blues or Hometown Retired, and it is the second most heavily concentrated segment on the East Mesa (331 households, 6.0%), most likely occupying residences in the (relatively) older areas closer to Telshor Boulevard. Furthermore, its median income is significantly higher, denoting solid middle-class status. Even so, its psychographic profile is not all that different from the previous two.

The Traditional Times cluster is most heavily concentrated in rural areas, like the sparsely-populated Texas counties of Irion, Carson and Schleicher. Its most relevant psychographic characteristics are as follows:

- 55-and-over white couples, with careers in agriculture, often as farm managers, and with solidly middle class incomes (median: \$52,000)
- Travel the country by motor home/camper and own timeshare residences/vacation homes – how often are they in Las Cruces?
- Enjoy more sedate pastimes (e.g. gardening, bird-watching, stamp-collecting) and "country" pursuits (e.g. own rifle/shotgun, watch NASCAR and TNN)
- Manifest rural/traditional outlook (e.g. read Saturday Evening Post and Ladies Home Journal)
- Like to spend time on the golf course and in the country club
- Not excited by up-market dining and shopping amenities, content instead to dine at inexpensive sit-down restaurants (e.g. Cracker Barrel, Golden Corral) and shop at Wal-Mart
- Do much of their shopping by catalog or TV
- Value historic architecture (i.e. read This Old House) and "the way things were", prefer a traditional "country" décor/lifestyle (i.e. read Traditional Home, Country Living)
- Intensely involved in the community and politics (i.e. belong to civic clubs, visit and write to elected/government officials), likely to be involved in this process

The last of the four long-time clusters is **Second City Elite**, which accounts for 376 households (1.0%) within a 15-minute drive of Downtown. Small in absolute number but both well-off and well-educated, it has supported the city's creative and intellectual life for many years. And unlike the segments described above, those in Second City Elite are often still working. The cluster arrived in Las Cruces in the '80's and earlier, although it does have a significant presence in the East Mesa (221 households, 4.0%), again, probably in the (relatively) older areas nearer Telshor Boulevard.

Across the country, the Second City Elite cluster is most heavily concentrated in small cities such as Naples, FL; Broomfield,

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CO; and Midland, TX. Its most relevant psychographic characteristics are as follows:

- 55-and-over, still working in management, professional, academic and creative occupations
- Have impressive educational pedigrees (B.A.'s or more) and high incomes (median: \$71,000), own expensive single-family homes (\$150,000 and up)
- Exhibit refined tastes, e.g. listen to classical music, read Gourmet
- Cerebral/intellectual, e.g. read Atlantic Monthly and New Yorker
- Travel extensively, both domestic and foreign – still willing to “rough it”, i.e. go to Third World countries, get around by bus
- Own timeshare residences or second homes (i.e. their Las Cruces address? If so, how often are they in Las Cruces?)
- Enjoy spending time on the golf course and in the country club
- Manifest high-end (i.e. Neiman Marcus) and “rugged-outdoors” fashion tastes (i.e. Eddie Bauer, L.L. Bean), but do much of their shopping by catalog
- Prefer upscale and contemporary furnishings/décor, i.e. read Architectural Digest and House Beautiful, buy Thomasville furniture
- Dine at restaurants with moderate prices and modest fare (e.g. Lone Star, Steak N Ale), despite up-market tastes
- Belong to civic clubs, likely to be involved in this process (and might even be on our Branding & Imaging Committee!)

These four empty nester clusters described above have been part of the region's psychographic profile for some time. They have been joined in more recent years, however, by **Greenbelt Sports** and **God's Country**. Again, it is especially important to understand these segments because they are thought to be responsible for much of the growth that the metropolitan area has been experiencing, and to the extent that current trends will be continuing, they will keep growing in absolute number as well as percentage of the population.

In all honesty, it is not entirely accurate to describe households in these clusters as empty nesters/retirees, as many of them consist of couples who: 1) are only in their mid-to-late 40's; and/or 2) either still have children living at home or who never had them to begin with. They are included here, however, because they are soon to enter a similar stage in their lives (if they have not already).

Greenbelt Sports accounts for 980 households (2.6%) within a 15-minute drive of the Downtown. Not surprisingly, a significant percentage (351 households) live on the East Mesa, most likely in the newer subdivisions that have been rising further to the east. Across the country, the segment is most heavily concentrated in exurban areas, with a particularly large number in Colorado, where five of the top ten counties nationwide for this cluster can be found, i.e. Gilpin, Summit (Breckenridge), Pitkin (Aspen), San Miguel (Telluride) and Grand.

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Its most relevant psychographic characteristics are as follows:

- Impressive educational pedigrees (e.g. PhD's), worked in academic/professional occupations (e.g. professors at NMSU, engineers at White Sands, doctors), with upper middle class incomes (median: \$55,000)
- Not especially cerebral people, given their past education/profession
- Extremely active, enjoy all manner of outdoor sports, vacation in national parks, own tent and camp stove
- Enjoy spending time on the golf course and in the country club
- Follow fashion trends, manifest high-end (i.e. Neiman Marcus, Ann Taylor) and "rugged-outdoors" tastes (i.e. Eddie Bauer)
- Play billiards/pool
- Value historic architecture (i.e. read This Old House) and prefers a traditional, "country" décor/lifestyle (i.e. read Traditional Home, Martha Stewart Living, Country Living, Country Home)

God's Country accounts for 679 households (1.8%) within a 15-minute drive of the Downtown. Again, many of these (324 households) live on the farther reaches of the East Mesa, as well as the newer subdivisions in Picacho Hills. This segment is especially noteworthy in that it introduces a new level of big-city affluence and flash to the area. Indeed, the wealthy Americans in God's Country are the ones who have helped to give places like Vail, Aspen and Jackson Hole the cachet that they enjoy today.

The most relevant psychographic characteristics of God's Country are as follows:

- 45-to-54 couples with exceptional educational pedigrees (i.e. M.A. or more) and executive/professional occupations, earning high incomes (median: \$80,000) and owning expensive single-family homes (i.e. valued at \$150,000 and up)
- Exhibit refined tastes (e.g. listen to classical music, read Bon Appetit) but not especially cerebral/intellectual, seem more interested in the study of making money (e.g. read Fortune, Forbes, Money, Inc.)
- Travel extensively, although preferred destinations are rather traditional (i.e. Western Europe, not the Third World)
- Own timeshare residences or second homes (i.e. their Las Cruces address? If so, how often are they in Las Cruces?)
- Extremely active, enjoy all manner of outdoor sports
- Enjoy spending time on the golf course
- Interested in high-end fashions, but do not shop extensively and their buying preferences center on "rugged-outdoors" styles (e.g. Eddie Bauer, L.L. Bean)
- Prefer to "stay in" (i.e. order pay-per-view movies rather than going to the cinema, do not eat out much, buy on-line at barnesandnoble.com and amazon.com rather than browsing in the bookstore)

Market Positioning and Tenant Mix

Throughout history, transportation patterns and economic forces have dictated the location and form of a given region's primary business district. Today is no different. In automobile-dominated Las Cruces, the Telshor / Lohman area has emerged as the latest center of commercial activity largely because of its access to highways, the availability of larger land parcels, etc. The logic of business site location, which favored Downtown in the past, has more recently worked to reduce it to near-irrelevance. Indeed, there is at this point no particular reason why Downtown should be anything more than it is. Main Street is just one of many north-south arterials from which local motorists can choose, and even the visual cues, like an ensemble of tall buildings (i.e. a "skyline"), are missing.

If structural forces are no longer working in Downtown's favor, the burden then falls to the revitalization community to make the case for why it should matter. Some have suggested that every city needs a "heart", but this point is easily disputed. The empty nester/retiree clusters might yearn for a pedestrian-friendly "Main Street" environment, either because: 1) they are old enough to remember when Las Cruces still had one, or 2) they come from towns/cities in the Northeast and Midwest where such districts still exist. But the reality is that many households are satisfied with a Wal-Mart and/or a golf course; indeed, Las Cruces continues to grow in population despite the absence of a vibrant core. One should not assume, then, that Downtown will be able to derive all that much value from its historic status or socio-cultural import. It will have to prove itself anew, as a destination that fills a particular niche within the larger competitive landscape.

In this respect, the Telshor/Lohman area actually lends a hand. The proliferation of national chains has contributed to a homogeneous "Anywhere U.S.A." feel there. Sales levels at the stores, restaurants and bars might be quite high, but a consumer looking for retail with some local character is unlikely to find it. Mesilla provides this to a certain extent, but some have complained that it speaks more to Mexican culture than New Mexican, and caters primarily to the tourist/visitor trade. This suggests the possibility that Downtown could fill a void by theming itself as "Uniquely New Mexican", or "Local for Locals". The transplants and snowbirds fueling the city's growth were drawn to the state for its distinctive way of life — this would give them a way of accessing and experiencing it.

But what precisely is New Mexican culture? To outsiders, especially ones who recently arrived from the Northeast or the Midwest, one of its more awe-inspiring achievements is the seeming ease with which the many different sub-cultures intermingle, at restaurants like St Senor and bars like El Patio. Symbolically, there is no more appropriate place for this to happen than the Downtown, which has played this role of meeting point throughout history. And practically speaking, the ability to pull from the full range of the city's diversity will be critical to the success of the Downtown revitalization effort. No one sub-market — not the students, not the active retirees — is large enough to sustain the entire stretch of the existing mall on its own. As a result, it will be necessary to attract all of these groups in order to fill all of the storefronts with sustainable retail. Finally, such an inclusive approach might help to engender good will among Hispanics who are still angry about the demolition of St. Genevieve's and old-timers who remain wary of the recent transplants and the revitalization plans.

Inclusivity, of course, is easier said than done. As in so many other communities, the Downtown revitalization movement is driven by a very small and un-representative slice of the city's population. Everyone on the Branding and Imaging Committee is white and relatively well-off, and there is a clear skew towards "high culture", with representatives from the visual and performing arts, the university, the bookstore, etc. Not surprisingly, potential solutions to Downtown's struggles have tended to revolve around this sub-market, even though in actual numbers it is not a large one (see below). No doubt the arts niche should play a central role going forward, but the "Whole Bean Enchilada" crowd will need to be tapped as well, and it is somewhat worrisome that this demographic, which accounts for the overwhelming majority of the area's inhabitants, is roundly described by the revitalization community in pejorative terms.

One other point related to diversity. Many revitalizing downtowns across the country have stumbled upon the opening of a new "lifestyle center" on the suburban periphery. This shopping center format consists of a pedestrian-friendly "Main Street", complete with ground-floor retail, on-street parking, faux-historic architecture, antique streetlights, sidewalk benches, etc., and typically filled with upmarket national chains (e.g. Ann Taylor, Cheesecake Factory). It is often found in high-growth, high-income areas that lack a true urban space, like the East Mesa. If in fact one materializes there in the coming years, its shops and restaurants could absorb a good deal of the consumer demand from, and become the de-facto downtown for, affluent clusters like Second City Elite, Greenbelt Sports and God's Country. As it is, the well-off segments are not especially reliable because many of these households own second (or first) homes elsewhere and are not necessarily in town that often. For all of these reasons, Downtown should "hedge" on price point, steering clear of upscale establishments in favor of ones that are more widely affordable.

Finally, the analysis below might seem a bit depressing to those who are emotionally invested in this effort. Revitalization is not easy – indeed, if it were, this study would have been unnecessary. There are good reasons why Downtown Las Cruces sank to the levels that it did, and some of that logic is just as valid today, even as it starts to build some momentum. Successful retailing in such a challenging setting is a rare thing, but it is not absolutely essential in these early stages. Businesses can come and go; the most important objectives at this point are to raise visibility, to reverse perceptions, to build consumer "mindshare", and to re-establish Downtown as a viable option, for dinner, for drinks, for something. These are small victories, but they are essential first steps that cannot just be skipped over, and realistic goals to shoot for. The following, then, should be read with this more modest aspiration in mind.

The Movie Theater Anchor

The Sites Southwest Master Plan has proposed as an anchor for the Downtown revitalization effort a modern movie multiplex with anywhere from six to ten screens, to be located on the southeast corner of Main Street and the soon-to-be-reestablished Mountain Avenue, on the northern end of the present pedestrian mall. The selection of a cinema is based on two factors: 1) the success of the Century Theatres at 1st and Central in Albuquerque in terms of gross ticket sales and as an anchor in the re-

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emergence of that downtown; and 2) the finding of the Robert Charles Lesser & Co. market analysis that there is pent-up demand in the Las Cruces region for six to eight "state-of-the-art" screens.

Multi-plexes have a proven capacity for generating large amounts of foot traffic. Indeed, although such a mass-market use might stand in stark contrast to the high-culture offerings currently available in Downtown, its presence will expand the district's sales and tenanting potential in a way that small-scale performing arts venues cannot. Most directly, it would serve to attract one or more sit-down restaurants, perhaps a coffee bar or an ice cream shop, etc. And in terms of marketing, while it would not lend much local New Mexican character, it would help to reverse perceptions and reestablish Downtown as, in the simplest of terms, "a place to go where there is something to do".

Looking at the psychographics, however, the market for this use is somewhat limited. Strangely, the students of City Startups, although readers of Premiere magazine, do not go to the cinema often. Households in Mobility Blues and God's Country prefer to view films at home, on video and pay-per-view, respectively. While the unconventional thinkers and cerebral types in Suburban Pioneers, Boomtown Singles, Second City Elite and City Startups might be drawn to independent films, offering such fare in a new and modern Downtown multi-plex could spell doom for Mesilla's tired but venerable Fountain Theatre. And the older retirees of Sunset City Blues might enjoy classic movies, but at 65 years old and up, they would probably rather watch them on television or at the Fountain.

Only two of the clusters described above – Family Thrifts and New Beginnings — report movie-going as one of their top leisure activities, and together they number just 3,300 households (within a 15-minute drive of Downtown). Family Thrifts accounts for roughly 2,800 of these (85%), meaning that the film offerings will need to skew heavily towards the family-friendly. And seeing as many of the segment's (and the region's) households are Hispanic, perhaps some showings of Hollywood pictures should be dubbed or subtitled. It might also be worth exploring the viability of devoting screens to the increasing number of Mexican productions, which could also draw high-brow types from Second City Elite.

Restaurants

Food must play a critical role in the effort to revive Downtown Las Cruces. There are three reasons for this. One, sit-down dining is the retail category that most often drives business district revitalization. Indeed, restaurateurs are usually the only ones willing to act as pioneers in long-forgotten parts of town. Two, Las Cruces' version of "New Mexican" cuisine is central to its self-identity. In trying to answer the question of what makes the city unique, so many locals refer to this aspect, not hesitating in the process to allege the inferiority of its "competitors" (e.g. "Tex-Mex", Arizona-style and even Albuquerque/Santa Fe cooking). And three, eating is the most obvious way for recent transplants to access and enjoy the area's distinctive culture.

It would not be realistic to expect national chains in Downtown Las Cruces. Nor, again, would it be desirable, if the goal is to showcase what makes the area unique. The local "chain-lets" – homegrown operators with three units going on a fourth, or

even one looking for a second – would be more appropriate in this regard. So would regional “chain-lets” – concepts that cut their teeth in nearby cities like Albuquerque, and are ready to expand to new markets. Such tenants hit a sort of “sweet spot” because they are locally or regionally distinctive while also boasting a track record. The problem is that many of these restaurateurs (e.g. Lorenzo’s, Chillitos, Dionne’s) are already opening additional branches on the East Mesa in order to reach the recent arrivals there. Moreover, there is enough vacant land in the region that expanding concepts will easily be able to find suitable sites wherever growth occurs in the future.

Thinking in terms of strict site location criteria, who can blame the chains and chain-lets for taking this approach? If the goal is to tap recent growth, why locate in Downtown when there is a clean site at Lohman and Roadrunner? The logic is difficult to refute. The presence of a multi-plex anchor in Downtown will help (and is in fact essential), but pitches to these local operators must also work on an emotional level. One possible tool is guilt: the Downtown revitalization “movement” could be branded as a project for which all of the city’s stakeholders, including its most successful businesses, are responsible. Building a sense of positive momentum is also critical in this respect, as pioneers are often driven by a rather vague sense that they want “to be a part of what is happening” in re-emerging districts.

Of course, in such a small market, expanding local chain-lets must always consider the danger of self-cannibalization. But certain operators (e.g. Lorenzo’s) already see the potential in launching an entirely new concept that does not compete with their existing branches. Others (e.g. La Posta) might feel that their current levels of customer traffic warrant the opening of an additional unit. Still others (e.g. International Delights, Main Java) might wonder whether Downtown might actually offer greater sales potential than their existing location. And again, nearby cities could be canvassed in an effort to identify similar outfits there that might be interested in expanding to new markets (e.g. Flying Star in Albuquerque, Ardavinis in El Paso).

Whoever the operators are, they should offer low to moderate price points. The higher-income clusters – Second City Elite, Greenbelt Sports and God’s Country – generally prefer to dine in. And the most popular sit-down establishments overall are the inexpensive family and steakhouse restaurants, like Bob Evans, Golden Corral, Sizzler and Steak & Ale. Not surprisingly, however, Mexican cuisine, which plays such a central role in the city’s identity, offers a rare opportunity to generate “cross-over” dining traffic and recreate the sort of diversity discussed above. Greenbelt Sports and God’s Country will eat at Mexican eateries, and would be joined by Family Thrifts, resulting in the kind of diverse mix that one might find at Si Senor or La Posta.

Finally, the importance of a multi-plex in attracting these local chain-lets cannot be underestimated. Their history as pioneers notwithstanding, restaurateurs are just as nervous about risk as other retailers, and they will likely insist on leasing commitments from and locational proximity to some sort of bonafide anchor as well as other sit-down eating establishments. Also, in order to generate enough revenue to sustain themselves, they will need to be able to serve alcohol in addition to food, meaning that the City has to be willing to grant new liquor licenses. And in order to reduce cost pressures, these licenses should

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be priced much lower. Finally, these operators should be permitted to offer outdoor seating, so as to differentiate Downtown as a dining destination from the more automobile-friendly districts that are its competition (e.g. Telshor/East Mesa).

Bars and cafes

It has been suggested that the lack of a cohesive "college town" feel and mix on University Avenue and the current draw of nearby Graham Central Station provides an opportunity for Downtown to re-establish itself as a student-oriented district of bars and nightclubs. But this is not as much of a "no-brainer" as it might seem: most NMSU enrollees are cash-poor, and a number already have children and must devote considerable time, energy and money to that part of their lives. This sub-market is perhaps capable of sustaining one or two such establishments, but not necessarily an extended stretch of them.

The tone and image of these new Downtown bars will be critical. Given the current selection of watering holes in Las Cruces, conventional ones of the Hurricane Alley or Bennigan's variety would be redundant, and would also attract a younger, more rowdy crowd that could deter movie-going families (see above) as well as potential condo-buyers (see Downtown Albuquerque). On the other hand, a cool, trendy lounge like El Paso's Geo Geske (aka "G2"), with a more mellow vibe and a cocktail/wine focus, would have a positive impact on Downtown's brand. It would find a ready market in the style-conscious types from City Startups, Suburban Pioneers and Boomtown Singles who frequent the Las Caras Lounge (in the Hilton) and Graham Central Station, or even the more nightlife-oriented among Second City Elite and Greenbelt Sports. Also, while High Desert Brewery is unlikely to move after having invested so much in its current location, but its popularity suggests that there might be room for another brewpub operator Downtown.

Café Central is a white-tablecloth restaurant in Downtown El Paso, but it also serves wine/martinis and features live jazz. Perhaps the operator could be convinced to try a scaled-down lounge concept in Las Cruces. As for a coffeehouse, The Bean, which also offers live music, has expressed an interest in relocating, although as a business it appears somewhat under-capitalized. For a more polished café concept, the Albuquerque-based Flying Star also has its Satellite brand. And Flying Star, already mentioned above as a restaurant possibility, would also function well as a dessert venue catering to patrons of the various theaters and cinema. Lumenbrite Café, from Downtown El Paso, would serve this purpose as well. Finally, Cold Stone Creamery, the national ice cream chain, might be convinced to open a location in the multi-plex development, as it did in Downtown Albuquerque.

Outdoor Recreation Superstores

Dining and nightlife has often helped to jumpstart Downtown revitalization efforts, while daytime shopping typically plays a lesser role. Partly this is because many retail categories rely heavily on visibility and foot traffic, which tend to be lacking in these initial stages, at least during the day when consumers do most of their shopping. As a result, the only stores likely to be sustainable at this point are ones that can generate customers on their own (i.e. "destinations") or that can also draw on

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other sources of revenue besides walk-in sales (e.g. wholesale or "B-to-B" trade). Indeed, virtually all of the businesses presently located on the Downtown Mall can be described in one of these two ways, with COAS Bookstore as an example of the former and White's Music Box the latter.

One sort of destination retailer that would seem to be appropriate for this market (and inclusive of its many diverse sub-cultures) is the outdoor recreation superstore, which sells equipment and apparel related to hiking, camping, hunting, fishing, etc. Many of the lifestyle segments described above – City Startups, Mobility Blues, Family Thrifts, etc. – buy/own tents, sleeping bags and other camping equipment. Two of the fastest-growing ones – Greenbelt Sports and God's Country – participate in an incredibly large number of outdoor activities, and, along with Second City Elite, favor the "rugged-outdoors" look pioneered by Eddie Bauer and L.L. Bean. Furthermore, a number of the clusters – City Startups, Mobility Blues, Traditional Times, Suburban Pioneers – own guns or read magazines like Guns & Ammo.

The major chains (i.e. Bass Pro Shops, Cabela's Sporting Goods) offer a unique blend of retail and entertainment (e.g. giant fish tanks, flying geese displays, deer museums, themed restaurants, etc.) and become tourist destinations in their own right, drawing millions of visitors annually. They typically locate at highway interchanges, but have been experimenting with Downtown branches in recent years, often as part of larger revitalization efforts. These stores, however, will require substantial incentives, especially since there is no shortage of possible sites on the city's periphery. They will also need extremely large floor-plates: the typical Bass Pro or Cabela's is 150,000 sq.ft., which would be impossible in Downtown Las Cruces. But Cabela's was willing to go with just a 60,000 sq.ft. box in the Downtown of East Grand Forks, MN, and Bloomington, MN-based Gander Mountain is willing to consider spaces as small as 50,000 sq.ft. Perhaps these square footages are workable on the old grocery store site. (Gander, it should be noted, eschews the "bells and whistles" of Bass Pro and Cabela's, thus limiting its draw, but it compensates with lower prices, also a plus in this market.)

It is worth noting that outdoor recreation superstores might bring certain socio-cultural tensions to the surface. As noted above, chains like Cabela's and Gander Mountain cater very directly to gun culture, which might offend the urban liberals and wildlife fanatics in the Second City Elite, Greenbelt Sports and God's Country clusters. Their preferred alternative would be the Sumner, WA-based REI, which focuses on the hiking and the camping rather than the hunting and fishing. REI has been known to build dramatic flagships in or near Downtowns, with various "shopper-tainment" touches such as two-story climbing walls, mountain biking test-trails, etc. In addition, their stores are as small as 20,000 sq.ft., a somewhat more realistic size for Downtown Las Cruces. So far, however, they have focused mostly on larger urban markets like Seattle, Portland, Austin, Denver and Albuquerque, where they have a location at an I-25 interchange. Another possibility is Eastern Mountain Sports (EMS). The Peterborough, NH-based chain, which is most heavily concentrated in the Northeast but also operates three units in Colorado, offers none of "bells and whistles" found at REI, but it builds even smaller units of 10,000 sq.ft. or less.

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Fashion Retail

A store does not need to be a chain in order to be a destination. Chains certainly have advantages in trying to draw shoppers to long-ignored business districts. Their brand is well-established and their marketing muscle is substantial. But fashion boutiques also can emerge as draws in their own right, through high-visibility media attention (e.g. an article in a local "lifestyle" publication) and "word-of-mouth" advertising. However, this kind of momentum is very hard to generate, and without it, such a store located in Downtown Las Cruces today would almost certainly fail due to the absence of pass-by traffic. Even the arrival of the multi-plex and associated dining/nightlife will only have a limited impact, because they draw much of the traffic at night, when very few are thinking about shopping. The likelihood of success is diminished still further when one considers that Downtown has to compete for such tenants with Mesilla, and the more established merchant will likely prefer (and can afford) the latter, while the low-rent Downtown will attract the less experienced entrepreneur.

The viability of boutiques is therefore questionable, at least in these early stages, but even if such retailers only survive for a brief while, their mere presence would have a beneficial impact on Downtown's brand and image. If such an operation is to stand any chance of success, it should focus on niches that are currently under-served. For example, a collection of national chains at the Mesilla Valley Mall (e.g. Express, New York & Co., Melrose) specialize in moderately-priced juniors apparel, but the students in City Startups, avid followers of fashion, must drive to Granddaddy Blues in El Paso in order to find something that is more urban-edgy, like premium denim. The plus-size category, also well-covered at Mesilla Valley Mall (e.g. DEB, Melrose), might likewise need an infusion of boutique eclecticism and energy. Ideally these merchandise sub-categories would be included in the same space. An independent operator's mix must be as wide-ranging as possible without compromising the store's marketing and confusing the shopper, because in a city of Las Cruces' size, each individual sub-market is relatively small, and insufficient to support a full store on its own.

As for other niches that are currently underserved, three lifestyle segments – Suburban Pioneers, Second City Elite and Greenbelt Sports – shop regularly at Neiman Marcus, but the Mesilla Valley Mall, and Las Cruces more generally, offers little to this shopper, who must instead drive to El Paso to find high-end designer apparel at Union/Fashion. Also, as discussed above, the empty nester clusters – Second City Elite, Greenbelt Sports and God's Country – all favor the "rugged-outdoors" retailers like Eddie Bauer, L.L. Bean and Lands End. But again, given the possibility of a lifestyle center in the not-too-distant future and the likely presence of up-market retailers near their first or second homes, it would not be wise to rely too heavily on such households. Rather, pricing should adhere as much as possible to the increasingly popular "cheap chic" model (i.e. fashionable clothes at inexpensive prices), so as to remain affordable to the city's low- and moderate-income base and encourage true diversity within the Downtown.

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"High-Culture" Retail

No doubt the "high-culture" niche is one that Downtown should emphasize, as it has already become something of a destination for artsy and intellectual types. Support for the performing arts (e.g. Black Box Theatre, symphony, ballet) is unusually high for a city of Las Cruces' size, and likely to increase even further given that so many of the recent transplants hail from the cultured cities of the Northeast and Midwest. Translating this demand into successful retail, however, is another matter entirely. Although Friday night openings report large turnouts, the freestanding art galleries lose money. "Artisan" shops are also a possibility, but again, Downtown will have to compete with such tenants with Mesilla. Furthermore, these sorts of businesses are unlikely to survive the rent increases that will ensue as momentum builds and speculation grows.

Part of the problem is that the market is simply not there. It consists largely of RV-driving tourists, and they tend to prefer pictures and trinkets. Local buyers are few: either they do not have the money, or if they do, they get their art in Santa Fe. The various cultural attractions are all relatively small in size and draw, together generating just a limited amount of foot traffic. Indeed, the Black Box estimates that there are only about 3,000 theater-goers in the region. The high-culture niche does not tap the city's ethnic diversity; it appeals mainly to well-educated whites. And it is not even clear that the high-income clusters growing so fast on the East Mesa are all that cerebral or creative: the first love of Greenbelt Sports is the outdoors, and those in God's Country, while refined in certain respects, seem most interested in the study of making money.

Yet even though high-culture retail is not inclusive, even though such businesses are not likely to last, their presence should be encouraged because they impact positively on Downtown's brand. Old-timers might remain wary of the "artsy-fartsy" types, but the reality is that this niche has a history of resonating with opinion makers and helping to reverse perceptions. In other words, it is suggested here that the arts be used, as they have been in so many other places, as the "shock troops" of the revitalization effort, taking the initial risk and laying the groundwork for a re-emergent Downtown (along with the boutiques, above) before having to give way once the momentum starts to build and landlords see the possibility of higher-rent tenants. This is admittedly a somewhat cynical way of thinking about the revitalization process, but the reality is that such displacement is an unavoidable by-product of a strengthening real estate market. The most that can be done for these pioneers is to avoid "over-hyping" Downtown's progress or prospects so as to keep speculation at a minimum, and to secure alternative space on side or secondary streets to which they can retreat while staying close to their original location and market.