



The Committee for  
**Sydney**

# **Brief:** The Seven Habits of Highly Successful Cities Advice for Sydney

From global cities expert Greg Clark, CBE

September 2016

## **Key messages:**

- **Successful cities develop a nuanced brand - leveraging their tourist brand and going beyond it**
- **This also includes building a brand alliance across industry, government and the community - and promoting a city's brand to its own citizens**
- **They also deliver on that 'brand promise' - the experience of successful cities aligns with their brand**

*Note: use of the term 'cities' in this paper refers to greater metropolitan areas*

## **Foreword**

This is the second of two papers commissioned by the Committee from Professor Greg Clark who is an urbanist with a world class reputation in the fields of city performance and branding, now advising the Greater Sydney Commission as well as the Committee. The first paper, *'First Amongst Equals? Benchmarking Sydney's Performance'* identified some of Sydney's many highs and a few lows - and how the city is perceived globally. Such benchmarking has long been seen as crucial to the success of companies and has recently become a common tool for cities eager to improve their performance and comparative position. The Committee believes such an approach is critical for Sydney, and indeed would be useful to all Australian cities aiming to identify and improve on their main areas of competitive advantage or weakness.

This companion piece builds on work published by Professor Clark in 2012. It is about the importance of a city's identity, reputation and branding. Cities have brands, and their branding matters at a time when talent and investment have never been so global and footloose - or so important to the future of a knowledge-based economy. Branding is not a

marginal activity in this context. Brands signpost what makes a company or a city different. And just as brands are 'stories' that drive demand for companies and products, they can too drive demand to support, visit, live in, work in or invest in a city – and not just from external audiences but internal audiences as well. Indeed, it is critical for city branding success and credibility with external audiences that those who live in a city support and reflect the brand. Maintaining a city's brand is a core part of a city – defining, planning and implementing its unique path to development and success. It should mean intentional communication with defined audiences around the city's values, opportunities and strategy – and how this narrative is relevant and compelling.

While historically a core audience for city branding has been and remains tourists, Greg Clark makes the vital point in this paper that in 2016 much of what makes up a global city's economy is 'mobile and contested'. The punchline? In competing to win or develop, cities, while needing a brand that attracts tourists, must also have what he terms 'a global identity that reaches across different markets and customers and tells a unifying story about the value they can add to the activity that is looking for a home'.

This is key not only for Sydney. Sydney's icons brand the nation and indeed have been long identified as some of the most identifiable tourist destinations on the planet. However, the story less known about Sydney is that it is the centre of Australia's innovative fintech industry with a financial services sector bigger than those of Hong Kong or Singapore, and more significant for national GDP than the WA mining economy, it is the capital of Australia's globally significant infrastructure sector, the heart of the nation's ICT and tech start-up sectors, and the businesses and professional services 'capital' of Australia. That is to say, building on the success of our amazing tourism brand we need to develop also Sydney's business brand, for the benefit of the city and the nation – and indeed further integrate our city branding because as Greg Clark puts it so clearly here, going beyond a 'sales campaign for one market' we need also 'an organising story for the world'.



We are presenting this work at a time when the NSW Government, under Minister Ayres, is recognising the importance of city branding. We welcome the Government's concerted effort, in collaboration with other agencies, peak bodies and business, to identify and communicate Sydney's identity and reputation. We believe and intend that '7 Habits' will complement and help progress this branding initiative.

**Michael Rose, AM**

Chair, Committee for Sydney

## Introduction

Building a lasting city identity and reputation is a profound quest that city leaders face. Yet it is often shrouded in uncertainty.

If we can build an identity that is attractive, or powerful, or commands affection and wonder, or a sense of belonging, confidence, or trust; then that identity will help to address many of the other challenges that cities face. A positive identity can give us the 'benefit of the doubt' when choices are made, it can motivate our citizens and stakeholders to work together, it can maintain outside interest in our city even when we go through rough times, it can compel people and organisations to help us even without evidence of their own likely return, and it makes people and firms reluctant to leave us even when the competition is fierce. A city identity helps people to know our essence and to become a friend, not just a customer.

## Beyond the tourism brand

Twenty-five years ago we thought that cities needed brands largely in order to attract tourists. But now, in 2016, we realise that much of the content of what makes up a city economy is mobile and contested through international competition. For example, these days it is not just tourists, but also students, researchers, innovators, investors, entrepreneurs, knowledge workers, institutions, sports and business events, film shoots, festivals, summits, technology facilities and a host of other activities that are mobile. Cities must compete to win or retain such activities. It is not enough for a city to have a brand that attracts tourists. Cities must have a global identity that reaches across different markets and customers and tells a unifying story about the value the city can add to the activity that is looking for a home. We cannot tell one story to the students and another to the business people because the students will become business people and the business people sometimes also study. Just as the tourists might start a business or come to a convention. We need an organising story for the world not just a sales campaign for one market. We need both.

## The identity effect

Looking at the competition to host Olympics Games and World Cups is very instructive. Increasingly we hear that: 'the city with the best technical bid was not the winner'. The untold rule is that the technical bid is only part of the process. The identity and story that the bidding cities present are also a major part

of the communication. At the heart of this is always how effective those cities are in aligning their identity with the purpose of the event itself. The cities that win demonstrate and communicate shared values, aspirations, concerns, and priorities with the event organisers, not just through technical submissions but also through personality.

London won the Olympics for 2012 without the best technical bid. Barcelona did not make a strong case to be Capital Secretariat of the Mediterranean Union but was given the role anyway, despite a strong bid from Marseilles. Once Brazil bid for the 2014 FIFA World Cup, the others realised they could not win. Copenhagen was always going to be the right place for numerous carbon summits. Could the UN relocate out of New York? Can The Vatican not be in Rome? Some places simply have such strong identities that they have a head start in competitions of this kind.

Having a clear identity means that a city can align itself with the identity of others, and create a powerful sense of alliance, compatibility, and shared destiny. So, without a clear identity is hard to win the contests for mobile activities, or at least it is a disadvantage. This does not just go for hosting global events. Exporting a city's business products, attracting inter-governmental funding, and becoming the location for a film shoot or summit are also subject to the basic and primary law of relationship building, and the emotional communication that goes with it.

A city identity should also be a collaboration mechanism for the many stakeholders within the region. Without a common city identity there is only the individual stories of each separate organisation or each individual, and this is too diffuse to communicate with confidence.

## The Seven Habits

So what do the successful cities do to find and to communicate their identity? What are the habits of success that make cities winners in the personality war that happens between cities, often unnoticed?



Steven Covey's wonderful book, *The 7 Habits of Highly Effective People: Powerful Lessons in Personal Change* (1989), taught us that there are always seven laws of success. So, applying this role to city identity, here they are:

## 1. Prioritise identity, reputation, story and experience

Almost obviously, cities must prioritise this kind of thinking, communicating and relating with the rest of the world. Deciding to build an identity and a reputation is an important step that moves cities away from simply providing services and infrastructures into the realm of 'winning friends and influencing people'.

This is difficult to do because media, political opposition, and citizens are sometimes sceptical about the value of city identity. City mayors face 'trial by headlines' if they spend too much on a logo, a strap line, or hosting an expensive event. But prioritisation of this way of working also means doing things the right way and doing them well. It requires deep thinking, analysis, and wisdom. There are good ways and bad ways to do it and you must know the difference. The bad ways are an expensive waste.

Singapore, Stockholm, Tel Aviv, Brisbane, and Abu Dhabi have invested decisively in building globally appealing identities that have won them extensive popular interest and support, because their identities are based on deep self knowledge and a rigorous assessment of what the world wants now and will seek in the future.

## 2. Investigate our DNA: know our story deeply

The first task for city leaders is to know our city, to know ourselves and our story. This means connecting past, present, and future and understanding the origins of the city, the journey it is on, the people who have made it, the shocks absorbed, the changes made, the decisions that were taken, the values and vision that led the city in the past, and the role the city has played, and can play, in the lives of the people who live here, or visit. The unique story of the city must be clear and be well told. We must know and articulate our DNA.



Many cities have more than one story. Cities have the ability to simultaneously be different things, they can offer great 'alternatives' in unique combinations. They can accept and integrate ambiguity. Consider Jerusalem or Istanbul. These are cities with more than one story and more than one place in history. The combinations are enriching.

It is essential to be honest and robust, to see history fully, and to know what are the unique characteristics that our city has. We must celebrate the city in order to see what lies behind the history.

Cape Town hosted the 2010 FIFA World Cup along with other South African cities. Despite a history of colonialisation and racial strife, Cape Town emerged as a distinctive and diverse city with great spirit and purpose, and an extraordinarily diverse population and appeal, well placed to leap forwards in the next 20 years. Oslo has been part of a colony of both Sweden and Denmark for almost 1000 years, and yet it can now emerge as a new kind of Nordic city with its own appeal and attitudes.

## 3. Benchmark: know others very well

Knowing ourselves also means knowing others very well, and being willing to be humble; to see that others are better than us in some respects that we have to learn. Unless we deeply understand the strengths of others, it is hard to see our weaknesses. City leaders often say that reading the many city rankings and indexes is partly about seeing how their city is doing compared to others, but also, importantly, it is about seeing which other cities are making progress and doing well, so that we can learn from them.

Knowing and understanding the strengths of other cities is key (we must understand the competitors), but it is also essential to know what mobile investors and talent wants (we must know the customers). What does the demand side really tell us? What do they need, how can we communicate our offer? For many cities the failure to understand their offer from the informed perspective of understanding global demand and global competition is the big weakness: they cannot see themselves 'from the outside in' because they do not know what 'the outside' is thinking.

The Swiss cities (Zurich, Basel, Geneva) have learned a great deal about what makes a successful location for advanced industries by studying what others are doing. Look at the work that Basel has done to understand what are the ingredients for successful pharmaceutical locations and we see an example of the science of understanding both the global demand, and the global best practice. Increasingly Toronto, Miami, Santiago, and San Diego understand what the customer wants and what their advantage can be. This guides identity building.

#### **4. Brand and marketing alliances: build a family for the city**

A city is a dispersed network of different organisations that make up its governance and its stakeholders. The city government is one of these, but does not have a monopoly over resources or assets, and it must therefore be a good leader of the others. The city governance must build a family of organisations where each have their own identity but are a part of the collective identity that is the family. This is not easy, key organisations and stakeholders are also part



of other families (like global firms, national or regional governments, sectoral institutions, etc.). They have other loyalties too. They use different 'surnames' and cannot see themselves as members of the city's family too easily. But they must be 'adopted' and this often means that the city must also become part of their other families too, making a contribution to success of that family into the bargain.

Building these alliances is the core work of global identity. It is the means to generate the common story and to share the costs of its development. It is the mechanism for building up coordination and confidence. It is the lobby group and brand champions board for the external communication. Without such an alliance a city cannot tell its story to the world. If a city does tell the world its story, then the world cannot tell the story back.

Amsterdam and Berlin have built 'partners clubs' to manage their identity and brand. Amsterdam Partner and Berlin Partner own and manage the 'I Amsterdam' and 'Be Berlin' identities on behalf of a large family of followers. These organisations co-opt 'partners' into their city identity family and share resources with them. This strategy is now being followed by Sydney, Tel Aviv, and Stockholm.

#### **5. Make the city's promise personal**

Once a clear identity emerges and is crystallised, and we know what the outside world is looking for, it is essential to make it personal for people we want to attract, or retain, in the city. Institutions and companies and events are led by people. This means knowing what part the city can play in their success or wellbeing and showing how effectively we can add value to them. Our city might be a place of opportunity, a melting pot, a junction box, or an open city with freedom of thought, or it might have deep entrepreneurial spirit, or a place of invention, a sanctuary or haven, a seat of learning. It may be many of these things. The city's personality comes to life when we describe what it can offer to others in ways that are meaningful to them. How can it be a friend to them? How can the city help them fulfil their potential or aspirations? How can it help them to become more themselves?

Barcelona's initiative 'Do it in Barcelona!' is not just a way to attract entrepreneurs, it is way to suggest that Barcelona provides a special platform for entrepreneurial success.

## 6. Align the experience with the identity: renew the city offer

The fabric of cities can get worn or depleted. People grow tired of tourists, or the road and rail networks become over used, or the service goes bad. This is normal, and to be expected. But once we have city identity, we have also made a promise that our city will be the way we say it is. It is essential therefore to consistently upgrade, renew, and refresh the experience that people have of our city. Identity and reputation will help us get the extra good will we need for a while, but in the end the experience of city must be aligned with our story. We need the whole family to help us do that.

We must therefore solve problems rigorously as they arise and get to the point where we prevent problems from emerging because we know we are protecting our identity from corrosion or sabotage. Maintaining a good atmosphere, having open access, and good infrastructure will all require consistent attention. We cannot just focus on promoting the assets, we must keep developing the city's attributes.

When New York fixed its crime problem in the 1990s, it was renewing its identity as a great city for people and entrepreneurs, and it has not looked back since. When we arrive in Singapore and speed through immigration we know we have reached an efficient place. As Amsterdam's airport taxis are all electric we know we find ourselves in a smart city.

## 7. Build up the next generation with integrity and consistency

Building a city identity is a long term game. The larger returns also come in the longer term but they build up over time. So city leaders must be recognised for the 'lap they have run' and not be encouraged to try to win the gold medal before the race is over. 'Quick wins' should not be taken at the expense of long term gains. Because a city identity builds up over time, it is a legacy that is given to the next generations, and



city leaders should be judged, not by whether they got an immediate return, but by whether the identity and reputation improved under their leadership. City leaders can rest assured that their part in history is secure if they move the city forwards.

London's identity has been in evolution for over 2000 years. Initially, as a trading post, and latterly as a Capital City, Imperial City, and now Global City. For the past 500 years Londoners have contested being ruled from anywhere else, with a commitment to freedom of thought, association, trade, and privacy. These freedoms have been hard won and well defended by politicians, merchants, non-conformists, institutions, free-press and media, and the by the visibility of London in global affairs. One important consequence of these freedoms is that London has become an 'eco-system' in which talent thrives, difference is celebrated, and the individual is more important than the trend. It gives rise to unique people like David Bowie and Amy Winehouse, and countless others, but most importantly it communicates the core idea that London will allow you to be yourself, and you will be with others who pursue a deep commitment to personal freedom.

Turin has had two great leaders since it fought back against the industrial crisis in the early 1990s. Both Valentino Castellani and Sergio Chiampiarino have built the city identity and renewed its offer, and those who follow will do the same. Turin is on a long term road to recovery that will take several business cycles to complete. So it is too with emerging cities. Sao Paulo could be the most important city in the Southern hemisphere, but it is not there yet, so patience will be required.

## The role of national identities

One big challenge that cities face comes from the role of national governments. In the last century, nation states offered an important identity in making choices between competing alternative locations for mobile activity. In this century, we know that metropolitan regions offer the competitive platform that nations need, and yet some confusion between national identities and city identities exist. Is Hong Kong a Chinese city or not? In what ways is Toronto actually Canadian? Is Milan part of Italy or something else? Will Mumbai or Delhi be India's great business city? These issues have to be addressed so that national governments can help to build and promote city identity and support the promise that they make. Aligning national and city identities is a key challenge for our next decade. National identities are often focussed on the visitor story (mountains, lakes, beaches, and palaces) and they underplay business and talent story (cities, opportunity, capital). Much more care is needed to avoid national stories invisibilising city stories.

## Conclusion

Overall, we know that global identity can be an essential asset for city builders, and it is not possible to succeed if we ignore it. But getting there requires great skill and a willingness to work hard at it consistently.

Cities must have ambitious and capable citizens, good services, healthy governance, efficient infrastructure and resource management and a good climate for investment. These things have to be brought together with wise strategy and a strong base of support. Cities have to manage change, adjust to dynamic trends, and shape the future.

But without city identity this is both very much harder to do, and the outcome is much less certain.

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**The Hon. Mike Baird MP, NSW Premier**