



**URBAN  
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# DOWNTOWN REBOUND: A LOOK AT THE 2020 HOLIDAY SHOPPING SEASON

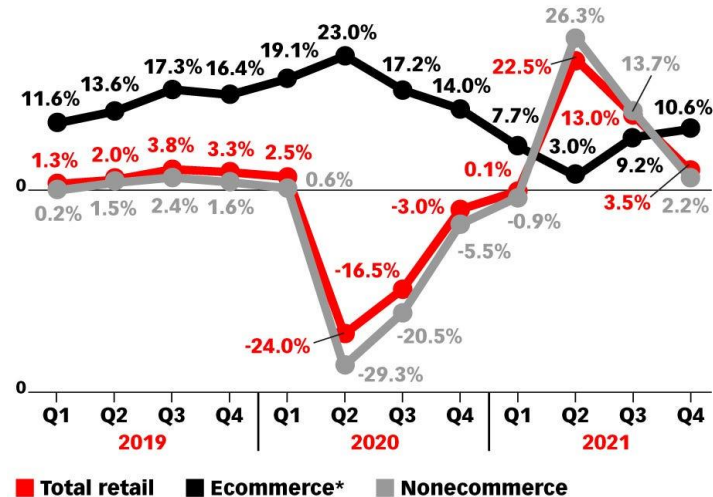
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Vice President of Revitalization Programs

National Main Street Center, Inc. ©

# Covid19: Consumer and Economic Drivers

**Retail Sales Growth in the US, by Segment, Q1 2019-Q4-2021**  
% change

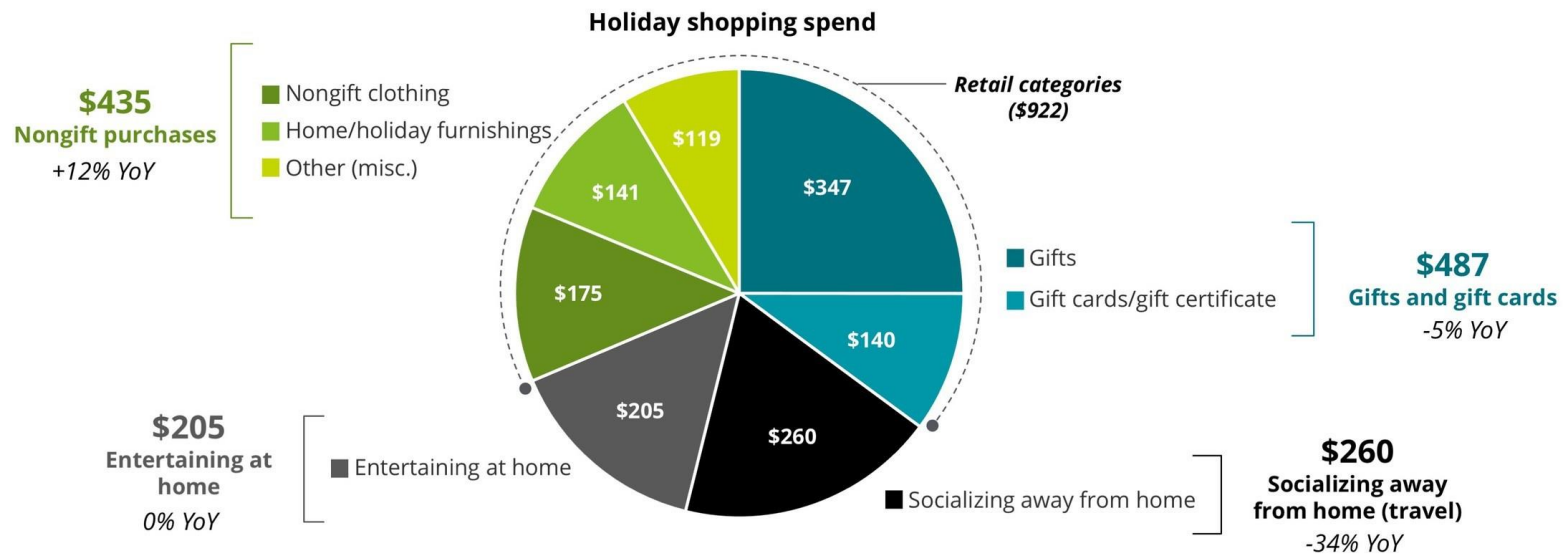


Note: excludes travel and event tickets, payments such as bill pay, taxes or money transfers, food services and drinking place sales, gambling and other vice goods sales; \*includes products or services ordered using the internet, regardless of the method of payment or fulfillment  
Source: eMarketer, May 2020

**Change in August retail sales from:** Previous year      Previous month

Category	Change from Previous year	Change from Previous month
Nonstore retailers	+22.4%	no chg.
Building materials/garden	+15.4	+2.0%
Sporting goods/hobbies/musical instruments/books	+11.1	-5.7%
Food/drink stores	+10.0	-1.2
Health/personal care	+5.6	+0.8
Motor vehicles/parts	+4.5	+0.2
Furniture/furnishings	+3.8	+2.1
<b>Total retail sales</b>	<b>+2.6</b>	<b>+0.6</b>
General merchandise	+0.8	-0.4
Miscellaneous	-0.6%	-0.2
Electronics/appliances	-2.4	+0.8
Food service/drink places	-15.4	+4.7
Gas stations	-15.4	+0.4
Clothing	-20.4	+2.9

# Covid19: Consumer and Economic Drivers



Question: "How much do you expect you will spend during the upcoming year-end holiday season on each of the following items?"  
Notes: Sample size (N)=4,012. LY denotes "last year (2019)." All dollar values are in US dollar.

# Expected Changes for 2020

- On average it takes 66 days for people to form a new habit... but can range from only 18 days to 264 days. *Stay at home, social distancing, and virus worries have been present well beyond the average.*
- Holiday Shopping Season Starts Even Earlier w/Multiple Sales
  - Amazon kicked off Prime Days on 10/13 and Walmart was 10/11-10/15 with significant kick-off sales.
- Special Hours for At-Risk Groups and even shopping appointments (Eg. Target Line Reservations)
- Rather than huge one-day sales events (e.g. Black Friday) – look for multiple week one-day sales
- Pick-Up and Delivery Critical Offerings for any business
- Small businesses needing to be even more strategic with inventory purchases and timing

# Holiday Consumer Trends

## (GOOGLE SURVEY)

- Nearly 75% of shoppers who plan to shop this season said they will shop online more for the holidays than they did in previous seasons
- 47% of planned shoppers said they'll use options to buy online, pickup in store/curbside pickup
- 70% of shoppers said they intend to plan their shopping earlier to avoid crowds,
- and 80% of planned shoppers will consolidate their shopping to make fewer trips than they did in previous years.

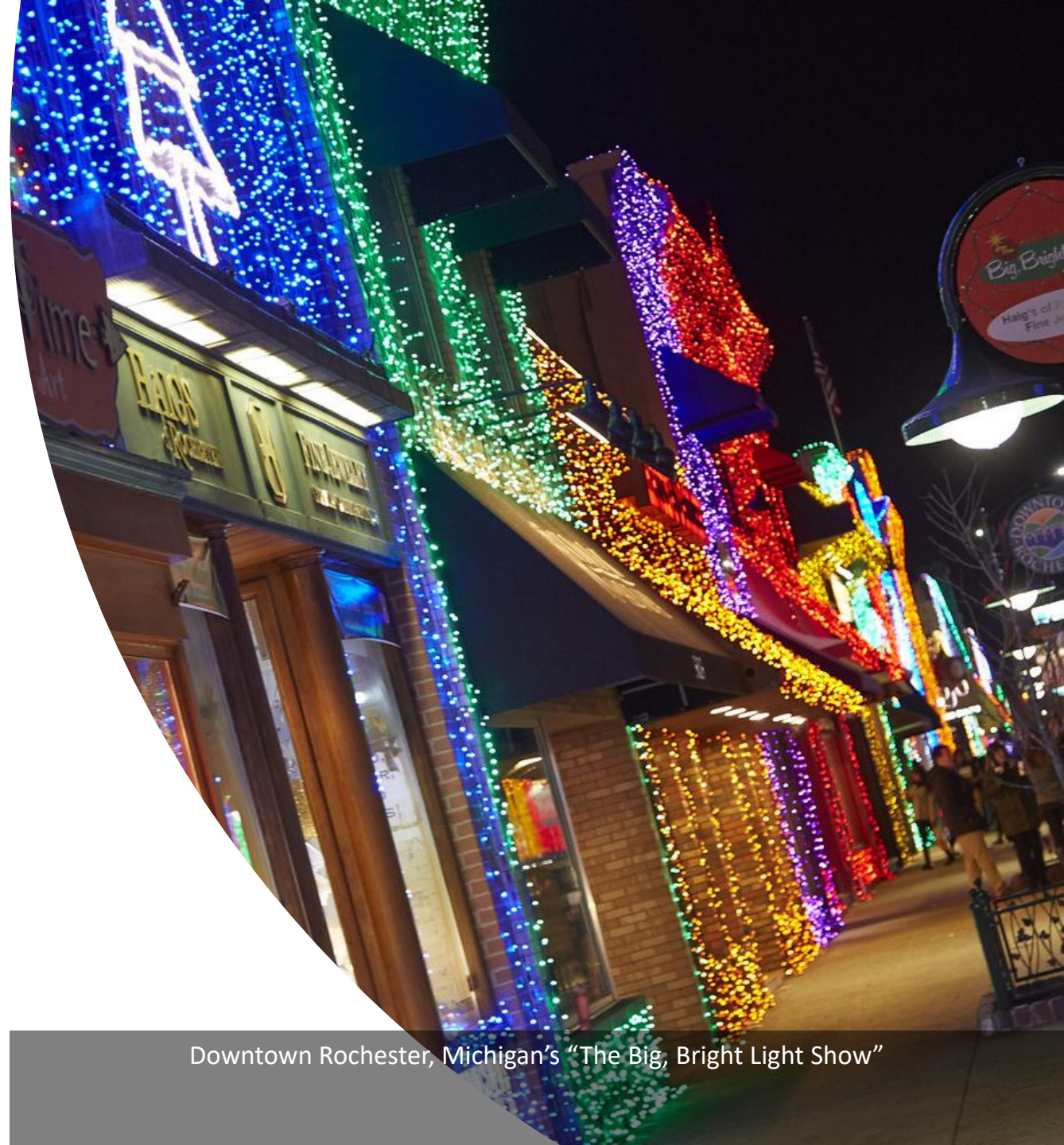
## (RADIAL SURVEY)

- 39% of shoppers plan to start shopping for the holidays in October into early November.
- The majority of consumers surveyed plan to spend the same as last year on holiday gifts.
- 63% of shoppers say they are slightly or very much more likely to purchase from a retailer they know was following COVID-19 safety precautions in-store.

# Downtown and Independent Business Competitive Advantages

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- Tradition – Americans have online fatigue, whether its shopping or countless Zoom calls. Having an outdoor tree lighting or drive through light festival is something special.
- Values Shopping: More than 40% said they won't shop with retailers that have laid off staff or reduced employees' benefits because of the pandemic. (Accenture)
- Supporting Businesses Hurt Most by Covid: Nearly 40% said they plan to shop at minority-owned businesses (Accenture) and 66 percent of consumers are buying more locally sourced products (Google)
- Experiential Shopping Remains Hot - Reasons for actively supporting local stores is a quest for authentic and artisan products. (Accenture)
  - Etsy year over year sales up 137%!!!



Downtown Rochester, Michigan's "The Big, Bright Light Show"

# Holiday Shopping: Recovery Ideas/Tips

- **Market Holiday Experience Built on Clean and Safe:** Research data consistently shows that many consumers will remain reluctant to shop indoors with large crowds. Build a holiday marketing campaign that highlights a clean and safe shopping experience.
- **Provide for Outdoor Holiday Shopping Experiences:** Create more outdoor shopping opportunities with retail parklets, sidewalk stalls in front of stores, or even the conversion of alleyways and side streets into outdoor shopping zones for merchants to use for holiday items.



**51%**

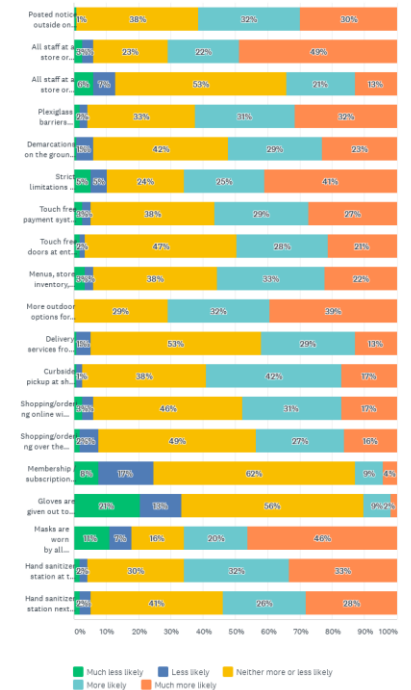
Are anxious about shopping in-store during the holiday season due to COVID-19



# Holiday Shopping: Recovery Ideas/Tips

- **Conduct a Small Business Holiday Preparedness Audit:** Use this opportunity to:
  - Share consumer data on holiday shopping
  - Assess their plans
  - Understand their ecommerce capabilities and recommendations how to upgrade if needed
  - Communicate downtown/district promotion strategies and how to engage
  - Make connections resources as needs are identified.
- **Think Targeted Consumer Strategies:** Given the need to control for high volume traffic as well as be highly strategic with limited marketing and promotion resources, consider hosting more niche-oriented activities:
  - Dedicated Store Hours for Special Groups
  - Private Events

Q14 For each of the following changes to business operations, please indicate whether the change would make you much less likely, less likely, neither more or less likely, more likely, or much more likely to shop or dine at a small business (or not sure)?



Visit [mainstreet.org](https://www.mainstreet.org) under Main Street Forward for sample consumer survey tool.



# Holiday shopping ideas for recovery

- **Organize Co-op Delivery and Pick-Up:** With anticipated rise in delivery requests, coupled with greater demands on downtown/district parking, consider the following cooperative opportunities as a value-added service to your retailers:
  - Offer a Co-op Delivery Service: Contract with a service or organize volunteers to make deliveries for participating retailers.
  - Provide a Convenient One-Stop Location for Downtown/District Pick-up.
  - Shared expense to create a low volume, low-cost option for retailers and restaurants.
  - Consider it as a social venture opportunity beyond the holidays.
- **Pivoting Grant Funds:** consider giving flexibility to items like inventory purchases, holiday marketing expenses, and ecommerce strategy implementation.

## Fernie Small Business Delivery Cooperative

### Goals:

- Provide an agile, affordable and small-scale delivery service for small businesses who do not have high enough order volumes to justify establishing their own dedicated delivery service.
- Provide income for locals who are out of work.

### Vision:

- Businesses pass some of the delivery cost to each customer. Businesses with smaller average spends may need to set minimum order values to make sure delivery is profitable.
- Restaurants – book 2 or 3 delivery slots per operational day and limit delivery sales to those achievable within these slots.
- Retailers – book 1 or 2 deliveries per week and batch all orders into these deliveries.
- Drivers earn an average of \$36-40 gross per hour worked. Out of this they pay their own fuel, insurance etc. essentially working as independent contractors (as Deliveroo, Uber Eats etc).

### Details:

Driver is booked for pre-defined delivery slots by businesses. Minimum initial booking of 1 month.

Service area is downtown Fernie – i.e. between the two bridges.

- **Retailer: (\$36 per 60-minute slot)**
  - 1 pickup and 10 drop offs (\$36) – good for completely non-perishable items e.g. books. Additional drop offs charged at \$3 and completed as convenient for the driver but within the same day.
  - Minimum booking of one slot per week.
- **Restaurant: (\$22 per 30-minute slot)**
  - 2 pickups and 4 drop offs – suggested for larger deliveries of less perishable food or more durable prepared food e.g. sandwiches or pizzas or food which requires some preparation by the customer.
  - 3 pickups and 3 drop offs – suggested for perishable items e.g. hot food or hot drinks.
  - Minimum booking of four slots per week. (2 hours) (\$88 and up to 16 orders delivered = \$5.60 order.)

Alternative pricing could be negotiated for deliveries outside Fernie downtown core.



# Holidays for Restaurants

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- What to do when al fresco dining isn't feasible:
  - For many restaurants, outdoor heaters are cost prohibitive – A better option may be to co-op around al fresco food court style dining as a shared Winter experience for multiple restaurants in your downtown.
    - Get permission for a downtown parking lot or pocket park.
    - Set up canopies and picnic tables from closed parks
    - Do every Friday or weekends
    - Participating restaurants pay a small fee that goes to infrastructure expenses, canopy rentals, and clean up.
    - Participants pick up their food at area restaurants and dine winter al fresco.
- Pivoting to Holiday Prepared Meals – “Fan Favorites”
- Holiday Cooking Tips from the Chef Videos w/Meal Ingredients and Recipe bundles for pick-up



# WINTER PLACES

## A DESIGN GUIDE FOR WINTER PLACEMAKING

2020 | 2021

HENNEPIN COUNTY

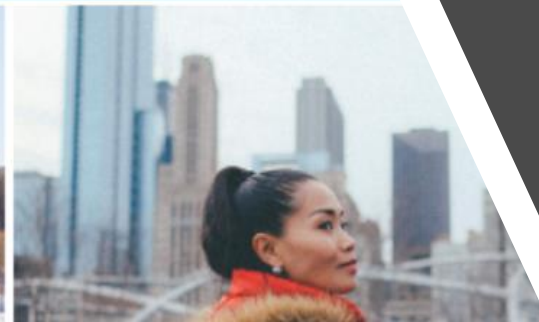
# COVID RESPONSE TOOLKIT

## Winter Strategies

<https://patronicity.s3.amazonaws.com/static/bench/Winter+Places+-+Design+Guide+for+Winter+Activation+2020.pdf>

[https://www.hennepin.us/economic-development/-/media/economic-development/HC\\_WinterCovidToolkit\\_FINAL3\\_Oct20\\_2020.pdf](https://www.hennepin.us/economic-development/-/media/economic-development/HC_WinterCovidToolkit_FINAL3_Oct20_2020.pdf)

## Additional Resources – Winter/Holiday Activation



A photograph of a street lined with historic, multi-story buildings. The buildings have various architectural styles, including red brick with white trim and lighter-colored facades. The street is paved and has a few cars parked along the side. A dark, semi-transparent overlay covers the right half of the image, creating a gradient effect from the street scene to a solid dark color. The text is overlaid on this dark area.

Thanks!

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