National Main Street Conference 2019 password code: now19

**Fab Lab ICC**

Fab Lab created in Independence Kansas, population of 9,500. Fabrication Lab or (Fab Lab) is a maker space to allow people to be able to create with equipment available to them. Helps not only with allowing people and places to make items such as engraved glasses or banners at a cheaper cost, but also has a option to possibly have a entrepreneur come in and train on how to use the equipment.

A lot of young people with creative ideas can come and create their items such as laser printing or 3-D printing. Also helps in creating labels as well as branding your product.

There is a membership fee to use the equipment and you would purchase your own material.

A lot of projects were shown with a lot of learning for autistic, handicapped, as well as retirees and new business start-ups.

Tabatha Snodgrass: Independence Main Street (how she uses the FabLab for her program)

Some businesses have used FabLab to make their own signage. Saved a lot of money on making the sign. Cost about $200 to make as opposed to thousands. A lot of the signs are made on a plasma cutter which cuts the metal to make the sign.

They print big banners not only for businesses, but for the program. After design concept is created, it takes only a few hours to get completed. They can also do vinyl’s.

Starts with just a group and a location. Fundraising to bring in equipment. The Fab Lab in Independence, Kansas has plasma cutters, 3D printers, laser printers for wood, leather, etc. Engraving on glass.

Memberships for individuals is $125 per year for the small rural. Urban usually about $40 to $60 a month. The FabLab pays for the maintenance on the equipment.

It cost them to start with $100,000, but they said it can be started much less. Suggested start with a couple of equipment and seen many start out of the library.

**THE REALITY OF RETAIL: CREATING DYNAMIC CUSTOMER EXPERIENCES**

Courtney Adkins – Shop Talk

Customer experience is your customers perception of how your company treats them. These perceptions affect their behaviors. Customer experience is the next competitive battleground.

National Retail Federation – Will give statistics and economic forecast. Everything from online sales to store.

3 retail components: Physical dimension, emotional dimension, social dimension.

As of 2018, online retail sales only accounted for 10 retail sales.

Shopping Styles for the new age of retail:

1. Necessities
2. Grab and Go
3. Compare & Consult
4. Fix it
5. Deeper Meaning
6. Learn and Do
7. Socialize
8. Gram-worthy
9. Recycle and upgrade
10. Renting items

Shopping is social: Top social media site for retailers: Facebook, Instagram, Pinterest, Snapchat.

Simple ways to market on Instagram

1. Give your fans a chance to post photos and videos using a brad hashtag
2. Teach at the speed of social media.

Attention span of a goldfish is 10 seconds, attention span of a human is 8 seconds. So snapchat and Instagram videos should not be long.

The change in retail landscape – want a mixed use. Brick and mortar is having to evolve. Subscription E-retailers such as hopebox, fabfitfun, shakerspoon…a box of product sent monthly. Could be something businesses could start doing.

Online retailers. A lot are starting to go to brick and mortar as well as online. Brick and mortar makeovers….need visual merchandising, good lighting, window displays. Update the interior, go with green space, bring the outdoors in. Green space inside gives sense of tranquility.

Retail as a Service. Street markets, incubators…

Experimental retailing is big too with people coming in and making something. Classes, workshops, cooking class.

Consumer Driven Commerce; Customizing your own product knowing that no one else will have. Also sustainable products becomes a new focus. Repurposed from different recyclable products.

Technology – Interactive technology is also becoming big. Artificial intelligence. Mobile is the centerpiece of shopping experience so needs to be user friendly.

Customer Loyalty Programs is important. Convenience: 70 percent of sales happen at 6pm. Customer controlled delivery such as pick up or curbside orders. Customer service is always still the key to success. Satisfaction, trust, assistance, loyalty, support, communication, feedback, service. Make sure training staff and they are knowledgeable. 82% leave due to bad experience in customer service.

4 classifications of associates: Welcomer….makes a customer feel appreciated. Robot….a person who conducts their job in a rote way. Impartial….

Listen to the voice of your customer. Provide “we value your opinion” surveys to customers. Conduct service development “snapshots”/mystery shops.

New Rules of Retail – Make it fresh, be where I am, give it meaning.

**MODERNIZING MAIN STREET: THE STORY OF MID-CENTURY DESIGN**

One of the main drivers of design and modern buildings was the Chicago World’s Fair in 1933. One thing introduced was Glass Block. Low interest loans were created by President Roosevelt that a lot of people took advantage of.

Zouri store front system created the metal storefront to allow a lot of glass for the storefront.

Style and Form: Type is the most basic arrangement of the building layout in the floor plan.

Groceteria.com website that tells you the history of grocery stores.

 **8 SECRETS FROM A SECRET SHOPPER**

Alysia A. Cook, Opportunity Strategies

1. Greet within 30 seconds. Even if you are busy, on the phone or with another customer, at least acknowledge the customer. Same in restaurants, acknowledge.
2. Cleanliness is key. Floors. Cobwebs, dead bugs. Outside doors and windows. Clean inside and outside. Junky clutter. The back room needs to not be seen. Curtain pulled, shut the door. Dusty merchandise or the racks and hangers. Restrooms….Lasting impressions: toilets, toilet paper, mirror, sink, faucet, exposed pipes floors walls boor, windows, air fresheners, sewer leaks, floor drains, cleaning supplies hidden, dust all surface, regular stall checks, unnecessary signage, soap dispenser, paper towel dispenser, vents/air returns. RESTROOMS=KITCHEN in the customers minds.

Remove the signs that say no restrooms. Make sure you know where the nearest public restroom is. If they come in to ask if you have a restroom, you may have a potential customer.

1. Empowering Staff. For example, if there is a handbag and there is a little damage to it, give the staff the opportunity to give a discount if there is damage instead of having to try to get ahold of the owner to see if it is acceptable. Same with restaurants.
2. Reward Staff. If you can’t give a raise, give at least gift cards, perhaps to other surrounding merchants. Free day off. Or take employees on a outing, perhaps helping a charity. Even just a thank you note.
3. Insist on customer experience excellence training for all. What is the experience from the online to the walk-ins. Professional development: Conferences, workshops, certifications, 10-day rule, books, articles, google alert topics teaching others, follow thought leaders
4. Enliven the senses. What am I seeing and hearing. SEEING: First thing noticed is lighting. Do they were nametags? Makes shoppers feel comfortable. Smiles. Welcome merchandising. Are there live plants? They make you feel welcome. Even a goldfish or fish in a bowl. Clean the plants. SMELL: Does it smell pleasant or moldy. Smell like the pet living there. TASTE: Free samples. When people taste a sample, they are 42% more likely to buy it even if they don’t want it. Offering a free glass of champagne or water offers an experience. HEARING: Play the right music at the right volume. No silence. TOUCH: Are there lovely things I can touch, no signs like “break it or you buy it”. And temperature.
5. Pay attention to online presence. Hours on the door must match the website and facebook page. Check all the ones that pertain to you: Facebook, twitter, Instagram, pinterest, youtube, linkedin, snapchat, google profile, yelp, tripadvisor, your website and better be mobile responsive. Livestreaming: Stories, events, attractions, family fun, date night, testimonials, how you make a difference
6. Say thank you and invite back. If the customer says thank you, do not respond back with you’re welcome. You want to respond, Thank you and come back and see us. “See you tomorrow” sign
7. Give a little something extra. Free gifts, while people were waiting, give appetizers if you are a restaurant.

Strategic Planning: Annual Planning session, celebrate recent successes, remind mission/vision, swot analysis, goal development, strategy development, metrics/KPIs, accountability and timeframe.

**ECONOMIC DEVELOPMENT ON MAIN STREET**

Joe Borgstrom\*\*\*\*\*

Main Street Role in the Economy:

Downtown is the Front Door

Barometer to recruiting

Collectively, all the small businesses is a large employer

Economic Development has changed. Used to be about recruiting plants.

New Way: Higher income employers, talent-dominated, talent choosing places before jobs

Baby Boomers and Millennials make up 48% of the population

What do they want?

Boomers: downsizing.

Millennials: 88% want walkable neighborhoods, more environmentally conscious, wants less auto-dependence

Households without children:

1965 45%

1990 55%

2017 70%

2023 projected 72%

Economic Development sectors: Entrepreneurship, place, tourism, industry, talent

EV has 3 areas: Market information, business development, real estate development

Market Information:

Retail Leakage, Demographic Data, Rent Rates, Business Mix

Business Retention: Education: Customer Service, Marketing, Merchandising. Inventory control, accounting, succession planning, online selling. Communication, Business Assistance Teams

Potential Projects: Educational Sessions, Joint In-Store Consultants, Secret Shoppers, Institutional Procurement Training.

Business Recruitment: Marketing Materials, Data, Available Property Inventory, vacant storefront strategy.

Identify Targets Existing businesses, entrepreneurs.

 BUSINESS OWNERS ARE THE BEST SALES PEOPLE: Get your business owners to help in recruitment not the program directors

Incentives and finance

Used in Tandem: Business Retention, Improvement, Recruitment

Real Estate Development, 4 levels:

1. Promotion of Opportunities: Properties currently for sale (must be proactively marketed, website, social, other industry sites: oppSites, Zoom Prospector, MLS) Minimum: Recent Photo, sq ft lease, sale price, contact info, zoning, link to more info (realtor site) Ideal: Downloadable PDF, Location on a Map, Renderings (If available), Desired Project Description, Market Information

Why Real Estate Projects Die: Not Feasible, Community opposition (CAVE People), Unclear Process, Unknown Market, Lack of Financing

Check out [www.miplace.org](http://www.miplace.org) (has Pro Forma tutorial) Deep Ellum

1. Planning and Pre-Development: Process Mapped, not just Ordinances. Streamlined, By right or administrative review. Consistently applied. Factors of Reuse, Location, Building Condition, Services and infrastructure, Site control, Community Priority, Market Feasibility.
2. Facilitation and Incentives: Publicly Owned, Vacant, Underused. Initiate Contact & Determine Interest in Selling, Work with local realtor, Offer to promote. RFQ=Request for qualifications. Know your development target: Mom and Pop (under 10,000 population), Mid-Size (Formerly Mom and Pops 10,000 to 40,000). Big Developer. Incentives: By Right (Historic Tax Credit), Designed to fill gaps. Federal Historic Tax Credits, State Historic Tax Credits, New Market tax Credits, Opportunity Zones, Low Income Housing Tax Credits, CDBG, Brownfield, Local Incentives. DEVELOPER RED FLAGS: Wants incentives but doesn’t want to share financials. Private Mortgage. Rent per sq foot lower than Market. Cost per sq foot higher than market. Over-Inflating Vacancy.
3. Development: Tread Carefully! Start Small. Get a team (construction, finance, realtor, lawyer). Understand what is wrong with the property. Pro Forma Development. Discount Your Income, Expect Higher Costs. Use Your Organization Status. Most importantly….Have an exit plan.

**HOW $5 CAN CHANGE A COMMUNITY**

Jake Dougherty – Wheeling, West Virginia

Show of Hands: Is like Food for Thought. A community supported crowd funding event. $5 for a vote. 4 presenters, 4 projects.

Started when Wheeling had 32% vacancy rate. People had ideas, but no money. They did $5 donations at the door. They found also a corporate sponsor to give to the funding of a project. Committed to 4 events no matter if the first was unsuccessful.

First year: Funded art project, farmers market, restaurant. Changed community perception. Brought funders to projects.

They did a survey for the businesses and asked What knowledge would they need to help their business or to start a business. They started a group called “Co Starters” to help train and mentor.

Each event features an update from past winner.

Start small with donated venue, pot luck, volunteer

First one they did, they found 4 projects and were able to have them spread the word.

Now they do a lot more with social media and working with news outlets.

Could advance it by even offering pop up space for free for couple of months or even sharing a space for a new business.

**POP UP SHOPS: TRANSFORM YOUR DISTRICT**

Nora Roughen-Schmidt – Viroqua, WI 4,362 population

A strong and thriving downtown is essential to any small community.

Goals: Drive traffic downtown, empower entrepreneurs, create visibility for organization

Application process: Application and $25 fee, selection committee, detailed application requirements beneficial.

Expectations: Consistent hours. Working with a business educator/mentor. Participation in events.

First Year Results: 3 shops participated. Two stayed after the program and joined the organization.

Economic Impact: New things create interest. All shops benefit. More traffic downtown creates more visibility.

Challenges: Personalities – success and failure with shared spaces. Property Issues – properties that have been part of the program in the past have not been ADA compliant, asbestos…etc.

Look up Co.Starters (second time announced)

Promotion strategy: 80% social media: Facebook/Instagram. Events: Wine Walk, Twinklefest, Small Business Saturday, grand openings. Newspaper (not as effective), e-mail, radio. They created Coming Soon: Pop Up Shop signs and had little kids dancing around with them to take pics and promote social media.

New Challenges as of 2018: Running out of retail space. Available buildings were very undesirable. More sophisticated businesses with more sophisticated needs.

To date, they had 15 businesses succeed and 75% success rate.

6 steps

Step 1: Identify key properties, Cluster close together. Speak to your municipality about the project. Identify a funding source. Identify a team or committee who will assist with applications.

Step 2: Work with landlords. Negotiate rent. Determine angle for your program(will it educate, women owned. Develop an application. Create a timeline.

Step 3: Define Pop up shops. Promote the new initiative. Advertise. Recruit Pop ups. Allow 4-6 weeks for application process. Create a detailed application

Step 4: Begin selection process with 3 or fewer spaces. Identify winners and negotiate spaces. Determine matches are needs and desires. Create contract based on landlord/tenant needs. Work with Pop Up tenant to establish hours. Grand openings events.

Step 5: Open, media engines. Veteran business mentors. Prepare for feedback. Tracking effectiveness.

Step 6: Evaluate. Wrap up. It is always best practice to meet with customers and tenants.

**CO.STARTERS: Helping start a business**

Invest in culture makers: People + Culture = Everything

Community First, identify your rallying flag. Identify the shared purpose and building strong relationship of trust. Keep it simple.

Stages of Community Growth

Stage 1: Connection: Connecting in Chaos

Stage 2: Awareness: Moving to Mainstream

Stage 3: Action: Ideas to Action

Stage 4: Structure: Taking Root

Stage 5: Support: Growing up

Stage 6: Transfer: Retaining Value

**THE HOW BEHIND THE WOW: CREATING STELLAR STORES**

Seanette and Anne Marie from Frontdoor Back.

Maze= space Mouse=customer Cheese=product

Experience matters, strong stores make strong district, building the best experience requires understanding the shopper journey, everything is measurable.

Outside the store: Pop of color or the door or window frame. Removed awning and put visible signage and lighting. 2 goals are Retail visibility and retail clarity.

Storefront Checklist: Architecture/color, awnings, windows, signs, lighting, sidewalk activation

Windows: Must see through the window. 40% of passers, up from 26%, noticed a store’s windows upon a strategic reset. Leave lights on for marketing. Lighting inside also helps when closed such as a light on a chair inviting it as a place you can come sit down in. Track lighting is great. Do not use CFL, Reflector, or Fluorescent lights.

Signs: When creating a sign, start from not using words. What would you put instead. Then when adding words, do less is more. 4 words people can read instantly. 7 is harder. 10 is too much. No flyers on the door. Hours displayed should be put below the push door. One place had other happenings frame created on their window and that is where they.

Lighting: 43% more customers came into a store when display was illuminated at all times. Lighting invites commerce….no lighting invites campers. Pick a fun light fixture to add personality to the lighting. Intentionally light your pathways. Rope lights are a no no.

Inside the store: Retail Anatomy, exteriors, entering the store, first wow, pathways, autopilot shopping behavior,

Be magical: Unique display, magnifying tray for restaurants to read your receipt

Be happy: Funny signage.

Just fine: The generic display on a table. Product fixtures from the manufacturers.

Pain Point: Associates that just stand around. Retail math…50% off. Mirror placements. Ballpoint pen on glass where you cannot sign your credit card slip

Breaking Point

Entering: The decompression zone. To adjust going from outside to inside the store to get your mind into the store. Where you are in your head and not yet into the store. Sometimes starting with a little something on the outside could start the decompression zone.

Point of recognition: The spot right outside the decompression zone.

First wow: Most shop counter clockwise. Want to tell them what you are all about. Inside mat can decide when the point of recognition begins. (first wow is the power display)

Path makers: something that sets the path. Possibly a big cool sign that makes them want to go. Sales racks for better or worse is a path maker. Also determine where they would go next. Lighting is a path maker. People will go to the light. Features on the wall, must light. In and out is great pattern

Shopping behavior: Want to look, touch. Give a place to start in a display. People love touching stuff. If product is in a box, bring the fabric out or the product out. Mirrors are huge. People want to see themselves with the product. Accommodate for people trying things on. Is there a place for their coat or shoes. Price: scatter readers everywhere that people can read the price. Be creative.

The buy: Make sure you have a full 360 world. When they go to the back and come back to the front, is all they see is the back of the displays?

Cash wrap: Make your cash register area creative just as the rest of the store. Should be calm. And always say thank you. You don’t have to ask people coming in a question. Just acknowledge, don’t ask how their day is because they may not want to get in any sort of conversation yet.

Metrics: Storefront Capture Power (people walking by your store), Entrance count (people who walked by that came in), conversion (percentage of people that bought), demographics (what type of people are coming in..age, gender), time in store (how long are they in the store), store coverage (how much of the store did the cover), 1st 2nd 3rd destinations

Hotspot maps (the 1 to 10 rating area of your store layout)

**SUCCESSION PLAN FOR BUSINESSES**

Key questions to ask: Do you want to sell or close your business.

Income approach looks at projected revenue and potential risk.

Market Approach: compares your business to other similar businesses that have recently sold.

Increase the value before selling: Improve cash flow, clean up inventory, increase customer base, improve marketing and appearance

Improve cash flow: improve operations, work to streamline balance sheets, work to improve bottom line, work toward 3-5 years of annual balance sheets.

Clean up inventory: Get rid of dead inventory, hold clearance sales, donate, clean up backroom

Increase customer base: What is the strongest profit category, what are market trends and target customers, what are emerging opportunities to expand market, track where customer are from and average sales, increase product offerings

Improve market and appearance: Curb appeal, Improve displays, online presence, increase brand awareness through promotion

Decide who should own your business: Go out, family, partner, employee, another business or individual

Close the doors: While the most disruptive, this may be the only option. Work with professionals to sort out issues relating to setting liquidation value of assets

Sell to a partner: least disruptive, buyout agreements are usually done through lawyer

Sell to family: Provides stability for customer and employees, known well in advance, consult attorneys, accountants, and family successors to determine best transition, sales to family are less than 3rd party

Sell to employee: Good option when there is a trusted employee who understand the business.

Sell to competitor: Best option to maximize financial goals, new business owners often increase sales after transfer, allows anyone to become an entrepreneur while avoiding the risk of starting a business

Tips for selling your business: Hire a broker, qualifying your buyer, payment schedule, non compete clause, seller financing, role of owner after sale, maintaining customer support during sale

Maintain customer support: Coordinate release of information with the new owner, contact key customers first, address specific customer concerns regarding new ownership, be positive and enthusiastic, work with new owner after sale to ensure smooth transition

What can Main Street Do to Help: Act toward it as business retention. Have a strong business assistance program, create a climate that supports new business owners, help property owners fill vacant space when business closes, provide education, training and financial support that supports a successful transition.

Support existing businesses: events and promotions that increase foot traffic, sale and change image. Create climate that supports new business owners: provide information about resources, establish networking

Transition: mentor team, identify owners that are likely to sell or retire in three years, develop relationship based on trust, provide education and training, provide financial incentives to support transition, provide customized assistance to fit situation.

Look out for the D’s: death, divorce, disruption in industry, disaster

Key takeaways: A comprehensive business plan should include desired exit strategies.

**HOW TO FILL VACANT STORES USING A RETAIL CHALLENGE CONTEST**

Red Wing, Minnesota Retail Challenge Look up: Business Plan in a Day by Rhonda Abrams

Goals of the challenge

1. Recruit businesses that will enhance
2. Provide businesses heads start
3. Strengthen

Eligible concepts: retail business, add to the downtown business mix, drive traffic to downtown, second or third retail satellite business from an existing location, significant expansion of current downtown retail business that includes an added business concept, NO SERVICE BUSINESS

Incentive package: $20,000 in cash to be used for hard assets, low interest loan from Red Wing Port Authority, Rent/utilities subsidized by landlords $4000 value

Marketing incentive package: consulting, social media consulting, advertising, graphic design

Legal incentive package: Legal counsel, accounting, business consulting

Other: One year membership to downtown main street, sponsor package for events, membership to the YMCA, free online course from college, $2000 façade opportunity.

Timeline:

March – launch of competition

April – entry form due

June – Business plan due

Late June – Final proposal presentation

July – Announce winner

October – Business opens

Promoting the contest: Press release, packet of all information, visits to shops in nearby towns, sign in the window for participating locations.

Phase 1: Business concept. Types of merchandise, definition of the market for retail, how will enhance downtown, what resources they had, what are their qualifications,

Phase 2: Business plan. All standard components of a business plan

Phase 3: Support and Pitch. Business plan in a day workshop, writing assistance, pitch clinic