

## Downtown Memphis Commission

### INNOVATION

The intent of the Open on Main pop-up retail initiative is 1) to increase activation/animation on Main Street, in the heart of the downtown core, 2) to encourage more permanent occupation of empty/underutilized spaces in the downtown core, and 3) to allow shop owners to test retail concepts and strategies in downtown Memphis.

This program has several key audiences: 1) pedestrian users of the Main Street Mall, 2) new retail tenants, 3) property owners in downtown Memphis.

Our largest audience group is the pedestrian users of the Main Street Mall. Our primary intent with regards to this audience is to create a more vibrant and activated pedestrian experience by reducing the number of vacant or under-utilized ground-floor storefronts.

Our second two audience groups are smaller but are key to current and future activation of the mall. In regards to new tenants, our primary goal was to introduce the downtown market and to gain feedback as to what types of retail, price-points, and business hours were most successful. Our intent with property-owners/managers was to encourage the adoption of the program, thus giving an opportunity to animate spaces that would otherwise sit dark until market-rate tenants were secured.

Curating was extremely important to us, as we wanted to create the best possible tenant mix and user experience. Additionally, our flexibility in terms of tenant contract-length has proved successful. Our goal is to allow each tenant enough time to test concepts, adjust, and test again. Many factors determine the length needed.

### OUTCOME

The program was initially created as a single-month-lease or shorter program for emerging retailers. However, via continuous data/feedback from participants, the program has evolved into an ongoing initiative, which includes opportunity for both multiple-month occupancy and more seasoned retail store owners from outside of downtown.

The program has helped 40+ retailers test concepts. In our 2019/2020 season, we welcomed six businesses and tracked more than 1,500 transactions with over \$100,000 in sales.

Filling empty storefronts was a key problem we attempted to solve with this initiative. Activation of Main Street was the key measurement used to measure success. We significantly increased the activation on blocks containing Open on Main shops.

Activation increase by block:

86/88 N Main - 100%\*

7/9 N Main - 100%\*

101 S Main - 20%\*\*

100 Peabody Place - 30%\*\*\*

145 S Main Street- 20%\*\*

Additionally, to date, we have three Open on Main tenants in - or working toward - long-term leases on Main Street - a 7.5% permanent occupation ratio.

*\*No active storefronts on side of block activated \*\* 1 of 5 bays activated \*\*\* 1 of 3 bays activated*

The community-wide benefit of the on-going program includes added street-level activation, increased retail opportunities, and beautification of previously dark bays. By working with emerging retailers, artists, and makers, we have increased the minority and women-owned business mix on our Main Street Mall to better resemble that of our city.

## **EXECUTION**

In an effort to add vibrancy and improve walkability of the Main Street Mall, our planning team identified multiple vacant/underutilized properties in key locations as potential opportunities for the Open on Main Initiative.

Our team then negotiated with multiple landlords/owners to secure lower than market rents for the intended properties. The DMC rented, white-boxed, and made ready to sublease these properties to various Open on Main shop owners.

In order to create a broad tenant mix, the DMC staff distributed the application to artists, makers, local online retailers, and promoted the initiative widely via traditional and social media. The initiative has garnered 7.6M media impressions since its inception.

The initial program was up and running within months of initial conception, and has so dramatically grown in scope as to require the addition of a full-time employee to oversee Open on Main and other retail recruitment.

As the program grows, we continue the same attention to detail as was important in our initial curating of the program. Our DMC staff works with each shop owner to ensure a professional, inviting shop experience and consistent hours.

## **REPRESENTATION**

We use our "Downtown for Everyone" mantra as a foundation for all our work, and the Open on Main program is no exception. Our goal was to attract a diverse vendor/shop owner group and we have been extremely successful at meeting our targets, with 80%+ minority- and woman-owned shop owners.

Additionally, we requested that each shop owner make attempts to engage the community with special events, music, and other crowd-gathering events. By creating a community-focus, our shops have quickly become part of the fabric of downtown.

The initial concept for Open on Main came out of The 101, a single-to-multiple day pop-up project on Main Street. By observing how our community reacted to those first retail concepts, we were able to create a stronger tenant-acquisition strategy for the Open on Main program - we had a better idea about what our community wanted and didn't want.

## **REPLICATION**

We didn't invent the pop-up shop or the pop-up shop as ground-level activation program, but we did create a playbook that could easily be replicated for positive outcomes.

We created a best-practices guide for soliciting and negotiating with landlords and building owners - noting the importance of flexible leases and our promise to white-box the space. The program works as no-cost marketing for building owners/landlords by activating underutilized and empty spaces with beautiful, but temporary shops.

We created a shareable and measurable application document for prospective shop owners. We also created a follow-up survey to help track store hours, price-points, sales histories, and general shop-owner experience. Additionally, we created a set of "How to Pop-Up" criteria to guide shop owners as they activated their spaces.

Although it may seem simple, we found that most of our shop owners had to be reminded to keep regular hours, to market their shops via their own social media channels and to provide "bounce-back" or return-business opportunities for purchasing customers.

## **COMPLEXITY/SIMPLICITY**

As noted, this project is ripe with complexities - juggling multiple building owners/landlords, hundreds of applications for limited spaces, with a small organizational staff coordinating the process. In order to create a program that would fulfill all of our project goals without overtaxing our staff, we first needed to create a structure/system to organize the work into a manageable process.

When we began this program we didn't have a dedicated staff person to manage the process, so we needed to create a program that would be easy to implement and maintain. In order to mitigate the complexities, we used form-based applications and follow-up surveys, along with shareable best-practices to create the structure for the process.

Our program puts the majority of the responsibility for ensuring shop success on the shop owner. This allows us to further measure the effectiveness of the measures each owner takes to market and promote their businesses and capture new customers.

The program has given a brick-and-mortar footprint to artists, makers, emerging-retailers, and even established retail brands looking to test the downtown market. By opening the program to those without previous brick-and-mortar and/or retail experience, we have helped to renew interest in downtown.