



## URBAN FREIGHT SOLUTIONS

Supporting local economies

# 6. Digital support for main street



Photo: Adobe Stock image

Retailers recognize that a strong post-pandemic recovery requires pairing brick-and-mortar locations with online shopping.

**Challenge:** Many local and small businesses were not equipped with the adequate digital platforms, supply chain and logistics infrastructure, or right-size facilities and space, to quickly pivot to online shopping and accommodate curbside pick-up in response to the pandemic.

**Solution:** Digital support for main street through new government and private-sector initiatives, such as those that help create and enhance businesses' online presence and access digital logistics platforms and delivery options in order to compete with larger companies with established e-commerce resources.

**Why:** The local retail sector is important to the vibrancy, sense of place and economy of any city. There is still a role for brick-and-mortar stores post-pandemic, it just looks different. Retailers recognize that thriving post-pandemic depends on complementing brick-and-mortar locations with online shopping. As a result, many large businesses are repositioning stores to act as fulfillment centers. For example, consumer electronics retailer [Best Buy designated 340 of its stores as online fulfillment centers](#), improving its competitiveness for fast deliveries. Meanwhile, many small and local businesses have closed. Helping small and local business expand their reach to meet new markets and adjust to the new realities of doing business in the doorstep delivery era is critical to cities' economic recovery, and growth going forward.

### Taking Action

Develop partnerships on e-commerce solutions

Consider direct funding

Support training and job creation

Partner with local courier companies

**City spotlights:** Ontario, Canada; New York; Baton Rouge, Louisiana

In June, 2020, the Province of Ontario and Government of Canada provided a combined CAD\$57 million to the [Digital Main Street](#) Digital Main Street platform, that supports the digital transformation of Ontario's 22,900 businesses and generates more than 1,400 jobs for students. This funding supports the launch of online stores for businesses that did not have the capacity to do so, a CAD\$2,500 grant administered by the Ontario Business Improvement Area Association to help businesses adopt new technologies and digital marketing, and offers support with online business models. This initiative supports delivery companies such as Toronto-based Mile1, as a way to help retailers have their goods delivered quickly. The federal government also partnered with e-commerce platform Shopify to launch the [Go Digital Canada](#) resource hub for small business.

In October 2020, the State of New York announced [Empire State Digital](#), an initiative that works with global e-commerce companies to accelerate the digital transformation of small businesses in New York State. Participating partners (Shopify, Square, Clearbanc, and Etsy) offer specialized solutions such as education, free resources, marketing support, and discounted pricing that help small businesses grow their online presence. In December that year, the program was expanded into a second phase with new partners (Ritual and PayPal) targeting restaurants and food services.

In Baton Rouge, Louisiana, electric bike and scooter ridesharing company Gotcha launched a delivery service during the COVID-19 pandemic called [TO GO](#) that let restaurants, grocery stores, and other local businesses rent a sit-down scooter for US\$15 a day to deliver goods to customers. Allowing businesses to rent their own clean delivery vehicles lets them cut out third-party vendors that charge 20-30 percent per order. The service was started in Baton Rouge and expanded to other cities in the U.S. where Gotcha operates.

**For implementation:**

- Partnerships with the private sector, not-for-profits and industry associations are needed to offer e-commerce platform solutions for small businesses.
- Businesses, especially small or independent enterprise, need financial support for this transition. Consider allocating specific funding to support their digital transformation.
- Support training and job creation for students and new grads with digital literacy skills to increase the human capital available for digital adoption.
- Partner with local courier companies to finance affordable and clean delivery options for small businesses.

**Business spotlight:** Bikes for Business

In the U.K., [Bikes for Business](#) is a project backed by Transport for London that aims to convert 15 percent of business deliveries in Central London to cargo bike deliveries. This industry-led initiative was timed to launch in tandem with the introduction of Central London's Ultra Low-Emission Zone in 2019.

