

MICRO RETAIL ON MAIN STREET



MICRO RETAIL

ABOUT THE SOLUTION CENTER

The Main Street Solution Center is a free access portal to resources for communities and organizations working to revitalize and strengthen their local economies. The Solution Center's curated resources are designed to help guide and inspire local leaders and advocates as they navigate the complexities of downtown and neighborhood business district revitalization and economic growth.

ABOUT THE PARTNERSHIP

This Main Street Solution Center publication was underwritten by Michigan Main Street and Main Street Iowa. Their generous support demonstrates a shared vision and ongoing commitment to freely share knowledge, experience, tools, and best practices to fuel revitalization and economic growth in their own communities, and in locales spanning the nation.

ABOUT THE CREATORS

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WHAT IS MICRO RETAIL?

Micro retail refers to a retail concept that focuses on small-scale, often temporary retail spaces. This approach is particularly popular in urban areas and is a part of the broader trend towards downsizing retail footprints. Key characteristics and aspects of micro retail include:

Small Physical Space: Micro retail units are typically much smaller than traditional retail stores. These spaces can range from tiny brick-and-mortar shops to kiosks, carts, or market stalls.

Pop-Up Shops: Many micro retail operations are pop-up shops, which are temporary retail spaces that operate for a limited time, often in high-foot-traffic areas. Pop-ups are used to test markets, launch new products, or build brand awareness.

Cost-Effectiveness: The small size and often temporary nature of micro retail spaces make them more affordable, lowering barriers to entry for new and small business owners.

Flexibility: Micro retail allows for greater flexibility in terms of location and lease terms. Retailers can move locations easily or choose short-term leases to respond to market trends and customer preferences.

Niche Markets and Specialty Products: Micro retail is often used to sell niche or specialty products. The small scale of the operation allows retailers to focus on a specific product line or cater to a particular market segment. **Local and Artisanal Focus:** Micro retail often emphasizes local, artisanal, or handcrafted goods, appealing to consumers interested in unique products and supporting local businesses.

Experiential and Personalized Shopping: Micro retailers often provide a more personalized and experiential shopping experience, which can be more engaging for customers compared to traditional retail.

Integration in Mixed-Use Developments: Micro retail units are commonly found in mixed-use developments, transit stations, and other areas with high pedestrian traffic, making them accessible and convenient for shoppers.

E-commerce and Social Media Integration: Many micro retailers also have an online presence, using e-commerce and social media platforms to reach a wider audience and supplement their physical sales.

Sustainability: The smaller scale of micro retail can contribute to sustainability through reduced resource use and waste, appealing to environmentally conscious consumers.

Micro retail is a flexible, innovative approach to retail that can adapt quickly to changing market conditions and consumer trends. It offers opportunities for entrepreneurs and established brands alike to experiment with new ideas, reach customers in unique ways, and create engaging shopping experiences.





MICRO RETAIL SUPPORT STRATEGIES

The space needs for a growing number of retailers, food and drink establishments, office and service uses, and other tenants are different today as compared to just ten or twenty years ago – and much different than periods marking the construction of many of the downtown's structures that often housed single tenants occupying thousands of square feet, sometimes in both a building's ground and upper levels.

Current trends, influenced in part by dramatic changes in inventory management, distribution channels and the entrepreneur movement, are shrinking the size of the ideal footprint for a growing number of businesses to a point where something in a range of 1,200 to 1,800 square feet – or even less for many entrepreneurs, start-ups, micro retail, and boutique-oriented uses – represents a "sweet spot," of sorts.

Strategies and tactics for "right-sizing" buildings and spaces to capitalize on occupancy trends and to accommodate specific tenant needs involve working with property owners and economic development partners to:

Planting the Seed:

Gauge interest on the part of existing businesses, prospects, and entrepreneurs and gain a better understanding of space needs for start-ups, expanding businesses, and other uses targeted for the downtown.

Encourage Pop-Up Shops:

Facilitate temporary retail spaces for local artisans, entrepreneurs, and seasonal vendors. Utilize empty storefronts or public spaces for these pop-ups, which can test market viability and bring life to underused areas.

Support Small Retail Spaces:

Work with property owners to subdivide larger retail spaces into smaller, more affordable units suitable for micro retailers.

Identify downtown businesses that may have underutilized floor space that could be shared or made available for kiosks, booths, or consignment arrangement to merchandise products and works from local vendors, crafters, makers, and aspiring entrepreneurs.

Encourage a diverse mix of small shops and boutiques that add unique character to the downtown area.





Create a Retail Incubator:

Develop a retail incubator program that offers short-term, low-cost retail spaces to start-ups and new businesses.

Provide mentoring, business development services, and marketing support to these emerging retailers.

Host Markets and Fairs:

Organize regular markets, fairs, or festivals where micro retailers can showcase and sell their products.

These events can attract visitors and residents, creating a vibrant atmosphere and supporting local commerce.

Utilize Public Spaces:

Work with local government to develop micro retail spaces using sheds, shipping containers, or other suitable, small structures located in public spaces, like parks, plazas, or sidewalks.

Promote Local Products:

Encourage micro retailers to focus on locally sourced or produced goods, which can attract customers interested in unique, artisianal products.

Enhance Online Presence:

Assist micro retailers in establishing or improving their online presence. Create an online directory or marketplace for local micro retailers to expand their reach.

Foster Community Partnerships:

Partner with local business associations, economic development agencies, and educational institutions to support and promote micro retail initiatives.



Explore possibilities and interest on the part of office and service tenants occupying storefronts, but who are not dependent on pedestrian traffic, in reconfiguring layouts or introducing demising walls to create spaces for pop-up shops, boutique retailers, artists, makers, and other entrepreneurs, and to restore more active uses in storefronts.

Adaptive Reuse of Spaces:

Encourage the adaptive reuse of historic or underutilized buildings for micro retail ventures, preserving architectural heritage while boosting economic activity.

Work with owners of unoccupied, underutilized, and underdeveloped properties and spaces that might be candidates for adaptive reuse to potentially incubate or house start-up businesses and smaller scale retail, food service, and complementary uses..

Regular Assessments and Adjustments:

Continuously assess the needs and trends of the retail market. Be flexible to adjust strategies to support the evolving landscape of micro and right-sized retail.

By adopting these strategies, organizations can create a dynamic and diverse retail environment that attracts a wide range of customers, supports local entrepreneurs, and contributes to the economic vitality and appeal of the downtown area.





RETHINKING SPACE DEMISING WALLS

Demising walls, fundamental in the partitioning of large commercial spaces, have become an instrumental tool in reviving traditional downtown buildings, especially for fostering micro retail environments. By subdividing previously expansive or underutilized retail spaces into smaller, more manageable units, demising walls create opportunities for a variety of small businesses to coexist within a single footprint. This adaptation not only optimizes the use of space but also nurtures an ecosystem of micro retailers, offering a diverse range of products and services to the public. The ability to accommodate multiple businesses in proximity encourages foot traffic and consumer interest, thereby contributing to the vibrancy and economic resilience of downtown districts. The process involves minimal structural alteration, allowing property owners to adapt to market demands flexibly and efficiently.

Moreover, the strategic use of demising walls in restructuring traditional downtown buildings contributes significantly to enhancing the sense of retail density within a district. This increased density is not merely physical but also experiential, enriching the urban landscape with a mosaic of retail offerings that invite exploration and engagement. Pedestrians are more likely to spend time in areas where they can wander from one unique shop to another, creating a dynamic and stimulating environment. This clustering effect, facilitated by demising walls, fosters a sense of community among retailers and customers alike, strengthening the social fabric of downtown areas. As cities look to revitalize their downtown cores, the thoughtful application of demising walls in promoting micro retail spaces emerges as a key strategy in reinvigorating urban centers, making them more attractive places to live, work, and play.



The graphic shows a demising wall introduced in a building occupied by a law office to create a 200 square foot micro retail space, restoring a retail use in the building's storefront, and generating additional rental income for the property's owner-occupant. A second entrance is created leading to the law office still located to the back.





Middle Village | Lansing, Michigan

Middle Village Micro Market is a retail business incubator program empowering Lansing, MI entrepreneurs to take the next step into a brick and mortar space. A yearlong program supports six to eight unique retailers as they receive business programming and marketing support while they grow their brand, build their customer base, and test the market.















Boardwalk Shops | Batavia, Illinois

Unoccupied and underutilized properties in the district could provide opportunities for pop-up shops or to introduce a collection of new micro retail spaces or tiny shops, like the Boardwalk Shops in Batavia, IL, housing aspiring entrepreneurs and boutique retailers.









Newbo City Market | Cedar Rapids, Iowa

NewBo City Market in Cedar Rapids, IA brings micro eateries and retailers together to create a diverse and festive attraction. Shared commercial kitchen facilities, event space, and youth programming are among features supporting local entrepreneurs and reinforcing strong connections with the community.



