

What is one thing that small businesses struggle with during this pandemic?

**Building Communities of
Small Businesses**

MainStreet

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Problem Statement and Value Proposition

PROBLEM STATEMENT

- Small businesses are losing revenue due to lack of online presence and low visibility.
- We are building a platform that will create exposure and awareness for small businesses in your community through offering end-users subscription to promotions.

VALUE PROPOSITION

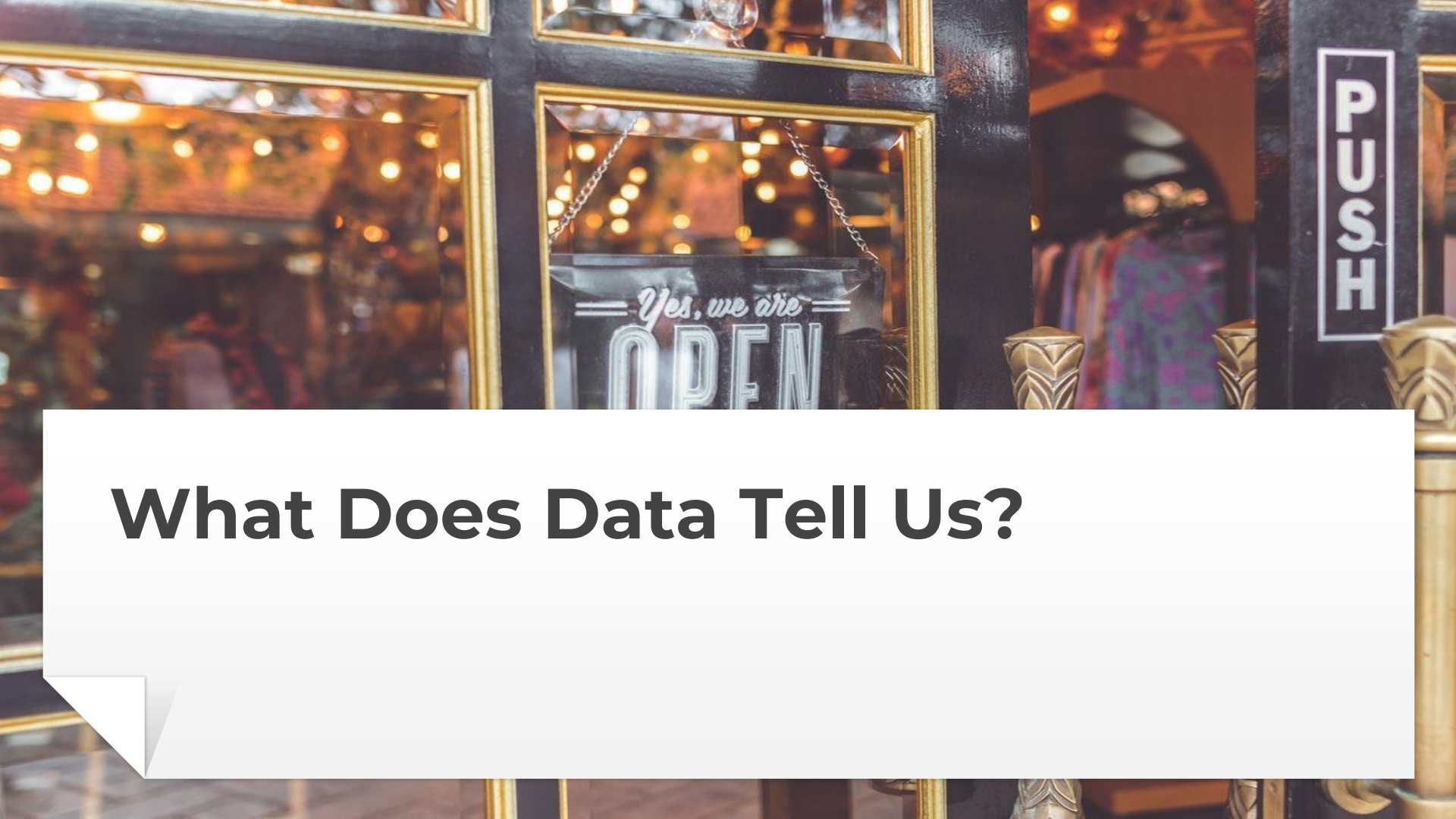
- Platform enabling small businesses to get exposure
- Support form Alliances of local businesses
- Automate the journey for member-businesses and customers
- Exclusive Access to promotions and deals



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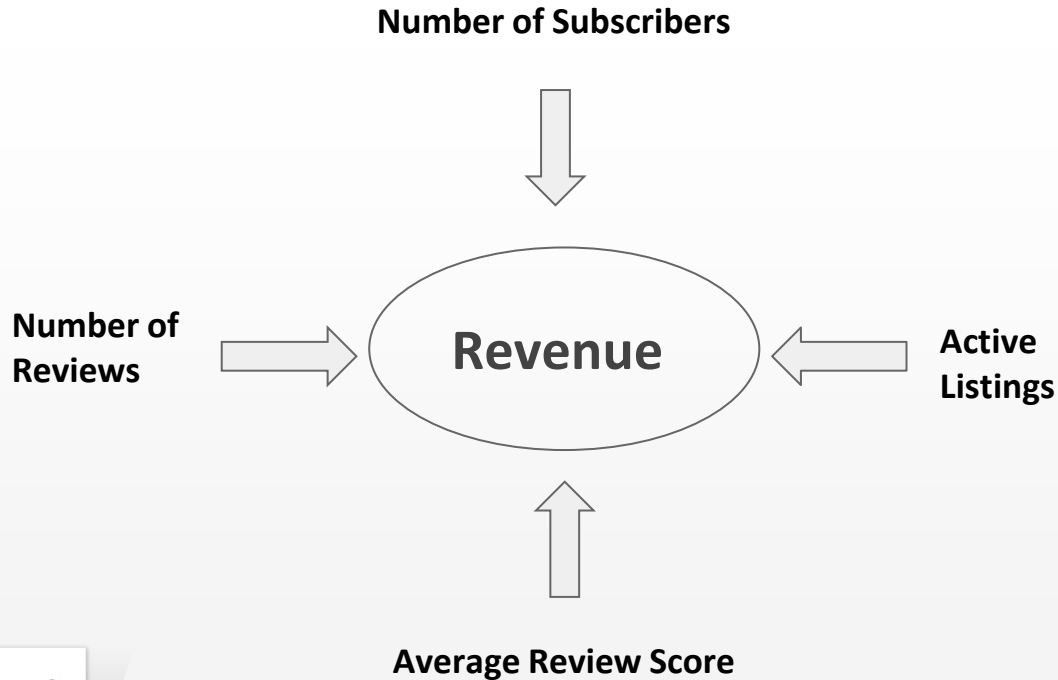
- What does Data tell us?
- Proof of Concept
- User Research & Competitive Analysis
- Product Design
- Engineering Process
- Demo
- Q & A





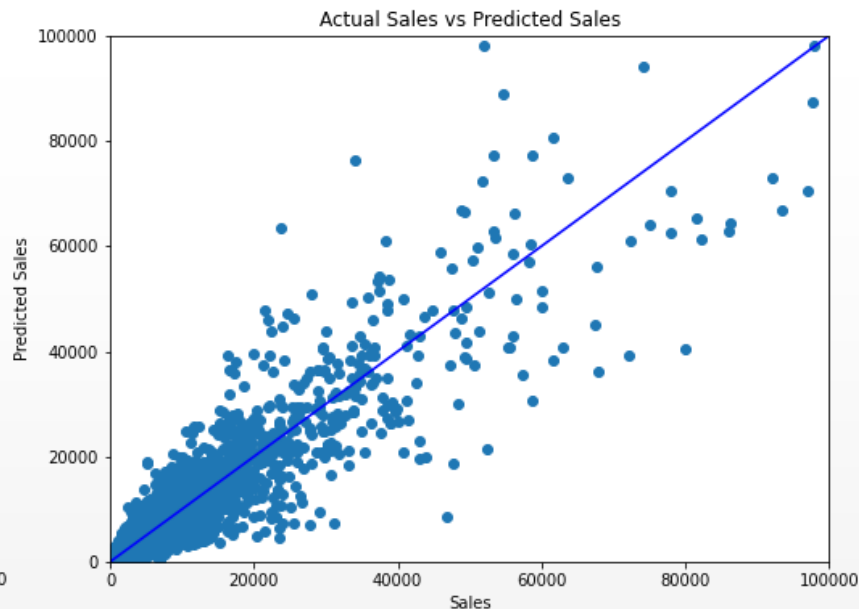
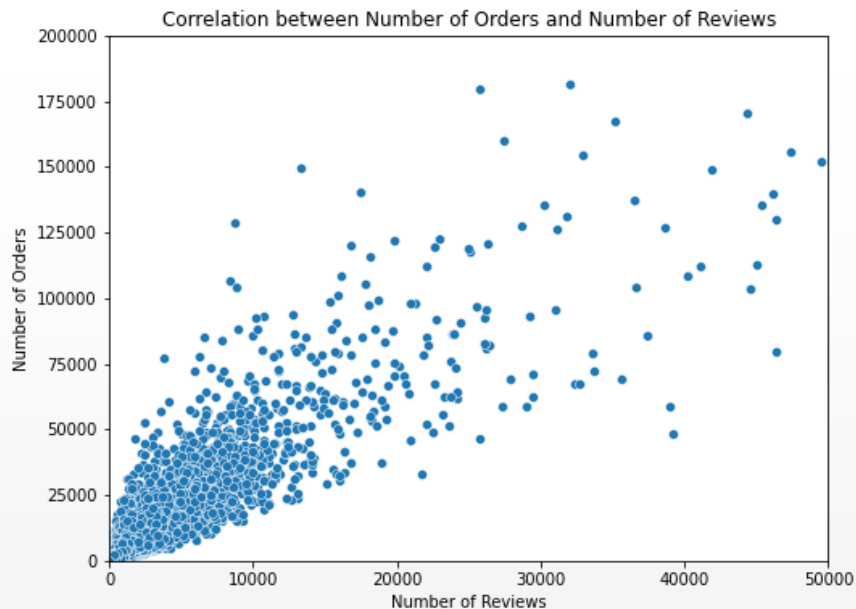
What Does Data Tell Us?

Data Analysis: Results and Takeaways



- Analyzed Etsy datasets between 2006 - 2018
- Market research of subscription-model businesses
- Ran regression models and feature selection

Data Analysis: Results and Takeaways



- Employed 6 regression models
- Random Forest top performing model
- $Rsq = 0.90$, $RMSE = 1,818$

How Do we Measure Success

- We **automate the journey** for our member-businesses and customers
- Provide business owners with **insights on store foot traffic and promotions**
- **Track sales** and customer reviews metrics
- **Grow our network** on small businesses



Subscription Business Examples



STITCH FIX

2Q21

- 12% customer number increase YoY
- \$470 net revenue / customer
- Gross profit margin 43%
- Revenue increase 12% YoY

4Q20

- 22% increase in revenue
- Order value grew 6% to \$61
- Revenue per customer increased 22% to \$327



FY20

- 90% of customers are repeat customers
- Express customers spend ~\$500 / month on average





User Research & Competitive Analysis

Product Design

Competitive Analysis

New table

| | Subscription | Business Profiles | Consumer Profiles | Incentives & Promotion | Types of deals | Local operation | Local events |
|-----------------------|--------------|-------------------------------|-------------------|-------------------------------|---|------------------------------|--------------|
| Watertown Local First | ✗ | ✗ | ✗ | ✗ | ✗ | ✓ | ✗ |
| Yelp | ✓ | ✓ | ✓ | ✗ | ✗ | ✓ | ✗ |
| Patreon | ✓ | 10 different profile option | ✓ | ✗ | It is a way to support your favorite creators | ✓ | ✗ |
| Groupon | ✓ | ✓ | ✓ | ✓ | Everyday deals ✓ | ✓ | ✓ |
| LivingSocial | ✓ | ✓ | ✓ | ✓ | Everyday deals ✓ | ✓ | ✓ |
| GiltCity | ✓ | Premium products and services | ✓ | Yes and more from catalog too | More of catalog deals | ✗ Focus on 13 main cities | ✗ |

User Interview Questions: Business

User Interview Questions:

- **For Business**

- What kind of business do you own?
- How do you advertise your business?
- Can you explain if/how the pandemic affected your business?
 - Can you explain how you navigated those changes?
- How did you communicate with your customers throughout the pandemic?
- Do you use subscription services such as Patreon, as either a content supplier or subscriber?
- How do you interact with neighboring businesses?
- How do you attract new customers?
- How often in the past 3 months have you done promotions and/or sales?
 - How, if at all, did they affect your business?
- As a business, how do you participate in local/community events?
- When was the last time you felt your business was supported by the community?
- If you were able to change something about your business strategy, what would it be?



User Interview Questions: Consumers

- **For Consumers**

- How old are you?
- Where are you located?
- How often do you frequent small businesses?
- What kind of local businesses do you like to visit?
- How do you find out information about small businesses?
- How do you judge a business's credibility?
- When was the last time you participated in a community event related to small businesses?
 - What drove you to visit each business?
- How important are promotions or sales before deciding which local businesses to shop at?
- Do you have subscriptions to any service?
 - How do you judge the necessity of those subscriptions?
- Do you use services like Groupon, Yelp or any others?
 - If so, what kind of shops do you use them for?
- How important to you is using promo codes to discount your purchases?
- Can you discuss how the pandemic has affected your shopping habit in general?



Affinity Map & Jobs To Be Done

Small Business Needs & Jobs To Be Done

1. Small businesses need to generate interest from consumers within their local communities
2. Small businesses require a digital presence & greater exposure than the current infrastructure available to them
3. Small businesses would benefit from a service that would enable them to collaborate more frequently with other businesses, thus generating interest from the community in their respective establishments and demonstrating credibility from the endorsements of said businesses
4. Small businesses need a way to communicate with customers and keep them up-to-date about their offerings for customers reluctant to be outside while in the midst of the pandemic.
5. Small businesses could capitalize on the subscription model consumers are already familiar with in order to maintain interest in their individual businesses & increasing likelihood of regular customers by partnering with other

Consumer Needs & Jobs To Be Done

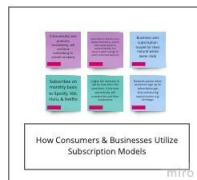
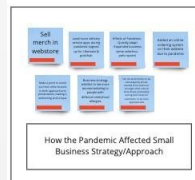
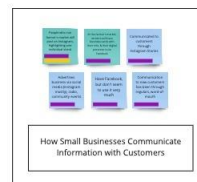
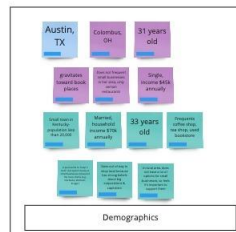
1. Consumers need small businesses to adapt to the habits they have formed since the advent of the pandemic, e.g. viewing & ordering products online, picking up curbside, & increased delivery options
2. With tightening budgets, consumers need upfront information about promotions, deals, & sales from businesses, and need that to be communicated online
3. Consumers need information about all small businesses in their community and rely heavily on the credibility established via word-of-mouth from other consumers
4. Consumers need businesses to provide everyday value for their needs in order to justify frequent patronization/continued subscription

miro

Participant #1 (Business)

Participant #2 (Consumer)

Participant #3 (Consumer)



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Design Process

How Research Informed the Design

Through Strategic Alliances & Business Profiles:

- Businesses get much needed exposure

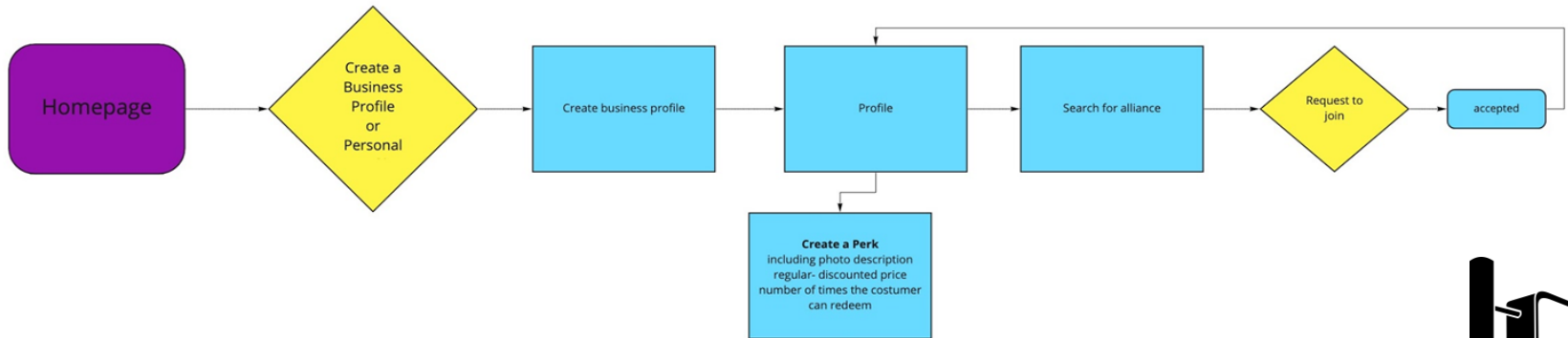
Through the Perks Reward System:

- Customers regularly interact, increasing revenue & retention while strengthening community bonds



Business User Flow

Business User Flow



The screenshot shows a website for the Main Street Alliance. The navigation menu includes 'Join the Community', 'About Us', 'Create a Business Profile', 'Business Search', and 'Business in Alliance'. The main content area features a 'Join the Community' section with a 'Sign Up for the Community' button, an 'About Us' section with a 'Main Street Alliance' logo and a 'Join the Alliance' button, a 'Create a Business Profile' section with a 'Create Business Profile' button, a 'Business Search' section with a 'Search Business' button, and a 'Business in Alliance' section with a 'Business in Alliance' button.

A photograph of a clothing store interior. Two long metal racks are filled with various sweaters and knitwear. The sweaters come in different colors, including white, cream, beige, and dark tones. The store has a warm, cozy atmosphere with soft, yellowish lighting. In the background, there are more racks and a large, glowing, textured object, possibly a lamp or a decorative piece. The overall aesthetic is modern and minimalist.

Engineering Process & Demo

Product Demo

Please see our website at [*https://mainstreet-alliance.netlify.app/*](https://mainstreet-alliance.netlify.app/)



Next Steps

- Product testing
- Invite Customers to our platform
- Invite Businesses to form Strategic Alliances
- Collect feedback from customers and businesses
- Make iterations on the platform based on the feedback



Thank you to our mentors!

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Jim Hill

Questions?

