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INSIGHTS**



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# Main Street America: 2024 Small Business & District Predictions

**MAINSTREET MASTERS SERIES**

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#### WINS:

- 2023: Pivot to Service Spending Over Retail
- 2022: Retail and Restaurant Labor Constraints Would Result in Maintaining Many Pandemic Pivots and Greater Adoption of Technologies to Automate (e.g. QR Code Ordering; Order at Counter and Pick-Up; A.i to Help Write Social Media Posts; Self-Check-Out)

#### MISSES:

- 2023: Bricks and Mortar Retail would Continue Rate Increases over E-Commerce (Ended up Repeating the Same Cycle as E-Commerce 2020 versus 20210)
- 2022: Remote work results in massive reconfiguration of downtown office spaces to housing and short-to-mid term rental markets. (Tourism hasn't necessarily rebounded in CBDs of large cities, office platforms make housing expensive and slow to respond. Small Downtowns didn't experience office vacancy hits)

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## A Look Back at my Previous Predictions of 2022 and 2023

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## Prediction #1: Not Bricks vs. Clicks BUT Experience vs. Transactional



Teleflora's Scarlet Diamond  
Bouquet  
\$49.99  
[Buy Now >](#)



Teleflora's Swirling Love  
Bouquet  
\$79.99  
[Buy Now >](#)



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## Prediction #2: Decreasing Avg. Retail Square Footage Turns Every Existing Business into a Potential Incubator

FIGURE 1: Annual Retail Sales per SF and SF per Capita Index, US

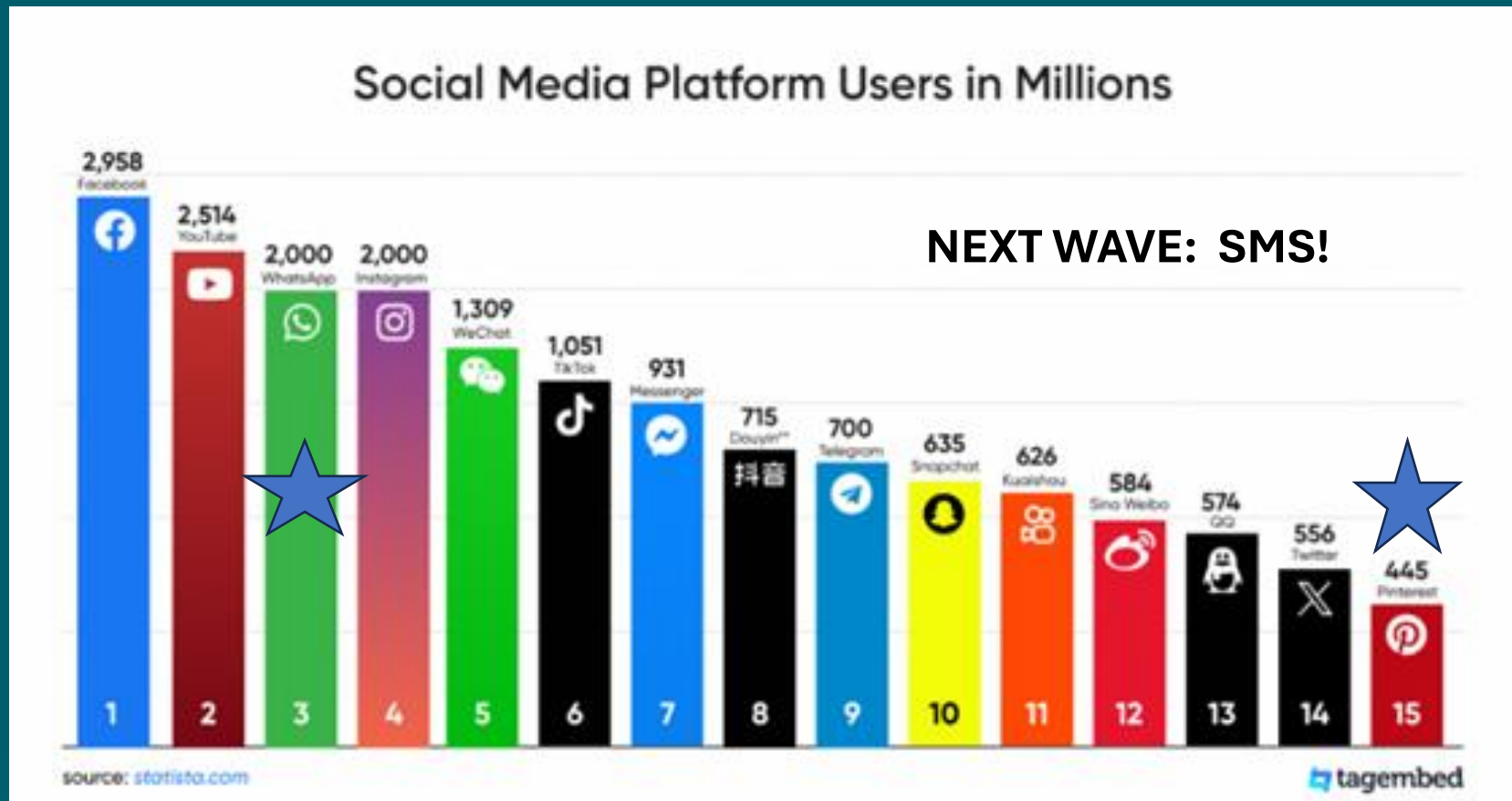
2006 = 100, Includes Retail Centers 20k SF and Up



- Two Probable Solutions to Decreasing Retail SqFt Needs:
1. Create greater synergies between retail and service. (E.g. Salon that adds personal care products, or music store that does instrument repair and provides lessons.)
  2. Greater cooperative business set-ups. (E.g. Shared Spaces; Micro Retail; Night/Day Uses)



## Prediction #3 – HUGE Generational Shift = More Complex Marketing Choices





## Prediction #4 – Explosion of AI Utilization with Main Street Small Businesses

### ARTIFICIAL INTELLIGENCE (AI) IN RETAIL: BY THE NUMBERS



The market value of AI in retail is estimated to hit  
**\$31.18 billion**  
by 2028

Fortune Business Insights



**325,000**

retailers  
will have  
implemented  
some form of  
AI technology  
by 2023

Juniper Research



**90%**  
of retailers believe  
AI should be a priority  
to enhance customer  
databases

ActualAI



Spending on  
AI software for demand  
forecasting to reach  
**\$3 billion** by 2023

Juniper Research



Smart checkout  
technology will process  
**\$387 billion**  
in transactions by 2025

Juniper Research

Likely Near-Term and Long-Term Adoption:

1. Market Research
2. Content Development (e.g. Social Media Posts)
3. Predictive ai (e.g. Purchasing Patterns to Predict Inventory Needs and Minimize Clearance)



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## Prediction #5 – Growing Intersectionality Between Main Street Ecosystems and High Propensity Business Ecosystems



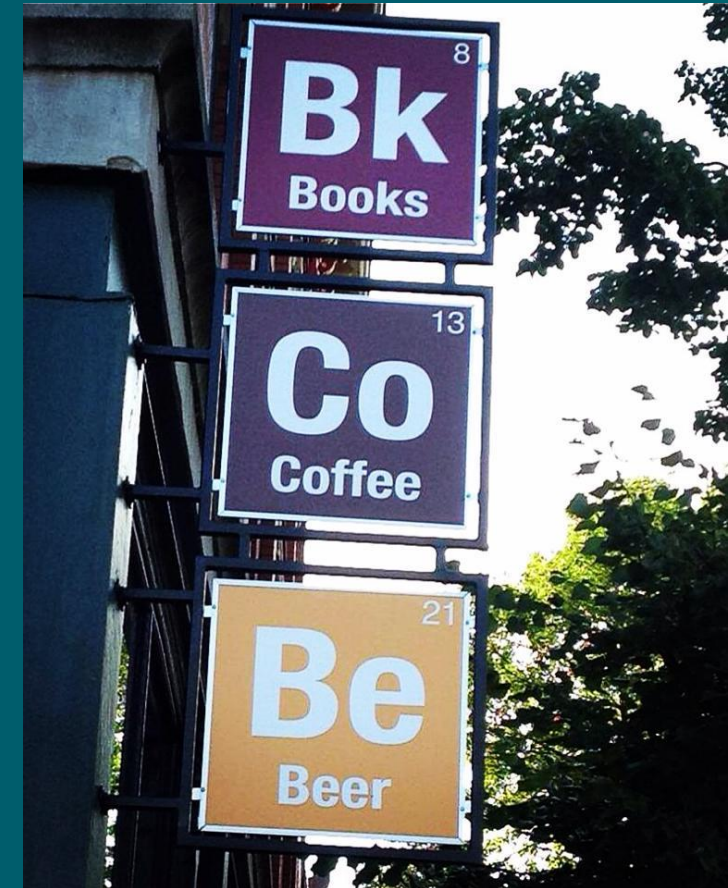
- Unique Housing
- Third Spaces and Places for “Accidental Collisions” Breweries, Libraries, Cafes, Barbershops
- Broadband Infrastructure
- Professional Services
- Incubators/Accelerators/Shared Kitchen Facilities/CoWork, etc.
- Culture and Entertainment Venues
- Creative Office Environments



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## Predication #6 – As Loneliness and Isolation Rise, Third Spaces Move to In-Store Micro Communities







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THANKS!!