

Municipality Of Chatham-Kent
Community Development
Economic Development Services
Information Report

To: Mayor and Members of Council
From: Jamie Rainbird, Manager, Economic Development Services
Date: May 1, 2020
Subject: Digital Main Street Grant Program Update

This report is for the information of Council.

Background

At the October 7, 2019 Council meeting, information was provided on the Digital Main Street Grant Program (DMSG) administered by the Ontario Business Improvement Area Association (OBIAA). The OBIAA in partnership with the Province of Ontario launched this program to assist main street businesses with the adoption of technologies and provided grant opportunities to enable the digital transformation process.

The objectives of the DMSG are to:

- Provide main street business with resources, training and support for adoption of digital technologies;
- Provide opportunity for a collaborative partnership between existing Business Improvement Area's (BIA's), Municipalities, Chambers of Commerce or Small Business Centre's through the creation of a Centralized Project Partnership to form a citywide Digital Service Squad (DSS) to assist main street businesses within the community in executing their Digital Transformation Plan (DTP).

In the fall of 2019, Chatham-Kent Economic Development Services' was successful in obtaining a grant of \$85,000 from the OBIAA to bring on the Digital Main Street Service Squad team. The focus of the team was to work with businesses across Chatham-Kent to provide a digital assessment of the business, show businesses how to apply for the provincial grant, and to help identify opportunities for the business to improve their online presence.

In addition to the municipal funding and as part of the program, small businesses were given the opportunity to apply for a \$2,500 grant from the OBIAA to further their digital

and e-commerce technology. These applications were originally due into the OBIAA by December 31, 2019 and later extended to January 10, 2020.

The Digital Main Street program was initially due to expire on April 30, 2020 but because of delays by the OBIAA in reviewing the grant applications, partly complicated by the COVID pandemic, it was extended until May 31, 2020. The staff members' initial contracts expired on April 30, 2020.

Comments

Program Recap and Results

Because the uptake volume on this program was so remarkable, the OBIAA is still reviewing applications and awarding grants.

To say this program was successful in Chatham-Kent is an understatement. To date, 44 Chatham-Kent businesses have received \$2,500 each totaling \$110,000 to improve and develop their online footprint and e-commerce capabilities. As well as receiving grant monies, the successful applicants also received 8 hours of online training on various digital marketing subjects/platforms.

In cooperation with local BIA's and Chambers of Commerce, successful grant recipients are located in the following communities: Chatham-19; Blenheim-5, Tilbury-4, Dresden-1, Wheatley-2, Merlin-1, Ridgetown-1 and Wallaceburg-11 with more grant awards anticipated.

Along with the 44 successful grant recipients, 94 additional businesses were also assisted by the Digital Main Street Service Squad (DMSSS) staff. These businesses received training, advice, guidance and mentorship as well as some having 3D videos and photography catalogues created for their future marketing purposes. These included businesses located in: Chatham-45, Wallaceburg-21, Tilbury-10, Blenheim-10, Charing Cross-2, Ridgetown-7, and Dresden-9.

In addition, 225 more businesses who were contacted chose not to pursue the grant or training.

DMSSS staff members working in conjunction with and under the guidance of Small Business Centre staff, also provided six seminars and webinars on subjects such as Introduction to Google and Facebook Analytics, Introduction to Business Social Media, Making Search Engines Work for Your Business, Mastering E-Mail Marketing and Marketing/Brand Awareness.

Testimonials

"I want to thank you and DMS for introducing us to this amazing initiative. This project is very helpful for small businesses, as it makes them aware of various digital avenues that can be utilized to increase the business in the marketplace."

I came to know about so many different tools for email marketing, social media, and managing the customer database through this program. This is a very informative program for small businesses, especially when everyone is not tech savvy. Thank you so much for all your help, please keep up the good work.”

Manica Gupta, Kurry Houzz & Grill, Chatham

“Thanks to the partnership between CK Economic Development and Digital Main Street, we were able to gain value insight into the worlds of e-commerce and digital marketing.

Through webinars and seminars recommended by yourself and DM, we have acquired the expertise to create and launch our Shopify website, increase our followers on social media and successfully launched our email-marketing platform.

We are so thankful for your assistance especially during these uncertain times. We look forward to gaining more knowledge from you and your team in the future.”

Nancy Horak and Martha Nicholls, The Little Change Room, Blenheim

“I would like to take this opportunity to thank you for all of your help with the Digital Main Street program. Initially when you approached us about potentially receiving a grant we were of course a little skeptical! The process was smooth and with your guidance absolutely painless.

The assessment stage was very informative and allowed us to see where our weaknesses and our strengths were concerning our digital presence. Allowing us to know exactly what we could do better and showing us some of the weaknesses that we could immediately improve upon.

I can't say enough about the impact this program has had on us and would like to thank you for reaching out to us in the first place. It is all too easy to become complacent in regards to advancing your strategies when you own a small business. This process and training has re-invigorated our creativity and drive to be at the forefront of our industry with digital integrations.”

Sebastian Snow, Head Instructor, Snow's Academy of Martial Arts, Chatham

“The Digital Main Street project was a wonderful experience for me. I did learn so much with all the videos and information given. I feel that my business was increasing and growing before the pandemic and I have had a large digital footprint. It was easy to report and everyone was super friendly and helpful to deal with. I would recommend this program to everyone!”

Amy Cartier, Kara's Rose Garden, Tilbury

“With my experience having the DMS was rather interesting, I began with a late start and had a short time to complete everything before I was accepted. I've learned a lot

thru the training videos, which will help me to create a larger footprint. In the future, DMS is still offering their help so I can obtain the goals that I'm shooting for.

I have become part of the free seminars that were available to help me move forward and with just being accepted, I will begin to start with meeting my goals in reality.

Thanks to DMS and the help I have received, everything I learned will be beneficial to my store as creating my footprint and the ability to reach out to the public easier and faster than before."

Ken Elliott, The Gear Box, Wallaceburg

"With the online world expanding daily, I was pleasantly surprised there was a program to help business owners to expand their business!

DMS expanded my knowledge of how to build, grow and support my business as well as letting a wider base of customers to see our bricks and mortar business, Gala Wellness.

A special thanks to Irene Spisar for her professional and courteous attitude as well as being on top of any questions I have about DMS. Much thanks to DMS for a great tool for small businesses."

Greg Foster, Owner, Gala Wellness, Blenheim

Succession Plan

In light of the current COVID-19 pandemic and the effectiveness of this very successful program, Economic Development Services is anticipating a surge of both current and future entrepreneurs to adopt and escalate the use of technology to expand their online presence in order to increase profits, brand awareness, efficiency of operations and increase their business-customer interactions/sales online and in-store.

With lessons learned from the current pandemic and the unknown of health and safety measures going forward, local businesses will be looking for effective and profitable methods to recover and move forward in the new retail and service world. Newly developed or heightened digital presence will enhance the ongoing viability and sustainability (resiliency) of both new and long-standing businesses.

Because of the large number of local businesses with grant applications still in review with the OBIAA and the recent awarding of several grant monies to several local businesses, Economic Development Services will be extending the contracts of two current Digital Main Street Squad Member staff to May 31, 2020 funded through Economic Development Services' existing base budget. This will allow for a smooth transition for these businesses to continue and complete the work that is currently in development with these staff members.

Going forward and during the economic recovery and reopening stage, Economic Development will be retaining one Digital Main Street Squad member for a 6-month contract period to November 30, 2020 to support those businesses that have not had the opportunity to be supported.

This staff member will work in conjunction with the existing three Economic Development Officers II to ensure that the majority of Chatham-Kent businesses who welcome and require assistance in the digital and online world are serviced in a timely manner during this critical economic shift.

As businesses adjust to the new operating conditions due to COVID19, the need to transition online is crucial to future financial sustainability. Through feedback and social media, many business owners have indicated that funding is necessary with pivoting their business model.

Due to the current pandemic's travel and social gathering restrictions, Economic Development will not be utilizing its current 2020 base budget dollars in business development travel and the hosting of events other than virtual. Therefore, \$30,000 will be reallocated to provide 20 grants of \$1,500 each to Chatham-Kent small businesses to assist with their digital conversion and/or advancement.

The intent for this grant funding is for this process to be as efficient as possible with short turnaround times and quick answers so that interested businesses may make the necessary changes and updates as quickly as possible.

Administered by Economic Development Services', these grants will be utilized to improve websites, search engine optimization, digital marketing, creation of video and photography galleries, increase online marketing efforts, upgrade technology or purchase e-commerce solutions. These funds are not intended to cover existing operating costs such as rent and utilities.

Businesses may begin applying June 1, 2020 with applications reviewed on a first come, first served basis.

Consultation

The General Manager of Finance, Budget and ITS was consulted in the reallocation of base budget dollars.

Financial Implications

The extension of staff members contracts and the creation of a Small Business Digital Grant Program will be funded from Economic Development Services' current 2020 base budget as well as utilizing an encumbrance in federal funding that was received a number of years ago through the Invest in Canada Community Initiative funding program.

The OBIAA is currently lobbying the provincial and federal governments for further funding support. If this materializes, Chatham-Kent will once again by submitting an application. If approved, Economic Development Services' will use these monies to support the extension of staffing.

Prepared by: Reviewed by:

Jamie Rainbird, Manager
Economic Development Services

Stuart McFadden, Director
Economic Development Services

Reviewed by:

John Norton, General Manager
Community Development

Attachments: None

c. Gord Quinton, General Manager, Finance, Budget and ITS

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