
GoLocal: Connecting Local Businesses and Consumers

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ABSTRACT

For years, local businesses have been trying to re-establish their importance in the local economies. People have realized the benefits of these businesses and are willing to support them. Yet big corporations and multi-chain stores continue to thrive and small businesses continue to suffer. This research paper looks at the gap between people showing interest in supporting local businesses and taking actual measures to support them. We will find ways to bridge this gap and enable people to

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KEYWORDS

Local business; local economy; customer; activation journey; user experience; design research; design thinking; community growth.

connect with local businesses physically and emotionally through an intensive user experience design process.

1 INTRODUCTION

Local businesses, also termed as locally owned businesses, are businesses that are privately owned by individuals or family. They have fewer employees and/or less annual revenue than a corporation.

Local businesses generate employment opportunities. As of 2018, U.S. Small Business Administration (SBA) estimates there are 30.2 million small businesses employing a total of 58.9 million workers in U.S [7]. Being very customer-oriented, small businesses better understand the needs of the community. By buying from these businesses, people are essentially giving money back to their local community. These businesses are the product of the business owner's entrepreneurial spirit, which in turn fuels economic innovation. Thus in many ways, local businesses build the social fabric of the community [1,5].

Despite being a valuable asset to the local community, the statistical growth pattern of local businesses reveals a dismal future if the current trend continues. In the year 2013, 83240 of small and medium-sized businesses shut down in Canada alone [6]. According to the Bureau of Labor Statistics' Business Employment Dynamics, only 50% of local businesses make it to their fifth year [4].

Realizing the need to urge consumers to shop locally, many initiatives such as Think Local First and Go Local Austin have sprout up in the past few years [2,3]. These initiatives rely heavily on a reward-based mechanism i.e. the more local businesses a consumer visits, the more will be the incentives they get. This may be a good first step towards attracting consumers to shop locally, but sooner or later the incentives will run out and the consumers will move away to other sources. So, we need in place a self-sustaining system that doesn't rely on rewards alone.

From our ethnography research, we found that people are very much aware of the value the local businesses bring to the community and they are more than willing to support them, with or without a reward system. If consumers appreciate local businesses, then what are the factors that prevent them from seeking local businesses for their regular needs? Finding an answer to this question is the first step towards tackling this problem.

Backed with an intensive design process, we began the process of crafting a design solution that (1) relies on consumer's positive outlook towards local businesses instead of rewards, and (2) creates an emotionally enriching relation between people and local businesses.

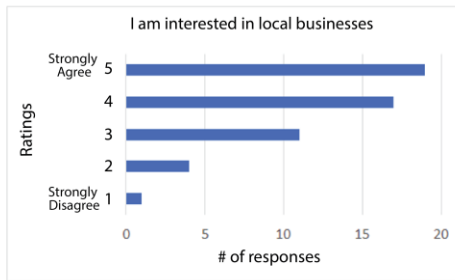


Figure 1: Graphical representation of people's interest in local businesses

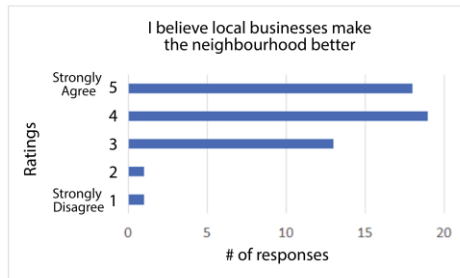


Figure 2: Graphical Representation of People's Opinion of local businesses in making the neighborhood better



Figure 3: Affinity Diagram

2 DESIGN PROCESS

We followed IBM’s Activation Journey which is a design-thinking approach consisting of 12 steps: project rundown, user research and personas, empathy map, as-is scenario, needs statements, big ideas, prioritization, to-be scenario, user stories statements, storyboards, prototyping, and evaluation. Playbacks (show and tell) are integrated throughout the process.

2.1 Problem Definition

Before we begin working on the solution, we ensured the problem was clearly defined. We began with listing down all the existing solutions in the market and analyzing their benefits and shortcomings. Then, we created business assumptions and user assumptions to give us a deeper understanding of the business domain we were targeting and our potential users.

We narrowed down user's struggles into two parts:

1. Users find it hard to locate local business.
2. They do not see a compelling reason to go to local businesses when they can find the same products in bigger corporations.

We posed the design problem as a question: ‘how might we bridge the gap between consumers wanting to support local businesses and actually taking measures to shop at local businesses?’

2.2 User Research

We conducted user research to understand the overall attitude of individuals on local businesses. We did this through surveys and semi-structured interviews.

We felt a survey would allow us to grasp a general understanding of how individuals defined local businesses, their feelings on how local businesses contribute to the local community and what experiences customers seek in shopping at a local business. The survey received 52 responses. The survey-takers belonged to different backgrounds, ethnicity, nationality and gender.

Figure 1 shows that most respondents Strongly Agreed (gave a rating of 5) or Somewhat Agreed (gave a rating of 4) when asked how interested they were in local businesses. When asked whether they thought locally owned businesses make a neighborhood better, the responses were overwhelmingly positive (Figure 2), which indicates that respondents feel that local businesses make a significant contribution to the social fabric of the community. Moreover, we were able to discover that respondents tend to recommend places, enjoy sharing their favorite spots, have a desire to try new things and that word-of-mouth was an important way for discovery.

Our semi-structured interviews were done in order to get a more in-depth look on people's opinions about local business, including their desires and current pain points. We interviewed 5 participants from different social backgrounds. An Affinity Diagram was created to amalgamate and

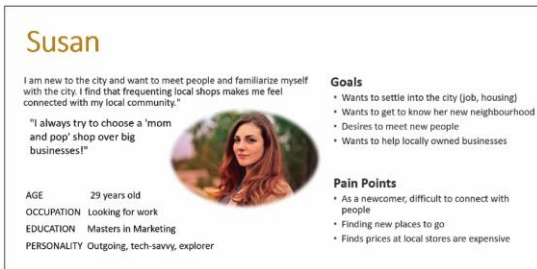


Figure 4: Persona

organize each of the interview responses (Figure 3). We found that people support local businesses because they feel non-corporate, they're lesser known and they're usually more intimate spaces. Individuals find local businesses through word-of-mouth, online or passing by. The appeal of local business is in quality of the product and service provided; participants perceive these to be of higher quality and value the personal touch of getting to know the local business owners.

2.3 Persona and Empathy

We created a persona, Susan, as a summation of our research findings (Figure 4). Susan loves to contribute to the local economy and feels like local businesses are a great touchstone to get to know her new community better. Her goals are to settle into the city, meet new people and help locally owned businesses. Some of her pain-points are finding new places to go, since she doesn't know anybody, and the price points of local businesses.

Creating a persona gives us the opportunity to think as Susan, and to further elaborate on this exercise we created an empathy map (Figure 5) where we explored what Susan says, thinks, does and feels in her search for local businesses. In doing this, we were able to address the issues she may have as a basis for informing our design. This is further elaborated when we look at Susan's As-is scenario (Figure 6) which is a typical experience of Susan while she looks for a coffee shop. Through this process, we were able to highlight pain points that we would want to address with our design.

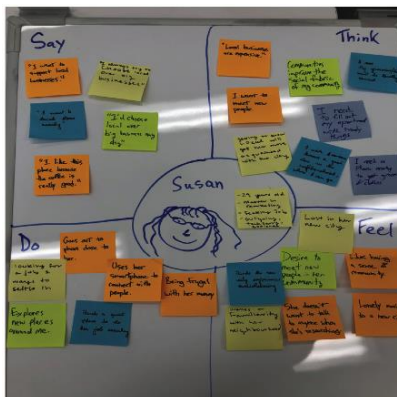


Figure 5: Empathy Map

2.4 Ideation

We identified 3 main needs for Susan:

- Susan needs to a way to find local businesses around her so that she can shop conveniently in her community.
- Susan needs to have a way to acquire information about the local businesses so that she can make an informed decision about whether to visit. This includes prices, deals, services and community events.
- Susan needs to find a way to find out about the quality of experiences offered by the shops around her.

As a team, we brainstormed and came up with several ideas that would benefit Susan. We then organized these ideas, grouping them into topical clusters, and voted as a group on whether these clusters were impactful and feasible. Our voting can be seen in Figure 7. We then mapped the ideas on a graph called Prioritization Grid, to help us visualize which designs we should aim to accomplish. From the Prioritization Grid, we decided that a map, recommendations, deals and business profiles were features that we would build for our solution.



Figure 6: As-Is Scenario



Figure 7: Voting Ideas Based on Impact and Feasibility

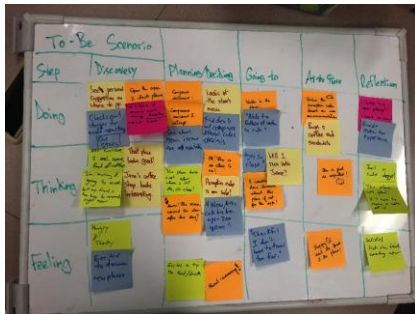


Figure 8: To-be Scenario

2.5 Idea Visualization

Using the feature ideas, we decided on a To-Be Scenario (Figure 8) for Susan using the solution we envisioned. This allowed us to think through how our design would help Susan's needs.

1. She will be able to discover local businesses around her through the App's use of location services.
2. She will be able to find factual information about what the local business offers and their hours of operation through the business profiles. She will also be able to learn about her community, the people and their values through the business stories.
3. Through user feedback and reviews, Susan will be able to anticipate the quality of experience the businesses offer.

2.6 Prototyping and Testing

We started by doing a storyboard to create a shared understanding of what the prototype might look like, then we moved into making a low fidelity paper prototype. This prototype was brought to representative users for some lean evaluation testing by walking them through the use of the prototype. We got feedback around the navigation of the menus, the iconography what information they expected to see on various screens. We used this information to improve upon our design as we moved towards a medium fidelity prototype made in Figma, a prototyping tool. Then we went through a second round of lean evaluation to further refine our design.

2.7 Solution

After continuous evaluation, we arrive at the final solution - GoLocal, a mobile app that connects people and local businesses.

The features that set this app apart are as follows:

1. **Makes local businesses discoverable.** With an uncluttered map, users can find the local businesses by particular name or type. Also, the map view shows every local business around the user. This makes users aware about the businesses around them (Figure 9 (i)).
2. **Displays all the deals in one place.** Most recurring excuse from users was that the products are expensive. But we also found that local businesses offer regular deals, but only a handful of customers know about it. So, compiling all the deals should make it easier for users to make an informed decision about when and what to purchase (Figure 9 (ii)).
3. **Allows search of businesses based on the items they sell.** Unlike big chains, local businesses are small and have limited products. Sometimes users aren't certain if the particular item they are looking for is available in the small store and hence go to a big chain store. With the product search feature, users can find the local businesses that have the item (Figure 9 (ii)).

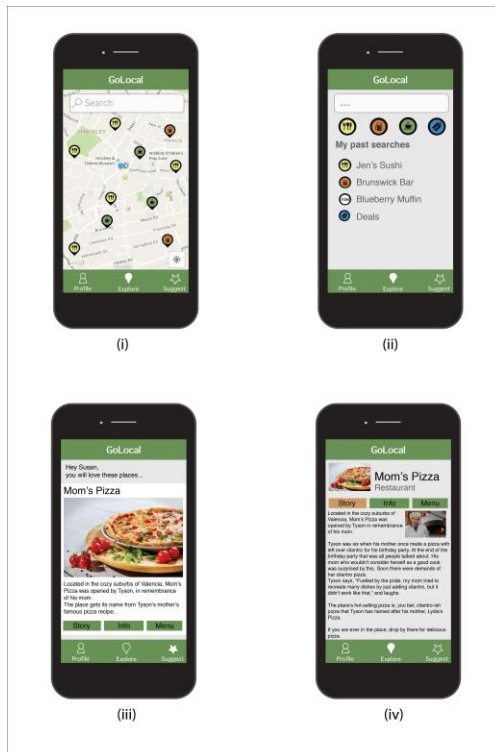


Figure 9: High fidelity prototypes highlighting key features

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4. **Suggests places to users based on their preferences and past visits.** Most users rely on word-of-mouth when it comes to finding new places. In order to not take away the thrill of finding new places from the users, GoLocal suggests places users like. Since these suggestions rely on users preferences and past visits, they turn out to be the one users like (Figure 9 (iii)).
5. **Shows the stories of the local business.** It's the stories revolving around the owners and the stores that draws customers to a place and help build a personal connection. Through GoLocal, those stories will reach everyone (Figure 9 (iv)).

3 CONCLUSIONS

In this paper, we have seen how GoLocal appeals to people's willingness to support local businesses by making it easier and emotionally rewarding to shop locally, instead of relying on a crude reward-based system. This builds a self-sustaining relation between consumers and business owners that encourage customer loyalty and frequent revisits – a recipe for thriving business.

Needless to say, thriving local businesses builds the very foundation that weaves the social fabric of the community.

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