

Downtown Oak Park, Pleasant District and Hemingway District

**“Better Lake Street Rewards Program” RETAIL MARKETING AND INCENTIVE PROGRAM
A PROPOSAL TO THE VILLAGE OF OAK PARK FOR BUSINESS DISTRICT SUPPORT
DURING THE 2020 LAKE ST. STREETScape PROJECT**

BACKGROUND AND RATIONALE: Retailers, restaurants and B2C service providers will experience negative revenue impact during the Villages 2020 Lake Street Improvement Program. In addition to impairing local Oak Park business districts, we anticipate a decline in sales tax revenue as a result of this important project. The Districts propose investing in a short-term marketing program that will not only support Oak Park businesses but will keep our residents and customers from forming new shopping habits outside our community. If successful, this proposed investment in marketing will deliver long-term financial benefits to both the Village and our business community.

SCOPE: Downtown Oak Park, Pleasant District and Hemingway District.

The Districts are focused on the commercial shopping areas around Lake Street from Harlem to Euclid.

PROJECT NAME: Better Lake Street Rewards Program

PROJECT DESCRIPTION: Modeled after Downtown Oak Park’s successful “Shoppers

Rewards” program, the **Better Lake Street Rewards Program** is a retail loyalty incentive effort program designed to encourage shopping and dining at Oak Park businesses during the Village’s improvement project.

Shoppers will earn a \$25 rewards certificate for every \$200 spent at participating merchants located in the districts. The \$200 in receipts must be from five or more different merchants and there will be a limit of two rewards certificates per family (address). Receipts can be collected anytime between May 1 and August 30 (while supplies last) but the certificates can be redeemed only between September 1 and October 15.

Merchants are reimbursed dollar for dollar for every certificate they accept as payment.

Certificates cannot be used for medical or contractual services (such as membership fees).

The Districts plan to set up a redemption site in DTOP.

TIMING: Coincide with the primary construction period for the geographic scope. We understand this to be spring through late fall, 2020. We propose a program that stretches from March 1 to October 15.

- Mid February through April - marketing and promotion period
- May through August - Shop and earn rewards (while supplies last)

● September and October - Redeem rewards

REQUEST: \$120,000 to include administration of the program, considerable marketing and promotion efforts to assist businesses in attracting customers to the districts during the Village improvement project.

PROJECT PLAN AND BUDGET:

● **\$10,000 for Media, Promotion and Printing** - Significant branding, advertising and promotion will be needed to entice shoppers and remind residents that it is worth the inconvenience to shop and dine locally. Media and promotion could include traditional print and branding to coupons printed on the back of parking garage tickets to art on construction plywood. We expect this to cost about 20% of the full budget. If the full \$10,000 is not needed for promotion the remaining resources will go back into the rewards program.

● **\$100,000 for the Better Lake Street Rewards Certificates** - This represents 4,000 rewards certificates at \$25 each. The 4,000 compares to roughly 1,800 that DTOP gives out as part of Shoppers Rewards. We believe that this program will result in more certificates earned because of the (1) wider geographic scope, (2) longer time frame and (3) lower earnings hurdle (\$200 vs \$500).

- If we do not use all \$100,000 and less than 4,000 certificates are earned and redeemed, we will return the unused money to the Village.
- The Districts will market the program as “while supplies last” so that if certificates are earned more quickly than expected, we will be able to inform residents.

● **\$10,000 for Project Administration** – The Districts will hire an entity to manage the program. The Districts will lean on the expertise of Downtown Oak Park but will need to compensate the organization or persons hired to administer the program.