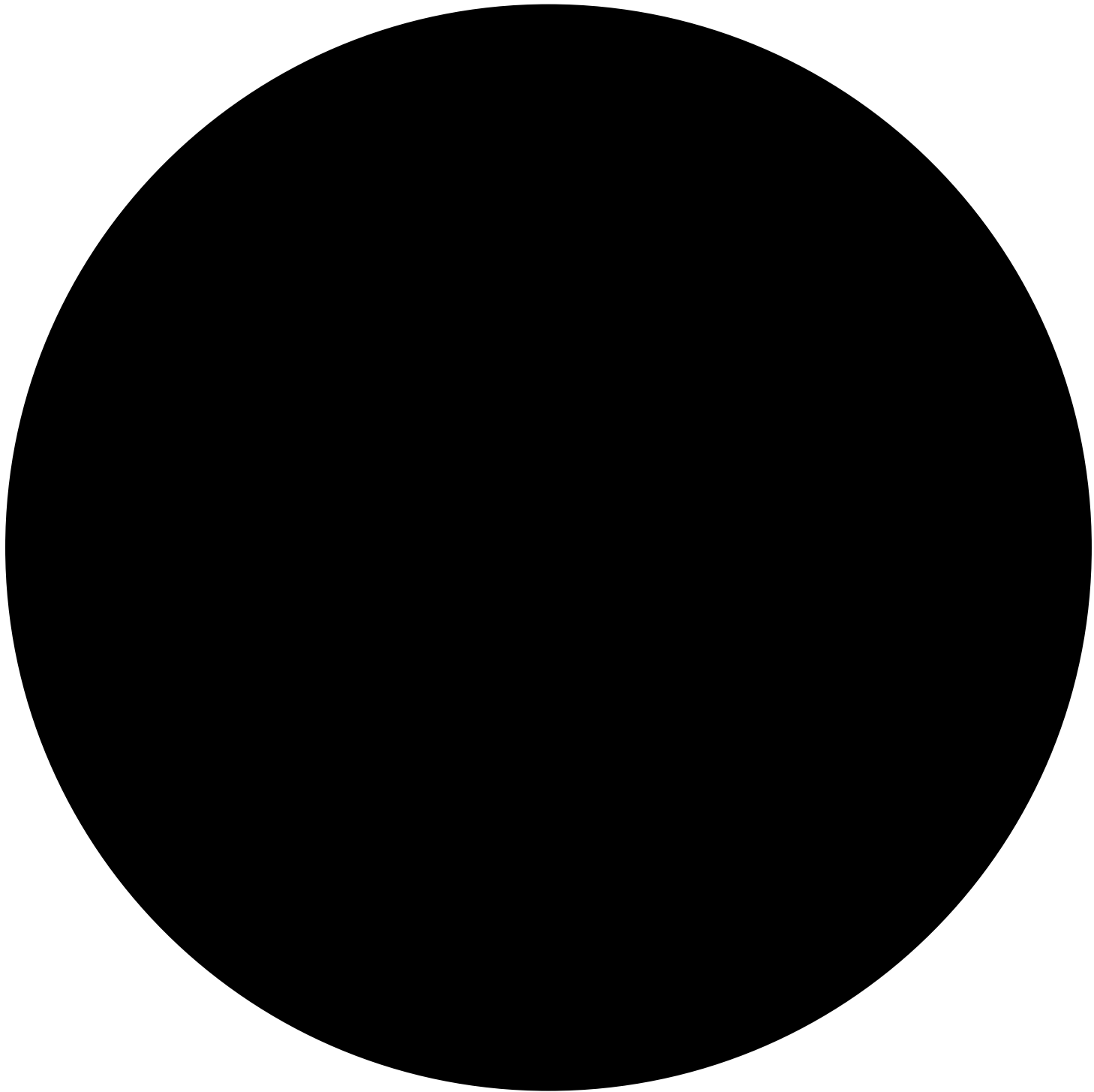


# LOCAL TRADE, PAST OR FUTURE?

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ent of European cities is closely related to the changes that local commerce is undergoing. Retail trade is a key link in the economic and social development of a city and is the closest sector to citizens and consumers in the value chain. In other words, those cities that combine a diversified retail commercial fabric with the well-being of their residents can prevent their population from leaving for larger cities.

Local commerce is a fundamental pillar in the construction of complex, safe and vibrant cities. Although it is difficult to accurately calculate the multiplier effect of small businesses in a city, it is estimated that one in four jobs depends on this sector. In this sense, commercial activity represents a fundamental pillar for local economies. However, the new consumption patterns pose a great challenge for the commercial fabric of many cities. This phenomenon, which is global, directly affects the diversity and inherent complexity that urban centers house. The emergence of online commerce anticipates a profound change in local commercial dynamics.

Being highly internationalized, the retail sector is subject to the same types of major global changes and trends that affect cities in general. In times of economic downturn, most European cities have experienced a sharp decline in the retail sector, resulting in empty buildings, loss of economic

activity and fewer job opportunities.

How will the new consumption patterns affect cities? There is no single answer to the challenges posed by these new purchasing patterns. In many cases, the measures to be taken will depend on the context and the magnitude of the challenge. Likewise, the answer will be different if they are small or medium-sized cities or large urban centers. The depopulation of small and medium-sized cities in favor of larger cities with a more diversified commercial fabric is causing significant territorial imbalances which, in turn, generate negative environmental externalities in large urban centers.

Most of the cases that exemplify the success of commercial revitalization policies in certain urban centers present a constant. The close collaboration between public agents and the private sector in improving conditions for local commerce has an impact on successful business strategies. In addition, solutions are always taken by analyzing the consumer experience as the basis for adopting any measure or initiative aimed at strengthening the commercial fabric. More and more innovative projects, based on creativity, stimulate commercial districts in decline. From attractive cultural offers focused on the retail sector, coordinating street activities, races, sports competitions coinciding with the opening hours of the local business; as well as digitization services of the commercial district that offer information and virtually guided tours through the district's offer; public attractions and events involving local communities, art, concerts and cultural activities. Other specific solutions for retail, such as open WiFi and geolocation, can be enabled and the possibilities for innovation in this regard are very high.

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