

# Spend Like It Matters: Leveraging Consumer Spending Toward a More Inclusive Economy

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*Jeanine Liu, owner of Miro Tea, shares how the community aspect of Chinese tea houses inspired her to start her business.*

*Photo Credit: Anna Nodolf*

## Summary

We are all familiar with the link between consumer spending and the health of the economy, but what role might consumer spending play toward a more inclusive economy? Rapid growth and gentrification in cities from New York City to San Francisco to Seattle and beyond have given rise to questions regarding the extent to which rising economic prosperity is or is not equitable and inclusive. In the exploration of how to facilitate more inclusive economic growth, consumer spending is an underleveraged potential driver due to the opacity consumers face when trying to decipher who benefits from the money they spend.

Intentionalist is a social enterprise technology startup working to bridge the gap between the growing number of consumers who want to support the diverse local businesses that shape our communities and their ability to easily find and support them.

## **Article**

Local businesses are often acknowledged as the economic backbone of America and are also an integral part of the social and cultural fabric of our communities. However, growth, development, and rising costs of living have increased the economic pressure on small businesses, leading to closure and displacement. As cities and communities grapple with how to mitigate the impacts of gentrification and displacement, consumer spending is an underleveraged tool to support economic

inclusion and reinforce community connections.

## **Convenience is Queen**

Technology has ushered in an era where consumers can find and buy whatever they want, whenever they want it. From the growth of same-day service from online retailers, to a myriad of delivery options when it comes to restaurants of all sizes, it's easy to argue that when it comes to consumption, convenience is queen. But while this has led to convenient, transactional spending, many consumers, including millennials crave connection and a sense of community.<sup>1</sup> Fortunately, the convenience-driven consumer culture has been paralleled by a growing consumer interest in supporting small retail businesses that are a part of the local community.<sup>3</sup>

## **We Need to Close the Opportunity Gap**

Despite a growing interest in supporting local businesses, there's a gap between diverse small businesses and the ability for people who care to find and support them. Existing resources focus on what is for sale, and consumers are left with the burden of time-consuming research when it comes to figuring out how and where to find information regarding the people behind the businesses. While the *buy local* movement continues to gain traction, for consumers interested in supporting more inclusive communities, a *beyond local* solution is needed.

# **Intentionalist Connects Consumers to Diverse Local Businesses**

Intentionalist is a start-up social enterprise developing an online platform that makes it easy for consumers to find and learn about diverse local businesses and the people behind them. In addition to providing information about the product or service, Intentionalist allows consumers to more easily identify women-owned, minority-owned, veteran-owned, LGBTQ-owned, family-owned, and disability-owned brick and mortar businesses. This means that at a time when consumers are increasingly aware of the opportunity to vote with their dollars, it's becoming easier for them to find and support businesses owned by historically marginalized communities.

Beyond the growing resource itself, the Intentionalist approach reflects a long-term vision informed by a systems view of the opportunity to advance intersectional consumer support for a more inclusive economy. The initial focus is on the greater Seattle community, with plans to expand to other cities. However, thanks to the ability to *Suggest A Business*, Intentionalist already includes businesses from Atlanta, Georgia, Washington, D.C., Portland, Oregon, San Francisco, California, Minneapolis, Minnesota, and beyond.

## **Intentionalist Complements an Emphasis on Access to Capital and Technical Assistance**

When it comes to supporting small businesses and microentrepreneurs, there is an existing ecosystem of organizations and entities providing financial and technical assistance to small and micro businesses. However, while non-profit organizations, public sector entities, and community development financial institutions offer critical support, any existing directories or guides to small business clients are limited in scope and reach by the individual organization's portfolio. Intentionalist has embraced the opportunity to partner with Seattle non-profit organizations like Ventures, Business Impact Northwest, the Ethnic Business Coalition, the African Women Business Alliance, and the Greater Seattle Business Association, whose members and clients benefit from inclusion as part of the guide and promotion of their unique stories.

## **A More Inclusive Economy Demands an Intersectional Approach**

In response to the Women's March in 2017, *The Stranger* in Seattle published a list of women-owned restaurants in Seattle, which it updated in 2018. In March of this year, Jay-Z and Diddy announced the development of an app to help consumers find black-owned businesses. In addition, a variety of Google Maps-based lists circulate on social networks as consumers search for an easy-to-navigate resource that goes beyond "local" or "small" with an emphasis on underrepresented communities.

The Intentionalist guide is designed to be intersectional based on our hypothesis that a more inclusive economy is best facilitated by providing a single resource that encourages consumers to support local businesses that span the full range of diversity they would like to see reflected in their communities. To complement the online guide, Intentionalist also publishes a blog and organizes events that provide opportunities for consumers to get to know the people and stories behind small businesses.

## **Consumers Want to Support Their Communities**

According to the Small Business Saturday Consumer Insights Survey commissioned by American Express and the National Federation of Independent Businesses, on Small Business Saturday in 2017, consumers spent 12.9 billion dollars, and 67 percent of those interviewed shared that they participated in order to give back to their communities.<sup>3</sup> Intentionalist makes it easier for consumers to do something they already want to do -- find and support small businesses and the people behind them -- in their communities, throughout the country, and eventually, around the world.

Intentional spending transforms impersonal purchases into purposeful support for people and communities that matter. In addition, new research shows that a shift of even five percent of consumer spending from more affluent to less affluent neighborhoods may contribute to

a decrease in income inequality by up to 80 percent.<sup>4</sup>

The Intentionalist vision of the future is one in which consumers have a resource at their fingertips that enables and incentivizes support for the diverse local businesses that make our communities the places where we want to live and work. Who benefits from the money we spend in our daily lives? A more inclusive, intentional economy starts with everyday decisions about where we eat, drink, and shop. It's time to #SpendLikeItMatters.

## Works Cited

<sup>1</sup> Segal, Chelsea. "10 Reasons Why Millennials Love Small Businesses and How You Can Win Their Business." Inc. Accessed October 10, 2018. [www.inc.com](http://www.inc.com)

<sup>2</sup> Danziger, Pamela N. "Top Shopping Trends Of 2018: Retail Experts Share What To Watch For Next Year." Forbes. Accessed October 10, 2018. [www.forbes.com](http://www.forbes.com)

<sup>3</sup> Accessed October 10, 2018. [www.americanexpress.com](http://www.americanexpress.com)

<sup>4</sup> Winters, Chris. "Shop Here, Not There: Science Says Reducing Inequality Is Almost That Simple." Yes! Accessed October 10, 2018. [www.yesmagazine.org](http://www.yesmagazine.org)