



**DATE:** October 7, 2024

**TO:** Council Economic Development Committee

**FROM:** Chief Economic Development Officer

**SUBJECT:** Hayward Upward Economic Recovery Plan Update: Hashtag Hayward Program

## **RECOMMENDATION**

That the Council Economic Development Committee receives updates on the progress of the Hayward Upward Economic Recovery Plan: Hashtag Hayward Program.

## **SUMMARY**

The Hashtag Hayward program, an ARPA-funded initiative within the Together for Hayward COVID-19 Economic Recovery Plan, is designed to help local businesses enhance their social media marketing efforts. By improving their digital presence, the program enables businesses to attract new customers and increase their sales. This report provides an update on the program's progress and outlines next steps.

## **BACKGROUND**

Prior to the COVID-19 pandemic, many businesses in Hayward struggled with adapting to digital marketing trends. The pandemic further disrupted traditional marketing strategies, as in-person engagement became limited, and businesses faced new challenges in connecting with customers. Meanwhile, consumer behavior rapidly shifted, with a growing number of customers turning to social media platforms to discover products and services, compare options, and make purchasing decisions.

In response to these challenges, the Hashtag Hayward program was launched to support local businesses in enhancing their brand identity and digital marketing capabilities. By providing grants and resources for social media marketing, the program has enabled businesses to reach a broader audience and capitalize on the growing trend of customers using online platforms as part of their buying journey. As social media has continued to

evolve, Hashtag Hayward has helped businesses stay competitive in an increasingly digital marketplace, adapting to changes in consumer behavior and meeting the demand for more dynamic and interactive customer engagement.

## **DISCUSSION**

### **Hashtag Hayward Program**

The Hashtag Hayward program is designed to support local businesses in enhancing both their physical spaces and social media presence, providing a two-pronged approach to attracting customers in today's competitive digital marketplace. With the increasing use of social media as a tool for discovering products and services, Hashtag Hayward aims to help businesses adapt to this shift in consumer behavior by offering grants to improve their visibility both online and offline.

A portion of these funds was utilized by businesses to enhance their physical locations in ways that encourage customer engagement through social media. Staff provided consultation services to businesses, offering recommendations on physical improvements that would make the greatest impact on attracting more customers and improving social media engagement. Below are examples of physical improvements that staff has recommended:

- **Interactive Murals and Sculptures:** Collaborations with local artists to create visually engaging elements that make spaces "selfie-worthy" and encourage customers to share their experiences online.
- **Window Lighting and Façade Enhancements:** Eye-catching lighting, murals, and other aesthetic improvements to attract attention and increase foot traffic.
- **Corner Building District Identity:** Vibrant murals on corner buildings that highlight the unique character of Hayward's commercial districts.
- **A-Frame or Blade Signs:** Pedestrian-friendly signage to draw attention, especially in high-traffic areas.
- **Seating, Wayfinding, and Center Lighting:** Improvements that enhance the overall customer experience and create a welcoming environment.

The second major component of the program connects businesses with local social media influencers, helping them further engage with potential customers through innovative collaborations. As a result, participating businesses have seen an increase in both direct social media engagement and organic customer-driven content, with each business generating an average of 200,000 views on their social media pages. The program has directly generated over 2.5 million views and continues to grow daily. Additionally, businesses have experienced follower growth ranging from 1,000 to 3,000, allowing them to build on the momentum created by the viral content produced through influencer collaborations. This growth ensures that businesses can maintain a long-term digital presence, continually engaging with a broader audience and driving sustained customer

interest. The combination of dramatic physical improvements and the creation of viral content contributed to increased foot traffic and sales, with participating businesses experiencing estimated revenue growth of as little as 25% and as much as 100%.

Through Hashtag Hayward, local businesses are better positioned to compete in an evolving digital landscape while simultaneously improving their physical presence in the community. This combination of physical and digital enhancements has proven effective in strengthening businesses' brand identities and expanding their customer bases. The program also addresses the need for organic placemaking, providing businesses with the opportunity to become community anchors and integral parts of Hayward's city identity. By enhancing both their online visibility and their role within the community, these businesses are not only thriving but also contributing to the city's cultural and economic fabric.

## **NEXT STEPS**

The first round of the Hashtag Hayward program is nearing completion, with seven of the nine participating businesses having fully completed physical improvements and published social media content through influencer partnerships. The remaining two businesses are expected to finish by October 31, 2024.

Staff will continue to track the progress of these businesses, focusing on skill-building and technical training opportunities that will enable them to sustain and build upon their initial success. This monitoring will help provide a clearer understanding of the program's overall impact on both business growth and the perception of Hayward in the digital landscape.

An additional \$100,000 has been approved for the program in FY 2025, allowing for a second round of grantees.

Ongoing evaluation of the program's effectiveness will include gathering feedback from participants to ensure it continues to meet the evolving needs of the business community and consumer trends.

## **FISCAL IMPACT**

Funded initially through the City's ARPA funds, the Hashtag Hayward program was allocated \$90,000. City Council has since approved a one-time allocation of \$100,000 from the general fund to support an additional round of grantees. This report reflects the commitment of the City of Hayward to address the economic challenges brought about by the pandemic and contribute to the long-term prosperity of its residents and business community.

**Prepared by:** Daniel Mao, Economic Development Specialist

**Recommended by:** Paul Nguyen, Chief Economic Development Officer

**Approved by:**

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Dustin Claussen, Interim City Manager