# COFFEE SHOPS, SOCIAL CAPITAL AND QUALITY OF LIFE: GRAND RIVER AVENUE CORRIDOR, LANSING AREA, MICHIGAN.

Ву

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#### **ABSTRACT**

COFFEE SHOPS, SOCIAL CAPITAL AND QUALITY OF LIFE: GRAND RIVER AVENUE CORRIDOR, LANSING AREA, MICHIGAN.

By

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The rapid growth in human population has witnessed people increasingly migrate towards urban areas. The vibrancy of urban areas has played a critical role in attracting talent. These behaviors elicit the need to investigate places that are currently vibrant and its role in the daily lives of people. This thesis investigates the coffee shop experience as a third place and its associations with social capital and quality of life. A third place refers to pockets in the built environment where people meet, greet and linger. These social interactions form a shared entity, called *social capital*, described by civic virtue embedded in a network of reciprocal relationships. Quality of life as it relates to place, refers to the satisfaction people experience as a result of their surrounding conditions, both physical and human. This study collects data using the survey method. Variables are reduced using factor analysis which are then subjected to a multiple linear regression analysis. The findings of this thesis reveal that intangible qualities in the third place experience such as cleanliness, appealing aroma, philosophy of management, attitude of staff and the taste of coffee in local coffee shops located along the Grand River Avenue Corridor, Lansing Area, Michigan are positively correlated to social capital, which are also positively correlated to overall quality of life. These correlations imply that the coffee shop experience might enrich the lives of people. By investigating relationships between the coffee shop experience, social capital and quality of life, this thesis contributes new knowledge of people and place, and its role in our daily lives.

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#### **PREFACE**

Science and technology over the course of time have led to rapid social progress (Bronowski, 1973). Throughout this progress, people have always been present and interacting in *place*. This thesis is an original work by the author exploring a snapshot of this relationship in coffee shops in the Grand River corridor, tri-county area, Michigan. The study finds a positive correlation with factors operationalizing the coffee shop experience, social capital in the family and neighborhood setting and overall quality of life. A multiple linear regression analysis shows that intangible qualities of the coffee shop experience, social capital in the neighborhood setting and gender have significant associations with overall quality of life.

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## **KEY TO SYMBOLS AND ABBREVIATIONS**

CS\_Intangible Intangible qualities of the coffee shop experience

CS\_Tangible Tangible qualities of the coffee shop experience

CS\_People Presence of other people in the coffee shop

CS frequency Frequency of visits to a coffee shop in a week

SC Neighborhood Social Capital in the neighborhood setting

SC\_Family Social Capital in the family setting

Gender Gender identity

Employment\_Status Status of employment

Income Household income in the year 2014

r Pearsons Coefficient

β Standardized Coefficient Beta

p p-value

#### **CHAPTER 1: INTRODUCTION**

Designers and thinkers alike have, for a long time, sustained interest in the relationship between people and place. Using the lens of the individual, Oldenburg (1999) reflects on place and people's experiences in different settings. He describes the experience in place as each of the three legs of a tripod. The first leg of this tripod is the home settingwhere people live before and after they experience the workplace. The second is that of the workplace, which "reduces the individual into a single, productive role" (p. 16). Before the age of industrialization, Oldenburg (1999) points out that these two settings were one. However, suburban lifestyles over the recent past in the United States have evolved into ones that are split between the public and private realms. A third place, he describes, is an important third leg of the tripod that nurtures "regular, voluntary, informal and happily anticipated gatherings of individuals beyond the realms of home and work" (Oldenburg, 1999, p 16). In his book, Oldenburg (1999) uses this understanding to argue that a good life is one that is well balanced between the three legs of the tripod. This balance, he writes, is based on the individual's dependence on them. Drawing from previous studies (Bronfenbrenner, 1979; Wallis, 1983), he asserts the need for more third places to reduce the stress that comes with workplaces for a generation breaking out of their parent's lifestyles.

The value of places where voluntary, informal gatherings of people occur are highlighted in Putnam's (2000) writings as well. In his book titled *Bowling Alone*, Putnam (2000) brings to light the role of civic engagement in democracies, and the declining levels of interaction between people participating in organizations. He narrates this decline with a simple dumbfounding fact- even though more Americans are bowling now

than ever before, their participation in organized bowling leagues has plummeted. This trend is typical in most organizations intended to be places of civic engagement, Putnam (2000) reports, which points to a lack of social interactions that occur with associated activities like sharing a meal while participating in these tournaments. The solo bowler simply forgoes the chance for any social interaction, including ones envisioned by Oldenburg (1999). The result is not only fewer close social connections for the individual, but also declining civic engagement in the community. By exploring the experience of place, and its associations with social capital, opportunities within the built environment which foster these networks can be identified.

Clues to these opportunities are found by observing market trends in a city's cultural sector. A study showed that cities such as Seattle, Washington, DC, Minneapolis and Boston, which are mid-sized with a strong cultural workforce have been resilient after the recession in the late 2000's (Grodach and Seman, 2013). Chefs are an interesting example of this story. Since chefs depend on a large number of patrons through restaurants, conventions and hotels, their growth or decline tell the story of the cultural sector's role in both tangible economic benefits, as well as intangible benefits to civic engagement and quality of life. Between the year 2000 and 2009, the region in which Seattle and Everette, WA, are located experienced the sharpest growth in chefs- with the number of jobs being 28% above the national average (Grodach and Seman, 2013). In contrast, the Sacramento region experienced the sharpest decline in number of jobs at 33% below the national average. The study concludes that the size of the city, and of its labor pool influences the cultural sector's resilience. While these facts shed light on trends in the cultural sector within cities of different sizes, Pine and Gilmore's (1999)

theory of the *experience economy* is a key aspect to keep in mind while making design interventions in cities so they grow from smaller to larger ones.

Pine and Gilmore (1999) evolve our understanding of the economy's mechanics.

Demand, the authors posit, depends on people's experiences while making transactions. The key is to keep the customer engaged and satisfied throughout their experience. Recognizing that experience is a crucial layer in a city's economy has led to placemaking strategies in both theory and practice (Florida, 2002; MCA & FRACM, 2006; Markusen and Gadwa, 2010; PPS, 2016) which work well in mid-sized cities with a large labor pool (Grodach and Seman, 2013). For designers and stakeholders in a city, the ideal places that offer unique experiences, or memories that stick for people living in them are in third places. This thesis will investigate this topic by exploring associations between the experience of a coffee shop as a third place, social capital and overall quality of life.

## **Purpose of study**

The purpose of this study is to contribute new knowledge on associations between experiences in third places like coffee shops and the living conditions of its patrons. When broken further, this purpose is three-fold. The first is to explore desirable qualities in the coffee shop experience reported by its patrons in Grand River Avenue corridor, Lansing area, MI. The second is to explore associations between this experience and their social capital in the neighborhood and family settings. The third is to explore associations between qualities within the coffee shop experience (third place) and overall quality of life as reported by its patrons.

# Significance of study

As the mechanics behind the economy are further understood in the literature (Pine and Gilmore, 1999; UN-HABITAT, 2013), there is a need for applying this knowledge on the built environment (Florida, 2002; Markusen and Gadwa, 2010; MCA & FRACM, 2006). While the literature contains a multitude of normative theory which addresses the impact of experiences offered by place on people's living conditions (Oldenburg, 1999; Putnam, 2000; Jacobs, 1992; Brown et al., 2009; Gehl, 2010), there needs to be further studies investigating evidences of these impacts (UN-HABITAT, 2013). This study explored statistical associations between variables measuring the coffee shop experience (Waxman, 2006), social capital (Putnam, 2000; Petrosillo et al., 2013) and quality of life (Marans and Stimson, 2011) using a survey method.

Findings shed light on the value of experiences offered by third places along the Grand River Avenue corridor, Lansing area, MI. From the study, stakeholders could make more informed decisions, for example, results indicate that intangible qualities of the coffee shop experience are significantly associated with factors measuring 12% of the variance in overall quality of life. Stakeholders can act on this knowledge by articulating the atmospheres offered by third places through sensory perceptions and management practices while designing them. Researchers can build upon this knowledge to build statistical models which explain a larger percentage of variance in overall quality of life. Findings from the study contribute new knowledge to ongoing investigations at Michigan State University on the urban environment, evidence-based design, methods that could identify the creative class in the Lansing area, MI, and methods that could measure the

coffee shop experience (third place), social capital and quality of life. Finally, this thesis is a resource guide for further research on the topic.

#### **Problem statement**

Based on the writings of Oldenburg (1999) and Putnam (2000), third places benefit people in many intangible ways. Based on the understanding of the economy's mechanics (Pine and Gilmore, 1999), third places benefit cities and its local economies as well. Therefore, this study explores the role of the coffee shop experience as it relates to social capital and overall quality of life based on Oldenburg's (1999) theory of third place, Putnam's (2000) theory of social capital and quality of life as described by Marans and Stimson (2011), focusing on two coffee shops in Lansing, Michigan.

## **CHAPTER 2: LITERATURE REVIEW**

# Theory

Nearly one century ago, two out of every ten people on this planet lived in cities. This number is expected to increase to seven out of every ten people by 2050. In 2011, for the first time in history, more than five out of every ten people lived in cities. Based on this trend, experts (UN-HABITAT, 2013) believe that cities are a crucial platform for solutions to global challenges today- ranging from issues related to economic activity, infrastructure, and arriving at a sustainable, equitable society with high quality of life. As populations in cities are increasing, researchers have observed a change in the way people live and form households (Pothering, 2014; Florida, 2002). Millennials today choose housing differently compared to previous generations (Pothering, 2014). For the young emerging workforce, this means living close to where they work as well as finding entertainment. So much, that young people have been found to choose the location they want to live in and then find work instead of the other way around (Florida, 2002).

Some cities have thrived by implementing strategies of economic growth geared towards this understanding. This understanding is best articulated by a concept called *The Experience Economy* (Pine and Gilmore, 1999). Pine and Gilmore (1999) posit that in addition to goods and services, experience is a factor that goes largely unrecognized in economics. An analogy they use is of the coffee bean. On its own, coffee can either be classified as a true commodity, goods or service- depending on the manner in which businesses choose to operate. Pine and Gilmore (1999) assessed the price paid for one pound of coffee at a grocery store as a little over \$1 per pound. However, consumers were found to willingly pay between \$2 and \$5 per cup of the same coffee depending on

the ambience in which it is served (p.1). The authors proceed to illustrate several other examples, establishing how experience is a factor in the economy which is not limited to the service sector alone.

Richard Florida (2002) suggests using this knowledge to revive urban areas through placemaking. Placemaking is a strategy for urban growth by designing an experience which fosters creativity offered by place (Florida, 2002). The goal is to use place as a tool which nurtures lifestyles of people who are creative and innovative, a group of people that he calls the *creative class*. The state of Minnesota has included this understanding in their urban development strategy by encouraging growth in its Arts and Culture sector which promote experiences in their cities. The state's Arts and Culture sector generates \$828.5 million in local economies statewide and returns nearly \$11 on each dollar spent in the sector (MCA & FRACM, 2006). From this total, \$352.7 million is on event-related spending alone (pp.3). Minnesota's development strategies, in addition to Grodach and Seman's (2013) longitudinal study and a general consensus among experts (Florida, 2002; Makusen and Gadwa, 2010, PPS, 2016) suggest that the best place to start investigating in the relationship between people and place is the cultural sector. In order to take incremental steps in understanding this relationship, this thesis is grounded in Oldenburg's (1999) theory of third place, Putnam's (2000) theory of social capital and quality of life as described by Marans and Stimson (2011).

Oldenburg(1999) defines a city as mainly comprised of three environments- first place where individuals live, second place where they work and *third place*- where people meet, greet and linger in the spirit of comradery. In his writings, Oldenburg (1999)

describes a third place by highlighting its atmosphere rather than merely its programming. A third place in his view, is one which fosters unlikely social interactions, in addition to interactions with people you already know. While these include commercial businesses, he insists that having third places that can be experienced without spending money is crucial to a vibrant city. Since previous studies on third places, social capital and quality of life are limited at the time in which this thesis is written, the focus of third places in this study is on coffee shops. Relationships that are fostered in third places have an impact on people's daily lives. Putnam (2000) describes the extent of these impacts in his book *Bowling Alone*. He uses typical interactions that occur in a bowling alley (third place) to describe why American civic engagement is declining. Concerned with the shortcomings of suburban America, much like Oldenburg (1999), Putnam (2000) delves into what decreased levels of social interactions could mean to the American society as a whole, pointing to its role in civic engagement within the democratic process. The solution, he suggests, is to increase social capital. Social capital, in its essence, refers to the value of social networks, closely resembling the notion of civic virtue. This entity is shared by the collective, and not owned by any individual in the network. He breaks down social capital into three categories- social linkages, bridges and bonds. The impact of encouraging more social interactions, Putnam (2000) posits, would increase civic engagement, which in turn improves quality of life. This study explores the role of the coffee shop experience as it relates to social capital and overall quality of life.

Defining what 'quality of life' really means to researchers has been debated for nearly half a century (Felse and Perry, 1995). This study is grounded in quality of life as it

relates to place described in Marans and Stimson's (2011) book titled *Investigating Quality of Urban Life: Theory, Methods and Empirical Research*. In their book, the authors define quality of life as the satisfaction an individual receives based on the human and physical conditions in their surroundings. These conditions are scale dependent, which can affect the behavior of economic units (such as firms), groups (such as households) or individual people. Marans and Stimson (2011) derive this definition from research by Mulligan et al. (2004). This study adopted an approach which asks participants to report only their overall quality of life, an approach documented in Marans and Stimson's book as well (2011).

## **Social Capital and Third Place**

The notion of third place nurturing social capital is not new to disciplines in the built environment (Jacobs, 1992; Oldenburg, 1999; Brown et al., 2009; Gehl, 2010). In her book 'The Death and Life of Great American Cities' (1992), the underlying assertion that Jane Jacobs makes is that suburbs are fundamentally different from cities, and in tandem, bigger cities are different from smaller cities. However, she believes that four common factors make healthy cities- concentration, a mix of building ages, small blocks and mixed land use. A large reason why these factors make cities healthy, she posits, is because they promote biking and walking on the street. What results, is a built environment full of life with plenty of opportunity for social interaction. Building on this concept, Gehl (2010) describes a city's public domain- its streets, squares and parks as the catalyst for activities where people meet to exchange ideas, trade or simply relax and enjoy themselves. He asserts the importance of people interacting with each other so there are eyes on the street, which create safe places. Brown et al. (2009) use case

studies to emphasize that desirable built environments are reached when there is a balance between people and place. This balance is elaborated upon by Fernandez (2011) in a study commissioned for a report by UN-HABITAT (2013). Fernandez (2011) found that in Praia, Cape Verde (a city where third places are very scarce), a newly opened, small public square has become a major place for recreation, leisure and socialization despite its reduced dimension. The recurring theme in all of these bodies of literature is that place and people are symbiotic. Building places that bring communities together- in other words, building social capitalmake cities more livable.

In a recent study conducted in New York City, Minkoff (2015) found Neighborhood Quality significantly influences social capital. Neighborhood Quality was operationalized using physical condition, public safety, parks and recreation quality, parks use and farmers market use. When broken down further, parks use and farmers market use also significantly influenced neighborhood discussion and political participation. The study showed that parks use influence social trust, while farmer's market use influence social bonds. This suggests that different third places influence social capital in different ways.

While studying a Chinese Tea Restaurant, Xu et al. (2014) found that a double-servicescape increases social capital among customers. The authors (Xu et al., 2014) describe a double-servicescape as being a combination of a restaurant and tea house owned in the same building and operated by the same management. The research showed that people visit the Tea Restaurant more often with co-workers and friends than with family. Some people linger in the tea house from three hours to the entire day. People reported building interpersonal relationships as being a strong motivating factor

for spending their time in the business. In turn, management report that allowing people to linger increases repeat customers and sales. The success of this business strategy is another example of Pine and Gilmore's (1999) concept of the experience economy. The study (Xu et al., 2014) also found that during weekdays, people visit the tea restaurant more often with friends while during weekends, they visit it more often with co-workers. This suggests that not only does the type of third place matter to social capital, but also the time of day or which day of the week it is used.

# Coffee Shops as a Third Place

The industrialized world has a long standing association with coffee shops. Originally called 'Penny Houses' in 17<sup>th</sup> Century Britain, coffee shops were a place in which people were treated with respect and equality regardless of their socio-economic status. This was at a time where hierarchies and social class were emphasized. Social codes in these places were established so customers would feel comfortable and safe (Desai, 2011). In a study for Starbucks, Clark (2007) found that consumers cared more about feeling a sense of warmth, relaxation and luxury rather than the taste of the product. A cup of coffee was only an entry into the 'coffeehouse scene', where people could find refuge from the world. It is worth noting that in 2004, 42% of adults in the United States aged 18-34 purchased their coffee at a coffee shop with 48% consuming the beverage on the premises (Holmes, 2004).

With regard to place, Waxman (2006) observes that each coffee shop has a social climate and culture which helps shape a sense of attachment in patrons. She found that physical characteristics of the place, philosophy of management, attitude of staff and

characteristics of the patrons all influenced the social climate. Characteristics of place account for cleanliness, pleasant aroma, adequate lighting, comfortable furniture, views, acoustics and music, natural light and appealing décor. Similarly, characteristics of patrons account for ownership, territoriality, trust, respect, anonymity, productivity, personal growth, opportunities to socialize and social support. On a broader note, the study informs designers of a model to adopt while creating places that enhance social capital (p. 50). While the impact of individual characteristics of patrons on the coffee shop experience is relevant to future research, this study focuses on design and the built environment. Therefore, Waxman's (2006) study is used as a foundation to measure the tangible (physical) and intangible (atmospheric) characteristics of the coffee shop experience in the survey instrument (see Appendix).

With regard to the economy, a study by the Small Business Development Center (SBDC) hasshown that in the United States, from 2000 to 2004, fast food chains grew at a rate of 2% per year, while coffee shop chains grew more than 10% annually (Holmes, 2004). This growth has continued despite an uncertain economy. A more recent study by the same organization shows that a little over one-thirds of total coffee consumed is classified as "Gourmet", indicating that coffee is a significant part of people's daily lives even after the recession (SBDC, 2012). Studies in the United Kingdom have shown that coffee shops attract people to downtown areas and nearby businesses (Allegra Strategies, 2010). On a 5-point Likert scale, 74% of local businesses surveyed reported they agree that coffee shops increase vibrancy in their downtown areas. On the same Likert scale, 43% of local businesses agreed that it increases footfall in their businesses, and 65% agreed that it improves economic viability. The study by Allegra

Strategies (2010) suggests that coffee shops hold significance with people and the economy in itself. Business owners have reported (Allegra Strategies, 2010) that this experience, of finding refuge in sipping a cup of coffee (Clark, 2007), does in fact have a role to play in the success of their establishments. This understanding is especially relevant for designers and stakeholders to know in places like Michigan, where harsh winters discourage people from using conventional outdoor third places.

# Social Capital and Quality of Life

Social capital is increasingly being recognized as equally important to its financial, built and human counterparts in economic development (National Statistics, 2001). In Italy, Putnam (1993) conducted a study on social capital between 1970 and 1989 which revealed that strong social networks are responsible for greater performance and efficiency in governance. The Australian Bureau of Statistics have leveraged this understanding through efforts to develop a framework that measures social capital at different scales in the country (ABS, 2002). This suggests that there is interest among policy makers and governance to understand social capital and its impact on society today. For designers, researching evidence on the built environment's associations with social capital could not only aid governments reach their goal, but also initiate an evidence based design approach for cities of the future. The Saguaro Seminar (2003) report states that the benefits of social capital are stronger communities, better child welfare, education, safety, economic prosperity, public health and individual well-being and democracy. This is in strong resemblance to the domains of quality of life (physical, material, social, economic well-being, and development and activity) which are widely agreed upon by experts (Felse and Perry, 1995; Marans and Stimson, 2011). The

literature therefore suggests that analyzing social capital's relationship with quality of life could provide some insight into the overlap between the two metrics which measure impact.

In Malaysia, Hamdan et al. (2014) compared housing neighborhoods of varying densities to check for consistency in social capital. They found that resident demographics influenced social capital and quality of life in each neighborhood. People reported highest social capital with family, friends, colleagues and lastly neighbors. The study revealed involvement in collective action, sense of neighborhood, level of trust and social groups and networking are aspects of social capital that influence quality of life. In India, Karimzadeh et al., (2013) explores people's perception of social capital and its impact on quality of life using a multiple linear regression analysis. They found that social capital- operationalized as social communication, view towards locality, social trust, local solidarity and social participation explained 79% of variance in quality of life, and is positively correlated in all instances. Post-hoc comparison tests revealed that social capital in lower income communities is significantly lower than in middle and higher income communities, which can be attributed to their quality of life. In their study, view about the locality in which they live was the strongest predictor of quality of life (Beta = 0.51), while the weakest predictor was social trust (Beta = 0.08). These findings suggest that a large portion of quality of life is influenced by social capital. The literature also suggest that people's individual outlook plays a key role in this relationship. Since this thesis intends to investigate the role of design in this relationship, the survey instrument (see Appendix) focuses more on design characteristics of coffee shops instead of the individual's outlook.

# **Measuring Social Capital**

Social capital can be defined in a number of ways (Portes, 1998; Coleman 1988, 1990; Bourdieu, 1986; Putnam 2000) however, there is consensus about the concept emphasizing the resources available through social networks, and the ability for society to function effectively as a result of these social connections. This thesis will use the definition by Robert Putnam (2000, 19);

"[while] physical capital refers to physical objects and human capital refers to the properties of individuals, social capital refers to connections among individuals – social networks and the norms of reciprocity and trustworthiness that arise from them. In that sense social capital is closely related to what some have called "civic virtue." The difference is that "social capital" calls attention to the fact that civic virtue is most powerful when embedded in a sense network of reciprocal social relations. A society of many virtuous but isolated individuals is not necessarily rich in social capital."

Social Capital is generally considered as capital belonging to the group rather than the individual. This underlying concept implies two ways in which this entity can be measured, the first is using secondary data which measures the whole and the second is using primary data as a sum of individual responses. This study uses a survey instrument to collect primary data, which aggregates individual responses.

The concept of social capital is rooted in intangibles, which then brings to question how can it be converted into meaningful data. Coleman's (1990) indicators are resources related to personal, family and community dimensions. These indicators include socio-economic status, number of siblings, ethnicity and number of residential moves. Hall (1999) relies on both types of networks for sociability (formal and informal), and the norms of social trust associated with these networks. These indicators include participation in charities as well as informal relationships with friends and neighbors.

Hall (1999) points out that one of the biggest limitations for gathering data is that it relies on voluntary associations, however there may be other trends for participation in which researchers must pay attention. Putnam (2000) operationalizes social capital using three distinct domains- Bridges, Bonds and Linkages. Bridges refers to the density of a network and the ability of people in one network to draw from others. Bonds refers to the internal components of a network (openness, capacity, size and homogeneity). Linkages refers to a particular type of bridging capital, which refers to the links people have with institutions and organizations. In a coffee shop setting, Putnam's (2000) indicators were selected as the most likely framework which would capture social capital's intangibles. This is why the questions posed in the survey focused on perceptions of residents about their community life, reciprocal relationships and interaction with other residents (see Appendix).

# **Measuring Quality of Life**

To Nobel Laureate Amartya Sen, quality of life is determined by the various opportunities open to individuals, and their freedom to choose from these many opportunities (Andrulis et al, 2004). Satisfactory human and physical conditions are scale-dependent and can affect the behavior of individual people, groups such as households and economic units such as firms (Mulligan et al., 2004). In this light, quality of life as it relates to place, is something for designers, planners and stakeholders to consider while making crucial decisions that affect their own lives as well as their communities.

Marans and Stimson (2011) measure quality of urban life using a subjective, objective and integrated approach. A subjective approach is based on primary data collected through sample surveys or interviews. In the survey approach, people's perceptions of quality of life are either measured using a sliding scale between one and ten, or through scaled attributes of domains relating to quality of life. Another is the objective approach, based on analysis of secondary data. Secondary data is derived from official statistical collections such as the census. Domains used to measure quality of life using secondary data are the same as domains used with primary data, however indicators change according to available data. An integrated approach uses primary data to assign weights to secondary data. Since this study investigates associations with the coffee shop experience, social capital and overall quality of life, people were asked to fill out surveys (subjective approach).

Originally gaining interest in the medical sciences, Felse and Perry (1995) review 15 key sources of literature on the domains of quality of life and summarize which of these domains overlap between the literature and which do not. Domains with wide consensus have been grouped under physical, material, social, emotional well-being and development and activities. Figure 2 summarizes dimensions within these five domains. The Economist (2005) use global data to reduce these dimensions into nine key determinants- material well-being, health, political stability and security, family life, community life, climate and geography, job security, political freedom and gender equality.

Researchers have analyzed quality of life in Michigan residents as well. University of Michigan has systematically been collecting data on quality of life since the mid 1970's as part of their Detroit Area Study (DAS) project. Using a data set collected in Metro Detroit at the start of the millennium (the year 2001, when Detroit celebrated its 300th anniversary), Marans and Kweon (2011) designed their study to measure 8 domains of people's daily lives (life as a whole, friends, standard of living, family life, health, leisure, job/school and time to do things). With regard to place, Marans and Kweon (2011) categorized responses in two ways. The first was based on where they lived (Detroit or Metro Detroit). The other was based on three levels of the built environment, which are the individual dwelling, the neighborhood in which the dwelling was located, and the community (city, town, township or village) in which the neighborhood was located. These three levels were considered as additional domains of quality of life in their data analysis. Marans and Kweon (2011) found that people living in areas neighboring Detroit were more satisfied overall compared to people living in the city. Both groups of people, however, were equally dissatisfied when asked about the amount of time available to do things they want to do. The researchers also found that a person's feelings regarding their community and neighborhood is associated with their feelings about the place they live (Marans and Kweon, 2011, p. 172). A multiple linear regression analysis found that domains not related to place (friends, standard of living, family life, health, leisure, job/school and time to do things) taken together account for nearly 75% of the variance in life satisfaction in both Detroiters and people living in the surrounding areas (Marans and Kweon, 2011, p. 173). Over time, people living in Detroit report declining levels of satisfaction in housing, neighborhoods and community.

People living in surrounding areas of the city also report declining levels of satisfaction in the same, but to a lesser extent. The study showed that thoughts about the quality of life in the places they live were likely to influence their decision to move or remain.

Based on the literature there is considerable existing knowledge on third places (Oldenburg, 1999), social capital (Putnam, 2000) and quality of life (Marans and Stimson, 2011) as stand-alone topics. The literature contains analytical studies on third place's relationship with social capital (Minkoff, 2015; Xu et al., 2014; Waxman, 2006), and social capital's relationship with quality of life (Hamdan, et al., 2014; Karimzadeh et al., 2013). However, research analyzing the association between these three entities (the coffee shop experience, social capital and quality of life) in a single data set, is underrepresented. In order to fill this gap, this study moved forward keeping three key research questions in mind;

[RQ1] What are desirable qualities in the coffee shop experience?

[RQ2] How is the coffee shop experience associated with social capital?

[RQ3] What is the role of third places in improving quality of life?

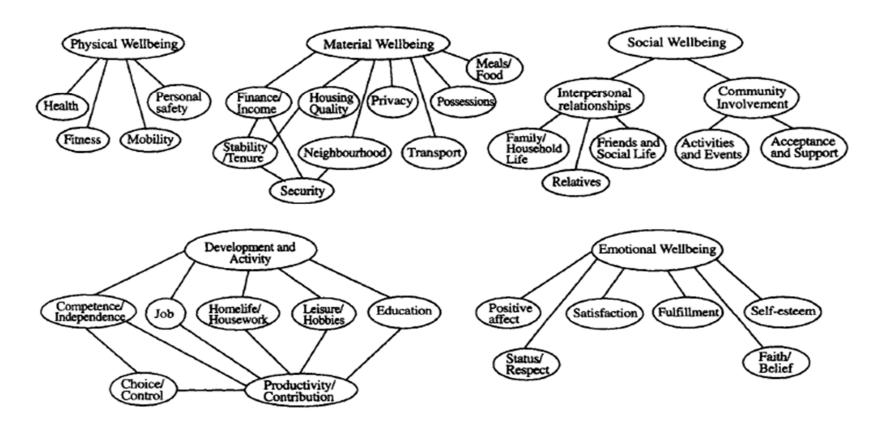


Figure 1: Quality of Life Domains developed by Felse and Perry (1997, p. 61).

#### **CHAPTER 3: METHODS**

# **Sampling And Data Collection Procedure**

Primary data measuring constructs for the coffee shop experience, social capital, overall quality of life and demographic characteristics was collected using a Qualtrics<sup>©</sup> online survey instrument (**IRB Application # i049983**). Participants were selected using a participatory, convenience sampling method. The total sample population (N = 196) consisted of Qualtrics<sup>©</sup> online survey responses collected through tablet PCs at the two coffee shops (N = 87), email lists (N = 48) and Mturks (N = 61).

The two coffee shops were Strange Matter and Espresso Royale located on the Grand River Avenue corridor, Lansing area, MI. Email lists consisted of coffee shop patrons that opted to fill out the survey at a later time and people to whom they forwarded the online survey. Mturks is an online platform to enable researchers to find qualified participants for surveys.

Participants who filled the survey in coffee shops were selected at random. The time in which they were requested to participate was between purchasing a product at the business and settling down at their tables. Participants were approached by the research and were told that the survey was part of a graduate research project at Michigan State University, and were given the survey upon verbal consent. The time in which the researcher was present in each coffee shop was randomly selected. Responses were collected between 9am and 8pm. Responses from email lists and Mturks were filtered, and those filled outside the Greater Lansing area were discarded. An adequate number of responses to apply statistical tests was calculated using the

thumb rule of a minimum of 10 responses to each question (minimum N = 160) (Baker et al., 2013).

# **Research Site**

This study collects data on-site in two coffee shops (Strange Matter and Espresso Royale) located along the Grand River Avenue corridor, Lansing area, MI. Strange Matter can accommodate upto 30 people (Figure 2) while Espresso Royale accommodates upto 80 people (Figure 3).

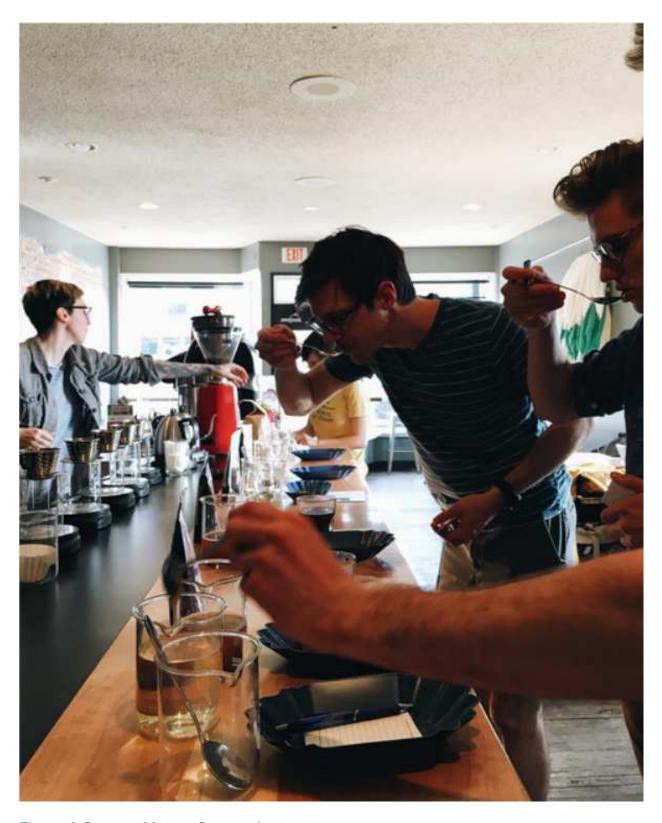


Figure 2 Strange Matter, Source: Instagram.



Figure 3 Espresso Royale, East Lansing Branch, Source: yelp.com.

# **Target population**

The study's target population were coffee shop patrons in two coffee shops (Espresso Royale and Strange Matter) located along the Grand River Avenue corridor, Lansing area, MI. From this target, a convenience sample was selected from three sources. The first was from responses collected in the establishments. Participants were recruited based on the likelihood of receiving responses. This was found to be the time between a patron placing his or her order, and settling down at their tables. The time in which the researcher was present in the establishment was randomly selected. The second source was a list of emails collected from people who were willing to distribute the survey. The third were responses collected at Mturks, an online platform for surveys. All

responses from the second and third source were filtered based on geolocation of the response and whether or not the participant visited the two establishments selected on a weekly basis.

#### **Variables**

In order to measure the experience of a third place (Oldenburg, 1999), the themes which emerged in a previous study on coffee shops was used as a foundation (Waxman, 2006). The variables which emerged for the coffee shop experience were;

- Taste of coffee (ind.)
- Cleanliness (ind.)
- Appealing aroma (ind.)
- Amount of natural lighting (ind.)
- Comfortable furniture (ind.)
- View to the outside (ind.)
- Philosophy of management (ind.)
- Attitude of staff (ind.)
- The presence of other people in the coffee shop (ind.)
- Proximity to home (ind.)
- Proximity to work (ind.)

In order to measure social capital (Putnam, 2000), questions from an instrument used in a previous study (Petrosillo et al., 2013) was used to measure;

- Life in the community (ind.)
- Interactions in the community (ind.)

- Reciprocal relationships in family setting (ind.)
- Reciprocal relationships in neighborhood setting (ind.)

Based on the literature (Marans and Stimson, 2013), participants were asked to report their overall quality of life using a sliding scale.

Overall quality of life (dep.)

#### Instrument

In the survey instrument, techniques such as ensuring anonymity, personalizing lead-in text, visually engaging questions and emphasizing Michigan State University as a legitimate authority carrying out this research were adopted to improve quality of responses (Dillman et al., 2013). Variables operationalizing the coffee shop experience, social capital and overall quality of life were organized into three question blocks (see appendix). Concerning the issue of considering a 5-point Likert scale as a categorical or continuous variable, the highest and lowest value on a sliding scale was represented using text (1=very unlikely, 5=very likely), and intermediate scores were left as only numbers to consider it as continuous. The Qualtrics® online survey was programmed to randomize the order in which variables in each block were displayed to each respondent.

#### **CHAPTER 4: RESULTS**

#### **Descriptive statistics**

The first block of questions operationalized the coffee shop experience based on variables from the literature (Waxman, 2006). Variables measuring the coffee shop experience are *taste of coffee, cleanliness, appealing aroma, amount of natural lighting, comfortable furniture, view to the outside, philosophy of management, attitude of staff, people in the coffee shop, proximity to home, and proximity to work. Participants were asked to rate how important each variable was to them using a 5-point Likert scale, 1 star represented 'not at all important' and 5 starts represented 'very important' (see appendix). Cronbach's \alpha test for reliability was performed, which showed 68% shared correlation between all eleven variables (Table 1). This means the responses to these eleven variables have a 68% chance of repeating. Highest means score was for the variable operationalizing taste of coffee (N = 185, mean = 4.50, SD = .95) and lowest mean score was for variable operationalizing view to the outside (N = 181, mean = 3.17, SD = 1.26).* 

Table 1 Variables measuring the coffee shop experience.

Coffee Shop Characteristics			
Item	N	Mea n	SD
Taste of Coffee	185	4.50	.945
Cleanliness	181	4.30	1.033
Appealing Aroma	182	3.95	1.086

Table 1 (cont'd).

Attitude of Staff People in the Coffee Shop	182 182	3.28	1.232
Proximity to Home	181	3.74	1.281
Proximity to Work	181 <b>Cronba</b>	1.353 . <b>68</b>	

The second block of questions in the survey operationalized *Social Capital* using four key indicators based on the literature (Putnam, 2000; Petrosillo et al., 2013). The questions were designed to measure social capital at both the neighborhood and family settings using a 5-point Likert scale, 1 representing 'very unlikely' and 5 representing 'very likely'. The online survey was programmed to randomize the order in which these questions were displayed to each participant. Cronbach's  $\alpha$  test for reliability was performed, which showed 55% shared variance between all four variables (Table 2). This means the responses to these four variables have a 55% chance of repeating. Highest mean score was for variable operationalizing reciprocal relationships in the family setting (N = 187, mean = 4.28, SD = 1.09) and lowest mean score was for variable operationalizing life in community (N = 168, mean = 2.73, SD = .99).

Table 2 Variables measuring social capital at the neighborhood and family settings.

Social Capital						
Item	N	Mea n	SD			
How likely are you to influence what happens in your neighborhood?	168	2.73	.988			
How likely are you to have an active role in keeping your neighborhood socially connected?	166	2.80	1.178			
How likely would your family help you, if necessary?	187	4.28	1.088			
How likely would your neighbors help you, if necessary?	179	3.39	1.103			
	Cronbach's α					

This study measured quality of life using a single 10-point Likert scale based on the literature (Marans and Stimson, 2011). Participants were asked to report their overall Quality of Life using a sliding bar. An animated thermometer displayed the number (ranging between 1 and 10) in real time (Table 3). Mean score for overall quality of life was 7.85 (N = 184, SD = 1.47).

Table 3 Variables measuring overall quality of life.

Quality of Life							
Item	N	Mean	SD				
Using the sliding bar below, please rate your overall quality of life.	184	7.85	1.469				

#### Factor analysis

In order to explore the three research questions: what are desirable qualities of the coffee shop experience, how is the coffee shop experience associated with social capital, and what is the role of third places in improving quality of life, variables for the coffee shop experience were reduced using factor analysis with varimax rotation by computing mean scores. Four distinct factors emerged from the rotated factor solution, accounting for 62.9% of the variance. Results indicated in Table 4, show that five items loaded on the first factor (Eigenvalue = 2.26, Variance = 20.55%) representing the intangible component in the coffee shop experience. Three items loaded on the second factor (Eigenvalue = 1.94, Variance = 17.62%) representing the *tangible* component in the coffee shop experience. Two items loaded on the third factor (Eigenvalue = 1.4, Variance = 12.72%) representing the *proximity* component in the coffee shop experience. One item loaded on the fourth factor (Eigenvalue = 1.32, Variance = 12.01%) representing the *presence of other people* component in the coffee shop experience. Items were then submitted to a set of four reliability analyses, corresponding with each of the emergent factors. All reliability coefficients greater than .60 were considered satisfactory (Wimmer and Dominick, 1997), thus, items were reduced to factors by computing the mean for each participant.

Table 4 Factor analysis of experience in coffee shops (using Varimax rotation).

Factor Analysis - Coffee Shop Characteristics							
Item	Mean	SD	Factor 1	Factor 2	Factor 3	Factor 4	

Table 4 (cont'd).

Taste of Coffee	4.50	.945	.629	034	038	.158
Cleanliness	4.30	1.033	.680	.286	.071	100
Appealing Aroma	3.95	1.086	.631	.387	.176	111
Amount of Natural Lighting	3.43	1.226	.154	.655	054	.482
Comfortable Furniture	3.76	1.124	.240	.754	.095	326
View to the Outside	3.17	1.255	.055	.796	052	.248
Philosophy of Management	3.53	1.306	.615	.005	.005	.412
Attitude of Staff	4.38	.817	.724	.085	.003	.057
People in the Coffee Shop	3.28	1.232	.104	.085	.000	.813
Proximity to Home	3.74	1.281	003	.175	.827	.130
Proximity to Work	3.65	1.353	.077	174	.815	150
	2.26	1.94	1.4	1.32		
% Variance Explained			20.55 %	17.62%	12.72 %	12.01%
	.70	.69	.54	N/A		

Similarly, questions measuring social capital were subjected to a factor analysis with varimax rotation. Two distinct factors emerged from the rotated factor solution, accounting for 73.62% variance. Results indicated in Table 5, show that three items loaded on the first factor (Eigenvalue = 1.89, Variance = 47.14%), representing social

capital in the *neighborhood* setting. One item loaded on the second factor (Eigenvalue = 1.06, Variance = 26.48%), representing social capital in the *family* setting. All reliability coefficients greater than .60 were considered satisfactory (Wimmer and Dominick, 1997), thus items were reduced to factors by computing mean for each participant.

Table 5 Factor analysis Social Capital in neighborhood and family setting (using Varimax rotation).

Factor Analysis - Social Capital							
Item	Mean	SD	Factor 1	Factor 2			
How likely are you to influence what happens in your neighborhood?	2.73	.988	.877	001			
How likely are you to have an active role in keeping your neighborhood socially connected?	2.80	1.178	.887	091			
How likely would your family help you, if necessary?	4.28	1.088	043	.944			
How likely would your neighbors help you, if necessary?	3.39	1.103	.572	.399			
	1.89	1.06					
% V	47.14%	26.48%					
	Cronb	ach's α	.69	N/A			

Table 6 illustrates descriptive statistics for the reduced factors CS\_intagible (N = 185, mean = 4.14, SD = .70) representing intangible qualities of the coffee shop experience, CS\_Tangible (N = 182, mean = 3.46, SD = .95) representing tangible qualities of the

coffee shop experience, CS\_People (N = 182, mean = 3.28, SD = 1.23) representing the presence of other people in coffee shops, SC\_Neighborhood (N = 183, mean = 2.96, SD = .85) representing social capital in the neighborhood setting, SC\_Family (N = 187, 4.28, 1.09) representing social capital in the family setting and QOL\_overall (N = 184, mean = 7.85, SD = 1.47) representing overall quality of life.

Table 6 Reduced factors representing the coffee shop experience, social capital and quality of life.

Factors							
Item	N	Mean	SD				
CS_Intangible <sup>a</sup>	185	4.14	.707				
CS_Tangible <sup>a</sup>	182	3.46	.949				
CS_People <sup>a</sup>	182	3.28	1.232				
SC_Neighborhood <sup>a</sup>	183	2.96	.852				
SC_Family <sup>a</sup>	187	4.28	1.088				
QOL_overall <sup>b</sup>	184	7.85	1.469				
<sup>a</sup> 5-point Likert scale, <sup>b</sup> 10-point Likert scale							

### **Correlation analysis**

In order to answer the research questions of this study, factors *CS\_Intangible*, *CS\_Tangible*, *CS\_People*, *SC\_Neighborhood*, *SC\_Family* and *QOL\_overall* were subjected to a correlation analysis. Table 7 shows a moderate correlation between

intangible and tangible qualities of the coffee shop experience (r = .42). Results also indicate a low positive correlation between the intangible qualities of the coffee shop experience and the presence of other people in coffee shops (r = .213), as well as social capital in the neighborhood setting (r = .165). In addition, results indicate a low positive correlation between tangible qualities of the coffee shop experience and the presence of other people in coffee shops (r = .212), as well as social capital in the neighborhood setting (r = .205). Simultaneously, results indicate a low positive correlation between social capital in the neighborhood setting and overall Quality of Life (r = .274). Further inference from results indicate a negative low correlation between social capital in the family setting and the presence of other people in coffee shops (r = .157).

Table 7 Correlation Analysis of reduced factors showing Pearson's coefficient.

	Item	1	2	3	4	5	6
1	CS_Intangible	1					
2	CS_Tangible	.420**	1				
3	CS_People	.213**	.212**	1			
4	SC_Neighborhood	.165*	.205**	.063	1		
5	SC_Family	038	.064	157*	.066	1	
6	QOL_overall	.130	.072	.080	.274**	.058	1

#### Multiple linear regression analysis

In order to investigate the strength of these relationships, factors were then subjected to a multiple linear regression analysis. Independent variables in the model were

CS\_Intangible, CS\_Tangible, CS\_People, SC\_Neighborhood, SC\_Family, *gender*, *employment status*, *household income* in 2014, and *frequency of visits* to a coffee shop in a week. The dependent variable in the model was overall *quality of life*. The multiple linear regression model was statistically significant, R = .412, adjusted  $R^2 = .121$ ,  $F_{(9, 153)} = 3.48$ , p = .001, explaining 12% of the variance in overall quality of life (tables 8 and 9). A test for multicollinearity was also performed. The lowest VIF value was VIF = 1.031, and the highest value was VIF = 1.320, both well below the cut off of VIF >= 10 (Eye & Schuster, 1998) indicating that there is no multicollinearity between variables in the regression model.

Table 8 Model summary of multiple linear regression analysis.

Model	R	R Square	Adjusted R Square	Std Error of Estimate
1	.412	.17	.121	.89119

Table 9 Degree of freedom and statistical significance of multiple linear regression analysis.

ANNOVA <sup>a</sup>									
Model		Sum of Squares	df	Mean Square	F	Sig.			
1	Regression	24.88	9	2.76	3.48	.001 <sup>b</sup>			
	Residual	121.52	153	.794					
	Total	146.39	162						

<sup>&</sup>lt;sup>a</sup> Dependent Variable: QOL\_overall

Results (table 10) showed that social capital in the neighborhood setting ( $\beta$  = .25, t = 2.99, p = .003) shared the strongest association with overall quality of life, followed by intangible qualities of the coffee shop experience ( $\beta$  = .177, t = 2.124, p = .035) and

<sup>&</sup>lt;sup>b</sup> Independent Variables: CS\_intangible, CS\_tangible, CS\_People, SC\_Neighborhood, SC\_Family, Gender, Employment\_Status, Income, CS\_frequency.

gender identity ( $\beta$  = -.159, t = -2.01, p = .047). Tangible qualities of the coffee shop experience ( $\beta$  = -.06, t = -.67, ns), the presence of other people in coffee shops ( $\beta$  = .10, t = 1.27, ns), social capital in the family setting ( $\beta$  = .06, t = .84, ns) as well as other demographic variables (income, employment status and frequency of visits to a coffee shop) did not have a significant association with overall quality of life in this statistical model.

Table 10 Coefficients for multiple linear regression analysis.

	Coefficients <sup>a</sup>									
Мо	del	Unstand ardized B	Coefficie nt Std. Error	Standardized Coefficient Beta	t	Sig.	VIF			
1	(Constant)	.109	.359		.305	.761				
2	CS_intangible	.168	.079	.177	2.124	.035*	1.274			
3	CS_tangible	054	.080	057	672	.503	1.320			
4	CS_people	.095	.074	.100	1.274	.205	1.130			
5	SC_neighborh ood	.240	.080	.247	2.993	.003**	1.258			
6	SC_family	.060	.071	.064	.844	.400	1.054			
7	Gender	281	.140	159	-2.006	.047*	1.162			
8	Employment_ status	.033	.022	.115	1.466	.145	1.135			
9	Income	.051	.031	.136	1.664	.098	1.230			
10	CS_frequency	061	.074	062	832	.407	1.031			

<sup>&</sup>lt;sup>a</sup> Dependent Variable: QOL\_overall, \* p<= .05, \*\* p<= .01.

#### **CHAPTER 5: DISCUSSION AND LIMITATIONS**

#### **Discussion**

What are desirable qualities in a coffee shop experience?

Results show that factors representing intangible and tangible qualities of the coffee shop experience are positively correlated (r = .420) with each other (table 7). These results mean that the experience offered by coffee shops, which are unique to its place, are codependent on the way in which it was designed and managed. Intangible and tangible qualities are also positively correlated with the presence of other people in coffee shops, indicating that other people present in the place are an important part of this experience.

In addition, the analysis reveals a significant correlation between intangible (r = .17) and tangible (r = .21) qualities of the coffee shop experience, and social capital in the neighborhood setting (table 7). This means that each time a participant reported high values on the two qualities of the coffee shop experience, they also reported high values on the latter. This pattern indicates that places which are designed and managed to initiate social interactions have the potential to be successful with patrons. Design interventions could be as simple as placing a large bench and table in places where they are separate, or encouraging play in the space. For design researchers, these results indicate that people who are part of reliable, reciprocal social networks value their third place experiences. Table 10 shows that intangible qualities have a significant relationship ( $\beta$  = .177, t = 2.124, p = .035) with overall quality of life when subjected to a multiple linear regression analysis. This indicates that third places like coffee shops, which offer pleasant sensory experiences outside the home and work environment play

a role in overall quality of life. However, tangible qualities ( $\beta$  = -.06, t = -.67, ns) did not have a significant relationship with overall quality of life. For designers, this indicates the need to explore the impact of design elements in a place on the experience offered by it. A further in-depth investigation using a more robust process of collecting and analyzing the data can reveal more insight.

How is the coffee shop experience associated with social capital?

When factors were subjected to a correlation analysis, patterns which emerged between the qualities of the coffee shop experience (intangible and tangible) and social capital were different in the neighborhood and family settings. In the neighborhood setting, the analysis showed a significant positive correlation between tangible (r = .17) and intangible (r = .21) qualities of the coffee shop experience. In the family setting, both intangible and tangible qualities of the coffee shop experience did not have significant correlations with social capital. This means that coffee shop patrons may be visiting these businesses, in part, to make up for gaps in family networks. Another reason to suggest this is the negative correlation between social capital in the family setting, and the presence of other people in coffee shops (r = -.16). This pattern showed that each time a respondent answered with low values on the first (social capital in the family setting), they consistently also reported high values on the latter (presence of other people in coffee shops). Enhancing opportunities for social interactions in the coffee shop experience could lead to increased social capital overall. When subjected to a multiple linear regression analysis, factors representing social capital in family setting did not have a statistically significant association with overall quality of life in this model (table 10).

What is the role of third places in improving quality of life?

When factors were subjected to a multiple linear regression analysis, three factors (intangible qualities in the coffee shop experience, social capital in the neighborhood setting, and gender identity) emerged as having a statistically significant association with overall quality of life (table 10). To designers, these findings offer valuable insight into the experience people are looking for in place. While conceiving a place, designers tend to overlook the needs of their end user (Cutler, 2007). This statistical model shows that quality of life is impacted by the sensory elements offered by place, the feeling of being part of a reciprocal network of people, as well as their gender identity. Design solutions can react by being sensitive to those needs. For example, simply knowing that men, women and gender non binary people perceive their quality of life in ways that are different from each other can result in accommodating a variety of design elements offered in the built environment to which each can relate. An example of this difference is the impact of gaze experienced by the different genders on the choice of place (Low. 2006). If place is imagined as a safe platform to form new relationships, or strengthen already existing ones, design can foster its quality of life. An example of interventions in design is through adequate lighting design and placement of furniture (Brawley, 2009; Alexander et al., 1977). Results from this study also show that places which offer pleasant impressions (cleanliness, aroma, and sound treatment of the customer by staff) impact people's quality of life. These findings urge designers and stakeholders to articulate place beyond its mere physical appearance (Oldenburg, 1999; Putnam; 2013, Marans and Stimson, 2011; Jacobs, 1992; Brown et al., 2009; Gehl, 2010; Waxman, 2006; Minkoff, 2015; Fernandez, 2011; Clark, 2007).

#### Limitations

As this study was intended to be exploratory using a survey method, a convenience sample was chosen. While a convenience sample offers insight into associations, it is only a snapshot of a section of people that is not fully representative of people's experiences who live in this city. People who filled out the survey in coffee shops mostly entered the business alone, and were approached by the researcher between purchasing coffee and settling down on their tables. This excludes people who were otherwise engaged at the time in which data was collected. The survey instrument, however, was designed to measure their responses based on the general idea of what a coffee shop means to them (see Appendix). In addition to this sample, the Qualtrics<sup>©</sup> survey was sent online to participants in email lists and Mturks. Responses from Mturks, which is an online platform for distributing surveys, were filtered so that those only from within the Greater Lansing area were included. The mixture of these samples could therefore influence results. A further limitation is in the study's design. Data was not collected from randomly selected participants in the area, and therefore does not account for the coffee shop experience in the overall quality of life of people who are not patrons.

Another focus would be the survey method itself. While questions within each block (Appendix) were randomized, the sequence of blocks could not be randomized by Qualtrics<sup>©</sup>, the software used to design it. The survey length was between 5 and 10 minutes, therefore constructs such as Social Capital and Quality of Life could not be operationalized in greater detail. To accommodate for this, questions were based on previous literature. The small sample size made analysis using additional demographic

factors (age, race, occupation) not possible. Since the study was not carried out in a controlled environment, other confounds could exist in the atmosphere while data was being collected, attitudes of people before entering the coffee shop and their willingness to be completely involved in survey questions. To accommodate for this, data was collected at all times of the day.

In addition, this regression model accounts for only 12% of the variance in overall quality of life. The way in which the instrument was designed is a strong possibility for the low adjusted R square value. The literature always operationalizes quality of life under different domains depending on the source. This instrument poses one question about people's overall quality of life (dep.), but fails to follow up with questions on material well-being (ind.), health (ind.), political stability and security (ind.), family life (ind), community life (ind.), climate and geography (ind.), job security (ind.), political freedom (ind) and gender equality (ind.) (The Economist, 2005). The lack of follow up questions measuring these nine independent variables could be the reason why variables such as income and employment do not show statistically significant associations with overall quality of life in this multiple linear regression model.

#### **Future research**

An immediate step for future research would be to use the same venues to collect data using random sampling on business types that would be appealing complementary experiences to people, offered within the city's built environment. Results do not indicate a significant relationship between the presence of other people in coffee shops and social capital in the neighborhood setting. Future research could investigate what

these businesses mean to people living in the neighborhood. Another factor that did not indicate any significant relationships is the proximity of coffee shops. Future research could investigate what obstacles lie in making these places accessible to people by walking or biking. Future research could also operationalize Quality of Life in greater detail in order to analyze specific characteristics in their daily lives that are related to third places. Finally, a study design which collects data in a controlled environment, with randomly selected people who are patrons as well as non-patrons can reveal generalizable results explaining the impact of the coffee shop experience on overall quality of life. This study can extend to the various types of third places available in the urban environment.

#### **CHAPTER 6: CONCLUSION AND IMPLICATIONS**

#### Conclusion

The recent trends of rapid urbanization all around the world offers designers immense opportunity. The results of this study indicate that designers in the built environment have to accommodate for the intangible qualities of the experience offered by third place in their design process. For stakeholders in the Lansing area, results indicate that third places like coffee shops might have associations with overall quality of life, however, further studies are recommended to obtain generalizable findings. The negative correlation between social capital in the family setting and overall quality of life indicates that people might be visiting coffee shops in the hope of strengthening their social networks. For stakeholders in the Lansing area, this could mean increasing the different types of third places in the city. This is especially useful knowledge to stakeholders in the area, given the large pool of talent living in the city (Etzcorn and Tobocman, 2016). In conclusion, third places in built the environment like coffee shops, play a significant role not only in forming and strengthening social networks, but also overall quality of life in coffee shop patrons.

#### **Implications**

The key findings in this study show that places where people meet, greet and linger called third places, social capital and quality of life have statistically significant associations. In the grand scheme of things, these relationships trigger the need to investigate some bigger concepts. Based on what experts believe (UN-HABITAT, 2013), the current metrics which measure success, which is GDP- most notably changes in jobs and growth, have been ineffective in steering the world toward an

equitable, sustainable society which enjoys high quality of life. This idea of consumption being a strong indicator of progress was disturbed after November 21st 2008, the day the stock market crashed triggering the recession. Spending patterns in conventional markets post-recession suggest that people don't look for quality of life through the simple act of buying, which elicits the need for further investigation. The strongest evidence of this need as it relates to place is further confirmed with the built environment's marketplace. Home ownership in the United States has decreased while occupancy rates still remain high. The United Nations report (UN-HABITAT, 2013) posits that if we are to avoid a repetition of the recession, an effective way to move forward is to measure progress by what the organization calls the *prosperity index*. They define the prosperity index as measuring progress on five key categories- productivity, infrastructure, sustainability, equity and quality of life. This study contributes to new knowledge on the associations of quality of life as it relates to place, with social capital and third place.

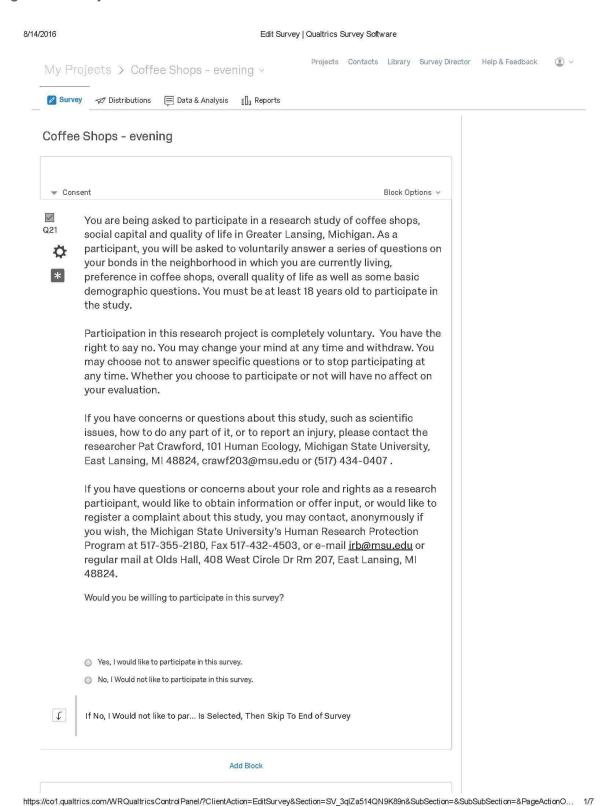
The relevance of this knowledge is further understood by advancements in the discipline of economics. It was just a few decades ago when theorists considered people an externality in the activity of buying and selling goods and services. Once that lack of consideration was reverted, experience became another layer added to the economy's mechanics which helped explain, and even to some extent predict, the market's dynamics. Grodach and Seman's (2013) study which investigated the health economies in cities across the nation after the recession attest to this understanding. This is why quality of life, social capital and third place having significant associations is relevant. Where there are people, there will always be activity. If people are present in

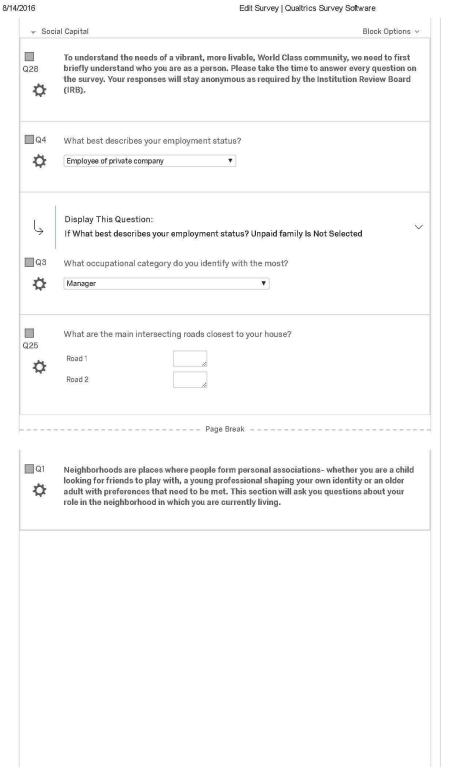
the right numbers, have talent for innovation and have diverse interests and outlooks, their activity could ultimately shape a more robust economy. A place of vibrancy, as a result of development informed by evidence-based design, attracts further talent from all around the world. In addition to all of this, if the world does evolve from the conventional GDP metric into the prosperity index, this study can act as a resource to continue research on the built environment's impact on quality of life.

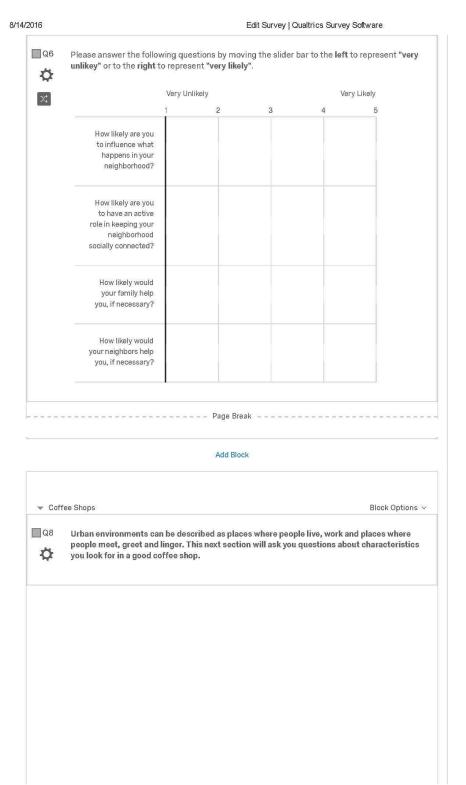
For the community living in the Tri-County Area, Michigan, understanding associations between third places, social capital and quality of life can inform how the city is shaped so it is more attractive to its professionally trained yet transient student population. The key, which Pine and Gilmore (1999) mention in their writing, is to keep people engaged and satisfied in a healthy way during their experience here. Data collected at Strange Matter and Espresso Royale, along the Grand River Corridor, Tri-County area, Michigan, suggests that these are places where people foster social networks and their quality of life. This inference brings to light the need for doing regular market research, as well as life satisfaction surveys in the city's target population. Furthermore, this study can be the stepping stone to Michigan State University's partnership with local stakeholders in order to make this city more appealing to talent from outside and Michigan's youth, encouraging them to lay down their roots, engage with the city's local communities and contribute to a shared sense of quality of life.

**APPENDIX** 

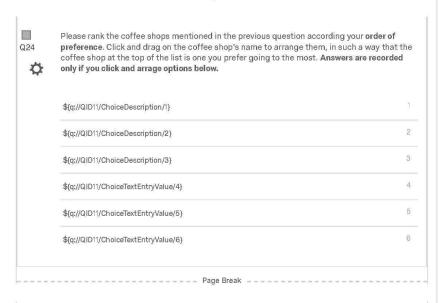
Figure 4 Suvey Instrument



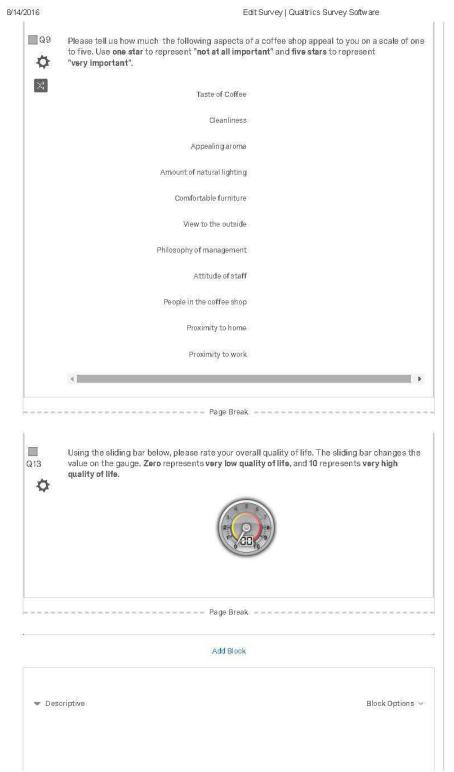




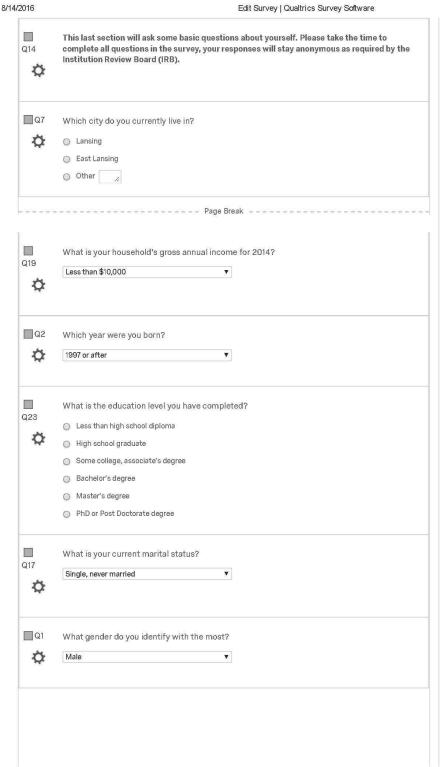
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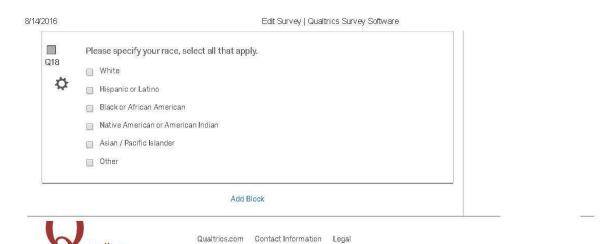
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