

Final Report:
What New Retail For Orinda?
Orinda Chamber of Commerce Project

Saint Mary's College, Executive M.B.A. - Marketing Research

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Prepared for: Orinda Chamber of Commerce

15 December 2016

Executive Summary

As acting consultants to the Orinda Chamber of Commerce (OCC), our research aimed to answer the question, “Would the residents of Orinda support the development of the downtown area and if so, what types of businesses?” After identifying our research objectives, we completed Phase 1 of our research project, which consisted of secondary research, several in-depth interviews, and one focus group.

At the completion of Phase 1, we were able to conclude that the majority of the Orinda residents we spoke with were open to development of the downtown area of Orinda, specifically a high-end, independent grocery store, and improved downtown parking.

Phase 2 of our research consisted of a survey on online-survey platform Gizmo, of which we garnered 420 responses. Phase 2 aimed to build on the qualitative data we gained in Phase 1, and drill down into the specifics of, among other inquiries, the grocery stores Orinda residents prefer and shop at the most, what specific type of restaurants they would like to see enter into Orinda, if any, and what they would most like to propose as a solution to the existing downtown parking challenge.

Our findings for Phase 2 supported the key takeaways from our Phase 1 research, particularly regarding the key topics of grocery and parking.

Based on Phase 1 and Phase 2 of our research, our recommendation is to expedite the entry of an independent grocery store into the downtown area of Orinda. We also recommend that the city move forward with further research and development of a downtown parking structure, and in the meantime, add a BART shuttle for commuters, to enhance the number of parking spaces and combat the current parking challenges faced by Orinda residents. Not only would these

improvements bode well for the economy of Orinda by keeping grocery shopping in the town itself, but improved parking would encourage Orinda residents to frequent the downtown area, further increasing not only community involvement, but the support of local business and the moral of residents as a whole.

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Introduction & Background

The Orinda Chamber of Commerce (OCC) brings together small business professionals including those who work in retail, restaurants, real estate and finance, and medical practices. Their mission is to support the needs of the local businesses.

Based on a previous survey that was conducted in 2012 (see Appendix C), Orinda residents have differing appetites regarding the development in downtown Orinda. The OCC has tasked our Saint Mary's College Graduate Class with determining what type of retail businesses Orinda residents would support, and how residents feel about developing downtown Orinda. Phase 1 of our research gave us a good understanding in terms of the preference of businesses to enter Orinda in a broader term, so for the second phase of our research, our objectives were to drill down on our findings. Our research objectives for Phase 2 included how to address challenges that were uncovered in Phase 1, as well as quantifying the desire for a new grocery store versus other types of business and what those other types of business may be. Our specific clients are Sophie Braccini, the Executive Director of the OCC, and Roy Hodgkinson, the President of the OCC.

Methodology

Sampling Technique

Much like Phase 1 of our research, our sampling technique aimed to reach the same target group: Orinda residents. Although our target research group is a relatively small population, we still found that we able to collect a good number of responses. We were able to secure 426 completed surveys - 15% more than our sample size estimation of 369 responses.

Data Collection

We ran our survey on the platform Survey Gizmo, which allowed us to limit responses to one per computer.

Survey Questionnaire & Measurement

For our Phase 2 research, our main objectives were to quantify our learnings in Phase 1. We heard consistently in Phase 1 that Orinda residents were interested in an independent grocery store. In Phase 2, our group set out to determine whether this was true for Orinda residents as a whole, or just the small group we spoke with in Phase 1. Another of our research objectives in Phase 2 was to better understand which grocery stores Orinda residents currently prefer, and where they do their shopping. We also wanted to understand what solutions residents would recommend to solve the downtown parking challenge that was uncovered in Phase 1. Lastly, we wanted to understand the demographics of the survey respondents in terms of age, income and type of household, and determine whether or not that could give us any insight into resident preferences.

Analysis Procedure

To analyze the data we received from respondents, we used IBM's SPSS statistics software. With the help of this software we were able to aggregate responses to acquire descriptive statistics and determine the frequencies for our survey questions. We were able to find correlations between some of the responses we received from one question to other questions in the survey and see occurring trends within the total respondents from Orinda. We also ran cross tabs to see how different demographics shopped, ate, and overall supported new businesses in Orinda. Finally we ran T-tests to determine if the findings of our average response to our questions were significant.

Findings and Limitations

The Orinda Chamber of Commerce asked us to determine the demographics of patrons who shopped, ate, and lived in Orinda. The average respondent was between the ages of 51 and 65 years old and has spent between 11-20 years living in Orinda. The average respondent also lives and owns a single family home in Orinda. One thing we noted was just how similar the population of Orinda is. Almost 96% of respondents were over 35 years of age. This doesn't suggest that Orinda's demographics are heavily skewed to older age groups. It simply suggests that the main outreach programs, subscribers of Orinda Outlook, and the City of Orinda's e-newsletter likely came from a similar demographic of Orinda's population.

The OCC was also interested in knowing some of the shopping and eating habits of their respondents. We asked respondents how many time per week on average do they eat out in Orinda (see Appendix B). Almost 30% of respondents said they did not eat out in Orinda. 62% of respondents said they only ate 1-2 times a week in Orinda while less than 8% of the survey population ate out more than 2 times per week. Of those that go out to eat in Orinda, 82% said they frequented casual restaurants, 52% said they frequented coffee shops and 48% selected lunch spots as one of their eating spots.

We also asked respondents to select from a list of establishments where they currently shop for goods in Orinda (see Appendix B). Pharmacy stores, with over 81% of respondents selecting this option, had the highest percentage frequency followed by hardware stores at 66% and "Other" at 41%. We asked respondents to write in their definition of "Other" and most respondents considered grocery stores as part of the question that we asked. Finally we asked respondents which services they currently patron in Orinda from a list of suggestions (see

appendix). 75% of respondents said they banked in Orinda, 67% went to the theater in Orinda, and 46% of respondents visited some type of medical practice.

Respondents were asked to choose between different types of new business to enter Orinda. One of the overwhelming responses to this question was the independent grocery store. 72% of all respondents agreed that they wanted a new independent grocery store in Orinda. Of those, the majority have been residents for over 20 years, and shop in Orinda 1-2 times per week. The OCC also asked us to rank grocery stores from a list including Trader Joe's, Diablo Foods, Safeway, Andronico's and Whole Foods. We asked respondents to rank them from most desirable to least desirable, with 5 being the more desirable grocery store, and 1 being the least desirable. By summing all the points a grocery store received between all the respondents, we were able to determine how each grocery store stacked up against one another. With a score of 1339 (the sum of all point scores), Trader Joe's was determined to be the highest ranked grocery store while Safeway's 525 score was the least popular. Over 63% of respondents chose Trader Joe's as one of the top choices of grocery store while over a third of respondents chose Safeway as one of the lower rankings. Being in between the most preferred and least, with a score ranging from 1134 to 1164 total points, there was no significant preference with Whole Foods, Andronico's, or Diablo Foods.

In regards to the parking problem identified in Phase 1 of our research, we asked respondents to indicate on a scale from strongly disagree to strongly agree, their opinion on the statement, "Parking is a problem in downtown Orinda." Of our 420 respondents, 58% claimed they agreed or strongly agreed that parking was a problem. Of those respondents that agreed, 13% of respondents had identified themselves as never shopping in Orinda while 33% of these respondents shopped 1-2 times per week. 18% of respondents who believed parking was a

problem claimed to never eat in Orinda while 35% claimed to eat in Orinda 1-2 times per week. This suggests that it is not only heavy frequenters of the downtown area that are affected by minimal parking.

As a follow up question, we provided a list of potential parking solutions, and asked respondents to check all that they would support. The options included adding a downtown parking structure, increasing enforcement of existing parking, adding shuttle rides for BART commuters, and adding reserved employee parking. The most popular options had 50.3% of all respondents supporting the addition of a downtown parking structure, and 53% supporting the addition of shuttle rides for BART commuters. Some of the write-in suggestions responders shared were restricting BART commuters from parking in Theater Square and residential areas, shortening the 4 hour parking limits to 2 hours, and getting BART to create more parking structures for its commuters. Many respondents were also concerned with the addition of parking meters in the downtown; respondents were vehemently against it.

Correlations

We were able to find significant correlations with some of the respondent demographics with the overall opinions to develop trends within the respondent population (see appendix). It is no surprise that respondents who were from older age groups tended to have lived longer in Orinda (Correlation +0.66**). There largest trends we found were from comparing age group (and very similarly, the length of residence in Orinda) with other questions in our survey. The older you were the less likely you were to support new business entering Orinda (Correlation - 0.127*). Interestingly, the older age groups tended to support new restaurants entering Orinda (Correlation +0.230**). There was also a correlation with Older shoppers spending more time shopping in Orinda (Correlation 0.186*). Lastly, the older your age group the more you tended to

agree with the statement “Parking is a problem” (Correlation 0.194**) There were also other insights we determined from our analysis. Respondents that ate out more in Orinda also tended to shop more (correlation 0.269**) and support new business entering Orinda (0,135*). Although 92% of respondents supported new businesses entering Orinda, 8% were against it. It was interesting to learn however that 45% of those that were against new businesses (roughly 4% of total respondents) also claimed that they do not shop or eat in Orinda.

Conclusions and Recommendations

In conclusion of both the qualitative Phase 1 of our research and the quantitative Phase 2, the response to new retail entering into Orinda was overwhelmingly positive. While there are certainly hesitations around new businesses coming in and squeezing out older, beloved coffee shops and restaurants, and an increase in the already-difficult parking downtown, most of the people we surveyed and spoke with felt that there is space which is underutilized in Orinda and could be bettered by new retail spaces. They also felt that bringing new business into Orinda would help to increase the “village feel” by encouraging residents to spend more time out and about, shopping in the downtown area, instead of leaving Orinda to shop in Moraga or Lafayette.

In our Phase 1 Focus Group, nearly everyone mentioned wanting some sort of independent grocery store, while also expressing their dislike of Safeway. Through our survey in Phase 2, we were able to confirm that many Orindans feel this way. Nearly one third of the survey respondents identified Safeway as their least favorite grocery store, and almost 80% would like to see a new independent grocery store in Orinda.

Something we found surprising in Phase 2 was that when we asked Orindans what type of new business they’d like to see enter into Orinda, more people answered “New Restaurants”

than “Independent Grocery Store” (which was the second most popular.) This, coupled with the fact that Orindans do not frequently eat out, creates an excellent opportunity.

87% of respondents said “Yes” when asked if they would like new restaurants to enter into Orinda, and only 30% of respondents do not eat out in Orinda, and 62% eat out only once or twice per week.

These findings present a huge option for other services to enter into Orinda, and we’d like to offer the following recommendations:

Recommendation #1

Add a new, casual and family-oriented restaurant to the downtown Orinda area. Orindans seem to value independent over chain establishments, and a new restaurant would likely encourage residents to spend more time in the community, spend more money in Orinda, and of course, eat out more frequently.

Recommendation #2

Expedite the entry of a new grocery store into Orinda. Trader Joe’s was identified as the most favorite grocer among Orindans, followed by Diablo Foods, and again, Safeway is the least liked. Bringing a new grocery store into town would encourage Orinda residents to shop in Orinda instead of Lafayette or Moraga, furthering improving both the economy of Orinda and the “village feel” of the community.

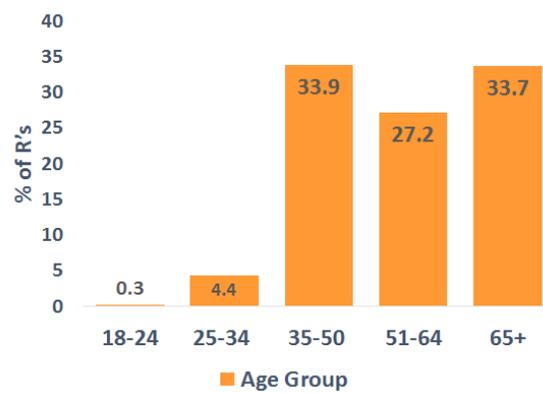
Recommendation #3

Add shuttle rides for BART commuters and add a downtown parking structure. To encourage more people to come to Orinda and also to encourage more Orinda residents to shop downtown, a parking structure would be a welcome solution and was identified by our survey as the option that most Orinda residents would support.

These recommendations would improve not only the economy of Orinda by encouraging residents to shop within the town, but it would also add to the ‘village’ and community feel that Orinda values.

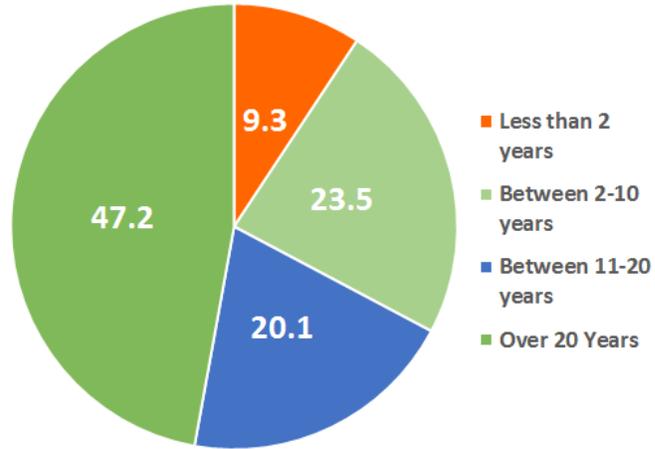
Appendices

Percent of respondents in each age category



| Age Group | Percent | Count |
|-----------|---------|-------|
| - | 0.5% | 2 |
| 18-24 | 0.3% | 1 |
| 25-34 | 4.4% | 17 |
| 35-50 | 33.9% | 132 |
| 51-64 | 27.2% | 106 |
| 65+ | 33.7% | 131 |

Years respondents have lived in Orinda



What type of residence do you currently live in?

| Type of residence | Percent | Count |
|--------------------|---------|-------|
| Single family home | 97.4% | 378 |
| Multi-Family | 0.5% | 2 |
| Apartment | 0.5% | 2 |
| Condominium | 1.0% | 4 |
| Other - Write In | 0.5% | 2 |

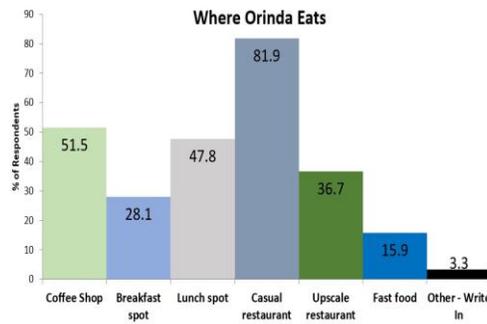
Do you currently own, rent, live with family or other?

| Value | Percent | Count |
|------------------|---------|-------|
| Own | 93.0% | 360 |
| Rent | 5.9% | 23 |
| Live with family | 1.0% | 4 |

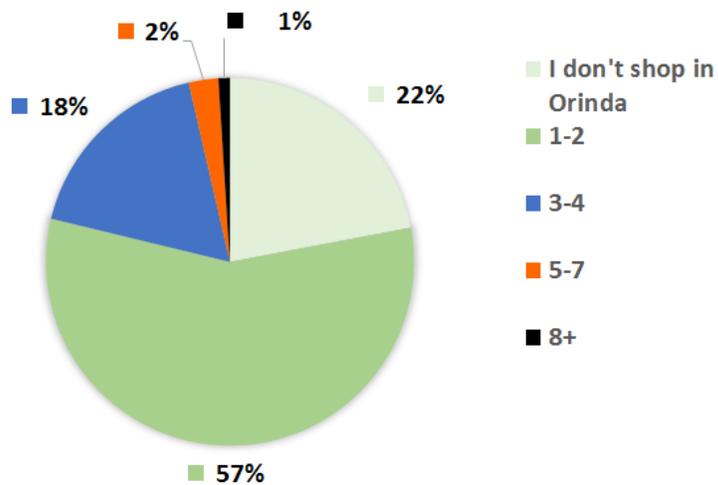
How many times on average respondents eat out in Orinda

| Eat out / week | Percent (%) | Count |
|-----------------|-------------|-------|
| I don't Eat Out | 30 | 112 |
| 1-2 | 62 | 233 |
| 3-4 | 7 | 27 |
| 5-7 | 1 | 3 |

Percent of respondents that shop at common eateries in Orinda



How many times per week do you shop in Orinda?



Where do you currently shop for goods in Orinda?(choose all that apply)

| Good Establishment | Percent | Count |
|-----------------------------|---------|-------|
| Boutique clothing stores | 6.3% | 19 |
| Jewelry | 6.6% | 20 |
| Gifts | 22.4% | 68 |
| Books | 35.6% | 108 |
| Pharmacy | 81.2% | 246 |
| Hardware | 65.7% | 199 |
| Other - Write In (Required) | 41.3% | 125 |

What services do you currently shop for in Orinda (choose all that apply)

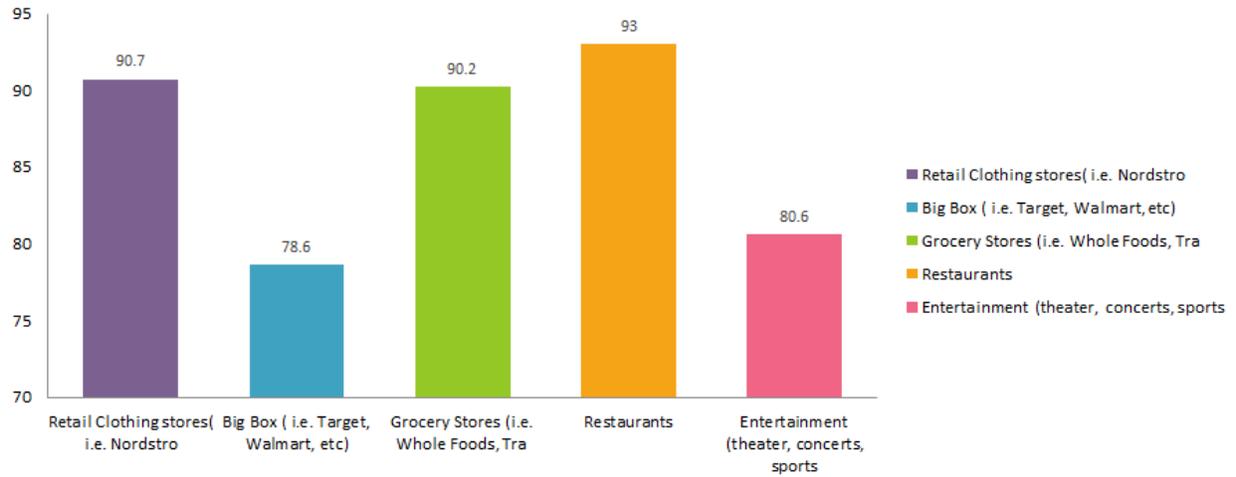
| Business | Percent | Count |
|----------------------------|---------|-------|
| Banking | 74.8% | 228 |
| Insurance | 6.2% | 19 |
| Theater | 66.6% | 203 |
| Dentist | 41.6% | 127 |
| Medical Practice | 45.9% | 140 |
| Hair Salon/ Barber Shop | 26.9% | 82 |
| Nail and Spa | 29.2% | 89 |
| I do not shop for services | 2.0% | 6 |

Rank the following grocery stores from top to bottom, with the top being the grocery store you prefer to shop at the most, and the bottom your prefer the least

| Overall Rank | Item | Score | Total Respondents |
|--------------|--------------|-------|-------------------|
| 1 | Trader Joe's | 1,339 | 361 |
| 2 | Diablo Foods | 1,166 | 339 |
| 3 | Safeway | 1,165 | 369 |
| 4 | Whole Foods | 1,134 | 341 |

| | | | |
|---|-------------|-----|-----|
| 5 | Andronico's | 525 | 283 |
|---|-------------|-----|-----|

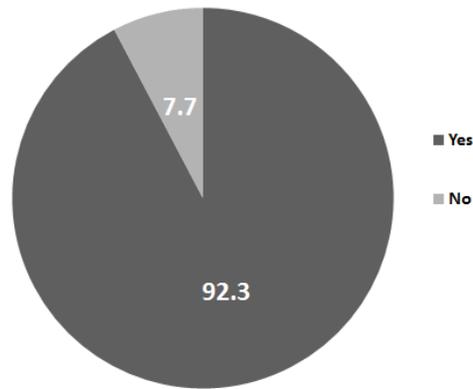
Which of the following services do you seek outside of Orinda?



I support new businesses entering Orinda

| Opinion | Percent | Count |
|-------------------|--------------|------------|
| Strongly disagree | 6.7% | 26 |
| Disagree | 1.0% | 4 |
| Neutral | 10.9% | 42 |
| Agree | 30.0% | 116 |
| Strongly agree | 51.4% | 199 |
| | Total | 387 |

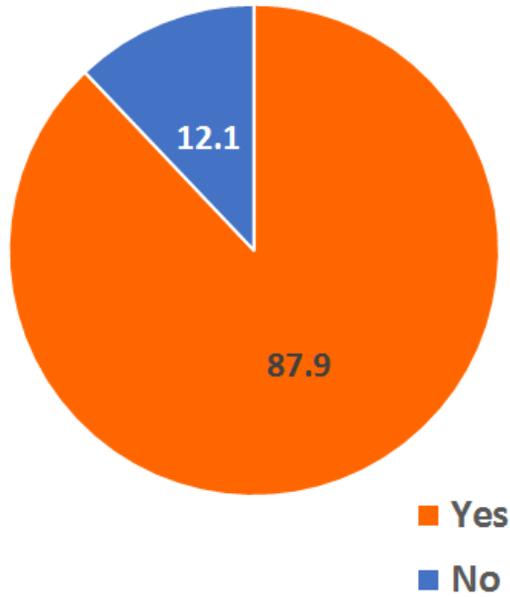
Would you like new businesses in Orinda? (survey logic question for next question)



What type of New business would you like to see come to Orinda? Choose all that apply

| Business | Percent | Count |
|---|---------|-------|
| Independent restaurants (i.e. family | 83.3% | 294 |
| Chain restaurants (i.e. Chipotle, Chi | 10.5% | 37 |
| Independent grocery store (i.e. organic | 77.9% | 275 |
| Large Grocery store (i.e. Trader Joes, whole foods) | 47.6% | 168 |
| Gourmet coffee shop | 25.2% | 89 |
| Bar (i.e. sports, themed or tradition | 32.9% | 116 |
| Boutique retail (Clothing, Gifts, etc.) | 41.9% | 148 |
| Large retail (Target, Costco, etc.) | 5.4% | 19 |
| Other - Write In (Required) | 17.0% | 60 |

Would you like new restaurants to enter Orinda?



| Opinion | Percent | Count |
|---------|---------|-------|
| Yes | 87.9% | 306 |
| No | 12.1% | 42 |

What types of restaurants does Orinda need? (Choose all that apply)

| Value | Percent | Count |
|---|---------|-------|
| Family | 58.8% | 197 |
| Sit Down | 66.3% | 222 |
| Specialty/Gourmet | 64.8% | 217 |
| Healthy | 62.4% | 209 |
| Chain restaurants (i.e. Chili's, olive garden, etc) | 9.6% | 32 |
| Fast Food | 7.2% | 24 |
| International cuisine | 46.3% | 155 |
| Other - Write In (Required) | 14.6% | 49 |

Please indicate on a scale from strongly disagree to strongly agree your opinion on the following statement: Parking is a problem in downtown Orinda

| Value | Percent | Count |
|-------------------|---------|-------|
| Strongly disagree | 2.6% | 10 |
| Disagree | 13.5% | 52 |
| Neutral | 26.2% | 101 |
| Agree | 31.2% | 120 |
| Strongly agree | 26.5% | 102 |
| | Total | 385 |

Below is a list of methods that may improve the parking situation. Check all options that you would support.

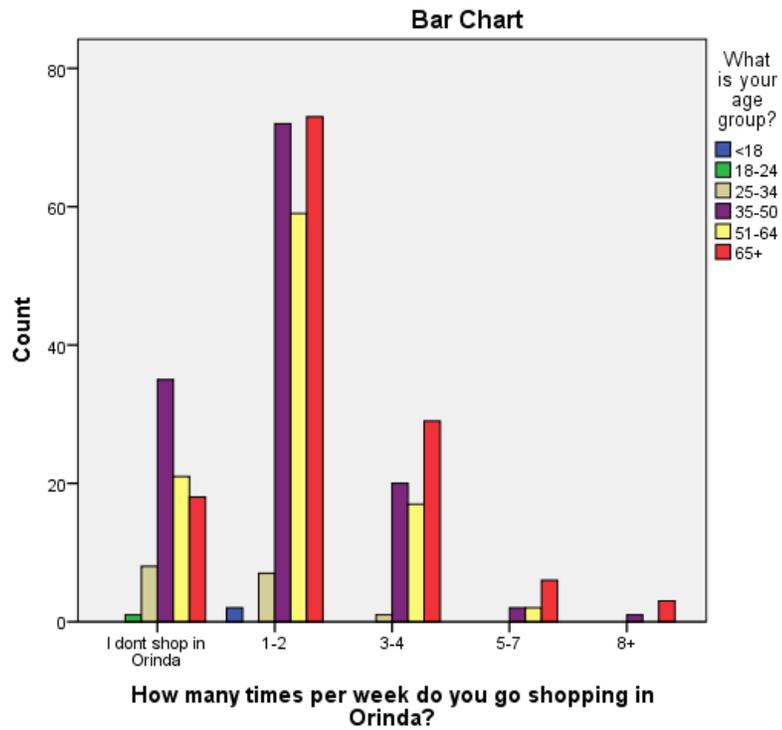
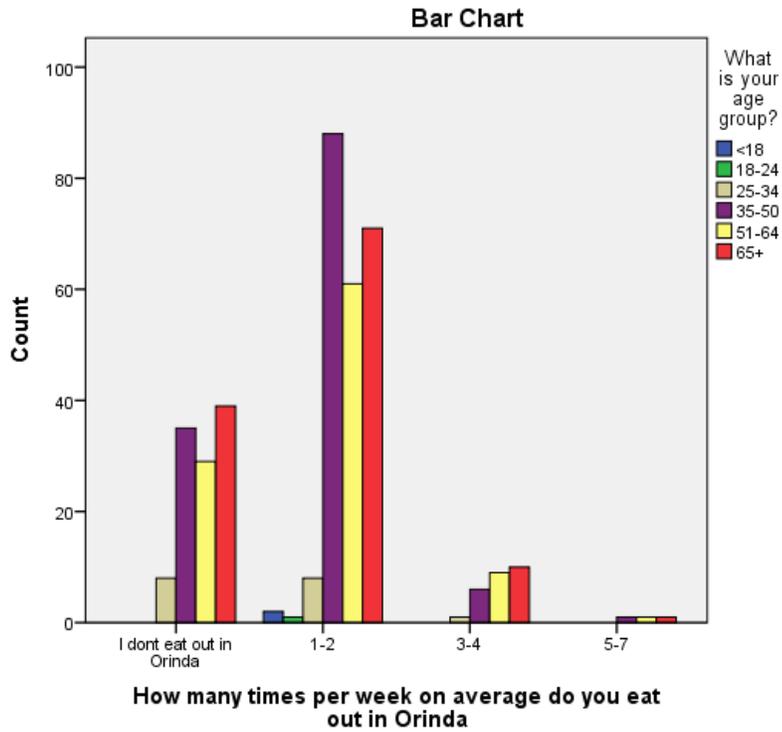
| Value | Percent | Count |
|---------------------------------------|---------|-------|
| Add a Downtown parking structure | 50.3% | 168 |
| Increase enforcement of existing park | 28.4% | 95 |
| Add shuttle rides for BART commuters | 53.0% | 177 |
| Add reserve employee parking | 26.3% | 88 |
| Other - Write In | 22.2% | 74 |

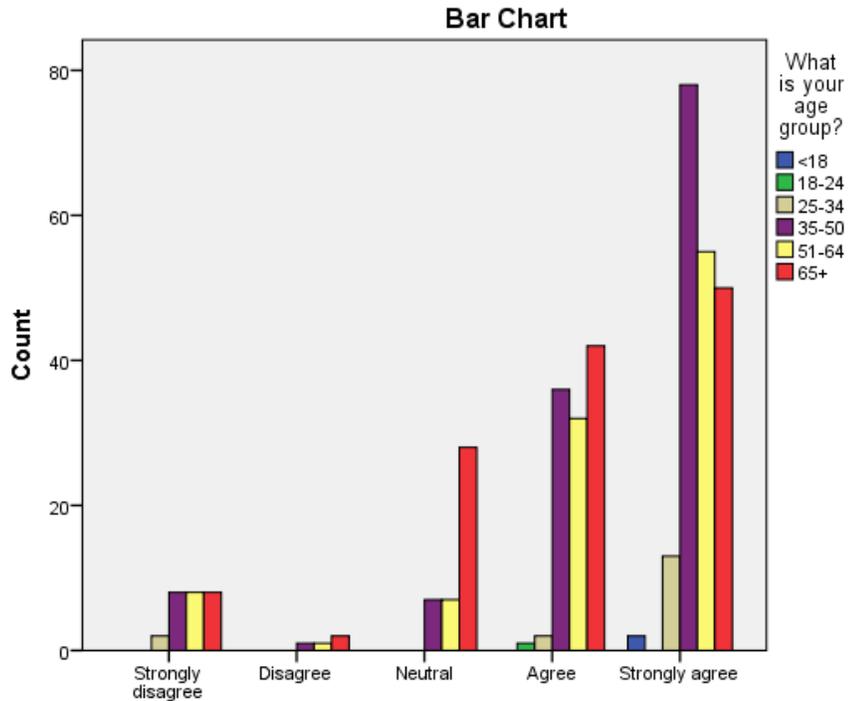
Correlations between demographics and opinions

| Correlations | | | | | | | |
|--|---------------------|-------------------------|---|---|---|---|--|
| | | What is your age group? | How many times per week on average do you eat out in Orinda | How many times per week do you go shopping in Orinda? | Please indicate on a scale from strongly disagree to strongly agree your opinion on the following statement: I support new business entering Orinda | Would you like new restaurants to enter Orinda? | Please indicate on a scale from strongly disagree to strongly agree your opinion on the following statement: Parking is a problem in downtown Orinda |
| | Sig. (2-tailed) | | .824 | .000 | .002 | .000 | .003 |
| | N | 385 | 371 | 377 | 383 | 344 | 382 |
| How many times per week on average do you eat out in Orinda | Pearson Correlation | .012 | 1 | .269** | .135** | -.016 | -.127* |
| | Sig. (2-tailed) | .824 | | .000 | .010 | .771 | .015 |
| | N | 371 | 371 | 368 | 370 | 333 | 369 |
| How many times per week do you go shopping in Orinda? | Pearson Correlation | .207** | .269** | 1 | .018 | .138* | -.019 |
| | Sig. (2-tailed) | .000 | .000 | | .721 | .011 | .715 |
| | N | 377 | 368 | 377 | 376 | 338 | 375 |
| Please indicate on a scale from strongly disagree to strongly agree your opinion on the following statement: I support new business entering Orinda | Pearson Correlation | -.155** | .135** | .018 | 1 | -.302** | .017 |
| | Sig. (2-tailed) | .002 | .010 | .721 | | .000 | .743 |
| | N | 383 | 370 | 376 | 383 | 343 | 381 |
| Would you like new restaurants to enter Orinda? | Pearson Correlation | .230** | -.016 | .138* | -.302** | 1 | .008 |
| | Sig. (2-tailed) | .000 | .771 | .011 | .000 | | .882 |
| | N | 344 | 333 | 338 | 343 | 344 | 342 |
| Please indicate on a scale from strongly disagree to strongly agree your opinion on the following statement: Parking is a problem in downtown Orinda | Pearson Correlation | .150** | -.127* | -.019 | .017 | .008 | 1 |
| | Sig. (2-tailed) | .003 | .015 | .715 | .743 | .882 | |
| | N | 382 | 369 | 375 | 381 | 342 | 382 |

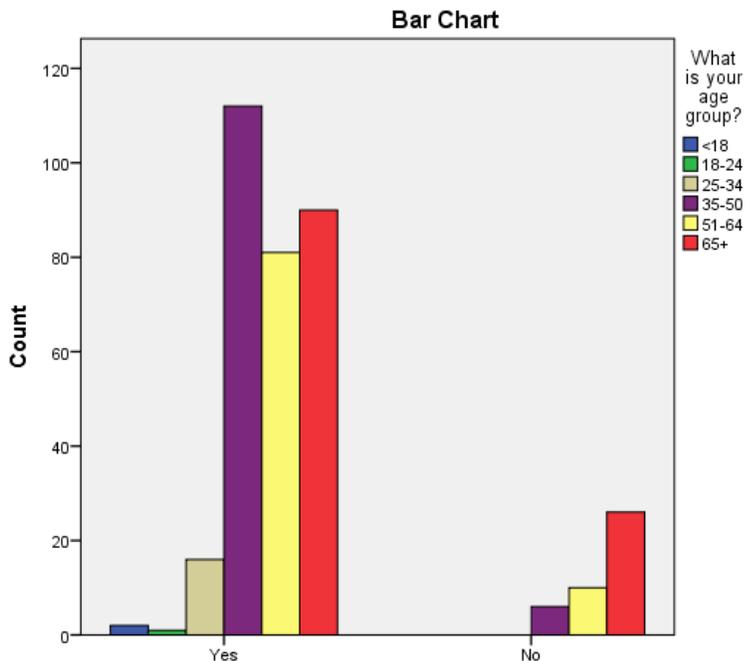
(Positive number denotes positive correlation, negative denotes negative correlation.

* = significant

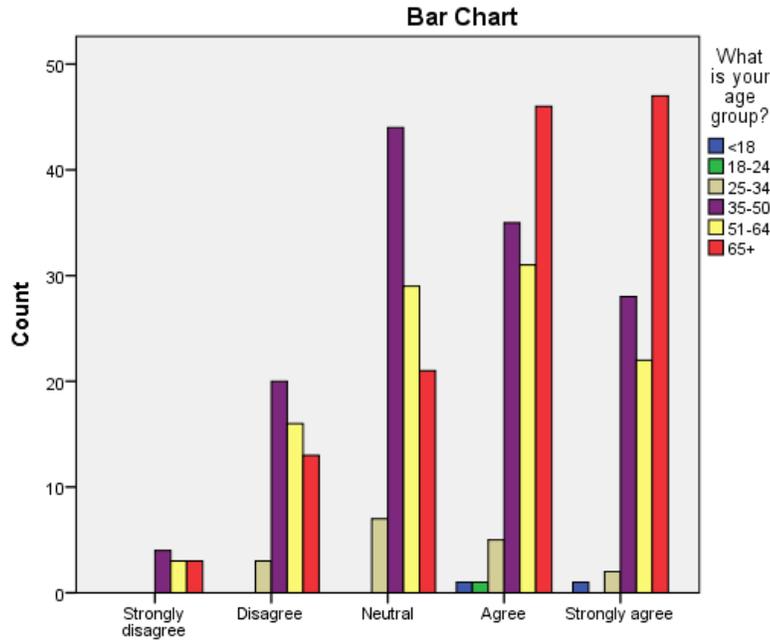




Please indicate on a scale from strongly disagree to strongly agree your opinion on the following statement: I support new business entering Orinda



Would you like new restaurants to enter Orinda?



Please indicate on a scale from strongly disagree to strongly agree your opinion on the following statement: Parking is a problem in downtown Orinda

Independent grocery store (i.e. organic produce, small butcher or bakery): What type of NEW business would you like to see come to Orinda? (Choose all that apply) * How many times per week do you go shopping in Orinda? Crosstabulation

| | | | How many times per week do you go shopping in Orinda? | | | | | Total | |
|--|-----------|---|---|-------|-------|-------|-------|--------|-----|
| | | | I dont shop in Orinda | 1-2 | 3-4 | 5-7 | 8+ | | |
| Independent grocery store (i.e. organic produce, small butcher or bakery): What type of NEW business would you like to see come to Orinda? (Choose all that apply) | Unchecked | Count | 18 | 45 | 11 | 2 | 2 | 78 | |
| | | % within Independent grocery store (i.e. organic produce, small butcher or bakery): What type of NEW business would you like to see come to Orinda? (Choose all that apply) | 23.1% | 57.7% | 14.1% | 2.6% | 2.6% | 100.0% | |
| | | % within How many times per week do you go shopping in Orinda? | 23.1% | 23.2% | 17.7% | 25.0% | 66.7% | 22.6% | |
| | | % of Total | 5.2% | 13.0% | 3.2% | 0.6% | 0.6% | 22.6% | |
| | | | | | | | | | |
| Total | Checked | Count | 60 | 149 | 51 | 6 | 1 | 267 | |
| | | % within Independent grocery store (i.e. organic produce, small butcher or bakery): What type of NEW business would you like to see come to Orinda? (Choose all that apply) | 22.5% | 55.8% | 19.1% | 2.2% | 0.4% | 100.0% | |
| | | % within How many times per week do you go shopping in Orinda? | 76.9% | 76.8% | 82.3% | 75.0% | 33.3% | 77.4% | |
| | | % of Total | 17.4% | 43.2% | 14.8% | 1.7% | 0.3% | 77.4% | |
| | | | | | | | | | |
| Total | | | Count | 78 | 194 | 62 | 8 | 3 | 345 |
| | | | % within Independent grocery store (i.e. organic | | | | | | |

References

Orinda General Plan & Survey , 2012

<https://cityoforinda.app.box.com/v/generalplan>

Appendix D



What's Up Downtown Orinda
December 7 at 1:40pm · 🌐

The Orinda Chamber of Commerce and students at Saint Mary's College are taking a poll about downtown Orinda and what people want to see happen. Please take a moment to share your thoughts! (It literally takes 1-2 minutes).

<http://www.surveygizmo.com/s3/3221803/OCC-SMC-Survey>

OCC-SMC Survey
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SURVEYGIZMO.COM

You and 6 others

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