**Article History:** 

Upload July 22<sup>nd</sup> 2024; Revision: July 25<sup>th</sup> 2024; Accepted: July 27<sup>th</sup> 2024; Available Online: August 10<sup>th</sup> 2024

# Integrating SWOT Analysis and Business Model Canvas: A Strategic Approach for Indonesian Coffee Shops

# Rendy Sumara<sup>1</sup> <sup>1</sup>Universitas Bina Nusantara

Rendy.sumara@binus.ac.id

The coffee shop industry in Indonesia has experienced significant growth due to changing consumer preferences towards urban lifestyles and coffee consumption as a daily habit. Coffee shops have evolved into centres for socializing and conducting business, contributing to Indonesia's creative economy by promoting local employment, creativity, and innovation. This research aims to investigate the strategic combination of SWOT Analysis and the Business Model Canvas to improve the competitiveness and sustainability of coffee shops, focusing specifically on Kedai Kopi Semangat in Bekasi. The study utilizes a qualitative approach, incorporating in-depth interviews, participant observation, and online review analysis. Data were collected through semistructured interviews with owners, managers, baristas, and customers, as well as participant observation to capture daily interactions and operational practices. Additionally, online reviews were analyzed to gain insights into customer perceptions and satisfaction. Through a case study design, a comprehensive exploration of phenomena in the unique context of Kedai Kopi Semangat is conducted, offering valuable contextual insights. The findings reveal several strengths of Kedai Kopi Semangat, such as an iconic rooftop area, strategic location, and strong brand visibility. However, the coffee shop also faces notable weaknesses, including limited parking access and high costs of goods sold (COGS). Opportunities identified include the growing trend of specialty coffee consumption and the increasing popularity of local coffee shops. Conversely, threats consist of frequent new coffee shop openings and economic fluctuations that could affect consumer spending. The study concludes that integrating SWOT Analysis and the Business Model Canvas provides a robust framework for strategic planning and business sustainability. This integrated approach helps coffee shop owners optimize their strengths, address weaknesses, seize opportunities, and mitigate threats. The strategic insights gained from this research can guide coffee shop owners in navigating the complexities of the market and achieving long-term success. By addressing the specific needs and challenges of coffee shops in Indonesia, this study contributes to the overall development and sustainability of the industry, offering practical implications for business owners and managers. Specifically, the research suggests targeted strategies such as enhancing customer experience, optimizing operational efficiency, and developing innovative marketing approaches to ensure sustained competitive advantage.

# Keywords: Business Model Canvas, Coffee Shops, Indonesia, Strategic Planning, SWOT Analysis

# Introduction

The growth of the coffee shop industry in Indonesia has been remarkable, fueled by evolving consumer preferences towards urban lifestyles and coffee as a part of daily routine (Sharmila et al.,

<sup>&</sup>lt;sup>1</sup>Coresspondent: Rendy Sumara. Universitas Bina Nusantara. Jl. K H. Syahdan No. 9, Kelurahan Kemanggisan, Kecamatan Palmerah, Jakarta Barat 11480. Rendy.sumara@binus.ac.id

2023) These coffee establishments have transformed into vital social spots and trendy locations, playing a significant role in Indonesia's creative economy through the promotion of local employment opportunities, creativity, and innovation (Arifin & Ahadiat, 2023). Various cities such as Jakarta, Bandar Lampung, Yogyakarta, Manado, and Pekanbaru have witnessed a swift rise in coffee culture, with coffee shops acting as central points for social gatherings and business interactions (Kalesaran et al., 2023)

In Indonesia, due to the abundant presence of numerous coffee shops, the level of competition has significantly increased, thereby necessitating business proprietors to consistently adjust and introduce new ideas to ensure the continuity of their operations. It is pivotal to recognize and understand both the external and internal elements that impact the coffee shop in order to engage in strategic planning and uphold the sustainability of the business. Essential for this task are tools such as SWOT Analysis (which focuses on Strengths, Weaknesses, Opportunities, and Threats) and the Business Model Canvas (BMC), which play a vital role in assisting businesses in this aspect. SWOT Analysis assesses an organization's internal strengths and weaknesses as well as external opportunities and threats (Prabawati et al., 2024). The Business Model Canvas serves as a tool for visualizing and examining a business model, comprising nine essential blocks: key partners, key activities, key resources, value propositions, customer relationships, channels, customer segments, cost structure, and revenue streams (Rostampoor et al., 2023)

The primary objective of the research is to provide support to coffee shop owners in maintaining their competitiveness and ensuring the longevity of their enterprises through the fusion of SWOT Analysis and the Business Model Canvas. This combination is essential for effectively navigating the challenging market environment and adjusting to the continuously evolving preferences of customers. More precisely, the investigation centers on Kedai Kopi Semangat in Bekasi, delving into the ways in which these strategic instruments can be employed to enrich the competitive edge and endurance of coffee establishments.

By merging SWOT Analysis with the BMC, this study seeks to present a thorough framework for strategic planning customized to the distinct challenges and opportunities present in the Indonesian coffee shop sector. The research will provide practical insights for coffee shop proprietors to enhance their strengths, tackle weaknesses, capitalize on opportunities, and counter threats, thus aiding in the overall growth and endurance of the industry. This method highlights the significance of continual innovation, strategic flexibility, and responsiveness to the market in attaining enduring business triumph.

In conclusion, the primary objective of this research endeavor is to effectively tackle and bridge the prevailing gap in existing literature by deploying a holistic and synergistic SWOT-BMC framework within the context of a real-world case analysis, thereby offering insightful, valuable, and actionable recommendations catered specifically towards individuals operating and overseeing coffee shop establishments.

#### Methods

## Research Design

This investigation utilizes a qualitative research methodology within the confines of a case study design. The qualitative approach is suitable for deeply exploring phenomena in real-life contexts, particularly when the research aims to understand processes, experiences, and perspectives of participants in their natural environment (Stantial et al., 2023). The utilization of a case study design provides an exceptional opportunity for in-depth exploration and analysis of various phenomena that may occur within a singular case or across multiple specific cases, with a particular emphasis on unraveling the distinctive and intricate dynamics that are evident within the designated context.

The selection of the case study design for this research was a deliberate choice made based on numerous intriguing factors that warranted careful consideration. Initially, the decision to select this specific design was influenced by the unique and unparalleled location of Kedai Kopi Semangat, a charming coffee establishment nestled in the vibrant city of Bekasi. With a noteworthy track record of being in operation for a significant duration spanning 2 years and 4 months, this establishment presents a myriad of intricate layers and nuances that offer a fertile ground for indepth analysis and exploration. According to (Haynes, 2017) 50% of businesses fail within the first two years. Thus, Kedai Kopi Semangat can be considered a relatively mature business, having surpassed this critical phase. Secondly, Kedai Kopi Semangat has garnered a significant number of positive online reviews, which greatly impact business success (Lu et al., 2014) As of this writing, Kedai Kopi Semangat has accumulated 1,445 Google reviews with a total rating of 5 stars. Thirdly, there is a limited body of literature on the integration of SWOT Analysis and the Business Model Canvas within the context of coffee shops in Indonesia, particularly those in Bekasi. Thirdly, within the realm of academic literature lies a restricted body of knowledge concerning the amalgamation of SWOT Analysis and the Business Model Canvas in the specific setting of coffee establishments in Indonesia, particularly those nestled in the vibrant locality of Bekasi. Through the utilization of a case study methodology, the researcher is afforded the opportunity to bridge this existing void by offering precise and comprehensive insights that can lay down a solid groundwork for further scholarly exploration and real-world implementations within analogous sectors. Moreover, the practical exposure garnered from conducting such a case study not only allows for a hands-on learning experience but also opens up avenues to observe and engage directly with the involved stakeholders, thereby enabling the researcher to amass a wealth of intricate contextual information. This direct engagement plays a pivotal role in deciphering the subjective viewpoints and operational tactics embraced by the proprietors and administrators of the esteemed Kedai Kopi Semangat.

## **Location of Research**

The investigation was carried out at Kedai Kopi Semangat, an establishment serving coffee situated in Bekasi, Indonesia. The rationale behind choosing this particular venue stemmed from its significant relevance and distinctive features, both of which serve as a mirror to the intricacies and nuances prevalent within the local coffee shop sector.

## **Participants**

The participants in this study include the owners, managers, baristas, and customers of Kedai Kopi Semangat. The inclusion criteria for participants are those who have been actively involved in the coffee shop's operations for at least one year. A total of 6 participants were involved in the study, comprising 1 owner, 1 manager, 2 baristas, and 2 customers. The selection criteria ensured that participants had sufficient experience and familiarity with the coffee shop's operations to provide meaningful insights.

#### **Data Collection**

Data were collected through in-depth interviews, participant observation, and online review analysis of the coffee shop. In-depth interviews performed with semi-structured interview guides provide a versatile and efficient approach for investigating various interconnected subjects deeply, enabling researchers to delve profoundly into the thoughts, emotions, and encounters of participants. This methodology is especially beneficial in qualitative research, as it facilitates the acquisition of unrestricted data and the examination of individual and occasionally delicate matters (DeJonckheere & Vaughn, 2019). Participant observation was carried out to observe daily interactions at the coffee shop, while online review analysis provided additional insights to complement the interview and observation data. Interviews lasted between 45 to 90 minutes and

were recorded and transcribed verbatim for analysis. Observation was conducted by participants to monitor the daily interactions occurring at the coffee shop. The researcher spent multiple hours each day at the coffee shop for a month, carefully documenting customer interactions, staff tasks, and overall operations. These observations offered additional context that enriched the information gathered through interviews. Online review analysis was performed by systematically analyzing customer reviews on platforms like Google to see the reviews from customers. Reviews were selected based on relevance and recency, focusing on those that provided detailed feedback on the customer experience at Kedai Kopi Semangat.

# **Data Analysis Procedure**

The gathered data was examined through the application of thematic analysis methodologies. Thematic analysis is a qualitative research technique used to identify, analyze, and report patterns or themes within data (Siddiqi, 2020).

- 1. **Transcription**: All interviews and observation notes were transcribed to maintain thoroughness and accuracy, forming the foundation for qualitative analysis (Cernasev & Axon, 2023a)
- 2. **Initial Coding**: Key pieces of data relevant to the research questions were identified and labeled. This initial coding is crucial for organizing the data and setting the stage for deeper analysis (Cernasev & Axon, 2023b)
- 3. **Thematic Analysis:** The initial codes were grouped into themes and sub-themes that capture the essence of the data. This method, widely used in various disciplines such as psychology, sociology, and healthcare research, involves a systematic approach to identifying, analyzing, and reporting patterns within the data (Cernasev & Axon, 2023a)
- 4. **Pattern Identification**: Relationships and patterns among the themes were identified to draw meaningful conclusions. This step is akin to the modeling of information processes, revealing latent information and underlying patterns crucial for effective decision-making (Varenko, 2023)
- 5. Validity and Reliability: Ensuring the validity and reliability of the findings was achieved through methods such as member checking and triangulation. Member checking involved sharing the findings with participants to verify accuracy, while triangulation involved cross-verifying data from interviews, observations, and online reviews (Cernasev and Axon 2023b).

# **Ethical Considerations**

This research adhered to ethical standards by obtaining informed consent from all participants. The confidentiality of the participants was maintained by anonymizing their identities in the research report. Additionally, permission was obtained from Kedai Kopi Semangat to access data and conduct observations.

#### **Results**

## **Context and Participants**

This qualitative study was conducted at Kedai Kopi Semangat, a well-established coffee shop located in Bekasi, Indonesia. The selection of Kedai Kopi Semangat was strategic due to its unique characteristics, including its robust online presence and significant customer base. The coffee shop has been operational for over two years, a milestone that many new businesses fail to reach, according to (Haynes, 2017) This longevity, combined with its high customer satisfaction reflected in over 1,445 Google reviews with an average rating of 5 stars, makes it an ideal case study for exploring strategic business practices in the coffee shop industry.

The participants of this study included a diverse group of individuals directly involved with Kedai Kopi Semangat, ensuring a comprehensive understanding of the business operations and strategies. The sample consisted of:

Owner (1): A business owner may be characterized as an individual or a collective of individuals who willingly undertake the accountability of instigating, organizing, and overseeing the operations and activities involved in establishing and maintaining a commercial enterprise. This pivotal role encompasses the strategic decision-making, financial management, resource allocation, risk assessment, and leadership responsibilities essential for the successful operation and growth of the business entity (Pope, Miller, and Cribb 2019).

**Manager** (1): An individual who bears the responsibility for attaining outcomes by effectively utilizing the collective endeavors of other persons is commonly referred to as a leader. This particular description underscores the crucial role of management in providing direction and harmonizing the activities of others in order to achieve specific goals within the organizational framework. (Hayes, 1954).

**Baristas** (2): A barista, a highly skilled professional with expertise in the art of crafting espressobased beverages, holds a significant level of responsibility within the realm of cafes. Their role is pivotal in upholding the standards of excellence and uniformity in coffee preparation, a fundamental aspect that substantially influences the standing and prosperity of a cafe in the competitive market (Laurier, 2012).

Customers (2): In the most comprehensive interpretation, a customer, whether an individual or an entity, is defined as a party that engages in the acquisition of goods or services from a commercial entity, thereby establishing a fundamental element within any given market economy wherein the mutual consent and collaboration between autonomous entities - namely producers and consumers - serve as the impetus for the creation and transactional processes involving various commodities (Van Wesemael & Tovoté, 2001).

# **Setting of the Study**

Kedai Kopi Semangat is conveniently positioned within the vibrant and bustling locality of Bekasi, thereby ensuring accessibility to a broad spectrum of clientele, encompassing students, professionals, and families alike. The strategic positioning of this coffee establishment in a high-traffic zone significantly contributes to the consistent influx of customers and its prowess in attracting a diverse range of patrons. The contemporary and welcoming interior design of the coffee shop is meticulously crafted with a primary focus on cultivating a serene and visually appealing ambiance. This particular ambiance not only aligns with the coffee shop's core value proposition of delivering a distinctive and pleasurable coffee indulgence but also plays a pivotal role in augmenting customer retention rates and overall satisfaction levels.

# Theme 1: Strategic Use of SWOT Analysis

# 1. Identification of Strengths and Weaknesses

Through conducting thorough and comprehensive interviews as well as engaging in participant observation, a detailed analysis was carried out to identify the various key strengths and weaknesses of Kedai Kopi Semangat. Among the strengths that were uncovered during this investigation were the distinctive and iconic rooftop area that the establishment boasts, its strategically advantageous location, and the high level of brand visibility that it enjoys within its target market. A manager stated, "Our rooftop area is quite popular, especially among young people looking for a unique hangout spot" (Manager 1). These strengths have been pivotal in establishing a loyal customer base and a strong market presence.

Conversely, weaknesses such as limited parking access, high costs of goods sold (COGS), and frequent civil maintenance were highlighted. A barista mentioned, "Many customers complain about the lack of parking space, especially during peak hours" (Barista 2).

Addressing these weaknesses is crucial for enhancing overall customer experience and operational efficiency.

# 2. Identification of Opportunities and Threats

Opportunities that were discerned through the comprehensive analysis conducted using the SWOT framework encompassed the noteworthy emergence of a growing trend in the consumption of specialty coffee, characterized by its distinct quality and unique flavor profiles. Additionally, another promising opportunity highlighted in the analysis is the escalating popularity and widespread appeal of local coffee shops, which have become favored destinations for individuals seeking a cozy and welcoming environment to enjoy their favorite caffeinated beverages. An owner noted, "There is a rising awareness and preference for specialty coffee among consumers, which we can capitalize on by offering unique blends and brewing methods" (Owner 1).

Threats included the frequent opening of new coffee shops and economic fluctuations affecting consumer spending. A manager observed, "The market is getting crowded with new coffee shops opening up every few months, and we need to stay ahead with innovative offerings and excellent service" (Manager 1).

# **Theme 2: Application of Business Model Canvas**

The utilization of the Business Model Canvas was undertaken in a systematic manner to meticulously craft and assess the business model of Kedai Kopi Semangat, with a specific emphasis placed on scrutinizing the nine distinct blocks that constitute the canvas:

## 1. Key Partners

Partnerships with delivery platforms, banks, suppliers, and technology partners. Owner explained, "We work closely with local farmers to ensure we get the best quality beans and support the local economy" (Owner 1).

# 2. Key Activities

Core activities include coffee and food preparation, marketing, customer service, and procurement. Barista stated, "Our baristas undergo regular training to maintain high standards in coffee preparation and customer service" (Barista 1).

### 3. Kev Resources

Essential resources include trained baristas, coffee machines and equipment, and the café location. Manager emphasized, "Our investment in top-notch equipment and training for our staff is crucial to delivering the best coffee experience" (Manager 1).

### 4. Value Proposition

Offering service excellence, an iconic rooftop in Bekasi, live music and events every three months. An owner remarked, "We are not just selling coffee; we are creating a place where people can connect and relax" (Owner 1).

# 5. Customer Relationships

Building strong relationships through personal assistance, self-service options, and loyalty programs. Customer noted, "They value their customers, barista always asking for feedback and strive to make customer severe visit are special" (Customer 1).

## 6. Channels

Multiple sales channels, including Instagram, the website, Google reviews, and the physical café. A manager stated, "Our active social media presence helps us reach a wider audience and keep our customers informed about new offerings" (Manager 1).

## 7. Customer Segments

Diverse customer segments, including Gen Z, the local community, and coffee enthusiasts. A customer shared, "I come here not just for the coffee but also for the ambiance and the events they host" (Customer 2).

#### 8. Cost Structure

Fixed costs (rent, salaries), variable costs (raw materials, marketing), and operational costs (utilities, maintenance). An owner highlighted, "Balancing quality with cost efficiency is always a challenge, but it's necessary to stay competitive" (Owner 1).

#### 9. Revenue Streams

Primary revenue from coffee and food sales, with additional income from events. A manager explained, "Our diverse offerings ensure we have multiple income streams, which helps in sustaining the business" (Manager 1).

# Theme 3: Integration of SWOT and Business Model Canvas for Strategic Planning Adaptive Strategies

By integrating SWOT Analysis and the Business Model Canvas, Kedai Kopi Semangat was able to significantly enhance its ability to flexibly adjust to dynamic shifts within the market. This strategic approach enabled the coffee shop to proactively respond to changing consumer preferences and evolving market trends, ultimately fostering a more agile and resilient business model. As a result of this strategic alignment, Kedai Kopi Semangat successfully launched innovative product offerings by leveraging valuable insights gathered from customer feedback and thorough market analysis. A manager mentioned, "We recently started offering vegan and glutenfree options, which have been well received by our customers" (Manager 1). This adaptability underscores the importance of continuous innovation in maintaining competitive advantage.

## Challenges

One significant challenge identified was the high level of competition in the area. An owner observed, "The influx of new coffee shops is a constant pressure, and we have to stay innovative to keep our edge" (Owner 1). Additionally, managing the high cost of goods sold (COGS) and maintenance expenses remains a persistent issue. A manager noted, "Our operational costs are quite high, and finding ways to reduce these without compromising quality is challenging" (Manager 1).

### **Solutions**

Kedai Kopi Semangat took the initiative to tackle the various challenges it was facing by putting into effect a number of different solutions. These solutions included the introduction of loyalty programs as a means to incentivize and retain customers, forming partnerships with local small and medium enterprises to enhance mutual growth and collaboration, and implementing cost management strategies to ensure efficient use of resources and maintain financial stability.

# **Loyalty Programs**

Developed loyalty programs to retain existing customers and encourage repeat business. An owner stated, "Our loyalty program has helped in retaining customers by offering them rewards for their continued patronage" (Owner 1).

### 1. Partnerships with Local SMEs

Formed partnerships with local SMEs to offer unique and exclusive products, thereby attracting new customers and differentiating from competitors. An owner explained, "Collaboration with local artisans has allowed us to offer exclusive products that you can't find elsewhere" (Owner 1).

### 2. Cost Management Strategies

Implemented cost management strategies, such as bulk purchasing and energy-efficient practices, to reduce operational expenses. A manager noted, "By purchasing raw materials in bulk and adopting energy-efficient practices, we've been able to cut down on costs significantly" (Manager 1).

## **Visual Representation of Findings**

**Table 1: Summary of Key Findings** 

Theme	Description	Supporting Quotes from participants
Strenghts	Iconic Rooftop Area, Strategic Location, Good brand Visibility	Our rooftop area is quite popular" (Manager 1)
Weaknesses	Limited Parking Access, high COGS & Civil Maintenace	Many customers complain about the lack of parking" (Barista 2)
Opportunities	Growing Specialty Coffee Trends, Local Coffee Shop trend increase	There is a rising awareness for specialty coffee" (Owner 1)
Threats	New coffee shops almost every month, Economic Fluctuations	"The market is getting crowded" (Manager 1)
Value Proposition	Offer service excellence, iconic rooftop in Bekasi, Live Music & Event every 3 months	We are creating a place to connect and relax" (Owner 1)
Customer Segments	Gen Z, local community, Coffee Enthusiast	I come here for the coffee and ambiance" (Customer 2)
Key Partners	Delivery platform, bank, supplier, technology partner	We work closely with local farmers" (Owner 1)
Key Activities	Coffee & food preparation, Marketing, customer service & procurement	Our baristas undergo regular training" (Barista 1)
Key Resources	Trained barista, coffee machine & equipment, café location	Top-notch equipment and training" (Manager 1)
Customer Relationships	Personal assistance in store, self service	They value their customers' feedback" (Customer 1)
Channels	Instagram, Website, Google review, Physical	Our active social media presence" (Manager 1)
Cost Structure	Fixed cost (rent, salaries) Variable cost (Raw Material, marketing) Operational cost (utilities, maintenance)	Balancing quality with cost efficiency" (Owner 1)
Revenue Streams	Coffe & food sales, Event	"Multiple income streams" (Manager 1)
Adaptive Strategies	New Product Lines, Market trend adaptations	Vegan and gluten-free options" (Manager 1)
Challenges	High Competitions, High COGS, Maintenance Expenses	"We have to stay innovative" (Owner 1)
Solutions	Loyalty Programs, Local SME Partnerships, Cost Management Strategies,	"Collaboration with local artisans" (Owner 1)

Source: Direct Observation Results

### **Summary of Findings**

The discoveries brought to light the various strengths that are possessed by Kedai Kopi Semangat, which encompass an iconic rooftop area that provides a charming ambiance, a strategically advantageous location that attracts a steady flow of customers, and a strong brand visibility that enhances its recognition in the market. These strengths have played a pivotal role in not only fostering a dedicated and loyal customer base but also in establishing a formidable presence in the market that sets it apart from its competitors. However, amidst these strengths, the coffee shop is also confronted with certain weaknesses that warrant attention, such as the challenge of limited parking access that may deter potential customers, the issue of high costs of goods sold (COGS) that can impact profit margins, and the recurring civil maintenance problems that can disrupt operations and compromise customer satisfaction levels.

Moreover, there are promising opportunities that have been identified, including the upward trajectory of specialty coffee consumption among consumers who seek unique and high-quality coffee experiences, as well as the growing popularity of local coffee shops that emphasize community engagement and support. These emerging trends present Kedai Kopi Semangat with

valuable opportunities to broaden its market presence by introducing innovative and distinctive coffee blends that cater to evolving consumer preferences, while also strengthening its community-centric value proposition to foster deeper connections with customers. Conversely, there are also threats on the horizon, such as the continual emergence of new coffee shops in the vicinity that intensify competition and economic fluctuations that can impact consumer spending habits. These challenges underscore the imperative for Kedai Kopi Semangat to prioritize continuous innovation and strategic planning in order to stay ahead of the curve and uphold its competitive edge in the dynamic market landscape.

# **Business Model Canvas Insights**

The utilization of the Business Model Canvas has facilitated a thorough and allencompassing comprehension of the operational facets of Kedai Kopi Semangat. Within this framework, essential partners are identified to be delivery platforms, financial institutions, suppliers, and technological collaborators, all of whom play a pivotal role in bolstering the coffee shop's intricate value chain. The core activities of the business revolve around the meticulous preparation of coffee and food items, strategic marketing initiatives, exceptional customer service delivery, and efficient procurement processes. Moreover, the fundamental resources at play encompass a skilled workforce of baristas, state-of-the-art coffee machines, and a strategically located café premises that all contribute to the seamless functioning of the establishment.

The unique value proposition of Kedai Kopi Semangat is characterized by its unwavering commitment to service excellence, the provision of an unforgettable rooftop dining experience, and the organization of periodic live music performances and events, all of which deeply resonate with the diverse customer segments comprising the technologically savvy Gen Z demographic, local community residents, and fervent coffee aficionados. The establishment's customer relationships are meticulously nurtured through a variety of means including personalized assistance, self-service alternatives, and enticing loyalty programs, all of which are made accessible through a multitude of channels such as Instagram, the official website, Google review platforms, and the physical ambiance of the café itself.

A thorough examination of the cost structure of Kedai Kopi Semangat brings to light the various components comprising fixed expenditures such as rental fees and salaries, variable costs including raw material procurement and marketing expenses, as well as operational overheads like utilities and maintenance charges. The revenue streams of the business exhibit a diversified nature, stemming from revenue generated through the sales of both coffee and food items, in addition to income sourced from hosting events, thereby ensuring a steady influx of revenue from multiple channels.

# **Strategic Adaptations and Challenges**

The study underscored the adaptive strategies that have been implemented by Kedai Kopi Semangat, which encompass the incorporation of novel product lines derived from feedback provided by customers and prevailing market trends. The ability to adapt is of paramount importance in ensuring the sustenance of relevance within a market environment that is characterized by its dynamism. Various challenges such as intense competition, elevated costs of goods sold, and maintenance expenditures were effectively dealt with through the implementation of innovative solutions, which included the establishment of loyalty programs, forging partnerships with small and medium enterprises at a local level, and the employment of strategies aimed at managing costs efficiently.

## **Implications for Practice and Research**

The integration of SWOT Analysis and the Business Model Canvas in this study offers practical insights for coffee shop owners and managers. By systematically identifying internal and

external factors affecting their business and leveraging a structured business model framework, coffee shops can enhance their strategic planning processes, improve operational efficiency, and sustain competitive advantage.

For practitioners, this study underscores the importance of continuous market analysis, innovation, and strategic partnerships in navigating the complexities of the coffee shop industry. For researchers, the findings contribute to the literature on strategic management in the context of small and medium-sized enterprises (SMEs) in the food and beverage sector, providing a foundation for further studies on the application of integrative strategic tools.

In conclusion, Kedai Kopi Semangat's ability to integrate SWOT Analysis and the Business Model Canvas has proven instrumental in navigating the challenges of a competitive and fluctuating market. The strategic insights gained from this study highlight the critical role of adaptive strategies, innovative value propositions, and robust customer relationship management in ensuring business sustainability. By addressing its weaknesses and capitalizing on emerging opportunities, Kedai Kopi Semangat is well-positioned to maintain its market leadership and continue providing exceptional value to its customers.

This study not only provides a roadmap for coffee shops in Indonesia to enhance their strategic planning but also contributes to the broader discourse on effective business model innovation and strategic management practices. Future research could further explore the scalability of these findings across different regions and contexts, thereby enriching the understanding of strategic adaptability in the global coffee shop industry.

#### Conclusion

The study concludes that the integration of SWOT Analysis and the Business Model Canvas yields a comprehensive and resilient framework for strategic planning and ensuring the longevity of businesses. This combined method serves to assist coffee shop proprietors in maximizing their strengths, tackling weaknesses, capitalizing on opportunities, and minimizing threats. The strategic perspectives obtained from this study have the potential to steer coffee shop owners towards effectively navigating the intricate landscape of the market and attaining sustainable accomplishments in the long run. Through the identification and resolution of the unique requirements and obstacles faced by coffee shops within Indonesia, this research makes a valuable contribution to the holistic advancement and endurance of the sector, presenting actionable implications for proprietors and executives alike.

## References

- Cernasev, A., & Axon, D. R. (2023a). Research and scholarly methods: Thematic analysis. *JACCP: Journal of the American College of Clinical Pharmacy*, 6, 751–755. https://doi.org/10.1002/jac5.1817
- Cernasev, A., & Axon, D. R. (2023b). Thematic Analysis in Qualitative Research: An overview. *JACCP: Journal of the American College of Clinical Pharmacy*. https://doi.org/10.1002/jac5.1817
- DeJonckheere, M., & Vaughn, L. M. (2019). Semistructured interviewing in primary care research: A balance of relationship and rigour. *Family Medicine and Community Health*, 7(2). https://doi.org/10.1136/fmch-2018-000057
- Hayes, J. L. (1954). The Manager as a Person. *Review of Social Economy*, *12*(1), 37–49. https://doi.org/10.1080/00346765400000005
- Haynes, T. E. (2017). Exploring Strategies Microenterprise Owners Use to Succeed in Business Beyond 2 Years. https://scholarworks.waldenu.edu/dissertations

- Ilham Arifin, & Ayi Ahadiat. (2023). Analysis of Coffee Shop Business Strategy in Bandar Lampung. *International Journal of Asian Business and Management*, 2(3), 323–346. https://doi.org/10.55927/ijabm.v2i3.4835
- Kalesaran, A., Kindangen, P., C Pandowo, M. H., Kalesaran, A., Kindangen, P., & C Pandowo, M. H. (2023). A Comparative Study of Consumer Preference Between Kopi Kenangan and Black Cup Coffee Customers Studi Komparatif Preferensi Konsumen Antara Pelanggan Kopi Kenangan dan Black Cup. 11, 375–384.
- Laurier, E. (2012). Becoming a barista.
- Lu, X., Li, Y., Zhang, Z., & Rai, B. (2014). CONSUMER LEARNING EMBEDDED IN ELECTRONIC WORD OF MOUTH.
- Pope, T., Miller, H., & Cribb, J. (2019). Who are business owners and what are they doing? https://doi.org/10.1920/re.ifs.2019.0158
- Prabawati, I., Fanida, E. H., Fitrie, R. A., & Hidayat, M. F. (2024). Swot Analysis for Strategy Formulation in High School. *KnE Social Sciences*. https://doi.org/10.18502/kss.v9i2.14896
- Rostampoor, J., Joda, R., & Dindoost, M. (2023). *Business Model Canvas for Micro Operators in 5G Coopetitive Ecosystem*. http://arxiv.org/abs/2309.16845
- Sharmila, J., Anggoro, Ph.D., Y., & Wibowo, MBA, Ir. S. A. (2023). Proposed Marketing Strategy for Dairy-Free Coffee Shop in Jakarta (Case Study: Mad For Coffee). *International Journal of Current Science Research and Review*, 06(07). https://doi.org/10.47191/ijcsrr/V6-i7-19
- Siddiqi, N. (2020). A thematic analysis of sexist bollywood songs. *Generos*, 9(2), 113–136. https://doi.org/10.17583/generos.2020.4628
- Stantial, M. L., Lawson, A. J., Fournier, A. M. V., Kappes, P. J., Kross, C. S., Runge, M. C., Woodrey, M. S., & Lyons, J. E. (2023). Qualitative value of information provides a transparent and repeatable method for identifying critical uncertainty. *Ecological Applications*, 33(4). https://doi.org/10.1002/eap.2824
- Van Wesemael, A. L., & Tovoté, C. (2001). Reflections on the "Customer" Metaphor in the Academic Environment and the new Pedagogical Challenge to the Libraries and Librarians.
- Varenko, V. (2023). Modeling of Information Processes in Analytical Activity. *Ukraïns'kij Žurnal z Bìblìotekoznavstva Ta Ìnformacijnih Nauk*, 11, 112–124. https://doi.org/10.31866/2616-7654.11.2023.282669