

## Coffee Shop Transformation: Digital Promotion, Consumption, and Cultural Shifts in Indonesia

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**Abstract:** Coffee culture represents a cross-cultural exchange as traditions spread from one region to another. Indonesia, as a coffee-producing country with a rich cultural heritage and relative independence in global coffee supply, is gaining momentum in developing its coffee industry. Local coffee shops adopt global elements while emphasizing regional characteristics. To analyze the transformation of coffee shops in major cities, this study employs a qualitative phenomenological method and Jean Baudrillard’s theory of public consumption. Data were collected through literature review, observation, and interviews with coffee shop owners in Surabaya. The results show that digitalization and personalization demands are key factors driving coffee consumption. Coffee shops in the digital era adapt to public tastes, trends, knowledge levels, and cultural changes in Indonesian society. There are three main typologies of coffee shops in Indonesia: traditional warung (warkop), semi-modern, and modern shops. Each has distinct identities, menus, consumer bases, prices, and attractions. Moreover, coffee consumption is influenced by self-expression, appearance, social media activity, and brand identity. Coffee shops thus function not only as commercial spaces but also as symbols of modern lifestyle.

## INTRODUCTION

Indonesia is one of the world's largest coffee producers. Indonesia's coffee production is ranked fourth behind Brazil, Vietnam, and Colombia (Ibrahi-Zailani, 2010). Coffee consumption habits have evolved worldwide for over 300 years. Coffee has become a global commodity, so it is not surprising that there are various coffee cultures. Social change implies different lifestyles in each culture. So lifestyle and environment influence consumption decisions (Limón-Rivera et al., 2017). From this perspective, coffee has been shown to have had a significant impact on the world economy and culture from the colonial era to the present day (Tucker, 2017).

Currently, the global coffee trend is heavily influenced by the third wave of coffee culture, also known as *the Third Wave Coffee Movement*. The *Third Wave Coffee Movement* is a trend that promotes high-quality coffee by focusing on improving the quality of the coffee production stages, from coffee planting to brewing. Currently, *roasters* pay close attention to where they source their coffee beans, the farming practices employed by farmers, and the roasting process itself. In this era, the term single origin began to emerge. Referring to Fischer (2021), the term *Third Wave Coffee* was first coined by Thrish Rothgeb in the 2002 article Wrecking Ball Coffee Roasters. On the one hand, *Third Wave coffee* understands the process of coffee consumption by bourgeois consumers who seek excellence, artisanal authenticity, and a connection to the region of origin of the coffee production. Consumers, from baristas, consume more than just the *value* of medicinal food. What is sought is no longer the usefulness of coffee, but the imaginative narrative of quality and *artisanal devotion*.

Coffee culture has changed from being a monopoly of Arabs, a monopoly of European colonial products, a symbol of prosperity in Latin American countries, and a globally produced multinational commodity. (Purnomo et al., 2021). There are two variants of processed coffee: brewed coffee and instant coffee. Each coffee variant has its own consumers. Several factors, including gender, age, education, coffee-drinking experience, initial age of coffee consumption, and the number of family members, influence differences in consumer preferences for coffee. (Sudiyarto et al., 2018). Brewed coffee consumers are those who appreciate the distinctive taste of coffee, which can be prepared and brewed to suit their taste, from thick to thin. (Agnieszka Izabela Baruk, 2016). While instant coffee consumers are those who like practicality (Santoso, 2017).

Coffee culture is a cross-cultural meeting because culture spreads from one region to another (Nurhasanah & Dewi, 2019). Coffee culture is defined as a shift in enjoying coffee from a habit to a way of life. Café culture is part of a cultural shift that has led to a change in how people drink coffee, previously consumed in stalls and at home, to now being mostly enjoyed in *cafes* (coffee shops). Coffee shops have indeed become a notable phenomenon in many major cities. Coffee

shops are public spaces where people from all walks of life can gather to discuss, meet, and be creative. Coffee shops, as public spaces at the beginning of their emergence, were only owned by men. Proving that gathering and chatting is not just a monopoly of women. Gradually, the habit of visiting coffee shops has become a daily activity for some people. Drinking coffee has become an integral part of people's lifestyles for various reasons and purposes (Said et al., 2015).

The massive expansion of Starbucks-style coffee around the world has become an integral part of the urban consumer lifestyle. Coffee shops currently appreciate high-quality coffee. Urban communities are enthusiastic about casual places to study, relax, socialize, or enjoy refreshing drinks. (Ferreira, J., & Ferreira, 2018). At the global level, the current trend of coffee consumption culture is correlated with the culture of *luxury consumption*. This was explained by Niyet & Taşpınar. (2020) In the case of coffee consumption in Turkey. Research by Umi et. al., (2019) Among coffee consumers in Malang, a similar trend was also observed. The motivation of coffee consumers in Malang City during the Industrial Era 4.0 to visit cafes is influenced by the symbolization of social status (*prestige*).

As a coffee-producing country with an original culture and relatively independent in terms of global coffee supply, Indonesia is gaining momentum in developing its coffee industry. To survive, local coffee shops select global elements by highlighting regional characteristics. The shift and development of coffee shops in major cities represent a key aspect of global consumer culture.

Referring to Purnomo et al. (2021), local coffee shops can be seen as a form of encapsulation of the process due to the resistance element in global culture. Traditional coffee shops (warung kopi) still dominate the coffee market in Indonesia today. Warung kopi (warkop) offers a comfortable and relaxed atmosphere, where consumers can enjoy food or drinks. Warung kopi not only provides a variety of coffee, bread, and desserts, but also offers a relaxing atmosphere. Warkop also provides WIFI facilities. With the emergence of the COVID-19 pandemic and the growth of the digital economy, Warkop has integrated *online* and *offline sales*. Wang & Lin (2022) emphasize that digital business has had an impact on the traditional coffee industry. (Wang & Lin, 2022). Therefore, this

study aims to discuss the development of coffee shops in urban communities in Indonesia, with a focus on the management practices of local coffee shops. Do local coffee shops primarily focus on incorporating regional technology and cultural aspects to enhance consumer satisfaction?

Researchers argue that behavior in coffee consumption today is not just a need for caffeinated drinks, but there are elements of existence and material pleasure. Drinking coffee is one expression of existence. The growth of coffee shops is supported by increasing consumerism and purchasing power, as well as expanding consumer reach. In addition, drinking coffee in leisure time is also a means of socializing, self-presentation, and showcasing consumer identity. The rise of social media also encourages increased coffee consumption and a shift in marketing patterns from coffee shops.

## RESEARCH METHODS

To analyze how the transformation of coffee shops in big cities, researchers use qualitative phenomenological research methods and the theory of public consumption proposed by Jean Baudrillard. This study focuses on the direct observation of the habits of a group of individuals who frequently spend their time in coffee shops. The purpose of this study is to investigate the lifestyle and habits related to coffee consumption in urban communities. This study examines the impact of cultural factors on consumer behavior towards coffee commodity products within the cultural industry. Where coffee commodity products that the community has consumed will turn into a sign object that will provide an identity for those who consume it (Kartono & Demartoto, nd).

The research was conducted in Jakarta, Surabaya, and Bali. This research was conducted in two phases. The first period is from April 2022 to August 2022. The second period is from December 2024 to January 2025. This research also involved researchers from the Handaruan Institute and d'PINAGAR (a coffee roaster & observer of Arabica coffee in Perjuangan village, Sidikalang). The primary data collection techniques used included literature studies, observations & interviews with several coffee shop owners in Surabaya. Observations were carried

out directly and were participatory in nature. This study utilizes secondary data, including documentation, literature reviews, and scientific journals, to examine the phenomenon and the coffee industry.

## RESULTS AND DISCUSSION

To understand how coffee shops have evolved in the Digital Era, it is essential to examine the history of coffee culture in Indonesia. Then, how has the consumption of people in Indonesia changed? The development of technology, job demands, and the prevalence of social media have prompted coffee shops to adapt to the unique culture and specific needs of people in Indonesia, particularly in urban areas. *Local coffee-chain businesses are proliferating, ranging from franchise brands with substantial capital and funding to local specialty coffee shops that foster a closer relationship between shop owners and their customers.* On the other hand, some consumers are increasingly understanding the coffee ecosystem, so they demand not only quantity but also quality from a coffee drink.

### **Consumption Society by Jean Baudrillard.**

To discuss the development trend of coffee shops in Indonesia, we first need to understand the trend of coffee consumption in Indonesia. This study borrows Baudrillard's concept of community consumption. According to Baudrillard, consumption is not merely an activity of purchasing commodities or achieving satisfaction. Currently, consumption encompasses more than just the purchase of goods and services. Society does not only consume an object based on its real utility value. Quoting Baudrillard:

*...you are always manipulating objects (in the broadest sense) as signs that distinguish you either by affiliating you to your group taken as an ideal reference or by marking you off from your group by reference to a group of higher status. (Baudrillard, 1998, p. 60)*

Consumer society is characterized by a society in which the logic of consumption shifts from the logic of needs to the logic of desires, and people consume symbols rather than the utility value of products. (Suyatno, 2013). The use of Baudrillard's theory of consumer society is useful for understanding the

consumer culture of coffee-drinking communities in big cities. In a social and cultural context, drinking coffee represents a symbol and a sign. Consumers view their identity and freedom as the freedom to fulfill their desires for a product. Consumption is considered a social effort that facilitates proper social function and status. This is possible in global capitalism, where production activities shift from manufacturing consumer goods to manufacturing signs or brands. (Said et al., 2015). Ultimately, in this post-modern era, we will find the commodification of culture, where everything can be an object of consumption. (Baudrillard, 1998, p. 15).

### **Coffee Marketing & Public Consumption in the Social Media Era**

Digital marketing plays a major role in modern marketing strategies. Buyer behavior is evolving with the digital era, so understanding what *your target audience is doing* online is becoming more important. Coffee shop owners do many things in digital marketing, such as (1) Google Maps Optimization; (2) *Visual Branding* / Social Media Themes; (3) Social Media Contests; (4) Audience Engagement; and (5) Social Media Advertising. Some of them even use professional digital marketing agencies.

Coffee shops have evolved to accommodate the needs of their customers. Coffee shops started providing Wi-Fi for their customers. Customers can take advantage of the time while they are in the coffee shop. Today, consumers visit coffee shops to access the free Wi-Fi connection. In coffee shops, they can update social networks and complete school and work-related tasks. The emergence of people who work from home (*work from home*) has further driven the need for space and telecommunications access. Coffee shops also prioritize seating arrangements, ambiance, decoration, and Wi-Fi.

### **History of Coffee Culture in Indonesia**

Indonesian coffee culture may be a perfect example of the ‘coffee paradox’ (B. Daviron. & Ponte, 2005). The boom in global coffee consumption has not necessarily brought equality to producing countries in terms of value captured and the development of the coffee culture itself. As the world’s fourth-largest coffee exporter, Indonesian coffee farmers still benefit unequally from market share.

(Neilson et al., 2018). Indonesia boasts a diverse range of coffee varieties due to its geographical and cultural diversity. (Neilson et al., 2018). However, coffee processing techniques and variations in service are still underdeveloped. (Yuliati & Purnomo, 2019). This is due to the colonial legacy of exploitation and commodity domination in *the value chain*. (Widyaningsih et al., 2021) .

Introduced to Java by the Dutch in the early seventeenth century through a cultivation system, Indonesia quickly became a significant supplier of coffee to the European market at that time, particularly for its Arabica variety. Following the withdrawal of Dutch rule in 1905, coffee continued to be produced by small-scale plantations, private or cooperative, in many parts of the country with the best environmental conditions for growing coffee, or what is often referred to as Indonesia's 'bean belt', including Sumatra, Java, the Lesser Sunda Islands, and Sulawesi. (Haswidi, 2019).

The coffee culture itself originated in the rural hinterland, where coffee plantations were often located near small shops or warungs. Warung became a popular spot for socializing and savoring coffee among the agrarian community. As more people migrated to the city center, coffee made its way to the city through roadside warungs, which were similar to those found in the countryside. Early coffee shops or warungs had various methods of serving coffee. Most Indonesians drink Robusta (ground or instant) because it is cheap and easy to grow. Robusta coffee is generally brewed and unfiltered, also known locally as tubruk coffee. Tubruk coffee is consumed as a complement to lunch, a snack, or a dish while smoking. In addition to being a place to socialize, coffee shops at that time were also a place for political discussion among industrial workers. Information circulated faster there than in newspapers.

Coffee shop players in Indonesia divide their industry journey into four major waves. This category is based on the phenomenal momentum of coffee shop brands entering the Indonesian market. (Widiati, 2020).

1. The first wave (the 1980s - 1990s) was the decade when most Indonesians enjoyed instant coffee (in sachet packaging) provided by four national brands: Kapal Api (1927), Kopi ABC (1985), Nescafé (1971), Torabika



- (1977), and unbranded brewed coffee. Most *ready-to-drink coffee* (RTD Coffee) was available in traditional coffee shops and some modern coffee shops, such as Dunkin' Donuts (1985), Olala (1990), and Excelso (1991).
2. The second wave began in 2000. At this point, the ritual of drinking coffee in coffee shops changed from a trend to fulfilling functional needs (drinking coffee to refresh). Drinking coffee to fulfill emotional needs, whereas enjoying a cup of coffee in a modern outlet is a sign of increased *prestige*. This period was marked by the entry of major American brands, Coffee Bean (2001), Starbucks (2002), and Segafredo (2002). Lokal's Anomali also enlivened the market in 2007. In addition, during this era, Peranakan-Chinese coffee shops called Kopitiam began to emerge in the market.
  3. In the third wave from 2010 to 2015, appreciation for coffee increased. This is evident in the presence of artisan coffee shops, such as Tanamera, as of 2013. Consumers not only enjoy the prestige of drinking coffee in a cafe but also become more interested in coffee. The process of producing a cup of coffee. The presence of coffee machines has become a visual reference for consumers, and businesspeople are increasingly aware of the sexy side of the coffee shop business. Many new brands have entered the market. Indonesian hairdresser Johnny Andrean entered the market with his brand, J.CO Donuts & Coffee (2013), followed by McDonald's with the McCafe brand (2014), and Lippo Group introduced Maxx Coffee (2015).
  4. 2016 marked the fourth wave and an era where the size of the coffee shop market increased significantly. Various new coffee brands emerged, each opening dozens to hundreds of branches in multiple cities. To attract a younger segment (school children to young executives), *coffee shop players* began offering coffee-to-go shops. These, namely, small stalls provide ready-to-drink coffee at affordable prices for take-home or take-away use. Kopi Kenangan, Janji Jiwa, Fore, and Tuku are considered pioneers of the *coffee-to-go concept*. The presence of transportation platforms, such as GoFood and GrabFood, also contributed to the boom of this new concept.



### **Latest Trends Affecting Coffee Consumption**

Coffee has a long history that spans continents. In modern times, coffee is available in a variety of flavors and offerings. Today, digitalization and the demand for personalization are the main factors driving coffee consumption. In addition, there are several influential trends, namely;

- *Multi-Sensory Experience*

*Gourmet* is one of the most common choices for coffee lovers. Young adults who spend time in coffee shops have been the main drivers of this trend. *Gourmet coffee shops* have a variety of flavors and creams for every cup. As a result, younger consumers are gaining a taste for drinks with unique flavors and depths. For coffee lovers, the variety of coffee flavors is a multi-sensory experience.

- *Easy Brewing Process*

The last two decades have seen a sharp increase in the sale of coffee makers. For those who are busy and don't have time to brew a drink in the morning, this device is the most convenient option.

- *Eco-Friendly Coffee Products*

Another trend affecting coffee consumption is the demand for ethical and environmentally friendly products. Consumers want to be sure that their coffee grounds are not produced through unethical practices. Many coffee buyers are beginning to view their purchases as long-term investments in their health. They are more likely to look for labels for brands that support environmentally friendly horticultural practices. Produce grown without pesticides or inorganic fertilizers has a distinct taste and quality. As younger consumers become increasingly sensitive to taste, it makes sense that they are opting for environmentally friendly products. As a result, information about how *gourmet coffee* is grown and produced is growing.

- *Digitalization*

In the digital age, consumers have access to a wealth of information about coffee products and services. Users can share reviews and information about brands they like or dislike. Thanks to the internet, almost anyone can be an expert. Unlike in the past, business owners had to keep an eye on changing tastes and purchasing behaviors. Today, producers can reach consumers through several visual platforms.

*Augmented* and *virtual reality* can provide a multi-sensory experience when ordering coffee beans online. Shoppers can review aspects of the coffee, such as color and texture. With technology, consumers can make purchases with confidence, and coffee shops can reduce buyer resistance.

- *Personalization*

Digitalization also makes it easier for fans to find the desired taste from virtual coffee shops. Today, consumers are increasingly demanding products that are unique, offer a variety of flavors, and are of high quality. Buyers can order ground coffee online. High-quality, environmentally friendly coffee products are also widely available at reasonable prices. Thanks to digitalization, buyers can discover a wider range of flavors and drink blends. Online stores offer more convenience and personalization than traditional coffee shops.

- *Outdoor Coffee Shop*

Coffee shop consumers are now more discerning in their search for various facilities that are comfortable and meet their needs. The conditions that are still not free from the pandemic are considered one of the factors that make many consumers prefer cafes that offer open areas. Compared to closed rooms, many consumers feel safer in open rooms with better air circulation.

- *The Fusion of Coffee & Mixology*

*Mixology* is a technique that bartenders use to combine various ingredients to produce a delicious and refreshing drink. This technique is currently being developed as one method for mixing coffee.

### **Local coffee chain business**

The fairly good acceptance from the public towards coffee products with the concept of " *grab and go* " has made this industry crowded with players. According to data collected by DailySocial.id as of November 2021, there are more than 4,500 *coffee chains* spread throughout Indonesia. Some of them are now optimizing their digital platforms to enhance business and customer experiences, including Kopi Kenangan, Fore Coffee, and JIWA Group, which recently announced a funding round. (Eka, 2021) .



Figure 1. Number of Coffee Shop Outlets in Indonesia as of 2020

(source: idsocial, 2021)

According to research conducted by MIX Magazine in 2020, 40% of coffee customers in Indonesia have started switching to grab-and-go *outlets*. A shift from instant coffee supports this demand, as consumers seek higher-quality drinks that they can pair with complementary snacks. The *grab-and-go* concept itself is highly dependent on the existence of outlets, although not all are used as production sites (without having space for dine-in). For this reason, unicorn startups like Kopi Kenangan, which have hundreds of outlets, are indeed *asset-heavy*. Business acceleration is carried out significantly and requires substantial investments. (Eka, 2021).

Table 1. Differences between traditional coffee shops, semi-modern coffee shops, and modern coffee shops

Difference	Traditional Coffee Shop (Warkop)	Semi-modern coffee shop (Kedai)	Modern coffee shop (Café/Starbucks, etc.)
<b>Featured identity</b>	Traditional style	Combination of conventional & modern styles	Modern style
<b>The menu offered</b>	Coffee is served using traditional techniques and complements other foods, such as conventional snacks and rice.	Coffee is the main menu item and is accompanied by traditional snacks without rice.	Coffee is the main menu item and is complemented by contemporary snacks that exclude rice.
<b>Main consumer base</b>	Local community	Young people, middle-class individuals, and hobby groups, such as cyclists, motorcyclists, and music lovers etc.	Coffee lovers, impulsive consumers, middle class
<b>Attraction/marketing</b>	Traditional, conservative	Social media and simple advertising	Social media and simple advertising
<b>Price</b>	Rp. 3,000 – Rp. 5,000	Rp. 8,000 – Rp. 18,000	> Rp. 18,000

### ***Premium Coffee Emerging***

The coffee culture in Indonesia differs significantly from that in other countries, such as Japan or Europe, which have largely adopted the Starbucks style. Usually, coffee drinking in the West is introduced by the business community and then becomes a lifestyle. However, in Indonesia, it has been developed into a business by environmentalists and coffee lovers. They are sensitive to issues of exploitation and injustice, encompassing both environmental and social justice concerns. Local coffee shop activists build a vision and mission that differentiates their position from the global *coffee shop network*. Local coffee shops aim to convey that they are not just seeking profit; they also strive to create a sense of community. Coffee is not just a business commodity. On the contrary, local coffee shops have long been a symbol of a social vision for empowering coffee farmers.

With the public's acceptance of this new lifestyle, coffee shop businesses in big cities adopted Western coffee processing methods in the 1990s. But coffee community activists also began opening shops in cities such as Jakarta, Yogyakarta, Medan, Surabaya, Malang, and Makassar. In the past, coffee shops were often considered unpopular businesses, even among lower-middle-class individuals. Coffee became a middle-class lifestyle for both men and women, who became a significant market share, in addition to instant coffee.

Starbucks-style coffee has become an integral part of the lifestyle of young people and the middle class, often incorporated into their free time. It has even been institutionalized as a new lifestyle. New coffee flavors continue to emerge until coffee culture becomes an integral part of the middle-class lifestyle and the characteristics of the upper middle class. The Indonesian middle class developed a new coffee culture as a form of resistance to pop culture. They do not want to call their *coffee shops* “cafes” or “*cafes*”; instead, they choose the term “kedai”, a term that is more rooted in local customs but not “too traditional” like “warkop” or warung kopi. The word “kedai” represents a form of resistance to modern coffee shops, such as Starbucks, Kopitiam, and Exelco, among others. “Kedai” means freedom and brotherhood, while cafes seem formal and commercial. Thus, local people have a unique way of responding to foreign cultures rationally, not just

fighting or adopting, but more than that, articulating them into a more functional culture. (Purnomo et al., 2021).

This new coffee-drinking culture also embodies the theme of "pure coffee," "single-origin coffee," or specialty coffee, which is cherished by the coffee-loving community. They bring this new culture into the lifestyle of young citizens and the middle class. In addition to building a theme, the design and atmosphere of Indonesian coffee shops reflect traditional coffee drinking habits, as evident in the arrangement of tables and chairs, the provision of free food, and the ordering and payment process. Coffee shop owners also actively build resistance to larger coffee shops through their interiors, such as the layout and design of the coffee shop, and by creating consumer awareness of Starbucks' dominant culture. (Purnomo et al., 2021).

At the same time, the development of this new coffee shop model is slowly shifting the traditional coffee-drinking culture. So far, people only know one way to drink coffee, which is "tubruk" (coarse coffee powder boiled with solid sugar). Starbucks-style coffee-drinking culture has been massively and systematically cultivated among the middle class of Indonesian society through various channels since 2015.

In addition to education on coffee processing techniques, coffee customization can also create a productive social space for the growth of coffee culture and business. Drinking coffee in malls or *shopping centers* has become a new lifestyle for the Indonesian middle class, particularly in Jakarta and Surabaya, where professionals, students, and graduates often congregate. Business meetings, or simply social gatherings with friends, usually take place in places known as coffee shops because they are considered practical and strategic. Coffee is a free drink at food stalls, but now it has become the main menu, and food is just a complement.

Drinking coffee in a coffee shop is also viewed as a social activity and a form of socialization. Coffee shops maintain their position by utilizing ICT. Coffee shops enhance their shop infrastructure to attract more consumers or engage with the local community. (Widyaningsih et al., 2021). The application is designed to

connect consumers with outlets, facilitating a seamless transition between online and offline experiences. This model is quite efficient because companies can also utilize data on consumer habits recorded in the application, enabling them to present products and services that are more aligned with their market share. From the consumer side, the convenience and *added value* make them willing to use the application.

In urban environments like Jakarta & Surabaya, people rely heavily on informal services and digital platforms to navigate the city and meet their social needs. Integrating ICT into traditional coffee shops has evolved beyond promotion or marketing, given the significant growth of online delivery. *Online food vendors* are required to meet the increasing demand, including coffee shops, as development changes people's behavior. This also happens in coffee consumption patterns.

Then, in the fourth-wave era, like today, urban society began to care about the origin of coffee beans & how the processing process. Consumer groups that want better quality. Slowly, premium coffee is becoming more accessible in specialty coffee shops at reasonable prices, making it available to a wider audience. With clever adjustments, such as diversifying products, the contemporary coffee business, along with the grab-and-go concept, will also be able to survive.

The format of research results and discussion is not separated, given the limited number of pages available to authors. Manuscripts are written with a line density of 1.5 spacing, Times New Roman 12 font. Research results can be presented with the support of tables, graphics, or images as needed, to clarify the presentation results verbally. Table titles and graphs or image captions are arranged in the form of concise phrases (not sentences). The image/graphic caption is placed below the image/graph, while the table title is placed above it. The title begins with a capital letter. Do not repeat writing the numbers that have been listed in the table in the discussion text. To emphasize the results obtained, it is better to present them in a different form, such as a percentage or a difference. To refer to the numbers in question, consult the table containing them. Generally, international journals prefer that statistical language (such as "significantly different" and "treatment") not be

used in the discussion. Avoid copying and pasting statistical analysis results tables directly from statistical data processing software.

## CONCLUSIONS AND RECOMMENDATIONS

Over the last six years, the coffee industry in Indonesia has been experiencing its fourth wave. The rapid growth of coffee shops marks this era. The growth of coffee shops is supported by increasing consumerism and purchasing power, as well as expanding consumer reach. Various new coffee brands have emerged, establishing strong brands and positions in a short time. Currently, digitalization and the demand for personalization are the main factors driving coffee consumption.

Coffee shops in the digital era adapt to the tastes, trends, knowledge levels, and shifts in coffee culture within Indonesian society. Local coffee shops have emerged with their own characteristics, *positioning, and selling points*. There are three main typologies of coffee shops in Indonesia: warung (warkop), semi-modern shops, and modern coffee shops. All three have their own identities, menus, consumer bases, prices, and attractions.

Ultimately, coffee consumption is influenced by factors such as existence, appearance, activity, social media presence, and brand identity. Coffee shops are not just selling products but also as a symbol of lifestyle. In addition to offering food and beverage products accompanied by promotional offers, coffee shops serve as symbols of each consumer's preferred consumption object.

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