

Emergence of coffee shops in Capiz: Initiatives, adversities, prospects

Judy Ann A. Galleno

College of Education Graduate Programs
Capiz State University Roxas City Main Campus
Roxas City, Philippines
Email: judyann.galleno@deped.gov.ph

Abstract: Over the past decade, the Philippines has witnessed a remarkable surge in the popularity of coffee shops, marking a cultural shift in the way Filipino socialize and consume beverages. This qualitative study explored the evolving environment of coffee shops in Capiz, examining the initiatives that shaped the business dynamics. The participants of the study were the 22 coffee shop owners/managers in the Province of Capiz who were registered in the Department of Trade and Industry. Data analysis underwent two phases of data collection and was conducted using Braun and Clarke's five stages of thematic analysis. All audio recordings were transcribed verbatim. One-on-one interviews using a researcher made 15 – item interview guide was employed. Based on the results, Coffee shop owners in Capiz were driven by the following initiatives when they established their business: diversification and expansion, adaptation to trends and customer preferences, passion and personal interest, Community engagement and support, learning and development, and entrepreneurial spirit and planning. The study concluded that Capiz coffee shop owners are well-positioned to thrive in a complex and evolving industry landscape, emphasizing a blend of passion, strategic planning, and community-oriented approach.

Keywords: Coffee Shops, Initiatives

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INTRODUCTION

Tourism Industry has been one of the fastest growing sectors of the world economy and become top priority of most countries. Travel and tourism industry, has a great contribution in Philippine's Gross Domestic Product (Villegas, 2016). Tourism plays an important role in the country's economy similar to how important the Food and Beverage sector is to tourism. One of the absolute factors that influence tourists in traveling is food (Briones et al., 2013; Buted and Ylagan, 2014; Lorica, 2008; De Chavez et al., 2013; De Luna et al., 2014). In Tourism's old literature, food served and offered in a particular destination is considered as an attraction. Food is important in a particular location, of the same value as of other facets. Food can be considered as a necessity, an important prerequisite related to the tourist's activities, and a reason for their fulfillment and satisfaction.

Over the past decade, the Philippines has witnessed a remarkable surge in the popularity of coffee shops, marking a cultural shift in the way Filipinos socialize and consume beverages. The emergence of coffee shops can be attributed to a combination of factors, including the growing influence of global coffee culture, increased urbanization, and a rising middle class with a penchant for lifestyle experiences. The younger generation's inclination towards specialty coffee, fueled by a desire for diverse and high-quality brews, has driven the proliferation of independent coffee shops offering a wide range of coffee varieties, brewing methods, and aesthetically pleasing environments. Additionally, the rise of freelancing and remote work has turned these coffee shops into versatile spaces for both work and leisure, contributing to their status as hubs of creativity and community engagement. This trend not only reflects changing consumer preferences but also highlights the evolving social fabric of the Philippines, where coffee shops have become integral to the contemporary

Filipino lifestyle. Nestled in the heart of Panay Island, Roxas City is a vibrant coastal destination that offers more than just pristine beaches and mouthwatering seafood. For coffee enthusiasts and café connoisseurs, this charming city boasts a burgeoning coffee culture that is sure to awaken your senses. Whether you're a resident seeking your daily caffeine fix or a curious traveler exploring the city, Roxas City has a diverse array of coffee shops that cater to every palate and preference. (Habaradas, and Mia, 2021).

A coffee shop can be quite similar to a bar and a restaurant. The title itself eminently suggests that the main product is coffee but at present, coffee shops offers light snacks and tea. Some of the coffee houses, as other people call it, also offer customers several food choices from cupcakes to cakes, pasta, muffins, soup, cold drinks, sandwiches and many other more. From a cultural perspective, coffee shops became a center and perfect location for social interaction that provides people a venue to meet, talk, write, read or pass time, whether with or without company. Earlier studies reveal that boosting the growth of coffee businesses have positive effect when it comes to tourism (Suarez et al., 2017).

Coffee shop owners find it increasingly difficult to remain in business because of intense competition and the vagaries of customer preferences (Muhammad & Lee, 2015). Only 54% of small businesses, including coffee shops, opened in the United States in 2012, managed to remain in business longer than 5 years (Bureau of Labor and Statistics [BLS], 2016). The general business problem is that some small businesses owners are unable to survive during the first 5 years of operation. The specific business problem is that some coffee shop owners lack the marketing strategies to sustain business operations during the first 5 years of operation.

Initiatives in this study referred to a broad range of actions taken by the owners in establishing coffee shop. Brown and White (2022) emphasize that community engagement initiatives aim to cultivate positive relationships between coffee shops and their local communities. By participating in such initiatives, coffee shops seek to integrate themselves into the community, support local causes, and cultivate a loyal customer base. Additionally, environmental initiatives in coffee shops, as highlighted by Green and Miller (2023), focus on reducing the environmental impact of operations. These efforts aim to align business practices with environmental sustainability, appealing to environmentally conscious consumers.

Adversities in this study referred to the challenges faced among Coffee shops in the province of Capiz. The term "adversities" refers to unfavorable circumstances or conditions that present challenges or obstacles, as highlighted by de Vries, Arends, and Oldehinkel (2023). Despite the Philippines' deep-rooted coffee culture, many local coffee farmers struggle to improve their quality of life due to low income from selling beans, particularly those in upland areas who often receive low prices from middlemen (Habaradas& Mia, 2021). Reasons for this include declining coffee plantation area, poor bean quality from farming practices, and low farmer productivity. There's a pressing need to boost local production, enhance exports, and prioritize the welfare of Filipino coffee farmers (Habaradas et al., 2021).

In the coffee shop sector, maintaining profitability is challenging due to fierce competition. Common hurdles include ensuring product quality, service consistency, and effective supply chain management (Inacando, 2023). Success depends on delivering high-quality coffee and ensuring customer satisfaction through factors like service, ambiance, and marketing. Owners must adeptly manage operational and financial aspects such as cash flow, inventory, and staffing to foster growth (Inacando, 2023). Understanding these challenges enables owners to proactively address them, differentiate themselves from competitors, cultivate customer loyalty, and strategically expand their businesses.

In terms of sustainability, prospects for coffee shop owners involve examining opportunities and possibilities for future success, growth, and overall sustainability (Newman

et al., 2018). This includes exploring avenues for expansion, profitability, and long-term viability in the industry.

These statements captured the interest of the researcher since initiatives, adversities, and prospects among coffee shops are imperative to foster industry resilience and strategic growth. By comprehensively examining current strategies, businesses gain insights into consumer trends, adaptability to challenges, and potential areas for expansion. This research not only aids coffee shops in staying competitive and aligning with shifting consumer preferences but also informs long-term sustainability planning. Additionally, understanding the regulatory landscape, community impact, and best practices within the industry enables businesses to make informed decisions, fostering innovation and contributing to the overall development of the coffee shop sector.

Statement of the problem

Generally, this study was conducted to explore the initiatives and prospects among the coffee shops in the province of Capiz.

LITERATURE REVIEW

Initiatives among coffee shops

Sustainable sourcing in coffee shops involves a commitment to obtaining coffee beans through ethical and environmentally friendly practices. This initiative often includes forming partnerships with fair trade organizations, ensuring fair wages for farmers, and supporting eco-friendly cultivation methods. Coffee shops embracing sustainable sourcing prioritize transparency in their supply chains. They may directly engage with coffee farmers, ensuring that the cultivation methods align with environmental conservation principles. This initiative not only promotes social responsibility but also addresses environmental concerns related to deforestation and pesticide use (Smith, 2023).

Brown & White (2022) stated that community engagement initiatives in coffee shops are designed to foster a positive relationship between the business and the local community. This involves supporting local charities, organizing events, and actively participating in community development projects. Coffee shops may organize events like fundraisers, art exhibitions, or educational workshops. Collaborations with local charities can include donating a percentage of sales to community projects. Through these initiatives, coffee shops aim to become integral parts of their communities, contributing to local causes and building a loyal customer base.

Environmental initiatives in coffee shops focus on minimizing the environmental impact of their operations. This can include using eco-friendly packaging, reducing single-use plastics, and implementing recycling and waste reduction programs. Coffee shops may invest in compostable or biodegradable packaging for their products. They might also adopt practices like recycling coffee grounds for compost or energy production. The goal is to align business practices with environmental sustainability, appealing to environmentally conscious consumers (Green and Miller, 2023).

Johnson and Davis, (2022) stated that technology integration in coffee shops involves leveraging modern technologies to enhance customer experiences and streamline operations. This can include mobile ordering apps, loyalty programs, and innovative brewing methods. Coffee shops may develop user-friendly mobile apps for customers to place orders, pay, and earn loyalty points. Integration of technology can also extend to smart brewing equipment that enhances the quality and efficiency of coffee preparation. This initiative aims to meet the demands of tech-savvy customers and improve overall operational efficiency.

To address sustainability challenges, companies rely on governance mechanisms that variously combine codes of conduct, voluntary sustainability standards (VSSs). The shift from state-centred to polycentric governance, and the increased reliance on nonstate market-driven governance (NSMD) to achieve sustainability is particularly visible in the coffee sector. With the stringency and enforcement of government regulations varying between countries, VSSs, such as Organic and Fairtrade, emerged to tackle environmental and socio-economic sustainability challenges in the coffee sector (Auld, 2014; Grabs, 2018) soon followed by other nongovernmental organization (NGO), industry/company- and multistakeholder-led VSS. The potential of VSS initiatives to become not only viable alternatives to government regulations, but the *modus operandi* of sustainability governance created significant interest in the topic both hopeful, cautious (Auld, 2014a; Auld et al., 2008; Stratoudakis et al., 2015) and sceptical (Waldman and Kerr, 2014).

More recent initiatives to address sustainability include direct trade, single origin and value chain transparency, which first emerged as differentiation and sustainability strategies in the coffee sector among a group of small roasters (Grabs, 2017; Latta and Barbara, 2014) and are now spreading to other sectors. Direct trade—the commercialization of coffee from farmers to roasters without intermediaries—can bring benefits in the form of higher prices for producers, increased connection to global markets and improved agroecological production practices (HernandezAguilera et al., 2018; MacGregor et al., 2017; Middendorp et al., 2020; Rosenberg et al., 2018; Rueda et al., 2018). Single origin—marketing of coffee from specific farms, regions or countries, sometimes through Geographical Indications—is used by roasters to brand coffee and by producer countries to protect their reputation and increase value capture (Barjolle et al., 2017; Rueda et al., 2017; Samper and Quiñones-Ruiz, 2017). Transparency fosters accountability by facilitating ‘soft enforcement’, (Schleifer et al., 2019) enabling public scrutiny and informed consumers decision making based on company disclosures, while also facilitating increased sales, as it ‘improves consumer willingness-to-buy’ (EgelsZandén and Hansson, 2016).

Samper and Quiñones-Ruiz (2017) concluded that the coffee industry is ‘at a crucial moment’ in defining ‘the best sustainability strategy going forward’, calling for a revisit, reevaluation and improvement of coffee sustainability efforts, especially considering coffee producing countries. Despite the growth in VSS-compliant coffee production, the proliferation of industry-/company-led sustainability standards, and the increased focus on sustainability and other differentiation strategies across the sector, our knowledge of sustainability in the coffee sector remains incomplete.

There have been examples of coffee shops which were designed with sustainability, and in part the circular economy, in mind. Back in 2015 Costa Coffee created an ‘Eco Pod’ coffee shop where the building was designed incorporating energy saving technologies, including materials with excellent energy retention, solar panels, under-floor heating, passive ventilation system and rainwater capture (Edie, 2015). Many coffee shops and roasteries demonstrated an interest in being located in buildings with more sustainable features but were limited to what they could do in their existing premises. In addition, many of the same businesses made an effort to ensure that parts of their interior were made from reused or recycled materials.

METHODOLOGY

Research design

This study utilized a qualitative research design. Basic qualitative studies are inquiries undertaken in the natural setting, meaning they explore an individual's lived experiences and everyday life (Magilvy & Thomas, 2009). Qualitative methodology can refer to several theoretical perspectives that all have similar characteristics. These theoretical perspectives include: Exploring the journeys of individuals and how they make sense of their experiences; undertaking research in the everyday setting; displaying research findings in the form of verbatim quotes; and, the researcher being immersed in the research process (Carpenter, 1997). As a result, qualitative inquiry was considered the most suitable process to understand the initiatives among restaurants in the Province of Capiz.

Locale of the study and respondents

The participants of this study. The qualitative data needed for the study were taken from seven municipalities namely Roxas City, Ivisan, President Roxas, Ponteveda, Dumarao, Dao, Cuartero with the total number of 22 participants and broken down as follows: 13 from Roxas City, 1 from Ivisan, 2 from President Roxas, 1 from Ponteveda, 1 from Dumarao, 2 from Dao, 2 from Cuartero. Making a total of 22 participants and purposively selected on their availability and convenience.

Research instruments

Qualitative research interview aims to elicit participants' views about their lives as portrayed in their stories to gain access to their experiences, feelings and social worlds. With this, a research instrument in the form of an interview guide containing a list of questions and prompts is designed to guide the interview in a focused and flexible and conversational manner (Merriam and Tisdell, 2016). The research instrument utilized in this study was a researcher-made interview guide. This was the primary tool used to gather qualitative data needed for the study. The interview guide was prepared and then approved by the advisory committee. Upon approval, the next step to take was piloting the interview to twenty – two participants who exhibited similar criteria used for selecting the participants. Piloting the interview resulted in translating the interview guide in Hiligaynon to fit the instrument in the participants' context and common language. After which, the interview guide was translated by a language expert. After the translation, the research instrument was then utilized to 22 participants to acquire information on the initiatives of Coffee Shops in Capiz.

Data analyses procedure

This study utilized qualitative data analysis. Data analysis underwent two phases of data collection (Coffey and Atkinson 1996) and was conducted using Braun and Clarke's (2006) five stages of thematic analysis. All audio recordings were transcribed verbatim. During transcription, notes were created to identify potential themes, codes, and ideas (Braun and Clarke 2006). All transcripts were sent to the respective participants for revisions or additions (Lincoln and Guba 1985).

Semi-structured interviews were chosen as the interview method, as this style allowed for a more profound understanding of the adversities, initiatives, and prospects among coffee shops in the province of Capiz. To achieve an in-depth understanding, questions that were asked are open ended, using such techniques as 'grand tour' questions (e.g., Leech, 2003). Semi-structured interviews were described as purposeful conversation as they involve broad, open-ended questions (Carpenter, 1997).

To facilitate this process, multiple thematic maps was constructed to visually demonstrate patterns among different themes. The data and themes was reviewed again for any information that may have been overlooked, while further defining the themes to fully understand the 'essence' of each theme (Braun and Clarke, 2006).

This study's qualitative descriptive approach drew upon naturalistic enquiry with minimal interpretation. This research was not looked to apply a theory or interpret the data. Instead, it will look to identify prior themes from existing ideas and literature, as well as emerging dominant themes from the participant interviews.

The thematic analysis flow chart has a five (5) phases, in the first phase the data was thoroughly read and understand and all important information was jot down and it also includes the initial thoughts. Then the significant features where systematically identify. Then the themes were organized into potential themes and collect relevant information. Then the themes were reviewed and validated against the dataset and form in the thematic map. After that the themes were refined and clearly defined giving them appropriate names.

FINDINGS AND DISCUSSION

Initiatives of coffee shop owners in establishing their business

Through interviews with the participants, the researcher was able to obtain information on the initiatives of coffee shop owners in establishing their business. Based on the thematic analysis, coffee shop owners in Capiz were driven by six (6) initiatives in establishing their business. These initiatives were diversification and expansion, adaptation to trends and customer preferences, passion and personal interest, community engagement and support, learning and development, entrepreneurial spirit, and planning.

Diversification and Expansion

The first initiative applied by the coffee shop owners was diversification and expansion. Six (6) out of twenty – two (22) participants have exhibited a proactive approach to business growth by diversifying their offerings and expanding their operations. Specifically, the initiative of diversification and expansion applied by the coffee shop owners in establishing coffee shops was shared by Participant 1, Participant 6, and Participant 20. Subsequently, subsumed under the major themes, three subthemes have emerged from the findings, namely, Integration with existing services, capitalizing on emerging opportunities and gradual growth and development. The coffee shop owners had various forms of diversification and expansion techniques. One was integrating existing services into car washes or cake shops. By doing so, owners not only catered to a wider customer base but also created synergies between different businesses, enhancing overall profitability. Additionally, some coffee shop owners have capitalized on emerging opportunities, such as starting coffee businesses during the pandemic when other establishments were closing. This strategic expansion demonstrated a keen understanding of market dynamics and a willingness to adapt to changing circumstances, ultimately positioning the coffee shop for long-term success.

As Participant 1 shared:

So, just like what I've said earlier, we started this business so that we can cater our customers in the carwash. When our carwash opened, people didn't have a place where they could wait, especially when it's hot. Usually, they will wait for an hour, so we decided to really plan on this shop. So, when the coffee shop was put up, people were visiting, not just from our own car wash but from other car wash too. It really makes us happy to provide them with good service while they are waiting.

Participant 6 added:

Honestly saying, I am not a businessman by profession, I am a chemical engineer. I went to Saudi. There, I started to try blending coffees. I also thought of planning to put up a coffee shop. Then during pandemic, I couldn't go back to Saudi. When I had Basti, the goal of this shop was to become a place where Basti could stay. It was for dog lovers also, not mainly for business.

According to analysis, the importance of integration with existing services, capitalizing on emerging opportunities and gradual growth and development is vital in the diversification and expansion of the business. Essentially, this strategic expansion demonstrates a keen understanding of market dynamics and a willingness to adapt to changing circumstances, ultimately positioning the coffee shop for long-term success.

These results conformed with the study of Grant (2021), when he said that product diversification is a simple concept and necessary among coffee shops. By selling and adding new products, you can implement new revenue streams and ensure some level of future stability if you have any issues with your core product. Kang, & Kim (2020) found that well-governed firms benefit more from diversification strategies, leading to increased firm value. Kim, & Mattila (2021) highlights the importance of adapting to changing customer preferences, such as offering takeout and delivery options, to maintain customer engagement and loyalty during challenging times.

Adaptation to trends and customer preferences

The second initiative applied by the coffee owners was Adaptation to Trends and Customer Preferences. Nine (9) out of twenty – two (22) participants have expressed that they initiated the putting up of their business to adapt to trends and customer preferences. Specifically, Initiatives applied by the owners in establishing coffee shops as shared by Participant 2 and Participant 4 have shaped the Adaptation to Trends and Customer Preferences. Subsequently, subsumed under the major themes, three subthemes have emerged from the findings, namely, response to pandemic trends, aesthetically pleasing spaces, and catering to modern consumer desires.

First, response to pandemic trends demonstrates awareness of market trends and evolving customer preferences, which they leverage to drive growth and innovation. For instance, many entrepreneurs have responded to the increased demand for coffee experiences during the pandemic by enhancing their offerings. Second aesthetically pleasing spaces inspired by popular destinations like Siargao or Bali. This attention to detail not only attracts customers but also fosters brand loyalty and positive word-of-mouth marketing. Thirdly, by catering to modern consumer desires by staying attuned to consumer desires and market trends, coffee shop owners position themselves as trendsetters in the industry, continuously evolving to meet the evolving needs of their clientele.

Specifically, the initiatives applied by the owners in establishing coffee shops as shared by Participant 2, Participant 4, Participant 6, Participant 8, and Participant 9, expose them to response to pandemic trends, aesthetically pleasing spaces, and catering to modern consumer desires as corresponding subsumed in the second major theme, Adaptation to Trends and Customer Preferences.

As participant 2 shared his engagement in response to pandemic trends:

The first time that I worked here was during the pandemic. We used to just have a mini stall, but then, we started building our own little coffee shop. Little by little, we developed the shop and made it bigger. We didn't settle for less, we improved the place and the product because we were also becoming well-known for our coffee.

As participant 4 shared his experience in creating aesthetically pleasing spaces: Pandemic. Actually, I wasn't a coffee lover before, but because of pandemic, me and my friends go out and usually coffee shops are the place that people go before. Until, I just learned to love it. Another thing also is the ambiance, because this was inspired by Siargao.

By analysis, participant 1 is engaged in the increased demand for coffee experiences during the pandemic. Specifically, they started having a mini stall to building their own little coffee shop. Then, little by little, they develop the shop and made it bigger. They improved the place and the product until they become well-known for their coffee. To make sense, participant 4 expresses a sense of adapting the ambiance of having an aesthetic pleasing spaces considering that she's not a coffee lover but because of pandemic, she and her friends go out and usually they go to coffee shops Until, she just learned to love it. She mentioned the ambiance because her coffee shop was inspired by Siargao.

This response was validated by the statement of Alzamil (2022) interior design focus on how spaces and internal environment look and function. It has a significant role to play in making various spaces contextual. Since coffee shops are semi-public gathering places where diverse people from all walks of life meet and spend time, they have always been spaces that will best reflect the identity of locality.

Passion and personal interest

The third initiative that drove the participants to establish their coffee shops is Passion and Personal Interest. Ten (10) out of twenty – two (22) participants have expressed that the Initiatives applied by the owners in establishing coffee shops influenced by the adaptation to trends and customer preferences.

Specifically, Initiatives applied by the owners in establishing coffee shops as shared by Participant 5 and Participant 18 have shaped the Passion and Personal Interest. Passion and personal interest can be explained by the shop owners' personal connection to coffee, inspiration from travels or family, and hobby turned business venture. The shop owners have expressed that they themselves are coffee lovers and Their travels across within the country and the world developed their passion for coffee and ...Some of them were also inspired and motivated by their family to start the business. Finally, some of the owners have developed the hobby related to coffee and decided to convert this into business.

As participant 5 shared:

Actually, me and my friends really planned this out. We wanted to put up a coffee shop as partners. But as for me, it started when I brought a drip bag of coffee, and started reselling it. So, my products that time even reached Iloilo, I still didn't have a shop that time. When I generated my own income, I had an idea to make coffees, and I wanted it to start in my resort in Basiao. Since I already had a place, I think it wouldn't be that hard to start the coffee business. At first, it just felt like a hobby. But then, it started to grow. That is when I also started to add more products in my menu.

As participant 18 added:

What inspired me is my mother, this is where she used to live. My mother has a great influence in our lives, so when there was no one who wanted to handle this, I volunteered. And after that, I tried learning how to handle it.

The responses obtained from Participant 5 and Participant 18 provide meaningful information on the initiatives applied by the owners in establishing coffee shops. To make sense, the participant attributed to the passion and personal interest who are driven by a genuine love for coffee and a desire to share that passion with others. To make sense, In understanding the motivations behind individuals who embark on ventures such as coffee

businesses, it becomes apparent that their drive stems from a deep-seated passion and personal interest in their chosen field.

These individuals, fueled by a genuine love for coffee and a desire to share their enthusiasm with others, often find themselves drawn to entrepreneurship. Participant who, upon generating his own income, envisioned a coffee venture, initially starting as a hobby but evolving into a full-fledged business. Inspired by personal experiences like travel and familial traditions, his passion permeates every aspect of his enterprise, from the quality of products to the level of customer service provided.

The results conformed with the study of Patel, & Thatcher, (2022) finds that entrepreneurial orientation positively influences firm performance, underscoring the importance of entrepreneurial spirit and strategic planning in driving firm success. Further, Roach, Sturman, & Liao, (2021) employee passion positively influences job performance, organizational citizenship behavior, and job satisfaction, highlighting the importance of personal interest and passion in driving workplace outcomes.

Community engagement and support

The fourth initiative that drove the participants to establish their coffee shops is Community Engagement and Support. Ten (10) out of twenty – two (22) participants have expressed that the Initiatives applied by the owners in establishing coffee shops influenced by the community engagement and support. Specifically, Initiatives applied by the owners in establishing coffee shops as shared by Participant 16 and Participant 19 have shaped the community engagement and support. Subsequently, subsumed under the major themes, three subthemes have emerged from the findings, namely, meeting local needs, and creating social spaces.

As participant 16 shared:

At first, there were no coffee shops near this place in dulanagan. So, Perieng's became the first restaurant here that offers coffee. I wanted the people here to have a place where they can have coffee that is nearby.

Participant 19 added:

Actually we started during the pandemic. Our first branch started in Passi City, then we had the second branch here. It really was during the pandemic that I strived to pursue this business. We are from Passi, we only branched out here.

The responses obtained from Participant 16 and Participant 19 provide meaningful information on the initiatives applied by the owners in establishing coffee shops. To make sense, the participant played a vital role in their communities by providing more than just a place to grab a cup of coffee; they serve as hubs for social interaction and community engagement. Many owners prioritize community needs by establishing coffee shops in underserved areas or creating welcoming spaces where residents can gather and connect. This commitment to community engagement fosters a sense of belonging and strengthens social ties, positioning the coffee shop as an integral part of the local fabric.

Finally, by supporting local suppliers and collaborating with neighboring businesses, coffee shop owners contribute to the overall economic vitality of their communities, further solidifying their role as community anchors. Kim & Jamal (2021) underscores the importance of community engagement and support in fostering sustainable tourism development, which can have positive spillover effects on local businesses like coffee shops.

Learning and Development

The fifth initiative that drove the participants to establish their coffee shops is Learning and Development. Eight (8) out of twenty – two (22) participants have expressed that the Initiatives applied by the owners in establishing coffee shops expose them to learning and development. Specifically, Initiatives applied by the owners in establishing coffee shops as shared by Participant 9 and Participant 13 expose them to Learning and Development. Subsequently, subsumed under the major themes, four subthemes have emerged from the findings, namely, supporting local economies, continuous improvement, innovation and experimentation.

As participant 9 shared: What motivated me really, it started when we need are just looking for a hobby during the pandemic and Luna coffee didn't really happened because I was planning to build a business, it started watching a video in YouTube and then I noticed that there was like a video teaching how to make a coffee with manual espresso and then what I did was I did some experiment and then there was like an idea what if I sell this coffee with my officemates. So, it started with that, and then because of feedbacks, there was bad and good feedbacks, it motivates me to do better, not in selling yet but on how to improve my coffee, so there was a comment like your coffee taste bad or taste good like there's need an improvements, so those kind of stuff really motivates me. Some may say that this could be a discourage specially if it's negative comments but during that time I feel like it's motivating me to do better so I was like motivated to seek for more improvement in terms of making coffee.

The responses obtained from Participant 9 and Participant 13 provide meaningful information on the initiatives applied by the owners in establishing coffee shops. Further, continuous learning and development are key pillars of success for coffee shop owners, who actively seek out opportunities to improve their skills and expand their knowledge base. Whether experimenting with new coffee-making techniques, seeking feedback for improvement, or drawing inspiration from media and industry trends, owners demonstrate a commitment to excellence and innovation. Participants experienced highlights the significance of continuous learning and development in fostering innovation and adaptability within businesses.

Starting with a simple idea sparked by personal experimentation, the journey evolves through feedback, both positive and negative, which serves as motivation for improvement. This culture of learning not only keeps business owners ahead of the curve but also cultivates creativity and adaptability within their organizations, ensuring they remain competitive in a constantly changing industry landscape. Their contribution emphasizes the notion of continuous improvement as a source of inspiration and personal growth. It underscores the importance of embracing new learnings and experiences, transforming past limitations into present opportunities. The sentiment expressed resonates with the idea that continuous learning leads to personal and professional development, enhancing one's ability to adapt and thrive in various contexts.

This showed how the participants cope with the learning and development as an Initiative applied by the shop owners in establishing coffee shops.

This conformed with the article posted by Creative Ground (2024), Well-informed staff offer better customer service, which is critical to establishing a loyal customer base in a competitive market. Staff training provides baristas with a deep understanding of coffee, from bean origin to brewing techniques, enabling them to educate and impress customers. Trained employees operate more efficiently, reducing wait times and increasing the overall pace of service. Investing in employees through training shows a commitment to their development, leading to higher job satisfaction and retention rates.

Entrepreneurial spirit and planning

The last initiative that drove the participants to establish their coffee shops is Entrepreneurial Spirit and Planning. Nine (5) out of twenty – two (22) participants have expressed that the Initiatives applied by the owners in establishing coffee shops influenced by the Entrepreneurial Spirit and Planning. Specifically, Initiatives applied by the owners in establishing coffee shops as shared by Participant 8 and Participant 22 have shaped the Entrepreneurial Spirit and Planning. Subsequently, subsumed under the major themes, three subthemes have emerged from the findings, namely, Strategic vision and planning, Seizing opportunities, and balancing risk.

As participant 8 shared: During pandemic, we couldn't really do things that much, so what we did was think. It really sprouted from the thought that we want to build a business where people could go when they want a little break from all the things that are happening in their lives. We wanted to establish a place where they can go and talk peacefully.

To make sense, The participant exhibited a strong entrepreneurial spirit characterized by vision, strategic planning, and a willingness to take calculated risks. From conceptualizing their business ideas to executing detailed business plans, owners demonstrate a proactive approach to business management.

To make sense, The participant exhibited a strategic vision that enables him to identify opportunities, mitigate risks, and navigate challenges effectively, ensuring the long-term sustainability and growth of their businesses. Moreover, by remaining agile and adaptable in the face of uncertainty, coffee shop owners are better equipped to capitalize on emerging trends and seize new opportunities, further solidifying their position as industry leaders and innovators.

Based on the responses provided, it's evident that coffee shop owners in Capiz employ a variety of strategies to navigate challenges and foster growth in their businesses. Many entrepreneurs opt to integrate coffee shops with existing services, recognizing the value of providing additional amenities to enhance customer experience. This trend underscores a proactive approach to diversification and expansion within the industry. Moreover, owners demonstrate a keen awareness of market trends and consumer preferences, particularly during the pandemic, when there was a notable surge in demand for coffee experiences. This responsiveness to changing market dynamics reflects a commitment to meeting customer needs and staying competitive in a dynamic landscape.

Furthermore, the personal connections that many owners have with coffee are palpable, whether stemming from a hobby, familial influence, or personal passion. This intrinsic motivation drives their dedication to their businesses and fosters a sense of authenticity that resonates with customers. Additionally, community engagement emerges as a significant aspect of their endeavors, with owners striving to meet local needs by providing nearby coffee options and creating social spaces for residents to gather and connect. This commitment to community support not only strengthens ties with customers but also contributes to the overall vibrancy of local neighborhoods.

Also, continuous learning and development are valued among coffee shop owners, who actively seek feedback and strive for improvement in their products and services. This culture of continuous improvement ensures that their businesses remain dynamic and responsive to evolving consumer preferences. Lastly, an entrepreneurial spirit and strategic planning underpin their endeavors, with owners seizing opportunities and carefully planning their ventures to ensure long-term success.

This conformed with the study of Brown, Cron, & Slocum, (2021) finds that training positively influences employee outcomes through the mediating role of self- efficacy and that dispositional resistance to change moderates this relationship, highlighting the importance of

learning and development initiatives in enhancing employee performance. Lastly, as staff become more knowledgeable, they can contribute innovative ideas for new products or service improvements, driving business growth.

CONCLUSIONS AND RECOMMENDATION

In conclusion the coffee shop owners in Capiz successfully established their businesses through a combination of diversification and expansion, adaptation to trends and customer preferences, passion and personal interest, community engagement and support, learning and development, and entrepreneurial spirit and planning. These initiatives not only enabled them to navigate market dynamics and customer preferences but also fostered strong community ties and sustained business growth. The diverse motivations and adaptive strategies highlighted in the research highlight the complex approach required for entrepreneurial success in the dynamic coffee shop industry.

It is recommended that coffee shop owners embrace local ingredients involves sourcing produce and materials from nearby suppliers and producers, contributing to the local economy and fostering a sense of community. By incorporating locally sourced ingredients into their offerings, coffee shop owners can create unique and authentic products that resonate with customers, distinguishing their establishment from larger chains. Additionally, implementing sustainable practices such as reducing waste, using eco-friendly packaging, and promoting energy efficiency not only aligns with the growing consumer demand for environmentally conscious businesses but also demonstrates a commitment to long-term sustainability. Monitoring market trends allows coffee shop owners to adapt their menu offerings and business strategies to evolving consumer preferences, ensuring continued relevance and success in Capiz's competitive restaurant landscape.

Moreover, aspiring coffee shop owners conduct thorough market research before starting a coffee shop is essential for understanding the competitive landscape and identifying opportunities for differentiation. By analyzing consumer preferences, market trends, and competitor strategies, aspiring coffee shop owners can develop a business plan that aligns with the needs and preferences of their target audience. Embracing sustainability from the outset not only positions the coffee shop as a responsible and ethical business but also reduces long-term costs and environmental impact. Incorporating eco-friendly practices and sourcing local ingredients can create a unique selling proposition that attracts environmentally conscious consumers and sets the coffee shop apart from larger competitors.

Lastly, future researchers study consumer behavior in Capiz's food industry which can provides valuable insights into the preferences, attitudes, and purchasing decisions of local residents and tourists. By conducting comprehensive research on consumer trends, researchers can identify opportunities for innovation and growth within the market, informing strategic decisions for coffee shops and restaurants. Assessing the impact of sustainable practices implemented by food establishments in Capiz helps quantify the benefits of environmental responsibility and social

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