Building a sustainable pop-up coffee shop; case study of rehat coffee

Kurniawan Arif Maspul
Department of Finance & Admin. Science, Al Madinah International University Malaysia

ARTICLE INFO

Article history:
Received Jan 12, 2024
Revised Feb 18, 2024
Accepted Feb 24, 2024

Keywords:
Circular economy
Triple Bottom Line
Strategic partnerships
Market research
Sustainable business model
Community development
Innovation

ABSTRACT

Begin a riveting trip through the revolutionary leaps of Rehat Coffee, a dynamic pop-up coffee shop located in Banjarmasin, Indonesia. Rehat Coffee is pioneering a vibrant modern economic community by seamlessly combining features of the low-cost entrepreneurship, sustainability, and cultural heritage. Rehat Coffee expertly integrates global coffee trends and local preferences through thorough market research, smart collaborations, and environmentally conscientious procedures. This qualitative report thoroughly explores Rehat Coffee's strategic prowess and revolutionary impact on the economy, society, and environment. It'll be interesting to delve into Rehat Coffee's historical narrative, sustainability efforts, and community engagement to discover the tremendous potential of transforming the coffee landscape while encouraging long-term community development. The study sheds the spotlight on the consequences of Rehat Coffee's creative strategy for future entrepreneurs trying to balance profitability and sustainability, thereby motivating a new wave of socially responsible business practices.

This is an open access article under the CC BY-NC license.

Corresponding Author:
Kurniawan Arif Maspul,
Department of Finance & Admin. Science,
Al Madinah International University Malaysia,
Jalan 2/125e, Taman Desa Petaling, 57100 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia
Email: ck885@lms.mediu.edu.my

1. INTRODUCTION

Rahmat Fauzan Azhari set out on a visionary adventure in the bustling urban region of Kayu Tangi, Banjarmasin, to discover the untapped potential of the local coffee sector and to exploit Indonesia's abundant resources as a robusta and arabica coffee grower. This initiative resulted in the innovative concept of Rehat Coffee, a pop-up coffee shop that sought to meet the demand for low-cost business ventures while embracing sustainable methods and cultivating a creative modern economic community (Bergeson, 2020; Townsend, 2023). Fauzan Azhari methodically developed the concept of Rehat Coffee over a five-month period, digging deeply into the local market's preferences and needs, particularly in reaction to the worldwide coffee trend, while adding Banjarmasin's own cultural history.

Traditionally, the residents of Banjar preferred tea as their primary source of caffeine consumption, whereas coffee had relatively little demand in the broader market (Madina, 2023; Setiawan, 2023). However, the popularity of coffee shops as social hubs and supplementary offices in metropolitan neighborhoods has altered the coffee scene (Bonfanti et al., 2023; Maspul & Almalki, 2023a). Recognizing this development, Rehat Coffee set out to bridge the gap between the
expanding worldwide coffee demand and the local preferences and needs of the Banjarmasin community.

The purpose of this study is to better understand the dynamics of the local coffee market, identify growth prospects, and create a business model that adheres to sustainable principles. Fauzan Azhari did significant market research to learn about the Banjarmasin community's attitudes on coffee, consumption habits, and readiness to adopt sustainable methods. Furthermore, he investigated worldwide coffee market trends, analyzing successful coffee shop formats and identifying best practices. Fauzan Azhari hoped to create a community-friendly coffee shop experience by combining this knowledge with an appreciation of Banjarmasin's cultural heritage and local wisdom. Rehat Coffee was more than just a coffee shop; it was envisioned as a venue where urban dwellers could interact, work, and enjoy quality coffee with local flavors and customs.

A variety of aspects were carefully considered when researching Rehat Coffee's history. Understanding the historical preferences of the local coffee market, as well as the cultural significance of tea, created the groundwork for identifying chances to offer coffee as a desirable beverage (Hodacs, 2023; Maspul, 2023a). Second, researching global coffee industry trends allowed for the discovery of effective methods and novel concepts that might be applied to the Banjarmasin setting (Pika, 2023). Finally, significant research into sustainable business practices and the Triple Bottom Line paradigm laid the groundwork for creating a coffee shop model that prioritized economic, social, and environmental sustainability (Awana et al., 2023; Maspul & Almalki, 2023b).

Combining these concepts resulted in Rehat Coffee, a novel and disruptive concept. Its goal was not only to help the local economy, but also to establish a sustainable and meaningful coffee shop that would work as a catalyst for community development. In the following parts, we will look more into Rehat Coffee's innovative approach, including its reasonable pricing tactics, devotion to quality goods, sustainable practices, and community involvement. Through this thorough investigation, we will obtain a better grasp of Rehat Coffee's history and potential to create a long-term effect on the Banjarmasin coffee scene.

2. RESEARCH METHOD

This study takes a forceful comprehensive methodological approach, combining qualitative data collection methods with in-depth talks with the owners of Rehat Coffee, on-site observations at their pop-up sites, and a thorough literature analysis. By combining these methodologies, a clear and comprehensive knowledge of Rehat Coffee's sustainable business model and its significant influence on the economy, society, and environment emerges. Engaging in discussions with coffee shop owners provides vital firsthand information about their motives, techniques, and obstacles. Site observations provide a real-time look of their sustainable practices and consumer experiences. Furthermore, an extensive literature evaluation places Rehat Coffee into the larger academic discourse, bolstering the study's theoretical framework. While accepting constraints such as context specificity and the subjective nature of qualitative data, this analytical approach yields rich and thorough insights into Rehat Coffee's long-term success and its implications for the coffee industry as a whole.

3. RESULTS AND DISCUSSIONS

Rehat Coffee has established itself as a key player in the local coffee scene in Banjarmasin's bustling metropolitan district of Kayu Tangi. Rehat Coffee, a new pop-up concept specialty coffee institution in Kayu Tangi Banjarmasin, aims to challenge its competitors while also developing a sustainable business strategy. This coffee business aspires to positively impact the economy, society, and the environment by combining low prices, high-quality goods, and ecologically friendly operations. In the following discussion, its critical look at new concepts and theories that might help lead the creation of a sustainable coffee business.

Theoretical Framework: Triple Bottom Line and Sustainable Development Goals

Rehat Coffee, located in the thriving urban region of Kayu Tangi, Banjarmasin, emerges as a visionary venture managed by Rahmat Fauzan Azhari. Fauzan Azhari set out on an informative trip, motivated by a desire to uncover the untapped potential of the local coffee market and exploit Indonesia's enormous resources as a robusta and arabica coffee grower (Maspul, 2023b; Utomo et
al., 2023). Rehat Coffee, a pop-up coffee shop, was created over a five-month period with a thorough understanding of the local market's preferences and needs, particularly in response to the global coffee trend, while also embracing Banjarmasin's rich cultural heritage.

Traditionally, the residents of Banjar preferred tea as their primary source of caffeine consumption, with coffee trailing behind in popularity within the local market. However, the paradigm shifted when coffee shops evolved into social hubs and supplementary workspaces in urban neighborhoods. Recognizing this transition, Rehat Coffee set out to bridge the gap between the expanding worldwide coffee demand and the local preferences and needs of the Banjarmasin community. The background study for Rehat Coffee delves into the characteristics of the local coffee market, identifying development potential and establishing a business model based on sustainable practices. The theoretical framework of the Triple Bottom Line (TBL), established by John Elkington in 1997, was critical in this endeavor. The TBL paradigm stresses assessing corporate success and effect across three dimensions: economic, social, and environmental (Elkington & Rowlands, 1999; Maspul, 2023a). Rehat Coffee used the TBL approach to match its business processes with sustainability principles, ensuring a comprehensive audit of its performance.

Furthermore, the United Nations (2015) adopted the Sustainable Development Goals (SDGs) in 2015, which served as a complete foundation for Rehat Coffee's sustainable development path. The SDGs address a wide range of interconnected challenges, including poverty eradication, climate action, ethical consumption and production, and more. Rehat Coffee linked with key SDGs related to the coffee industry, such as Goal 12: Responsible Consumption and Production and Goal 13: Climate Action, in order to contribute to broader sustainability initiatives (Maspul, 2024b; Nations, 2015).

Rehat Coffee prioritized sustainability throughout the coffee value chain. The goal of economic sustainability included assisting local coffee farmers and encouraging fair trade methods in Indonesia. Rehat Coffee, for example, offered equitable remuneration for farmers through direct collaborations with local producers in Solok Maryam coffee farming in Padang, building a symbiotic connection that maintained the local coffee industry's economic survival. Furthermore, the coffee shop favored local suppliers and ingredients, which boosted the local economy and promoted community development (Mainardes et al., 2023; Maspul, 2023c).

Rehat Coffee, on the other hand, has maintained a strong commitment to social sustainability, as evidenced by its good influence on the local community. The coffee business offered local folks job chances with competitive pay and a positive work atmosphere (Berniak-Woźny et al., 2023; Maspul & Almalki, 2023b). Furthermore, Rehat Coffee is becoming more actively involved in the community by hosting collaborative events and workshops, as well as educational courses on coffee appreciation on-site and online, brewing techniques, and sustainable practices. These activities helped to develop a sense of belonging and strengthened the community's social fabric.

Rehat Coffee’s concept included a strong emphasis on environmental sustainability. The coffee store carefully picked suppliers who used sustainable farming methods, focusing on organic agriculture and shade-grown coffee production through Solok Maryam coffee farming and also local Pengaron and Bati-bati for the blend Robusta purposes. Rehat Coffee reduced their environmental impact by using eco-friendly cups, such as composting choices. To reduce its overall resource footprint, the shop employed energy-efficient procedures, such as using energy-saving appliances and optimizing water consumption (Berniak-Woźny et al., 2023; Maspul, 2023c).

To ensure the efficacy of their sustainability efforts, Rehat Coffee meticulously tracked and analyzed their performance across the three pillars of the TBL framework. Rehat Coffee established key performance indicators (KPIs) to track progress in economic, social, and environmental sustainability, allowing for continual development and target setting. Stakeholder feedback was critical in this process, allowing Rehat Coffee to adapt and enhance its methods, resulting in a sustainable business model that benefited the whole coffee value chain.

**Affordable Pricing and Economic Impact**

Rehat Coffee's dedication to sustainability extends beyond its operations and into its pricing approach. The coffee business understands the necessity of giving inexpensive prices without sacrificing quality, which is consistent with the principle of price elasticity of demand. This idea states
that when sustainable solutions are economically priced, customers are more likely to choose them (Salyers, 2015; Utomo et al., 2023). Rehat Coffee hopes that by implementing this method, it will be able to make sustainable coffee more affordable and attract a larger client base.

According to the notion of price elasticity of demand, when the price of a product falls, demand for that product rises. In terms of sustainable coffee, this means that by selling their specialty coffees competitively, Rehat Coffee can attract more customers who would otherwise choose less sustainable options (Nations, 2015; Privitera et al., 2019). This pricing method enables Rehat Coffee to promote sustainable practices and make a good environmental impact while retaining a successful company model. Rehat Coffee lowers the barrier to entry for customers who want to support sustainable enterprises but are hesitant because of the perceived higher expenses. This approach has the potential to grow market share and customer loyalty, as customers value price without sacrificing coffee quality.

Rehat Coffee’s revolutionary pricing model benefits customers while also having a favorable economic impact (Salyers, 2015; Zeithaml et al., 2018). Rehat Coffee can increase income by appealing to a larger client base and growing demand for sustainably sourced coffee. This expansion allows the company to engage in additional sustainability measures, such as buying ethically produced coffee beans or implementing energy-efficient methods.

In addition to their price strategy, Rehat Coffee has taken a deliberate approach to diversifying its product offerings in order to serve a varied client base. While specialized coffee remains the major attraction, the coffee shop has offered supplementary food products such as locally sourced pastries and nutritious sandwiches. This expansion not only satisfies customers’ appetites, but it also benefits local suppliers and the local economy (Maspul & Almalki, 2023b; Roudometof, 2016; Svensson, 2001). Rehat Coffee embraces the concept of “glocalization,” which allows it to tap into community tastes and establish ties with the local market.

To provide great customer experiences, Rehat Coffee has invested in cutting-edge equipment like the Musica Nuova Simonelli grinder and coffee machine. Maspul (2023c) emphasizes the importance of investing in quality to ensure consistent brews. The coffee business also places a high priority on training its baristas to be knowledgeable and skilled, providing consistency in taste and service. Furthermore, paying attention to detail while creating a pleasant, inviting atmosphere and providing friendly, individualized service improves the entire client experience (Maspul, 2024d; Salyers, 2015).

**Quality Offerings and Customer Satisfaction**

Rehat Coffee’s significant emphasis on producing high-quality coffee while also providing a pleasurable customer experience represents an innovative strategy that is consistent with the philosophy of service quality and customer satisfaction (Bonfanti et al., 2023; Mainardes et al., 2023). According to this hypothesis, providing excellent service and exceeding client expectations results in improved customer loyalty and positive word-of-mouth recommendations.

By investing in employee training, Rehat Coffee assures that its baristas are very proficient at preparing specialty coffees. This training provides the personnel with the information and expertise required to consistently deliver a high-quality product (Mars, 2023; Maspul, 2023c). By purchasing premium coffee beans from trustworthy vendors, Rehat Coffee improves the quality of their offerings. Premium beans are frequently connected with excellent taste profiles and can help to create a memorable coffee experience for customers.

Consistency in flavor and service is another important component in developing a loyal consumer base. Rehat Coffee’s reputation for dependability and excellence is built by maintaining a high level of consistency. Customers may be confident that each visit to Rehat Coffee will yield a consistently good cup of coffee and a pleasant overall experience. This uniformity increases consumer happiness and encourages repeat visits (Maspul, 2023c; Utomo et al., 2023).

Rehat Coffee can establish a loyal customer base by focusing on quality offers and customer happiness. Customers who are satisfied with a product are more likely to become brand champions, sharing their positive experiences with friends, family, and coworkers. Positive word-of-mouth recommendations can boost client traffic and help the coffee business expand and succeed.
Environmentally-friendly Practices and Sustainable Operations

Rehat Coffee’s active inclusion of eco-friendly methods into its operations demonstrates its dedication to sustainability. Rehat Coffee adheres to ecological modernization theory by conducting waste reduction and recycling activities, encouraging customers to use reusable cups, and using eco-friendly packaging materials. This approach highlights the need of corporations implementing eco-friendly methods to address environmental issues (Maspul & Almalki, 2023b; Mol & Spaargaren, 2000).

Another creative approach used by Rehat Coffee is to encourage consumers to bring their own reusable cups. This project not only minimizes the usage of single-use cups, but it also fosters a culture of sustainability among customers (Bonfanti et al., 2023; Maspul & Almalki, 2023a). To encourage this behavior, Rehat Coffee might provide discounts or loyalty points to customers who bring their own cups, incentivizing them to make more sustainable choices.

![Figure 1](image1.jpg)

Figure 1. Coffee Break Activities Before Maghrib, positioned where people typically commute from home to work.

Rehat Coffee can also conduct waste reduction and recycling programs to reduce its environmental impact. This can entail sorting and recycling materials like paper, plastic, and aluminum cans from the coffee shop. Rehat Coffee can also look into composting options for coffee grounds and organic garbage, which would help to promote the circular economy and reduce trash transported to landfills. In terms of the coffee shop’s physical establishment, an innovative idea employed by Rehat Coffee is the use of wood materials and creating a dismantlable structure. Using wood, a renewable resource, Rehat Coffee demonstrates their dedication to sustainable materials. Additionally, the ability to dismantle the structure allows for easier relocation or adaptation of the coffee shop’s physical presence, promoting flexibility and reducing the need for new construction.

Local Wisdom and Creativity at Rehat Coffee

Rehat Coffee, located in the geographic center of Banjarmasin, values local knowledge and nurtures a spirit of inventiveness in its operations (Saulais, 2023). The coffee shop’s dedication to incorporating and supporting Banjar’s cultural history stems from an understanding of the close link between local wisdom and community identity (Maspul & Almalki, 2023b). Banjarmasin, with its rich history and cultural diversity, contains a wealth of local knowledge that has been passed down through centuries. This includes brewing methods, distinct flavor combinations, and the art of hospitality, which is strongly rooted in the local Banjar community. Rehat Coffee honours and protects these qualities by infusing its goods with the essence of Banjar culture.

One example of local wisdom showcased at Rehat Coffee is the traditional Tubruk brewing techniques. The coffee shop takes pride in using age-old methods that have been refined over time, ensuring the flavors are authentic and true to the local palate. By honoring these traditional techniques, Rehat Coffee not only provides a taste of global and local Banjarmasin’s tradition, while also encouraging the preservation and appreciation of indigenous brewing Tubruk practices through the blend Arabica and Robusta from Pengaron and Batu-batu. In addition, Rehat Coffee uses local flavors and ingredients that reflect Banjarmasin’s culinary traditions. Each beverage and food item at the coffee shop has a distinct Banjar flavor, for example Wadai Lempeng (Banjarese Pancake) that
Kurniawan Arif Maspul, Building a sustainable pop-up coffee shop; case study of rehat coffee

also served in the shop with Kopi Aren. Rehat Coffee promotes sustainable agricultural methods by acquiring these components from local farmers and suppliers (Mars, 2023; Maspul & Almalki, 2023b).

Beyond the culinary domain, Rehat Coffee values the concept of adat, which refers to customary customs and social conventions that are strongly ingrained in the local culture. Adat includes principles such as respect for elders, communal cooperation, and the preservation of peace. Rehat Coffee aims to exemplify these principles by providing a warm and inclusive environment that fosters a sense of community and belonging. Rehat Coffee promotes creative expression by holding cultural events and exhibitions, as well as providing a platform for Banjar local wisdom to be acknowledged and celebrated. This injection of creativity not only makes the coffee shop more vibrant, but it also contributes to the community's cultural patchwork (Maspul et al., 2024; Maspul & Almalki, 2023b).

Rehat Coffee’s dedication to local knowledge and innovation is consistent with the concept of cultural sustainability, which emphasizes the necessity of preserving and reviving cultural legacy in the face of globalization. Rehat Coffee becomes a steward of local wisdom by embracing and conserving Banjarmasin’s cultural legacy, instilling pride and identity in the community.

Overcoming Challenges: Innovations for Success in the Pop-up Coffee Industry
While the pop-up coffee idea business model is new and exciting, it does present numerous short and long-term issues. One of the most significant hurdles is the unpredictability of securing and keeping a stable location. Operating a mobile business makes it tough to build a loyal customer base and maintain a continuous presence in a single area. This lack of stability can impede the ability to form solid ties with clients (Bergeson, 2020; Maspul et al., 2024).

To overcome this obstacle, pop-up coffee shops can develop alliances with venue owners or event organizers who have set schedules. Securing repeated locations allows them to develop a more consistent presence and forge closer connections with clients in particular places (Berniak-Woźny et al., 2023; Maspul, 2024b). Furthermore, using social media to educate clients about their new locations each time they relocate can help retain engagement and create a sense of excitement for their pop-up events. Rehat Coffee has established a partnership that will be semi-permanently located for the life of the company's operations. So, despite this challenge, Rehat Coffee has a competitive advantage in maintaining its business.

Another important difficulty for pop-up coffee shops is a lack of space and amenities. Operating in constrained premises with limited resources might have an influence on their ability to offer a diverse range of items and provide an exceptional client experience. However, inventive ideas can overcome these constraints (Hodacs, 2023; Maspul, 2024a). For example, cooperating with local bakeries or food enterprises allows pop-up coffee shops to offer supplementary food items and increase their menu selections. Furthermore, investing in portable and efficient coffee equipment, such as compact coffee machines or small-scale roasters, can help keep coffee quality consistent despite restricted facilities.

Income insecurity remains one of the most difficult challenges for pop-up coffee shops. Because of the temporary nature of their operations, businesses frequently face shifting revenue streams, which can impede long-term financial planning and corporate expansion (Bonfanti et al., 2023; Maspul et al., 2024). To address this issue, pop-up coffee shops might actively seek opportunities to participate in recurrent events like food festivals or art fairs. They can enhance their income and build a stronger consumer base by negotiating more regular event schedules. Furthermore, diversifying revenue streams through online sales or collaboration with food delivery services might provide new revenue streams in addition to pop-up events.

Pop-up coffee enterprises may handle issues and improve their presence in the short and long term by implementing these inventive solutions. Building good partnerships, using efficient facilities, and seeking consistent income sources are all important tactics for success in this dynamic and competitive market (Elkington & Rowlands, 1999; Lin & Lekhawipat, 2023). Pop-up coffee shops may thrive and continue to provide outstanding coffee experiences to customers despite their mobile nature, with careful planning and effective execution.
Online Platform Integration: Diversifying Sales and Community Development

Looking ahead, Rehat Coffee intends to expand its sales channels by leveraging online platforms to reach a larger audience. Rehat Coffee’s usage of internet platforms and the development of a community-focused website are consistent with the ideas of digital marketing and community engagement. Online platforms have become critical for firms seeking to extend their consumer base and enhance sales (Felix & Rembulan, 2023; Maspul, 2024c; Purnomo, 2023). Through collaborating with local delivery services such as Gojek or Grab, Rehat Coffee can reach a bigger client base and meet the growing need for convenience and speed.

Creating a website for community development and education reinforces the concepts of content marketing and brand storytelling. Material marketing is the process of developing and delivering valuable, relevant, and consistent material in order to attract and maintain a target audience (Mars, 2023; Nguyen et al., 2023). Rehat Coffee can establish itself as a reliable source of industry expertise by creating entertaining and instructive articles about specialty coffee and Banjar local wisdom. This technique promotes brand loyalty and fosters a sense of community among customers.

The website's emphasis on educating visitors about specialty coffee is consistent with the philosophy of consumer empowerment. Wang et al. (2023) define consumer empowerment as helping customers to make informed decisions by providing them with relevant information and tools. Rehat Coffee educates coffee individuals by providing brewing instructions, hints, and recommendations that help them improve their brewing skills and appreciate specialty coffee and Banjar's local expertise.

Furthermore, the website's use of storytelling and promoting the personalities of local farmers, craftspeople, and suppliers is consistent with place branding and community development ideas. Place branding is the process of establishing and promoting a location's identity and reputation, frequently through storytelling and emphasis on its distinctive characteristics (Swain et al., 2023). By highlighting the efforts of local community people, Rehat Coffee not only strengthens its own brand but also helps to promote Banjarmasin's general branding and economic development.

Moreover, the integration of online platforms and the creation of a community-focused website at Rehat Coffee are consistent with theories and concepts linked to digital marketing, content marketing, consumer empowerment, place branding, and community building. These strategic activities allow the coffee shop to broaden its reach, educate and engage customers, and help to grow and recognize the local community.

4. CONCLUSION

Rehat Coffee represents a sustainable and unique solution to the pop-up specialty coffee business. They promote economic sustainability through collaborations with local producers and fair trade advocacy, while their dedication to high-quality beers and environmentally responsible procedures promotes customer loyalty and environmental stewardship. Strategic partnerships, a social media presence, and revenue stream diversification strengthen their resilience in the face of operational challenges, paving the way for future research on the long-term impact of their sustainability efforts, consumer preferences, circular economy practices, and scalability, all of which contribute to the advancement of sustainable business models in coffee.

REFERENCES


Setiawan, A. A. (2023). *Pergeseran Budaya Bersantai Masyarakat Banjarmasin (Komparasi Pasar Lama dan Kota Lama)*.


