

It's not just a cup of coffee: Specialty coffee culture in South Africa No es solo una taza de café: la cultura del café de especialidad en Sudáfrica

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ABSTRACT

With an estimated six million consumers purchasing coffee in South Africa, they are demanding that various factors be present in a coffee business for quality experiences. Local specialty coffee businesses have followed international processes; however, there is little information on how the industry perceives the changing consumer market for specialty coffee. The study's purpose is to investigate the perspective of specialty coffee business owners on consumption reasoning and changing consumer knowledge. This descriptive qualitative design with a judgment sample of specialty coffee business owners, using semi-structured interviews was conducted. Analyses were performed using inductive content analysis. Specialty coffee business owners have recognised that consumer knowledge has changed, with consumers asking more informed questions about the products being served, demanding quality products and consistency. A recommendation is to focus on the training and education of both service personal and customers to improve the specialty coffee experience.

Keywords: Specialty coffee, specialty coffee industry, coffee, consumer preference, consumer knowledge, sustainable coffee, hospitality industry, food and beverage

RESUMEN

Con un estimado de seis millones de consumidores que compran café en Sudáfrica, ellos exigen que en una empresa cafetera estén presentes diversos factores para obtener experiencias de calidad. Las empresas locales de café de especialidad han seguido procesos internacionales; sin embargo, hay poca información sobre

cómo percibe el sector el cambiante mercado de consumo de café de especialidad. El propósito del estudio es investigar la perspectiva de los propietarios de negocios de café de especialidad sobre el razonamiento de consumo y el conocimiento cambiante del consumidor. Se realizó un diseño cualitativo descriptivo con una muestra de juicio de propietarios de negocios de cafés especiales, utilizando entrevistas semiestructuradas. Los análisis se realizaron mediante análisis de contenido inductivo. Los propietarios de negocios de café de especialidad han reconocido que los conocimientos de los consumidores han cambiado, ya que éstos formulan preguntas más informadas sobre los productos que se les sirven y exigen productos de calidad y consistencia. Una recomendación es centrarse en la formación y educación tanto del personal de servicio como de los clientes para mejorar la experiencia del café de especialidad.

Palabras clave: café de especialidad, industria del café de especialidad, café, preferencia del consumidor, conocimiento del consumidor, café sostenible, industria hostelera, alimentación y bebidas

INTRODUCTION

Coffee is the second most consumed beverage globally after water (Insight Survey, 2017). Therefore, coffee is viewed as a valuable commodity on the global market, second only to oil (Avey, 2013). Predictions of an increase of 10% are based on the increased popularity of coffee among the millennial generation with increased coffee consumption rates, the new development of specialty coffee shops worldwide, and the change in consumer lifestyle with increased urbanization (Maida, 2017). Globally, approximately 2.25 billion cups of coffee are drunk each day, with the majority drinking at least one cup a week, while others one cup a day (van der Merwe and Maree, 2016). This global shift in the consumer market for artisanal products, services, handcrafted, and specialised beverages has led consumers to become more knowledgeable about coffee and have a better appreciation of a quality product (Krekó, 2015). Although coffee as a product has links to the economic and cultural history of many countries (Hoffmann and Beazley, 2014), this global trend has influenced new market growth for coffee shop businesses in South Africa, with various specialty coffee shops and artisan roasters being established.

Global changes such as growth in consumption and the interest in specialty coffee by consumers have led to questioning how these trends have affected specialty coffee businesses in South Africa. There is limited research in this geographical area relating to specialty coffee businesses. Therefore, the objective of this study was to investigate the trends that specialty coffee business owners have experienced concerning the changes in consumers drinking specialty coffee and to describe the changes in consumer knowledge. Additionally, the objective will provide information on how specialty coffee businesses have been affected by consumer awareness, knowledge, and preferences for specialty coffee shops based in Johannesburg, Gauteng, South Africa.

LITERATURE REVIEW

A definition and a brief history of specialty coffee

Specialty coffee is the term given to coffee that is based on the high quality of the bean, with improved brewing methods, and which is grown in ideal climates with sustainable practices that bring a quality of life to the individuals involved in its cultivation, preparation, and tasting (Ramírez-Correa, Rondán-Cataluña, Moulaz and Arenas-Gaitán, 2020; Rhinehart, 2009). The Specialty Coffee Association of Europe describes specialty coffee as being a 'crafted quality coffee-based beverage... to have a unique quality, a distinct taste and personality different from and superior to the common coffee beverages offered. The beverage is based on beans that have been grown in an accurately defined area (The Coffee Guide, 2015). Specialty coffee businesses adhere to the correct coffee-making methods when making espresso-based beverages to ensure optimal flavour and aroma of the coffee (Hoffmann and Beazley, 2014).

The coffee industry utilises two major coffee beans, namely Robusta and Arabica. Arabica is used for its diverse flavours and aromas indicating its higher quality as compared to Robusta which is mainly used for its high caffeine content (Hoffmann and Beazley, 2014; Primich and Stern, 2014). The preference for high-quality coffee has seen specialty coffee businesses only use Arabica bean varietal against more commodity or franchise businesses using Robusta and Arabica in coffee bean blends. The technical definition of specialty coffee is coffee green beans that are rated 80+ out of 100 (Specialty Coffee Association of America, 2018; Valencia, 2017). Green beans are the raw form of coffee beans that are purchased from roasters and then roasted to release the aromatic and flavourful compounds of the coffee beans (Hoffmann and Beazley, 2014; Primich and Stern, 2014).

The development of the specialty coffee industry today is the result of three different waves of coffee. The first wave saw the growth of consumer consumption of brewed coffee. The second wave moved consumers from commodity coffee drinking towards the introduction of better quality for brewing specialty coffee and the introduction of coffee shops (Krekó, 2015). Currently, the third wave further transformed the experience of coffee for the consumer and the quality of coffee beans being produced and brewed.

The third wave is seen to be where the specialty coffee trend improved in quality, sustainability awareness, and knowledge. Nicholas Cho, quoted by Krekó (2015), had first defined third-wave coffee in 2005 in an article he wrote 'The third wave is about enjoying coffee for what it is'. Furthermore, with a growing awareness of specialty coffee in response to previously poor quality coffee, coffee consumers had become interested in the coffee itself and its quality (Craft Beverage Jobs, 2016; Guevara, 2017). The wave is synonymous with the increased appearance of independent and small chain specialty coffee shops that do not conform to the mass consumption model (Brewer and Ghannam, 2015; Manzo, 2014), but where consumers focus on the quality and origin of coffee, including understanding various brewing methods of making coffee. In addition to these alternative brewing methods, the third wave also popularised many espresso-based drinks such as

espresso, macchiato, cappuccino, café latte, flat white, and flavoured lattes (Hoffmann and Beazley, 2014). Coffee roasters supply consumers with higher quality coffee that brings about more direct trade with farmers and sustainability in coffee beans with smaller roast batches, more lightly roasted coffee beans, and new innovative brewing methods (Adams, 2013; Coffee Revolution, 2017; Guevara, 2017). Third-wave consumers are becoming more aware of the characteristics and flavour profiles of coffee instead of being caffeine-conscious only (Coffee Revolution, 2017).

A third-wave coffee shop can be described as offering a variety of specialty-grade coffee beans or unique blends with different brewing methods and roasting methods (Dinçer, Gedik, and Güzel, 2016). Valencia (2017) summarises specialty coffee as the process of making good quality coffee for consumers. In short, specialty coffee is described as coffee that is 'well prepared, freshly roasted, and properly brewed' (Rhinehart, 2009).

Consumer preference for specialty coffee

With six million consumers buying into the coffee market in South Africa, this indicates significant growth in the country's specialty coffee trade and coffee business (Holmes, 2016). Australia, known to be obsessed with coffee, demands the newest trends in coffee (Bennet, 2017), but the North Americans, as global leaders, have the most developed specialty coffee market (Adams, 2013; Krekó, 2015). In Brazil, the three important factors for buying specialty coffee are origin of the beans, roasting data, and intensity of the roast (Ramírez-Correa et al., 2020). In the United Kingdom, despite poor economic conditions due to the 2008 recession, the specialty coffee industry grew (Ferreira, 2017). This market gap caused by the recession allowed independent British coffee businesses to gain a competitive advantage by focusing on customer experiences that offered a range of specialty coffee brewing methods. While larger coffee chains struggled to keep up with changing trends and consumer preferences, the new focus on the ambiance of the food and coffee shop of independent coffee companies differentiates them from chain coffee stores (Ferreira, 2017).

Coffee trends that have been changing over the past ten years locally have now caught up with changing global standards (Holmes, 2016; Insight Survey, 2017). In South Africa, coffee consumers are moving from coffee as a daily ritual to becoming part of a lifestyle, as independent coffee businesses have grown from 52 to 200 nationally in the past couple of years. Two coffee trends that have positively affected the coffee market are ethically sourced quality coffee and accreditation by organisations such as Fairtrade. Secondly, the importance of specialty coffee for consumers and its growing business market (Insight Survey, 2017).

Consumers now demand various factors to be present in the coffee business environment such as staff knowledge and expertise, which creates both a conducive working atmosphere and a good consumer experience (Hung, 2012; Morris, 2013). In other words, quality coffee and trained service personal, a positive atmosphere, and location are important aspects that make customers return (Hashim, Mamat, Nasarudin, and Halim, 2017; Ramírez-Correa et al., 2020). In addition, as consumers become more knowledgeable, the quality of coffee is

matched with the origin of the bean and its flavour profile, while sustainable and environmentally friendly practices are also considered important elements due to the expansion of information.

Consumers show a preference for coffee shops based on brand and brand awareness²⁶ whilst staff knowledge and expertise have been shown to greatly influence the perceived value of customers for a chain coffee shop (Hung, 2012). Therefore, it is recommended that coffee shop managers and owners deploy resources to train and develop their staff members. Berger and Foss (2014) describe Oslo, Norway, as one of the best cities in the world for specialty coffee due to its high-quality reputation by coffee connoisseurs. Research in the Malaysian region identified the factors that influence the frequency of visits to specialty coffee shops by consumers (Generation Y was the main sample group) were location, quality of the coffee, atmosphere, and price (Hashim et al., 2017). In Canada, consumers are known to value coffee taste over price. Location is a key element for consumers to revisit even more so than the brand of a coffee shop. Consumers who experience a positive atmosphere also tend to purchase more coffee (Hashim et al., 2017). The Malaysian study, however, showed quality and price as the strongest reasons for consumers to revisit a coffee shop. Location and atmosphere indicated some noteworthy connection to the frequency of visits.

Awareness and knowledge surrounding specialty coffee

The key markets for coffee consumption include Japan, America, Europe, and Brazil, with Europe having the largest coffee consumption worldwide (Insight Survey, 2017). Developed markets have seen increased competition against well-known brands, with independent third-wave coffee businesses being developed. Globally, the increased competition from independent specialty coffee businesses towards global coffee brands is predicted to continue (Friend, 2016). According to Ramirez-Correa et al. (2020), Brazil has a rapidly growing specialty coffee market due to the opening of specialty coffee businesses and product-related events. The global trends in coffee consumption have changed the consumption behaviour of South African consumers with a shift from instant coffee to brewed coffee by an increase of 17.3% in 2010 (van der Merwe and Maree, 2016).

Coffee that is well prepared with its varied flavours, aromas, and tastes is an experience that consumers increasingly demand in their style of coffee and quality of coffee (Barry, 2017). Secondly, consumers are becoming more aware of the extraction (brewing) of their coffee when purchasing for home use (Adams, 2013). Artisanal coffee roasters are expressing the need for coffee origins to be geographically labelled (Adams, 2013; Dension, 2013), due to the growing knowledge base of consumers for different types of beans and the demand for single-origin coffees (Jacobs, 2015) of better quality with individual flavours and aromas (van der Merwe and Maree, 2016). In other words, consumers with increasing awareness and curiosity want to engage in the specialty coffee experience (Hoffmann and Beazley, 2014).

The movement toward more corporate social responsibility has gained the attention of consumers concerned with sustainable practices (Ramírez-Correa et al., 2020; Urwin and Sao Joao, 2020). Sustainability has been defined as meeting the 'needs of this generation without jeopardizing the ability of future generations to meet their needs' (Jacobs, 2015). The Fairtrade Foundation is established as a business initiative to focus on

trade policies that ensure financial benefits flow to the communities and countries most in need. The leading product in the Fairtrade movement is coffee because it was one of the first products marketed in the growing system. Fairtrade allows coffee farmers to showcase their coffee to an international market and establish a demand for it while ensuring a fair price is offered. The coffee industry, therefore, is directly affected by Fairtrade's movement to re-invent the traditional coffee commodity supply chain (in place for generations) because consumers now demand transparency in the coffee production industry because of the poor social relations that have occurred in global markets (Ramírez-Correa et al., 2020; Smith, 2010).

MATERIAL AND METHODS

The study used a qualitative descriptive approach (Sekaran and Bougie, 2016). The objective is to describe how the specialty coffee industry has been affected by the change in consumer knowledge in Johannesburg, Gauteng. The data was collected using interviews to understand current beliefs, behaviours, and opinions (Creswell and Creswell, 2018). This research study followed an expert (judgment sample) technique whereby participants were chosen in a non-random process based on their knowledge or expertise (Sekaran and Bougie, 2016). The sampled participants, owners or managers of specialty coffee businesses, who have worked in a specialty coffee business where a unique blend of coffee beans was served, and different brewing methods or different varieties of beans were available (Dinçer et al., 2016); therefore, the responses are more credible. The Gauteng region was selected due to time and financial constraints.

A pilot interview was conducted to streamline the approach and process for the research to be performed on a larger scale more effectively (Kumar, 2011). The pilot interview consisted of interviewing an owner of a specialty coffee business who provides barista training for the hospitality industry. S/he roasts a variety of beans, sells unique beans blends, and offers several brewing methods (Berger and Foss, 2014). Qualitative data was gathered using personally administered interviews (Creswell and Creswell, 2018). These interviews were face-to-face, with semi-structured open-ended questions to guide the interview (Sekaran and Bougie, 2016). The interviews were conducted until saturation was reached. Interview recordings were transcribed and then coded. This data was then analysed using conceptualisation, which involves a systematic identification of concepts, themes, or sentences (Bhattacharjee, 2012; Sekaran and Bougie, 2016; Sunday, 2005).

The qualitative analyses method used is an inductive content analysis approach to analyse interview recordings and a large amount of text (data). The data was assessed using trustworthiness based on credibility, transferability, dependability, and confirmability (Korstjens and Moser, 2018; Leedy and Ormrod, 2013; Moon, Brewer, Januchowski-Hartley, Adams and Blackman, 2016). At the time of this study, there were 12 specialty coffee shops in Gauteng. A total of five interviews (plus one for the pilot interview) were conducted with owners of specialty coffee businesses and by the fifth interview, data saturation was reached. Once the interviews were completed, the data was analysed, and themes were created from the findings.

Findings

These main ideas were identified in the findings. Specialty coffee businesses are chosen by consumers who appreciate the quality of specialty coffee and the consistency of the product. The increase in consumer knowledge has led to the preference for specialty coffee over other coffee alternatives. There is a demand for environmentally friendly products in the industry, barista training on the delivery of quality products, and the importance of service knowledge to attract customers. Specialty coffee businesses emphasize the value of customers for service and experiences, growth in appreciation of specialty coffee, the various factors that make up the quality of coffee, and broadened coffee experiences due to increased travel by consumers. Respondents also mentioned that word of mouth by friends and family is their primary marketing tool to increase visits to their business along with the brand and unique atmosphere of the businesses.

Determining factors for specialty coffee business selection

The consistency of the products is the key factor that differentiates them from other coffee businesses, as reported by Respondents 1, 4, and 5 (R1, 4, and 5). Coffee remains the focus of the business and delivers it in the best possible way to the consumer. Quality remains the most important factor for these companies and the motivation to maintain that quality. R1 stressed that barista knowledge and training are important factors in ensuring the consistency of products. R5 indicated that better quality would be achieved by experimenting with coffee and testing new methods of brewing and roasting the coffee. Other activities include visiting various farmers to see what coffee looks like and how it is processed at the source.

R1: 'Once people have tasted our coffee, they don't want to go anywhere else. They can taste the difference in quality.'

R4: '... it's... not understanding consistency and what consistency means. For us, it is a very important part of the business... keep that standard up there.'

R1: '...our baristas are very good. They came with a lot of training, I also polished them, taught them the right temperatures, how to froth the milk, how to tamp... All those small things really make a difference in the coffee.'

R2 and R5 highlighted ethical and sustainability factors in their businesses. R2 mentioned the growth in organisations that ensure that these practices are being implemented, such as Fairtrade, Direct Trade, and Rainforest Alliance. The marketing edge comes from the sourcing of ethically and environmentally friendly coffee beans from a single origin (country), which leads to an authentic coffee experience.

R2: '... ethical and sustainable coffee. It's gone beyond Fairtrade, it's more like a relationship-based Rainforest alliance now, Direct trade. Those are some of the things everyone is pushing for.'

R5: '... we do direct Fair Trade coffee and that means that we directly source our coffee again, which is quite unique, I would say in South Africa'.

R1 noted that consumers who are new to specialty coffee products are still price-conscious about coffee despite the growth in knowledge. Consumers who do not appreciate and understand specialty coffee ask why the price should be higher for this quality coffee. '... they say 'Well, I am getting coffee cheaper' and that's quite silly to say, especially when the knowledge of coffee is growing, and people want better coffee.'

Lastly, R3 stated that the culture of the business is what makes the difference for consumers against other competing coffee businesses. Create a pleasant environment for the consumer to enjoy and socialise, have conversations, and conduct meetings. '...it's the culture we have managed to create here, we have got a very good culture with our customers, it's more like friendship type of vibes.'

Ensuring consumer loyalty and repeat business

The respondents agreed that the quality and consistency of the quality products are the main reasons for creating customer loyalty. A consumer is more likely to return after having an enjoyable experience and good quality coffee compared to poor service and poor coffee. Maintaining standards is an essential part of ensuring customer loyalty and return business for the specialty coffee industry. As briefly explained by R3: 'The coffee speaks for itself.'

R1: 'Quality over quantity, 100%. Once you get the quality right ... the quantity will come.'

R2: '... those are the two biggest things so: service is great, good quality products.'

R4: 'That's the main part of this business, quality, and it's all about making sure that the customer gets his consistent good cup of coffee.'

In addition to the quality and standard of coffee, respondents mentioned that consumers place a high value on customer service. Specialty coffee businesses demonstrate a high interest in ensuring customers have a good experience and are treated well by employees and management. The personal service creates a positive atmosphere for consumers. R5 suggested this personal level of service by being the provider of not only coffee beans, but also equipment, tools, and training, if necessary. The motivation for this approach is that the customer, corporate or individual, better understands the product they are buying and how to best use it.

R5: 'We focus on service and ... quality but more on the personal level ... In terms of that fact that we can kindly offer your end-to-end requirements around how to brew the coffee that we sell.'

R4: '...but also making sure that all the experiences they have are of that high standard and high quality.'

Reasons for the growth of specialty coffee

The growth in knowledge and experience of specialty coffee results in consumers becoming tired of the coffee of the past and seeking new experiences to enjoy quality coffee. Specialty coffee has a wider exposure and consumers are open to trying new methods of brewing coffee compared to previous methods for better quality coffee. The perceptions of consumers are changing. 'Consumer knowledge has grown and the consumer is coming to the party in terms of supporting the coffee community' (R2). R3 reported that the white ethnic group appreciates good coffee, while the African ethnic group enjoys coffee for the social media aspect of taking pictures, posting, and gaining followers based on the places they visit.

R1: 'The more roasters that pop up the better quality of coffee on the whole and once people have good quality coffee, they don't want to go back to average coffee.'

R3: '... a lot of white guys are more grateful for coffee... that's why they would always appreciate a good cup of coffee. With the black crowd, again it's going to go back to the social media thing, I think it's to be seen in a certain area that's social media compatible that will boost your followers.'

R4 commented on the need to educate consumers and change the perceptions consumers have about the coffee they consume. Consumers tend to order coffee beverages that they are familiar with, but still do not understand the origin of coffee beans, brewing methods, and the flavour profile of coffee. As consumers interact with baristas, they learn about flavour profiles and the countries in which beans are produced. This then leads to discussions about the correct temperature and methods of brewing coffee. Training and education are important for coffee shops and customers to broaden knowledge, thereby creating more demand for specialty coffee beverages.

R3: '... they don't know what to order so they order a Cappuccino or Latte... because that's what they know, that's what they have read or seen on TV.'

R4: 'Educate them along the way... because a lot of the time guys don't realise and they think they have had some African coffees and they like 'No, they're sour'. But then you are like 'Then they haven't brewed properly.' ... African coffees are quite delicious ... so anything we do, we try and back it up with knowledge.'

R2 and R4 noted that specialty coffee consumers are willing to spend more on the coffee purchased than in the past due to their understanding and appreciation of what goes into specialty coffee and the flavours it produces. These consumers are more aware that spending more on coffee beans will provide better quality, traceability, and a more complex flavour profile.

R2: '...look at Jo'burg two or three years ago a cup of coffee would have been selling for R10 but you are starting to see places where people are spending as much as R20 - R25 for an Espresso.'

R4: 'Exactly I would rather spend R150 on one good 250g of beans, which has got traceability, interesting, delicious flavours, than spend R75 - R150 and buy two bags of rubbish that's just picking me up ... type of mentality.'

A growing awareness of specialty coffee shops is due to word-of-mouth, family, and friends. The shop is used for business meetings or meeting up with friends, and therefore it has become a highly social venue for consumers. While these respondents also mentioned advertising the business on social media (as a form of advertising the business), this is not their primary marketing strategy. Specialty coffee has become a social activity for consumers resulting in consumers trying new shops because of friends or family.

R4: 'The biggest thing is word of mouth ... we do have all our pages on Facebook and everything but we barely do any advertising.'

R2: 'The first-time impression has been great and we see people talking about our existence and then obviously that would be family and friends.'

R3: '... a lot of times it's for business meetings and stuff.'

Brand development over time has grown their strong market share of the business as consumers recognise it and return for more coffee (R2, R4 and R5). R5 explained that their brand development has gained them a large amount of business from the corporate market segment.

R2: '... also the brand itself, I think it's starting to gain traction which is quite good.'

R5: 'That over the years we have grown our brand into people knowing that it is specialty African coffee ... but I think over time we have proven ourselves in terms of being able to deliver to bigger corporates.'

Consumers are looking for 'an experience' and specialty coffee is one of those experiences (R4). The specialty coffee industry, therefore, has a lot of excitement around it which draws consumer curiosity to try the coffee being sold. R4: '... they come to places like this... they want to learn something; they want to participate in the experience. I guess we are also quite lucky that the specialty coffee industry has a lot of hype around it.'

Specialty coffee businesses vs. franchise coffee shop chains

Core to specialty coffee business operations is maintaining standards. R2 and R4 pointed out that being an independent roaster is important to the consumer due to the quality of coffee that is served. Consumers appreciate the individual character these businesses have and often these shops focus on unique aspects to set them apart. R3 mentioned being environmentally friendly and practicing these principles; for instance, by using eco-cups. R4 described how the atmosphere and aesthetic features of the business space, as well-thought-out and unique, are differentiating factors.

R2: '... we make sure that we taste them (coffee roasts) to make sure that they meet our set standard.'

R3: '... another thing is that we try to be environmentally friendly, so we use biodegradable cups.'

R4: 'I think being independent is important ... I think design does have a big influence and we spent a lot of time, energy, and money getting our design ... and getting the aesthetics right.'

The differentiating factor for R1, R2, and R5 was the high quality of the employees who provide specialty coffee to the consumer because passionate employees are an important element in having a competitive advantage. The barista's knowledge and the ability to share the coffee story are factors that separate the business from other coffee businesses within the coffee market.

R2: 'We have got people that are very passionate about what they do, which is something that you have to find in quite a lot of establishments.'

R5: '...our staff is what differentiates us. So we don't have a high staff turnover... So people who have been with us and know the story and who have been to the origin can share that with our regulars or new customers.'

Recent trends in the specialty coffee market

Coffee shop owners describe that there is an increase in consumer knowledge and awareness for specialty coffee and resultant demand for quality coffee. This growth has seen a movement for more sourcing of ethical and sustainable coffee beans and an increased influence on the coffee market through globalisation. The international exposure has highlighted a gap in knowledge of Gauteng consumers of specialty coffee compared to the globe. The growing influence of specialty coffee on consumers has seen a shift towards coffee being drunk for its quality and not only caffeine properties.

This increased consumer awareness and knowledge of specialty coffee, seeing them inquiring about roasting, quality, brewing methods, and bean origins. Consumer curiosity has also led to experimenting with different products with coffee being one of them, furthermore different kinds of beans and brewing techniques of coffee (R3). Furthermore, the quality of the coffee produced has improved, like R1, R2 and R4 highlighted that the appreciation of consumers for better quality coffee and flavour profiles has had a positive impact on specialty coffee businesses and the growth in market demand.

R1: 'Things are changing, people are more interested in coffee, they ask more questions they want to understand what they are drinking ... and also the tastes have changed quite a bit.'

R2: 'I think there has been tremendous growth in the specialty market ...I think South Africa has grown so much in terms of quality coffee being consumed daily.'

R5: 'I think people will ask questions when they come into a café: where your coffee sourced from? Who is your supplier? ... [but] I think there is a lot more to be done.'

Global standards and practices surrounding specialty coffee are ahead of what is currently being produced in Gauteng (R4 and R5). This is due to a gap in consumer knowledge of specialty coffee standards and information. Cape Town's consumers have a better understanding and awareness of specialty coffee as there are more coffee businesses and, therefore, more competition for market share from consumers (R5).

R4: '...guys always use the reference that we're 10 years behind where London was, in terms of specialty right now. I don't think it's as bad as that. I think it's maybe about five years...'

R5: 'I would say that there's more of an understanding of specialty coffee and a demand for it in terms of awareness in Cape Town ... the competition there is far more, in terms of cafés competing with each other for business against one another in terms of the specialty coffee market.'

The growth of consumer knowledge and awareness of specialty coffee

Most of the respondents noted that consumer knowledge has changed from coffee being consumed only for its caffeine boost to being enjoyed for its flavour and complexity. They stated that consumer interests relate to the tastes and flavour profile, the origin of the coffee beans, the brewing method used, and how the coffee beans are roasted which, indicates growth in knowledge and awareness for the industry. Consumers are also beginning to show interest in the freshness of coffee, its sustainability, and the environmentally friendly practices associated with coffee bean production. The market is shifting towards wanting a good quality cup of coffee over the caffeine content in coffee.

R1: 'It's not just a cup of coffee anymore, they want to know where the beans come from. They are interested in how dark or how light you roast.'

R2: '... people are starting to ask the right questions about how coffee is grown... origin of the coffee, how coffee is roasted, also looking for what is special about some of the coffees we buy and sell to them.'

R4: 'So guys are now a bit more concerned with taste, where the beans are sourced, and freshness is a big factor in the whole thing.'

R3 indicated that the average new consumer purchases coffee in the store to take pictures to use on social media platforms (for instance; Instagram), while consumers who have grown up drinking coffee and are more educated in the industry are more appreciative of specialty coffee. '...but for someone new to specialty coffee, they do it more often than not for Instagram and pictures.'

R5 believes that more consumers are making specialty coffee at home than in the past now that the equipment and tools enable consumers to make espressos at home and to experiment with other artisanal brewing methods. 'I think people are making espressos at home and they've now even moved into slow brewing: sort of, pour-over methods of coffee' (R5).

There is a growing interest in the market for ethically sourced coffee (R2 and R5). R5 notes that customers are asking about different origins of coffee and where it is sourced. In addition, more people are travelling, bringing back new knowledge and experiences of what is on offer in other countries in the coffee market. Specialty coffee businesses are also investigating new product offerings for more knowledgeable consumers and more competitors are joining the industry. However, while consumers are talking more about coffee, there is still a gap in knowledge between the industry and consumers in terms of appreciation. R2 and R5 believe that coffee must tell a story to the customer. Consumers are starting to have a conversation with the barista about the coffee they are drinking.

R2: '... the consumer demands ethically sourced coffees. That means that we have to look for coffee that has storylines to them.'

R5: '... people are moving from talking about blends and in terms of just a general breakfast blend, an espresso blend, to specific questions about the coffee source from the different countries.'

All respondents agreed that there has been a growth in consumer knowledge and awareness of what is on offer. Consumers are showing an understanding of the difference between instant/commodity coffees and specialty coffee, but also asking the right questions about the coffee they are purchasing and consuming. Increased awareness enables consumers to enjoy different types of coffee at different roast levels, origins, flavour profiles, and brewing methods.

DISCUSSION

Two main themes were identified from the analysis. South African consumers see coffee as part of a lifestyle not only a daily ritual (Insight Survey, 2017).

Theme 1: The motivation to drink specialty coffee.

Specialty coffee businesses pride themselves on quality and believe that it is what separates them from other coffee businesses, 'high standard and high quality' (R4). Valencia (2017) and Barry (2017) agreed that specialty coffee is the process of making good quality coffee for customers. Therefore, the quality of the product is considered a key differentiating factor in retaining the customer base that these businesses have. 'Quality over quantity. One hundred percent. Once you get the quality right the... quantity will come.' (R1). Quality has been highlighted through consumers' increased knowledge and experience of specialty coffee, resulting in consumers choosing specialty coffee for its flavour and aroma and not its caffeine content. Krekó⁵ states, specialty coffee is tested using different variables to be classified as specialty coffee and roasted to the desired flavour profile. Quality includes the type of beans used, the climatic condition under which the beans are grown, the different brewing techniques, the different roasting levels roasters use, and the flavour and aroma profiles the beans provide. While all these factors ensure the quality of the product, baristas ensure consistency that creates a unique customer experience for consumers. This agrees with research by Hashim et al. (2017) who indicated that quality is the main reason for consumers to revisit a coffee shop. The literature also explains that specialty coffee is about locally produced goods, sustainable beans suppliers, and businesses that do not follow the mass consumption movement of coffee (Brewer and Ghannam, 2015; Manzo, 2014).

A high standard of trained service personnel to improve the customer experience when purchasing specialty coffee. This points to the training and knowledge of service personnel who are an asset to the business (Hung, 2012). Consumers appreciate good service and knowledgeable baristas who can discuss the product served since such a level of service creates a quality, personal experience for the consumer. 'We focus on service, and our focus ... relates to quality but more on the personal level' (R5). Part of the service experience is the consumer's appreciation of the unique atmosphere and character of the business setting.

The respondents confirm that the environmental, ethical, and sustainable factors of the business highlight that consumers become aware of these factors when purchasing their coffee products (Ramírez-Correa et al., 2020). '... [A]nother thing is that we try to be environmentally friendly' (R3). Specialty coffee does not have a complete quality profile unless the beans are grown and harvested ethically and sustainably. Therefore, these businesses believe in having an environmentally friendly and sustainable focus using Fair Trade, Direct Trade, and Rainforest Alliance products and are aware of how climate change affects coffee beans. The focus of specialty coffee businesses is on business policies that ensure financial benefits are channelled back to communities and countries involved in coffee production.³² In this regard, Ramirez-Correa et al. (2020) and Rhinehart (2009) agree with the respondents in that they state that specialty coffee is based on the quality of product and the quality of life the coffee brings to the individuals involved in the cultivation, preparation, and

tasting of the coffee. Specialty coffee businesses emphasize the sourcing of coffee from sources that are environmentally friendly, ethical, and sustainably grown as part of a strong business model. '...[C]onsumer is demanding ethically sourced coffees. That means that we have to look for coffees that have storylines to them.' (R2).

Word of mouth is the strongest influence on consumers to discover and choose a specialty coffee business. '... [A] lot of word of mouth, through family friends; in fact, I think one of our biggest has been word of mouth in terms of just getting out there and marketing' (R4). Brand, location, and coffee experiences are also important in the consumer's choice of which specialty coffee companies they visit, and the experience mentioned by respondents (Bookman, 2014; Hashim et al., 2017).

Theme 2: Improved knowledge and awareness of the consumer

The specialty coffee industry has seen coffee consumers of the past move towards specialty coffee, with tremendous growth in the specialty market (R2). Global specialty coffee businesses have grown by 9.1% from 2014 to 2015, with an increase of 17.3% in consumption of brewed coffee over instant (Friend, 2016; van der Merwe and Maree, 2016). Consumers of the past have new insights and knowledge of coffee as a specialty beverage. Consumer awareness has grown by asking different questions about the coffee they are drinking, the brewing time and temperature, the origin of the beans, the flavour and aroma profile of the beans, the roasting levels of the beans, and the different ways in which the beverage can be served (Adams, 2013; Dension, 2013). Therefore, consumers are engaging more with the product and enjoying the experience surrounding coffee. 'Things are changing, people are more interested in coffee, they ask more questions to understand what they are drinking' (R1). This in turn encourages specialty coffee shops to grow their knowledge, try new beans and roasting techniques, and develop new ways to experience the coffee they serve (Guevara, 2017; Hoffmann and Beazley, 2014). 'Consumer knowledge has grown, and the consumer is coming to the party in terms of supporting the coffee community' (R2).

The changing appreciation for specialty coffee has seen consumers willing to spend more on the coffee being purchased than in the past, this trend is like what is observed in Canada where consumers value taste over price (Hashim, 2017). This increased expenditure on the industry positively affects specialty coffee businesses' market growth. '... [L]ook in Jo'burg, two or three years ago a cup of coffee would have been selling for R10, but you are starting to see places where people are spending up to R20 - R25 for an espresso (R2). Furthermore, increased travel worldwide has expanded consumer knowledge, and these international experiences bring back new knowledge, insights, and practices for consumers (Coffee Revolution, 2017; Krekó, 2015). For example, British coffee businesses are focusing on customer experience by offering different specialty coffee-making methods (Ferreira, 2017). These experiences and demands cannot be fully met in Gauteng, as there is still a gap in the quality, standards, expertise, and knowledge of specialty coffee business owners. However, the influence of globalisation from travellers has created expectations for the local industry to perform better against global standards. A general sense from respondents is a knowledge gap still exists for consumers and education will

bridge the knowledge gap. ‘...now that people are traveling and going to places where the coffee scene is booming... when they come back, they are starting to look for something similar’ (R2).

The specialty industry should consider the unique coffee culture of Gauteng created through adopting global trends and customer demand which has a great influence on consumer buying behaviour (Hussain, 2017). Specialty coffee businesses should be aware of the changing consumer knowledge and awareness by delivering a high-quality coffee, with a focus on educating the consumer through the experience of the coffee served (Hung, 2012).

CONCLUSION

The specialty coffee industry has identified that consumers appreciate quality and consistency based on their experience and awareness of the changes within the industry. ‘It’s not just a cup of coffee anymore’ (R1). This change in knowledge is aided by consumers travelling internationally, which leads to more desire for their coffee experience. Specialty coffee shops have seen consumers engaging with the product and the experience. The changing knowledge of consumers has affected businesses as follows. Quality remains the priority of specialty coffee businesses for the best consumer experience. The focus on quality is seen as the differentiating factor for the specialty coffee industry in attracting consumers. Specialty coffee businesses should focus on training the person behind the service about the coffee they serve and their personal experience. The specialty coffee industry also maintains a focus on sustainability and environmental friendliness in the sourcing of coffee beans. Business owners are currently emphasising the need to further educate the consumer as they visit their outlets and drink coffee. The specialty coffee industry is developing new coffee consumer experiences to adapt to consumer changes in preferences and knowledge while introducing what can be experienced from specialty coffee. A high standard of training for service personnel is seen as beneficial and effective in delivering the product to the consumer according to respondents.

However, further studies can be expanded geographically to include additional major cities (such as Cape Town or Pretoria) of South Africa to test if the results are similar or not. To help identify additional reasons why consumers choose to drink specialty coffee and compare the knowledge growth in different parts of the country. Investigate the impact of sustainable and environmentally friendly business principles affecting consumer purchase decisions. Studies to investigate the current education and expertise of service personnel in the industry can be explored based on the importance of service knowledge of baristas to consumers and these skills being a competitive advantage as shown by findings and results for specialty coffee businesses. The impact of more educated coffee workers on the consumer experience and willingness to purchase specialty coffee.

The study set out to investigate consumer trends from a specialty coffee business perspective, of the consumers and to describe how the changing consumer knowledge about specialty coffee has affected the

industry. Consumer consumption behaviour indicates a positive growth and awareness for specialty coffee. Consumers are demanding quality and experiences of coffee that indicate an exceptional market expectation for this sector (Barry, 2017). To relate this to the local industry, specialty coffee experts should investigate global standards and experience specialty coffee from a global perspective to gain insight into what consumers are experiencing internationally. In addition, specialty coffee shops should put more emphasis on developing and teaching the facts about the product to the consumer to enhance the specialty coffee appreciation and experience. The culture has changed for consumers as coffee has developed as a product with more complex and interesting aromas and flavours. Specialty coffee tells a story to the consumer by the traceability of origin to the brewing method. The consumption of specialty coffee has consumers excited for a new artisanal beverage experience. Specialty coffee businesses are seeing consumers experiencing the 'African' wave of coffee with local expectations, blended with global experiences. The changes in consumer awareness and knowledge growth with consumer reasons for drinking specialty coffee discussed and interpreted, it is no longer just a morning cup of coffee for consumers.

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