

The Influence of Entrepreneurial Orientation in Building the Competitive Advantage of Coffee Shop

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ABSTRACT : The increasing impact of covid-19, especially in the economic sector, has caused the government to impose a new policy called the new normal. This policy is expected to be able to restore business activities, including coffee shop businesses in the Bandung region, Indonesia. It is hoped that this new normal, sooner or later, will re-rotate the wheels of the economy. This current study aims to (1) identify the level of entrepreneurial orientation and competitive advantage of coffee shop business actors in Bandung in this new normal era, and (2) measure the influence of entrepreneurial orientation in building competitive advantage. This research employed the quantitative method. The non-probability sampling with a purposive sampling technique was used to collect data from 100 respondents who were asked to fill in a questionnaire containing the Likert scale. The data were then processed by SPSS and analyzed using descriptive analysis, correlation analysis, regression analysis, coefficient determination analysis, and hypothesis testing. The results indicate that the entrepreneurial orientation and competitive advantage of coffee shop business actors in Bandung in this new normal era are at a “high” level, and entrepreneurial orientation has a significant role in building competitive advantage by 51.7%.

Keywords: entrepreneurial orientation, competitive advantage, coffee shop, new normal era

ABSTRAK : Dampak covid-19 yang semakin tinggi, terutama dalam sektor perekonomian, membuat pemerintah memberlakukan kebijakan baru yang disebut dengan kebijakan new normal (kenormalan baru). Kebijakan new normal diharapkan mampu mengembalikan aktivitas bisnis termasuk usaha coffee shop di kota Bandung, sehingga cepat atau lambat roda perekonomian dapat digerakkan kembali. Tujuan penelitian ini adalah untuk (1) mengidentifikasi tingkat orientasi kewirausahaan dan tingkat keunggulan bersaing para pelaku usaha coffee shop di Bandung di era new normal, dan (2) mengungkapkan peranan orientasi kewirausahaan dalam membangun keunggulan bersaing pelaku usaha. Metode penelitian yang digunakan adalah metode kuantitatif. Teknik non-probability sampling dengan pendekatan purposive sampling digunakan untuk mengumpulkan data dari 100 responden yang diminta untuk mengisi kuisioner dengan skala Likert. Data kemudian diolah dengan SPSS dan dianalisis menggunakan analisis deskriptif, analisis korelasi, analisis regresi, analisis koefisien determinasi, dan uji hipotesis. Hasil penelitian ini menunjukkan bahwa tingkat orientasi kewirausahaan dan keunggulan bersaing para pelaku usaha coffee shop di Bandung di era new normal berada pada kategori “tinggi”. Selanjutnya, orientasi kewirausahaan memiliki peran yang signifikan dalam membangun keunggulan bersaing sebesar 51,7%.

Kata kunci : orientasi kewirausahaan, keunggulan bersaing, kedai kopi, era kenormalan baru

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INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) always have a significant influence in a country's (or a region's) economic growth and development, Indonesia is no exception. One of the cities in Indonesia with great potential and rapid growth of MSMEs is Bandung. In this city in 2020, the most mushrooming MSMEs were the culinary sectors with one type of this industry being coffee shops. Badan Pusat Statistik (2020) claimed that the number of coffee shops in Bandung is increasing, with 267 units spread across 28 districts of this city. To distinguish one coffee shop from another, each business actor must have his own concept and theme.

The rapid growth of coffee shops in Bandung today is due to changes in people's lifestyles. People nowadays tend to choose coffee shops as a place to gather or get relax from rigorous activities while enjoying snacks, drinking coffee, and listening to live music as additional entertainment (Ongkohadi H, 2014). This condition allows coffee shop businesses to keep growing.

However, in mid-2020, the business condition experienced a significant decline. Due to the emergence of the Covid-19 virus which was later declared a global pandemic by the World Health Organization (WHO), all sectors of life experienced a decrease in its movement. The coffee shop business was no exception, with a decline of 43.09%.

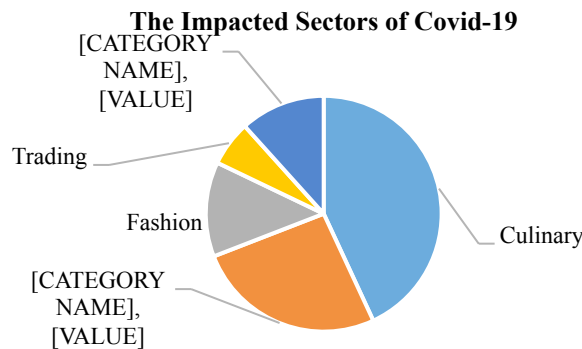


Figure 1. The Impacted Sectors of Covid-19

Source: beritasatu.com

The increasing impact of Covid-19, especially in the economic sector, has caused the government to impose a new policy called the new normal. Considering the changes in customer behavior regarding this new normal era, entrepreneurial orientation strategies must be done by coffee shop businesses. The efforts can be in the forms of selling coffee online, shifting from dine-in to delivery and takeaway method, packing the coffee in a one-liter bottle that allows customers to store it in the fridge, and doing promotional strategies by integrating several delivery service platforms. The coffee shop business must be able to grab opportunities to face the pandemic situation so that it can compete and maintain its existence in the midst of the new normal policy.

Previous studies suggested the influence of entrepreneurial orientation in building competitive advantage (Rahmadi et al., 2020). Research conducted by Utama et al. (2020)

implicitly recognized the importance of entrepreneurial orientation for a company to compete in this new normal era. In addition, Dewi & Suparna (2017) also concluded that entrepreneurial orientation plays an important role in increasing aggressive attitudes toward competition, which includes taking action ahead of competitors and responding quickly to changes that occur in the environment.

The question is how systematically coffee shop business actors create an entrepreneurial orientation in improving competitive capabilities so that the limitations of activities during this pandemic do not hamper them to come up with new ideas. This study is imperative due to the urgency of entrepreneurial orientation factor in increasing coffee shop business capabilities to compete in this new normal era.

LITERATURE REVIEW

Entrepreneurial Orientation

The definition of entrepreneurial orientation was first proposed by Miller (1983), “an entrepreneurial firm is one that engages in product-market innovation, undertakes somewhat risky ventures, and is the first to come up with ‘proactive’ innovations, beating competitors to the punch”. According to Frank et al. (2010), entrepreneurial orientation is the orientation of a company's strategy that specifically covers entrepreneurship aspects in terms of types, methods, and application of decision-making.

The entrepreneurial orientation of a company reflects its tendency to get involved in innovative behavior, dare to take risks, and be proactive to beat competitors in the market (Utama & Nadi, 2017). Similarly, Kiyabo & Isaga (2020) stated that entrepreneurial orientation can be defined as an effective way to enhance competitive advantage to overcome competition threats and avoid competition pressures. Therefore, it can be said that entrepreneurial orientation plays an important role in business continuity. Attitude and entrepreneurial orientation involvement in the business strategy will support the goals of an organization or an association.

In the context of entrepreneurship, entrepreneurial orientation is essential since it determines the business direction. There are three dimensions of entrepreneurial orientation according to Covin & Wales (2012). The first is *innovativeness*. It is described as an organization's willingness and tendency to achieve desired innovation through behaviors, strategies, activities, and processes. The second is *proactiveness*. It means seeking opportunities, looking perspectively ahead, being competitive, and anticipating future demand to make changes and shape the environment. The third is *risk-taking*. It covers business risk-taking (taking business risks without worrying about the probability of success), financial risk-taking (borrowing funds), and personal risk-taking.

Competitive Advantage

Competitive advantage has been an attractive concept in various studies, from the level of companies, individuals, and microeconomics to determine industrial policy as well as macroeconomics to determine the excellent position of the national economy. Competitive advantage can be formed through the creation of superior customer value and competitors' competitive advantage. Walker reported that companies compete in five different resources, namely: people, time, money, technology, and knowledge (Walker, 2015). Dranove et al. (2015) stated that “competitive advantage is when a firm earns a higher rate of economic profit than the average rate of economic profit of other firms competing within the same market”. According to the above definitions, therefore,

competitive advantage can be said as a strategy of a company to produce products more effectively in order to win over the competition.

According to Thompson et al. (2017), a company can increase its competitive advantage capabilities through several strategies, such as a comprehensive low-cost strategy (*a low-cost provider strategy*), a broad product differentiation strategy (*a broad differentiation strategy*), the best costing strategy (*a best-cost provider strategy*), lower costs focused strategy (*low cost focused strategy*) and differentiation focused strategy (*a focused or niche market*).

There are five dimensions of competitive advantage (Reniaty, 2013). First, *the uniqueness of products/services* can be achieved through increasing the uniqueness of product specifications, designs, and colors/attributes, as well as improving purchasing services. Second, *the variation of products/services* can be done by increasing the variety of specifications, tastes, and services offered. Third, *the price/value of products/services* covers determining price, discounts, the lowest cost incurred to buy the product, the quality of product attributes, and the ability to give higher satisfaction to customers. Fourth, *reputation* can be achieved by building a trusted company brand reputation and building a good relationship with customers and the government. Fifth, *customer experience* can be gained by increasing the pleasant experience for customers while shopping, increasing the sense of pride while wearing or using the purchased products, increasing comfort, and improving the convenience in the location.

The Relationship between Entrepreneurial Orientation and Competitive Advantage

In facing increasingly competitive business competition and unpredictable business environment conditions due to the pandemic, every company is required to have an entrepreneurial orientation that can be communicated through continuous development programs in accordance with business needs. It then results in competitive advantages. Previous research by Mahmood et al. (2013) claimed that entrepreneurial orientation has a great influence on competitive advantage. Competitive advantage can be fulfilled if a business actor has a particular uniqueness that distinguishes him from other competitors, in which the uniqueness is derived from his entrepreneurial orientation (Pardi et al., 2014; Sirivanh et al., 2014).

It can be concluded that there is a link between entrepreneurial orientation and competitive advantage. Companies that possess an entrepreneurial orientation will be able to reach their target market in a higher position compared to others that do not. These companies will proactively take action according to changes that occur in the market and quickly respond to those changes, for instance, making adjustments in the business to face the covid-19 pandemic. Thus, those companies will have a competitive advantage since they are able to identify factors that can affect customer demand and satisfy customer desires.

However, the rapid development of culinary MSMEs has been hampered due to the emergence of covid-19 in early 2020. It gave a direct impact on the economic turnaround, including the coffee shop businesses. Thus, coffee shop business actors are now forced to find a way to compete in the midst of new normal policy in order to continue their businesses.

According to Wawan Dhewanto (2009), the business environment creates competition and encourages organizations or companies to survive and gain the

marketplace. One strategy is to have an entrepreneurial orientation. Therefore, this study attempted to see the entrepreneurial orientation of coffee shop business actors in Bandung during this new normal era. It was measured using those proposed by Covin & Wales (2012), which consist of *innovativeness*, *proactiveness*, and *risk-taking*. Meanwhile, competitive advantage was measured using the dimensions given by Reniati (2013), which consist of *product uniqueness*, *product variation*, *product price/value*, *reputation*, and *customer experience*.

The relationship between entrepreneurial orientation and competitive advantage is depicted in the following framework:

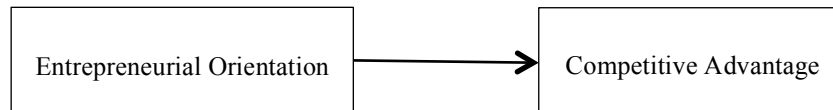


Figure 2. Research Framework

Source: research data, processed (2022)

Entrepreneurial orientation consisting of being innovative, proactive and risks-taking supports the emergence of new creativity and innovation in business. These three dimensions encourage new product innovation that is more unique than competitors, more competitive prices to a more attractive consumer experience (Muchtar et al., 2019; Sofyan, 2017; Utama & Nadi, 2017). Thus, a competitive advantage for the business can be realized. Based on the formulation of the problems, theories, and research framework, the hypothesis proposed in this study are:

H₀: Entrepreneurial orientation does not influence competitive advantage

H₁: Entrepreneurial orientation influences competitive advantage

RESEARCH METHODS

This study was conducted using a quantitative approach. It aims to (1) identify the level of entrepreneurial orientation and competitive advantage of coffee shop business actors, and (2) analyze the extent to which entrepreneurial orientation influences competitive advantage. The questionnaire used for measuring entrepreneurial organizations uses a questionnaire developed by Covin and Wales which consists of innovativeness, proactiveness and risk taking (Covin & Wales, 2012). Meanwhile, to measure competitive advantage, Reniati's theory is used which consists of product uniqueness, product variety, product price/value, reputation and customer experience (Reniati, 2013). A questionnaire using a 5-point Likert scale (Joshi et al., 2015) was employed to collect the data, both online (using Google Form) and offline. Observation and interviews were also conducted to complete the data collection.

The population of this study was coffee shop business actors in Bandung, Indonesia. Data were collected from 100 respondents following the suggestion of Fraenkel et al. (2022). Non-probability sampling technique was applied which also covered quota sampling as a technique to determine a sample of the population that has certain characteristics and desired amount of quota (Sugiyono, 2014). The criteria for sampling are:

1. Coffee shops are small and medium enterprises
2. Established at least 2020
3. Survived the COVID-19 pandemic

The data were processed using SPSS 22.0 and analyzed using descriptive analysis to determine the level of the coffee shops' entrepreneurial orientation and competitive advantage. Meanwhile, to observe the influence of entrepreneurial orientation in building competitive advantage, this study firstly conducted a correlation analysis to check the linkage between these variables. Then it was continued with simple linear regression analysis, coefficient determination analysis, and hypotheses testing to identify the effect.

RESULTS AND DISCUSSION

This part presents the results of respondents' demographic characteristics, the description of the entrepreneurial orientation variables, the description of the competitive advantage variables, the calculation of correlation and regression, the results of hypotheses testing, and the discussion.

Demographic Characteristics of Respondents

This study involved 100 respondents of coffee shop business actors in Bandung, Indonesia. Most of the respondents were male (76%), and the rest were female (24%). They were mostly around 20-30 years old (52%) followed by 30-40 years (48%). The respondents were dominated by D4/S1 graduates (53%), followed by high school graduates (25%), and the remaining 22% are D1/D2/D3 graduates. The businesses were mainly owned by individuals (72%) with a number of employees of 1-5 people (41%). Most of the businesses have been operated for 2-3 years (35%).

The Accuracy and Reliability Testing

The accuracy and reliability test results indicate that research instruments for both entrepreneurial orientation and competitive advantage are appropriate/valid. The value of Corrected Item-Total Correlation (0.196) > r-value. The instruments are also reliable because the value of Cronbach's Alpha for the *innovative* variable is 0.720 and for competitive advantage is 0.713.

The Descriptive Analysis Of Entrepreneurial Orientation Variables

The descriptive analysis results of the entrepreneurial orientation variables are presented in the following Table 1:

Table 1. The Statistical Description of Entrepreneurial Orientation Variables

	N	Minimum	Maximum	Mean
<i>Innovativeness</i>	100	1.00	5.00	3.52
<i>Proactiveness</i>	100	1.00	5.00	3.71
<i>Risk-taking</i>	100	1.00	5.00	3.62
Entrepreneurial Orientation	100	1.00	5.00	3.61

Source: research data, processed (2022)

Table 1 shows that all entrepreneurial orientation variables are categorized as "high". It implies that the entrepreneurial orientation of coffee shop business actors in Bandung in the new normal era has been well-optimized. Business actors have been able to respond quickly and adapt to changes so that they can survive this new policy. It may be supported by their level of education, most of whom are D4/S1 graduates (53%) so they have adequate ability to be creative and to generate new ideas in managing their business.

First, from the *innovativeness* dimension, the highest score is in the indicator of “our coffee shop finds new ideas to promote coffee by considering the new trends in the new normal”. Most coffee shops have been running for about 2 or 3 years. During that time, their promotional strategies are not very distinct from what has been done before the pandemic. The change lies in the marketing strategy. In the new normal era, most of the sales are conducted online since the government does not allow the "dining-in" service. Therefore, the coffee shop business actors shift their marketing system into takeaway or delivery. Some businesses adapt and offer free delivery services; they provide promos for customers, especially for those who purchase coffee through delivery (by *gofood*, *grabfood*, or *shopeefood*).

On the other hand, the lowest score in the *innovativeness* dimension is in the indicator of “our coffee shop offers other products besides coffee, such as snacks”. It is not very common to find coffee shops that provide snacks like french fries, cookies, pastries, or pasta. From the culinary business perspective, consumer preferences rapidly change; people quickly get bored with one kind of food or drink. However, according to Yuliandri (2015), serving coffee in a coffee shop is absolute, but tasty coffee alone is not enough to survive in the business. In fact, one indicator of a successful coffee shop is the availability of snacks. Providing snacks along with coffee can increase business turnover. Terminal Coffee, for example, has a strategy to deal with customers' boredom. The shop provides snacks like french fries and donuts for no more than Rp.15.000. This coffee shop also offers an economical menu package of drink and snack bundles. This strategy surely can attract customers.

Second, from the *proactiveness* dimension, the highest score is in the indicator of “our coffee shop monitors trends and finds a way to deal with the new normal situation”. Coffee shops have become a highly desirable place to hang out, but the physical distancing policy forces people not to go to cafés and stay at home instead. This situation pushes coffee shops to temporarily close their dine-in service, but some, like Serantau Coffee, provide the alternative by offering the liter packaged coffee. Liter-package coffee is perfect to accompany customers in their "Work from Home" moments. This alternative solution supports the opinion of Politico Magazine (2020), which stated that a company must respond quickly to external pressure in order to survive the Covid-19 outbreak.

On the other hand, the lowest score in the *proactiveness* dimension is in the indicator of “our coffee shop is the first to introduce a product or service with a new management technique”. It is due to the condition that the businesses have only been running for 2-3 years with 1-5 employees. Thus, instead of finding new management techniques, they tend to customize the existing ones, including their products. Besides, coffee shops rarely provide testers for customers to taste their new products. According to Anjaningrum & Sidi (2018), if a new emerging business tends to imitate others and innovate slowly, it indicates that the human resources are not ready yet to develop.

Third, from the *risk-taking* dimension, the highest score is in the indicator of “our coffee shop spends more funds to adjust to the new normal condition”. The covid-19 pandemic drives people to be more concerned about their health. One thing coffee shops can do to ensure people's safety is to follow health protocols and apply social distancing regulations by limiting the number of customers. Besides, customers who make transactions through *grabfood*, *gofood*, or takeaway should be more favorable. Most coffee shops complete their places with body temperature checking machines, sinks, clean water, hand soaps, and hand sanitizers near the entrance or other reachable places. In addition,

according to Jiang & Wen (2020), the employees must have good knowledge of the covid-19 pandemic.

On the other hand, the lowest score in the *risk-taking* dimension is in the indicator of “our coffee shop has been able to anticipate the current risks”. The prolonged covid-19 pandemic, especially in Indonesia, has caused a major change in coffee shop business conditions in Bandung. A recent survey conducted by the Specialty Coffee Association of Indonesia (SCAI) claimed that coffee shop businesses experienced declined sales to approximately 70% due to the covid-19 pandemic. It is due to changes in people's consumption behavior. Previously, people would sit and enjoy coffee in coffee shops. The places gradually became more crowded as the night came. However, since the pandemic, people tended to drink their coffee at home (Kopojos, 2021). Thus, people no longer come to coffee shops to do the meeting, hang out, or work.

The Descriptive Analysis Of Competitive Advantage Variables

The descriptive analysis results of the competitive advantage variables are presented in Table 2.

Table 2. Statistical Descriptive of Competitive Advantage Variables

	N	Minimum	Maximum	Mean
<i>Product/Service Uniqueness</i>	100	1	5	3.87
<i>Product/Service Variation</i>	100	1	5	3.74
<i>Product Price</i>	100	1	5	3.57
<i>Reputation</i>	100	1	5	4.05
<i>Customer Experience</i>	100	1	5	3.94
<i>Competitive Advantages</i>	100	1	5	3.84

Source: research data, processed (2022)

The descriptive analysis of the competitive advantage variables is used to determine the level of competitive advantage of coffee shops in Bandung in this new normal era. The results show that all variables of competitive advantage are in the "high" category. It implies that most coffee shop business actors in Bandung are very competitive in order to survive the new normal condition. They will always look for innovations, for example by offering unique products or services, setting lower prices, maintaining reputation, and ensuring convenience for customers.

The first dimension of the competitive advantage variables is *the uniqueness of the products/services*, which is classified into the “high” category. The indicator of product or service uniqueness that contributes to the highest score is “our coffee shop makes the improvement in the packaging and flavor offered”. It indicates that coffee shop business actors in Bandung always innovate to create different products or services in order to compete in this new normal era. Besides, they also pay attention to packaging designs that are created as attractive as possible to grab customers’ attention. Most coffee shops in Bandung are now providing liter-packaged coffee that is perfect to be stored in the customers' fridges, thus, they will no longer need to go to coffee shops. It is in line with

Hartono (2013) who said that “*Creativity is very important to create competitive advantage and business survival*”.

On the other hand, the lowest score lies in the indicator of “our coffee shop improves the product uniqueness”. This is due to the fact that during the pandemic, the business actors put their focus more on selling their products rather than doing some innovations. They were concerned more about how the products could be enjoyed by customers without having them come to the coffee shops because of social restrictions applied.

Second, from the dimension of *products/services variation*, the highest score lies in the indicator of “our coffee shop increases the variety of services offered”. From the results of the observation, most coffee shops offer the service via *grabfood*, *gofood*, *shopeefood*, or takeaway so that customers can still enjoy coffee safely. One coffee shop has developed a unique variety of services. Sejiwa Coffee replaces its service from Dine-In to Dine-In-Car. As the name suggests, Dine-In-Car means consuming the products in customers’ own cars so they do not have to gather with other people in the store.

On the other hand, the lowest score of this dimension is found in the indicator of “our coffee shop increased the variety of packaged coffee offered”. Most customers prefer to have their coffee made by the baristas rather than brew it themselves at home. Therefore, it is rare for coffee shops to sell coffee packaged. According to Warasi (2022), most baristas receive special training for several months to acquire knowledge of how to make tasty coffee. Baristas have special coffee brewing arts and tricks that are hard to be mastered by every person in just several days. Therefore, so far, people have agreed that professional-made coffee tastes different and more delicious than the coffee they make at home.

Third, from the dimension of *products’ price/value*, the higher score is found in the indicator of “our coffee shop gives discounts”. Discounts become a solution for businesses to drive their sales. Most coffee shop business actors give discounted prices to their customers, especially those who make purchase transactions online (via *gofood*, *grabfood*, or *shopeefood*). According to Nitisemito in Brian (2016), giving discounts aims to make customers buy products more so that the sales volume will increase. Based on the observation, one of the coffee shops that use this strategy is Janji Jiwa with “Gercep Enaknya”, a discount of Rp. 25,000 for purchasing via Gofood from 1st to 31st January 2022.

Meanwhile, the lowest score for this dimension (classified as the “Enough” category) lies in the indicator of “our coffee shop sets the same price as our competitors”. Since the observed coffee shops have been running for 2-3 years, the business actors do not just follow their competitors in setting the price. They believe in the current new normal era, when competition is fierce, one of the quickest ways to stand out more is to offer cheaper products.

Fourth, the *reputation* dimension has two statement items. Both are rated “High”. The first one is “our coffee shop builds a positive relationship with the government or customers”. The relationship between business actors and the government is seen by whether they have possessed a Business License (*Surat Izin Usaha Perusahaan/SIUP*) and a Taxpayer Identification Number (*Nomor Pokok Wajib Pajak/NPWP*). The rules regarding the establishment of coffee shops are regulated in Law No. 10 of 2009 concerning Tourism, Article 14E; food and beverage services (*Undang-Undang Nomor 10 Tahun 2009 Tentang Kepariwisata*, 2009). A business should have a permit from the

government in the form of a Tourism Business Registration Certificate (*Tanda Daftar Usaha Pariwisata/TDUP*) regulated in Permenpar Number 10 of 2018, which contains; a Deed of Incorporation and Ministry Decision Letter, owners' identity card, nuisance permit, certificate of domicile, and a statement letter regarding willing to follow applicable rules and norms (Permenpar No. 10 Tahun 2018 Tentang Pelayanan Perizinan Berusaha Terintegrasi Secara Elektronik Sektor Pariwisata, 2018).

Since 2018, the government has implemented the Online Single Submission (OSS) system for companies and individuals who want to apply for business permits so that the business licensing process for coffee shops has been simplified. 72% of respondents in this study, whose coffee shops are owned by individuals, already have SIUP and NPWP. The benefits of having a business license are (1) to be evidence that the business does not against the law, (2) to be a means of promotion to increase business credibility as well as support business development, and (3) to be one of the requirements for applying for cooperation with investors or other parties.

Another indicator with a "High" score in the dimension of *reputation* is "our coffee shop takes advantage of social media to build relationships with customers and accept suggestions/feedback". In the current new normal era, social media has become the most strategic place to promote products and give discounts to attract customers. According to Valenza (2016), social media is an internet platform that allows individuals to share directly and communicate continuously with people. Business actors need to benefit from Instagram, Facebook, Twitter, TikTok, and any other platforms to promote and sell their products.

Fifth, from the dimension of *customer experience*, the highest score lies in the indicator of "our coffee shop provides a convenient business location for customers to visit". Based on the observation, most coffee shop businesses are located in easy-to-see and easy-to-reach places, such as near campuses, schools, offices, shopping areas, and any other places people pass by. The locations are completed with a spacious parking area to make it easy and convenient for customers.

The next indicator that gets a high rating is that "our coffee shop makes customers proud of the products they buy". Proud customers often upload and give reviews of the products they buy on their social media, especially when the products are unique, with interesting packaging and logo. This social media exposure can also benefit the customers since some coffee shops will offer a discounted price for those who upload their purchased coffee to their social media accounts. This strategy is done by, one of which, Teduh Coffee. This coffee shop will give discounts to those customers who (1) upload their coffee to their Instagram Stories and customer feeds, (2) use #TeduhDikota hashtag, (3) tag @teduhcoffee.id Instagram account, and (4) show the proof to baristas.

Another high rating in the *customer experience* dimension is that "our coffee shop can make customers comfortable when making purchases". Businesses that rely on offline stores have to shift their services to an online form. Most coffee shop businesses have fully evaluated consumers' needs in this new normal era by providing takeaway and delivery services. Besides, the payment method has been changed to QR Code-based digital money to limit physical contact between employees and customers.

The Influence of Entrepreneurial Orientation in Creating Competitive Advantage

Several tests were conducted. First, the correlation analysis results were used to observe the link between the entrepreneurial orientation variable and competitive advantage variable. The results are presented in Table 3.

Table 3. Correlation Test Analysis Results

		Entrepreneurial Orientation	Competitive Advantage
Entrepreneurial Orientation	Pearson Correlation	1	.546**
	Sig. (2-tailed)		.000
	N	100	100
Competitive Advantage	Pearson Correlation	.546**	1
	Sig. (2-tailed)	.000	
	N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Source: research data, processed (2022)

Table 3 shows the correlation value of 0.546. It implies that entrepreneurial orientation and competitive advantage have a unidirectional relationship. If entrepreneurial orientation increases, the competitive advantage also increases. The significant value obtained is $0.000 < 0.05$, which means that there is a significant correlation between variables. Meanwhile, the r-value (Pearson Correlations) for this relationship is $0.546 > r$ table 0.196 (N = 100, sig = 5%). Thus, it can be concluded that there is a relationship between the two variables.

Second, a simple regression analysis was conducted to predict the level of competitive advantage that is influenced by entrepreneurial orientation. The results are presented in Table 4.

Table 4. Regression Test Analysis Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	22.328	4.169		5.355	.000
	Entrepreneurial Orientation	.720	.112	.546	6.457	.000

a. Dependent Variable: Competitive Advantage

Source: research data, processed (2022)

Table 4 illustrates that constant (a) is 22.328 and the regression coefficient (b) is 0.720. The equation is as follows:

$$Y = 22.328 + 0.720 X$$

Note:

- The constant (a) 22,328 means that if the entrepreneurial orientation is (x=0), the competitive advantage that can be achieved is only 22,328.
- The regression coefficient (0.720) means that for every additional number of entrepreneurial orientations with a positive coefficient, the competitive advantage will increase by 0.720.

Third, the coefficient determination analysis was used to measure to which extent the independent variable can explain the dependent variable. The results are presented in Table 5.

Table 5. Coefficient Determination Analysis Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.719 ^a	.517	.000	5.617

Source: research data, processed (2022)

Table 5 illustrates that the value of R Square is 0.517 (51.7%). It implies that entrepreneurial orientation variables (x) affect the competitive advantage variables (y) by 51.7%. The remaining 48.3% is influenced by variables or factors that are not covered in the study.

Lastly, the hypothesis test, the t-test, was carried out. The t-test was conducted to prove a significant effect between the two variables in the study. If the t count is greater than the t table, the proposed hypothesis is accepted. The calculated t value can be seen in the regression analysis results while the t table was obtained with the significance α : 0.05 and $df = n - k$.

Table 6. t-Test Results

Model		t	Sig.
1	(Constant)	5.355	.000
	Entrepreneurial Orientation	6.457	.000

Source: research data, processed (2022)

The values in Table 6 can be explained as follows:

- The significance value (sig) of the entrepreneurial orientation variables is 0.000. The value of Sig. $0.000 < 0.05$ probability means that H1 is accepted and H0 is rejected. It indicates the entrepreneurial orientation (X)'s influence on competitive advantage (Y).
- The t value of the entrepreneurial orientation variables is 6.457. The t arithmetic value is $6.457 > t$ table 1.984, which means that H1 is accepted and H0 is rejected. It indicates the entrepreneurial orientation (X)'s influence on competitive advantage (Y).

In line with research conducted by Muchtar et al. (2019), entrepreneurial orientation has a positive effect on entrepreneurial orientation. In high entrepreneurial orientation, entrepreneurs are encouraged to learn in order to increase their competitive advantage. Previous research explained that with an entrepreneurial orientation, entrepreneurs innovate and take risks to bring up new products/services to enhance an interesting experience for consumers. Included, put forward a lower price than competitors (Utama et al., 2020; Utama & Nadi, 2017). The high entrepreneurial orientation of coffee shop owners can bring up product differentiation innovations, unique services, attractive sales strategies to competitive prices so that more competitive advantages emerge than competitors.

CONCLUSION

The study is able to draw several conclusions, that are explained below:

First, the level of entrepreneurial orientation of coffee shop business actors in Bandung in the new normal era is “high”. It can be measured using three dimensions; *innovativeness, proactiveness, and risk-taking*.

Second, the level of competitive advantage of coffee shop business actors in Bandung in the new normal era is “high” It can be measured using five dimensions; *products/services uniqueness, products/services variation, products price, reputation, and customer experience*.

Third, the Influence of entrepreneurial orientation in creating the competitive advantage of coffee shop business actors in Bandung in the new normal era is 51,7%. The remaining 48,3% is influenced by other variables outside this research.

ENDNOTE

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