Specialty coffee consumption amongst consumers in Gauteng

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ABSTRACT

The coffee industry has been associated with the economic and cultural history of many countries. Since the 20^{th} century the culture of coffee has grown globally with the emergence of the specialty coffee industry in the international hospitality markets. Specialty coffee is now a high quality product of the industry as more attention is given to brewing methods by knowledgeable baristas which has changed consumer behaviour towards artisanal beverages.

The specialty coffee trend has also increased in South Africa. This study, therefore, investigates the development and influence of consumer profile and interest in the product in Gauteng, South Africa. A convergent parallel mixed method is used with survey design elements: firstly, quantitative data is gathered using questionnaires for speciality coffee consumers in Gauteng and analysed with descriptive and inferential statistics. Secondly, qualitative data is collected through transcribed interviews with specialty coffee industry experts and analysed using an inductive content analysis.

This study finds that the knowledge and positive perceptions of specialty coffee relates to more informed consumers who understand and appreciate the product. In this age of globalisation, travel experiences have added to consumer knowledge and increased demand in the local industry for quality specialty coffee and customer experience. While this has driven improvements to the local product; a gap in knowledge still exists between consumer demand and industry offering.

A recommendation of this study is for the specialty coffee industry to emphasise their product development and educating consumers alongside a better consumer specialty coffee experience particularly as consumers in Gauteng are experiencing the African wave of coffee by blending local expectations with global practices.

Key Words: Specialty coffee, consumer behaviour, consumption behaviour, coffee, consumer profile

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ABBREVIATIONS AND ACRONYMS

AD	- Anno Domini (in the year of the Lord)
ANOVA	- Analysis of Variance
BP	- British Petroleum
Et al.	- et alia (and others)
R	- Rand, South African currency symbol
SA	- South Africa
SCA	- Specialty Coffee Association
SCASA	- Specialty Coffee Association of South Africa
SPSS	- Statistical Package for the Social Sciences
Std.	- Standard
STH	- School of Tourism and Hospitality
TPB	- Theory of planned behaviour
TRA	- Theory of reasoned action
UJ	- University of Johannesburg
UK	- United Kingdom
US$	- Dollar, United States of America currency symbol

TERMS AND CONCEPTS

Arabica: a coffee tree that originates in East Africa with beans of the high quality and complex flavours that are the preferred tasting characters for coffee-based beverages (Primich & Stern, 2014:9).

Barista: an individual who makes and prepares specialty coffee-based beverages to the public (Merriam-Webster Dictionary: 2018).

Chi-square test: measures the independence of a test for the association between two categorical variables (Pallant, 2011:217).

Cramer's V: a statistical test used for effect size, of tables larger than two items by two items which indicates the degree of association between two variables (Pallant, 2011:220).

Coffee cherries: coffee fruit that encases the coffee bean which is usually red when ripe (Hoffmann & Beazley 2014:21).

Consumer behaviour: a process of investigating consumer purchases, using products and ideas associated with a product (Hung, 2012:51).

Consumer consumption (purchase) behaviour: a further development of consumer behaviour studies whereby a consumer consumes the product purchased.

Consumer profile: a generalised description of a group of consumers which includes demographics, socio-economic and psychographic elements (Devault, 2018; Graham, 2017).

Content analysis: a process of qualitative analysis where by the data is reduced, coded and themes identified from transcription of interviews (Bhattacherjee, 2012:115; Sekara & Bougie, 2013:352; Sunday, 2005).

Cronbach Alpha (coefficient): a measure of internal consistency, meaning the degree the items of a scale fit together. The scale should be above 0.7 (Pallant, 2011:97).

Cup quality: described as 'the combination of the positive taste and flavour attributes of particular coffee' (Hoffmann & Beazley, 2014:248).

Depulper: a machine that removes the fruit flesh surrounding the coffee bean (Hoffmann & Beazley, 2014:33).

Ethics (ethical): the focus of fair and sustainable practice for farmers and employees of the different coffee sectors (growers, processors and producers) (Fairtrade Foundation, 2018).

Factor analysis: a statistical test used to condense a larger set of items down to a small number of factors or variables (Pallant, 2011:104).

Fairtrade: the movement by a group of organisations to certify and guarantee fair prices for coffee producers as well as sustainability practices for the environment (Hoffmann & Beazley 2014:248).

Fermentation: the process whereby pectin is removed from the coffee beans as it ferments (Hoffmann & Beazley, 2014:33).

Harvesting: the process of picking or removing the ripe coffee cherry from the tree by machine or manual labour (Hoffmann & Beazley, 2014:27).

Inferential statistics: the process which allows a researcher to indicate generalisations from a sample to the larger population (Creswell, 2012:621).

Internal consistency: a measure of the level of which a set of items that make up a scale all measure the same variable (Pallant, 2011:6).

Kaiser-Meyer-Olkin: a measure of a sample adequacy, with 0.6 or above used for factor analysis (Pallant, 2012:183).

Mean: a measure of central tendency of which to calculate the average of a data set (Sekara & Bougie, 2013:285).

Mixed method: the process of gathering, analysing and converging quantitative and qualitative data in a single study to gain different perspectives of the research problem (Creswell, 2012:623).

Picking: the procedure of removing the red ripe coffee cherry from the tree by hand (Hoffmann & Beazley, 2014:28).

Roasting: this is a method in coffee processing when a heat source is applied to cause the beans to caramelise and release different aromatic compounds (Primich & Stern, 2014:12).

Robusta: a type of coffee tree hardier than the Arabica variety. The beans are higher in caffeine and generally have a reduced taste when compared to Arabica (Primich & Stern, 2014:9).

Single origin coffees: coffee beans that are sourced from one single producer or region in one country (Pipunic & Schrock, 2015).

Specialty coffee: coffee that is made from high quality beans sourced from a sustainable origin to which the correct coffee brewing method has been applied (Krekó, 2015:8).

Specialty coffee shop: a place or business where specialty coffee is brewed and sold (see specialty coffee).

Standard deviation (Std. deviation): indicates the variability in the data shown, how widely spread the data is (Sekara & Bougie, 2013:287).

Sustainability: the practice of maintaining environmentally friendly practices and procedures towards harvest, production, transportation and consumption of coffee beans in the coffee industry (Smith, 2010:131).

Theory of Planned Behaviour (TPB): a further expansion of the Theory of Reasoned Action (TRA) which is used to forecast and describe the behaviour of a person within a specific context (Ajzen, 1991:181).

Theory of Reasoned Action (TRA): describes a consumer's cognitive procedure to commit to a specific behaviour (Ryu & Jang, 2006:508).

CHAPTER 1: INTRODUCTION

The Information Age has not only brought expanded knowledge and shared customs to different nations but it has particularly benefited the hospitality industry through the exploration of diverse foods and beverages. In South Africa, consumers have become more aware and knowledgeable about practices and procedures in products and services through a desire and an awareness of purchasing decisions and lifestyle choices. This information has caused consumers to become conscious how products are made and a desire for better quality products and services. Within the global hospitality industry, a new perspective is being seen in trends like street foods, artisanal foods, and craft beverages that are considered as quality products for consumers (Krekó, 2015:5). In particular, there is a demand for specialist coffee businesses with growing innovations and increasing competition in the market (Friend, 2016).

The changes to the coffee industry in recent years has seen consumers' preference for artisanal coffees grow after consumer tastes stopped conforming to the standards commercial entities were offering. Instead, consumers have increased their interest in 'the experience' of quality product offerings. These offerings are linked to the growth of consumer knowledge for what can be offered. This includes changes to the flavours of quality profile coffee and an interest in the source of the beans. As a result, coffee businesses have developed rapidly in recent times to cater for a consumer market seeking unique quality tastes.

Coffee originated as native plant in Ethiopia. The fruits of the plant were discovered by a goat header in 850 AD who took his discovery to the local monastery. However, in their disapproval, the monks threw the coffee beans into a fire. After the roasted beans released their aromatic flavours the monks realised its usefulness as a beverage for their long nights of prayer (Avey, 2013: Hutchinson, 2016). Coffee consumption then spread to the Arabian Peninsula and from there was introduced to the Sri Lanka region. Later in 17th century coffee was brought to Europe by travellers from India. At first, the benefits of the new beverage over tea was highly debated in Europe as coffee continued to grow in popularity in countries like England, Germany and Holland. The growth saw over 300 coffee houses develop in London alone in the mid-17th century. Coffee was then transported to New York in mid-1600s and here a culture of coffee consumption grew rapidly in America, after the revolts against excessive rise in tea prices (known as the ‘Boston Tea Party’ in 1773). This led to coffee consumption being more popular than tea because coffee was cheaper (National Coffee Association, n.d.). By the 1800s, coffee had grown to be a product that was sold on the global market.

This chapter’s structure gives a background to the specialty coffee industry and the South African coffee industry in particular. It identifies the research gap in the literature as rationale of this study, after which the research questions and objectives of the study are defined. An overview of the research design follows, and a research plan is followed by an outline of the chapters of this dissertation.

1.1 Background to the Research

In the last century, the coffee industry has grown across the globe and now 125 million people depend on the industry for their livelihoods (Hoffmann & Beazley, 2014:7). Although coffee as a product, has been an exceptional link between the economic and cultural history of many countries, the coffee industry has never been as popular or produced as better quality than in the present day (Hoffmann & Beazley, 2014:7). Currently, it is the world’s most popular hot beverage with more 500 billion cups consumed worldwide annually. This means that as a commodity, coffee can be ranked second only to crude oil (van der Merwe & Maree, 2016:501). South Africans, as followers of global trends, have also increased their consumption of specialty coffee.

The coffee industry has two main markets: commodity and specialty coffee (Hoffmann & Beazley, 2014:7). This research, however, will focus primarily on the specialty coffee industry. Specialty coffee refers to exceptional coffee beans sourced from farmers who use sustainable practices. The beans are roasted with the right roasting methods to bring out the desired qualities of flavour and aroma. Specialty coffee is known for its quality, flavour and aroma profiles depending on brewing method. It is brewed for the end-consumer by using the best brewing method which further extracts flavour and aroma to achieve the maximum quality from the properties of the particular bean (Valencia, 2017). Thereafter, it is the responsibility of the barista to bring out the best flavour profile of the ground coffee beans by selecting from various brew methods to deliver the specialty coffee beverage to the consumer.

Coffee is grown in the tropical regions of the world. The supply pipeline for specialty coffee beans is harvesting (done by strip picking, hand picking or machine picking, but preferably hand-picking to ensure the defect-free quality of the beans) followed by processing whereby the flesh of the bean is removed to reveal the green coffee bean (Hoffmann & Beazley, 2014:28). The three techniques of processing coffee beans make use of either natural, dry or hybrid methods. Each different process will bring out different characteristics and flavours from the coffee. The coffee's outer covering is then hulled to remove the parchment layer before it is bagged and shipped. The green coffee beans then go through a grading process before being bought by a trader (Hoffmann & Beazley, 2014:36-37).

There are two main species of coffee beans used in the industry: Arabica and Robusta (van der Merwe & Maree, 2016:502). Arabica beans, grown mostly in east African countries, are used for their more complex flavours and aromas. Robusta beans are easier to grow than Arabic and are used mainly for their high caffeine content (generally in instant coffee) (Primich & Stern, 2014:9).

The history of the coffee industry has occurred over three periods or waves. 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 (Krekó, 2015:10). The current third wave further transformed the experience of coffee for the consumer and the quality of bean being produced. This has been accompanied by the growth of consumer interest, knowledge and awareness of specialty coffee (Craft Beverage Jobs, 2016; Guevara, 2017). Consumer buying power and consumption behaviour now significantly affect businesses that operate in the specialty coffee industry. This wave was brought about by independently owned roasters and coffee businesses (Guevara, 2017) it, therefore, indicates that consumers began to question the standards of the past as they grew in knowledge about the coffee they wanted to drink.

Currently, the specialty coffee industry, developing as a trend, is taking over from previous coffee houses and coffee businesses. Countries like Australia, America and England have taken the lead with Hungary (mainly Budapest), Norway and Malaysia following suit (Berger & Foss, 2014:12; Hashim, Mamat, Nasarudin & Halim, 2017:39-40; Krekó, 2015:27). The trend is expected to grow globally in the coming years (Friend, 2016) as evidenced by coffee roasters and baristas who are able to tell the story of the origin of the coffee and describe the flavour profiles of the coffee being brewed. The process has now grown into an individual art, much like that of the wine industry, where each wine has its own unique characteristics and aromas (Hoffmann & Beazley, 2014:7).

The shift in consumer perceptions of coffee and an awareness of specialty coffee has led to a tendency to engage more with the product (Hoffmann & Beazley, 2014:7). 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, 2015:51,54; Morris, 2013:881). In other words, more quality and service, a positive atmosphere and location are important aspects that make customers return (Hashim, et al., 2017:40). 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. Consequently, global coffee consumption continues to increase mostly in America, Germany and Italy (Fairtrade Foundation, 2018).

South Africa's increased demand for specialty coffee in recent years (Holmes, 2016) also shows that the country's consumers have adapted to changing international standards and practices of the specialty coffee movement. Coffee consumption has increased to an estimated 38 298 tons per year (van der Merwe & Maree, 2016:2, 5) mostly because the daily lifestyle ritual of consumers has changed with the choice of brewed coffee over instant coffee. This has been shown in particularly in Gauteng Province over the past four years as a result of the demand for quality coffee and the increase of independent specialty coffee businesses from 52 to 200 (Insight Survey, 2017).

The new specialty coffee shops, bars and roasters established to cater for the emerging consumer market now offer new styles of brewing, such as cold brew, Vietnamese-style iced coffee, and draft latte (Adams, 2017; Insight Survey, 2017; Jacobs, 2015). Consequently, an estimated five to six million consumers in South Africa, want to experience the specialty coffee movement through the atmosphere, product and image along with growth of specialty coffee trends (Holmes, 2016). The findings of a 2016 study conducted in South Africa found that if consumers are given a strong control over their choice of purchases, their willingness to consume specialty coffee will increase (van der Merwe & Maree, 2016: 505). Since the keen interest in better quality coffee products and learning about specialty coffee product developments are among the factors which affect this demand. It would be advantageous to further develop, sustain and expand the specialty coffee industry of South Africa.

One sector meeting the growing demand is the South African hospitality industry; however, there is the question of sufficient supply being available to fill the growing market. In fact, the third wave of specialty coffee has impacted consumers without much knowledge of its effect on consumer purchasing and consumption behaviour.

This research, therefore, will attempt to address two related aspects:

1. the lack of research on consumer purchase consumption behaviour for specialty coffee within South Africa; and
2. the effect that the consumer purchasing behaviour of specialty coffee has had on other businesses within the specialty coffee industry in Gauteng.

Following a consideration of the two aspects above, the study will develop a conceptual framework to explain the purchase consumption behaviour around specialty coffee, while identifying a consumer profile for these consumers.

1.2 Problem Statement

The growing consumption and appreciation within South Africa for better quality coffee indicates the beverage is appreciated for quality, flavour profiles and the brewing processes. The new consumer awareness for coffee bean origins, processes method and what blends of beans are roasted together for a specialty coffee-based beverage have also ensured sustainable and environmentally friendly farming practices are followed. Specialty coffee shops have opened across the Gauteng region to give consumers a new way of appreciating and learning about coffee. Baristas are increasing in their expertise, knowledge of coffee and brewing methods. As a result, the specialty coffee industry has emerged as a new business area in the coffee industry in Gauteng. The potential for market growth lies in consumer demand and interest in the art and quality that specialty coffee-making presents.

This research study will investigate the new market gap for specialty coffee. The gap can scene in the introduction of third wave coffee and emergency of new coffee shops and bars. Literature surrounding the third wave of coffee consumption globally will be used as background for developing the research on the market behaviour of consumers in the Gauteng Province of South Africa, in terms of quality, knowledge and sustainability. Identifying the consumer profile of specialty coffee consumption within consumers for the growing market, with a perspective of this effect on the coffee industry. The purpose of this research is to investigate the consumer profile of Gauteng specialty coffee consumers and how has specialty coffee businesses been affected by the changing perception of specialty coffee.

1.3 Research questions

The main research question is:

How has the consumer profile and behaviour influenced the perception of specialty coffee consumption in Gauteng? (R_0)

The sub-questions are:

- What is the current consumer profile of specialty coffee consumption consumers within Gauteng? (R_1)
- How have specialty coffee businesses been affected by the changing consumer knowledge? (R_2)

Global coffee consumption has doubled in the past 40 years according to Fairtrade Foundation (2018) due to the change in consumer preferences. In South Africa, there is a 17% increase in pure ground coffee consumption in 2010 (van der Merwe & Maree, 2016:501). Research shows that coffee consumption is on the rise and therefore an understanding how this has affected coffee drinking in Gauteng should be investigated. The findings of this study are triangulated with literature to identify where coffee consumption behaviour is compared to global coffee culture. Research conducted by Schaefer and Sarker (2016:29) indicated that there is relatively low demand for sustainability by consumers in America in the coffee industry. Consumers would rather focus more on price and quality over sustainability in the coffee industry (Schaefer & Sarker, 2016:34). According to Holmes (2016), a big development in specialty coffee and coffee business has occurred in South Africa following the third wave in which coffee consumers were introduced to a wider range of coffee tastes, a better quality coffee bean, and more complex coffees being made. The preferred outcome to be achieved is to identify a growing market gap for specialty coffee. Studies done by Insight Survey (2017) show a stable growth within the "restaurant and coffee shop" sector by an increased income of 4,5% in South Africa. The coffee market is affected by consumer consumption behaviour and preference. Therefore, the study will explore the way in which consumer knowledge has affected the specialty coffee industry market.

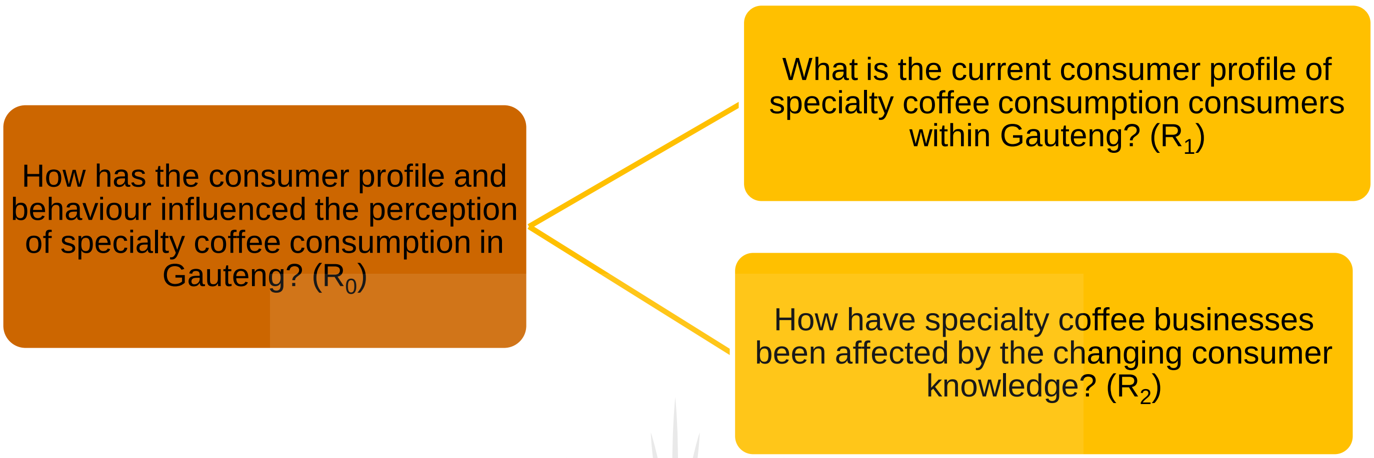

Figure 1.1: Main research questions and sub-research questions
(Source: Researcher own design)

Figure 1.1 indicates the main research question and the sub-questions which aim to better understand consumer perceptions and identify the consumer profile for the specialty coffee industry. Therefore, further identify consumer knowledge for coffee and a growing market gap for specialty coffee in Gauteng.

1.4 Rationale of the study

The purpose of this study is to investigate the influence of specialty coffee consumption on the Gauteng consumer market in the South African hospitality industry. The research will firstly identify existing research on South African specialty coffee trends in an attempt to contribute to the knowledge base on specialty coffee in the hospitality and tourism sector of South Africa. This will be done by using the current consumer consumption rates for speciality coffee to determine its market potential and identify the consumer profile as the elements of consumer purchasing behaviour that indicate the consumer perception of specialty coffee. The investigation will then propose a framework for better understanding of purchase consumption behaviour around specialty coffee.

In addition, the influence of specialty coffee business on Gauteng's growing consumer market will be explored to understand its potential in the artisanal beverage industry and who are the current consumers of specialty coffee. These findings will verify the entrepreneurial and training developmental needs for the industry. To identify how specialty coffee shops and bars have used the third wave coffee trend to influence the consumer market, the investigation will:

- establish a perception of consumer knowledge and awareness of the coffee world;
- provide insight and research into the hospitality industry on current coffee consumption trends; and
- verify the potential market gap of consumer demand for specialty coffee.

Consumer purchasing demand is directly related to market potential for an industry. An identifiable market for the coffee sector can motivate new development in this sector of the hospitality industry.

1.4.1 Objectives of the study

The objectives of the study are to:

- Assess how the consumer profile for specialty coffee affects the perception of consumer consumption behaviour (O1);
- identify the consumer consumption profile of specialty coffee consumers (O2);
- identify variables using the proposed theoretical framework for the consumer profile behaviour towards specialty coffee consumption (O3); and
- describe how changing consumer specialty coffee knowledge has affected specialty coffee businesses (O4).

In relation to objective three (O3), the focus of the study is to identify and assess variables which affect behavioural intention rather than to prove the theoretical framework (illustrated in Figure 2.5).

1.5 Contribution of study

The majority of the research articles are from Australia, Europe and America, with little research investigating the growth of the specialty coffee shop industry and consumer consumption behaviour specifically in South Africa (Ferreira, 2017A:69). From a theoretical aspect, therefore, this research paper will contribute to current literature in the following aspects:

- the hospitality consumer market for specialty coffee trends;
- third wave coffee development and progression in Gauteng market;
- consumer specialty coffee consumption behaviour; and
- how these concepts are connected in the South African market.

In terms of practical contributions, this research paper will:

- investigate the market potential of specialty coffee among consumers in Gauteng;
- explore the effect of third wave coffee on specialty coffee businesses;
- identify consumer knowledge of specialty coffee;
- profile consumers relating to specialty coffee; and
- establish the influence consumer behaviour has had on coffee businesses in South Africa.

The consumer point of view will provide further insight into the growth potential of specialty coffee businesses in Gauteng. If the research proves a growing market demand for specialty coffee, then increased growth within this hospitality sector should be considered by hospitality industry leaders and entrepreneurs to meet consumer expectations. The potential market opportunities identified will lead to job creation, increased employment and entrepreneurial development within the sector. Consumer market demand, therefore, will justify education and training of new skilled baristas and roasters.

1.6 Research Design

The research study is classified as both descriptive and exploratory in nature. The descriptive study of the specialty coffee market did investigate an accurate profile of the consumer market behaviour towards the specialty coffee consumption. The exploratory research establishes the effects consumer knowledge has had on specialty coffee businesses and also investigate new insights in consumer market potential for the speciality coffee industry (Berger & Foss, 2014:39; Sekara & Bougie, 2013:96).

A convergent parallel mixed method survey design is used to allow for the analyses of the data sets and interpretation of the results to support or oppose each other. The convergent parallel design may be explained as simultaneously collecting quantitative and qualitative data, combining the data and using the results to answer or explain the research problem. The justification for using this method is that the strengths of the two data collection approaches will cover the weaknesses of each. A better understanding of the main research question will be achieved by collecting quantitative and qualitative data (Creswell, 2012:540). This approach allows for the method of triangulation whereby multiple techniques and different samples are used for data collection and analysis.

1.6.1 Overview of Samples

The target population for quantitative data is specialty coffee consumers in Gauteng, South Africa. A non-probability convenient sampling strata approach with a sample size of 350 coffee consumers is used. The target group for qualitative data uses specialty coffee shop business owners or managers as a non-probability judgement (expert) sample of specialty coffee shop, bar and roaster owners or managers.

1.6.2 Data collection and analyses

The quantitative data is gathered by the researcher and fieldworkers at various specialty coffee shop locations with questionnaires being used as the instrument. The qualitative data is gathered in the form of personally administered interviews using semi-structured questions to guide the interview. The interviews are based on a one-on-one approach (Creswell, 2012:218).

A statistician was consulted prior to developing analysis approaches for the research. The quantitative data was analysed using the software program SPSS 25 (Statistical Package for the Social Sciences) (Creswell, 2012:183). Descriptive statistics and inferential statistics were used for analysing the quantitative data. This data is represented in tables and various graphs. The qualitative data analysis uses an inductive content analysis approach whereby data is transcribed first and then analysed through selecting, coding and categorising the data to identify themes, patterns or commonalities in the responses (Sekara & Bougie, 2013:337). Once both the data sets are analysed, a comparison is made in the discussion of the findings and results with the literature (Creswell, 2012:550).

1.7 Outline of the chapters

Chapter 1 introduces the topic and background of the research. The research questions and objective for the study are described and the significance of the study is mentioned.

Chapter 2 explains the proposed theoretical framework model. Three theoretical models are used which are the Theory of Reasoned Actions, Theory of Planned Behaviour and the Five Stage Purchase Decision-making model. In addition, the consumer profile and factors that affect behaviour are defined in terms of the proposed framework.

Chapter 3 outlines the literature research covered for the dissertation. A short history of coffee and the production and processing of the coffee bean is described. The global and local consumption behaviour is discussed in terms of the development of the coffee industry and its influence on consumers.

Chapter 4 discusses the methodology for the dissertation. The method for the study on how the primary information was collected and interpreted is explained. The research design, sample, instruments design, data collection and analysis processes are described.

Chapter 5 discusses the results and findings of data collection. The quantitative data is illustrated and described using various graphs, tables and texts. The qualitative data is also explained using text with supporting quotes. A discussion of the data is included.

Chapter 6 answers the research question and makes conclusions and recommendations. The proposed theoretical framework model and further research recommendations are also discussed. The chapter completes final thoughts on the dissertation.

1.8 Summary of chapter

The current chapter focuses on establishing the background for the research study and the research gap that has been identified. The global coffee industry has seen significant growth in recent years particularly in the specialty coffee field which has developed in terms of new brewing methods, roasting techniques, variety of coffee beans and bean quality improvements. A growth in consumer awareness of these developments has led to a demand for better artisanal coffee beverages.

While the international market is being met with the new wave of specialty coffee; South Africa is still a fairly new market with unknown data on consumer consumption and its effect on specialty coffee businesses. A gap in the market for quality coffee beverages has been seen to emerge with consumers in South Africa. Profiling these consumers is a step to understand the effect that consumer purchase behaviour has on the specialty coffee market. The extent to which consumer's knowledge has changed affects specialty coffee businesses and explains what progress has been made in the industry.

Specialty coffee consumption has become a current market trend in the hospitality industry with minimal investigation of new gap in the South African market. This exploration of the consumer purchase behaviour in the specialty coffee product contributes to the literature in changing trends of specialty coffee market research, consumer behaviour and hospitality industry awareness. The findings about new markets and entrepreneurial opportunities justify education and training in South Africa. The study follows a mixed method parallel survey design using quantitative and qualitative approaches. The sample will include specialty coffee consumers and businesses in Gauteng. The analysis approach uses descriptive and inferential statistics for quantitative and inductive content analysis process for the qualitative approach.

2

CHAPTER 2: CONCEPTUAL AND THEORETICAL FRAMEWORK

2.1 Introduction

The following chapter discusses the theoretical framework being used for the study. The conceptual framework is composed of various models and factors. A theory is described as a systematic collection of “constructs and propositions intended to explain and predict a phenomenon or behaviour of interest, within certain boundary conditions and assumptions” (Bhattcherjee, 2012:14) and a model is used as a representation of the theory in a diagrammatic form. The Theory of Planned Behaviour and Five Stage Purchase Decision-making model are used in conjunction with consumer behaviour to develop a framework to better understand specialty coffee consumption behaviour.

The Theory of Reasoned Action (TRA) is an established theory for predicting consumer behaviour within a particular setting. Although the TRA is not the main theory used in this dissertation it does provide a background for understanding the Theory of Planned Behaviour (TPB). The Theory of Reasoned Action better explains how the TPB is used as a social scientific theory to explain consumer behaviour (Knabe, 2009:20). Consumer behaviour is an important factor to consider in this study as it predicts consumer purchase decisions and consumption behaviour. Factors affecting consumer behaviour include social, cultural, personal and psychological (Hussain, 2017:3). Du Toit, Erasmus and Strydom (2010:377) describe the Five Stage Purchase Decision-making model used to identify how consumers make purchasing decisions. The theoretical framework established in the study contributes to an explanation of consumer consumption of specialty coffee.

2.2 Theory of Reasoned Action

The objective of the TRA is to describe a consumer's cognitive process to commit to certain behaviours (Hale, Householder & Greene, 2003:259; Ryu & Jang, 2006:508). A consumer's main motive to lead to a purchase is through 'purchase intention' according to Ajzen and Fishbein (cited by Paul, Modi & Patel: 2015:124; Trafimow, 2009:506). The TRA concept was created by Fishbein and Ajzen (quoted by Trafimow, 2009:501). The theory excludes certain behaviours such as habitual or spontaneous because these behaviours might not be a voluntary or conscious decision by the consumer. In addition, the TRA excludes behaviours that require unique skills or special resources (Hale et al., 2003:260). The best reasoning for these exclusions is that these elements are not truly free choices of a person and therefore outside the boundaries of TRA (Hale et al., 2003:277).

According to Fishbein and Ajzen (quoted by Hale et al., 2003:260) the TRA suggestion that a consumer's strongest motive for cognitive behaviour is based on behaviour intention. This hypothesisers that a certain behaviour is based singularly on a consumer's intention to conduct the behaviour (Ryu & Jang, 2006:508). In the context of this study, specialty coffee purchase intention indicates the extent to which consumers are willing to purchase specialty coffee beverages. Behavioural intention is considered the result of a consumer's individual and normative influences. Individual influence, as described by Fishbein and Ajzen, is a consumer's attitude and normative influences are a person's subjective norms (quoted by Hale et al., 2003:260; Ryu & Jang, 2006:508). In other words, the consumer's attitude towards certain behaviours is explained as a personal judgment in support, or contrary to the behaviour. Attitude in conducting behaviour is a person's belief surrounding the particular behaviour. Subjective norm refers to the effect influential people or social circles have on a consumer's perception on what behaviour to conduct. In other words, a consumer's real or imagined pressure to perform certain behaviours is based on the expectation of others (Ajzen, 1991:188; Hale et al., 2003:261-262; Paul et al., 2015:125; Ryu & Jang, 2006:508; Trafimow, 2009:506). Figure 2.1 illustrates the TRA as a process from a consumer's attitude and subjective norm as a result of purchase intention which influences the purchase (behaviour).

The TRA has been criticised for being limited to a consumer's behaviours of will (Hale et al., 2003:275). The theory omits certain dynamics of a consumer's free will to perform certain behaviours such as resources (low income level) (Paul et al., 2016:125). The TRA is seen, therefore, as a forerunner to the Theory of Planned Behaviour (TPB) as the TPB includes the elements of the TRA with the addition of perceived behavioural control (see Figure 2.1).

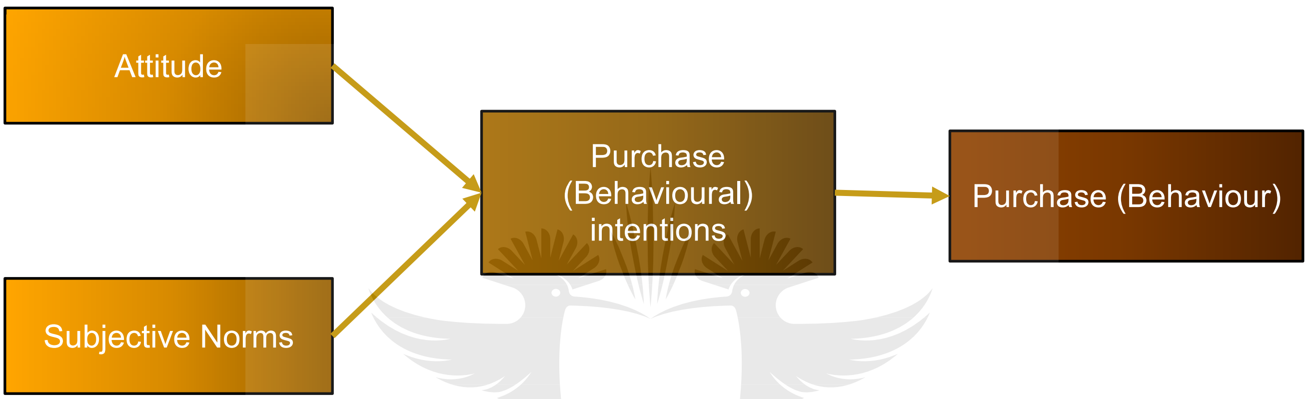

Figure 2.1: The theory of reasoned action model (Adapted from: Asamoah, 2012:15; Madden, Ellen & Ajzen, 1992:4)

2.3 Theory of Planned Behaviour

The Theory of Planned Behaviour (TPB) is a further development of the Theory of Reasoned Action (TRA). According to Ajzen (2014:6) the "TPB is alive and well and gainfully employed in the pursuit of a better understanding of human behaviour". The TPB accounts for the limitations present in the TRA as the latter theory does not consider the perceived control and commitment process people have over the decisions a person could make. The TPB is defined as one which is used to predict and explain the behaviour of people within a specific setting (Ajzen, 1991:181; Hale et al., 2003:277). A consumer's behavioural intention is seen as the forerunner to behaviour. This is illustrated in Figure 2.2 which shows the intention to behave is established from a consumer's attitude, subjective norms and perceived behavioural control. A requirement of Ajzen's behavioural model is for the specific behaviour needs to be as particular as possible

(Knabe, 2009:26). For the research study, the intention is consumer purchase of specialty coffee beverages and visits to specialty coffee shops within the year.

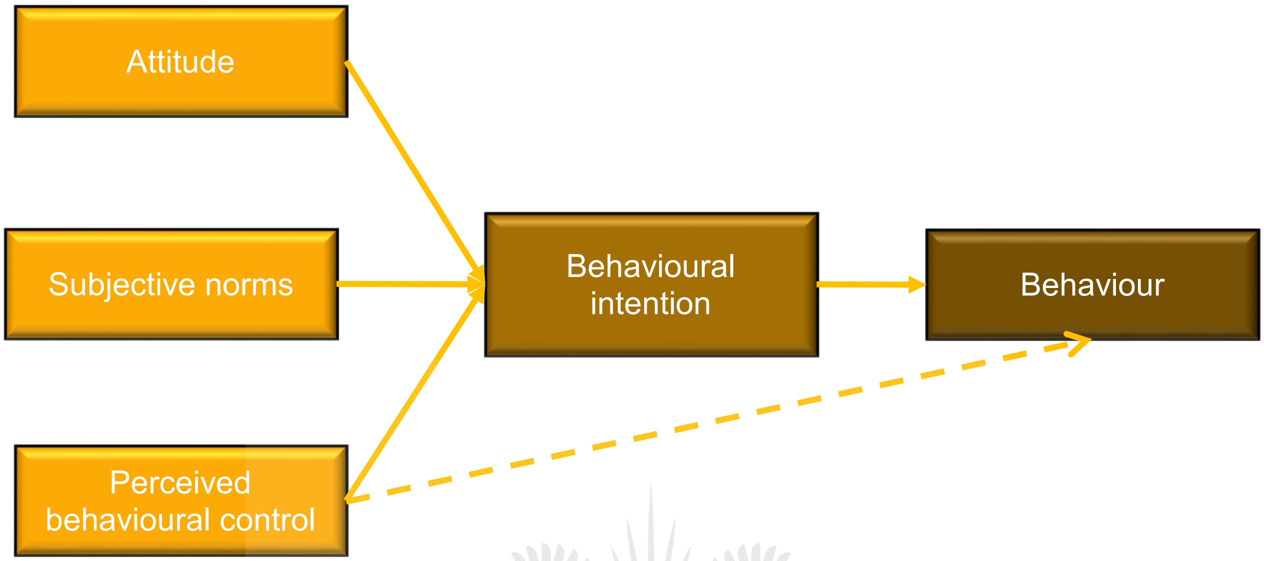

Figure 2.2: The theory of planned behaviour model (adapted from: Madden et al., 1992:4)

As can be seen from Figure 2.2 above, the TPB has the same model design as the TRA, but also includes perceived behavioural control (Ajzen, 1991:183). Perceived behavioural control is described as having control belief and perceived power. Control beliefs are elements connected to a consumer's ability or inability to perform a behaviour based on resources and opportunities available. Perceived power is the level of control a consumer has that facilitates or limits the performance of behaviour (Ajzen, 1991:183; Hale et al., 2003:277; Knabe, 2009:27; Paul et al., 2015:125). The theory suggests that a "high level of perceived control should strengthen a person's intention to perform the behaviour" (Ajzen, 2002:3) and the combination of intention and perceived behaviour control will achieve better accuracy in predicting behaviour (Knabe, 2009:24). The TPB can assist in explaining specialty coffee consumption behaviour because it explains the factors that influence a consumer's purchase intention. These factors (variables) can be used to help describe a consumer profile for specialty coffee consumers.

The theory has multiple advantages; one of which is that it has a wide range of applications for behaviours in different settings. The theory is also easy to understand; it has been used by many researchers for its capabilities. The high frequency of its use is an indicator of its acceptance to the scientific community (Knabe, 2009:37). The theory has also been well supported with empirical evidence and intention to perform various behaviours can be projected with high accuracy (Ajzen, 1991:179; Knabe, 2009:27).

Nevertheless, the TPB does have some areas of criticism; firstly, it suggests that the relationship between perceived control and intention to act is a positive relationship. This implies that consumers have the intention to behave because they have control over their behaviour. However, this is not true in all cases, since an individual may have control to do something but still chooses not to act in the situation (Hale et al., 2003:280). This criticism may be assessed in the data gathering to identify whether specialty coffee consumers still perform a purchase by using control over the behaviour.

Secondly, other variables may also affect intention to perform behaviour which are not considered in the TPB. These elements include moral obligation, habit, and prior behaviour (Hale et al., 2003:280). Moral obligations are considered in the data-gathering design as ethical considerations and questions of suitability, however, it should be noted that these issues are not the main focus of this research study. Of more importance are habit and prior behaviour which are assessed by the frequency of consumption of specialty coffee and possibility of the customer's return to specialty coffee businesses. The inclusion of the Five Stage Purchase Decision-making model to the conceptual framework is to consider the pre-information gathering and post-purchase (behaviour) decisions of consumers. This expands the understanding of consumer behaviour in the purchase of specialty coffee.

The third criticism of the TPB is that of role planning within the theory. Planning can be considered as the process of designing an idea or ideas on how to attain a goal. The theory does not address the need for a plan when performing a particular behaviour. This omission is particularly important when dealing with behaviours which require special skills or resources (Hale et al., 2003:281). Therefore, since the purchase and consumption of specialty coffee does not fall within specialty skills or the requirement of unique resources, planning does not play an important role in the process.

The TPB has been used to explain various elements of social and consumer behaviour. Each element of the theory; subjective norm, attitude towards the behaviour, purchase intention and perception of behavioural control show a different aspect of the behaviour and each can motivate change in action (Ajzen, 1991:206). Research shows that TPB has been used in a wide range of fields including those dealing with organic food choices, green product purchasing, and recycling behaviours (Paul et al., 2016:125). As such, the theory has been used to identify consumer food choices, alcohol and wine consumption, and moderate-drinking behaviour (van der Merwe & Maree, 2016:2-3). It has also been used to better understand fast-food consumption (Knabe, 2009:36). In addition, the TPB has been used in the field of leisure behaviour to help understand the performance behaviours (Ajzen, 1991:206). It should be noted, however, that the TPB has not been used extensively in predicting consumption behaviour or purchase behaviour surrounding specialty coffee.

2.4 Consumer profile behaviour and factors affecting purchase behaviour

Consumer behaviour research is defined as studying individuals and groups when they are purchasing, using and disposing products, ideas and experiences. Consumer behaviour studies also explore the psychological depths of the decision-making process and how this affects a consumer’s purchasing behaviour (Hung, 2012:51, Hussain, 2017:3, Lautiainen, 2015:6). The physiological process starts with consumers identifying a need and then finding a means to solve the need (Shethna, 2016). Consumer market behaviour is related to consumer decision-making because the consumer’s ability to make purchasing decisions will influence the market behaviour (Hung, 2012:52). A consumer’s buying behaviour is affected by four factors namely; social, cultural, personal and psychological factors. The four factors are linked to the consumer profile outline

(Hussain, 2017:3; Lautiainen, 2015:6) which allow businesses to learn about consumer buying behaviour for more effective communication to achieve higher rates of success.

According to Devault (2018), Graham (2017) and Newbold (2018) a consumer profile is defined as a generalisable description of a consumer. For every market segment there is a unique consumer who buys into that industry, and the specialty coffee industry, therefore, has a unique consumer or target market. The consumer profile in this study is specific to Gauteng, South Africa and consequently, certain questions need to be asked under certain categories. These categories include demographics (age, gender, education), socio-economic (net income, occupation) and psychographics (behaviour, beliefs, personality) (Devault, 2018; Graham, 2017; Newbold, 2018). To prevent repetition these categories are further explained using the four factors which affect consumer's buying behaviour mentioned above.

2.4.1 Social factors

The social factors refer to reference groups, role, status and family. Each individual person is part of a group which will impact and influence the decision making made by the consumer (Lautiainen, 2015:6). Bessouh (2016:148) indicates that family members have a powerful influence on purchasing decisions after a study done on an Algerian family's purchasing behaviour. Family members as a reference group have the most impact on consumer behaviour data because the values, customs and traditions learned in childhood become part of a consumer's life in behaviour and attitude. Family dynamics are, therefore, key to identifying the main decision makers (Hussain, 2017:8).

In terms of other reference groups (schools, churches, clubs) an opinion leader or important family member often affects consumer behaviour. This is owing to their role and status which compels a need to fulfil or maintain a certain image (Shethna, 2016); such leaders whether formal or informal, play a role in influencing a consumer's behaviour or attitude since, they are perceived as having a greater knowledge in a specific field (Hussain, 2017:8,9).

2.4.2 Cultural factors

Culture has the largest influence on consumer buying behaviour (Hussain, 2017:6). Culture can be defined as the values, traditions and customs of a society (Shethna, 2016). Every country has a unique culture, which therefore has a unique effect on a consumer's buying behaviour. The unique specialty coffee culture in South Africa differs to that found in America, Australia or England. For example, male dominancy in African cultures will impact the decision-making process differently to westernised cultures where men and women are seen as equals (Hussain, 2017:6). The business market needs to maintain a focus on any culture shifts or trend changes as these allow for new product launches (Hussain, 2017:6). This is true for the specialty coffee industry in South Africa.

Identifying social class is crucial in terms of buying behaviour. Social class comprises consumers with similar occupations, wealth, education, power and income levels. Consumers within these groups share similar attitudes and values and therefore purchase similar products (Hussain, 2017:7). Businesses choose to identify these different classes as it allows for a similar approach within each marketing campaign. Each class will give marketers a fair idea on which group has the greatest purchasing power for a product (Hussain, 2017:10).

2.4.3 Personal factors

Personal factors influencing a consumer purchasing decision include age, lifestyle, financial situation, profession, stage of life, personality and self-concept (Hussain, 2017:9; Lautiainen, 2016:7). Age and life stage can greatly change purchasing behaviour (Shethna, 2016) of a family; as the members mature over time so do their buying decisions. The composition of any family mix (single, married, same-sex couple, parents with children) also plays a role in purchasing behaviour (Hussain, 2017:9).

Occupation also affects what kind of service and products are purchased as consumers will often tend to purchase items suited to their occupation. A consumer's financial situation will influence the willingness to purchase of an item for its perceived monetary value (Shethna, 2016). Marketing agents, therefore, try to understand the occupational level of consumers to better fit their products for that group (Hussain, 2017: 9).

Lifestyle changes based on interests, opinions and activities also affect purchasing patterns. Each consumer has a unique personality that creates individual purchasing behaviour (Shethna, 2016). Consumers will buy products which suit a certain lifestyle based on the values they embody (Hussain, 2017:10). The traits each personality has are also important to assess as such traits are unique, helping to better understand consumer behaviour towards certain products (Hussain, 2017:10).

2.4.4 Psychological factors

Consumers are individuals who have different needs: some are physical and others are psychological (motivation, perception, learning, beliefs, and attitudes). Every consumer, at some point in time, will have certain needs, whether physical (hunger or thirst) or psychological (being acknowledged, having self-esteem, to belong socially) (Hussain, 2017:11, Lautiainen, 2015:10). When the desired need increases to a sufficient level, motivation is developed to inspire a person to move towards these goals or, in terms of a consumer, to purchase the need (Hussain, 2017:12, Shethna, 2016).

Motivation is also what calls a consumer to act; however, the process in which the action takes place differs from person to person due to the consumer's unique perception of the circumstances (Hussain, 2017:13). Perception is feeling the environment around oneself and includes the ability to judge situations differently and make decisions accordingly (Shethna, 2016). Consumer perceptions will differ in approach due to the unique beliefs, attitudes and experiences of each person (Hussain, 2017:13).

Consumer behaviour can be changed by learning (described as “a result of doing something”) and from life experiences (Hussain, 2017:14). Learning takes place prior to the decision to purchase. Experiences are learning from past purchasing decisions which influences future decision making. Learning is, therefore, an on-going process for consumers because it is dynamic and subject to change (Hussain, 2017:14). A consumer’s learning and experiences create personal beliefs and attitudes which result in different buying behaviours. Attitudes and beliefs of a person are the positive or negative emotional feelings towards a certain action, behaviour, brand or product (Hussain, 2017:14; Shethna, 2016).

2.5 Five Stage Purchase Decision-making model

The decision-making process of consumers, as identified by researchers, is important to understand as it explains consumer purchasing decisions. The Five Stage Purchase Decision-making model considers the entire process of making a purchase, not only the purchase itself. Figure 2.3 below illustrates the stages of the model: from the need to recognise (problem awareness) to an information search, evaluation of alternatives, purchase and post-purchase evaluation. The business market can use the process advantageously to make better marketing decisions based on consumer purchase behaviour. Consumers sometime miss stages because the product is frequently purchased (Asamoah, 2012:14). As can be seen, the five stage model has been used because it explains the process of how consumers purchase products or services. This process can be assessed against consumer purchase behaviour towards specialty coffee.

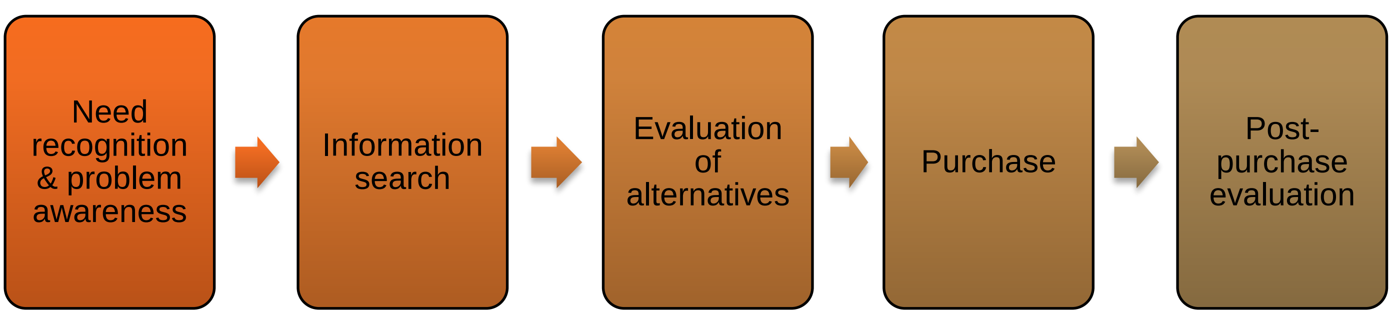

Figure 2.3: The five stage purchase decision-making model (Adapted from: Asamoah, 2012:13; Lautiainen, 2015:13)

The outline of the five stage model (Asamoah, 2012:13-15; Du Toit et al., 2010:377-378; Lautiainen, 2015:13-14) is as follows:

Stage 1: **Need Recognition and problem awareness.** This is the consumer's desire for something to satisfy a need which fills a gap in their current situation. A consumer may identify a problem or an advertisement may appeal to them. This can be identified through internal stimuli (human basic needs) or external stimuli (advertisement). In other words, a consumer creates a demand or desire that needs to be fulfilled. A consumer will seek to find a solution to a need identified.

Stage 2: **Information Search.** This is the process of using previous information or collecting new information from external sources. A consumer decides on the amount of information required; such as, whether the product or service is nearby so that it meets an immediate need. Such kind of information is used to assess the solution to the need. The various sources used by the consumer to gather information could be through:

- personal relationships (family or friends);
- public sources (radio, television, newspapers, and magazines); and/or
- branding and advertising (retailers, billboards, coffee shops, sales personal).

In the current business market consumers are given large amounts of information through marketers. The effect and influence of these different sources of information depend on the consumer and product required. The relationship of the amount consumers are influenced by these information sources is related to TPB's subjective norms. The theory states that people within a consumer's social circle have an impact on purchase behaviour.

Stage 3: **Evaluating Alternatives.** The consumer will assess the research gathered for whether it will satisfy the need identified. A key element to consider in the degree of evaluation is how involved a consumer feels in the purchase of a product. This can be described as the level of involvement in a perceived relevance and personal importance of a particular brand to consumers. Consumers with a high involvement will go through an extensive level of evaluation before making a purchase and the opposite is true for low involvement. The consumer will compare results to assess if the criteria for the need or problem are being met.

Stage 4: **A Purchase Decision**. The intention to buy a product or service is made. The process involves a consumer sacrificing something (i.e. money) in order to purchase the product or service to fulfil the need or problem identified in Stage 1. A consumer can be influenced by various elements before the final purchase is made. The TRA further expands on these elements which affect a consumer's purchasing choice (Asamoah, 2012:15). Firstly, a consumer's attitude and subjective norms (social circle) are considered elements of influence in the purchase behaviour. Attitude is the degree to which a consumer likes or dislikes a product. In order to gain a better understanding of the consumer's decision making process behind specialty coffee, the TPB will be used as it considers a consumer's perceived control over an action as an additional element for assessing consumer behaviour.

Stage 5: **Post-purchase Evaluations**. At this stage the consumer will test whether the product solves the need or problem. Consumers will decide if the purchase is adequate for the sacrifice (money) and if a sufficient satisfaction level is achieved (Lautiainen, 2015:13). A consumer may decide that the purchase made is inadequate and alternative products should be considered (Asamoah, 2012:16) or, due to a good satisfaction level, the consumer may prefer a certain product (or specialty coffee shop) and reduce the desire for alternative choices to be made.

2.6 Combination of models discussed

A combination of the TPB and Five-Stage Purchase Decision-making model is shown for the purpose of a better understanding of consumer consumption behaviour surrounding specialty coffee. The TPB coupled with the Fives-Stage Purchase Decision-making model is used to bridge the gap in research to understand and predict consumption behaviours in specialty coffee beverages. The variables are identified within the framework to develop a consumer profile for specialty coffee consumers within Johannesburg, Gauteng.

The two different models are combined in Figure 2.4, to illustrate the Five Stage Purchase Decision-making model in green circles, and the TPB in the rest of the coloured blocks. The links between the two models are shown by the arrows. The first circle of the five stage model is 'need recognition' (2) which combines with the consumer profile (1) as the target market or need of consumer for a product. Information gathering (6) is linked to the variables that affect purchase intention (3-5) as the variables are where consumers will gather or be affected by information in making a decision. For example 'subjective norm' (4) represents people influencing a person's decisions, therefore information searched (6) by subjective norms influence purchase behaviour. Evaluation of alternative product choices (8) links to an intention to purchase a product (7), the purchases stage (10) is combined with TPB and post purchase (11) is added as an additional step in TPB model. The reason for this is to propose that specialty coffee is repurchased.

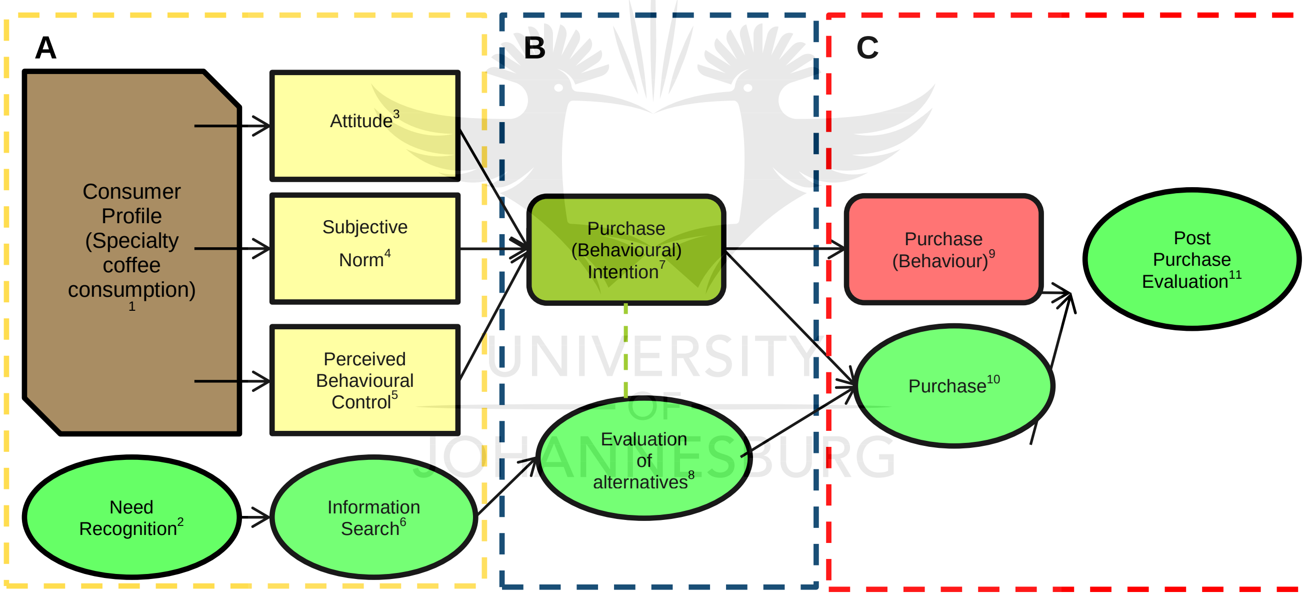

Figure 2.4: Unpacked theoretical framework model (Researcher's own design)

The main purpose of the combination of models for this study is to focus on the Block A (Yellow Block). The first block (A) outlines the consumer profile (researcher added) (1) factors affecting consumer behaviour and its variables (3-5) which in turn affects purchase intention for specialty coffee products. Further studies should be done on purchase intention see in blue block (Block B) and in the red block showing purchase behaviour and post purchase evaluation/ re-purchase behaviour (Block C) (see Chapter 6).

The theoretical model that combines the two theories in Figure 2.5 identifies a consumer profile before the variables of TPB which affect or change a consumer's purchasing intention behaviour as seen in Block A. The explanation of Figure 2.5 follows:

Block A: Need recognition is joined into the consumer profile as a consumer profile establishes the need for specialty coffee within the market. The elements of TPB, is seen in the information gathering stage of the behaviour, as consumers will use these elements to inform them of the consumption purchase behaviour.

Block B: The purchase intention is established after the information gathering and evaluation of alternatives are considered before the behaviour. Purchase intention in this study is the consumption of specialty coffee beverages with alternative coffee shops being considered by a consumer before final purchase consumption behaviour.

Block C: Purchase behaviour follows, which sees a consumer consume specialty coffee as a result of buying the beverage. The evaluation of purchase is the final stage of the model, which is where a consumer would consider their purchase and decide if re-purchase and consumption will occur. The final stage accounts for the weakness in TPB as the theory does not consider if a consumer will repeat the behaviour once conducted. This is important as repeat behaviour towards specialty coffee consumption would insure sustainability for the specialty coffee industry.

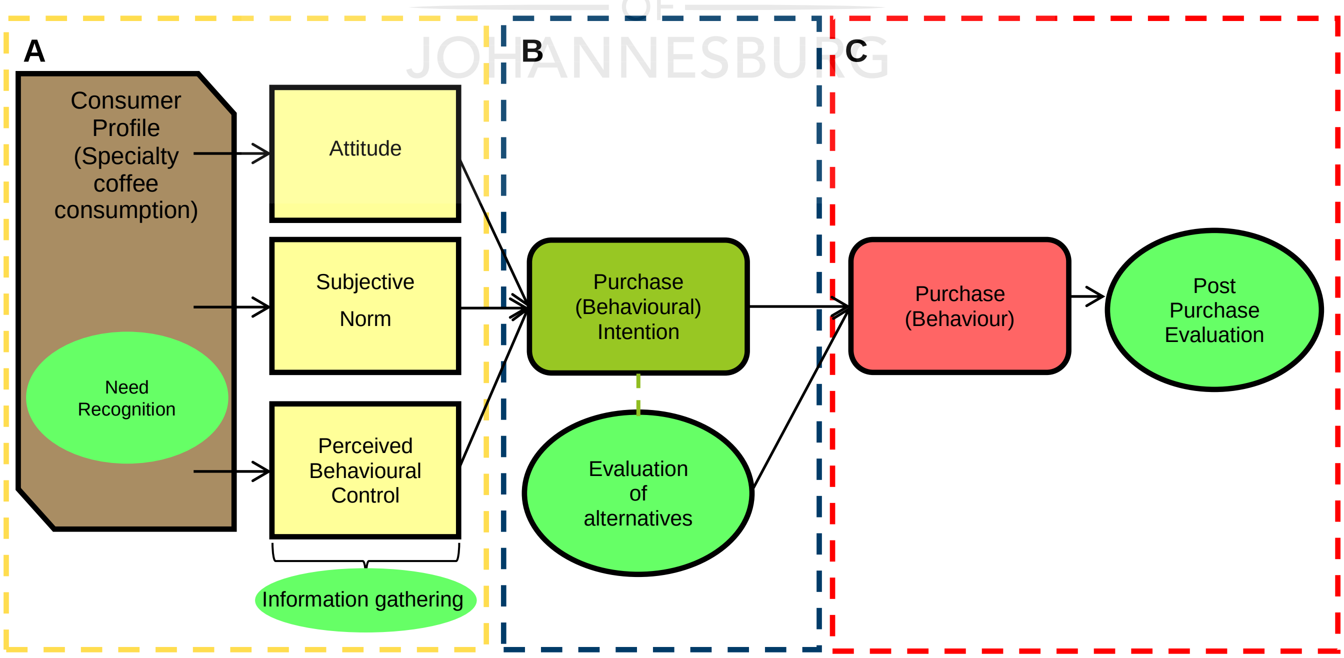

Figure 2.5: Theoretical framework model (Source: researcher's own design)

2.7 Summary of chapter

The chapter introduces and explains the models and theories being used for the research study. The chapter first explains the purpose of the TRA as a process to understanding behaviour. The TRA is then further developed into the TPB with the inclusion of perceived behavioural control to help consider the elements of control a consumer has over the behaviour. Consumer behaviour is then unpacked into the four factors which affect the behaviour. These factors are key to understanding and predicting consumer behaviour in terms of the purchase of specialty coffee.

The second model used in developing the framework was the Five Stage Purchase Decision-making model to explain the process of how consumers make a certain purchase. The theoretical framework model used for the study was developed from the TPB and Five Stage Purchase Decision-making model with factors such as consumer behaviour being considered. The proposed theoretical framework model is then used to explain consumer consumption behaviour in relation to specialty coffee.

CHAPTER 3: LITERATURE REVIEW

3.1 Introduction

The global shift in the consumer market for artisanal products, services, handcrafted and specialised beverages has led to the recent trends whereby consumers have become more knowledgeable about coffee, and have a better appreciation of a quality product affecting the global hospitality industry (Krekó, 2015:5). The global trend in the coffee market has also influenced new market growth in South Africa for coffee shop businesses. This research will investigate how these trends have affected the hospitality industry in South Africa by examining the influence of specialty coffee on consumer consumption behaviour in Gauteng. The study will also identify the potential of the specialty coffee business based on consumer coffee consumption and the growth of consumer knowledge in Gauteng.

The focus of this chapter, therefore, is to review the literature about two aspects of specialty coffee industry. Firstly, a discussion on the origin of coffee will be followed by an overview of the coffee and specialty coffee industry and its development in the beverage market today, together with the coffee manufacturing process and development of specialty coffee as a beverage. Secondly, an analysis of consumer consumption behaviour and knowledge of specialty coffee will elaborate on the various changes in consumer demand for specialty coffee that occurred in the so-called three waves in the global market with regard to fair and sustainable practices, global trends, consumer awareness and market behaviour. This includes an examination of the growth of awareness for specialty coffee in South Africa in recent years that has led to increased market demand for specialty coffee.

3.2 Background of the coffee industry and specialty coffee

This brief overview includes the history of coffee, the process of harvesting coffee beans from coffee trees to brewing coffee for the consumer and description what specialty coffee is, that will help to understand some of the terminologies and processes used in the specialty coffee industry. This section provides context and background to the new trend of specialty coffee.

3.2.1 Brief history of coffee

The origin of coffee is somewhat a myth. The most popular legend told is that around 850 AD an Ethiopian goat herder named Kaldi noticed his goats acting strangely energetic after eating berries off a certain tree. Kaldi took his discovery to a monk at the local monastery (Avey, 2013; Hutchinson, 2016; National Coffee Association, n.d.; Nzegwu, n.d.) but the monk did not approve of the berries and thought it was 'the devil's work'. The monk threw the berries into a fire but the aroma that arose from the roasted berries persuaded the monk to try the roasted berries (Goodwin, 2017). The monk then discovered that a beverage made with the berries helped him to stay awake during long night hours of prayer. The monk shared his discovery with other monks at the monastery and awareness of the new revitalising beverage started to spread (Avey, 2013; Hutchinson, 2016; National Coffee Association, n.d.; Nzegwu, n.d.). The whole coffee cherry (bean and pulp) was used until the 1200s after which people started to roast only the coffee beans (Avey, 2013). Coffee awareness spread east into the Arabian Peninsula, and then coffee growing and its trade began within Arabia so that by the 1400s it was being grown as far south as the Yemeni district of Arabia (National Coffee Association, n.d.). The origin of the word 'coffee' began in Yemen with the name 'qahwah' which was formerly used as a romantic term for wine. Coffee later was termed 'kahveh by the Turkish, then 'koffie' by the Dutch and translated into 'coffee' in English (Avey, 2013). Coffee then travelled east from the Arabian Peninsula and was introduced to Sri Lanka by Muslim traders and travellers, who would chew on the coffee beans to keep alert on long journeys (Goodwin. 2017; Nzegwu, n.d.).

By the 1500s, coffee was known in Persia, Egypt, Syria and Turkey (Hutchinson, 2016; National Coffee Association, n.d.). Coffee was enjoyed not only in homes but also drunk extensively in public coffee houses. These coffee houses (known as *qahveh khaneh*) were also established in cities all around East Arabia. The popularity of coffee houses grew tremendously as consumers frequented coffee houses for a variety of reasons. The growth of the coffee industry increased when Muslim pilgrims beyond Arabia visited the holy city of Mecca each year and tasted the "wine of Araby" and this then spread awareness (National Coffee Association, n.d.; Nzegwu, n.d.).

By the 1600s coffee had become popular in Europe. It had been, brought west by travellers telling stories of a strange black beverage. At first, some reactions to the new-found beverage were suspicious and fearful as people labelled it a discovery of evil. Coffee was firstly condemned by the local clergy when it reached Venice in 1615. The debates about the new beverage become so excessive that Pope Clement VIII had to intervene, tasting the beverage and decided to give it papal approval (National Coffee Association, n.d.; Nzegwu, n.d.). But in 1683 the first coffee house was opened in Venice (Nzegwu, n.d.). Other European countries followed suit (such as England, Austria, France, Germany and Holland) in the growth of local coffee houses, despite the debates surrounding the beverage. By the mid-1600s there were over 300 coffee houses in London. This later led to coffee shop businesses being developed from these coffee houses. The new coffee beverage then grew to replace the more common breakfast drinks of the era, beer and wine, which then enabled consumers to start the day more alert and energised which greatly improved the quality and productivity of their work (National Coffee Association, n.d.).

Also by the mid-1600s coffee was being transported to New Amsterdam (New York). Coffee houses grew rapidly in the New World (North America), although tea remained the more popular beverage until 1773 when North American colonists rebelled against the heavy tax levied on tea. This revolt, known as the Boston Tea Party resulted in Americans preferring coffee as the beverage of choice (Avey, 2013; National Coffee Association, n.d.). The first espresso was prepared in 1822 with the innovation of the first crude espresso machine in France (Masterton, 2018). By the end of the 1800s coffee had become a global commodity with entrepreneurs investigating new business practices and strategies to make profits from the coffee industry. In the 1960s specialty coffee began to gain certain awareness by consumers (Avey, 2013). Figure 3.1 shows a world map of how coffee was historically adopted from its origins across the world from Africa, specifically from Ethiopia to the Arabian Peninsula then to Central America via European naval exploration.

Figure 3.1: A world map of the distribution of the Arabica coffee bean from origin to modern day era (Available from: http://bestcoffeemakerlist.com/how-coffee-came-to-the-west/).

3.2.2 From coffee bean to consumer

Today, coffee plants have over 120 different species (Hoffmann & Beazley, 2014:12) with modern coffee production using two main species; namely, Arabica and Robusta. Arabica coffee beans account for 70% of the globe's coffee production and were first identified by the botanist Linnaeus, in 1753 as originating from Ethiopia (Nzegwu, n.d.). Arabica is considered to be the better quality coffee bean (Masterton, 2018). Figure 3.2 below illustrates the different characteristics of the coffee beans that are now grown in over 70 countries; with Brazil, Vietnam, Colombia and Indonesia being the largest producing countries with over 60% of global production (Fairtrade Foundation, 2018).

Robusta beans, also known as *Coffea canephora*, were discovered in the late 19th century in the then Belgian Congo. Interestingly, Robusta although a genetically weaker bean has been found to be the parent plant of Arabica. Robusta beans are gaining in popularity because of the resistance of its trees from diseases, its ability to grow at lower altitudes than Arabica variety, and the high yield from the tree. The disadvantage of Robusta beans is in the poorer taste. Robusta coffee flavour is known to be hard to describe; however, it has a woody, burnt-rubber quality when tasted. Currently, most Robusta beans are being produced for the instant soluble coffee market due to the lower cost of the beans. Figure 3.2 below depicts the key differences and characteristics of the Arabica and Robusta beans in terms of production and growing conditions.

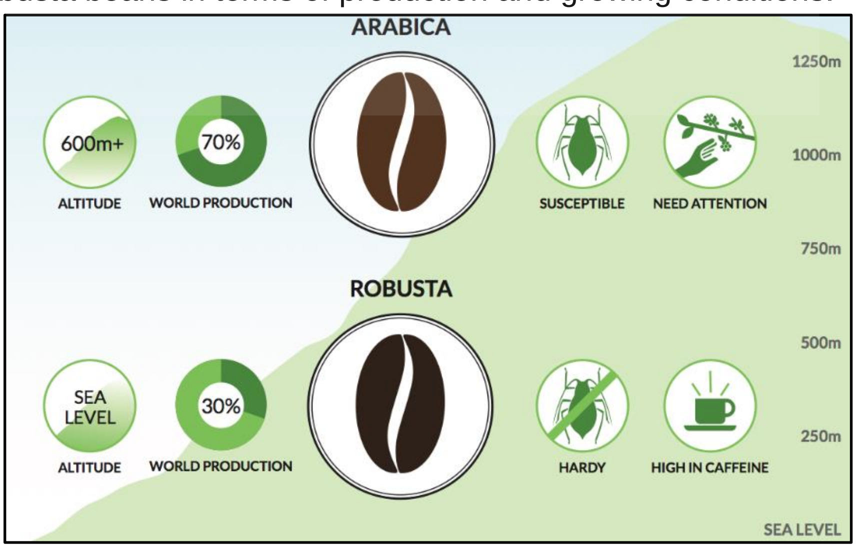

Figure 3.2: The different characteristics of Arabica and Robusta beans (Available from: https://www.the roasterie.com/blog/whats-the-difference-between-robusta-and-arabica-coffee/).

The production of Robusta beans might increase from time to time depending on demand because multinational coffee companies may need to look for cheaper alternatives to Arabica. It is noteworthy that when Robusta beans are added to a blend, there has been a decrease in consumption behaviour. This suggests consumers do notice and could change their drinking choice (Hoffmann & Beazley, 2014:12). Arabica beans are the only coffee beans to be used alone whereas Robusta is usually added to blends (Nzegwu, n.d.).

Few consumers are aware that there are multiple varieties of coffee beans available because most of the coffee in the world is traded by origin. Unlike the wine industry, where the variety and origin are known on the label of the wine bottle, consumers know where the coffee comes from but little is known about the variety of beans used from that growing region (Hoffmann & Beazley, 2014:22). The various varieties of Arabica beans include Typica (the original variety), Bourbon, Mundo, Caturra, Catuai, to name a few (Hoffmann & Beazley, 2014:22-23; Veneziano Coffee Roasters, 2018).

The Arabica coffee tree is mostly grown in the tropical regions of the world. The trees are harvested once a year and it takes nine months for the fruits to ripen for harvesting (Hoffmann & Beazley, 2014:17). The coffee fruit or cherry is the size of a small grape and the flesh of the fruit has a taste of honeydew melon sweetness. The seed or coffee bean has several layers, most of which are removed during processing to leave the bean ready for grinding and brewing. The coffee cherry usually contains two seeds. Occasionally only a single seed, termed a ‘peaberry’, will germinate and grow (Hoffmann & Beazley, 2014:21).

The correct harvesting of ripe coffee cherries is of great importance in achieving the highest quality of coffee. Experts say coffee peaks in quality at harvest and every stage in the process thereafter is about preserving the quality. The greatest challenge to harvesting is the topography of the land because the best quality coffee beans are grown at higher altitudes. The various methods for harvesting coffee are: machine harvesting, strip picking or hand picking.

These can be described as follows:

Machine harvesting is mainly done in Brazil. The process entails machines shaking the coffee trees until the fruit falls. The disadvantage of this process is that some fruit is harvested before it is ripe since coffee cherries on trees ripen at different speeds, so a sorting process is required after harvesting. The advantage of this process is the reduced costs of production; however, this is at the expense of poorer quality harvest (Hoffmann & Beazley, 2014:27; Primich & Stern, 2014:10).

Strip picking is the process of stripping all the cherries from the branch in one swift movement. The process is quick and does not require expensive machinery to perform; however, the disadvantage is still the same as machine picking. This method is used because certain coffee trees are grown on hills and therefore not accessible by machinery (Hoffmann & Beazley, 2014:28).

Hand picking is the process of labourers picking only the ripe cherries and leaving unripe cherries for later picking. This method still remains the most favoured method because it results in a better quality coffee. Its disadvantage is that labourers are paid by weight for cherries picked; therefore labourers may not uniformly pick ripe cherries in order to achieve a higher payment. Therefore, once the cherries have been harvested, the cherries must be sorted to remove unripe or overripe coffee beans (Hoffmann & Beazley, 2014:28; Primich & Stern, 2014:10).

The first step of processing is to remove the beans from the surrounding flesh. This process takes place in a wet mill to take the bean from cherry stage to parchment stage whereby the bean is still well protected (Hoffmann & Beazley, 2014:31). There are various methods for this processing which include: natural process (dry process), washed process or hybrid processes. The natural (dry) process is the traditional method for processing coffee. This process entails the coffee beans being spread out on large sunbeds and left to dry by the sun. Once dried, the husks and dried fruit are removed mechanically. The process is generally used to produce lower quality, cheaper coffee beans. The washed (wet) process method begins with the coffee bean being stripped of its flesh by a ‘depulper’ machine. The coffee beans are then moved to a water tank and the remaining flesh is removed by fermentation. When fermentation occurs it loosens the remaining flesh which is washed away (Hoffmann & Beazley, 2014:32-33; Primich & Stern, 2014:10). The coffee beans are moved to drying beds much like in the dry process. The reason for choosing the wet process is to reduce defects; it affects the cup flavour quality by retaining a higher acidity and increased complexity which results in a cleaner cup flavour and mouth feel. Figure 3.3 shows the dry and wet mill processes described above.

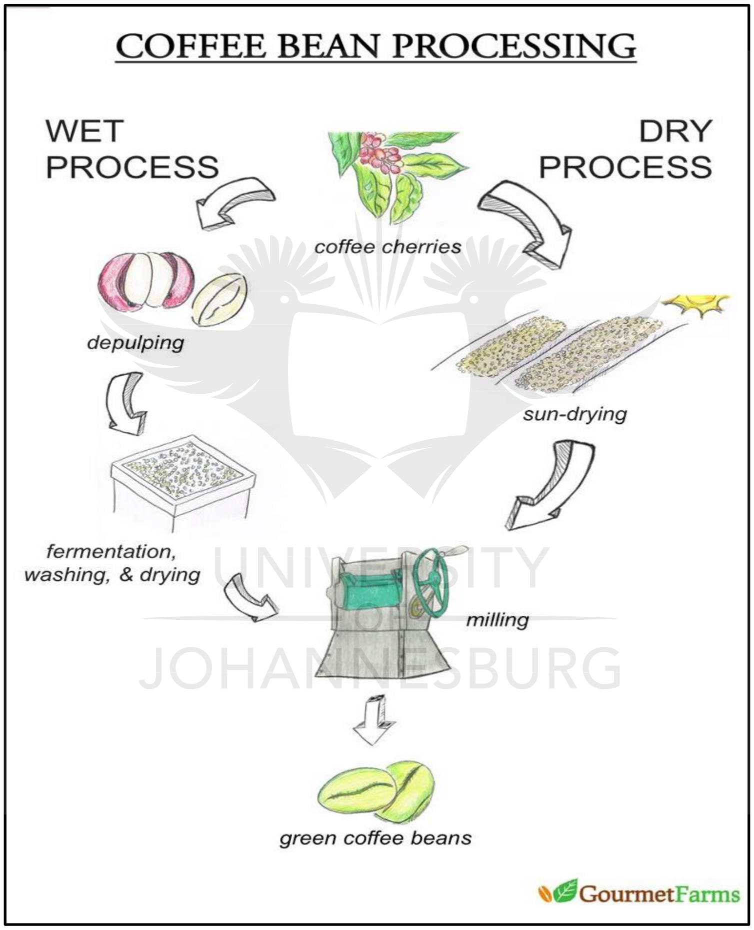

Figure 3.3: Wet and dry coffee bean processing (Available from: http://www.viceversa.ge/green-coffee-process/red-to-green//).

The hybrid processes have been introduced to improve complexity, quality and flavours within coffee beans (Hoffmann & Beazley, 2014:36-37). The hybrid processes consist of three methods: the pulped natural process, the honey process and the semi-washed process. The pulped natural process involves the removal of skin and flesh (depulping) by machines which are then the beans are moved straight onto drying beds to dry. The honey process is a combination of dry and wet process with less water being used in the process of depulping. For the semi-washed process, the beans are depulped and then dried for a shortened time period than the other processes (Primich & Stern, 2014:10).

The coffee beans are then hulled which removes the parchment layer that helps to preserve the coffee until it is shipped. The coffee beans are then examined for colour and rejects before being sorted by size and graded by hand (Hoffmann & Beazley, 2014:37). Coffee beans are then bagged into cost effective jute bags before being shipped from its country of origin to the buyer (Hoffmann & Beazley, 2014:40).

The green beans are then bought by coffee roasters. A roaster’s responsibility is to take green beans with relatively no flavour and transform them into an aromatic and flavourful coffee bean (Hoffmann & Beazley, 2014:50; Primich & Stern, 2014:12). Roasting is a process that applies heat to the beans which causes the sugars to caramelise and different aromatic compounds to develop (Primich & Stern, 2014:12). The roasting process reduces the weight of the coffee beans, through evaporation of moisture. The process is controlled to determine which of three key elements (acidity, sweetness and bitterness) the coffee roaster focuses on to achieve the desired taste. Roasting beans for a longer period of time will reduce acidity in the coffee, however it will also slowly increase the bitterness. The sweetness is achieved by the bell curve which peaks between the acidity and bitterness of the coffee beans being roasted (Hoffmann & Beazley, 2014:50). After roasting, coffee is then ready to be brewed (using the appropriate method depending on its roast profile) by a barista and served to consumers. Figure 3.4 diagrammatically depicts the coffee process from growing, harvesting, shipping, roasting and consumption.

Figure 3.4: A simplified flow diagram of the coffee production process from growing to consumer consumption (Available from: http://bipartisancafe.com/coffee/the-life-of-a-coffee-bean-from-plant-to-cup/).

3.2.3 A definition outline for specialty coffee

Specialty coffee is the term given to coffee that is based on the high quality of the bean, which is grown in idyllic climates with sustainable practices that bring quality of life to the individuals involved in its cultivation, preparation and tasting (Rhinehart, 2009). The coffee beans are tested for different variables to ensure they achieve the necessary score for classification as specialty coffee beans (Krekó, 2015:8). These beans are roasted according to the roaster's desired flavour profile and then served at various specialty coffee shops or bars. It should be noted that these specialty coffee shops and bars adhere to the correct specialty coffee-making methods when making espresso-based beverages. Various specialty coffee-making methods include: pour-over, AeroPress, stove-top Moka pot, and the vacuum pot (Hoffmann & Beazley, 2014:78-91).

Specialty coffee is described by Rhinehart (2009) as coffee that is "well prepared, freshly roasted, and properly brewed". Rhinehart (2009) further observes that the process of defining specialty coffee is more complex because of the many hands involved from tree to cup in comparison to wine making. In the wine-making processes, the majority of tasks involved in growing grapes to making the wine are all done by an individual or company. Furthermore, the process of serving wine is as simple as removing a cork and pouring the wine into a glass. Coffee, however, has more hands involved in preparing the coffee beans for roasting and brewing for the consumer. The responsibility for producing a top-quality specialty coffee is therefore shared by all who handle the bean, from growing to brewing. Therefore, specialty coffee can be described as coffee that has passed all the various tests along its journey from tree to cup.

The responsibility of specialty coffee making falls to various individuals who pride themselves on producing quality:

a) The first in the value chain of specialty coffee making is the farmer or producer. The farmer will ensure the correct quality is adhered to in the growing process with minimal defects and peak ripeness.
b) The green coffee beans are then sent to a green coffee buyer whose responsibility is to grade the coffee and decide if it makes the specialty grade.
c) Tasting notes and flavour profiles are developed by coffee merchants and are responsible for communicating the coffee characteristic to the roaster.
d) Roasters pay close attention to the roasting process to achieve specialty roast profiles. Scientific principles are applied during this process to guarantee high quality and flavours are acquired in the roasted beans.
e) The barista then takes care of the final stage to ensure that specialty coffee is of the correct quality. The barista will focus on the proper brewing methods for the coffee beans to achieve true flavour potential.

The final product is then enjoyed by consumers who appreciate specialty coffee for its quality and sustainability of individuals involved in the process (Specialty Coffee Association of America, 2018).

According to the Specialty Coffee Association of America (2018) and Valencia (2017), the technical definition of specialty coffee is coffee graded 80 or higher out of a 100 (based on the standards set by Specialty Coffee Association (SCA). Herbert Peṅaloza, an expert in coffee from Colombia, indicates that specialty coffee producers must give the correct devotion to every stage in the process from cultivating, harvesting, processing and storage as cited by Valencia (2017). The tests used to achieve the score are, the test for the quality of green beans and number of defects in each batch. The cupping test, which entails examining a specific roast profile within a certain time frame. The areas of assessment are fragrance, aroma and flavour (Veneziano Coffee Roasters, 2018). The traceability of green beans is tested by specialty coffee roasters. These roasters trace the beans to its country of origin, region and to its farm of growth and would consider various factors such as growing altitude, coffee variety and processing. The roasters can then ensure the coffee being produced has sufficient roasting time and is sold fresh (Veneziano Coffee Roasters, 2018).

Valencia (2017) summarises specialty coffee as the process of making good quality coffee for consumers. For the purposes of this research, specialty coffee is defined as coffee that is made using correctly applied coffee-making principles depending on the method using high quality beans sourced from a sustainable origin.

3.3 Consumer consumption behaviour and knowledge of specialty coffee

This section discusses the literature in a global and South African context in terms of the elements of consumer consumption behaviour, development of specialty coffee, consumer profile and the changing knowledge of consumers in the specialty coffee industry over time.

3.3.1 The influence of three waves of coffee on consumers knowledge and consumption

The coffee industry has seen the development of three waves of coffee which have changed the consumer’s perception of coffee. Each wave resulted from new technological advancements in the coffee industry. The First Wave made coffee more accessible for consumers. The Second Wave advanced the enjoyment of specialty coffee and developed the coffee shop experience and atmosphere. Third Wave is seen to be where the specialty coffee trend increased in quality, sustainability awareness and knowledge.

The First Wave of coffee culture started in the 19^{th} century and increased exponentially. This wave saw the invention of automatic coffee machines, espresso machines and ended with the invention of freeze-dried coffee that dominated the market (Craft Beverage Jobs, 2016; Krekó, 2015:10). The first wave focuses on the mass production and convenience over taste and quality of coffee. The cost of coffee manufacturing and consumption within this period was relatively low. Vacuum packaging was developed in 1900 which removed air from coffee allowing the beans to remain fresh for longer. The invention allowed coffee to be brought to retail shops and not only sold at local roasters. The dehydration process was applied to coffee beans in 1903 and gave rise to instant coffee which was quick and efficient to make. Instant coffee increased sales in the industry as it was a simple brew method for consumers who had less time in the day. Instant coffee also assisted greatly in the Second World War for troops to get a quick energy boost. The Nestlé company was the most innovative at the time by producing its branded Nescafé instant coffee (Coffee Revolution, 2017; Craft Beverage Jobs, 2016; Dinçer, Gedik & Güzel, 2016:811). First wave coffee was also characterised with the invention of the first electric drip coffee maker by Mr. Coffee Company. The invention brought a simpler and more efficient brewing method to homes and businesses which both increased coffee sales and made brewed coffee more accessible (Coffee Revolution, 2017).

The 1960s saw the beginnings of the Second Wave with revolutionary methods being used for sourcing roasting and blending coffee beans (Guevara, 2017; Krekó, 2015:10). The introduction of expresso (brewing method) and the return to fresh coffee so popular in the 1950s (Brewer & Ghannam, 2015:54) bridged the gap between large accessible coffee consumption and a better-roasted quality for brewed specialty coffee (Coffee Revolution, 2017). Also synonymous with Second Wave coffee was the launch of Starbucks in Seattle. Their first shop was opened in 1971 and by the year 2000, it had more than 3 000 coffee shops in operation. Starbucks introduced the consumer to the coffee shop experience with different brewed coffee beverages (Craft Beverage Jobs, 2016). By being presented in a different way through branding and marketing strategies (Adams, 2013:33) coffee consumption had now grown to become the focus of a business not just the accompaniment to the end of a meal (Coffee Revolution, 2017). The wave continued to grow with the establishment of American espresso bars, decaf latte trends, domestic espresso machines, large coffee shop chains like Starbucks and Gloria Jean's, with a shift towards Arabica beans over Robusta beans. These changes improved the coffee quality within the industry (Adams, 2013:33; Coffee Revolution, 2017; Dinçer et al., 2016:811; Krekó, 2015:10). Specialty coffee, first experienced in this wave, has since found new developments in the Third Wave (Guevara, 2017).

It was not until 2002 that coffee movements began to be defined as coffee waves (Craft Beverage Jobs, 2016; Bradley, 2016). Third Wave coffee had been first defined in 2005 by Nicholas Cho, (quoted by Krekó 2015:10) in an article he wrote "The Third Wave is about enjoying coffee for what it is" additionally, a growing awareness of specialty coffee in response to poor quality coffee of the past whereby the coffee consumer had become interested in the coffee itself and its quality (Craft Beverage Jobs, 2016; Guevara, 2017). Guevara (2017) states the specialty coffee is what we serve which creates the experience of Third wave coffee.

Third Wave coffee shops favour locally produced goods, sustainable suppliers of beans and take pride in "not conforming to the model of mass consumption" (Brewer & Ghannam, 2015:59; Manzo, 2014:3). The wave is synonymous with independent and small-chain specialty coffee shops (Manzo, 2014:3) where consumers focus on the quality and origin of coffee includes understanding various brewing methods of making coffee such as V60, Coldbrew and Aeropress. The trend has widely developed in America and the United Kingdom (Craft Beverage Jobs, 2016; Coffee Revolution, 2017; Ferreira, 2017B) and most importantly introduced consumers to buying coffee based on origin, roasting profile and whether the coffee is fair trade and organic. Coffee roasters supply consumers with higher quality coffee with smaller roast batches and more lightly roasted coffee beans (Adams, 2013:34; Coffee Revolution, 2017). The intensification of quality brought about a more direct trade in coffee beans, an emphasis on sustainability, light roasting profiles and new innovative brewing methods (Guevara, 2017).

Furthermore, consumers of Third Wave specialty coffees have indicated increased awareness of individual preference from choices on offer (Dinçer et al., 2016:813). Third Wave coffee shops, therefore, offer a variety of coffee beans with different brewing methods and roasting methods (Dinçer et al., 2016:813). The findings of a research study in Turkey showed that managers of Third Wave coffee shops, define the most important aspect of the business to be that the coffee shop produces its own beans in small batches (Dinçer et al., 2016:812). Respondents also indicated that roasting is an important part of the physical features of a coffee shop. Additional findings show that the coffee should be properly brewed, well roasted and fresh (Dinçer et al., 2016:813).

With Third Wave consumers becoming more knowledgeable about coffee character and flavour profiles rather than just the caffeine it provides (Coffee Revolution, 2017). The focus should be on informing them of the quality and origin of the coffee being served and what goes into the making of the specialty coffee so they will understand and appreciate the beverage being served to them (Valencia, 2017; Guevara, 2017). The knowledgeable roasters and baristas need to make consumers part of the experience through a heightened awareness of their new brewing methods as well as the revival of popular former brewing methods. These include:

- Pourover
- AeroPress
- Cold brew
- Moka kettle
- Vacuum pot
- French press
- Technivorm Moccamaster

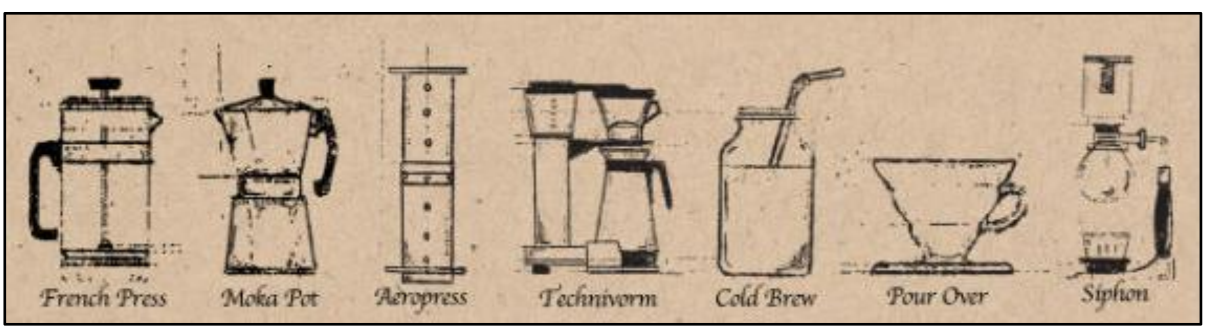

Figure 3.5: Illustrates the various third wave coffee brewing methods (Available from: https://www.theatlantic.com/health/archive/2013/08/how-to-make-perfect-coffee/278944/).

The brewing methods illustrated in Figure 3.5 may be briefly described as follows:

- **The French press** or plunger uses a metal filter attached to the lid to separate the coffee grounds from the brew. Coffee grounds are placed into a cylindrical container and hot water is added. A lid is placed on top and the lid has a metal filter attached to a bar, once the coffee is sufficiently brewed the metal filter is pushed down separating the coffee grounds from the brew (Primich & Stern, 2014:28). The French company Melior began producing the first cafetières (the original French Press) in the late 1930s (Morris, 2013:884)

- **The Moka kettle** or pot comprises of two metal pots. The bottom pot is filled with water and ground coffee is placed in a funnel shaped basket on the bottom pot. The top pot is then screwed onto the bottom. Then the whole pot is placed on a heat source, the water heats up and the steam pushes through the coffee grounds for the brew to bubble and flow through a spout to the top pot. The Moka kettle is particularly popular in Italy. It produces a strong and intense espresso-like brew (Primich & Stern, 2014:27). The Italian Bialetti business began making the Moka kettle in 1933 (Morris, 2013:884).

- **The AeroPress** method applies a simple principle for brewing coffee. Boiling water is added to ground coffee to release carbon dioxide while it bubbles. The AeroPress uses the pressure of the gas to force water through the coffee at pressure which makes something close to an espresso. The AeroPress was invented in 2005 and is a recent invention to the coffee world (Hoffmann & Beazley, 2014:85; Primich & Stern, 2014:27;).

- **Technivorm Moccamaster** can be described as a "hand-crafted filter brewer" (Brew Unlimited, 2017). The key features are the machine's ability to hold a constant water temperature to ensure coffee grounds are not burnt or undercooked when brewed. Secondly, the water is distributed evenly onto the coffee grounds in the filter paper and brewed in a timeframe which allows for better quality flavours.

Owing to these factors, a better quality coffee is achieved when compared to conventional filter coffee-making machines (Brew Unlimited, 2017).

- **Cold brew** coffee is when, as the name describes, the coffee beans are soaked in cold water without heat being added. The key in making cold brew is the length of time the coffee beans are left to soak because the length of time determines the strength or bitterness of the coffee (Good Food & Wine Show, 2017; Thomson, 2017).

- **Pour-Over** is a simple process using a funnel structure which supports filter paper over a container. Coffee grounds are placed in the filter paper and hot water poured over the coffee and allowed to drip to the container below. There are various styles of pour-over coffee including the Melitta, Chemex and Hario pourover systems. The Hario system is claimed to be the best pour-over system and originates from Japan (Primich & Stern, 2014:28).

- **The Vacuum pot** or syphon brewer is an entertaining way of brewing coffee. The vacuum pot was first used in Germany in the 1830s. The pot has two chambers; the lower chamber houses the water which is heated to boiling point, while the upper chamber contains the ground coffee. This positioning of the pots creates a seal and allows steam to build pressure in the lower chamber which pushes the water through a filter to the upper chamber. The water at this point is at the right temperature to brew coffee. The brew is left to steep. To complete the process, the heat is removed from the vacuum pot. The steam cools and condenses back into water which creates a vacuum. The vacuum sucks the coffee from the upper chamber through the filter to the bottom chamber whilst the coffee grounds remain in the upper chamber. The process is challenging to do properly but once achieved is entertaining and makes an Americano style coffee (Hoffmann & Beazley, 2014:90).

The espresso style of making various coffee beverages has improved because of the new knowledge and techniques being used on the machine in Third Wave coffee. These espresso style beverages have now become the most popular coffee drink consumed outside of the home. Through training, baristas have become more knowledgeable about the desirable extraction time for the roast profile of beans for extracting espressos as well as the correct techniques on steaming milk so that it is sweet, soft and mousse-like in texture (Hoffmann & Beazley, 2014:106). In addition, better pouring methods for espresso based beverages is being done to allow the best flavours and aromas to be experienced from the coffee. The Third Wave coffee movement popularised many espresso-based drinks such as espresso, macchiato, cappuccino, café latte, flat white and flavoured lattes (Hoffmann & Beazley, 2014:110-111).

Third Wave coffee also saw the development of pod espresso coffee is largely popular in the domestic market. The capsule of ground coffee was invented by an American, John Sylvan (Lusher, 2015). Using a pod espresso coffee machine that is small and simple to use. The machine reduces effort by removing many variables from the coffee brewing process like heating the water temperature, the pressure and the fineness of the coffee grounds required (Primich & Stern, 2014:27).

3.3.2 Global consumer consumption behaviour and knowledge in specialty coffee

In the past 40 years, coffee consumption globally has doubled from 4.2 million tons to 8.7 million tons in 2015. Countries that produce coffee consume 30% of the globe's coffee production, with Brazil being the highest. The remainder of the coffee being produced is sold internationally with America being the largest importer, followed by Germany and Italy. The United Kingdom only accounts for 3.6% of global coffee imports (Fairtrade Foundation, 2018).

The global coffee market's estimated worth is over R100 billion. The key markets for coffee consumption include Japan, America, Europe and Brazil, with Europe holding the largest consumption of coffee worldwide (Insight Survey, 2017). Developed markets have seen increased competition against well-known brands with independent Third wave coffee business being developed. The increased competition from independent specialty coffee business towards global coffee brands is predicted to continue in coffee markets across the globe (Friend, 2016). The largest global coffee chains in 2015 based on turnover were Starbucks, Costs Coffee and McCafe (Friend, 2016). Ten of the top roasters, that include Nestlé, Jacobs, and Douwe Egberts, process nearly 40% of the coffee consumed globally (Fairtrade Foundation, 2018).

Today, coffee is the second most consumed beverage globally after water (Insight Survey, 2017). Consequently, it is seen as a valuable commodity in the world market second only to oil (Avey, 2013). Worldwide, an estimated 1.6 billion (2012) cups of coffee are drunk each day. A study done by British Petroleum (BP) found that consumers are most likely to drink a specialty coffee every day or at least once a week (van der Merwe & Maree, 2016:503). With consumers more accepting towards the modern coffee drinking culture (Friend, 2016) specialty coffee consumption has increased from 13% to 36% in America. Another finding is that men and women have different drinking preferences for espresso coffee, with women drinking less coffee than men (van der Merwe & Maree, 2016:503).

Australia, known to have an obsession with coffee, demands the newest trends in coffee (Bennett, 2017), but the North Americans, as global leaders, have the most developed specialty coffee market (Adams 2013:33; Krekó, 2015:8). In Europe, Krekó (2015:27) asserts that specialty coffee shops are taking over the role of old coffee houses by indicating a change in coffee trends within the Budapest coffee consumer market. Berger and Foss (2014:12) describe Oslo, Norway as being one of the world's best cities for specialty coffee due to their reputation for high-quality reputation by coffee connoisseurs. Besides North America and Europe, Third Wave coffee trends also grew in the United Kingdom(UK) where it has been shown that the coffee shop market is one of the most prosperous sectors of the high street retail trade. The UK industry grew despite poor economic conditions that followed from the 2008 recession (Ferreira, 2017:73A). This market gap allowed independent British coffee businesses to gain competitive advantage by a focus on customer experience that offered a range of specialty coffee-making methods. While larger coffee business chains struggled to keep up with changing trends and consumer preferences (Ferreira 2017B), the new focus on food and coffee shop ambience by independent coffee businesses set them apart from chain coffee stores (Ferreira, 2017B).

Consumers are known to show a preference for coffee shops based on brand and brand awareness. A Canadian research study completed by Bookman (2014:86) aimed to prove how brands are used to influence cultural urban society using coffee shops as a source of data. The study used qualitative research methods in the form of observations and semi-structured interviews within the population of Toronto and Vancouver. The results showed consumers create a link to brands and that "brands are something consumers do, embody, and live" (Bookman, 2014:97).

Based on research done by Hung (2012:54) staff knowledge and expertise has also been shown to greatly influence the perceived value of customers for a chain coffee shop. Therefore, it is recommended that coffee shop managers and owners deploy resources to train and develop their staff members.

Another development in the UK is that sole proprietors are increasingly using coffee shops as an alternative to offices due to the more self-sufficient method of working. A UK survey done in 2012 showed 22% of small start-up businesses use coffee shops as an office to keep overheads low (Morris, 2013:881).

The global coffee industry has and will continue to experience many challenges which include (Fairtrade Foundation, 2018):

- worldwide economic instability
- unstable coffee prices
- a lack of supply of coffee
- increased production costs
- a poverty stricken labour force
- the effects of climate change.

The world coffee market saw sales of US$80 billion in 2001 with a few multinational trading and roasting companies benefitting from the profits that the industry is making. The coffee farmer suffers from this exploitation but due to the large number of challenges facing the coffee industry, the Fairtrade Foundation has developed as a global social movement and market-based tactic for a sustainable development relationship between producers and consumers (Smith, 2010:120). As a commodity, coffee is seen as a significant portion of the income of many countries like Burundi, Honduras and Nicaragua (Fairtrade Foundation, 2018). The purpose of the Fairtrade system, therefore, is for "poverty alleviation, business transparency and accountability, democracy, capacity building, fair prices and concerns for the environment" (Smith, 2010:120). The main aim of Fairtrade, therefore, is to improve quality and sustainability in the farming sector and it is the most widely used and reliable ethical label internationally used for this purpose (Bean There, n.d.).

Research shows that during the global coffee crisis of 1994-2004 due to oversupply, farmers only received one to three percent of the price per cup sold and only marginally better with two to six percent of the price of coffee sold in supermarkets. These are very low margins of the total price sold to the consumer (Fairtrade Foundation, 2018). Therefore, the unstable coffee price is a significant challenge for farmers who depend on coffee as a means of providing an income for their families. One major difficulty is that farmers struggle to forecast income which means it is difficult to provide for households and perform regular maintenance and upkeep of coffee farms (Fairtrade Foundation, 2018).

The Fairtrade Foundation is set up 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 (Smith, 2010:119).

A large effort is spent in making Fair Trade a strategy of sustainable development to minimise the effects of past poor business practices. Smith (2010:120) states that in 2007, Fairtrade retail products in North America were estimated to be worth one billion dollars and North American purchase coffee has the highest share in Fairtrade sales. Fairtrade coffee has been the most sustainable practice by which American businesses have used in the recent years (Smith, 2010:125). Fairtrade was established to guarantee that coffee farmers were not exploited with low prices but rather stable and balanced pricing for coffee sold. This allows farmers to budget better for the coming season and household expenses. Fairtrade currently supports more than 812,000 farmers worldwide with the help of 445 certified Fairtrade coffee-producing companies (Fairtrade Foundation, 2018).

The movement towards Fairtrade coffee has gained the attention of consumers concerned with sustainable practices. Sustainability has been defined as meeting "the needs of this generation without jeopardizing the ability of future generations to meet their needs" (Smith, 2010:130). In other words, sustainable development focuses on the need for economic development while maintaining natural resources. Fairtrade extends sustainability to the consumption and production of coffee by assuring sustainable environmental practices and procedures (Smith, 2010:131). Sustainable production of Fairtrade coffee uses:

- organic, shade grown beans which are not harmful to birds;
- economically viable production methods;
- correct environmental practices which are not harmful to the coffee farm labourers (Smith, 2010:132).

From 2017, the global specialty coffee shop market is forecast to reach US$121billion by 2021. Predictions of an increase of 10% are based on the increased popularity of coffee among the millennial generation, increased coffee consumption rates, the new development of specialty coffee shops globally, and the change in consumer lifestyle with increased urbanisation (Maida, 2017).

Globally, from 2014 to 2015 specialty coffee businesses in the restaurant category showed the fastest growth with a 9,1% increase. It should be noted that this growth is consistent across all regions. Current global market forecasts indicate that the highest growth in the specialty coffee market will be seen in the Asia Pacific region (Friend, 2016). 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 coffee, atmosphere and price (Hashim et al., 2017:39-40).

While this research found that consumers have become more conscious of quality and service (as cited by Hashim et al., 2017:40). In Canada, consumers are known to value coffee taste over price. Location is a key element for consumers to re-visit even more so than the brand of coffee shop. Consumers who experience a positive atmosphere also have a tendency to purchase more coffee (Hashim et al., 2017:40). The Malaysian study, however, showed quality and price as the strongest reasons for consumers to re-visit a coffee shop. Location and atmosphere indicated to some noteworthy connection to the frequency of visits. A limitation of the study was that the research was conducted on only one ethnic group, whereas this present study considers all ethnic groups of South Africa (Hashim et al., 2017:45).

Hung (2012:51) suggests that consumers whose lifestyles revolve around “Leisure and Hobby” have a greater expectation of consumer experience. The more consumers are interested in service and price, the higher is the expectancy on the consumer experience of the coffee itself (Hung, 2012:51). In other words, consumers with increasing awareness and curiosity want to engage in the specialty coffee experience (Hoffmann & Beazley, 2014:7).

3.3.3 Consumer consumption behaviour and knowledge in the South African specialty coffee industry

The global trends in coffee consumption changed the consumption behaviour of South African consumers. Consumers in South Africa are shifting from instant coffee to brewed coffee, with 17.3% increase in 2010 for brewed coffee (van der Merwe & Maree, 2016:501). Espresso-based beverages then led the food and beverage market of South Africa with 90% of coffees being espresso based (van der Merwe & Maree, 2016:502). The market gap for specialty coffee has since developed in South Africa, with various specialty coffee shops and artisan roasters opening in the hospitality market. Examples of these specialty coffee shops in Gauteng include Urban Grind (Parkhurst), Bean There (Melville), Craft Coffee (Newtown), Father Coffee (Braamfontein), State 5 Coffee Roaster (Greenside) and Motherland (Rosebank) (Buxten, McKeown & Ryder: 2017). This research study will attempt to add to the above research on global trends by an investigation of the more limited specialty coffee and coffee trends in South Africa.

The coffee industry of South Africa produces 38 298 tons of coffee which reflects an exceptional growth of the coffee industry sector by an increase of 21.6% in market value. According van der Merwe and Maree (2016:502) it is the largest increase percentage in local coffee production whereby the cost of a cup of instant coffee made at home rose by 21% from R0,92 in 2013 to R1,11 in 2016. The cup of ground coffee cost increased by 38% from R2,10 in 2013 to R2,90 in 2016 (Stats SA, 2016).

An estimated five to six million consumers buying into the coffee market in South Africa reflect a significant growth in the country’s speciality coffee/coffee business (Holmes, 2016). Iain Evans (publisher of Coffee Magazine) asserts that the coffee trend that has been changing over the last ten years has now caught up to global standards (Insight Survey, 2017; Holmes, 2016). The steady growth in the restaurant and coffee shop sector has increased, with income from the sector growing by 4,5% since 2017 (Insight Survey, 2017; Holmes, 2016) while instant coffee consumption has remained the same over the last three years according to the Insight Survey Report with 36% of respondents indicating they drink one cup of instant coffee and a steady 29% drunk three cups a day according to research from the Insight Survey(2017) report. It appears that the instant coffee still has its place in the market due its convenience and cost effectiveness while the coffee industry has potential for growth with consumers wanting to take on a product that improves how they are perceived in society and a certain brand loyalty reflects a certain image for a consumer (Holmes, 2016).

In South Africa coffee consumers are moving from coffee as a daily ritual to it being part of a lifestyle as independent coffee businesses have grown from 52 to 200 nationally in the past four years (2013-2017). Two coffee trends have impacted positively on the coffee market, one being the quality of coffee is ethically sourced and accredited by organisations such as Fairtrade. Secondly, the importance of specialty coffee to consumers and its growing business market (Insight Survey, 2017). According to Stats SA (2016), South Africans consumed an estimated 31.5 million kilograms of coffee. In recent years, the country has been recognised on the global market for its specialty coffee. The industry now includes over 150 roasters, a dedicated specialty coffee magazine and Specialty Coffee Association of South Africa (SCASA). The provinces of KwaZulu Natal and Mpumalanga have their own coffee plantations which produce coffee for this local SA market (Dension, 2013).

A 2013 survey of employees working in various companies showed that 65% of respondents drink two to three cups of coffee a day and only 22% drink one cup a day. Interestingly 66% of respondents indicated a dislike for decaffeinated coffee, showing a need for caffeine in the day. The main reasons for drinking coffee at work were to have a break and for the taste of coffee. The favourite coffee choice for respondents was a Cappuccino with the second favourite response being a Café Latte. An Espresso and Macchiato were the least favourite choice of employees (Coffee Magazine, 2013).

Results of the study conducted by van der Merwe and Maree, (2016) in the major centres of South Africa made use of the Theory of Planned Behaviour (TPB). It showed perceived behavioural control had a positive impact on consumer intention to consume specialty coffee. Perceived behavioural control is one of three factors in the TPB model to assess a consumer's ease in making a decision. Therefore, consumers who have a greater perceived behavioural control have more intent to consume specialty coffee (van der Merwe & Maree, 2016:505). Additional results of the study did prove that subjective norm and attitude also have an impact on behavioural intention. Van der Merwe and Maree (2016:507) suggest further research is done to identify elements (variables) and influences of consumers on the consumption of specialty coffee in addition to investigating the patterns of specialty coffee consumer consumption and purchase behaviours. These areas of further study are therefore considered in this research study. The research expands on the knowledge of the rising specialty coffee consumer which aids in this study to better understand consumer consumption behaviour and profiling of the specialty coffee consumer (van der Merwe & Maree, 2016:502).

In the Third Wave, the market focus has been on quality and innovations in coffee-making methods, as seen in the various trends emerging in the South African coffee market (Jacobs, 2015). Firstly, the trends show roasters are changing their choice from dark roasted to light-medium roasts of coffee beans for less bitter coffee and to better achieve the additional flavours such as vanilla, strawberry, chocolate and raspberry, depending on the bean (Jacobs, 2015). Secondly, consumers are becoming more conscious about the extraction (brewing) of their coffee when purchasing for home use (Adams, 2017). Thirdly, consumers and coffee specialists are exploring alternatives to the coffee-making methods of an espresso machine to extract different flavours from coffee (Jacobs, 2015). Barry (2017) writes that 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. Consequently, the style known as Cold Brew coffee is growing in consumer awareness (Adams, 2017; Good Food & Wine Show, 2017) as well as the popular Vietnamese-style iced coffee, Coretto and Cáscara coffee tea (Jacobs, 2015). The coffee trend has also expanded cold brew methods to include Draft Latte - "an iced latte with textured milk and cold brewed coffee served on tap" (Insight Survey, 2017). Artisanal coffee roasters are also expressing the need for coffee origins to be labelled geographically (Adams, 2017; Dension, 2013) due to the growing knowledge base of consumers for different kinds of beans and a demand for single origin coffees (Jacobs, 2015) of better quality with individual flavours and aromas (van der Merwe & Maree, 2016:502).

Ethical and environmentally friendly practices in the industry has been introduced to the South African market by coffee roasters such as Bean There (Bean There, n.d.). While other coffee businesses have shown an interest in sustainable business practices, it remains an independent decision of coffee owners which depends on consumer demand which is presently un-researched. This gap will not be addressed in this research; however, as the industry is still in the early stages in South Africa. The main focus of this research remains to identify purchase consumption behaviour with elements affecting this behaviour and consumer profiles by an exploration of the effect current consumer knowledge has had on specialty coffee businesses.

Specialty coffee has grown in market share in South Africa, introducing a new quality and awareness towards the growing global coffee industry. The definite shift in coffee culture in South Africa with its growing consumer awareness of specialty coffee (van der Merwe & Maree, 2016:502) is supported by the literature in that developments in the speciality coffee consumption trends are identified by changes in consumer behaviour, coffee purchasing behaviour, consumption rates and preferences. The little amount of research that there is in this specific area of study in South Africa conveys similar findings to those of van der Merwe and Maree’s (2016:502) research.

3.4 Summary of chapter

The literature discussed in this chapter focuses the specialty coffee trend and its origins. The global coffee industry has grown from its Ethiopian origins into Arabian and European markets where it was traded and then transported around the world. North Americans grew to enjoy coffee as a beverage instead of tea after the rebellion against import taxes on tea (Boston Tea Party). Today, the coffee industry focuses on the use of two primary types of coffee beans; Robusta and Arabica. Arabica is the more popular bean because of the quality of its complex flavours after roasting. Coffee production goes through various stages before it reaches consumer; growing, harvesting, bean processing, shipping, roasting and brewing. Specialty coffee can be defined as coffee that has a high quality bean and flavour whereby sustainable practices are followed in its processes. The coffee industry has experienced three waves, the first being about mass production, the second introducing quality coffee and the coffee shop experience to consumers and finally the third wave of coffee, which saw consumers become more aware and knowledgeable about specialty coffee and sustainability of the coffee industry.

The consumer demand for sustainability and fair practice in the industry has given rise to Fairtrade coffee which focuses on ensuring that the correct environmentally friendly practices are followed and fair market value is given to farmers who sell coffee. Global trends have seen specialty coffee grow with more consumers appreciating the beverages. Baristas and roasters have explored new brewing methods and roasting techniques to deliver better quality coffee beverages to consumers. The demand for specialty has grown with the increase of privately owned coffee shops and roasters. South African consumers are showing a greater interest for knowledge about the specialty coffee trend, as demonstrated by changes in market growth and consumer consumption behaviour. Consumers' purchasing behaviour towards specialty coffee beverages and business is on the rise in South Africa.

4

CHAPTER 4: RESEARCH METHODOLOGY

4.1 Introduction

This chapter covers a detailed explanation of the research design method applied, the process of data collection and evaluation and the primary and secondary data sources that were used in developing, comparing and answering the main and sub-research questions. The target sample population for this study on the influence of consumer profile behaviour on specialty coffee market and the validity and reliability of the data is discussed. Lastly, in this chapter the process of primary data collection and analysis of the data gathered is explained.

A convergent mixed methods survey research study was used with questionnaires to collect quantitative data. Interviews were conducted to collect qualitative data. The focus area of the study was Gauteng, South Africa. Questionnaires were used to investigate and identify consumer consumption profile behaviour and knowledge regarding specialty coffee. Interviews investigated the specialty coffee business market in relation to consumers' knowledge and behaviour surrounding the industry. The analysis of the two sets of data was covered separately because of the different nature of the raw information gathered. Once analysis of the individual data was completed, the data was compared. This allowed for triangulation of the findings and results giving a holistic depiction of specialty coffee consumption in the Gauteng region of South Africa.

4.2 Research design

The research design is the process followed by a researcher to answer the research questions. Sekara and Bougie (2013:95) state that research design “is a blueprint for the collection, measurement, and analysis of data, based on the research questions of the study”. The research design is directed by the purpose of the study, the strategy being used, the geographical area for the research, and how much the study is controlled or influenced by the researcher. The design will further mention the time frame and degree to which the data will be analysed Sekara and Bougie (2013:95).

There are three main types of scientific research which can be followed depending on the purpose of the study; exploratory, descriptive and explanatory (Bhattcherjee, 2012:6). The purpose of the research design will be exploratory and descriptive. An exploratory study is performed in order to understand a problem or situation where there is little or no research on a particular issue (Sekara & Bougie, 2013:96). The research will, therefore, seek to fill the gap on the profiling and behaviour of specialty coffee consumption of consumers within Johannesburg. The data collected will help to better understand the consumer knowledge and preference for specialty coffee. Explorative studies rely on secondary research to help construct concepts and questions for primary data collection. These studies often depend on interviews with managers, owners or stakeholders for information-gathering issues (Sekara & Bougie, 2013:97). The secondary research gathered for this study assisted in the construction of primary data collection instruments. The purpose of a descriptive study is to describe the characteristics of a person or situation (Sekara & Bougie, 2013:97). In the case of this research study, it was to describe the consumer profile of specialty coffee consumers living in Johannesburg, Gauteng. Descriptive studies allow for either a quantitative or qualitative approach to be taken, whereby the quantitative data collected is demographic data. The qualitative data will help describe how the consumer goes through the decision-making process (Five Stage Purchase Decision-making model) and the current knowledge of consumers concerning specialty coffee.

Following a descriptive study design allowed the researcher to:

(a) better understand the characteristics of specialty coffee consumers in the market; streamline the thought process of purchase;

(b) develop a foundation for further research within the field of South African specialty coffee market; and

(c) assist in business making decisions relating to the potential of the specialty coffee market (Sekara & Bougie, 2013:98).

The focus of the study was to explore the specialty coffee consumption behaviour in relation to consumer knowledge and describe the consumer profile within the context of the Gauteng market.

According to Creswell (2012:293) the various kinds of research designs are experimental, correlational, survey, grounded theory, ethnographic, narrative, mixed methods and action research. Two main groups of data collection methods are positivist and interpretive. A positivist method was used to test theories of the study and an interpretive method was used as an inductive approach to assist in describing the coffee business perceptive. While quantitative and qualitative methods refer to the type of data being gathered the former type of data is predominantly positivist, while the latter is interpretive. However, both methods can benefit from using both types of data collection, therefore this research study followed a mixed method design to identify unique insights into the consumer behaviour relating to specialty coffee (Bhattcherjee, 2012:35). Figure 4.1 illustrates a flow chart of the research design process.

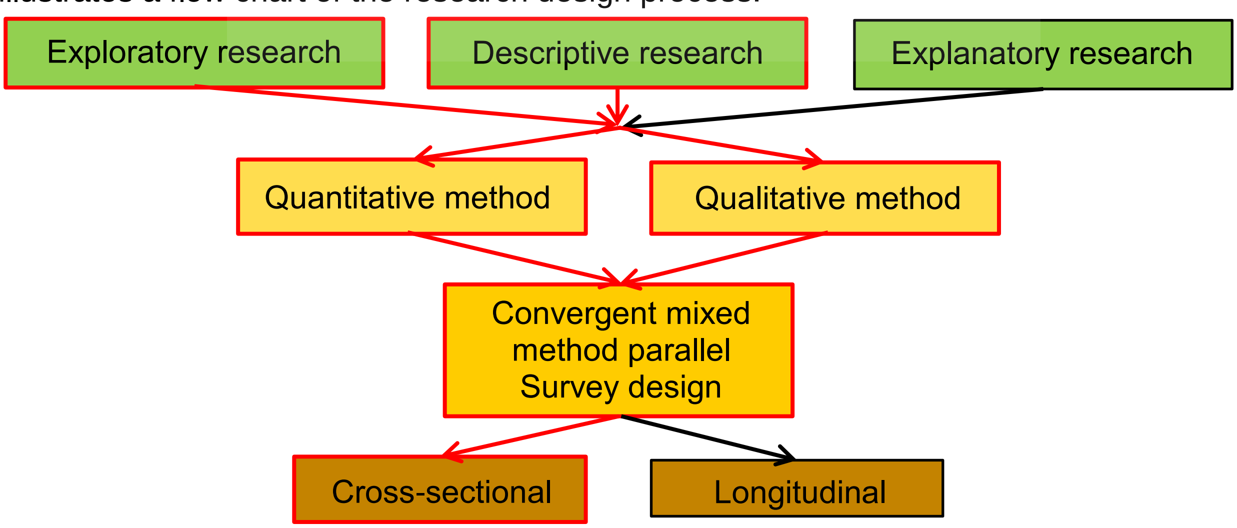

Figure 4.1: Research design process (Source: Researcher's own design).

Creswell (2012:535) further defines a mixed method research design as a method of collecting and analysing data from quantitative and qualitative methods in one research study. The simple justification for the use of this method is that it will better answer the research question and provide a clearer understanding of the research problem surrounding specialty coffee. The method involves merging and linking the two different sets of data to achieve the desired objectives of the study. The merging of two forms of data was first accomplished by Siber in 1973 thereby creating a "new style of research", in 1979, Jick cited by Creswell (2012:536) survey combined semi-structured interviews and observations to provide a better quality and more comprehensive picture of the research. Jick's study was used to show the process of triangulating data. Triangulating data is the process of answering the research questions using different data collection methods and the inclusion of literature (Creswell, 2012:536).

The mixed method design for this study also applied a convergent parallel design where quantitative and qualitative data are collected simultaneously and analysed together to answer the research questions. The researcher considered both sets of data as equally important (Creswell, 2012:538) because the strengths of one data collection method will counterbalance the weaknesses of the other. Additionally, it establishes a better understanding and perspective of the research problem expressed in Chapter 1 (Creswell, 2012:538; Leedy & Ormrod, 2013:260). Quantitative data served to describe the consumer profile and reasoning behind specialty coffee consumption behaviours, while qualitative data explained the influence that growing consumer knowledge has had on specialty coffee and the industry perspective on purchase and consumption behaviour relative to specialty coffee. The process of a convergent mixed method parallel design works by collecting both sets of data, analysing the data separately then interpreting the results and findings to identify if the data support or contradict each other, then the data is discussed in terms of the objectives of the study.

The research design is further described as a convergent mixed method parallel design incorporating survey design elements (Creswell, 2012:538). A survey design method is used to gather data about individuals to describe their knowledge, attitude and behaviours

(Creswell, 2012:376; Sekara & Bougie, 2013:102). There are two main types of survey designs: cross-sectional and longitudinal. The cross-sectional survey design is when a researcher collects data at one point in time and uses it to assess current beliefs, behaviours and opinions (Creswell, 2012:377; Sekara & Bougie, 2013:106). Collecting data over time is known as a longitudinal survey design and is used to study changes in the same people over time (Creswell, 2012:379; Sekara & Bougie, 2013:107). A cross sectional survey design was used in this research study because it was completed at one point in time due to time and budget constraints (Bhattcherjee, 2012:39).

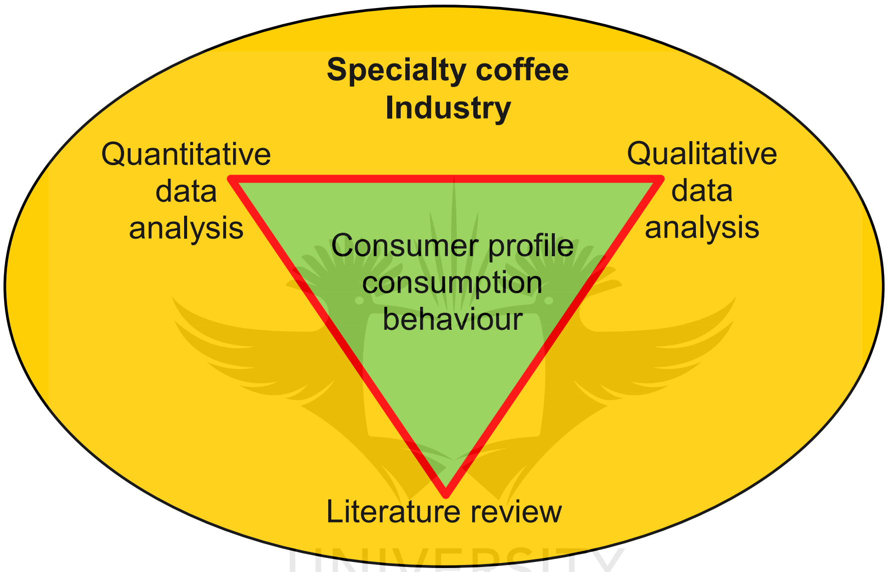

Figure 4.2: Diagram illustrating triangulation for the study (Source: Researcher's own design)

Triangulation is defined as the combination of more than one data source, method or theory in studying one phenomenon to overcome the weakness identified in using only one data source, method or theory (Denzin quoted by Drouin, Stewart & Van Gorder 2015:405; Williamson 2005:8). This study follows a methodological triangulation design between methods, where quantitative and qualitative data collection and analysis are used in one study (Williamson, 2005:9), to transcend the limitations of each data-gathering method and gain both perspectives (Williamson, 2005:8). This form of interpreting data allowed for a more holistic view on the topic of consumer consumption behavior in the specialty coffee industry (Drouin et al., 2015:406). Figure 4.2 above shows the triangulation design method used for this study.

4.3 Sampling

The study conducted in the Gauteng Province with a main focus in the Johannesburg area followed the first step in the sample procedure by defining the population. A population is described as all the people with characteristics pertaining to the study group wanting to be assessed (Bhattcherjee, 2012:65; Creswell, 2012:142). For this research study a subset of the population of Gauteng was identified as a sample. The second step is to identify a sample group using a sampling technique. The reason for choosing a sample is that the costs are too high and feasibility is poor for studying the entire population (Bhattcherjee, 2012:65).

Sampling techniques can be broken up into two categories, probability sampling and non-probability sampling. Probability sampling is where a member of the population has a chance at being selected for the study (Bhattcherjee, 2012:67; Sekara & Bougie, 2013:245). The quantitative sampling in this study included the consumers who purchase and consume specialty coffee. A non-probability sampling technique is defined as some members of the population not having a chance to participate, therefore sample participants are chosen by the researcher based on certain factors (Bhattcherjee, 2012:67; Smith & Albaum, 2012:97). The qualitative sampling includes individuals involved in the specialty coffee industry who were questioned in the research study. These individuals included owners, managers, and workers of specialty coffee business including shops, roasters, and coffee bars. Figure 4.3 below illustrates an explanation of population and sampling procedure.

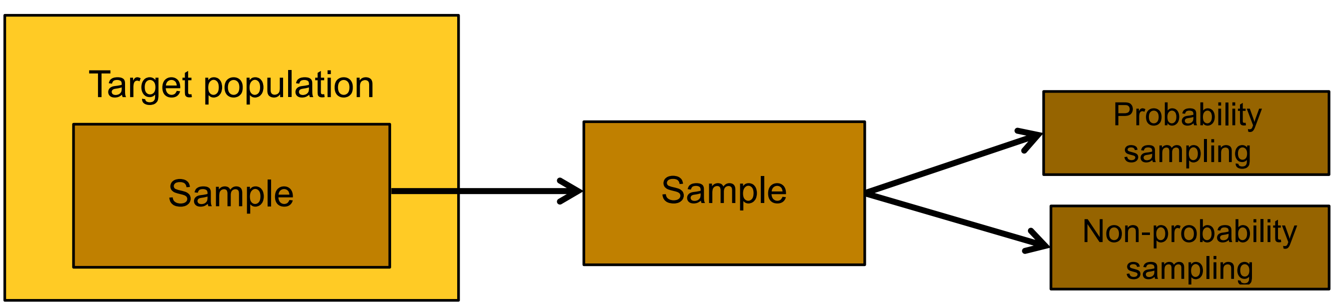

Figure 4.3: Population and sampling procedure (Adapted from Creswell, 2012:142-143)

4.3.1 Quantitative: Gauteng specialty coffee consumers

The population group for this study were specialty coffee consumers in Gauteng with a focus on consumers from different areas of the city of Johannesburg. A probability sampling technique was chosen from various types of probability sampling techniques such as, simple random, systematic, stratified, cluster and multi-stage sampling (Bhattcherjee, 2012). For use in this study a stratified sampling and simple random types were used. Stratified sampling is the primary type used and is the process of breaking up the population into different strata based on factors. The research study focused on various places where consumers drink specialty coffee (such as specialty coffee shops, roasters and corporate cafes) thereby breaking up the population into strata. These places are also where groups of participants form part of a simple random sample (Bhattcherjee, 2012:67; Smith & Albaum, 2012:102). Simple random sampling is a technique which allows for any possible consumer to be chosen out of the population who visits a coffee business. The advantages of this technique are that the sample is not subdivided and therefore is unbiased and interpretations are most generalisable against other probability sampling techniques (Bhattcherjee, 2012:67; Creswell, 2012:143). A sample size of 350 coffee consumers was used to achieve a margin of error close to 5% of the sample population (Krejcie & Morgan,1970).

4.3.2 Qualitative: Johannesburg specialty coffee business owners

Specialty coffee business owners or managers were the main population for qualitative data gathering. The participants in the sample had worked in an environment classified as a specialty coffee business where a unique blend of coffee beans was served, and different brew methods or different bean varieties were available (Dinçer et al., 2016:813). For the purpose of the qualitative data collection, a non-probability technique was applied. Non-probability sampling can be broken down into different facets like convenience, quote, expert (judgement), and snowball sampling. This research study followed an expert (judgment sample) technique whereby participants were chosen in a non-random process based on their particular knowledge or expertise. In the case of this research, the participants' expertise was within the specialty coffee industry and therefore responses were more credible than participants who were not experts within the industry. Additional benefits to the technique were that it was convenient, inexpensive and less time-consuming to use (Bhattcherjee, 2012:69; Smith & Albaum 2012:98).

4.4 Primary data collection

Primary data information is gathered from respondents, situations or phenomena and the data is considered raw as it has not been available before. Primary data can be collected using two approaches: quantitative and qualitative. Under these approaches various methods can used: observation, interviewing, focus group and questionnaires (Kumar, 2011:132). The choice of method depends on the purpose and desired outcome of the research study, resources available and skill of the researcher.

4.4.1 Quantitative: questionnaires

The quantitative data was collected using questionnaires. Quantitative data derives meaning from numbers, is numerical in form and this study's data was analysed through the use of diagrams and conceptualisation after being gathered by the researcher with the assistance of fieldworkers to administer the questionnaires (Berger & Foss, 2014:40). A questionnaire is a set of questions which a respondent reads and answers. The difference between questionnaires and interviews, therefore, is that in an interview the questions are asked by an interviewer and the respondent's answers are recorded, whereas in a questionnaire, the participant records their own answers (Kumar, 2011:138). The three ways to administer a questionnaire to respondents which are, mailed and electronic, collective administrated and/or administration in a public place. For the purpose of this research, questionnaires were administered in public places (e.g. specialty coffee shops, bars, roasters and cafés) either by the researcher himself or fieldworkers. This method allowed for a high rate of return and is a less expensive form of gathering data (Kumar, 2011:138; Sekara & Bougie, 2013:147-148). The questions in the questionnaire are closed ended questions (Kumar, 2011:143) instead of opened ended questions.

Questionnaires allow for a larger sample group to be assessed compared to interviews or focus groups. Assessing a larger group is considered more accurate in identifying a consumer profile and general behaviours of specialty coffee consumers. Figure 4.4: shows the quantitative procedure followed for this research study.

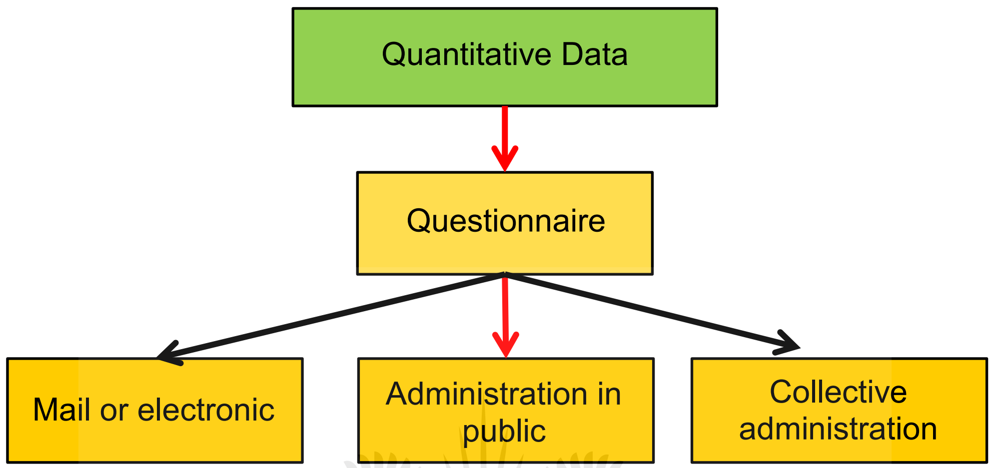

Figure 4.4: Quantitative data procedure (Adapted from Kumar, 2011:140)

According to Kumar (2011:141) there are some areas of concern when using questionnaires. These are:

- the application is limited to respondents who can read and write;
- response rates can be slow;
- there is a chance of some self-selecting bias;
- clarification of questions is limited;
- some responses can be skewed based on participant responses to previous questions in the questionnaire; and
- response cannot be supplemented by other information or explanations.

When facing these concerns, it is important to focus on the purpose of the study which, in this case, is a consumer profile and understanding consumer purchase behaviour surrounding specialty coffee. These objectives are best met with the use of a questionnaire. The response rate was high due to the use of field workers and the researcher’s personally administered questionnaires for chosen respondents who were willing to participate during visits to specialty coffee places. A fieldworker or researcher was present during the answering of the questionnaires to ensure clarification of any question, if necessary (Sekaran & Bougie, 2013:147).

4.4.1 Qualitative: interviews

Interviews were used as the method for collecting qualitative data since this data is non-numerical and derives meaning through verbal methods. An interview is the method whereby an interviewer asks questions to a respondent whose answers are written down and recorded (Kumar, 2011:137). The qualitative data was gathered using personally administrated interviews (Berger & Foss, 2014:40). The process of conducting these interviews can be face to face, telephonically or alternative electronic media (e.g. Skype). Interviews are broken down into two categories; unstructured and structured interviews. These interviews were face to face structured interviews, with semi-structured open-ended questions to guide the interview. Interviews were conducted until saturation was reached. This data is then analysed through the use of conceptualisation (Kumar, 2011:138; Sekara & Bougie, 2013:245). Figure 4.4 indicates the process followed by the researcher for this study's qualitative data collection.

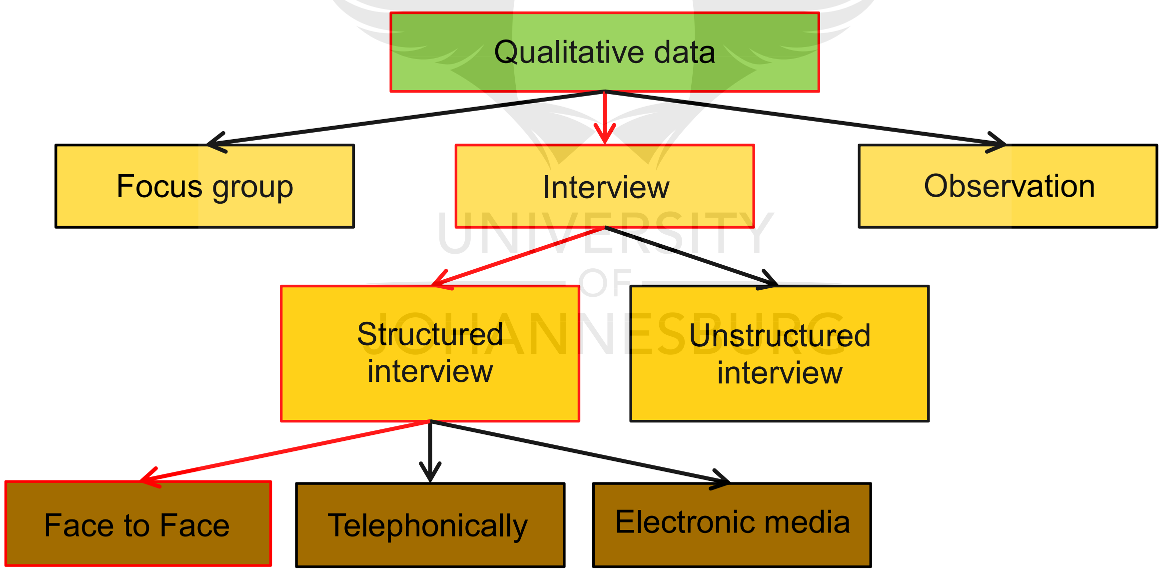

Figure 4.5: Qualitative data process (Adapted from Kumar, 2011:137)

The interview questions were designed prior to conducting the interviews. To conduct the interviews, prior arrangement was made with specialty coffee business owners or managers at an agreed date and time. The interviews were recorded, in combination with key notes being taken down by the researcher. Once completed, the recorded interviews were transcribed to assist in analysing of the findings. According to Kumar (2011:142) the benefits of using interviews as way of collecting data include collecting in-depth information to better understand the issues because the interviewer can further explain or repeat any questions if the respondent is unclear on what is being asked or has misunderstood the question.

Some disadvantages to using this method (Kumar 2011:142) were that they were both time-consuming and expensive due to the wide spread of locations of specialty coffee businesses being investigated as well as the use of open-ended questions. However, both expense and time were necessary to gain an in-depth understanding of how consumer knowledge has changed towards specialty coffee over a wide area of Johannesburg. The quality of data and information depends on the quality and interaction of the interview or interviewer. Semi-structured questions allow the interviewer to ask additional questions for more information to be shared especially if questions have not been answered to the researcher's satisfaction (Sekaran & Bougie, 2013:120). In this study, the researcher, with full knowledge of the literature read and objectives of the study, was the sole interviewer which ensured the correct and accurate information was gathered from experts in the field of specialty coffee. Personal bias in the interpretation of responses was avoided by having all interviews recorded and transcribed to allow for accurate interpretation of exact words of respondents (Kumar, 2011:142).

4.5 Secondary data collection

Secondary data can be defined as research that has already been conducted and gathered from researchers (Bhattcherjee, 2012:48; Sekaran & Bougie, 2013:13; Smith & Albaum, 2012:29). This research study made use of textbooks, journal publications, websites, online magazines and company publications as secondary sources of data (Kumar, 2011:133) The benefits of secondary data were to find out the current research on a topic; formulate objectives and research questions; identify previous successful data collection techniques; and it was less costly when compared to primary data collection (Smith & Albaum, 2012:30).

In this study, secondary data established the context of specialty coffee, identified gaps in current research, gave guidelines for designing questions for data gathering and was analysed comparing with the primary sources of data. When analysing the secondary sources, it is important to pay attention to the population and geographical location of the research by assessing demographics, culture and practices (Smith & Albaum, 2012:31). This secondary data is reviewed in the conceptual and theoretical framework chapter (Chapter 2) and literature chapter (Chapter 3) of this dissertation.

4.6 The Delimitations of the Research

Delimitations describe the parameters that limit the scope and set boundaries for the research study (Simon, n.d). These are as follows:

- The research will not focus on commodity coffee, only specialty coffee within the coffee world.
- The research does not focus on the health benefits or the negative effects of coffee consumption as the focus is on the purchase and consumption behaviour of specialty coffee consumers.
- An examination of sustainability and environmentally friendly businesses will be introduced in the dissertation, however, they are kept to a minimum as the focus is on consumer behaviour and profiling of current specialty coffee consumption.
- The research study has been executed at a master's level and therefore has been restricted by time and cost. The research had a geographical limitation by being about South African consumers based in Gauteng, South Africa.

4.7 Questionnaire and Interview Design

4.7.1 Questionnaire design

A questionnaire is described as a pre-structured set of written questions for a respondent to answer. Usually the questions have limited responses, where possible. Owing to the study being explorative and descriptive in nature, questionnaires are therefore an effective form of data collection. The questionnaires were personally administered to ensure a shorter time frame for collection of data (Sekara & Bougie, 2013:147) and structured with closed-ended questions. The use of closed-ended questions allows for respondents to answer in a shorter time frame and the research is able to code the questions easily. These questions include using the Likert scale to test the degree to which participants, agree or disagree. The advantage is being able to distinguish consumers attitudes more specifically on questions about the specialty coffee experience (Sekara & Bougie, 2013:211).

Guidelines for the design and structure for this study's questionnaire was sourced from Sekara and Bougie's (2013) guidelines for a questionnaire data collection method. An example of the questionnaire may be seen in Annexure A. The elements considered were: content, purpose of questions, language, and wording of the questions. The questions were sequenced from more generic to more specific questions pertaining to specialty coffee. The type and style of questions were cautiously considered to avoid double-barrelled, ambiguous, leading and/or loaded questions.

The questionnaire's cover page outlined the purpose of the study, the researcher's identity, an example of how questions are to be answered, and a definition of specialty coffee and specialty coffee shops. It also drew attention to the fact that the respondent's participation was voluntary, answers were anonymous and confidential, and results were to be used for research purposes only. Section A of the questionnaire covers the demographics of respondents using nominal category scales and ordinal scales. The data gathered helped to identify and propose a consumer profile of specialty coffee consumption. Demographics for this section of the questionnaire were based on research done by Hung (2012) and Hashim et al. (2017).

Section B of the questionnaire covers the frequency that consumers drink/purchase specialty coffee; identifies respondents' preferences for specialty coffee against other beverages of choice; which specialty coffee is preferred, also willingness to pay more for specialty coffee. The purchasing process of consumers is assessed in relation to the Five Stage Purchase Decision-making model.

Section C investigates the purpose and reason for respondents to purchase, visit specialty coffee businesses and the degree to which certain factors of specialty coffee affect consumption in relation to the TPB. The questionnaire ends with a perception-based question on the future of the specialty coffee industry and thanks are given to the respondent for completing the questionnaire. Section B and C make use of Likert scale and itemized scales at certain intervals for closed-ended questions. The literature used to develop the questions for these sections were made from the studies of Bookman, 2014; Dinçer et al., 2016; Hung, 2012; Lautiainen, 2015; Schaefer and Sarker, 2016; Smith, 2010; and van der Merwe and Maree, 2016.

A pilot test, as recommended for pre-testing questionnaire design, was conducted to allow for feedback on the accuracy of the questions and editing thereafter (Kothari, 2004:118). The results of the pilot study are described in section 4.8 below.

4.7.2 Interview design

The process of collecting qualitative data can be done in various ways. The interview approach was used to describe and understand the development of consumer knowledge towards specialty coffee. According to Creswell (2012:217) an interview is a process whereby a researcher asks one or more respondents open-ended questions and records the answers. A structured interview design was used with predetermined questions as the required information is known (Sekara & Bougie, 2013:119). Open-ended questions allow respondents to better express their experiences and knowledge on the specialty coffee industry therefore, better describing and explaining the factors being analysed. The approach also allows the interviewer to ask follow-up questions for more clarification of the questions from the interviewee (Creswell, 2012:218).

Sekara and Bougie's (2013) guide for the techniques of a structured interviews allows for unbiased question development and ensures the interviewer is equipped to conduct the interview. As mentioned above, the interview also has a cover page which sets outs the purpose of the study to gather information solely for research analyses. The interview was divided into sections A, B and C. An example of the Interview questions may be seen in Annexure B.

Section A was used to define the type of business (specialty coffee) and ask demographic and general questions. The criteria to define the specialty coffee shop were based on whether (Dinçer et al., 2016):

- various coffee beans and blends or a unique blend were available;
- roasting of coffee beans took place in the shop; and
- if a variety of brewing methods were available.

Section B covered consumer knowledge and awareness of the specialty coffee business. The interview focused on the changes in consumer's perceptions towards specialty coffee and the effect of these changes on the coffee shop business. Section C covered other factors, and included the motivation for the consumer's choice of specialty coffee by questioning the differentiating elements and marketing that made the specialty coffee business unique. These questions were questions in section C of the questionnaire (4.7.1) with changes in questions wording to become open-ended questions in the interview. This allowed for comparison between the two different data gathering methods. The interview was finalised by interviewees being asked to describe the possible future of the specialty coffee industry and make any additional comments. A pilot interview was conducted and details of the pilot are explained in section 4.8 below.

4.8 Pilot Studies

It is advised by Kothari (2004:101) and Bhattacherjee (2012:23) to perform a pilot study. A pilot study assists a researcher in identifying possible weakness and/or areas of improvement with a questionnaire or interview. Pilot studies may be described as a 'test run' of the questionnaire and interview questions before moving into the main phase of data gathering. Kothari (2004:101) advises that a pilot study is done as "the replica and rehearsal of the main survey". The purpose of a pilot study, therefore, is to streamline the approach and process for the research to be performed on a larger scale more effectively (Kumar, 2011:336). A pilot sample is defined as a small subset of the target sample population (Bhattacherjee, 2012:23; Smith & Albaum, 2012:72). For this study the pilot sample respondents were local residents and specialty coffee business owners in the Johannesburg, Gauteng area. Pilot testing also supports a researcher in ensuring that the measurement instruments will be accurate, valid and reliable (Bhattacherjee, 2012:23) and to adjust if necessary, before commencing with the main field work. This leads to more effective and efficient results being attained (Kothari, 2004:17; Smith & Albaum, 2012:72).

4.8.1 Questionnaire pilot

After the questionnaire was designed it was sent to a statistician at Statkon for review. A discussion with the statistician led to changes in the questionnaire. A pilot study of ten questionnaires was conducted with various participants chosen by the researcher to fulfil different demographics in Section A of the questionnaire. This, in turn, allowed for a better span of the sample and for some different perspectives to be given. The participants in the pilot study were not the same individuals as in the main data group, but comprised the same criteria. The comments made by the pilot study group are seen in Table 4.1.

Table 4.1: Comments of the ten pilot study participants:

	Comments
1	No comment
2	All good sections. Relevant and appropriate questions
3	Participant showed appreciation to specialty coffee
4	No comment
5	No comment
6	Provide examples of specialty coffee and franchise coffee to avoid confusion

7	Positive remark about specialty coffee
8	No comment
9	Add additional space for comments as to why a respondent answers in such a way
10	No comment

As can be seen in Table 4.1, the general feedback from respondents in the pilot study was positive. Respondents found the questionnaire to be simple and straightforward. Half the respondents had no comment or feedback to make about any changes to the questionnaire, while others made a positive remark about their appreciation for specialty coffee. Other respondents made recommendations for the questionnaire itself. Comment six suggests adding examples to better understand the difference between specialty coffee shops and franchise/commercial coffee shops. Examples were also suggested for the question in section B of the questionnaire to account for why that comment was made. Comment nine was considered in this regard, but space for adding reasons will not be necessary as it does not assist in answering the research question. The purpose of the study remains to propose a profile of specialty coffee consumers and the reasons behind the choices made are assessed in Section C.

Following the review of the way in which the pilot test of the questionnaire was answered a few additional changes were made based on how participants answered the questions. These included minor grammatical changes (for more clarity of questions) of the questions as well as an additional example of artisanal coffee (cold brew coffee) for Section B as one participants suggested it as another option. The updated questionnaire was sent to the statistician at Statkon for final review before the fieldwork began.

4.8.2 Interview pilot

The structured interview was designed with open-ended questions (Kumar, 2011:138). The pilot study comprised one interview with the owner of a specialty coffee business who also provides a mobile coffee service, roasts a variety of beans, retails beans and offers several brew methods to the public as well as barista training for the hospitality industry.

The general feedback from this interview was positive as the respondent (owner) seemed relaxed and confident in answering the questions and also enjoyed the questions as she openly shared information about the business and the specialty coffee industry. The responses indicated that sufficient information per question was gathered as the data collected can be linked and compared to themes and trends in the literature review and elements of the questionnaire. The interview took approximately 30 minutes to complete which is in line with the allocated time given on the cover page.

Although sufficient information was gathered from the respondent's answers, clarity on certain questions was required for the respondent to better understand the questions. For that reason, words and grammar were changed in certain questions to improve the clarity and ensure that accurate and valid data were gathered. Once the changes were made the main fieldwork interviews were conducted

4.9 Data Analysis

Once the fieldwork was completed and sufficient data had been collected for both quantitative and qualitative data, the process continued with data analysis which involves compiling, summarising and interpreting the data. Data analysis allows for the research questions to be compared with the literature (Sekara & Bougie, 2013:274). The data was collected independently and the sets of data were analysed separately as results and findings consecutively. The discussion is where the data is triangulated with literature to identify similarities or contradictions known as the convergent design analysis. The design allows for convergence of the data to identify whether the statistical analysis agreed or disputed the themes identified in the literature (Creswell, 2012:542, 550).

4.9.1 Quantitative analysis

The quantitative data was analysed through descriptive and inferential statistics. The first step in the process is to perform data coding. This is done by assigning numbers to the questions so that questions may be entered into a database (Creswell, 2012:175; Sekara & Bougie, 2013:276). Once responses are coded, data entry can begin using an SPSS 25 (Statistical Package for the Social Sciences) for analysis (Creswell, 2012:179).

Statisticians were consulted when entering and analysing the data. A total of 350 questionnaires were handed out and 305 were used for analysis. Of the 350, 16 were seen as invalid and 29 were not returned. The 16 questionnaires were deemed invalid because of incomplete responses and omissions, illogical responses and because they were outside of the geographical sample of the study. This process is known as screening and cleaning the data (Creswell, 2012:181; Sekara & Bougie, 2013:279). After the data had been checked and cleaned, data transformation began by adjusting negatively worded questions and questions which assessed similar concepts when testing the Theory of Planned Behaviour and Five Stage Purchase Decision-making model (Sekara & Bougie, 2013:279).

The data was then analysed using descriptive and inferential statistics. Descriptive statistics are used to analysis one variable or general tendencies in the data. Inferential statistics are used to identify two or more independent variables against a dependent variable. Chi-square, reliability tests and factor analysis were used (Creswell, 2012:182). The data was represented by text and supported with various graphs and tables (Creswell, 2012:196). The data was then compared to the literature described in Chapter 3 and was then converged with the qualitative data and literature review in the form of a detailed discussion of findings and results.

4.9.2 Qualitative analysis

The qualitative analyses method used is an inductive content analysis approach to analyse interview recordings and a large amount of text (data). The procedure entails a systematic identification of concepts, themes or sentences (Bhattacherjee, 2012:115; Sekara & Bougie, 2013:352; Sunday, 2005). The data analysis then follows a three-step process of data reduction, data display and drawing up of conclusions.

In this study a total of five interviews were conducted with specialty coffee business owners and by the fifth interview saturation was reached. The interviews took place in the Parkhurst, Braamfontein, Melville, Newtown and Mulbarton suburbs of Johannesburg. The interviews were transcribed and organised into an Excel spreadsheet which allowed for simpler comparison of data. Transcribing is the process of changing a voice recording into text data. Data cleaning occurred before the data reduction process began (Creswell, 2012:239; Sunday, 2005).

The data was read to gain a general sense of the overall themes of the sections. Data reduction refers to the coding and categorisation of data to reduce the large amount of data usually produced by qualitative data collection. Coding is the process of analysing the data by reducing, rearranging and integrating it to identify themes (Bhattacherjee, 2012:116; Creswell, 2012:243; Sekara & Bougie, 2013:337). Each question was analysed to identify the common themes and alternative concepts given in the responses. Themes are found through grouping different codes or responses together and in addition for this study themes were further broken into major and minor groups. The process continued through categorisation where the codes were organized, arranged and classified for data display. The advantage of coding and categorising is the ability to link the data to literature found (Creswell, 2012:245; Sekara & Bougie, 2013:340). In the data display process the reduced data is summarised to identify key phrases (Sekara & Bougie, 2013:349) for the final steps of analysis and to make conclusions. The key themes identified were then compared to the literature for similarities or contradictions. Once qualitative analysis was complete, the data was further analysed against quantitative data and the literature to develop a triangulation discussion and answer the research questions (Creswell, 2012:258; Sekara & Bougie, 2013:349).

4.9.3 Overview of data gathering and analysis

Table 4.2 below summarises the research plan, and identifies the data gathered for each research question. The process of how the collected data was analysed to answer the sub-questions (R_1 and R_2) and then using the results and findings to answer the main research question (R_0).

Table 4.2: Outline of the research plan

Research Question	Objectives	Data Gathering	Data Analysis
How does the consumer profile influence the perception of specialty coffee consumption behaviour in Gauteng? (R_0)	Explain how the consumer profile of specialty coffee perception effects consumption behaviour (1).	Questionnaires and Interviews	Descriptive and inferential statistic; inductive content analysis
What is the current profile of specialty coffee consumption consumers in Gauteng? (R_1)	Identify the consumer consumption profile of specialty coffee consumers (2).	Questionnaires	Descriptive and Inferential statistics (Chi-square correlation test)
	Identify variables using the proposed theoretical framework for the consumer profile behaviour towards specialty coffee consumption (3).	Questionnaires	Inferential statistics (factor analysis & reliability tests)
How have specialty coffee businesses been affected by the changing consumer specialty coffee knowledge? (R_2)	Describe how changing consumer specialty coffee knowledge has affected specialty coffee businesses (4).	Interviews (text data from transcribed interviews)	Inductive content analysis (Selecting, coding and categorising)

4.10 Validity and Reliability

It is important in the social sciences to measure the scales being used in the data-gathering process to ensure accurate results. The research study must indicate the data is valid and reliable to ensure accurate measurement. Reliability indicates that the research shows consistency over time and is an accurate representation of the population group being studied. Validity is defined as showing that the research has authenticity in the way of it being conducted and in the cause-and-effect relationship of the research (Bhattacherjee, 2012:55; Sekaran & Bougie, 2013:225,228). The research design followed an independent analysis of observations with all respondents.

4.10.1 Quantitative: reliability and validity

Reliable results can be identified by focusing on research methods that require less dependability on respondents' subjectivity such as questionnaires. The questions used must ensure the least amount of ambiguity in the language so respondents do not misinterpret the questions (Bhattacherjee, 2012:56). A statistician from Statkon was consulted in the process of the questionnaire design after the pilot study phase (4.8.1) before field work began. These consultations assisted in preventing the above mentioned potential problems with questionnaires. The Theory of Planned Behaviour was used for constructing multiple questions to ensure reliability.

The quantitative approach was used to gather half the data to cover a larger sample group than that covered by a qualitative approach. The questionnaire was sent to consumers in Gauteng as a sample group. A pilot test for ten specialty coffee consumers was conducted to ensure that the questionnaire was clear, had simple structure to follow and easily understandable allowing the reader to be at ease. After the pilot test, the necessary corrections were made before the questionnaire was distributed (Bhattacherjee, 2012:23).

The study was assessed for reliability using an internal consistency reliability method which includes Cronbach's Alpha. This is described as a measure of regularity to assess whether different questions are asked in the same manner or use the same scale (Bhattacherjee, 2012:57; Sekaran & Bougie, 2013:226). The results of these tests can be seen in Chapter five of this dissertation.

The study was also assessed for validity. Validity can be achieved in various ways, namely; criterion-related validity, face validity, content validity, convergent validity, predictive validity and concurrent validity. For the purpose of this research a three-way test using face validity, content validity and convergent validity was achieved. Face validity is described as assessing if the questions of a questionnaire relate to the study and topic (Bhattacherjee, 2012:58; Sekaran & Bougie, 2013:226). In other words, are the questions asked in the questionnaire consistent with specialty coffee and consumer consumption behaviour surrounding speciality coffee consumption in this study. Content validity is defined as the degree to which the scale items and questions meet the objectives of the study. In terms of this study, therefore, the questions related to identifying and describing a consumer profile, consumption rates and consumer purchase behaviour surrounding specialty coffee. Convergent validity is achieved through the quantitative data relating the qualitative data found. The SPSS 25 a statistical program, was used for accurate statistical analysis of the results to ensure validity (Bhattacherjee, 2012:59; Sekaran & Bougie, 2013:226).

4.10.2 Qualitative: trustworthiness

The same criteria for quality in quantitative data (for example validity and reliability) cannot be used for qualitative data because the criteria represent a different form of judgement as (a) the data is represented differently, (b) the quantity of data varies and (c) different sampling techniques are used. Therefore, qualitative data is assessed through trustworthiness. The criteria for trustworthiness are based on the Lincoln and Guba criteria of credibility, transferability, dependability and confirmability (quoted in Korstjens &

Moser, 2017:121; Leedy & Ormrod, 2013:104; Moon, Brewer, Januchowski-Hartley, Adams & Blackman, 2016:18). These criteria can be further described as follows:

- **Credibility.** The degree to which confidence in the 'truth' can be established in the findings related to the sample and its context is described as **credibility**. Credible research decisions are those decisions that relate to the purpose or research objectives of the study. In this study, credibility is achieved through triangulation of two different data collection sources/methods (questionnaires and interviews) with the literature (see Chapter 3) (Anney, 2014:277; Korstjens & Moser, 2017:121; Moon et al., 2016:18). The qualitative data was used to investigate the perspective of specialty coffee business owners on their industry and the growth of consumers' knowledge. An expert sample of the owners or managers was therefore appropriate for the purpose of this study. Data were collected until saturation was reached, that is, when respondents started to generate similar findings and answers to the questions. This allowed for sufficient qualitative data to be assessed along with quantitative data to fulfil the purpose of the research.

- **Transferability.** This is used to determine if the findings have application in other contexts or sample groups and usefulness of the findings for other studies (Anney, 2014:277; Korstjens & Moser, 2017:121; Moon *et al*., 2016:19). Transferability was achieved in this study through a purposeful sample of experts within the specialty coffee industry for the knowledge these individuals have of the industry and their interactions with consumers. This sampling method can also provide more in-depth findings against other sampling techniques and the knowledge of these experts can be used in other studies (Anney, 2014:278).

- **Dependability.** This can be defined as the capability of the findings to be consistently repeated using the same sample in the same context (Moon et al., 2016: 18). In this study dependability is achieved by a detailed explanation of the methodology (research design) followed which allows for its replication. The interview questions are attached (see Annexure B) and an explanation of how the questions were developed can be found in section 4.7.2 (Korstjens & Moser, 2017:121).

- **Confirmability** can be described as “the degree to which the findings of the research study could be confirmed by other researchers” (Korstjens & Moser, 2017:121). A detailed methodological process is used to show the findings from respondents in Chapter five of this study, therefore showing confirmability. This procedure justifies that the themes, constructs, interpretation and discussion of findings were grounded on the data findings and rather than on the researcher’s own viewpoints (Anney, 2014:279; Korstjens & Moser, 2017:121; Moon *et al*., 2019:18).

Validity and reliability is improved by the research approach being a mixed method approach with generalisability, meaning similar findings (Bashir *et al.* 2008:41). The main argument for the reliability of the qualitative approach, therefore, is its quality. The qualitative approach explains a concept or generates an understanding of it. The research questions and data gathered should show dependability and consistency in the way questions are answered. The purpose of validity is to ensure the results are credible and defensible (Bashir, Afzal & Azee, 2008:39; Golafshani, 2003:602-603). The questions developed in this study focused on the topic of specialty coffee and the growth of knowledge in the trend within South Africa. The specialty coffee industry, which implies the movement towards developing a quality beverage and sustainable practices, is therefore covered by the questions asked. These questions were open ended allowing for responses to answer the main research question. A pilot test(4.8.2) with one specialty coffee expert was done to ensure that the questions were clear, easily understandable and well set out. On completion of the pilot test, the necessary corrections were made before the interviews were conducted.

4.11 Ethical Implications of the Study

Ethics are the practise of obeying the standards set out by an institution or company. Ethical practices were followed in this study in that all participants were aware of the reasons for the research and their role in it in the form of a cover page. Participation in the study was made voluntary with their consent when they agreed to answer the questionnaire or be interviewed. Participants were also informed that their identity details would remain confidential and the information gathered was for research purposes only. Respondents were also informed that if they felt uncomfortable, they could withdraw. Legally, all participants were over 18, therefore, not minors. Bias was eliminated as all participants were free to answer how they chose to and in no way did the researcher influence their responses. In addition, the findings and results for the study were represented in correlation to what was found in the data gathering instruments rather than being subjected to distortions and/or the researcher's bias (Altinay, Paraskevas & Jang, 2016:183; Bhattacherjee, 2012:137; Sekaran & Bougie, 2013:162-163). The researcher followed the ethical guidelines as specified by the Research Ethics Committee of the University of Johannesburg. Ethical clearance was acquired before field work began for the study (see Annexure C for copy of ethical clearance form).

4.12 Summary of chapter

This chapter explains the research design process, methods of collecting and analysing the data to answer the research questions of the study on specialty coffee consumption in Gauteng, South Africa.

The purpose of the research is exploratory and descriptive in nature as it investigates the emerging specialty coffee market in relation to profiling, consumption behaviour and current knowledge of the industry to gain a better understanding of consumer consumption behaviour of specialty coffee. Descriptions of the current specialty coffee consumer market and purchase consumption behaviour are also established through the data gathering procedure. The research design followed is a convergent mixed method parallel design with survey design elements. This design allows for quantitative and qualitative data to be gathered simultaneously. A survey design assists in describing the behaviour and awareness consumers have of the specialty coffee industry.

The study's research design is split into quantitative and qualitative data gathering and analysing. The quantitative sample is a stratified simple probability sampling of specialty coffee consumers in Gauteng. A non-probability judgment sample of specialty coffee business owners and managers is used for qualitative data. The quantitative data is collected using structured questionnaires with closed-ended questions. The questionnaires are distributed and gathered by the researcher and fieldworkers. Structured one-on-one interviews with semi-structured questions are used for qualitative data. A variety of secondary resources are used to gain insight into the global specialty market trend and assist in developing the questionnaire and interview questions (Chapter 3). Both the questionnaire and interview questionnaire are subjected to pilot testing to identify any pitfalls and make necessary adjustments.

The quantitative data is analysed using descriptive and inferential statistics. An inductive content analysis approach was used for analysing the qualitative data. The reliability for questionnaires is tested using internal consistency reliability and validity through face to face, content and convergent validity. The qualitative data can be seen as valid and reliable through its credibility, transferability, confirmability and dependability. Ethical clearance was approved by the university before field work began.

CHAPTER 5: FINDINGS, ANALYSIS AND DISCUSSION

5.1 Introduction

The following chapter interprets the results and findings of the data collection process. Once sufficient data is gathered from the questionnaires and interviews conducted, the data needs to be processed to meet the objectives of the study and answer the research questions. This chapter is divided into three main areas, namely, the quantitative data results and analysis; qualitative data findings and analysis; then a discussion, through the process of triangulation, of the results and findings with the literature. At first, the objectives of the study are briefly overviewed in this chapter and possible errors and limitations discussed at the end of the chapter.

The quantitative data represents the results and analysis of 305 completed questionnaires by participants. This process is in two stages to meet different objectives of the study. Stage one represents the identification of a consumer profile for specialty coffee, and stage two entails the use of the theoretical framework to find variables which affect consumer consumption behaviour. The quantitative analysis process displays the results with interpretations and various statistics are used to analysis the results and compare them to the literature.

In stage one for the qualitative analysis, the data from the interviews is used to identify themes from the findings of respondents which can describe how the changing consumer knowledge for specialty coffee has affected the specialty coffee industry. Stage two of the qualitative data analysis interprets and correlates the information with literature. Finally, both data analyses are triangulated with literature to provide a holistic outlook on the focus of the study, of consumer consumption in the specialty coffee industry. For definition of terms and concepts used in the results, findings, analysis and discussion see Term and Concepts, p. xi.

5.1.1 Outline the objectives of the study

The following steps below outline the objectives of the study and how each objective is to be met by the interpretations and analysis of findings and results. The objectives as stated in Chapter 1 are:

- **Objective 1:** Assess how the consumer profile of specialty coffee perception affects consumption behaviour;
- **Objective 2:** Identify the consumer consumption profile of specialty coffee consumers;
- **Objective 3:** Identify variables using the proposed theoretical framework for the consumer profile behaviour towards specialty coffee consumption; and
- **Objective 4:** Describe how changing consumer specialty coffee knowledge has affected specialty coffee businesses.

The above objectives are met in this chapter by the process of analysis and interpretation of the data in correlation with literature reviewed as follows:

Objective 1 is discussed in section 5.4 which includes results and findings correlating to literature.

Objective 2 is discussed in section 5.2.5 using the interpretations of quantitative data supported with literature.

Objective 3 makes use of descriptive and inferential statistics (reliability and factor analysis) to identify the plausibility and effectiveness of variables in a proposed theoretical framework see section 5.2.10 analysis of objective 3.

Objective 4 is discussed in the analysis of qualitative data in comparison with literature see section 5.3.4: Analysis of qualitative data.

5.2 Quantitative data: Questionnaire results

The quantitative data made use of a total of 305 questionnaires which were analysed using descriptive and inferential statistics. Before the analysis began, the data was cleaned and coded using SPSS 25.

The results are first given with text and interpretations and then supported in figures and tables. The analysis is dealt within descriptive statistics from the three sections of the questionnaire, namely, A, B and C as well as the inferential statistics such as factor analysis.

5.2.1 Section A: Results of demographic data from Questionnaire

This section illustrates and interprets the demographic data (see Figures 5.1 to 5.6) on the gender, ethnicity, residential area, age, education, occupation, and income level of the participants. The following results are used to develop the consumer profile of specialty coffee drinkers for the study.

Gender data showed female participants n=170 (56%) and male participants n=135 males (44%) which is a fairly even distribution with female participation slightly in the majority by 6% (see Figure 5.1). Ethnicity data indicated the majority of respondents were ethnically White with (72%) while the remaining ethnic groups were split between Indian n=34 (11%); black African n=33 (11%) and Coloured n=15 or (5%) with two Other (1%) and one Asian (0%). This is illustrated in Figure 5.2.

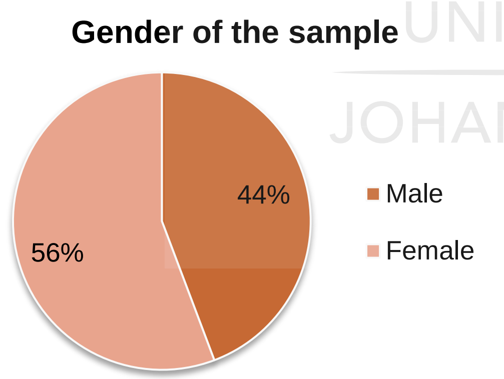

Figure 5.1: The gender split of the sample

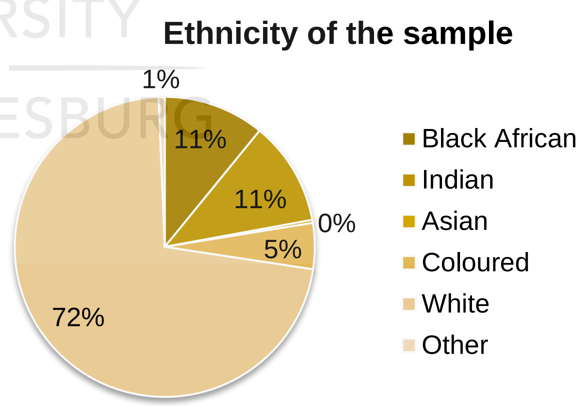

Figure 5.2: The ethnicity split of sample

The list of residential areas of the participants that covered a wide range of suburbs across Gauteng is shown in Annexure D.

The age groups of respondents showed the majority n=110 were aged between 18 to 29 years (36.1%); the second largest number was the (n=90), 30 to 39 age group (29.5%); then n=52 40 to 49 age group (17.0%); followed by the 50 to 59 age group (13.4%) and n=11 were 60 or older group (3.6%). This is supported by Figure 5.3 below. A third of the participants were, therefore, the younger generation (36%) while the majority of the participants were between 18 to 39 years (65.6%).

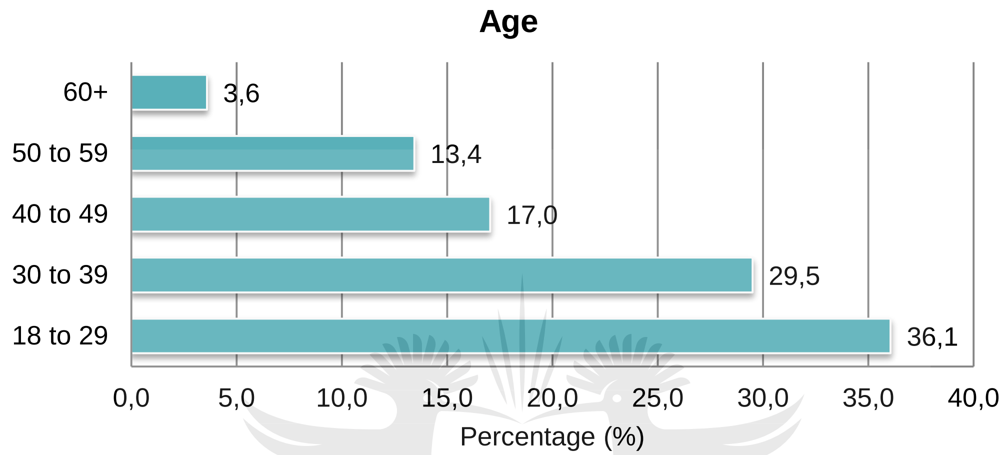

Figure 5.3: The different age groups of the sample

The highest levels of education showed participants was n=80 (26.2%) with a post graduate degree; followed by participants 73 with degrees (23.9%); diplomas (21.0%) being slightly less, and the lowest n=26 (8.5%) with certificates. The majority of participants, therefore, have a tertiary level qualification (71.1%) with over two thirds who have a degree or higher (see Figure 5.4).

The data for participants' occupations indicated that the majority are employed with fixed or flexible working hours (70.2%) split between n=140 participants having fixed working hours and n=74 participants with flexible working hours. Only n=54 participants (17.7%) are self-employed (see Figure 5.5).

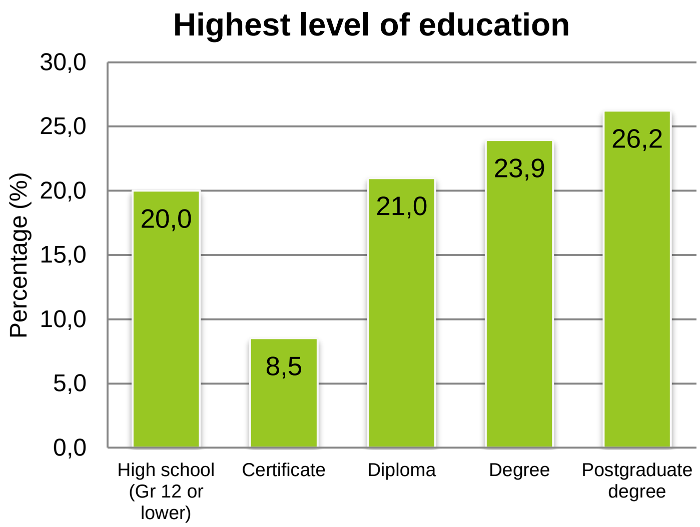

Figure 5.4: Highest level of education of sample

Figure 5.5: Different occupations of participants

The data shows that about a third of participants n=100 earn R30 000 per month or above (32.8%); while fewer participants n=50 make below R4 999 (16.4%). The two lowest income brackets were R10 000 to R14 999 (7.9%) and R5 000 to R9 999 (8.9%). Therefore, of the sample of 285, the majority of respondents (60.3%) have a net income higher than R15 000 per month. The low response rate of 285 out of 305 participants in the sample can be due to the sensitivity of questions being asked.

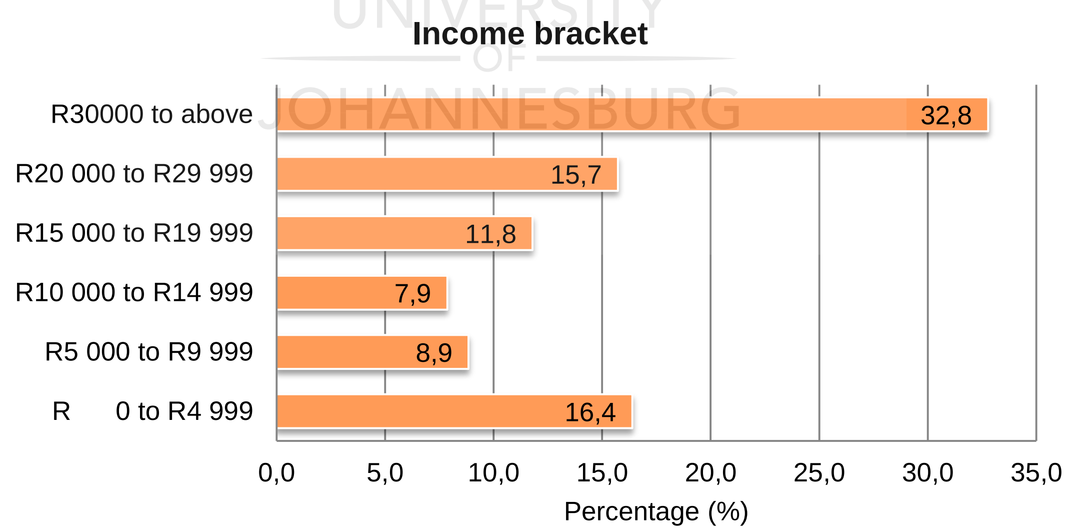

Figure 5.6: Different income brackets of sample

5.2.2 Section B: Specialty coffee consumption

The following section discusses the results of the data for consumer consumption and purchase behaviour surrounding specialty coffee. These results further develop the consumer profile of specialty coffee drinkers.

The predominant beverage of choice between coffee or tea is shown in Figure 5.7 with participants n=259 whose chose to drink coffee (85%) and n=45 participants who chose to drink tea (15%). This shows that more than three quarters of the total sample drink coffee which is an expected result as the majority of questionnaires were completed in coffee shops.

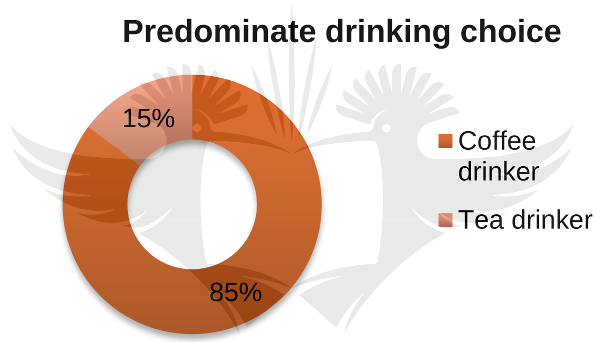

Figure 5.7: Predominant hot beverage of choice of sample

The Figure 5.8 below illustrates the number of cups of coffee a participant drinks per day. In the sample of 305 participants the results indicated the majority n=160 (52.5%) drink two to three daily cups; a lesser number of participants n=66 (21.6%) consume four to five; others n=59 (19.3%) drink zero to one cup, and less n=20 (6.6%) drink six or more cups of coffee per day. More than half of the respondents drink at least two to three cups of coffee per day

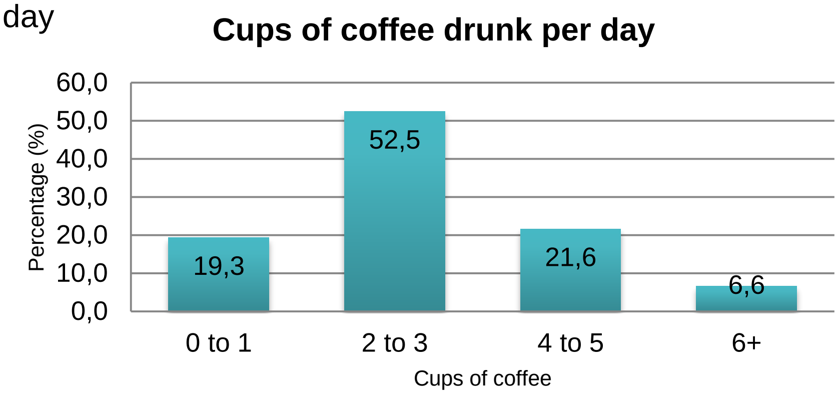

Figure 5.8: Cups of coffee drunk per day by a participant

As illustrated in Figure 5.9 below, the results show the majority of the sample n=188 preferred specialty coffee (62%) while fewer participants n=116 preferred instant or franchise coffee (38%). It is important to note the majority of participants prefer specialty coffee over instant or franchised coffee.

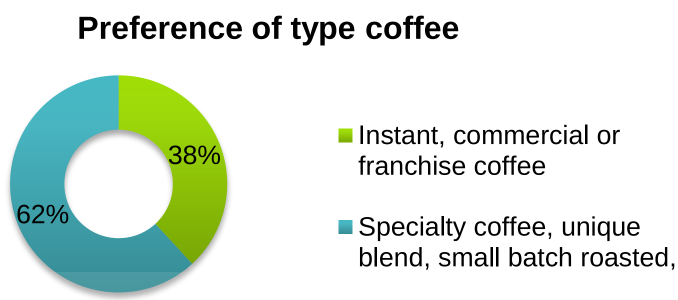

Figure 5.9: Participants preferred type of coffee

Figure 5.10 below shows where participants drink specialty coffee; the majority n=192 (63%) drink either at home or at a coffee shop; fewer participants n=97 (32%) drink only at a coffee shop while very few (5%) drink only at home.

Figure 5.11 shows the number of cups of specialty coffee participants drink per week. According to results n=109 participants drink zero to one (35.7%); while more frequent consumers n=83 drink two to three (27.2%); although a few consumers n=46 consumer's drink four to five cups (15.1%) per week of specialty coffee, the most frequent consumers n=66 (21.6%) drink six or more. A third of the sample, therefore, only drink one cup per week whereas 63.9% drink at least two cups per week.

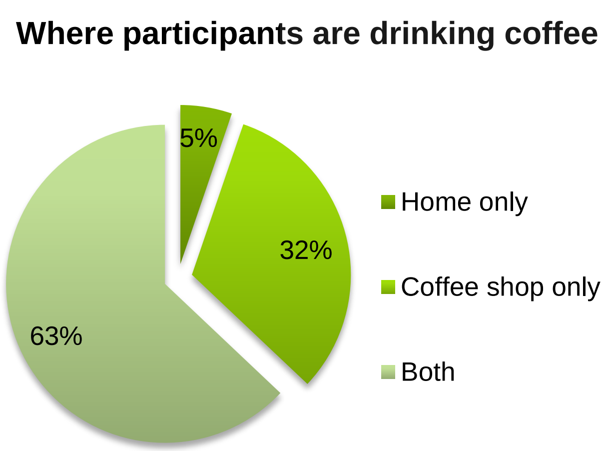

Figure 5.10: Where participants prefer to drink specialty coffee

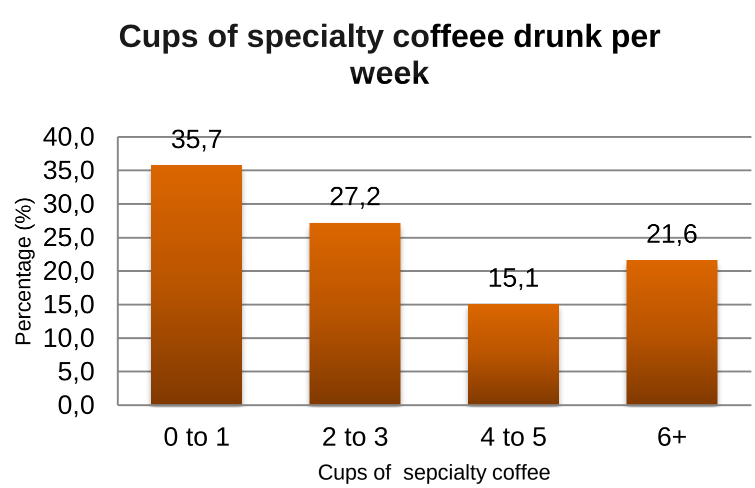

Figure 5.11: Cups of coffee drunk per week

The data shown in Figure 5.12 below illustrates the frequency of individual visits to a specialty coffee shop. The highest result shown is of frequent consumers n=64 (21.0%) who visit more than once a week while fewer consumers n=26 (8.5%) visit a specialty coffee shop once every three months. The majority, therefore visit a coffee shop at least once a week (58%) and less than 25% actually visit once a month or less.

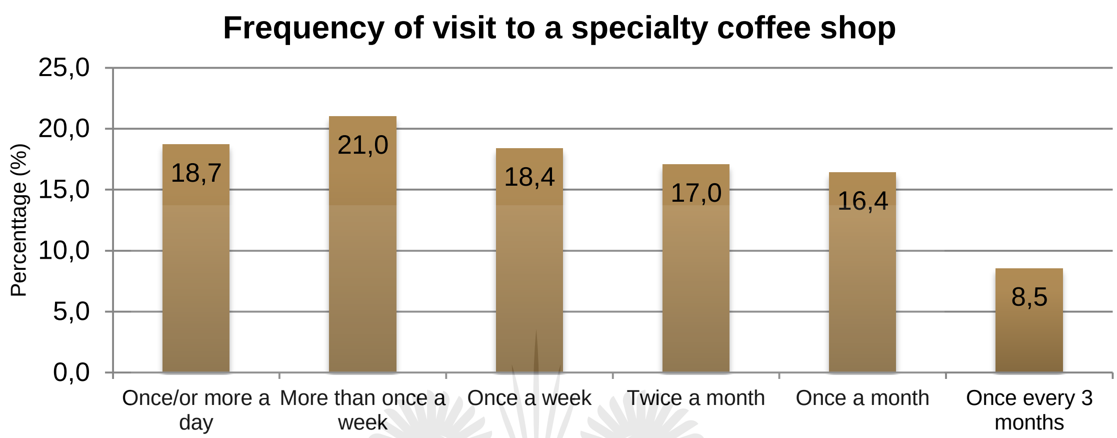

Figure 5.12: Frequency of visit to a specialty coffee shop

The data in Figure 5.13 shows that the preferred choice for the majority of participants for a specialty coffee beverage is a Cappuccino style with 62.6%. The next favourite choice is a Café Latte at 27.5%, a difference of 35.1%. Americano and Espresso were the next favourite choices n=64 (21.0%) and n=62 (20.3%) respectively. Artisanal specialty coffee beverages were one of the least preferred choice of participants with n=40 (13.1%); a choice that is quite low which could indicate consumers either do not know about these beverages or are unfamiliar with them. Interestingly, other participants (10.3%) indicated that a Red Cappuccino is a preferred specialty coffee beverage even though it is not coffee-based. This could indicate a lack of consumer education in the industry, whereas higher percentages for Cappuccinos, Café Lattes and Americanos might simply indicate their longer consumer history in the country.

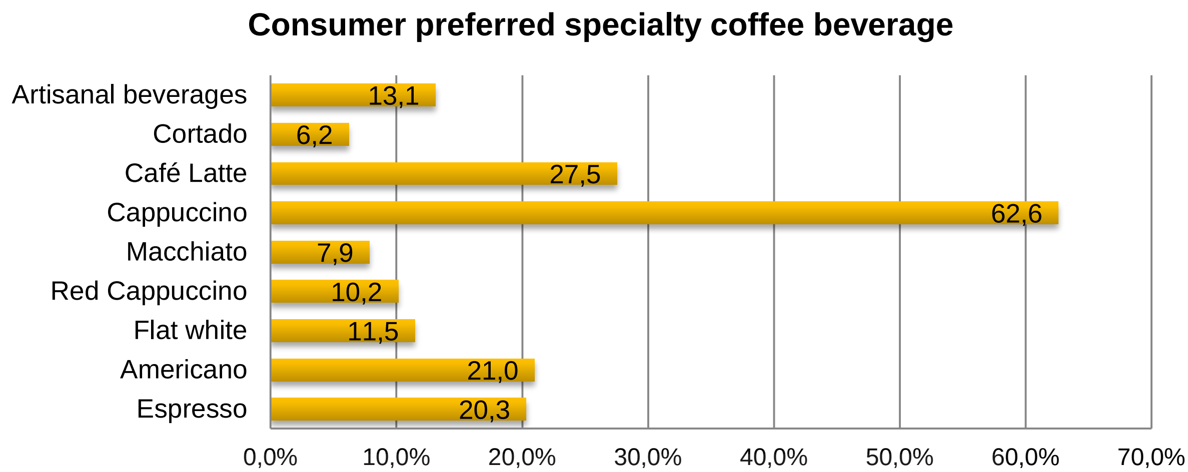

Figure 5.13: Consumer beverage preferences for specialty coffee

The data in Figure 5.14 below indicates participant's willingness to spend more per cup on specialty coffee. While some participants n=133 are willing to pay R5 or more (44%), fewer participants will only pay R3 to R4, (n=112)(37%) and n=59 (19%) will only pay R2 or less for a cup of specialty coffee. Some participants (44%), therefore, are willing to spend R5 or more per cup but the majority (80.3%) of the sample will only spend R3 to R4 per cup.

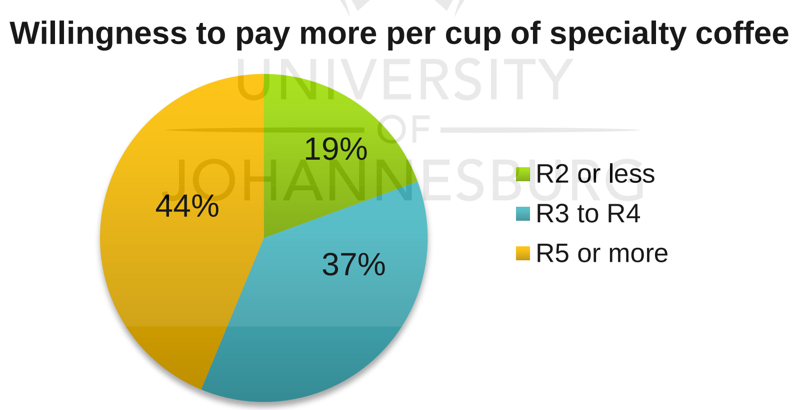

Figure 5.14: Participant's willingness to spend more per cup on specialty coffee

The responses collected and represented below from the Questionnaire show the participants' comments on the process of how consumer purchasing decisions are made. These five statements and responses are summarised in Table 5.1 below.

Table 5.1: Five participant purchase decisions when buying specialty coffee

		Never	Rarely	Sometimes	Often	Always	Total
B1 I use time to search for information about specialty coffees	Count	120	80	64	20	7	291
	Row N %	41,2%	27,5%	22,0%	6,9%	2,4%	100,0%
B2 I have a need to buy specialty coffee beverage	Count	67	52	74	75	21	289
	Row N %	23,2%	18,0%	25,6%	26,0%	7,3%	100,0%
B3 I use time to evaluate between alternative specialty coffees	Count	81	65	88	46	10	290
	Row N %	27,9%	22,4%	30,3%	15,9%	3,4%	100,0%
B4 I buy the same specialty coffee every time	Count	21	31	92	103	50	297
	Row N %	7,1%	10,4%	31,0%	34,7%	16,8%	100,0%
B5 I make impulse specialty coffee buying decisions	Count	48	67	101	60	20	296
	Row N %	16,2%	22,6%	34,1%	20,3%	6,8%	100,0%

The responses to the statements in the Table 5.1 are further detailed and analysed below.

Statement B1: "I use time to search for information about specialty coffees":

The response according to n=120 participants (41.2%) was 'never'. Fewer participants (n=80)(27.5%) said 'rarely' and only 9.3% participants agreed that they did use time to gather information about specialty coffee before purchasing.

Statement B2: "I have a need to buy specialty coffee beverage":

The majority of participants (59.2%) rarely have a need to buy specialty coffee while n=96 participants (33.3%) indicated often having a need to buy specialty coffee.

Statement B3: "I use time to evaluate between alternative specialty coffees":

Many of the participants n=81 (27.9%) responded 'never', while other participants n=65 (22.4%) said they 'rarely' used time to evaluate different specialty coffees. However, the majority of participant's n=88 (30.3%) indicated that they did do so 'sometimes', while a few (3.4%) responded it was 'always' a point of consideration.

Statement B4: "I buy the same specialty coffee every time":

The majority of the sample (51.5%) indicated to at least often buying the same speciality coffee whereas fewer participants n=31 (10.4%) said 'rarely', while a less n=21 (7.1%) said 'never'.

Statement B5: "I make impulse specialty coffee buying decisions":

A third of the participants (34.1%) indicated to 'sometimes' making impulse decisions and n=80 (27.1%) 'often' made an impulse decision.

The data on participants' responses in the purchase decision process are shown in the order of their importance in Table 5.2. The most popular response was to buy the same specialty coffee every time; the next popular was making impulse specialty coffee buying decisions; followed by having a need to buy specialty coffee. The least important were using time to evaluate between alternative specialty coffee, and using time to search for information about specialty coffee. Therefore, the results of the statements show that the three most important considerations of consumers when deciding on a specialty coffee are: "I buy the same specialty coffee every time" (B4), "I make impulse specialty coffee buying decisions" (B5), and "I have a need to buy specialty coffee beverage" (B2). These top five responses are rearranged in order of preference in Table 5.2.

Table 5.2: Responses to statements in Table 5.1 in order of preference

	N	Mean	Std. Deviation
B4 I buy the same specialty coffee every time	297	3,44	1,105
B5 I make impulse specialty coffee buying decisions	296	2,79	1,143
B2 I have a need to buy specialty coffee beverage	289	2,76	1,267
B3 I use time to evaluate between alternative specialty coffees	290	2,44	1,155
B1 I use time to search for information about specialty coffees	291	2,02	1,062
Valid N (listwise)	283		

5.2.3 Section C: Consumer behaviour around specialty coffee

This section covers consumer behaviour around specialty coffee by identifying elements that consumers consider important when visiting specialty coffee shops to drink the beverage. These results describe how specialty coffee perceptions affect the behaviour of consumers. Additionally, identifying variables which can be used in the theoretical framework.

According to the participants the elements of the highest priority were: the quality of coffee, followed by customer service; convenience and location of the business, and then the atmosphere of the coffee shop. The least popular responses for consumers to visit a coffee shop were through a recommendation of a family or friend, the brand of speciality coffee shop; and a review or recommendation from a magazine or website. It is interesting to note that ethical and sustainably sourced beans were amongst the least favoured factors for consumers. These 13 elements considered by consumers are rearranged in order of preference in Table 5.3 below.

Table 5.3: 13 elements in specialty coffee shops prioritised by participants

	N	Mean	Std. Deviation
C3.1.1 The quality of the coffee	302	4,12	0,883
C3.1.3 Customer service is great	303	4,11	0,771
C3.1.9 Convenience and location of the shop	304	3,94	0,908
C3.1.2 Atmosphere of the coffee shop	304	3,74	0,973
C3.1.5 Service knowledge of baristas and waiters	304	3,54	1,030
C3.1.10 The price of the coffee	305	3,43	1,046
C3.1.7 Roasting of Coffee beans	304	3,33	1,104
C3.1.4 Additional offerings are provided (e.g. meals, baked items, Wi-Fi)	305	3,33	1,050
C3.1.8 A unique coffee bean blend	304	3,24	1,050
C3.1.6 Beans sourced from Fair trade (ethical & sustainable practices) sources	299	3,22	1,207
C3.1.12 A recommendation by a family member or friends on the place	301	3,15	1,112
C3.1.13 A particular brand of independent coffee shop	304	2,77	1,134
C3.1.11 By review/recommendation in a magazine or website	303	2,37	1,135
Valid N (listwise)	287		

The top four most favoured elements by participants of a specialty coffee shop are shown below with the remainder being of less endorsed reasons. This data serves to develop the consumer profile using the research to identify elements which consumers consider the most. These four most favoured responses to the questionnaire statements are further detailed below and summarised in Table 5.4.

Statement C 3.1.1. "The quality of the coffee.":

The results indicated that 81.10% of participants regard quality as a high priority or essential while other n=13 participants (4.3%) indicated it was not a priority.

Statement C 3.1.3. "Customer service is great.":

Based on the results, just over half of the participants (52.5%) agreed customer service was of high priority while n=94 participants (31.0%) said it was an essential element whereas less than 5% said it is not a priority.

Statement C 3.1.9. "Convenience and location of the shop.":

The majority of participants n=213 (70.1%) responded that convenience and location were high priority while very few (5.2%) showed it to be a low priority.

Statement C 3.1.2. "Atmosphere of the coffee shop.":

Eleven participants (3.6%) indicated that this was not a priority while n=17 other participants (5.6%) stated this was a low priority however, the majority of participants (n=135)(44.4%) stated atmosphere was a high priority while n=64 of participants (21.1%) indicated it is essential for a coffee shop.

The results indicated, therefore, that quality coffee and customer service are the top two priorities in consumer choice of a specialty coffee shop. The majority of participants (81.1%) favoured coffee quality as the highest priority while just over half the participants valued customer service as a high priority. Convenience and location (70.1%) in conjunction with the atmosphere (65.5%) were also high priority considerations for choosing a specialty coffee shop (see Table 5.4 below).

Table 5.4: Top four elements considered by participants

		Not a Priority	Low Priority	Medium Priority	High Priority	Essential	Total
C3.1.1 The quality of the coffee	Count	6	7	44	132	113	302
	Row N %	2,0%	2,3%	14,6%	43,7%	37,4%	100,0%
C3.1.3 Customer service is great	Count	3	5	42	159	94	303
	Row N %	1,0%	1,7%	13,9%	52,5%	31,0%	100,0%
C3.1.9 Convenience and location of the shop	Count	4	12	75	121	92	304
	Row N %	1,3%	3,9%	24,7%	39,8%	30,3%	100,0%
C3.1.2 Atmosphere of the coffee shop	Count	11	17	77	135	64	304
	Row N %	3,6%	5,6%	25,3%	44,4%	21,1%	100,0%

The Table 5.5 below shows ten preferences participants considered in order of agreement when having specialty coffee. The four most favoured elements were: good flavour and aroma of the coffee; enjoyment of specialty coffee itself; next the pleasant atmosphere of the coffee shop then, participant's tendency to re-visit the same specialty coffee shop. The least two agreed to elements were the need for caffeine and that specialty coffee consumption was a trend to follow. Similar to the previous tables ethically and sustainably farmed coffee beans were elements with a low level of agreement among consumers when having specialty coffee.

Table 5.5: Ten elements of specialty coffee as prioritised by participants

	N	Mean	Std. Deviation
C3.2.4 Specialty coffee has a good flavour and aroma to me	303	4,21	0,739
C3.2.3 I find specialty coffee to be enjoyable	305	4,13	0,724
C3.2.5 The coffee shop atmosphere is pleasant for me	304	3,98	0,781
C3.2.10 I tend to re-visit the same specialty coffee shop/s	303	3,88	0,854
C3.2.8 If I choose I could perform work or occupation related meetings while having specialty coffee	304	3,68	0,926
C3.2.6 I choose to drink specialty coffee to socialise with friends or family who think it's a good idea	305	3,47	0,967
C3.2.7 For me, specialty coffee is accessible during the day	304	3,43	1,057
C3.2.1 I choose to drink specialty coffee because the beans are farmed ethically and sustainably	303	3,31	0,936
C3.2.9 I need the caffeine from specialty coffee	304	3,05	1,171
C3.2.2 Specialty coffee is a good trend for me to follow	303	3,05	0,960
Valid N (listwise)	296		

The four most favoured responses to the questionnaire statements are further detailed below and summarised in Table 5.6. The less endorsed elements are not included in this table as the purpose of this research is to identify the elements consumers favour most for a consumer profile on specialty coffee drinkers.

Statement C3.2.3 "I find specialty coffee to be enjoyable.":

One participant disagreed (0.3%) and four participants (1.3%) strongly disagreed to the statement. The majority of respondents (86.9%) agreed to specialty coffee being enjoyable when consuming the beverage.

Statement C3.2.4. "Specialty coffee has a good flavour and aroma to me.":

Just over half of the participants 52.5% (n=159) agreed to the statement while n=109 participants (36.0%) strongly agreed that coffee needs to have a good flavour and aroma. Only four participants disagreed with the statement.

Statement C3.2.5. "The coffee shop atmosphere is pleasant for me.":

The responses showed that n=156 participants (51.3%) agreed and n=77 participants (25.3%) strongly agreed. However, very few participants (0.7%) indicated strongly disagree and/or disagree to having a pleasant coffee shop atmosphere.

Statement C3.2.10. "I tend to re-visit the same specialty coffee shop/s.":

Based on the data n=149 a larger number of participants (49.2%) agreed to the statement while fewer participants (n=68)(22.4%) were neutral and n=69 participants (22.8%) strongly agreed to the tendency to re-visit the same specialty coffee shop/s.

Therefore, the responses for 'agree' were above 50% for three of the four elements (good flavour and aroma; the enjoyment for coffee, and the coffee shop atmosphere) while one third of the responses strongly agreed to specialty coffee having a good flavour and aroma (see Table 5.6). While nearly half agreed to re-visiting the same specialty coffee show as a priority when drinking specialty coffee.

Table 5.6: The top four priorities chosen by consumers for specialty coffee

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
C3.2.4 Specialty coffee has a good flavour and aroma to me	Count	4	1	30	159	109	303
	Row N %	1,3%	0,3%	9,9%	52,5%	36,0%	100,0%
C3.2.3 I find specialty coffee to be enjoyable	Count	4	1	35	175	90	305
	Row N %	1,3%	0,3%	11,5%	57,4%	29,5%	100,0%
C3.2.5 The coffee shop atmosphere is pleasant for me	Count	2	7	62	156	77	304
	Row N %	0,7%	2,3%	20,4%	51,3%	25,3%	100,0%
C3.2.10 I tend to re-visit the same specialty coffee shop/s	Count	4	13	68	149	69	303
	Row N %	1,3%	4,3%	22,4%	49,2%	22,8%	100,0%

Further statements in the questionnaire asked participants to indicate how they were introduced to specialty coffee. The results indicated (in order of agreement) friends or relationships; a family member; coincidence; or other reasons not stated; followed by media or advertising; and influential people who thought it to be a good idea. This order of responses is shown in Table 5.7 below.

Table 5.7: How participants were introduced to specialty coffee

	N	Mean	Std. Deviation
C3.3.2 Friends or relationships who are important to me introduced me to specialty coffee	301	3,49	1,041
C3.3.1 A family member/s thought it would be good	299	3,18	1,089
C3.3.5 I believe it was by coincidence	297	2,83	1,162
C3.3.6 Other	65	2,82	1,198
C3.3.4 Media/advertising influenced my decision to try it	298	2,65	1,122
C3.3.3 Mentors, celebrities, influential people thought it to be a good idea	298	2,47	1,064
Valid N (listwise)	62		

Table 5.8 indicates that the majority of participants agreed that friends or family members introduced them to specialty coffee. Thereafter, the items are less strongly endorsed by participants and this data is used to assist the purpose of identifying the elements which consumers agree to the most for developing the profile for the specialty coffee consumer.

Analysis of the data for the top two reasons for being introduced to specialty coffee is detailed below:

Statement C3.3.2. "Friends or relationships who are important to me introduced me to specialty coffee.":

Based on the data n=173 a majority of participants (57.5%) agreed that friends or relationships introduced them to specialty coffee, while fewer participants (n=35)(11.6%) disagreed and n=16 participants (5.3%) strongly disagreed.

Statement C3.3.1. "Family member/s thought it would be good.":

According to n=90 participants (30.1%) agreed with the statements while n=32 participants (10.7%) strongly agreed to the influence of family members, whereas 32.8% of the participant remained neutral.

The data illustrates family members; friends or relationships most influence a person's introduction to specialty coffee. Over half of the participants (57.5%) gave their reasons as the influence of friends or relationships while 40.8% agreed to the influence of family members.

Table 5.8: The top two influences introducing participants to specialty coffee

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
C3.3.2 Friends or relationships who are important to me introduced me to specialty coffee	Count	16	35	77	131	42	301
	Row N %	5,3%	11,6%	25,6%	43,5%	14,0%	100,0%
C3.3.1 A family member/s thought it would be good	Count	22	57	98	90	32	299
	Row N %	7,4%	19,1%	32,8%	30,1%	10,7%	100,0%

Further statements in the questionnaire asked for the participant's perception of the future of the specialty coffee industry. The participants' responses to the four items were:

"Continue to grow": According to the majority of 54.8% of participants the perception was 'very likely' (n=166) that specialty coffee would continue to grow, while n=108 participants (35.6%) indicated 'somewhat likely' and only 0.14% indicated 'probably not likely'.

"Growth in coffee variety and blends": The majority of participants (88.7%) perceived a high likelihood for the growth in coffee variety and blends with only four (1.4%) participants indicating it was probably not likely.

"A trend that will stagnate": The majority of participants (54%) indicated that it was probably 'not likely' to stagnate while fewer participants (n=91)(30.3%) were neutral. This indicates the perception of most consumers is that the industry will expand.

"An increased sustainability focus": Indicated that n=125 of respondents (41.7%) said 'somewhat likely' to the industry increasing its focus on sustainability; while fewer (n=80)(26.7%) said increase was 'very likely' with neutral participants (n=84) at a similar level (28.0%).

Therefore, the highest prediction based on participants perception (90.4%) was that it is 'somewhat likely' that the specialty coffee industry would continue to grow; and (88.7%) said more variety and blends were also 'somewhat likely' to be available. About a third of participants said it was 'probably not likely' that the trend would stagnate which illustrates a general perception of development in the industry. These four responses are summarised in Table 5.15 below.

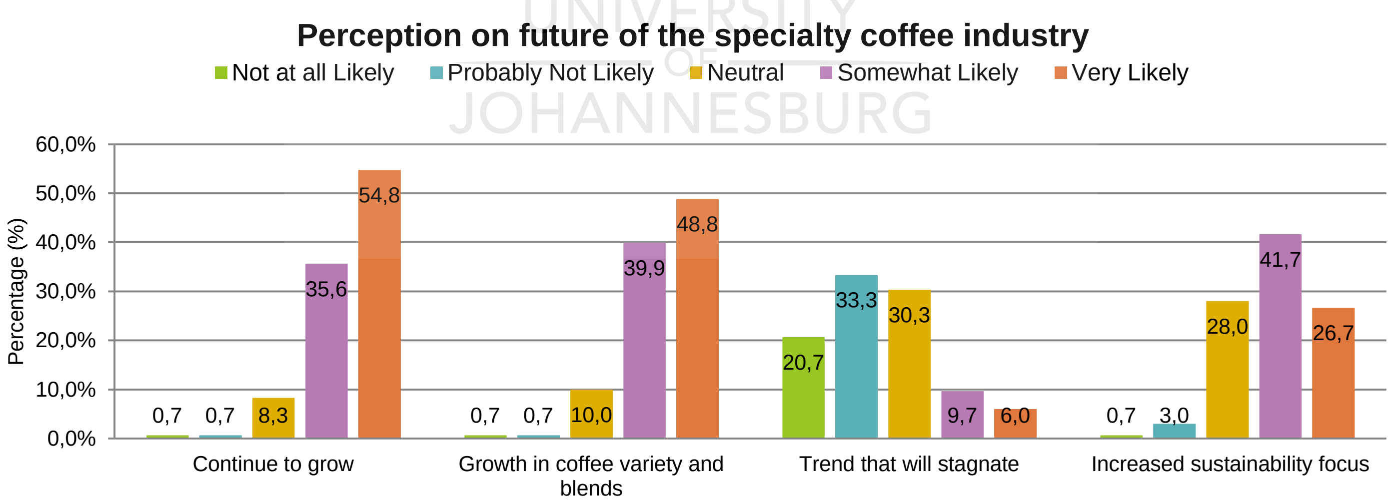

Figure 5.15: Participants perception on the future of the specialty coffee industry

5.2.4 Additional tests conducted for consumer profile

This section covers the correlation of the tests that assisted with the consumer profile of specialty coffee consumers and variables used in specialty coffee consumption behaviour. Cramer's V statistic is used to show effect-size significance. All Chi-Square tests met the assumption of having 20% of the cells with an expected count of 5 or less (Pallant, 2011:219). Sample size may vary according to available relevant information, as tests only used participants who answered both items in a questionnaire.

Income level and frequency of consumption

Firstly, a Chi-Square test for independence indicated a strong significant association between income level and frequency of specialty coffee cups consumed:

$\chi^2(15, n = 284) = 50.49$, $p = 0.000$, *Cramer's V*= 0.243 (see Table 5.9).

It is considered significant because $p < 0.05$ and Cramer's V (0.24) show a moderate effect as it is above 0.17 (Pallant, 2011:220).

Therefore, it can be said that the above test for association shows a relationship between the income level and the amount of specialty coffee a person drinks. For example, 66% of participants who earn between R0 to R4 999 drink one cup per week at most; whereas 55.5%, who earn at least R30 000 or more, consume four or more cups of coffee per week. Therefore, the higher the income level the greater the tendency to consume specialty coffee (see Table 5.9).

Table 5.9: Chi-Square correlation test: income level and frequency of cups of specialty coffee drunk per week

Net income level per month * How many cups of specialty coffee do you drink on average in a week? Cross tabulation							
			B5 How many cups of specialty coffee do you drink on average in a week?				Total
			0 to 1	2 to 3	4 to 5	6+	
Net income level per month	R 0 to R4999	Count	33	9	5	3	50
		% within Net income level per month	66,0%	18,0%	10,0%	6,0%	100,0%
	R 5000 to R 9999	Count	11	11	1	4	27
		% within Net income level per month	40,7%	40,7%	3,7%	14,8%	100,0%

	R 10000 to R 14999	Count	10	6	5	3	24
		% within Net income level per month	41,7%	25,0%	20,8%	12,5%	100,0%
	R 15000 to R 19999	Count	15	9	7	5	36
		% within Net income level per month	41,7%	25,0%	19,4%	13,9%	100,0%
	R 20000 to R 29999	Count	14	18	3	13	48
		% within Net income level per month	29,2%	37,5%	6,3%	27,1%	100,0%
	R 30000 to above	Count	21	23	23	32	99
		% within Net income level per month	21,2%	23,2%	23,2%	32,3%	100,0%
Total		Count	104	76	44	60	284
		% within Net income level per month	36,6%	26,8%	15,5%	21,1%	100,0%

Chi-Square Tests

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	50.497[a]	15	0,000
N of Valid Cases	284		

a. 2 cells (8.3%) have expected count less than 5. The minimum expected count is 3.72.

Symmetric Measures

		Value	Approximate Significance
Nominal by Nominal	Phi	0,422	0,000
	Cramer's V	0,243	0,000
N of Valid Cases		284	

Preferred type of coffee and frequency of shop visits

Secondly, a Chi-Square test for independence indicated a strong significant association between preferred type of coffee and how often a participant visits a specialty coffee shop: $\chi^2(5, n = 304) = 17.198$, $p = 0.004$, *Cramer's V* = 0.238 (see Table 5.10).

It is considered highly significant because the $p<0.05$ and Cramer's V (0.24) show a fairly moderate effect as it is above 0.1 (Pallant, 2011: 220).

The test for association of the preferred type of coffee and how often a participant would visit a specialty coffee shop showed that 62.2% of participants who prefer specialty coffee will visit a specialty coffee shop at least once a week, whereas 49.1% of participants who prefer instant/franchise coffee only visit a specialty coffee shop once a month or less. As a result, it can be said that participants who prefer specialty coffee tend to frequent specialty coffee shops more often than those who prefer instant/franchise coffee (see Table 5.10).

Table 5.10: Chi-Square correlation test: preferred type of coffee and frequency of visits to a specialty coffee shop

Given the choice which coffee would you prefer? * Generally speaking how often do you visit a specialty coffee shop? Cross tabulation									
			Generally speaking how often do you visit a specialty coffee shop?						Total
			Once/or more a day	More than once a week	Once a week	Twice a month	Once a month	Once every 3 months	
Given the choice which coffee would you prefer?	Instant, commercial or franchise coffee (e.g. Mc Café, Mugg & Bean, Seattle coffee)	Count	15	21	23	15	30	12	116
		% within Given the choice which coffee would you prefer?	12,9%	18,1%	19,8%	12,9%	25,9%	10,3%	100,0%
	Unique blend, small batch roasted, specialty coffee (e.g. Independently owned)	Count	42	43	32	37	20	14	188
		% within Given the choice which coffee would you prefer?	22,3%	22,9%	17,0%	19,7%	10,6%	7,4%	100,0%
Total		Count	57	64	55	52	50	26	304
		% within Given the choice which coffee would you prefer?	18,8%	21,1%	18,1%	17,1%	16,4%	8,6%	100,0%

Chi-Square Tests			
	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	17.198[a]	5	0,004
N of Valid Cases	304		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 9.92.

Symmetric Measures			
		Value	Approximate Significance
Nominal by Nominal	Phi	0,238	0,004
	Cramer's V	0,238	0,004
N of Valid Cases		304	

Where a participant consumes specialty coffee and frequency of shop visits

The third Chi-Square test for independence indicated a significant association between where a participant drinks (either at coffee shop or at home and coffee shop) specialty coffee and how often a participant visits a specialty coffee shop:

$\chi^2(5, n = 289) = 29.213$, $p = 0.000$, *Cramer's V* = 0.318 (Table 5.11).

It is considered highly significant because the $p < 0.05$ and Cramer's V (0.32) show a moderate effect as it is above 0.30 (Pallant, 2011: 220).

Therefore, it can be deduced that there is a relationship between where a participant (coffee shop or home and coffee shop) consumes specialty coffee and how often a participant visits a specialty coffee shop. For example 69.8% participants who drink specialty coffee at home and coffee shop will visit a specialty coffee shop at least once a week, however 59.8 % of participants who only drink specialty coffee at the shop only visit a specialty coffee business twice a month or less. Therefore, one can conclude participants who generally consume specialty coffee at home or in a coffee shop will visit a specialty coffee shop more often (see Table 5.11).

Table 5.11: Chi-Square correlation test: where participants drink specialty coffee and the frequency of visits to a specialty coffee shop

Where do you drink specialty coffee? * Generally speaking how often do you visit a specialty coffee shop? Cross tabulation

			Generally speaking how often do you visit a specialty coffee shop?						**Total**
			Once/or more a day	**More than once a week**	**Once a week**	**Twice a month**	**Once a month**	**Once every 3 months**	
Where do you drink specialty coffee?	Coffee shop only	Count	13	8	18	24	23	11	97
		% within Where do you drink specialty coffee?	13,4%	8,2%	18,6%	24,7%	23,7%	11,3%	100,0 %
	Both (Home and Coffee shop)	Count	43	55	36	26	22	10	192
		% within Where do you drink specialty coffee?	22,4%	28,6%	18,8%	13,5%	11,5%	5,2%	100,0 %
Total		Count	56	63	54	50	45	21	289
		% within Where do you drink specialty coffee?	19,4%	21,8%	18,7%	17,3%	15,6%	7,3%	100,0 %

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	29.213[a]	5	0,000
N of Valid Cases	289		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 7.05.

Symmetric Measures

		Value	Asymptotic Standard Error[a]	Approximate T[b]	Approximate Significance
Nominal by Nominal	Phi	0,318			0,000
	Cramer's V	0,318			0,000
N of Valid Cases		289			

a. Not assuming the null hypothesis.
b. Using the asymptotic standard error assuming the null hypothesis.

Participant's income level and willingness to pay extra

The fourth Chi-Square test for independence indicated a strong significant association between participant's income level and willingness to pay extra for specialty coffee over other coffees:

$\chi^2(10, n = 285) = 23.633$, $p = 0.009$, *Cramer's V* = 0.204 (see Table 5.12).

It is considered highly significant because the $p<0.05$ and Cramer's V (0.20) shows a fairly moderate effect as it is below 0.21 (Pallant, 2011: 220).

As shown by the above test for association it can be said that there is a relationship between participant's income level and willingness to pay extra for specialty coffee over other coffees. For example, 57% participants who earn R30 000 or more are willing to pay R5 or more; however, only 34% of participants who earn R 0 to R4 999 are willing to pay R5 or more. As can be expected from the test, participants who generally earn less are less willing to pay more per cup of specialty coffee (see Table 5.12).

Table 5.12: Chi-Square correlation test: participant's net income level and willingness to spend more per cup of specialty coffee

Net income level per month * How much more are you willing to pay per cup for specialty coffee over other coffees? Cross tabulation						
			How much more are you willing to pay per cup for specialty coffee over other coffees?			**Total**
			R 2 or less	**R 3 to R 4**	**R 5 or more**	
Net income level per month	R 0 to R4 999	Count	9	24	17	50
		% within Net income level per month	18,0%	48,0%	34,0%	100,0%
	R5 000 to R9 999	Count	10	7	10	27
		% within Net income level per month	37,0%	25,9%	37,0%	100,0%
	R10 000 to R14 999	Count	4	14	6	24
		% within Net income level per month	16,7%	58,3%	25,0%	100,0%
	R15 000 to R19 999	Count	5	14	17	36
		% within Net income level per month	13,9%	38,9%	47,2%	100,0%
	R20 000 to R29 999	Count	12	20	16	48
		% within Net income level per month	25,0%	41,7%	33,3%	100,0%
	R3000 to above	Count	13	30	57	100
		% within Net income level per month	13,0%	30,0%	57,0%	100,0%
Total		Count	53	109	123	285

	% within Net income level per month	18,6%	38,2%	43,2%	100,0%

Chi-Square Tests

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	23.633[a]	10	0,009
N of Valid Cases	285		

a. 1 cells (5.6%) have expected count less than 5. The minimum expected count is 4.46.

Symmetric Measures

		Value	Asymptotic Standard Error[a]	Approximate T[b]	Approximate Significance
Nominal by Nominal	Phi	0,288			0,009
	Cramer's V	0,204			0,009
N of Valid Cases		285			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

5.2.5 Analysis for Objective 2

- **Identify the consumer profile consumption behaviour for specialty coffee.**

Various pieces of information can be grouped together to create a consumer profile for a specific group of consumers (Devault, 2018; Graham, 2017; Newbold, 2018)(see section 2.4). This study's information is based on the results of this sample group and can be used as a base line for what consumer consumption behaviour would be for specialty coffee. However, the information is not generalisable to all consumers in Gauteng. A consumer profile comprises demographics and psychographics criteria which can be related to the four factors (social, cultural, personal and psychological) that affect a consumer's buying behaviour. These factors may be further defined as follows; social factors include reference groups, role, status and family; cultural factors comprise values, customs, traditions and values of a society; personal factors cover age, lifestyle, financial situation, occupation, stage of life, personality and psychological factors consist of motivation, perception, learning, beliefs, and attitudes (Hussain, 2017; Shethna, 2016)(see section 2.4). Since the South African consumer is unique, there is a distinct purchasing behaviour for consumers living in Gauteng, South Africa (Shethna, 2016)(see section 2.4).

The results of this study in relation to these factors and developing a consumer profile indicated. The number of female participants (56%) who took part was only slightly higher than male participants (44%). The majority of specialty coffee drinkers in the sample was ethnically white (72%). One third of the participants were between 18 to 29 years with the majority being between the ages of 18 to 39 (65.6%). Based on the sample, 71.1% of participants have a tertiary education or higher and are employed (70.2%). Nearly half (45.9%) of participants are employed with fixed working hours. The majority income level of specialty coffee consumer is R15 000 or more with one third of those earning R30 000 or above (which is over the average income level of South African citizens). Of the sample, a majority of 85% participants were predominately coffee drinkers. Half of the participants (52.5%) consume two to three cups of coffee a day. Insight Survey (2017) indicated that 29% of participant drunk three cups a day whilst 65% of employees working in different companies drunk 2 to 3 cups of coffee a day (Coffee Magazine, 2013)(3.3.3). If combined with additional consumption scales, 80.7% of participants consume at least two to three cups of coffee per day. The majority of participants (62%) have a preference for unique blend, small batch roasted specialty coffee. This agrees with the 17.3% increase in brewed coffee over instant coffee in 2010 (van der Merwe & Maree, 2016:501)(see section 3.3.3).

Generally participants drink specialty coffee at a coffee shop and at home (63%). On average, most participants (42.3%) consumed at least two to three cups of specialty coffee per week. Some participants (21.6%) consume six or more cups of specialty coffee per week on average. When compared to a study by British Petroleum (BP) which found that consumers are most likely to drink a specialty coffee every day or at least once a week the results are similar (van der Merwe & Maree, 2016:503)(see section 3.3.2). The majority of participants (58%) visited specialty coffee shops at least once a week. The preferred three styles of specialty coffee brew were firstly Cappuccino (62.6%), followed by Café Latte (27.5%) and Americano (21%). According to research on company employees (Coffee Magazine, 2018)(see section 3.3.3) a Cappuccino is the favourite beverage of choice, followed by a Café Latte. Hoffmann and Beazley (2014:110-111)(see section 3.3.2) also assert that Espresso and espresso style beverages are the popular coffee drinks consumed at coffee shops. In terms of price per cup, the majority of participants (80.3%) would pay R3.00 or more per cup of specialty coffee, while of the 80.3% of participants 44% were willing to pay R5.00 or more per cup of specialty coffee. The top purchase decision was buying the same specialty coffee every time followed by impulse purchasing and the need of a consumer to buy specialty coffee was also important to consumers. The top three priorities for choice of specialty coffee shop were: the quality of coffee; customer service; and convenience and location of the specialty coffee shop. Firstly, consumer interest in quality (see section 3.3.1)(Craft Beverage Jobs, 2016; Guevara, 2017; Hashim et al., 2017:40). The participants indicated that specialty coffee has a good flavour and aroma which agrees with Barry (2017)(see section 3.3.3). Secondly, Hung's (2012:54) research agrees with staff knowledge and customer service being of importance to consumers' perceived value of a coffee shop (see section 3.3.2). The participants indicated to specialty coffee having a good flavour and aroma agrees with Barry (2017)(see section 3.3.3), to be enjoyable and the coffee shop atmosphere being pleasant as being the elements agreed to the most when considering what specialty coffee to purchase. Thirdly, location has been found to be an important factor in consumers re-visiting a specialty coffee shops and a positive atmosphere has better tendency for consumer to purchase more coffee (Hashim et al., 2017:45)(see section 3.3.2). The two highest reasons given by participants for their introduction to specialty coffee were friends or relationships, and family member with consumers in the Third wave coffee movement being more aware of having their own coffee preferences after introduction (Dqinçer et al., 2016:813)(see section 3.3.1). The participants' perception of the future of the industry is that the majority (90.4%) believe it is somewhat likely to grow, while 54.80% of those say it is 'very likely', and 88.7% indicated that the growth in variety of coffee and blends was 'somewhat likely'.

Correlation tests suggested participants with a higher income level have a greater tendency to buy and drink more specialty coffee. Therefore, a consumer's financial situation does influence a consumer's inclination to purchase a product and its perceived value for money (Shethna, 2016)(see section 2.4.3). Participants who earn more are more willing to pay more per cup of specialty coffee. Hung (2012:51) mentions consumers who are more service and price conscious expect more from the coffee being purchased (see section 3.3.2). Participants who prefer specialty coffee tend to frequent specialty coffee shops more than participants who prefer instant/franchise coffee. Participants who generally drink specialty coffee at home and coffee shop will visit a specialty coffee shop more often.

The importance of the ethical and sustainable sourcing of beans (mean of 3.22 for the scale) showed a fairly neutral response with slight agreement. Participants did not consider it as a significant reason to choose consuming specialty coffee. Increased sustainability focus saw only 41.7% as it being somewhat likely to be the focus of the industry going forward. These results are not in line with Smith (2010:199)(see section 3.2.2) who indicated consumers have shown a demand for transparency within coffee production industry due to poor social relations and there has been a movement towards Fair Trade coffee. The results showed that brand choice for specialty coffee was of little importance to consumers (see section 3.2.2). This contradicts Bookman (2014:97) who states “Consumers have a link to brands” and that “brands are something consumers do, embody, and live”. The need for caffeine from specialty coffee had a neutral response from the majority of participants, while 66% of respondents in a study showed a displeasure for decaffeinated coffee indicating a need for caffeine from coffee in the day (Coffee Magazine, 2013)(see section 3.3.3). According to the results of this study 17.7% of participants are self-employed. However, 22% of participants in UK study use coffee shops as an office for their business operation (Morris, 2013:881)(see section 3.3.2).

The consumer profile of the specialty coffee drinker is outlined above taking into consideration the demographics and psychographics criteria. This information, therefore, indicates the demand and target consumer market for a specialty coffee business. The factors and considerations identified above are what make these specialty coffee consumers unique and provides an insight into their consumer behaviour.

5.2.6 Reliability analysis for the three variables of TPB

The following section covers reliability analyses for the three variables in the Theory of Planned Behaviour (TPB): attitude, subjective norm and perceived behavioural control. The purpose of these tests was to indicate that the questions link to these variables as factors which affect a consumer with a purchase intention for specialty coffee.

Reliability analysis measures relevant consistency amongst items in a scale. The items are assessed for consistency to the variables in TPB for specialty coffee intention behaviour to purchase specialty coffee (see Table 5.13).

Attitude: The following data can be seen to have a good internal consistency. The corrected item-total correlation values shown in the item-total statistics are all above 0.30 and the mean inter-item correlation value is above 0.20 with a range of 0.15 to 0.76, which suggests a good relationship between the items (Pallant, 2011:100). Cronbach Alpha's coefficient is 0.65 is below the desired 0.70 for measuring internal consistency but this is due to less than ten items in the scale (Pallant, 2011:100). The first test for reliability proves that there is a relationship between the items in the scale; therefore, these items can be linked together to form the first variable, namely, attitude.

Perceived behavioural control: The items assessed for consistency to the second variable in the TPB: namely, perceived behavioural control for intention (behaviour) to purchase specialty coffee (see Table 5.13) indicated the variable has a good internal consistency. The corrected item-total correlation values shown in the item-total statistics were all above 0.30 and the mean inter-item correlation value was above 0.20 with a range of 0.148 to 0.757 suggesting a good relationship among the items (Pallant, 2011:100). The Cronbach Alpha coefficient was 0.61, which is below the desired 0.7 for measuring internal consistency because of less than ten items in the scale (Pallant, 2011:100).

Subjective norm: The following test for reliability proves that there is a relationship between the items in the scale; thus these items can be connected together to form the third variable: namely, subjective norm. The items are assessed for consistency to the subjective norm variable in TPB for specialty coffee intention behaviour to purchase (see Table 5.13). The results indicated a good internal consistency. The corrected item-total correlation values shown in the item-total statistics are all above 0.30 and the mean inter-item correlation value is above 0.20 with a range of 0.195 to 0.538 suggesting a good relationship among the items (Pallant, 2011:100). The Cronbach Alpha coefficient is 0.67 which is below the desired 0.7 for measuring internal consistency because of there being less than ten items in the scale (Pallant, 2011:100). The results from test for internal consistency proves that there is an association between the items in the scale; therefore these items can be grouped together to form a variable.

Table 5.13: Tables used for the reliability analysis of attitude, perceived behaviour control and subjective norm

Variable	**No. of items**	**N**	**Cronbach's Alpha**	**Mean Inter-item Correlations**
Attitude	5	299	0.645	0.283
Perceived behaviour control	4	300	0.613	0.290
Subjective norm	4	297	0.668	0.336

5.2.7 Factor analysis for new variables

The following section covers the factor analysis used to group multiple items into subgroups (variables) or factors. Table 5.14 below indicates the tables which represent the factor analyses. According to Pallant (2011:199), the ten items of the variables which affect a participant's specialty coffee choice were subjected to principal components analysis (PCA) using SPSS version 25. Prior to performing PCA, the suitability of data for factor analysis was assessed. Inspection of the correlation matrix revealed the presence of many coefficients of 0.30 and above. The Kaiser-Meyer-Olkin (KMO) value was 0.811, exceeding the recommended value of 0.6 (Kaiser, 1970) and Bartlett's Test of Sphericity (Bartlett, 1954) reached statistical significance, supporting the factorability of the correlation matrix.

The principal components analysis revealed the presence of two components with Eigenvalues exceeding 1, explaining 34.287% and 13.554% of the variance respectively, and 47.841% cumulatively. An inspection of the scree plot (Figure 5.16) revealed a clear break after the second component. Using Catell's (1966) scree test, it was decided to retain two variables for further investigation. To aid in the interpretation of these two components, oblimin rotation was performed. The rotated solution revealed the presence of simple structure (Thurstone, 1947), with both components showing a number of strong loadings and all variables loading substantially on only one component. The pattern matrix shows that all items are above 0.500 indicating that items have a good fit. There was a good positive correlation between the two factors (*r* = 0.335). The results of this analysis, therefore, support the use of these items which affect a participant's specialty coffee choice as separate scales, as suggested by the scale's authors (Watson, Clark & Tellegen, 1988).

In order to achieve these two factors (variables) certain items were left out due to low commonalties in the cross-loading of 'additional offerings', 'atmosphere of the coffee shop' and 'customer service is great'.

The following factor analysis suggests with good significance that there are two factors or variables identified as part of a consumer's decision-making process for the intention to purchase the beverage. The items can be seen in the pattern matrix of Table 5.14 below. These smaller variables are grouped together because of a common theme between the variables identified: 'coffee quality' elements and 'external influences on the participant'.

Table 5.14: Tables used in the interpretation of the factor analysis

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0,799
Bartlett's Test of Sphericity	Approx. Chi-Square	1142,647
	df	45
	Sig.	0,000

Communalities

	Initial	Extraction
C3.1.1 The quality of the coffee	0,310	0,268
C3.1.5 Service knowledge of baristas and waiters	0,350	0,363
C3.1.6 Beans sourced from Fair trade (ethical & sustainable practices) sources	0,510	0,572
C3.1.7 Roasting of Coffee beans	0,692	0,814
C3.1.8 A unique coffee bean blend	0,656	0,692
C3.1.9 Convenience and location of the shop	0,313	0,292
C3.1.10 The price of the coffee	0,299	0,288
C3.1.11 By review/recommendation in a magazine or website	0,409	0,381
C3.1.12 A recommendation by a family member or friends on the place	0,508	0,637
C3.1.13 A particular brand of independent coffee shop	0,463	0,476

Extraction Method: Principal Axis Factoring.

Total Variance Explained

Factor	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings[a]
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	3,877	38,771	38,771	3,429	34,287	34,287	3,126
2	1,868	18,682	57,453	1,355	13,554	47,841	2,285
3	0,975	9,745	67,198				
4	0,781	7,812	75,010				
5	0,642	6,419	81,429				
6	0,537	5,372	86,801				
7	0,428	4,280	91,081				
8	0,372	3,722	94,803				
9	0,319	3,188	97,991				
10	0,201	2,009	100,000				

Extraction Method: Principal Axis Factoring.

a. When factors are correlated, sums of squared loadings cannot be added to obtain a total variance.

Factor Matrix[a]

	Factor	
	1	2
C3.1.7 Roasting of Coffee beans	0,799	-0,420
C3.1.8 A unique coffee bean blend	0,796	
C3.1.6 Beans sourced from Fair trade (ethical & sustainable practices) sources	0,678	-0,334
C3.1.13 A particular brand of independent coffee shop	0,610	0,323
C3.1.5 Service knowledge of baristas and waiters	0,573	

C3.1.11 By review/recommendation in a magazine or website	0,535	0,308
C3.1.1 The quality of the coffee	0,484	
C3.1.12 A recommendation by a family member or friends on the place	0,539	0,589
C3.1.9 Convenience and location of the shop		0,456
C3.1.10 The price of the coffee	0,316	0,434
Extraction Method: Principal Axis Factoring.		
a. 2 factors extracted. 9 iterations required.		

Pattern Matrix[a]

	Factor	
	1	2
C3.1.7 Roasting of Coffee beans	0,928	
C3.1.8 A unique coffee bean blend	0,799	
C3.1.6 Beans sourced from Fair trade (ethical & sustainable practices) sources	0,772	
C3.1.5 Service knowledge of baristas and waiters	0,584	
C3.1.1 The quality of the coffee	0,511	
C3.1.12 A recommendation by a family member or friends on the place		0,796
C3.1.9 Convenience and location of the shop		0,564
C3.1.13 A particular brand of independent coffee shop		0,564
C3.1.10 The price of the coffee		0,554
C3.1.11 By review/recommendation in a magazine or website		0,519
Extraction Method: Principal Axis Factoring. Rotation Method: Oblimin with Kaiser Normalization.		
a. Rotation converged in 4 iterations.		

Factor Correlation Matrix

Factor	1	2
1	1,000	0,335
2	0,335	1,000
Extraction Method: Principal Axis Factoring. Rotation Method: Oblimin with Kaiser Normalization.		

Table 5.15: Table used to analyse the internal consistency of variable one.

Variable	No. of items	N	Cronbach's Alpha	Mean Inter-item Correlations
1	5	295	0.843	0.513

5.2.9 Cronbach's Alpha for variable two identified

Tables were used to show a correlation and internal constancy between the items of the second variable identified in 5.2.7 (Table 5.16). This test was done to further reinforce the use of those items grouped together as a variable for influencing a consumer's purchase intention of specialty coffee and visit to a specialty coffee business. According to Pallant (2011:100) a Cronbach's Alpha coefficient of .70 or higher shows an acceptable internal consistency. The following data on external influences on the participant variable illustrates, the Cronbach Alpha coefficient was 0.76 which is an acceptable internal consistency. Additionally an acceptable internal consistency is seen because the corrected item-total correlation values shown in the item-total statistics are all above 0.30 and the mean inter-item correlation value is above 0.39 suggesting an acceptable relationship among the items.

The results of the above reliability test show an acceptable internal constancy between the items of the variable identified that is, external influences on the participant. Therefore, these items can be grouped together to assess this variable and how it influences a participant's behavioural intention.

Table 5.16: Table used to analyse the internal consistency of variable two.

Variable	No. of items	N	Cronbach's Alpha	Mean Inter-item Correlations
2	5	299	0.759	0.385

5.2.10 Analysis for Objective 3

- **Identify variables using the proposed theoretical framework for the consumer profile behaviour towards specialty coffee consumption.**

Consumer purchase behaviour is based on influences a consumer will experience either internally or externally. These influences cause a consumer to have an intention to perform behaviour and therefore it is important to be mindful of such influences. In the case of this study, the intention is to purchase specialty coffee beverages from a specialty coffee shop. The TPB is a proposed model to identify internal variables which effect purchase intention. The Theory of Reasoned Action (TRA), the precursor to TPB, indicates that a consumer's strongest influence for cognitive behaviour is behaviour intention (Hale et al., 2003:260)(see section 2.2). These variables can also be seen to influence a consumer's consumption behaviour. This study built on the research conducted by van der Merwe and Maree (2016:507)(see section 3.3.3) by investigating the variables of TPB as an influence on consumer behaviour and identified new variables which could be considered for further testing by using TPB. The research focus was to identify variables which effect purchase intention as seen in Figure 2.5 of Chapter 2.

The reliability analysis of this study found that the three variables used in TPB have an internal consistency suitable for use in purchase intention decisions. The tests on items in the scale to identify internal consistency as a variable was proven (see section 5.2.6). Therefore, attitude, subjective norm and perceived behaviour control can be used as internal variables to assess purchase intention (Ajzen, 1991; Hale et al., 2003)(see section 2.3). These variables can be linked to the four factors which affect consumer buying behaviour; namely, attitude (which shows similarity to personal and psychological factors); subjective norms (which is correlated to social and cultural factors); and perceived behavioural control (psychological factors of consumer purchase behaviour) (see section 2.4).

This research follows van der Merwe and Maree (2016:505)(see section 3.2.3) by proving these variables affect purchase intention. Van der Merwe and Maree (2016:505) further state that perceived behavioural control is the most important predictor for behavioural intention (see section 3.3.3). Other researchers describe perceived behavioural control as having the perception of control over behaviour (Ajzen, 1991:183; Hale et al., 2003:277; Knabe, 2009:27; Paul et al., 2015:125)(see section 2.3). Subjective norm showed the highest internal constancy of with an inter-item correlation mean of 0.336 and the highest values for item-total correlation in the item-total statistics (see Table 5.13).

A factor analysis was used to identify additional variables which can be added to the theoretical framework and tested to affect purchase intention. The pattern matrix (see Table 5.14) shows the grouping of the scale items. These items, identified by the factor analysis, can be grouped together to form two variables: coffee quality elements and external influences on the consumer. Previous research indicates the consumer has shown interest in the quality of coffee and elements about the coffee (Coffee Revolution, 2017; Craft Beverage Jobs, 2016; Guevara, 2017)(see section 3.3.1). In addition, Hung's (2012:54) research proved the importance of staff knowledge and expertise as an influence on customers' perceived value (see section 3.3.3). The research and studies found in Hashim et al., 2017 (see section 3.3.2) correlate with the items of the external influences on the participant variable to indicate the external influences a consumer experiences in making a purchase intention of specialty coffee. These variables were proven to have internal constancy with Cronbach's Alpha coefficient scores of above 0.7 (see sections 5.2.8, 5.2.9) and therefore can be used to assess behavioural intention of a consumer. Therefore, the two new variables should be considered when assessing the intention to purchase as these influence a consumer's decision to visit a specialty coffee shop, and also the intention to purchase specialty coffee.

The research conducted by van der Merwe and Maree (2016:505) however, does mention that the model presented is the "first explorative step" in understanding these relationships and further studies should be done to confirm the findings. This research contributes to these further studies by using the TPB as model for consumer consumption behaviour with additional variables identified and tested. In the final analysis this study's results prove five variables can be used for consumer behavioural intention for consuming and purchasing specialty coffee.

5.3 Qualitative data: interviews

The analysis of the interviews, using the content analysis approach, involved the responses being analysed for similarities and contradictions. The transcriptions of the interview data were then coded. Once multiple codes of similar core ideas or concepts were found they were grouped together as themes. The data analysis was split into three sections similar to the interview structure with the three sections as follows:

- **Section A**, deals with general information and some demographics of the specialty coffee business owners or managers that were interviewed.
- **Section B**, focuses on consumer knowledge and the change in Gauteng, South Africa specialty coffee movement.
- **Section C**, identifies consumers choice of specialty coffee businesses and factors affecting purchases decisions.

These findings assist in describing the consumer knowledge towards specialty coffee which is affecting specialty coffee businesses.

5.3.1 Findings of qualitative data: Section A

The table below outlines the demographics of the respondents in the qualitative interview.

Table 5.17: The demographics of the interviews conducted

	Respondent 1	Respondent 2	Respondent 3	Respondent 4	Respondent 5
Name of Business	Just Darling	Craft Coffee	Roast Republic	Father Coffee	Bean There
Year business was established	2012	2013	2016	2013	2005
Suburb of Business	Mulbarton	Newtown	Parktown	Rosebank	Melville
Capacity of business (No. of seats in the coffee shops)	56	19	12	28	34

Do you have various beans and blends available?	Yes	Yes	No (but a unique blend is available)	Yes	Yes
Do you roast on the premises?	Yes	Yes	No	Yes	Yes
Do you offer various brew methods?	Yes	Yes	No	Yes	Yes
Time of being in the industry	5 years	9 years	1 year	5 years	5 years

Respondent 1 operates *Just Darling* which opened in 2012. It is situated in Mulbarton, South of Johannesburg. The business has a capacity of 56 seats and has a variety of beans available, with roasting taking place and different brewing methods available. The respondent has been in the industry for five years.

Respondent 2, the roasting manager of *Craft Coffee*, has nine years of industry experience. The business is situated in Newtown, has a capacity of 19 seats and was established in 2013. The specialty coffee business has various beans and blends, with roasting of coffee beans and brewing methods available.

Respondent 3 runs *Roast Republic* which was established in 2016. It is noted that this business is part of skills development franchise programme of which there are two franchises. The business is located in Parktown with a seating capacity of 12. The coffee shop does not have different beans available apart from the house blend which is unique to Roast Republic and therefore no roasting takes place on the premises. The business only uses an Espresso machine to make coffee with no other brewing methods available. Respondent three has one year of experience.

Respondent 4 was from *Father Coffee* situated in Rosebank and has been in the industry for five years. The *Father coffee* brand was established in 2013 and the branch in Rosebank has a seating capacity of 28. The business has different brewing methods and different beans available and the roasting of coffee beans takes place on site.

Respondent 5 from *Bean There* has been operating in the industry for five years. The business, located in Melville, opened in 2005 and it has a capacity of 34 seats. The shop has various beans and blends, with roasting of coffee beans and different brewing methods available.

5.3.2 Findings of qualitative data: Section B

The owners/managers interviewed all agreed that there has been significant growth in the industry over the last few years in Johannesburg. The following core ideas were identified in the responses to questions 1 - 4: increased consumer knowledge and awareness; producing quality coffee for the consumer; sourcing ethical and sustainable coffee beans and increased influence on the market through globalisation.

Question 1: How has the market demand changed in recent years towards specialty coffee?

Question 1 identifies the concept of growth of market demand for the specialty coffee industry in recent years. This was related to consumer growth of awareness and knowledge of specialty coffee seeking further insight into the roasting, quality, brewing method and origins of the beans used in making their beverage. As mentioned by Respondent 3 below, 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. In addition, the quality of coffee being produced has improved. Respondents 1, 2, and 4 highlighted the fact that consumer appreciation for a better quality coffee and flavour profiles has had a positive impact on specialty coffee businesses and growth in market demand.

> **Respondent 1:** *"Things are changing, people are more interested in coffee, they ask more questions they want to understand what they are drinking, which is great, and also the tastes have changed quite a bit."*
>
> **Respondent 2:** *"I think there has been tremendous growth in the specialty market and from the time I started …I think South Africa has grown so much in terms of quality coffee being consumed on a daily basis."*

> **Respondent 5:** *"I think people will ask questions when they come into a café: where your coffee sourced from? Who's your supplier? and so, although I do think there is a lot more to be done."*

Further, both Respondents 4 and 5 below mention that as a specialty coffee market Johannesburg is behind what is currently produced and consumed in Cape Town and globally. According to Respondent 5, Cape Town's consumers have a better understanding and awareness of specialty coffee as there are more coffee businesses and therefore, there is more competition for consumer market share.

> **Respondent 5***: "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 … if you compare to Cape Town to Johannesburg, … the competition there is far more, I would say, in terms of cafés competing for each other for business against one another in terms of the specialty coffee market."*

According to Respondent 4 and 5 global standards and practices surrounding specialty coffee are also ahead of what is presently being produced in Gauteng compared to the global market. Johannesburg, especially still has a gap in consumer knowledge in relation to speciality coffee standards and information. Even though in the past years as agreed by respondents the knowledge, quality and awareness for specialty coffee has grown in Gauteng, South Africa.

> **Respondent 4:** *"…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 its maybe about five years…"*

Question 2: How has consumer knowledge and awareness grown in the specialty coffee industry?

The concept identified through Question 2 by the majority of respondents was that consumer knowledge has shifted from coffee being consumed only for its caffeine boost to being enjoyed for its flavour and complexity. They stated that a new consumer interest relates to the tastes and flavour profile, the origin of the coffee beans, the brewing method used and how the coffee beans are roasted which, relates to a growth in knowledge and awareness for the industry. Consumers are also beginning to show interest in the freshness of coffee and the sustainability and 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

> **Respondent 1:** *"It's not just a cup of coffee any more, they want to know where the beans come from. They're interested in how dark or how light you are roasting."*
>
> **Respondent 2:** *"…people are starting to ask the right questions about how the coffee is grown … origin of the coffee, how the coffee is roasted, also looking for what is special about some of the coffees we buy and sell to them."*
>
> **Respondent 4:** *"So guys are now a bit more concerned with taste, where the beans are sourced from, freshness obviously quite a big factor in the entire thing."*

In contrast, Respondent 3 below indicated that the average new consumer purchases coffee in the shop for taking pictures to use on social media platforms (e.g. Instagram), while consumers who have grown up drinking coffee and are more educated in the industry are more appreciative of the specialty coffee.

> **Respondent 3:** *"…but for someone that's recent in specialty coffee, they often than not do it for Instagram and pictures."*

Respondent 5 believes 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.

> **Respondent 5:** *"I think people are making Espresso's at home and they've now even moved into slow brewing: sort of, pour over methods of coffee."*

Question 3: How does the region (origin) of your beans effect your purchase decisions?

The overall concept identified through Question 3 was that the quality remains the major focus for specialty coffee businesses when purchasing green beans. Before making the purchase, the various elements of quality are considered by the business. Since coffee is a seasonal raw product, these would include the seasonable availability of the green beans and the regions which had favoured climatic conditions that produces a better quality beans. Also to be considered are the different aroma and flavour profiles that depend on the region in which the beans are grown which are considered when blending beans. The coffee must be of specialty grade before the purchase can be made (see section 3.2.3). The grading for quality is related to the aromas and flavours the beans have and what that origin of bean is producing in terms of flavour. Respondents 1 and 2 below commented on how the processing of the green beans play a role in quality and flavour of the coffee it produces.

> **Respondent 2:** *"…in terms of how the coffee tastes, again is what we want to give our consumers so the quality of the coffee, the processing."*
>
> **Respondent 4:** *"…its quality. So what's tasting really interesting? What's cupping really well? Obviously still showing the full spectrum of what individual origins offer."*
>
> **Respondent 1:** *"…each origin does different things, so when you looking at a blend, you want to bring out certain things, you want creaminess, you want a good mouth feel, you also want a brightness in your coffee but you also want good crème."*

Respondents 1 and 5 made mention of African origin beans as the favoured, better quality beans.

> **Respondent 1:** *"Number one: supports Africa; number two: I just believe it's a lot more complex coffee, there's a whole lot of flavours that you get, that you won't get in a South American coffee or an Asian coffee."*
>
> **Respondent 5:** *"With all of the farmers that we've been working with, we've been doing that thirteen years with our Ethiopian-Saldana coffee… and our Rwandan coffee have the official Fair Trade mark."*

Respondents 2 and 5 indicated that an important element to consider is how ethical and sustainable the beans are sourced. Respondent 5 mentioned sourcing fair trade beans using direct trade and Fairtrade principles. Direct trade is process of purchasing directly from the farmer and ensuring that the farmer gets fair price for the green beans. Therefore, ethical and sustainable practices are considered an important part of the business focus and strategy for these specialty coffee businesses.

Respondent 2: *"It does have an effect in terms of how like ethically the coffee was sourced by our green coffee suppliers."*

Respondent 5: *"we have a direct fair trade relationship with the coffee farmers that we source from … we can link our coffee to the country, region and cooperative that we source from."*

Question 4: In what way does consumer knowledge for specialty coffee affect your specific business?

In answer to Question 4 all respondents agreed that there has been a growth in consumer knowledge and awareness of what is on offer. Not only are consumers showing an understanding of the difference between instant/commodity coffees against specialty coffee, they are also asking the right questions about the coffee they are purchasing and consuming. The increased awareness enables consumers to enjoy different types of coffee at different roast levels, origins, flavour profiles and brewing methods.

According to Respondents 2 and 5 below, there is a developing interest in the market for ethically sourced coffee. Respondent 5 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 customers as they are more knowledgeable consumers and as more competitors are joining the industry. However, while consumers are talking more about coffee, there is still a gap in knowledge between industry and consumers in terms of appreciation. Respondent 2 and 5 have a notion 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.

Respondent 1: *"They ask those questions, 'Well, what is Instant coffee compared to normal coffee?'"*

Respondent 2: *"…consumer is demanding ethically sourced coffees. That means that we have to look for coffee that have story lines to them."*

Respondent 5: *"…people are moving from talking about blends and in terms of just general breakfast blend, Espresso blend to actual specific questioning around the coffee source from the different countries."*

5.3.3 Findings of qualitative data: Section C

The change in consumer coffee experience has resulted in specialty coffee business focusing on the elements of quality and consistency in the coffee being made. The core strategy of specialty coffee shops remains the quality of coffee and the service of the product to the consumer. The following core ideas were identified in the responses to Questions 5 - 10: a drive for environmentally friendliness in the industry; training of Baristas on delivering quality products and importance of service personal knowledge; growth in appreciation of specialty coffee; various factors in the quality of coffee and broadened coffee experiences due to increased travelling by consumers.

Question 5: What would you consider are the factors for consumers to choose your specialty coffee business?

In the case of respondents 1, 4 and 5 quality and the consistency of product are the key factors which differentiate them from other specialty coffee business. Coffee remains the focus of the business and delivering that in the best possible way to the consumer. In reactions to previously asked questions quality remains the most important factor to these businesses and the pursuit of achieving that quality. The coffee is roasted to bring out the best flavour and aroma profiles in the bean and less so according to a style of roast (e.g. light, dark or medium). Respondent 5 spoke about experimenting with the coffee and trying out new ways of brewing and roasting the coffee along with visiting various farmers to see what the coffee looks like and how it is processed at source.

Respondent 1: *"Once people have tasted our coffee, they don't want to go anywhere else. They can taste the difference in quality."*

Respondent 4: *"In general it's guys not understanding consistency and what consistency means. For us, it's a very important part of the business … keep that standard up there."*

Respondent 5: *"…we do an optimal roast on our coffees to best suit the coffees that we buy."*

Respondents 2 and 5 highlighted ethical and sustainability factors in their businesses. Respondent 2 further mentioned the growth in organisations which ensure these practices are being implemented such as Fairtrade, Direct Trade and Rainforest Alliance. The marketing edge comes from the sourcing of ethical and environmentally friendly coffee beans from a single origin.

Respondent 2: *"…ethical and sustainable coffee. It's actually gone beyond Fairtrade, it's more like relationship based Rainforest alliance now, Direct trade. Those are some of the things that everyone is pushing for."*

Respondent 5: *"… we do direct Fair Trade coffee and that means that we directly source our coffee again this is quite unique I'd say in South Africa".*

According to Respondent 1, knowledge and training of the barista is also an important factor in the running of a specialty coffee shop. The ability of the baristas to know the right tamping methods, temperatures for milk and milk texturising techniques for the coffee is of a high standard.

Respondent 1: *"…our baristas are very good. They came with a lot of training, I polished them as well, teach them the right temperatures, how to froth the milk, how to tamp… All of those small things really make a difference in the coffee."*

Respondent 1 did mention that consumers who are new to the specialty coffee products are still price conscious of the coffee despite the growth in knowledge. Consumers who do not have an appreciation and understanding for specialty coffee ask why the price should be higher for this quality coffee.

Respondent 1: *"...they say 'Well, I'm getting coffee for cheaper' and that's quite a silly thing to say especially when the knowledge of coffee is growing and people are wanting better coffee."*

Lastly, Respondent 3 stated that the culture of the business is what makes the difference for consumers against other competing coffee businesses. Creating a social environment for the consumer to enjoy and to socialise, make conversation and conduct meetings.

> **Respondent 3:** *"…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."*

Question 6: In what way do you ensure consumer's loyalty and repeat business?

Respondents all lean towards quality and the consistency of that quality as being the main element which brings back customers. Therefore, by maintaining the quality of the product, there will be more consistent coffee shop patronage. A consumer is more likely to return after having an enjoyable experience and good quality coffee compared to poor service and poor coffee. Maintaining of standards is an essential part of ensuring customer loyalty and return business for the specialty coffee industry. As briefly explained by Respondent 3: "*The coffee speaks for itself.*"

> **Respondent 1:** *"Quality over quantity, 100%. Once you get the quality right the… quantity will come."*
>
> **Respondent 2:** *"… those are the two biggest things so: service is great, good quality products."*
>
> **Respondent 4:** *"That's a main part of this business is quality, and it's across the board from making sure that the customer gets his consistent good cup of coffee."*

In addition to the quality and standard of the coffee, 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. Respondent 5 further explained this personal level of service by being the provider of not only coffee beans but also the 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. Respondent 3 stated that loyalty cards are a drawing tool for repeat business.

> **Respondent 5:** *"We focus on service and our focus on relates to quality but more on the personal level."*
>
> **Respondent 1:** *"…one of the managers are always here. Makes a huge difference as well."*
>
> **Respondent 4:** *"…but also making sure that every experience that they have is of that high standard and high quality."*
>
> **Respondent 5:** *"In terms of that fact that we can kinda offer your end-to-end requirements around how to brew the coffee that we sell."*

Question 7: Why would you say consumers are drinking specialty coffee?

With the growth in knowledge and experience, consumers are tired of the coffee of the past and seek new experiences to enjoy quality coffee. For this reason, the consumer is willing to try new methods of making coffee differently to past methods for better quality coffee. The perception of consumers is changing about the coffee they are drinking. Respondent 3 shared the view that the white ethnic group appreciate good coffee in its own right, while the African ethnic group enjoy coffee for the social media aspect of taking pictures, posting and gaining followers based on the places they visit. Despite these trends to consume specialty coffee and visit the outlets, however, consumers tend to stick to what they know in terms of a coffee beverage menu.

> **Respondent 1:** *"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." "They can tell the difference between that cup of coffee and a normal cup of coffee they get somewhere else and once people taste it, they can't go back to the average."*
>
> **Respondent 2:** *"Consumer knowledge has grown and the consumer is coming to the party in terms of supporting the coffee community."*
>
> **Respondent 3:** *"… a lot of white guys, they are more appreciative of 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 compliant that will boost your followers."

Respondent 4: "*You know it hops back to the idea that I think most of time people just expected a cup of coffee to … get them out of bed and going. That's why Robusta and stuff like that is in them but you know, for me, I think they're catching on because it's very enjoyable."*

Respondent 4 commented on the need to educate consumers and change the perceptions consumers have about the coffee they consume. The consumers have shown an interest in coffee but still do not understand the origin of coffee beans, brewing methods and flavour profile of coffee. While consumers interact with baristas in terms of the flavour profile, they do not fully understand from which countries the coffee beans are produced for those flavour profiles. This further extends to the correct temperature and methods of brewing coffee to lessen the stigmas of the past and therefore training and education is important for coffee shops and customers to learn to make coffee the right way instead of producing what the consumer knows.

Respondent 3: *"…they don't know what they order is a Cappuccino or Latte but then that's the thing because that's what they know, that's what they have read about or seen on TV."*

Respondent 4: *"Educate them along the way … help them kinda make them aware, 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.' So let me help you and let me actually try convince you to have an African coffee because actually they quite delicious."*

"So anything we do, we try and back it up with knowledge."

Based on comments from Respondents 2 and 4 below, specialty coffee consumers are willing to spend more on the coffee being purchased than in the past because of their understanding and appreciation of what goes into specialty coffee for the flavours it produces. Consumers who have experienced specialty coffee are more aware that spending more for coffee beans is based on better quality, traceability and a more complex flavour profile.

Respondent 2: *"…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."*

Respondent 4: *"Exactly I would rather spend R150 on one good 250g of beans, which has got traceability, interesting, delicious, than spend R75 - R150 and buy two bags of rubbish that's just picking me up … type of mentality."*

Question 8: What would you say are the strongest motives by consumers to find your specialty coffee business?

The majority of these business respondents said that word of mouth and family and friend are the biggest motives for a consumer to visit a specialty coffee business. Family and friends often experience the specialty coffee and, in turn, spread the word to other people they know. The shop is used for business meetings and/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 does not remain the focus of their marketing strategy.

Respondent 1: *"… they tell their friends. And they keep bringing people back."*

Respondent 4: *"Biggest thing is word of mouth … we do have all our pages and Facebook's and everything but we barely do any advertising."*

Respondent 2: *"First-time impression has been great and we see people talking about our existence and then obviously that would be family and friends."*

Respondent 3: *"… a lot of times it's for business meetings and stuff."*

Respondent 4: *"… a lot of word of mouth, through family friends, in fact I think one of our biggest has been word of mouth in terms just getting out there and marketing."*

The brand of certain specialty coffee shops has been a strong motive for Respondents 2, 4, and 5 in terms of consumers finding their businesses. Brand development over time has grown their market share of the business as consumers recognise it and return for more coffee. Respondent 5 explained that their brand development over time it has proved itself in the corporate market and gained them a large amount of business from this market segment.

> **Respondent 2:** *"… also the brand itself, I think it's starting to gain traction which is quite good."*
>
> **Respondent 5:** *"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."*

Respondent 1 stated that the location in which the business is situated is advantageous for bring consumers to the business.

> **Respondent 1:** *"So it was strategic positioning."*

According to Respondent 4, consumers are looking for 'an experience' and specialty coffee is one of those experiences. The specialty coffee industry therefore has a lot of excitement around it which draws consumer curiosity to try the coffee being sold.

> **Respondent 4:** *"…they come into places like this or things like this. They want to learn something, they wanting to get involved with the experience."*
>
> *"I guess we also quite lucky we're in an industry … obviously the specialty coffee industry has a lot of hype around it."*

Question 9: What differentiates you from other specialty coffee business, franchise coffee shop chains?

Respondent 1 stated that as the owner, God is the difference within their business. They wanted to do something different and be something different for the consumer. The spiritual viewpoint of the owner plays an important role in how the business operates and is conducted within the community.

> **Respondent 1:** *"God, so we are a Christian family and we went out to say this is going to be different."*

Another differentiating factor for Respondents 1, 2, and 5 was the high quality of employees who deliver the 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 story of the coffee are factors that separate the business from other coffee businesses within the coffee market.

> **Respondent 1:** *“…we have got very good quality staff.”*
>
> **Respondent 2:** *“We have got people that are very passionate about what they do, which is something that you really have to find in quite a lot of establishments.”*
>
> **Respondent 5:** *“…our staff are the thing that 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 are able to share that with our regulars or new customers.”*

As mentioned previously, maintaining the standards is always core to specialty coffee business operations. Following this thought, Respondents 2 and 4 pointed out that being an independent roaster is important to the consumer due to the quality of coffee that is served. Consumers also appreciate the individual character these businesses have and often these shops focus on unique aspects to set them apart with an individual identity from other businesses. For example, Respondent 3 mentioned being environmentally friendly and practising this principle by using eco-cups. Respondent 4, on the other hand, described the atmosphere and aesthetic features of the business space as being well thought out and unique as a differentiating factor.

> **Respondent 2:** *“…we make sure that we do taste them (coffee roasts) to make sure that they meet our set standard.”*
>
> **Respondent 3:** *“…another thing is we try to be environmentally friendly, so we use bio-degradable cups.”*
>
> **Respondent 4:** *“I think being independent is important.”*
>
> *“I think design does have a big influence and obviously we spent a lot of time, energy and money getting our design right getting the aesthetics right. It is very important.”*

The idea of competing globally and not just locally was discussed by Respondent 4. South Africa should move towards a more global and strategic approach to take the local coffee produced onto the international stage. The target market should not just be local consumers but be broadened internationally.

> **Respondent 4:** *"I think it's what all business should do, never really just competing locally - competing internationally."*

Question 10: Where do you think the future of specialty coffee is going?

All respondents agreed on the future growth of the coffee industry and they suggested it could occur in different ways. Respondent 1 believed South Africans would follow trends currently occurring in Australia and New Zealand. This implies that the roasting process will improve coffee quality. Respondents 1 and 4 suggested this growth would come from an increased understanding of the science behind coffee making. Another idea was that as South African consumers increased their travels abroad it would lead to the growth in consumer knowledge and experience and trigger a demand for similar coffee experiences from the international market. This could lead to new businesses being brought onto the South African market, for instance, Starbucks shifting consumer mind sets. Respondent 3 predicted that the South African market will grow beyond its two major specialty coffee cities of Johannesburg and Cape Town. Finally, Respondents 4 and 5 said that the coffee waves are becoming mixed up and such terminology is becoming somewhat farfetched. It is believed that South Africa will adopt different practices from the different waves and create a unique coffee culture from it. Therefore, the main focus of the coffee industry should still be on the experience, knowledge growth and the enjoyment of coffee.

> **Respondent 1:** *"…a big focus is just to follow the trends of Australia and New Zealand."*
>
> **Respondent 2:** *"…now that people are travelling and going to places where the coffee scene is booming and when they come back they're starting to look for something similar."*
>
> *"International brands that are trying to also play on to the market in South Africa which is something that is positive."*

Respondent 3: *"…it's growing because especially in South Africa, its only really thriving in Cape Town and Johannesburg."*

Respondent 5: *"South Africans, hopefully the rest of the world, will know more about African coffees. …"*

"I wouldn't limit myself to saying 'Ok no, we're only in 3rd Wave or 4th Wave coffee or 5th Wave', it's kinda like South Africa has its own unique sort of model."

Respondent 4: *"…what I hope is going to happen to: it is they'll start moving away from … kinda just naming things for the sake of naming things (cause unfortunately that's where I feel it's going) and they'll actually just focus on what they need to do and that is quality."*

"…the premise is still around the idea that it's an experience now and drinking a cup of coffee is like drinking a really great whisky or fine wine."

Climate change within the specialty coffee industry should be seriously considered according to Respondent 4. Coffee is a crop under major negative influences due to climate change which makes for tougher growing conditions and harder economic times for farmers.

Respondent 4: *"Coffee is a major crop under major threat due to climate change."*

Respondent 2 stated that as South African consumers enjoy a steady growth in income this would see slow growth in coffee sales. However, this viewpoint was contradicted by Respondent 5 who suggested that there is a lack of disposable income for South African citizens which would affect the purchasing demand of consumers. Despite a greater awareness, more knowledge on ethical practices and better understanding of brewing methods, without the consumer being able to afford the specialty coffee therefore, the coffee market would remain consistent.

Respondent 2: *"…there has been a steady growth in terms of people's income … people can now afford to buy a cup of coffee every now and then"*

Respondent 5: *"I do think there's a limit because of disposable income, to people being able to pay R25.00 for a cup of coffee."*

"But I think no matter how much people understand or appreciate the input that went into the coffee if you can't … it's an affordability thing."

5.3.4 Analysis of qualitative data: Objective 4

- **Describe how changing consumer specialty coffee knowledge has affected specialty coffee businesses.**

The analysis of the findings identified various core ideas which are grouped together as themes and concepts as mentioned by respondents or referred to repeatedly in the interviews. A total of five interviews were analysed according to their saturation level. Figure 5.17 below shows the three major themes identified in the interviews. One theme is split into sub-themes as per the analysis. South African consumers see coffee as being part of a lifestyle not only a daily ritual (Insight Survey, 2017)(see section 3.3.3).

"It's not just a cup of coffee anymore." According to Respondent 1.

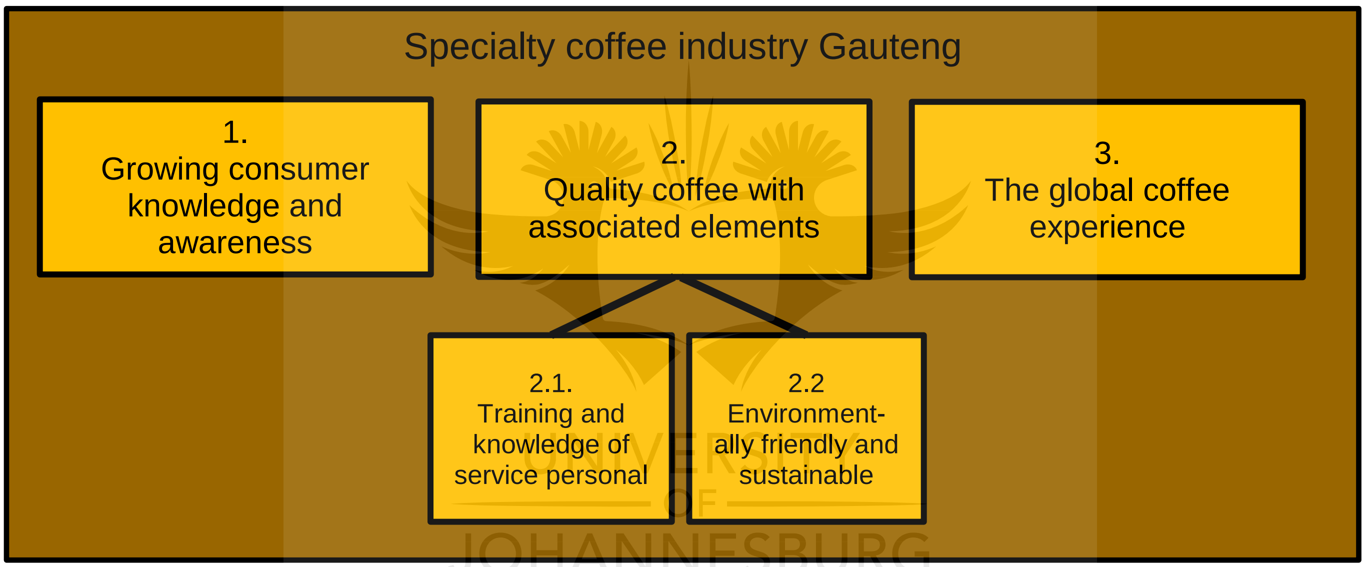

Figure 5.17: Themes identified from qualitative findings

A discussion of the three themes follows.

- **Theme 1: Growing consumer knowledge and awareness.**

Coffee consumers of the past have progressed to the specialty coffee industry. According to Respondent 2, there has been tremendous growth in the specialty market. This concurs with Friend (2016)(see section 3.3.2), who indicates that global specialty coffee businesses have grown by 9.1% from 2014 to 2015. The consumers of the past now has new insights and knowledge of coffee as a specialty beverage. Consumer awareness has grown through them asking different questions about the coffee they are drinking: brewing time and temperature, origin of beans, flavour and aroma profile of the beans, roasting levels of the beans and the different ways in which the beverage can be served. Consumers are asking the right questions surrounding specialty coffee according to respondents which relates to growing consumer knowledge and awareness for the specialty coffee industry. Therefore consumers are engaging more with the product and enjoying the experience surrounding coffee. The specialty coffee shops have been encouraged by this consumer behaviour to grow their knowledge, try new beans and roasting techniques, and develop new ways to experience the coffee being served (Guevara, 2017)(see section 3.3.1). In short, this trend has businesses providing a product and encouraging coffee consumers to engage in the new experience through asking questions about the product.

- **Theme 2: Quality coffee and its various effects.**

Specialty coffee businesses pride themselves on quality and believe it is what sets them apart from other coffee businesses, "high standard and high quality" as stated by Respondent 4. Valencia (2017) defines specialty coffee as the process of making good quality coffee for customers (section 3.2.3). Therefore, quality of the product is considered a key differentiating factor in retaining the customer base that these businesses have. The consistency of the product is also linked to the quality of the product. According to Respondent 1: "Quality over quantity. One hundred percent. Once you get the quality right the… quantity will come."

According to Krekó (2015:8)(see Section 3.2.3), specialty coffee is tested on different variables to be classified as specialty coffee and roasted to the desired flavour profile. Quality, as a topic in itself, is composed of various factors which were mentioned by respondents. These include, the type of beans being 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 quality of the product, the baristas ensure the consistency which creates a unique customer experience for consumers. This correlates with research by Hashim et al.(2017:45)(see section 3.3.2) which indicated that quality is the main reason for consumers to re-visit a coffee shop. The literature also explains that specialty coffee is about locally produced goods, sustainable suppliers of beans and taking pride in “not conforming to the model of mass consumption” (Brewer & Ghannam, 2015:59; Manzo, 2014:3)(see section 3.3.1). This relates to the quality factors respondents are aware of when making coffee.

Two additional sub-themes linked to quality were identified by respondents for specialty coffee businesses. The first, is a high standard of trained service personnel which indicates that training and knowledge of service personnel is a great asset to the businesses. Consumers appreciate good service and knowledgeable baristas who are able to discuss the product being served since such a level of service creates a quality, personal experience for the consumer. According to Respondent 5: “We focus on service, and our focus … relates to quality but more on the personal level”.

The second sub-theme confirmed by these respondents is the environmentally friendly, ethical and sustainable factors of the business. Specialty coffee does not have a complete quality profile unless the beans are ethically and sustainably grown and harvested. Therefore, these businesses believe in having an environmentally friendly and sustainable focus through the use of Fair Trade, Direct Trade, and Rainforest Alliance for products and have an awareness of how climate change is affecting coffee bean crops. Smith (2010:120)(see section 3.3.2) has also indicated in the literature that 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. In this respect, Rhinehart (2009)(see section 3.2.3) also agrees with the views of respondents in that he states specialty coffee is based on the quality of product and the quality of life the coffee brings to the individuals involved in cultivation, preparation and tasting of the coffee. Specialty coffee businesses emphasize the sourcing of coffee from sources which are environmentally friendly, ethical and sustainably grown as part of strong business model.

The results also show word of mouth to be the strongest influence on consumers to discover and choose a specialty coffee business. Respondent 4 stated one reason for consumer choice was, “… a lot of word of mouth, through family friends, in fact I think one of our biggest has been word of mouth in terms just getting out there and marketing". The brand is also mentioned by these business respondents in terms of the role it plays in the consumer's choice of their specialty coffee business.

The above factors (growth in knowledge; experiences of global standards and specialty coffee businesses pursuit of coffee quality) have created a unique coffee culture for Gauteng, South Africa. However, the specialty industry should now also consider the unique coffee culture of Gauteng created through adopting global trends and customer demand since Hussain (2017:6)(see section 2.4.2) states a culture has the largest influence on consumer buying behaviour. Hung (2012:54)(see section 3.3.2) agrees that 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 experience of the coffee being served.

- **Theme 3: The global coffee experience**

The modern consumer is travelling to different parts of the globe. These experiences bring back new knowledge, insights and practices for consumers. For example, the British coffee businesses are concentrating on customer experience by offering different specialty coffee-making methods (Ferreira, 2017B)(see section 3.3.2). This experience results in visitors to Britain demanding similar experiences in their home countries or as Hussain (2017:14)(see section 2.4.4) puts it, learning is "a result of doing something" and a consumer's behaviour changes through life experiences. However, these experiences and demand cannot be fully met in the Gauteng specialty coffee market as a gap still exists in quality, standards, expertise and knowledge for business owners. While these travellers bring a new demand to the market, the current market of specialty coffee consumers and business owners are currently behind in knowledge and expertise. 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 with the way forward as suggested by respondents is education to bridge the gap in knowledge. The theme of the global coffee experience was further assessed by Respondent 2 who identified its influence on consumer purchase and consumption behaviour: “…now that people are travelling and going to places where the coffee scene is booming … when they come back they’re starting to look for something similar.”

5.4 Discussion of results and findings

The first objective of this study is:

- **Explain how the consumer profile perception affects specialty coffee consumption behaviour.**

According to Friend (2016) the specialty coffee industry is the fastest growing restaurant sector internationally. Locally, the restaurant and coffee shop sector has seen a steady income growth in past years (Insight Survey, 2017)(see section 3.3.3). A triangulation of the analyses of quantitative and qualitative data with supporting literature follows while the results and findings are used to support the points of discussion. Consumer’s perceptions differ due to unique beliefs, attitudes and experiences (Hussain, 2017:13)(see section 2.4). Therefore, it follows that consumer perception on the specialty coffee industry in Gauteng, South Africa is unique. An essential part of developing the industry is to understand the impact of local consumer behaviour on the market since consumption behaviour has a direct link to purchase behaviour, which affects market demand for specialty coffee.

The consumer no longer sees a cup of coffee as just coffee because the quality and experience has changed. Respondent 1 identified this significant factor: “They can tell the difference between that cup of coffee and a normal cup of coffee they get somewhere else and once people taste it, they can’t go back to the average”. This indicates consumers regard quality with a good flavour and aroma profile as a high priority when consuming specialty coffee. These are also the elements in the specialty coffee shop experience that have been indicated as important to a consumer consumption behaviour decision (see section 5.2.3). The findings also present a theme of quality and consistency as being a high priority for coffee shop entrepreneurs. Consumers are known to re-visit a speciality coffee shop based on such factors and both were highlighted by respondents as the differentiating factors and reasons for the consumer's choice of coffee shop. Respondent 2 stated: "…people are starting to ask the right questions about how the coffee is grown … the origin of the coffee, how the coffee is roasted, also looking for what is special about some of the coffees we buy and sell to them". This concurs with van der Merwe and Maree's (2016: 502)(see section 3.3.3) findings that there has been a consumer shift towards experiencing higher quality, unique and origin-specific specialty coffee with different flavours and aromas. Such consumer demands for quality standards of products from the specialty coffee industry need to be met. Guevara (2017)(see section 3.3.1) states consumer's decisions as buyers have a direct effect on what specialty coffee businesses deliver in relation to demand in origin, quality and coffee experience.

The findings also support the theme of consumer knowledge and growing awareness (see section 5.3.4). The outline of the consumer profile of specialty coffee in section 5.2.5 particularly relates to consumers gaining a better understanding of specialty coffee and what variables of the product they need to focus on (Dqinçer et al., 2016:813)(see section 3.3.1). The profile also shows a growing demand for specialty coffee in the Gauteng market which means specialty coffee business will develop through exploration of their different product offerings and expert knowledge for the market. The findings also demonstrate consumers have a keen interest in learning about the industry which allows for a better customer experience and appreciation for specialty coffee. The findings of respondents and variables identified by participants for behavioural intention show that consumers are becoming more knowledgeable about coffee character and flavour profiles, not just the caffeine it provides (Coffee Revolution, 2017)(see section 3.3.1). This consumer curiosity into the specialty coffee industry in Gauteng, confirms the findings of Hoffmann and Beazley (2014:7)(see section 3.3.2) which indicated consumers are engaging with the product. Participant's indicated their preference for certain aspects of specialty coffee as being important to their purchase/consumption behaviour and it appears that international standards and practices are an important part of growing this sector; as a result of changing consumer knowledge and a demand for quality through travel.

However, consumer awareness of different standards, quality, and experiences does not necessarily mean the consumer fully understands all there is to know about specialty coffee. Consumer knowledge needs to be further developed to better appreciate the coffee through its brewing methods.

In South Africa, artisanal methods of making specialty coffee have increased in popularity by specialty coffee shops offering these methods and even selling the equipment needed to brew the coffee at home (Jacobs, 2015)(see section 3.3.1) for description of artisanal brewing methods). Respondent 5 mentions consumers are making Espressos at home and trying different artisanal brewing techniques at home. Results show that 13.1% of participants prefer artisanal specialty coffee beverages and 63% of consumers drink specialty coffee at home or a shop (see section 5.2.2).

Respondent 3 indicated that consumers choose a Cappuccino or Latte because they are more familiar to them. The results from the majority of participants also showed that these two specialty coffee beverages were the most preferred. Research done on employees in multiple companies also indicated these were the employees' favourite beverage choices (Coffee Magazine, 2013)(see section 3.3.3). Other than Cappuccino, the spread for preferred specialty coffee, was very low (see Figure 5.13). The reason for this pattern could be that Respondent 3's idea that consumers are not familiar with different kinds of specialty coffee is correct, because there is a lack of knowledge to try different beverage styles. This supports Valencia's (2017)(see section 3.3.1) suggestion that more effort should be made to educate consumers on the variety of specialty coffees available to better enhance their experience and appreciation of coffee.

Another priority identified by the participants was that good customer service and a pleasant atmosphere is appreciated (see section 5.2.3) which confirms the findings of Hashim et al., (2017:40)(see section 3.3.2). As respondent 5 states, "we focus on service, and our focus relates to quality but more on the personal level". Specialty coffee shops strive to fulfill this need of providing a good customer experience and creating an atheistically pleasing atmosphere for customers to enjoy. A key factor for these businesses is providing highly knowledgeable and trained baristas to deliver the quality product. Passionate employees are an important consideration in having competitive advantage in the coffee industry because customers appreciate service which is professional and knowledgeable allowing for questions to be asked (Hung, 2012:54)(see section 3.3.2). Respondent 1 put it this way: "They ask those questions well: What is Instant coffee compared to normal coffee?" This continued effort from specialty coffee shops to focus on training and education of service personal and baristas, results in providing better customer service and experience for consumers, helping to bridge the gap in knowledge as consumers engage with the product.

In terms of expense, consumers are willing to spend more on specialty coffee than in the past based on the findings (see section 5.3.2). Consumer's willingness to pay more for specialty coffee is due to growth of consumer's knowledge and a better appreciation of the complexities of the coffee. The results agree by indicating that consumers who earn a higher income are more willing to spend on specialty coffee. A majority of respondents indicated a willingness to pay R3.00 or more per specialty cup of coffee. At the interview Respondent 1 stated new consumers do not fully understand why they should pay more for specialty coffee; however this mindset might be linked to a lack of knowledge of what specialty coffee entails and the complexities of flavour it can yield.

The findings from the interviews show the strongest motive for consumers to learn about a specialty coffee shop is through word of mouth. The majority of participants gave the two top reasons for being introduced to specialty coffee was through friend or relationships and family members (see section 5.2.3). The different data sets agree by indicating that people are the strongest influence in advertising and learning about specialty coffee. A potential influence in consumer behaviour is that consumers value the opinions of family and their social circles highly. This variable of influence is seen through the proposed theoretical model (Chapter 2) whereby TPB shows subjective norms as having an influence of behavioural intention.

The perception of participants on the future of the industry is that 90.4% believe it is somewhat likely to grow, while 54.80% say it is very likely and 88.7% indicated to growth in variety of coffee and blends as being somewhat likely (see Figure 5.15). Respondents agree that a significant growth in the industry has already occurred and the growth will continue to increase (see section 5.3.4). This will see more international standards being introduced from countries like Australia (Bennett, 2017) and America (Adams, 2013:33) with the focus on improving the quality of coffee and the specialty coffee experience (see section 3.3.2). Respondent 2 observed: "International brands that are trying to also play in to the market in South Africa which is something that is positive." This suggests the consumer demand is changing as knowledge about different coffees develops. The South African industry is advancing to meet the demand and to compete in the global market. Independently owned coffee shops are on the rise to challenge well-known global coffee brands (Friend, 2016)(see section 3.3.2).

Environmental sustainability and ethical considerations for the coffee industry is a topic of global social concern (Manzo, 2014:3; Smith, 2010:120)(see section 3.3.1 and 3.3.2), which were discussed by respondents through consideration of business practices and choice of supplier as being important. Respondent 2 asserted that, "it does have an effect in terms of how, like ethical the coffee was sourced by our green coffee suppliers". The majority of the respondents purchase coffee beans through sustainable sources and ethical practices. Respondent 5 voices the concern of most specialty coffee shops in the industry. "We have a direct fair trade relationship with the coffee farmers that we source from … we can link our coffee to the country, region and cooperative that we source from". However, the results from participants indicated that having beans which are sourced ethically and sustainably is not a top priority or concern (see section 5.2.3), unlike business in the industry. It appears that consumers have a concern about ethics and sustainability at a conscious level but not at a conscientious level. Educating the consumer on the importance of these environmental sustainable and ethical practices should coincide with teaching consumers about specialty coffee.

Consumer knowledge growth depends on a more learned consumer who understands and appreciates specialty coffee. This further relates to an increased growth potential for the specialty coffee business as more consumers are willing to buy into the product based on their improved awareness and knowledge. In addition, the more an understanding of the specialty coffee experience and growth in the market is seen, the more specialty coffee businesses can expand and develop a better quality product for consumers. In short, if consumer knowledge is on the rise it will positively impact the consumption behaviour.

This also needs to take into account that the unique personality of a consumer creates unique purchasing behaviour. The perception of consumers in Gauteng is unique, in that it has adopted many different global standards and practices from different countries (Shethna, 2016)(see section 2.4). The specialty coffee industry in this location has continued to develop and find a balance between meeting international levels while brewing a product to meet local consumer demand. This blend of global standards with market demand has allowed the industry to create a unique culture, and therefore a unique 'rainbow nation' blend of coffee culture. International experience gained by consumers and adaptation of other countries knowledge and expertise has moulded a unique specialty 'rainbow nation' coffee culture as mentioned by Respondent 5: "I wouldn't limit myself to saying OK no we're only in 3rd wave or 4th wave coffee or 5th wave…its kinda like South Africa has its own unique sort of model.".

This unique coffee culture allows independent coffee businesses to gain competitive advantage over larger coffee chains as these chains are unable to keep up with rapidly changing trends and consumer preferences (Ferreira, 2017B)(see section 3.3.2). This competitive advantage will allow specialty coffee businesses to meet the growing market demand of specialty coffee consumers in Gauteng.

An increase of 10% from 2017 to 2021 is predicted for the global specialty coffee industry (Maida, 2017)(see section 3.3.2). This will be evidenced in the province of Gauteng South Africa by a healthy growth of the specialty coffee culture due to the increased delivery of knowledge, experience and quality in the specialty coffee industry. The consumer market behaviour in this study demonstrates a positive perception of the specialty coffee industry and the awareness of this influence will result in the longevity of specialty coffee outlets. The results and findings of this study show a rise in consumption of quality specialty coffee in Gauteng because of consumer demand with industry efforts to improve the product for the consumer.

5.5 Summary of chapter

The analysis of the data in this chapter shows that consumer behaviour for specialty coffee has changed over recent years. As seen by the results and findings, the consumption of quality specialty coffee is on the rise in Gauteng through the demand of consumers and the industry's efforts to improve the product for the consumer.

The specialty coffee industry has recognised the consumer consumption behaviour. The quantitative data was represented using graphs and tables with supporting text for interpretation and analysed with descriptive and inferential statistics to meet objectives of the study. The qualitative data was described using an indicative content analyses approach of summarising the transcriptions, coding the data and identifying themes for analysis to reach objective four of the study.

The results of this study served to outline a consumer profile for specialty coffee (5.2.5) and identified variables which have affected consumer purchase intention behaviour as part of the proposed theoretical framework (5.2.10). The findings identified three themes: namely, the consumer's impact on quality, the growth of consumer knowledge and awareness, and the influence of international coffee experiences (5.3.4). In other words, as the knowledge of consumers in the specialty coffee industry has increased, the blend of elements and variables has evolved with the increase in consumer purchase behaviour which has led to a unique coffee culture in Gauteng. Specialty coffee shops are now focused on producing quality products with professional and knowledgeable service to meet market demand. The emphasis on educating consumers to further close the gap in knowledge and awareness is apparent and will allow for a better holistic appreciation and understanding of the specialty coffee industry in the future.

CHAPTER 6: CONCLUSION, RECOMMENDATIONS AND LIMITATIONS

6.1 Introduction

The specialty coffee industry in Gauteng has experienced growth over the past few years. This growth relates to the developing knowledge of specialty coffee businesses and their delivery of a product to the consumer while educating them, and creating an experience that meets market demand. The constant drive to develop consumer knowledge has evolved through the specialty coffee experience, introduced to consumers by friends, family and international travel experiences. As a result, consumer awareness and knowledge surrounding a cup of specialty coffee has changed to the extent that consumers perceive it differently. The final chapter concludes these thoughts and summarises the idea that specialty coffee is here to stay due to a change in consumer consumption behaviour.

This chapter will conclude the study and answer the three research questions which were detailed in Chapter 1. The research question and sub-questions are dealt with in three sections to explore and answer the questions with the results and findings and give recommendations based of the data represented. The proposed theoretical framework is discussed in relation to results found and recommendations made. Recommendations for further study are included in this chapter with the concluding thoughts of the dissertation.

6.2 Results and Recommendations for Research Questions

The Research Questions identified in Chapter 1 are answered under the following headings and are based on the results and findings in Chapter 5 of this research study.

6.2.1 Main research question

- **How has the consumer profile and behaviour influenced the perception of specialty coffee consumption in Gauteng? (R_0)**

The specialty coffee industry has experienced a change in consumer demand due to evolving knowledge and awareness of consumers for the product. The main question responses were, consumers are engaging with specialty coffee and asking questions about its processing, flavour profile, brewing technique, origin and roasting level. Their questions have identified and lessened the knowledge gap between experts and consumers. International travel by consumers has brought new consumer insights to local specialty coffee experiences. Australia and America are known to be the two most developed specialty coffee drinking nations (Bennett, 2017; Krekó, 2015:8). The consumer is demanding quality coffee, great customer service and pleasing atmosphere (see section 5.2.5) (Hashim et al., 2017:45)(see section 3.2.2). The specialty coffee experience has changed for consumers even though they may not fully appreciate or understand the complexities of the product. The consumer profile drawn up in this study shows the specialty coffee industry is aware of their target market and on what elements they need to focus on in business and for product development.

The global experience through travel exposes a variety of experiences, knowledge and practices to consumers and the local specialty coffee businesses. The study uses a mixed method survey design in the process of collecting and analysing both qualitative and quantitative data simultaneously. This method of study proved useful in understanding and interpreting the specialty coffee industry to develop a consumer profile, understand consumer knowledge for specialty coffee, and interpret the perception of consumers towards the purchasing and consuming of specialty coffee. The response to the research questions allows for both perspectives to be viewed and analysed for a holistic discussion of the specialty coffee industry in Gauteng. A review of the research design could assist future studies whereby the qualitative data gathering is conducted first as this will allow the researcher to gain insight into the most recent trends, practices and influences affecting consumers. This study identified consumers travelling internationally as a possible variable to influence specialty coffee purchase decisions. In further studies, these possible variables can be assessed in quantitative studies after qualitative analyses provided this is an objective of the study.

The combination of consumer consumption behaviour with the industry focus on quality and meeting international standards has brought about a different and unique coffee culture to South Africa. The 'African' wave of coffee, if you will, represents a hybrid culture, by the adoption of different waves of coffee, international experiences and standards and local coffee culture for a unique consumer profile of the Gauteng consumer. The perception of the specialty coffee industry, therefore, is one of positive change and growth as the consumer consumption behaviour buys into the industry with the expectation to learn and appreciate the range available for a cup of coffee (for an extended discussion on the findings of consumer knowledge affecting specialty coffee industry see section 5.4).

Recommendations: Main Research Question:

- The results indicate that specialty coffee is in demand with quality being a major priority for consumers, therefore, the correct standards need to be investigated and implemented for the specialty coffee industry. This development of education and training can be further implemented for other major stakeholders of the hospitality industry such as hotels, resorts, conference centres and restaurant chains. International standards for coffee should be introduced through globalisation of the specialty coffee industry. The specialty coffee education can be achieved through more training centres and qualifications being available to the hospitality market pool. Training is continuing process as new trends, coffee beans and brewing practices are being introduced to the market.

- A further development of the specialty coffee experience is that consumers have shown a keen interest in improving their knowledge. 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. Coffee has many complexities and elements which produce the quality product and therefore this should be the focus for educating consumer to create stronger market demand. A focus for coffee shops is to learn more about the coffee being served and then discuss this with their customer.

6.2.2 Sub-research Question 1

- What is the current consumer profile of specialty coffee consumption consumers within Gauteng? (R_1)

It is important to identify consumer specialty coffee consumption as it affects what the industry delivers to the consumer and establishes whether businesses are meeting the demand of consumers. The following components of the consumer profile are based on the participant sample's responses. Specialty coffee consumption is not gender specific. The majority of consumers are between the ages of 18 to 39, with a white ethnicity, and employed with a tertiary level qualification. The consumer has an income level of at least R15 000 per month. Consumers will generally drink two to three cups of coffee a day, with 62% preferring specialty coffee and consume at least two to three cups of specialty coffee per week with a tendency is to visit a specialty coffee shop once a week. A consumer's preferred specialty coffee beverage is a Cappuccino followed by Café Latte and Americano and the majority of consumers are willing to pay R3.00 or more per cup.

Generally, consumers will repurchase the same specialty coffee for its good flavour and aroma, and for the enjoyment and pleasant atmosphere of the coffee shop. The choice of a specialty coffee shop by a consumer depends mainly on the quality of coffee, great customer service, a convenient location, and an introduction by a friend, relation or family member. Consumers with higher income levels purchase more coffee as they are willing to pay more. The consumer who prefers specialty coffee at home and shop consumes more specialty coffee and tends to frequent specialty coffee businesses. A consumer's attitude, people of influence, social circles and consumer's perception of purchasing control, are variables which influence consumers when making a purchasing decision. External variables that consumers consider are the quality of product with associated elements, which affect the quality of specialty coffee. Lastly, the external elements which add to the coffee shop experience of consumers are price, brand association, reviews and recommendations, convenience and location. (For more detail on the results of the consumer profile see sections 5.2.5 and 5.2.10).

Recommendations: Sub-question 1:

- The specialty coffee industry in the hospitality industry should focus on creating a quality product by cultivating a knowledgeable service of specialty coffee surrounded by a positive pleasant environment. This can be achieved by blending international standards from America and Australia with South African consumer preferences for coffee there by creating a more knowledgeable service personal and quality product.
- The specialty coffee industry (e.g. baristas and coffee shop owners) should increase their understanding of the important role of how people, friends and family, close to consumer's influence and affect the purchase consumption behaviour of future specialty coffee drinkers. Consumers considered the opinion of fellow coffee drinkers highly.

6.2.3 Sub-research question 2

- How have specialty coffee businesses been affected by the changing consumer knowledge? (R_2)

Consumers have developed their experience and awareness of the changing specialty coffee industry in terms of quality and consistency by asking more knowledgeable questions about the topics of quality, flavour profiles, origin of beans, roasting techniques, brewing methods and the way in which specialty coffee is best consumed. This change in knowledge is aided by consumers travelling internationally resulting in consumer wanting more out of their coffee experience. The consumer is engaging with the product and the experience of a specialty coffee shop. The changing consumer knowledge has affected businesses as follows: Business owners are currently emphasising the need for further educating the consumer as they visit their outlets and drink the coffee. Specialty coffee industry is developing new coffee consumer experiences to adapt to consumer change in preferences and knowledge while introducing what can be experienced from specialty coffee. 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 to attract consumers. The specialty coffee industry also maintains a focus on sustainability and environmental friendliness in the sourcing of coffee beans. A high standard of training for service personnel is seen as beneficial and effective in delivering the product to the consumer according to respondents. The cultivation of a new culture of appreciation for coffee has led specialty coffee businesses to produce better quality and more complex products to meet the demand and more learned consumer. The consumer knowledge gap is being filled although consumers are still behind in knowledge of what the specialty coffee experience entails (For an extended discussion on findings on consumer knowledge effecting specialty coffee industry see section 5.3.4).

Recommendations: Sub Question 2:

- The knowledge gap between consumers and experts within the industry should continue to be filled for a full appreciation of the specialty coffee experience. Therefore, educating and increasing the consumer knowledge will develop the understanding which translates into a stronger appreciation and demand for products within the specialty coffee industry. The industry should develop discussions around the coffee they are brewing in order to educate the consumer while they are drinking the coffee. As well as introduce dynamic coffee course which the domestic market could take part in.
- Specialty coffee experts should investigate global standards and experience specialty coffee from an international perspective to gain insight into what consumers are experiencing internationally. This will allow experts to assess the

current product offering against global offerings and to bridge the quality and knowledge gap in specialty coffee.

6.4 Discussion of Proposed Theoretical Framework model

The main purpose of the proposed theoretical framework model used in this study identifies variables which affect behaviour intention and purchase behaviour. The focus on developing a consumer profile (see sections 5.2.5 and 6.2.2) is to give the background on the variables which effect consumer behavioural intention of specialty coffee and define the market demand. The variables which affect behavioural intention were identified from the consumer profile and TPB model as attitude, subjective norm, and perceived behavioural control (Chapter 2). These results correlate with the variables for consumer intention to purchase specialty coffee found by van der Merwe and Maree (2016:505). The results also agree with Ajzen's (1991:181) Theory of Planned Behaviour model as a predictor for specialty coffee consumption as well as Hussain (2017:3) and Lautiainen (2015:6) regarding the four factors which affect consumer purchase behaviour (Section 2.4).

The variables affecting purchase intention and the consumer profile are indicated in the revised proposed framework (see yellow box Figure 6.1). The analysis resulted in two additional variables being added to the framework as external influences which relate to Hale et al.'s (2003:280) findings of additional elements not included in TPB that can affect intention to perform behaviour. The first variable affecting consumer consumption behaviour is coffee quality and the elements that make up quality (roasting level, origin/traceability, flavour profile, aroma of beans, brewing techniques). The second variable considers the external influences that affect a consumer's behaviour: convenience and location, price of coffee, brand of specialty coffee shop, recommendations and reviews by social circles and media. The study met the objective of identifying new variables to consider in understanding consumer behaviour surrounding specialty coffee shop. Further investigation is recommended to prove the remaining parts (blue and red square of Figure 6.1) of the theoretical framework and test the variables identified for effect on behaviour intention.

In the context of exploring new variables affecting consumer consumption behaviour the qualitative analysis identified the impact of global coffee experiences has on consumers and (section 5.3.4) on the products and practices of the specialty coffee market in Gauteng. Consumers have experienced different specialty coffees and ways of experiencing specialty coffee because of the increased international travelling of consumers. Therefore, further investigation should be conducted to test its validity and reliability as a variable which could be added to the theoretical framework model (Hale et al., 2003:280).

In addition, the analyses combined the TPB model with the Five Stage Purchase Decision-making model to reveal the affects of consumer consumption behaviour on the specialty coffee industry. The five stage model explains the process of how consumers purchase specialty coffee products (see section 2.5). The variables identified in the study are linked to information gathering stage of the process as these variables identify as sources of personal, external, psychological or social consumer information. The study indicate that consumers tend to purchase the same specialty coffee as highest reason when making decisions to purchase specialty coffee (see section 5.2.3) and followed by impulse purchase decisions and the need to buy specialty coffee. This agrees with the research by Lautiainen (2015:31) that shows consumers generally make impulse purchase decisions on selecting a coffee brand. Since repurchase is an important indicator for increased consumption behaviour because the product is consumed, this variable is included in the theoretical framework model as a post purchase evaluation. The recommendation is for further studies to be done about the inclusion of the Five Stage Purchase decision-making model with the TPB for consumer purchase behaviour and the way in which purchase decisions are made. Figure 6.1 is an updated theoretical framework model from the theoretical framework model proposed in 2.6 of Chapter 2 based on the results and findings of this study.

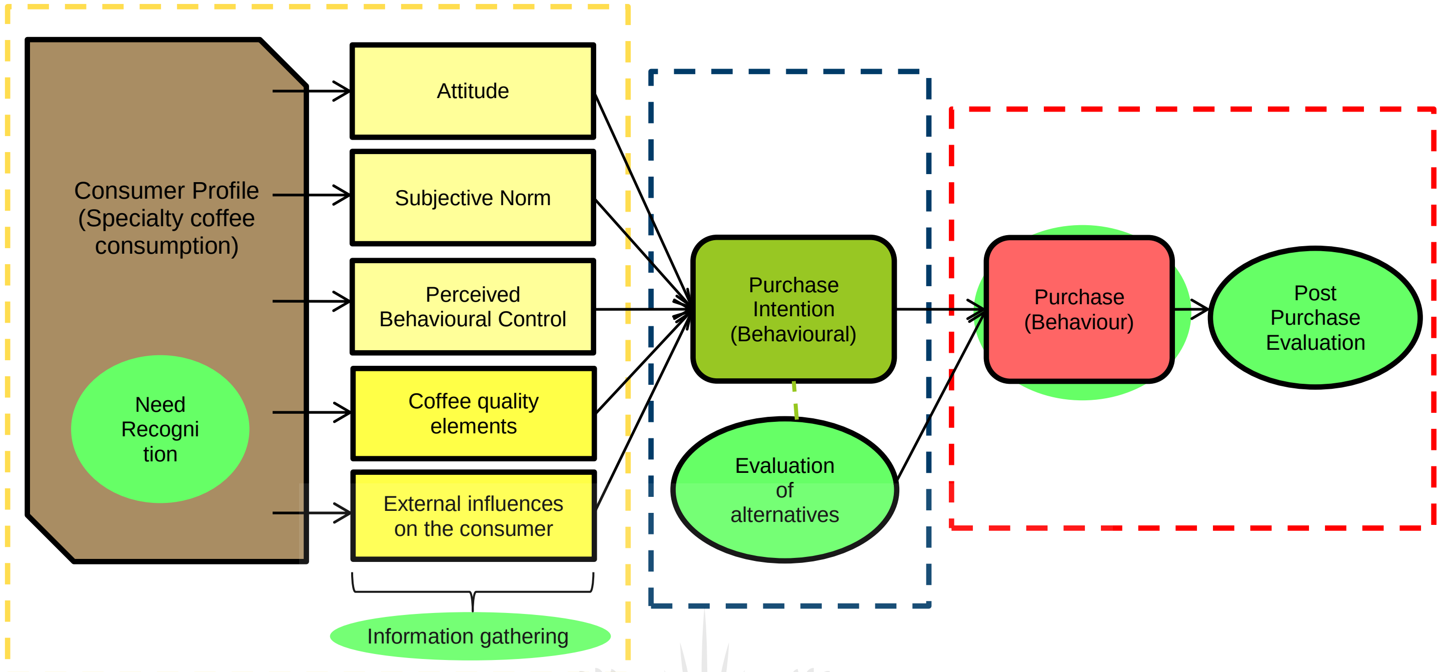

Figure 6.1: Proposed theatrical framework (Source: Researcher's own design)

In conclusion, the proposed theoretical framework model should be used as foundation to understand consumption and purchase behaviour. Further investigation and studies can be done to explore additional elements and factors which affect consumer consumption behaviours in the specialty coffee industry. The results from this study contribute to the gap in research identified by van der Merwe and Maree (2016:507). Consumer behaviour gives an in-depth understanding of how the decision-making process is completed and how this affects a consumer purchasing behaviour (Hung, 2012:51; Hussain, 2017:3; Lautiainen, 2015:6). This model explores the decision-making process and how the results change consumer behaviour towards specialty coffee. The model can be used practically to understand the way in which consumer's purchase and consume specialty coffee. Through the consumer profile, the industry has a description of the market demand for specialty coffee; therefore interpretation of this can result in development and growth in specialty coffee market sector.

6.5 Recommendations for Further Study

Literature in the specialty coffee industry of South Africa is limited. Therefore, constant on-going research is needed to assess expansion of the industry, to understand consumer behaviour, and monitor the increase in individuals who operate within the industry. The infancy of the specialty coffee industry in South Africa may be identified by the lack of research in this field. Despite the fact that there remains much to be investigated, it is hoped this research will grow the research pool. The recommendations for further study are as follows:

- The theoretical framework proposed in the study should be further investigated in relation to behaviour intention, purchase behaviour and post purchase/re-purchase behaviour. The additional variables affecting consumer behavioural intention can be confirmed through further studies. Extended research into environmentally friendly practices and sustainability in terms of the effective consciousness level of consumers should be investigated alongside specialty coffee business focus on these practices as part of the business model. Consumers who are travelling more and experiencing different specialty coffees internationally have a different perception of the industry. This theme identified through the qualitative data can be assessed as a possible variable to identify its influence on behavioural intention for specialty coffee. The study also revealed that roasting and roast profiles of coffee beans affect consumer perception of specialty coffee and therefore more research should be done to assess the consumer consumption behaviour and importance of these steps in the specialty coffee making process.

- The study can be broadened geographically to include additional major cities of South Africa to verify and compare consumer profile and consumption behaviour of Gauteng as discussed in this research study. This widening of the scope in the South African consumer profile can identify similarities or contradictions between the major cities and so confirm comments made about the differences of consumers in Cape Town and Johannesburg.

- 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.

6.6 Limitations and Possible Errors of the Study

This dissertation's limitations are discussed as areas of the difficulties of the methodological aspects of the study (Kumar, 2011:214). The process of roasting the coffee beans by roasters was not discussed in-depth as a factor affecting the quality of coffee and the part it plays in the consumer experience. The alternative brewing methods from an espresso machine are not detailed in the data gathering stage of the research because the study focus was on establishing a base line for consumer consumption behaviour. The results show consumers have some preference for these styles of brewing and further investigation is recommended to describe the influence this has had on the market. A further limitation was the research focused of specialty coffee industry and not in-depth research in the study of Consumers behaviours theories and models.

The research was conducted at one point in time due to costs and time constraints. Since specialty coffee is a changing and growing trend influenced by consumers, the data represented may change if future research is conducted in the field. The geographical location of the study was focused on Gauteng province with Johannesburg at the centre due to cost constraints and scope of the study. Therefore the information is not generalisable to the South African population and wider geographical studies are therefore, recommended.

The study only focused on variable/factors to be considered for behavioural intention. It did not focus on behavioural intention; actual purchase behaviour and post-purchase behaviour or re-purchase behaviour as seen in the purposed theoretical framework of the study. The reason is that the focus of the study is on identifying consumer knowledge, profiling these consumers and identifying variables which effect specialty coffee consumption behaviour.

6.7 Concluding thoughts

It is time for the 'African' wave of coffee to be experience by the hospitality industry of Gauteng. The specialty coffee industry has experienced "tremendous growth" (Respondent 2) in the recent years with consumers drinking specialty every week and learning about the experience of the coffee. The demand for quality coffee coupled with a professional service has been recognised by specialty coffee shops in their response to create more complex coffees consistently with a background story served up by skilled baristas. The story of specialty coffee is one told by the industry in response to consumer asking questions about the coffee they are drinking. Consumers have begun to engage with products and shown an interest in learning more about what specialty coffee entails (Hoffmann & Beazley, 2014:7).

The learning experience of consumers is growing as consumers desire knowledge. Global travel has contributed to this expectation with the changes to consumer purchasing behaviour and awareness for specialty coffee as consumers are beginning to appreciate the quality of the coffee being served. Consumers who purchase specialty coffee do not mind spending more for quality and customer service (Holmes, 2016). The specialty coffee shop experience would now not be complete without an enticing atmosphere and fresh coffee on the brew.

Specialty coffee businesses, for their part, desire to educate consumers about good quality coffee as consumers identify with the importance of specialty coffee (Insight Survey, 2017). There remains much for consumers to learn about the topic of specialty coffee from its origin to brew method. Coffee product education, therefore, remains an important avenue for the industry to develop to retain consumer market share. The specialty coffee business should keep updated on the consumer profile and factors which affect their behaviour in order to meet market demands. However due to the knowledge and expertise of specialty coffee being held by the experts, this should not hinder the industry to cultivate consumer appreciation for specialty coffee by meeting customer expectations.

Sustainability, ethics and environmental friendliness remains a significant topic of the specialty coffee industry as with many industries globally. The operators in this sector have shown a concern by ensuring the coffee beans are ethically and sustainably sourced and purchased to sustain fair treatment of farmers and to protect the environment from heavy mass production. Many developed countries coffee businesses and consumers are ethically and environmentally conscious towards the coffee industry (Fairtade Foundation, 2018; Smith, 2010). Consumers in the study did not show the same level of concern for these issues facing the industry's businesses. Therefore, consumer education for these ethical and environmental concerns is recommended as the future of the industry is based on the correct and fair treatment principles to ensure a growing environment for coffee plants and fair working practices for employees in the industry.

The study set out to investigate specialty coffee consumption amongst consumers in Gauteng where the culture of specialty coffee is found to be unique due to multiple factors discussed in the study. Consumer consumption behaviour indicates a positive growth and awareness for the specialty coffee industry. Consumers are demanding specialty coffee quality and experiences which indicate an exceptional market expectation for this sector (Barry, 2017). 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 brew method. The consumption of specialty coffee has consumers engaged for a new artisanal beverage experience. Currently, consumers are experiencing the 'African' wave of coffee with local expectations, blended with global experiences. Consumer consumption behaviour discussed and interpreted in relation to current knowledge of consumers for the specialty coffee industry, is no longer just a morning cup of coffee to consumers.

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ANNEXURES

Annexure A
Example Questionnaire

UNIVERSITY OF JOHANNESBURG

Specialty coffee in Johannesburg

Specialty coffee is defined as coffee that is made from an independently owned coffee shop using good quality beans and correctly applied and a variety of brewing methods.

A specialty coffee shop is a business which uses and has unique blends of coffee beans, performs roasting of beans and/or has a variety of coffee brewing methods available.

Dear Respondent;

I am currently a student at the University of Johannesburg School of Tourism and Hospitality doing my dissertation to obtain my Masters in Tourism and Hospitality Management. The purpose of this questionnaire is to investigate the specialty coffee culture and consumption within Johannesburg, Gauteng. The aim of the investigation is to compile a consumer profile behaviour towards the perception of specialty coffee consumption in Gauteng.

I kindly ask if you could complete the following questions on the above mentioned topic. Taking part in this research is completely voluntary and information will remain confidential. It should not take longer than 10 minutes to complete the three (3) sections.

If you have any queries regarding the questionnaire please don't hesitate to contact me via email at rolandurwin@gmail.com.

Thank you for your time and contribution towards my investigation.

Yours sincerely,

Roland Urwin

PLEASE ANSWER THE FOLLOWING QUESTIONS BY CROSSING THE RELEVANT BLOCK WITH AN (X)

EXAMPLE of how to complete the questionnaire:

Your Gender:

1	Female	X
2	Male	

Section A: Demographics

1.1	**Gender**	
1	Male	
2	Female	
1.2	**Residential area (suburb of living)**	
1		
1.3	**Ethnicity**	
1	Black African	
2	Indian	
3	Asian	
4	Coloured	
5	White	
6	Other	
1.4	**Education (highest level attained)**	
1	High school (Gr 12 or lower)	
2	Certificate	
3	Diploma	
4	Degree	
5	Postgraduate degree	
1.5	**Age**	
1	18 - 29	
2	30 - 39	
3	40 - 49	
4	50 - 59	
5	60+	
1.6	**Net income level per month**	
1	R 0 - R 4999	
2	R 5000 - R 9999	
3	R 10000 - R 14999	
4	R 15000 - R 19999	
5	R 20000 - R 29999	
6	R 30000 - above	
1.7	**Occupation (mark only one)**	
1	Unemployed	
2	Employed with fixed working hours	
3	Employed with flexible working hours	
4	Self employed	

Section B

2.1	**Are you predominately a:**	
1	Coffee drinker	
2	Tea drinker	
2.2	**How many cups of coffee do you drink in a day on average?**	
1	0 to 1	
2	2 to 3	
3	4 to 5	
4	6+	
2.3	**Given the choice which coffee would you prefer? (choose one)** **(refer to definition on cover page)**	
1	Instant, commercial or franchise coffee (e.g. Mc Café, Mugg & Bean, Seattle coffee)	
2	Unique blend, small batch roasted, specialty coffee (e.g. Independently owned)	
2.4	**Where do you drink specialty coffee?**	
1	Home only	
2	Coffee shop only	
3	Both	
2.5	**How many cups of <u>specialty coffee</u> do you drink on average in a week?**	
1	0 to 1	
2	2 to 3	
3	4 to 5	
4	6+	
2.6	**Generally speaking how often do you visit a specialty coffee shop?**	
1	Once/or more a day	
2	More than once a week	
3	Once a week	
4	Twice a month	
5	Once a month	
6	Once every 3 months	

2.7	**What are your preferred Specialty Coffee Beverages?**				
1	Espresso		5	Macchiato	
2	Americano		6	Cappuccino	
3	Flat white		7	Café Latte	
4	Red Cappuccino		8	Cortado	
9	Artisanal beverages (Areo Press, Moka Pot, Syphon, French Press, Cold Brew)				

2.8	**How much more are you willing to pay per cup for specialty coffee over other coffees?**	
1	R 2 or less	
2	R 3 to R 4	
3	R 5 or more	

2.9	**How do you make your purchasing decision when buying specialty coffee?**	**Never**	**Rarely**	**Sometimes**	**Often**	**Always**
1	I use time to search for information about specialty coffees					
2	I have a need to buy specialty coffee beverage					
3	I use time to evaluate between alternative specialty coffees					
4	I buy the same specialty coffee every time					
5	I make impulse specialty coffee buying decisions					

Section C

Indicate your agreement to the following statements						
3.1	**Priority factors which affect your specialty coffee shop choice are…**	**Not a Priority**	**Low Priority**	**Medium Priority**	**High Priority**	**Essential**
1	The quality of the coffee					
2	Atmosphere of the coffee shop					
3	Customer service is great					
4	Additional offerings are provided (e.g. meals, baked items, Wi-Fi)					
5	Service knowledge of baristas and waiters					
6	Beans sourced from Fair trade (ethical & sustainable practices) sources					
7	Roasting of Coffee beans					
8	A unique coffee bean blend					
9	Convenience and location of the shop					
10	The price of the coffee					
11	By review/recommendation in a magazine or website					
12	A recommendation by a family member or friends on the place					
13	A particular brand of independent coffee shop					

3.2	**Indicate your level of agreement pertaining to specialty coffee regarding the following statements**	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1	I choose to drink specialty coffee because the beans are farmed ethically and sustainably					
2	Specialty coffee is a good trend for me to follow					
3	I find specialty coffee to be enjoyable					
4	Specialty coffee has a good flavour and aroma to me					
5	The coffee shop atmosphere is pleasant for me					
6	I choose to drink specialty coffee to socialise with friends or family who think it's a good idea					
7	For me, specialty coffee is accessible during the day					
8	If I choose I could perform work or occupation related meetings while having specialty coffee					
9	I need the caffeine from specialty coffee					
10	I tend to re-visit the same specialty coffee shop/s					
3.3	**Who introduced you to specialty coffee?**	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1	A family member/s thought it would be good					
2	Friends or relationships who are important to me introduced me to specialty coffee					
3	Mentors, celebrities, influential people thought it to be a good idea					
4	Media/advertising influenced my decision to try it					
5	I believe it was by coincidence					
6	Other: …………………………..					
3.4	**Where do you believe the future of the specialty coffee industry will go?**	**Not at all Likely**	**Probably Not Likely**	**Neutral**	**Somewhat Likely**	**Very Likely**
1	Continue to grow					
2	Growth in coffee variety and blends					
3	Trend that will stagnate					
4	Increased sustainability focus					

Please feel free to add any additional comments: ………………………………………………………………......

………………………………..

END: Thank you for your participation

Annexure B
Example of Interview questions

Specialty coffee consumption in Johannesburg

Dear Respondent;

I am currently a student at the University of Johannesburg School of Tourism and Hospitality doing my dissertation to obtain my Masters in Tourism and Hospitality Management. The purpose of this questionnaire is to investigate the specialty coffee culture and consumption within Johannesburg, Gauteng. The aim of the investigation is to compile a consumer profile of behaviour towards the perception of specialty coffee consumption in Gauteng.

Taking part in this research is completely voluntary and information will be used for research purposes only. The name of interviewee will be kept anonymous. It should not take longer than 30 minutes to complete the three sections.

If you have any queries regarding the interview please don't hesitate to contact me via email at rolandurwin@gmail.com.

Thank you for your time and contribution towards my investigation.

Yours sincerely,
Roland Urwin

Section A

Name of Interviewee :...

Name of Coffee Business :...

When was the business established :...

Suburb situated in :...

Size/ Capacity of the business :...

	YES	NO
Do you have various beans and blends available?		
Are roasting on the premises?		
Do you offer various brew methods?		

A. How long have you been in the industry?

…………………………………………………………………………………………………….

B. What made you decide to work in the coffee industry?

…………………………………………………………………………………………………….

…………………………………………………………………………………………………….

C. How long have you owned/ managed a coffee business?

…………………………………………………………………………………………………….

D. Do you partake in any other specialty coffee related activities (Competitions, judging, shows, writing articles)

…………………………………………………………………………………………………….

E. Do you have any previous Hospitality experience (restaurants, catering, bar service)?

…………………………………………………………………………………………………….

Section B

1) How has the market demand changed in recent years towards Specialty coffee?

....

....

2) How has consumer knowledge and awareness grown in the specialty coffee industry?

....

....

....

3) How does the region (origin) of your beans effect your purchase decisions?

....

....

....

4) In what way does consumer knowledge for specialty coffee affect your specific business?

....

....

....

Section C

5) What would you consider are the factors for consumers to choose your specialty coffee business?

....

....

....

....

6) In what way do you ensure consumer’s loyalty and repeat business?

....

....

....

....

7) Why would you say consumers are drinking specialty coffee?

……

……

……

……

8) What would you say are the strongest motives by consumers to find your specialty coffee business?

Family	Friend/ Relationship	Influential member of the community	Media/advertising	Brand

……

……

……

……

9) What differentiates you from other specialty coffee business, franchise coffee shop chains?

……

……

……

……

10) Where do you think the future of specialty coffee is going? (Future of the trend/ movement) Future after Third wave coffee…

……

……

……

……

Any additional comments:

……

……

……

Thank you

Annexure C
Ethics Clearance

sth

SCHOOL OF TOURISM AND HOSPITALITY
College of Business & Economics

Wednesday, June 06, 2018

TO WHOM IT MAY CONCERN

This letter serves to confirm that Mr Roland Urwin, 201302615, is a registered Masters' student at School of Tourism and Hospitality with approved title "Speciality Coffee Consumption amongst consumers in Gauteng". The study has been granted ethical clearance from the Departmental Ethics Committee of the School of Tourism and Hospitality on Wednesday, 30 May 2018.

Roland Urwin's ethical clearance code is **STH034**

I trust the above is in order.

Yours faithfully

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Doornfontein Campus | Soweto Campus

UNIVERSITY OF JOHANNESBURG

Annexure D
Residential area list from quantitative data

Area	(n)	Area	(n)	Area	(n)
Albermarle Ext 2	1	Glenvista	8	Parkhurst	2
Alberton	19	Greenside	2	Parktown	3
Alberton Johannesburg	1	Honeydew	1	Parkview	1
Albertville	1	Horison	1	Parkwood	4
Bassonia	4	Illovo	1	Paulshof	1
Bedfordview	3	Johannesburg	6	Pineslopes	1
Benoni	1	Johannesburg South	4	Protea Glen	1
Berea Johannesburg	1	Johannesburg CBD	1	Randburg	9
Boksburg	1	Kempton Park	3	Randhart Alberton	3
Boskruin	2	Kensington	2	Randparkl Ridge	1
Brackendowns	9	Klipriver	1	Regents Park	1
Brackenhurst	7	Lenasia	2	Reiger Park	1
Brackenhurst Alberton	2	Lenasia South	1	Ridgeway	1
Broadacres Fourways	1	Linden	4	Riverlea Johannesburg	1
Bryanston	3	Linksfield	1	Riviera	1
Buxberry Morning Side	1	Linmeyer	1	Robertsham	2
Centurion	3	Lonehill	1	Roodepoort	2
Cosmo City	1	Magalieskruin Pretoria	1	Roodepoort Florida	1
Craighall	4	Marlands	1	Roodepoort Grobler Park	1
Craighall Johannesburg	1	Melville	2	Rosebank	2
Craighall Park Johannesburg	1	Meyersdal	6	Rynfield	1
Croydon	1	Midrand	3	Rynfield Benoni	1
Dainfern	1	Midvaal	2	Sandton	5
Eagle Canyon Westrand	1	Mondeor	1	Soshanguve	1
Edenvale	2	Morningside Sandton	1	Southgate	1
Eldorado Park	2	Mulbarton	5	Soweto	1
Emmarentia	1	Mulbarton Johannesburg South	1	Sundowner Randburg	1
Ext 5 Diepsloot	1	New Redruth	1	Turffontein	1
Fairlands	1	North Riding	1	Vaal	1
Florida	1	Northcliff	4	Verwoerd Park	2
Florida Glen	1	Northriding	1	Walkerville	8
Forest Hill	1	Norwood	1	Waterkloof Ridge Pretoria	1
Forest Town	1	Norwood Johannesburg	1	Weltevreden Park Roodepoort	1
Fourways	4	Oakdene	2	Westcliff	1
Germiston	2	Obsevatory	1	Westdene	1

n = frequency

TOTAL participants: 228

Annexure E
Grammarian Certificate

15th October 2018

TO WHOM IT MAY CONCERN

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SPECIALTY COFFEE CONSUMPTION AMONGST CONSUMERS IN GAUTENG

By Roland Urwin (201302615)

University of Johannesburg, Department of Business and Economics.

Regards.

Kathleen Wood

Signed

Kathleen Wood (ID no 4603190074083)

Academic Language Editor

Annexure F
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