



Coffee Culture Clash: Discovering Market Dynamics and Competition in Buraydah's Specialty Coffee

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Abstract: The specialty coffee industry in Buraydah, Al Qassim, Saudi Arabia, provides an enthralling atmosphere for research, with fierce rivalry and a strong coffee culture. To investigate the social, economic, and cultural aspects of the specialty coffee market in Buraydah, this study takes a multidisciplinary approach, merging ethnography, economics, sociology, marketing, and cultural studies. This extensive study adds to the comprehension of the specialty coffee market in Buraydah, with implications for stakeholders, policymakers, and the local population. It emphasizes the economic, social, and cultural forces that shape the sector, as well as the possibility for long-term success and beneficial influence through sustainable practices.

Introduction

The specialty coffee market in Buraydah, Al Qassim, Saudi Arabia, offers an enthralling study environment marked by intense competitiveness and a thriving coffee culture (Maspul, 2022). To fully comprehend this industry, an in-depth examination is conducted from five unique disciplinary perspectives: ethnography, economics, sociology, marketing, and cultural studies. The intricate dynamics between buyers and sellers can be unraveled by integrating various research backgrounds, revealing insight on the social, economic, and cultural issues that create the specialty coffee environment in Buraydah.

Ethnographers engage themselves in the field, monitoring buyer-seller interactions and conducting interviews with stakeholders (Joshi, 2021). This method provides a more in-depth insight of the motivations, interests, and behaviors of those active in the specialty coffee business. The importance of coffee rituals and the intertwining of coffee consumption with local cultural traditions are discussed (Maspul & Almalki, 2023). This ethnographic study documents the lived experiences and social dynamics of coffee use in Buraydah.

In terms of economics, the market structure, pricing tactics, and competitiveness among Buraydah coffee shops and roasteries are examined. Economic theories such as game theory are used to analyze sellers' strategic decision-making in order to acquire a competitive advantage. Pricing dynamics, the "race to the bottom," and the effects of competition on market outcomes are all investigated (Anis et al., 2021). Furthermore, the economic relevance of the specialty coffee sector, including its potential for job creation and spillover effects on adjacent businesses in Buraydah, is investigated.

The sociological lens dives into the social relationships and mechanisms of the specialty coffee market in Buraydah. The interactions between coffee shop owners, baristas, and consumers are investigated, as is the impact of social networks and social capital on market dynamics (Dolbec et al., 2022). Sociological research reveals the formation of consumer preferences, the impact of peer groups and social media on coffee shop selection, and the significance of coffee shops as socialization and community building places. These findings provide light on the social fabric of the specialty coffee sector in Buraydah.

Moving on to marketing, the emphasis is on consumer behavior, branding, and differentiation techniques in the specialty coffee sector. Insights into how customers choose coffee shops are gathered by analyzing consumer preferences, motivations, and decision-making processes (Lee et al., 2015). To discover the strategies used by coffee businesses to attract and

keep customers, branding techniques, menu design, and customer experience management are investigated. The effect of digital marketing and social media on the visibility and reputation of coffee shops in Buraydah is also explored.

Finally, cultural studies are used to investigate the cultural importance of coffee drinking as well as the coffee shop experience in Buraydah. The interaction of coffee consumption behaviors and local cultural traditions, such as hospitality norms, is investigated, as well as how coffee shops have evolved into key cultural sites for expressing identity and community values (Samoggia & Riedel, 2018). Furthermore, the impact of the specialty coffee market to the cultural fabric of Buraydah is studied, with a focus on lifestyle choices, urban development, and the alteration of public places.

The study presents an extensive understanding of the specialty coffee industry in Buraydah, unravelling the multi-faceted dynamics between buyers and sellers while taking into account the social, economic, and cultural variables that define this market. The study intends to advance educational research while also providing practical insights for stakeholders in the specialty coffee sector, policymakers, and the local population in Buraydah. The nuances and complexities of Buraydah's specialty coffee business are revealed through this in-depth examination, shedding light on its importance in the local economy and culture.

Research Methods

A thorough and comprehensive strategy is used to explore the specialty coffee market in Buraydah, Al Qassim, Saudi Arabia. It starts with a thorough literature analysis to lay the groundwork and identify research gaps. Fieldwork is used to perform ethnographic research, which includes participant observation and interviews with stakeholders to learn about the motives, behaviors, and social dynamics in the specialty coffee industry. Economic research looks into market structures, pricing tactics, and the sector's economic significance. Sociological

research looks on social ties, networks, and the influence of social capital on market dynamics. Consumer behavior, branding approaches, and differentiation strategies are all investigated in marketing analysis. The cultural significance of coffee consumption and the function of coffee shops in expressing identity and community values are investigated in cultural studies. Findings from multiple viewpoints are combined, and theme analysis is performed to get insights and a thorough picture of the specialty coffee market in Buraydah.

Result and Discussion

An Ethno-economic Analysis of the Specialty Coffee Market Dynamics in Buraydah

The specialty coffee market in Buraydah, Al Qassim, Saudi Arabia, is an enthralling environment of fierce competition and vibrant coffee culture. With approximately 40 coffee shops and roasteries concentrated in places such as Uthman ibn Affan road, Bukhari road and Abu Bakar road, this market provides a rich backdrop for studying buyer-seller dynamics. This article intends to provide a full understanding of this market through ethnographic research and the development of a typology of specialty coffee establishments in Buraydah, as well as to investigate the implications of competition and analyze relevant economic theories.

As a study method, ethnography provides significant insights into the social and cultural aspects of the specialty coffee business. Researchers can obtain a better knowledge of the motives, interests, and behaviors of persons involved in this market by immersing themselves in the field and studying the interactions between buyers and sellers (Geertz, 1973). The examination of social activities, rituals, and consumption patterns linked with specialty coffee in Buraydah is made possible by ethnographic research. Researchers, for example, can look into the function of coffee in social gatherings, the significance of coffee rituals, and how coffee consumption is linked to local cultural traditions. This ethnographic approach offers a comprehensive view of the specialty coffee market, extending beyond economic factors to capture the lived experiences and social dynamics of coffee drinking in Buraydah.

Creating a typology of specialty coffee establishments in Buraydah can also provide a thorough framework for studying the market's broad spectrum of coffee shops and roasteries. The size of the establishment, the amount of specialization in coffee products, the ambiance and design of the space, and the target client category could all be included in this typology. Researchers can uncover common trends, unique qualities, and competitive strategies used by different types of specialty coffee enterprises in Buraydah by categorizing establishments based on these factors. This typology aids in the identification of market niches and consumer preferences in the specialty coffee market (Watson, 1994).

Analyzing the ramifications of competitiveness in this market necessitates the use of numerous economic theories. Game theory, for example, can be used to investigate price strategies and the "race to the bottom" phenomenon. Game theory examines strategic decision-making in competitive situations and can help coffee enterprises in Buraydah negotiate pricing decisions in order to acquire a competitive edge (Kreps, 1990). Furthermore, competitive advantage theories, such as Michael Porter's framework, can provide light on the techniques used by sellers to differentiate their products and obtain a competitive edge in the specialty coffee industry. These theories aid in explaining the dynamics of competition, market positioning, and the factors that lead to the success of one coffee shop over another (Porter & Kramer, 1985).

The following discourse will go into the dynamics of the extremely competitive specialty coffee market in Buraydah, Al Qassim, Saudi Arabia. Researchers can get significant insights into the social and cultural components of this sector by doing ethnographic research and creating a typology of specialty coffee establishments. Furthermore, incorporating economic theories such as game theory and competitive advantage allows for a full understanding of the ramifications of competition. The purpose of this investigation is to contribute to a better understanding of the specialty coffee market in Buraydah and its significance in the local economy and culture.

Competitive Strategies in Buraydah's Specialty Coffee Market

In a very competitive specialty coffee market like Buraydah, merchants face the challenge of differentiating their products and attracting customers.

Economic theory says that sellers can use a variety of techniques to acquire a competitive advantage that align with consumer preferences and market dynamics. Product differentiation is an effective selling strategy in the specialty coffee market. Product differentiation, according to Michael Porter's theory of competitive advantage, entails developing a distinct and desirable offering that distinguishes a seller's items from competitors (Porter & Kramer, 1985). In the context of specialty coffee, this could mean focusing on different flavours, novel brewing techniques, or proprietary coffee mixes. Sellers can attract clients who are looking for innovative and diverse coffee experiences by offering a product that stands out in terms of taste, quality, or overall experience.

Furthermore, in a competitive climate, pricing strategies are critical to acquiring market share. Sellers in a market with numerous competitors frequently engage in price competition, according to game theory, which studies strategic decision-making in competitive contexts (Tirole, 1988). This competition may result in a "race to the bottom" scenario in which suppliers continue to cut their prices in order to attract customers. However, vendors must carefully balance price cuts while retaining profitability and product quality. While competitive pricing can attract price-sensitive clients, sellers must ensure that their costs are covered and that their business operations can continue.

Businesses can also use various techniques to differentiate themselves and attract clients. For example, they can concentrate on delivering excellent customer service, creating a pleasant and comfortable atmosphere in their coffee shops, or providing additional services such as barista training or coffee-tasting events. These techniques help in the development of a strong brand image and the cultivation of consumer loyalty. Sellers in the specialty coffee market of Buraydah can negotiate the fierce competition, differentiate their offers, and establish a devoted customer base by utilizing successful competitive strategies.

The Impact of Competition on Consumer Behaviour in Buraydah's Specialty Coffee Market

Consumers have an important role in creating market dynamics in a competitive market by their behaviour and decisions. Economic theory sheds light on buyer behaviour by emphasizing rational decision-making and the elements that impact their purchase decisions. Buyers are rational decision-

makers who strive to maximize their utility or satisfaction from the items they purchase, according to economic theory (Varian, 2014). Customers in the specialty coffee market evaluate a variety of considerations when making purchasing decisions. Taste, price, convenience, and brand reputation are among these criteria. Buyers assess the quality and flavor profiles of various coffee offers to ensure they correspond to their preferences and expectations. They also examine the coffee's price, comparing it to their perceived worth and budgetary limits. Furthermore, convenience factors such as location and accessibility can impact purchase decisions. Buyers may have preferences or allegiance to specific coffee brands; therefore, brand reputation and awareness may also play a role.

Buyers profit from intense rivalry among sellers in Buraydah's specialty coffee sector. One key advantage is the possibility of decreased prices. Sellers seek to acquire and maintain clients in a competitive environment by offering competitive pricing. This is consistent with the concept of "consumer surplus," which refers to the difference between the price a consumer is willing to pay and the price they actually pay for a good (Krugman et al., 2009). Buyers can benefit by paying less than the highest price they are prepared to pay while sellers battle for market share, resulting in increasing consumer surplus.

Furthermore, competition among dealers pushes product quality improvements. Sellers in a competitive market constantly attempt to improve the quality of their offerings in order to differentiate themselves and appeal to discerning customers. This can take several forms, including procuring high-quality coffee beans, using precise brewing processes, and investing in trained baristas. As a result, purchasers in Buraydah's specialty coffee market can profit from an overall improvement in the quality and variety of coffee goods available. The existence of many coffee shops and roasteries in Buraydah supports a competitive environment that encourages the availability of different, high-quality coffee offers and increases consumer surplus.

Monopolistic Competition and Economic Implications in Buraydah's Specialty Coffee

The monopolistic competition that characterizes the competitive specialty coffee industry in Buraydah is a market structure that incorporates aspects of both perfect competition and monopoly. There are many vendors offering

differentiated items in monopolistic competition, enabling for product diversity, innovation, and consumer choice (Mankiw et al., 2020). This structure is visible in Buraydah's plethora of coffee shops and roasteries, each offering distinct flavors, brewing techniques, and coffee mixes to cater to a wide range of consumer preferences.

Monopolistic rivalry drives vendors to differentiate their items in order to attract customers and acquire a competitive advantage. Offering custom blends, introducing novel brewing processes, or delivering unique coffee-related experiences are all ways to differentiate yourself. The presence of distinct products not only increases consumer choice, but it also encourages innovation and product development in the specialty coffee sector.

However, it is critical to understand that excessive competition might result in market consolidation. Smaller firms may struggle to survive and retain their market presence when larger, more established competitors gain a competitive advantage. This can eventually lead to a few significant competitors dominating the market, lowering the general level of competition (Stigler, 1958). Policymakers and industry stakeholders must closely monitor market dynamics to maintain a healthy balance of competition and consolidation, allowing for continuing innovation and consumer welfare.

The establishment of a thriving specialty coffee sector in Buraydah has a favorable economic impact as well. Competition between coffee shops and roasteries increases economic activity and helps the local economy. Businesses engage in marketing efforts, staff training, and infrastructure development in order to attract and retain customers. These efforts not only improve the quality of the coffee offers, but also create jobs and bring economic value (Porter, 2011). Likewise, the specialty coffee business has the potential to affect other areas of the economy. Demand for high-quality coffee beans, for example, can help local coffee producers and suppliers, resulting in greater agricultural activity and income. Furthermore, Buraydah's thriving coffee culture may attract tourists and visitors, enhancing the tourism industry and providing cash for connected businesses like hotels, restaurants, and local artisans.

Buraydah's competitive specialty coffee market demonstrates monopolistic competition, fostering product diversity, innovation, and consumer

choice. While excessive rivalry can lead to market consolidation, a careful balance must be maintained. A robust specialty coffee market promotes job development, greater economic activity, and potential spillover effects on other areas of the economy.

Sustainable Strategies for Buraydah's Coffee Market

In the specialty coffee market of Buraydah, the implementation of sustainable solutions anchored in green and blue economics fits with various significant theories and concepts. The Triple Bottom Line (TBL) approach, for example, highlights the need of examining three elements of sustainability: economic, environmental, and social. Coffee enterprises in Buraydah can effectively handle these three dimensions and establish a sustainable and ethical business model by integrating green and blue economics (Elkington, 1999). In terms of environmental sustainability, coffee enterprises can use sustainable sourcing techniques based on ecological economic concepts. Ecological economics recognizes the economy's link with the environment and emphasizes the importance of sustainable resource management (Daly & Farley, 2011). Businesses that acquire ethically and sustainably produced coffee beans help to conserve natural resources and support biodiversity.

In addition, coffee shops can employ waste reduction measures based on the circular economy concept. The circular economy promotes material reuse, recycling, and repurposing in order to reduce waste output and maximize resource efficiency (Geissdoerfer et al., 2017). To reduce waste and contribute to a more circular coffee supply chain, coffee shops and roasteries should implement composting programs for coffee grounds, utilize eco-friendly packaging materials, and start recycling initiatives. Coffee enterprises can use the stakeholder theory to guide their behavior in terms of social responsibility. According to the stakeholder theory, businesses should take into account the interests and well-being of all stakeholders, including employees, consumers, communities, and the environment (Freeman, 1984). Coffee firms demonstrate a commitment to the well-being of their workforce by promoting fair compensation, giving benefits, and creating a supportive working environment.

Conclusion

The specialty coffee market in Buraydah thrives in a highly competitive environment, driven by seller differentiation and price competition. Buyers benefit from a wide array of choices and improved product quality. Economic theories such as product differentiation, pricing strategies, game theory, and market structures provide valuable insights into the dynamics of this market. Understanding these concepts helps stakeholders navigate the intricacies of the specialty coffee industry, fostering sustainable growth and customer satisfaction. The specialty coffee market in Buraydah can achieve long-term success while fostering environmental stewardship and community development by applying sustainable methods and embracing creative ways. Sustainable sourcing, waste reduction, stakeholder involvement, and cutting-edge technologies, for example, not only differentiate organizations and promote profitability, but also contribute to a more sustainable and socially responsible sector. Buraydah's specialty coffee industry has the ability to set an example for other markets and make a beneficial influence in terms of sustainable practices.

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