

CULTURAL COLLABORATION STRATEGY AND DIGITAL CONSISTENCY

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ABSTRACT

This study aims to examine cultural collaboration strategies and digital consistency in the management of MSMEs based on local creativity, with a case study on Kedaily Coffee in Malang City. Using a descriptive qualitative approach and case study methods, data were obtained through direct observation, semi-structural interviews, and visual documentation. The results of the study show that Kedaily Coffee has succeeded in integrating batik cultural activities with the coffee experience as a differentiation strategy. In addition, the use of coffee skin waste (cascara) as an innovative beverage strengthens the sustainability value of the product. Digital strategies carried out through social media and delivery services are still inconsistent, so it needs to be strengthened in terms of content and digital management. Collaboration with local batik galleries opens up new market segmentation opportunities and supports cultural preservation. This study concludes that the synergy between cultural values and digital strategies is a potential approach in increasing the competitiveness of MSMEs in the creative economy era.

Keywords: MSMEs, Cultural Collaboration, Digitalization, Differentiation Strategies, Creative Economy

INTRODUCTION

In today's era of globalization, strategic management is the main key to the survival and competitiveness of small and medium enterprises (SMEs), especially in the creative sectors such as culinary and culture. Strategy management is the process of formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its goals (David et al., 2020). The strategy is not just long-term planning, but also includes a collaborative, adaptive approach to digital technology, and the integration of local cultural values as differentiators in competitive market competition (Fred R. David, 2015). In today's digital era, businesses need to integrate cultural values and modern marketing strategies to create a competitive advantage. In the midst of the rapid modernization flow, the preservation of local culture such as batik needs to find a space in the contemporary entrepreneurial ecosystem.

Indonesia, as a country with high cultural diversity, holds great potential in combining cultural heritage with business innovation. Malang City, for example, is not only known as a historical tourist destination, but also as a center for the growth of creative MSMEs, especially in the culinary and creative economy sectors. MSMEs are small businesses owned by individuals or small groups that meet certain asset and income criteria (Sugih & Fitriyah, 2024). Data from the Malang City Cooperatives and MSMEs Office shows that until 2023 there are more than 25,000 active MSMEs, with more than 30% of them engaged in the food and beverage sector. Although SMEs make a significant contribution to the economy, they still face many problems (Mihardjo & Ningtyas, 2023). Among them, the main challenges for MSMEs are the lack of digital innovation and weak market differentiation (Disperindag Kota Malang, n.d.). One of the interesting phenomena that emerged in the midst of these challenges is the existence of *Kedaily Coffee*, a coffee shop that combines batik culture with the experience of drinking coffee in one creative space. Founded in 2019 and moved to Malang City in 2020, Kedaily Coffee experienced a period of stagnation due to the COVID-19 pandemic and will only be active again in 2023. On its way, this shop not only serves unique variants of coffee husks (*Shell*), but also collaborated with Sundari Batik Gallery to present batik activities as part of its consumer experience.

This initiative answers the challenge of cultural preservation while being a strong branding strategy to attract the interest of the younger generation.

Despite being in a vacuum and relying on organic promotion, Kedaily Coffee was able to rise with a strategy that emphasizes cultural collaboration and digital consistency as the main values. However, this strategic effort is not without challenges. Kedaily Coffee faces several obstacles, ranging from limited human resources, inconsistent digital marketing, to a lack of an established standard operating system (SOP). Although it went viral on social media, the sustainability of their business is highly dependent on consistency in promotion and identity strengthening through creative content. It is in this context that it is important to observe how the strategy of cultural collaboration and digital consistency is carried out by small business actors such as Kedaily Coffee, especially in building unique value and maintaining consumer loyalty. So, we can find out if the strategy is only reactive to viral trends, or is it a planned sustainable strategy.

Several previous studies have highlighted the importance of cross-sector collaboration and the use of digital media in supporting the sustainability of MSMEs. For example (Charinsarn et al., 2023) which discusses the revitalization of local culture in creative entrepreneurship, tends to be separate from integrative practices such as those of Kedaily Coffee. While (Wahdiniwati et al., 2022) emphasizing the importance of consistency in digital marketing strategies to maintain business existence in the post-pandemic era. In fact, SME digitization can improve their performance because digital technology is a major driver of small business performance. This is in line with research (Munir et al., 2023) in which ICT implementation has been proven to strengthen the relationship between accounts receivable management and inventory management on the success of SMEs. However, it is still rare to find studies that combine these two approaches in an integrated manner, namely between cultural collaboration and digital consistency in the context of local MSMEs such as Kedaily Coffee.

Therefore, this observation was made to fill the gap. Through the case study of Kedaily Coffee, this study aims to understand how collaborative strategies and consistent digital practices can be applied in culture-based small businesses in Malang. This research is expected to make a theoretical contribution to the MSME strategy management literature, as well as practical implications for business actors who want to harmoniously combine traditional values and digital innovations.

LITERATURE REVIEW

Strategy management is a systematic process starting from the formulation, implementation, and evaluation of decisions aimed at achieving the organization's long-term goals (Fred R. David, 2015). This process consists of three main stages: first, the formulation of a strategy (*Strategic Formulation*) which involves the preparation of the vision, mission, and analysis of the external and internal environment; Second, the implementation of the strategy (*Strategic Implementation*) which includes policy implementation, resource allocation and operation of strategies; and third, strategic evaluation (*Strategic Evaluation*) which focuses on monitoring, assessing, and adjusting the strategic performance that has been implemented. In micro, small, and medium enterprises (MSMEs), the implementation of strategic management often faces the challenge of limited resources and a relatively simple organizational structure. Therefore, the strategic approach applied must be flexible, value-based (*value-based*), and able to adapt to changes in the business environment, including the development of digitalization and dynamic cultural trends (Wheelen et al., 2001).

One of the strategies that many MSMEs adopt to create a competitive advantage is the differentiation strategy, as stated by (Porter, 1985), where business actors try to highlight the uniqueness of products or services that are of value to consumers. When this differentiation is framed in a cultural context, local values, traditional symbols, art, and local

wisdom can be integrated as important elements in the product offering. This makes the product not only a consumer item, but also a medium of cultural narrative. (Manavis et al., 2023) stating that this approach can strengthen the product's identity while increasing market appeal. Research by (Charinsarn et al., 2023) It also shows that MSMEs that incorporate elements of local culture into their products tend to have higher customer loyalty because consumers feel emotionally connected to the values and stories they carry. Collaboration with local artists, cultural communities, or art galleries is also a strategic effort to expand the market while creating an immersive experience through a cultural-based experiential marketing approach.

Strategic partnerships or collaborations are an important instrument in business development in the creative economy sector, where synergies between two or more business entities are directed to create shared value. In view (Eglite, 2023), collaboration in the creative industry is not just about sharing resources, but also bringing together complementary competencies to strengthen the market position. In practice, collaborations between business actors such as coffee shops and batik galleries or local art communities can increase product exposure, expand the network of consumers from different backgrounds, and enrich brand narratives. Developed creative economy framework (UNESCO, 2015) emphasizing the importance of cross-sector synergy between artistic and commercial elements as a way of creating high-value-added products that appeal to the younger generation, especially millennials and Gen Z, who are more interested in original and meaningful experiences than simply product consumption.

In the digital era, digital consistency is an important element in building and maintaining a brand image across various online channels. (Kotler et al., 2021) emphasizing that the success of brands today is highly determined by the ability to maintain consistency in conveying messages, values, and visual identities on social media, websites, online ordering platforms, and interactive content. This consistency not only forms a perception of trust, but also increases interaction with the audience and strengthens customer loyalty. MSMEs that successfully carry out digital transformation generally have sustainable content planning, including utilizing social media trends such as TikTok and Instagram Reels, as well as inserting educational elements such as storytelling, behind-the-scenes, and cultural narratives in their communication strategies. With these innovations, MSMEs can produce products or services that are different from those that already exist, meet unmet market needs, and create economic added value (Ilahi et al., 2023). Conversely, a lack of consistency in the presentation of content can create an unprofessional impression, reduce the effectiveness of promotions, and damage the brand's credibility in the eyes of the public ((Chaffey & Chadwick, 2019).

Digital marketing strategies are now the main means of reaching consumers who are increasingly connected online. (Chaffey & Chadwick, 2019) mentioning that important elements of digital strategy include search engine optimization (SEO), social media marketing, content marketing, and online partnerships. The existence of MSMEs such as Kedaily Coffee on various digital platforms such as GoFood, GrabFood, TikTok is a form of digital channel integration (*Digital Channel Integration*) which aims to expand distribution while building brand awareness (*Brand Awareness*). Study by (Addison et al., 2024) reinforcing this view by showing that the success of MSMEs' digital strategies is greatly influenced by the consistency of upload frequency, attractive visual quality, and strong storytelling narrative. In today's digital marketing climate, success is not only determined by the virality of the content, but also by the sustainability of the brand's existence as well as the depth of the relationship with consumers in the competitive digital space.

From these various theories, it can be concluded that a successful strategy for MSMEs such as Kedaily Coffee involves local culture-based differentiation, creative collaboration between sectors, strengthening branding strategies consistently in digital channels, Implementing adaptive and sustainable management strategies. The synergy between

cultural collaboration and digital consistency is a holistic approach that can strengthen the position of creative businesses in local and global markets.

METHODS

This study uses a descriptive qualitative approach with a case study method, which aims to describe in depth the strategy of cultural collaboration and digital consistency implemented by Kedaily Coffee in Malang. This approach was chosen because it is able to explore the phenomenon contextually and holistically, especially in the scope of micro-enterprises that are not only oriented towards economic profit, but also loaded with local social and cultural values. Through the case study method, the researcher not only understands the managerial and marketing aspects, but also the socio-cultural dimensions that affect the way business owners manage and develop their businesses. In other words, this research does not only focus on business strategies, but also examines the cultural values internalized by business owners in running their businesses in a sustainable manner.

This research was conducted at Kedaily Coffee, a coffee business located in Malang City, East Java, and collaborated with Sundari Batik Gallery. This location is a meeting point between modern culture and consumption. Kedaily Coffee is not just an ordinary coffee shop, but an interaction space between modern consumption and traditional cultural practices. The concept of this shop combines coffee drinking activities with batik, so that visitors get a cultural experience as well as recreation. With a calm atmosphere and supporting creative activities, this place represents the synergy between culinary and artistic activities. The city of Malang itself is known as one of the cities with the rapid growth of MSMEs in Indonesia. Its strategic geographical location, coupled with a cool city climate and a high student population, makes Malang a fertile ground for the emergence of innovations in the creative economy sector.

The data collection technique was carried out by three main methods, namely direct observation, semi-structural interviews, and documentation. Observations were made by observing activities at Kedaily Coffee, including the service process, customer interaction, and integration of batik activities into the coffee drinking experience. Semi-structural interviews were conducted with business owners, namely Syahri Rudwi Utomo and Avia Eka Hasari, to obtain in-depth information about their business background, business strategy, adaptation process during the pandemic, and the main reasons for collaborating with cultural actors. In addition, documentation is carried out by collecting transcripts from video interviews, photos of activities, digital promotional content from social media, and other visual materials such as menus and interior design that reinforce the cultural identity of the business.

RESULTS

Based on direct observation of operations and in-depth interviews with business owners, Kedaily Coffee shows the implementation of a unique strategy that combines cultural values and digital approaches in one creative business unit. This shop not only serves coffee drinks as the main product, but also presents a cultural experience through batik activities that are integrated into the concept of the shop. This initiative is a differentiating element and is a form of differentiation strategy that focuses on creating added value for customers.

Kedaily Coffee was founded in 2019 by Syahri Rudwi Utomo and Avia Eka Hasari. Initially, this business operated in Sidoarjo, but then moved to Malang in early 2020 to find an environment that was more conducive to the integration of culture and business activities. When the COVID-19 pandemic hit, operational activities were stopped and only relied on the online sales system until finally being active again in 2023. In early 2024, this venture established a strategic collaboration with Sundari Batik Gallery, which gave birth to the

concept of "coffee while making batik", a unique experience that combines the pleasure of drinking coffee with traditional Indonesian art practices. The business is still managed independently by its founders with no additional employees, with a marketing strategy that relies on social media such as Instagram and TikTok, as well as food delivery platforms such as GoFood and GrabFood. Although his digital activities are not completely consistent, several viral moments on social media have helped increase the number of visits. Kedaily Coffee's market segment includes young coffee lovers, the arts and culture community, local tourists, as well as individuals looking for an authentic and different consumption experience.

Kedaily Coffee, as one of the creative MSMEs in Malang City, develops a unique approach through contextual cultural collaboration and gradual digitalization. The main strategy carried out is to collaborate with Sundari Batik Gallery, where batik activities are made part of the consumer experience. This collaboration aims to revive the tradition of batik, especially among the younger generation. The approach developed not only makes coffee shops a place of consumption, but also a space for cultural education and appreciation. This is in line with the view (Yang et al., 2022) which states that MSMEs that integrate elements of local culture into products or services have a strong differentiation opportunity in the market. (Candraningrum, 2019) It also emphasized that the culture of drinking coffee can be used as a symbolic communication tool and a local-based branding strategy, so that it can strengthen business identity. In the context of Kedaily Coffee, batik is not just a supporting activity, but a narrative element that strengthens the positioning of the shop as a cultural space.

One of the main strategies carried out by Kedaily Coffee is a cultural collaboration with the Sundari Batik Gallery, which presents the "coffee while batik" activity as a superior concept. This collaboration is a tangible manifestation of the *Cultural Experiential Marketing*, which not only creates a differentiator with other coffee shops, but also expands the meaning of coffee consumption into a cultural preservation practice. From *Culture Experiential Marketing* This makes the consumer experience an important part of the value of the products offered (Schmitt, 1999). The sensory and emotional experience offered, visitors not only enjoy the taste of coffee, but also directly engage in batik making activities as part of Indonesia's cultural heritage. This is especially relevant in the context of younger generations, who tend to be more interested in experiences that are authentic, casual, yet still full of meaning and symbolic value. At Kedaily Coffee, visitors can enjoy coffee while learning to make batik with the *mencanting* technique. This strategy not only increases the cultural value in the service, but also succeeds in attracting new market segments that have an interest in local culture. On the other hand, this effort creates a small community that participates in the preservation of batik as Indonesia's cultural heritage.

The function of Kedaily Coffee as a social space also reflects the concept of *Third Place* as explained by (Hakim & Syahban Amir, 2022), which is a neutral space between home and work that supports informal interaction. The presence of batik making activities in this shop strengthens the social value offered. (Widyaningsih et al., 2021) stating that even though the digital era has changed many interactions to online, coffee shops still maintain their role as a social space as long as they are able to use technology in an inclusive way. This is where Kedaily Coffee begins to transform into a space that unites culture, community, and digital identity, although it still needs to be improved in terms of systems and the intensity of digital interactions. Research by (Candraningrum, 2019) shows that the culture of drinking coffee in Indonesia, as it happened in Belitung, has evolved into more than just a lifestyle, it has become a space for cultural communication and social interaction. In this case, coffee is not only enjoyed as a drink, but also as a medium to strengthen solidarity, become a forum for discussion, and introduce local values to the wider community. A similar phenomenon can be found at Kedaily Coffee, where the batik activities offered are a means to convey traditional values through daily practices. Thus, coffee at Kedaily is not just a product, but also a bridge to introduce and care for local cultural identity collectively.

This collaborative strategy is strengthened by the results of the study (Daman Sudarman, 2023) deep *Santhet: Journal of History and Culture*, which highlights the importance of the presence of cultural elements in strengthening the appeal of coffee shops. The research proves that the integration of local culture, whether through interior design, art activities, and historical narratives, is able to increase customer loyalty and become a magnet for cultural tourists. The social space created from these cultural activities not only enriches the consumer experience, but also creates a reflective and interactive atmosphere. In the context of Kedaily Coffee, this space is manifested in the form of batik activities that open up opportunities for cross-generational interaction, as well as an informal educational means for visitors. This strategy can be analyzed through a lens *Symbolic Interactionism Theory*, as stated by Giddens (2000) and applied in studies by (Candraningrum, 2019). The activity of "*mencaunting while coffee*" creates a new cultural symbol that contains social and cultural meaning, where the experiences shared between baristas, batik artists, and customers form a distinctive collective identity. Kedaily Coffee no longer only sells coffee as a commodity, but also sells experiences and stories of a social narrative that is built and interpreted together by the communities involved in it. This reflects a paradigm shift in consumption from products to meaningful experiences, where symbols become an important instrument in building emotional relationships and loyalty.

Study (Anugrah & Pratama, 2022) deep *E3S Web of Conferences* also underlined that coffee shops in Indonesia have become part of the *Popular Culture* through the process *Glocalization* and *creolization*, which is the combination of global cultural elements such as Starbucks culture with local values that reflect the identity of the community. This phenomenon can be seen in how coffee shops in Semarang, especially in the Tembalang area, adopt a global-style coffee drinking lifestyle but still maintain local elements such as open spaces, regional menus, and beautiful designs. *Vintage* and *Instagrammable*. In the context of Kedaily Coffee, this approach is reflected in the choice of the concept of "coffee while making batik" which creatively combines global consumption culture (coffee as a lifestyle) with the value of local traditions (batik as a cultural expression). These shops not only keep up with trends, but also produce new meanings that are acceptable across generations and across cultures. This shows that Kedaily's strategy is in line with the trend of the national coffee industry that not only pursues the market, but also forms identity through a process of cultural dialectic.

International research by (Ria; Nicoletti et al., 2022) Emphasizing that young consumers' perception and behavior towards coffee shops is greatly influenced by three main factors: location, atmosphere, and coffee quality. In qualitative research conducted on University of Nicosia students, it was found that the preference for coffee shops is not only rooted in functional needs such as taste or price, but also in social and environmental experiences that support relaxation, interaction, and even informal academic activities such as studying. Concept *Coffee as lifestyle* It is very dominant among young people, where coffee shops become an escape from academic routines as well as a place to build social identity. In Kedaily Coffee, this approach is very relevant: the experience of drinking coffee combined with batik activities creates a distinctive atmosphere that resonates with the preferences of the urban young generation. Thus, Kedaily offers not only products, but also cultural and social spaces that are strategically aligned with the global trend of younger generation's coffee consumption.

The cultural approach in the coffee shop business is also strengthened by the results of the research (Compos et al., 2024), which emphasizes the importance of *Local Culture* and innovations in Short Food Supply Chains in specialty coffee production. This research shows that coffee farmers and business actors who embed a local identity in their products not only strengthen their market position, but also create social and cultural sustainability values. Initiatives such as serving coffee while promoting batik traditions are a clear example of cultural integration in the modern coffee business model.

According to Hafasnuddin et al., 2019 Regarding the lifestyle of coffee shops, it shows that the activity of sitting and drinking coffee is no longer limited to ordinary consumption activities, but has become part of people's lifestyles that reflect their activities, interests, and opinions. This study revealed that the frequency of public visits to coffee shops is very high, especially because coffee shops function as multifunctional spaces where they socialize, do assignments, discuss, and even build business networks. The average score of interest and opinion of the people of Banda Aceh towards the lifestyle of coffee shops reached 4.71 on the Likert scale, which indicates that coffee shops are seen as spaces that have prestige value, a means of self-expression, and an important part of the rhythm of daily life. This finding is in line with the spirit of Kedaily Coffee which places coffee activities not just a routine, but as a cultural expression and meaningful social interaction offered to consumers through the combination of coffee and batik.

The second strategy that stands out is the innovation of beverage products from coffee or cascara skins. Kedaily Coffee utilizes dried coffee skins that were previously considered waste into innovative drinks with various flavor variants such as blueberries and cranberries. This strategy not only enriches the product portfolio, but also becomes a strong sustainability narrative. By utilizing resources creatively and efficiently, this business also provides education to customers about the importance of waste management and circular economy opportunities in the coffee industry. This approach shows awareness of environmental issues and efforts to build an environmentally friendly brand image in the eyes of consumers. This approach is in line with *Design Thinking* used by Raden Coffee in their innovation strategy. In a study by (Sabiq Mubarak et al., 2025), design thinking is applied to identify the main challenges in the form of low sales, which are then answered with an empathy-based strategy for customer needs. One of the results is the development of menus that are relevant to the children and adolescent segments, similar to Kedaily Coffee's strategy in targeting customers who are open to new products based on alternatives such as cascara. Raden Coffee's strategy shows that a deep understanding of consumer behavior can trigger relevant product innovations and impact profitability.

Another study shows that innovative business models in the café industry are increasingly leading to the creation of *Value proposition* that is unique and sustainable. (Bhandari, 2023) found that consumers in the café sector tend to value holistic experiences in terms of aesthetics, sustainability, and innovation. Thus, Kedaily Coffee not only sells drinks, but also offers *Value proposition* that are in line with the aspirations of modern consumers. Moreover (Joesyiana et al., 2023) emphasizing the importance of trend-based product innovation to increase competitiveness and customer loyalty, which has proven to be relevant in the context of processing coffee waste into high-economic value beverages. Product innovation based on individual creativity has a significant effect on the development of barista's career and the continuity of the coffee business itself. Creativity and the ability to create new products such as cascara-based drinks are key indicators in building a coffee shop's reputation and competitive position. The results of their study showed that 70.6% of barista career development was influenced by two main variables: product innovation and individual creativity. An eco-friendly product innovation-based strategy also opens up opportunities in experience-based marketing. (Hutasuhut et al., n.d.) shows that young consumers are more responsive to products that incorporate new experiences and sustainability values. Cascara, as an uncommon ingredient, provides an element of surprise as well as a strong environmental narrative both of which are important factors in creating customer loyalty for millennials and Gen Z. So that these findings reinforce the narrative that sustainability-based innovations, such as those carried out by Kedaily Coffee, not only have an impact on customer perception but also affect the development of human resources in this sector. On the other hand, Laely et al. (2024) add that purchasing decisions play an important mediating role between product innovation and customer satisfaction. This means that waste-based products such as cascara will be more effective in increasing satisfaction if supported by a pleasant and strategic buying experience.

In terms of operations, Kedaily Coffee is still managed directly by the owner and his wife without additional workers. Although this reflects the limitations of human resources, the strategy is a form of efficiency as well as an effort to strengthen control over internal standard operating procedures (SOPs). Owners consciously choose to delay hiring employees until the internal management system is fully mature. This approach reflects a *strategic internal development strategy*, where priority is given to establishing a strong operational foundation before expanding the work team. In addition, a flexible approach is implemented through a short-term contract system and the avoidance of fixed rental expenses as a measure of cost efficiency and mitigation of business risks.

In terms of digital marketing, the digital marketing strategy implemented by Kedaily Coffee through platforms such as GrabFood, Gojek, Instagram, TikTok, and Threads shows a fairly wide use of digital channels. However, this strategy is still incidental, reactive to trends, and has not been supported by careful content planning or consistent brand narratives. This phenomenon is not unique, as explained by (Edric G et al., 2023), which researched a coffee shop in Candelaria, Philippines and found that despite the dominance of social media such as Facebook, Instagram, and TikTok, many businesses still face challenges in maintaining the consistency of digital content strategies and technical capabilities. Coffee shop employees in the study acknowledged that digital marketing has a great influence on consumer behavior and is able to increase sales, but a more strategic approach is needed to maximize this potential. Digital marketing strategies have a significant influence on increasing sales through social media (Achmad et al., 2024). A good strategy not only increases reach, but also strengthens relationships with customers, increases conversions, and shortens the buying cycle. This is particularly relevant to Kedaily Coffee's need to move from simply following trends to a long-term content strategy that strengthens emotional relationships with customers.

In building brand awareness and loyalty, (Alamsyah et al., 2021) emphasizing the importance of *Digital Advertising Preference* that is right on target. Digital advertising that aligns with brand values can strengthen brand awareness and form a positive perception in the minds of customers. This indicates that Kedaily Coffee needs to develop strong and purposeful storytelling in its content, which emphasizes values such as the diversity of local coffee flavors, cultural wisdom, and the process behind each cup of coffee. Meanwhile, the success of digital marketing strategies in the coffee industry is largely determined by consumer engagement (*Consumer Engagement*) and ongoing interactions through social media (Dwivedi et al., 2021). It's not just about how much content is produced, but how it builds conversations and a sense of belonging from the audience to the brand. Therefore, Kedaily Coffee has a great opportunity to build an active digital community that is not only a target market, but also part of the brand ecosystem.

Some of the main challenges faced in the implementation of Kedaily Coffee's business strategy include limited human resources in daily operations and digital promotion, reliance on viral moments to boost customer visits, lack of digital literacy in developing a consistent social media content strategy, and limited capital to expand to permanent locations. Nonetheless, the uniqueness of the business concept that combines cultural values and consumption experiences, as well as a strong differentiation approach, is a competitive advantage in itself. Kedaily Coffee has great potential to continue to grow, especially in the midst of an increasingly experience-oriented consumption trend (*experience-based consumption*) which is favored by millennials and Gen Z. The challenge also reflects findings in the current literature that highlight the urgent need for more strategic business digitalization. (Achmad et al., 2024) It proves that digital marketing strategies have a direct influence on increasing coffee sales through social media. The success of this strategy depends on how the business is able to manage social media consistently, with engaging, informative, and branded content that aligns with the brand's identity. Similarly (Hidayat & Alifah, n.d.) highlighting the importance of *Message Strategy* and *Media Strategy* in building brand communication that is close to the audience. In the SCI Coffee case study, the success of digital communication is greatly influenced by the authentic message delivery

style, aesthetic visuals, and interaction that feels personal as a strategy that can be used and developed by Kedaily Coffee.

Prasetio Utomo et al., (2023) emphasizing that digital marketing has a significant influence on consumer preferences, especially when combined with good service quality. These findings are relevant because they show that the success of digital marketing is inseparable from the overall consumption experience, including responsive service, the atmosphere of the place, and the emotional impression left on consumers. Therefore, even though Kedaily Coffee faces limited human resources and capital, digital-based brand strengthening strategies can still be carried out with a smart and efficient approach, such as the use of storytelling content, local community collaboration, and social media optimization with high engagement algorithms.

By combining the uniqueness of local culture, strong sensory experiences, and strategic digital communication, Kedaily Coffee has the opportunity to become a pioneer in *the experience-driven coffee* business. This approach is in line with global trends that emphasize emotional and social value in consumption decisions, particularly among millennials and Gen Z who not only buy products, but also buy *the meaning and story* behind them.

CONCLUSION

Based on the results of field observations, interviews with owners, and analysis of the strategies implemented, Kedaily Coffee is a real example of MSMEs that have succeeded in combining local cultural values and digital strategies creatively and adaptively. The collaboration with Sundari Batik Gallery through the concept of "coffee while making batik" is a unique differentiation strategy, providing a meaningful cultural experience for consumers while supporting the preservation of local heritage. Kedaily Coffee has succeeded in transforming consumption activities into a space for cultural interaction, a place for informal education, and a symbol of the revival of traditional heritage in a contemporary context. This concept is very relevant for the younger generation who tend to prioritize authentic experiences, meaningful consumption, and have awareness of the preservation of local culture. The collaboration with Sundari Batik Gallery is a key driver in reviving the batik tradition in a casual and contextual way, creating new market segmentation opportunities while expanding the reach of cultural communities in the realm of modern consumption.

On the other hand, product innovations such as the use of cascara as a coffee waste-based drink show Kedaily Coffee's alignment with sustainability issues. This innovation reflects adaptive ability and creative thinking in responding to environmental challenges while enriching the product portfolio offered. The sustainability narrative is an important part of the brand image, which is also supported by education to consumers about the circular economy. This strategy not only strengthens product appeal, but also creates opportunities to develop value-based loyalty, especially for millennial and Gen Z consumers.

However, there are still challenges in managing digital operations and marketing. Promotions are still incidental and depend on viral moments without structured long-term content planning. This shows the need for increased digital literacy and a more consistent and systematic marketing strategy. The lack of human resources and the absence of established SOPs are also obstacles in the expansion and consistency of service quality. Therefore, internal strengthening strategies and human resource management are important aspects that need to be improved immediately so that this business can grow more sustainably.

From the managerial side, the approach taken by Kedaily Coffee shows an orientation to value-oriented strategy, where product uniqueness, cultural richness, and customer experience are the main focus in building brand positioning. By prioritizing the principle of

integration between local identity and digital narratives, Kedaily Coffee shows that MSMEs are not only able to survive, but also have great potential to develop into creative industry players economically and socially.

The combination of cultural collaboration strategies and digital consistency is a holistic approach that can strengthen the competitiveness of MSMEs in the digital era and creative economy. When traditional values are creatively packaged through digital platforms and managed with the right communication strategy, MSMEs like Kedaily Coffee are able to create an inclusive, educational, and sustainable business ecosystem. In the future, strategies like this have the potential to become a replicable model for other small business actors who want to combine cultural heritage and technological innovation in a single business narrative. Thus, Kedaily Coffee is not only a place to drink coffee, but also a cultural space, a symbol of resistance to the homogenization of global consumption, and proof that local heritage can be a major source of inspiration in building business identity and sustainability. This research emphasizes that cultural and digital synergy is not only possible, but also very potential as a transformational force in the development of MSMEs based on experience, values, and community.

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