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Coffee & Covid

Nur Aliah Mansor¹ and Norrina Din²

¹Faculty of Hospitality, Tourism, and Wellness,
Universiti Malaysia Kelantan, Kota Bharu, Kelantan.

²Faculty of Hotel Management and Tourism,
Universiti Teknologi MARA Penang Permatang Pauh Campus,
Permatang Pauh, Penang.

Correspondent: aliah.@umk.edu.my

Coffee, like life, has bitter and sweet aspects that do not change with time, much as the bittersweet narrative of the Keluarga Malaysia's life told in Covid-19. After crude oil, coffee is the world's second most valuable commodity [1]. Malaysians drink 2.5 cups of coffee every day on average [2]. Malaysians frequent coffee shops and kopitiam as places to meet friends. Before the advent of social media, here is where they would "status update" to their friends.

Coffee shops and kopitiam are central not only for social activities but also for the local economy. The arrival of modern café chain companies such as Dôme and Starbucks into the Malaysian market in the early 2000s had facelifted a simple coffee routine to a status symbol, particularly among white-collar workers. In recent years, local branded and chain cafés have grown in popularity [3].

The trend of social media users looking for places, foods, or beverages high in aesthetic elements, or more commonly referred to as "Instagrammable" [4], may have driven a rise in demand for local brands cafés. Jibby by The Park and Le Petit Dotty's, for example, place a strong emphasis on concept and design to be more "Instagrammable". Cafés' aesthetic values are inseparable from customer experience. When customers are physically present in the café, then only can they experience its aesthetic value.

However, during the nationwide Movement Control Order, coffee enthusiasts were pressured to change their drinking habits. Getting ready to leave the house merely to buy a cup of coffee from their favourite café was impractical. As a result, coffee enthusiasts began experimenting at home with specialty coffee, such as the Dalgona coffee fad.

As a result of this shift in consumption habits, demand for equipment and coffee beans has increased [5]. Coffee enthusiasts are willing to pay hundreds of ringgit, if not thousands of ringgit, on a coffee machine that resembles the quality of coffee brewed by a barista. Demand is also increasing for at-home coffee products such as Nespresso pods and products from the Starbucks brand [6].

The local café sector must immediately strategise to adapt to the shift in coffee consumption due to the new norms in Malaysians' lifestyles and expenditures. Coffee enthusiasts are increasingly concerned about what goes into their cups, such as whether the coffee bean is fairly traded or organically certified. To stay competitive in the current market, local café entrepreneurs must be more proactive in diversifying their services and products, particularly those that cater to the at-home specialty coffee market and mobile coffee businesses.

Malaysia today has the potential to be part of the billion-dollar coffee value chain [7] from a cup of coffee worth a few cents/ringgit sipped in traditional coffee shops and kopitiam. Strengthening the local coffee value chain can help minimise our reliance on the world's coffee supply chain [8]. The 2022 Budget also pays attention to Micro, Small, and Medium Enterprises (MSMEs). This budget injection would encourage and further revitalise the landscape of the local coffee industry to drive Malaysia's economic growth.

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