



## The Implementation of Green Business in Coffee Shops to Support SDG 12

**Alvin Ferdiansyah<sup>1</sup>, Usep Suhud<sup>2</sup>**

<sup>1</sup> Universitas Negeri Jakarta, Indonesia

<sup>2</sup> Universitas Negeri Jakarta, Indonesia

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### Abstract

The increasing environmental impact caused by the coffee shop industry has raised the urgency for adopting sustainable business practices. This study aims to examine the implementation of green business practices in coffee shops as a strategy to support Sustainable Development Goal 12 (Responsible Consumption and Production). Using a qualitative-descriptive method based on secondary data analysis and literature review, this paper explores various sustainability initiatives including waste reduction, sustainable sourcing, energy and water efficiency, and consumer education. The findings reveal that adopting green business strategies not only helps reduce environmental footprints but also enhances customer loyalty, brand competitiveness, and operational efficiency. However, challenges such as high initial investment costs, limited sustainable supply chains, and low consumer awareness remain significant obstacles. To overcome these challenges, the study suggests strategic collaborations with communities and governments, offering incentives to eco-conscious customers, and utilizing digital technologies to optimize sustainability efforts. This study contributes to enriching insights into how coffee shops can create added value while achieving environmental, economic, and social benefits simultaneously.

### Abstrak

Dampak lingkungan yang meningkat akibat industri coffee shop mendorong pentingnya penerapan praktik bisnis berkelanjutan. Penelitian ini bertujuan untuk mengkaji implementasi praktik green business dalam coffee shop sebagai strategi mendukung Sustainable Development Goal 12 (Konsumsi dan Produksi yang Bertanggung Jawab). Dengan menggunakan metode kualitatif-deskriptif berdasarkan analisis data sekunder dan tinjauan literatur, penelitian ini mengeksplorasi berbagai inisiatif keberlanjutan seperti reduksi limbah, penggunaan bahan baku berkelanjutan, efisiensi energi dan air, serta edukasi konsumen. Hasil penelitian menunjukkan bahwa penerapan strategi green business tidak hanya membantu mengurangi jejak lingkungan, tetapi juga meningkatkan loyalitas pelanggan, daya saing merek, dan efisiensi operasional. Namun, tantangan seperti tingginya biaya awal, keterbatasan rantai pasok berkelanjutan, dan rendahnya kesadaran konsumen masih menjadi hambatan utama. Untuk mengatasi tantangan tersebut, studi ini merekomendasikan kolaborasi strategis dengan komunitas dan pemerintah, pemberian insentif kepada pelanggan ramah lingkungan, serta pemanfaatan teknologi digital untuk mengoptimalkan upaya keberlanjutan. Penelitian ini berkontribusi dalam memperkaya wawasan mengenai bagaimana coffee shop dapat menciptakan nilai tambah sekaligus mencapai manfaat lingkungan, ekonomi, dan sosial secara bersamaan.

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## INTRODUCTION

The coffee shop industry has experienced significant growth both globally and in Indonesia, transforming from a simple beverage outlet into a crucial part of urban lifestyles. However, this rapid growth has also contributed to various environmental challenges, including high plastic waste generation, unsustainable resource consumption, and increased carbon emissions. According to Hanafi et al. (2023), around 40% of global plastic waste originates from disposable food and beverage packaging, highlighting the substantial environmental burden associated with the food service sector, including coffee shops.

Recent studies have emphasized the importance of integrating sustainability principles into coffee shop operations to address these environmental impacts. Green business practices, such as using biodegradable packaging, sourcing fair-trade coffee beans, and implementing energy-efficient technologies, are increasingly adopted by environmentally conscious businesses (Nguyen & Hoang, 2022; Santos & Pereira, 2020). Despite these efforts, many coffee shops still face challenges such as high initial investment costs, limited access to sustainable supply chains, and low consumer awareness regarding sustainability issues.

Previous research has primarily focused on the benefits of green practices in large corporations, while studies specifically addressing small and medium-sized enterprises (SMEs) like coffee shops remain limited. This highlights a gap in understanding how coffee shops can effectively implement green business practices while maintaining competitiveness and profitability.

This study aims to analyze the implementation of green business practices in coffee shops to support Sustainable Development Goal 12 (Responsible Consumption and Production). The novelty of this research lies in providing a comprehensive framework that links sustainability strategies with operational performance and customer loyalty enhancement, specifically tailored to the coffee shop industry. By filling this gap, the study offers practical recommendations for coffee shop owners and policymakers to drive sustainable business transformations.

## LITERATURE REVIEW

### 1. Sustainability in Business Context

Sustainability in business refers to practices that balance economic profitability, environmental protection, and social responsibility. According to Astari and Sudiartini (2020), sustainable businesses integrate environmental and social considerations into their operations to achieve long-term stakeholder value. In the food and beverage industry, sustainability practices include efficient resource use, waste management, ethical sourcing, and eco-friendly product packaging (Hanafi et al., 2023). By adopting sustainable business models, companies not only minimize their environmental impact but also enhance their brand reputation and operational efficiency.

### 2. Sustainable Development Goal 12: Responsible Consumption and Production

Sustainable Development Goal (SDG) 12, established by the United Nations, focuses on promoting sustainable patterns of consumption and production. It emphasizes the need for efficient resource utilization, waste reduction, and the adoption of sustainable business practices across industries (United Nations, 2015). In the context of coffee shops, SDG 12 can be operationalized through the use of biodegradable materials, energy-efficient equipment, sustainable coffee sourcing, and consumer education initiatives (Nguyen & Hoang, 2022). Implementation of SDG 12 not only helps mitigate environmental impacts but also creates business value through differentiation and increased consumer trust.

### 3. Green Business Practices in the Coffee Industry

The coffee industry has increasingly embraced green business practices as a response to environmental and social challenges. Green business strategies in coffee shops include the use of compostable packaging, support for fair-trade certified farmers, adoption of renewable energy sources, and zero-waste initiatives (Santos & Pereira, 2020). Studies by Lopez and Fernandez (2022) show that consumers demonstrate higher loyalty towards brands that actively implement environmental sustainability strategies. Furthermore, businesses that prioritize green practices often achieve operational cost savings and enhanced competitive advantage in an increasingly environmentally conscious market.

### 4. Challenges in Implementing Sustainability in Coffee Shops

Despite the growing awareness of sustainability, coffee shops face significant barriers in implementing green business practices. High initial investment costs for sustainable materials and technologies, limited availability of eco-friendly suppliers, and low consumer willingness to pay premium prices for sustainable products are common challenges (Smith & Johnson, 2021; Harris & White, 2020). Additionally, small and medium-sized coffee shop businesses often lack the resources and knowledge to effectively integrate comprehensive sustainability programs. Therefore, practical frameworks and strategic guidance are necessary to assist coffee shops in overcoming these barriers.

## 5. Research Gap and Contribution

Most existing studies on green business and sustainability have concentrated on large corporations or multinational enterprises. However, limited research has explored how small businesses, particularly coffee shops, can implement sustainable practices while maintaining financial viability. This study aims to address this gap by providing a comprehensive analysis of green business implementation tailored to the operational realities of coffee shops. The findings are expected to contribute to both academic knowledge and practical applications in promoting sustainable transformation in the food and beverage sector.

## METHOD

This research employed a qualitative descriptive approach aimed at providing an in-depth understanding of the implementation of green business practices in coffee shops to support Sustainable Development Goal 12. The qualitative descriptive method was selected to allow comprehensive exploration of concepts, practices, challenges, and strategies without manipulating the research variables. The data collection in this study relied on secondary data sources, including previous academic research articles, organizational reports, sustainability guidelines, and government publications relevant to green business and the coffee shop industry. Literature from the past ten years was prioritized to ensure the relevancy and contemporaneity of the information used. The analysis technique applied was content analysis, which involved systematically reviewing, categorizing, and interpreting secondary data to identify patterns, relationships, and key findings. Through this method, the study was able to synthesize best practices, highlight major challenges, and propose strategic recommendations for implementing sustainability initiatives in coffee shops.

## RESULTS AND DISCUSSION

### 1. Implementation of Green Business Practices in Coffee Shops

The analysis of various sources indicates that coffee shops have begun implementing green business practices through several key strategies. These include reducing plastic waste by utilizing biodegradable cups and straws, promoting “Bring Your Own Cup” programs, adopting sustainable sourcing by purchasing fair-trade coffee beans, and improving operational efficiency through energy-saving machines and water management systems (Santos & Pereira, 2020; Nguyen & Hoang, 2022). Additionally, many coffee shops have engaged in consumer education initiatives to raise awareness about sustainable consumption patterns.

### 2. Benefits of Implementing Green Business Strategies

The findings show that the implementation of green business practices provides significant benefits. Environmentally friendly operations help coffee shops reduce their ecological footprint by minimizing waste generation and lowering carbon emissions (Hanafi et al., 2023). Furthermore, sustainable practices enhance customer loyalty, as modern consumers increasingly prefer businesses that demonstrate environmental responsibility (Lopez & Fernandez, 2022). Financially, although initial costs are high, businesses that invest in sustainability often experience long-term operational savings and stronger market positioning.

### 3. Challenges in Sustainability Adoption

Despite the evident benefits, several challenges were identified in adopting green business strategies. High initial investment costs for eco-friendly equipment and materials remain a major barrier, especially for small and medium-sized coffee shops with limited capital (Smith & Johnson, 2021). Furthermore, the availability of sustainable suppliers is still limited, leading to difficulties in sourcing consistent and affordable eco-friendly materials. Another challenge is low consumer awareness; many customers prioritize price over sustainability, thus

making it difficult for coffee shops to promote green initiatives without losing competitiveness.

#### 4. Strategies to Overcome Sustainability Challenges

To address these challenges, the literature suggests strategic actions such as collaborating with local communities and governments to access funding and support for sustainability programs (Harris & White, 2020). Coffee shops can also offer incentives to customers who support green initiatives, such as discounts for bringing reusable cups or rewards for purchasing eco-friendly products. Moreover, leveraging digital technologies like IoT for energy monitoring, blockchain for supply chain transparency, and mobile applications for sustainability campaigns can further optimize operational efficiency and strengthen customer engagement (Green & Evans, 2023).

#### 5. Interpretation of Findings

The synthesis of literature highlights that while green business practices are increasingly critical for the sustainability of coffee shops, successful implementation requires a comprehensive approach involving internal operational changes, external collaborations, and active consumer engagement. Coffee shops that strategically integrate environmental sustainability into their business models not only contribute to achieving SDG 12 but also position themselves for long-term resilience and growth in a competitive market landscape.

### CONCLUSIONS AND SUGGESTION

This study concludes that the implementation of green business practices in coffee shops plays a significant role in supporting Sustainable Development Goal 12 (Responsible Consumption and Production). Strategies such as waste reduction, sustainable sourcing, energy and water efficiency, and consumer education have proven to effectively minimize environmental impacts while enhancing business competitiveness and customer loyalty. Despite the clear benefits, several challenges hinder the adoption of sustainable practices, including high initial investment costs, limited access to sustainable supply chains, and low consumer awareness. However, these obstacles can be mitigated through strategic collaborations with communities and governments, offering customer incentives, and leveraging digital technologies to optimize operational efficiencies. Overall, integrating sustainability into coffee shop operations not only contributes to environmental preservation but also creates added economic and social value, positioning businesses for long-term success in a competitive and environmentally conscious market.

Future research should explore case studies of successful sustainable coffee shops in different regions to identify best practices and develop replicable models for small and medium-sized enterprises. Coffee shop owners are encouraged to gradually integrate green practices into their operations and actively educate consumers about the importance of sustainability. Policymakers and community organizations should also facilitate the development of an ecosystem that supports sustainable business practices through incentives, certifications, and awareness campaigns.

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