

Compensatory Consumption and Urban Coffee Culture in Indonesia: A Qualitative Exploration of Emotional, Social, and Identity Motives

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Abstract

This study examines the growing phenomenon of compensatory consumption within Indonesia's rapidly expanding urban coffee culture, where consumers increasingly use café experiences to cope with emotional pressures, social expectations, and identity negotiations in modern city life. The research aims to explore the emotional, social, and symbolic motives driving coffee shop visits and how these motives shape consumption behaviors. Using a qualitative exploratory design, data were collected through in-depth interviews and participant observation across several urban specialty coffee shops in Indonesia. The findings reveal that consumers use coffee consumption as a mechanism for stress relief, social bonding, self-expression, and identity construction, positioning cafés as symbolic spaces that offer psychological compensation beyond functional product value. The study contributes to the existing literature by extending compensatory consumption theory to a Southeast Asian context and offers practical implications for coffee entrepreneurs in designing emotionally resonant and identity-centered customer experiences.

Keywords: compensatory consumption, consumer culture, marketing

INTRODUCTION

Urban coffee culture has evolved from a functional consumption activity into a global socio-cultural phenomenon that reflects the transformation of consumer lifestyles in contemporary metropolitan contexts. Coffee shops have increasingly become spaces where consumers construct social meaning, negotiate identity, and seek emotional restoration in response to the pressures of urban life, rather than merely places to purchase beverages (Parsons et al., 2023). In Indonesia, the rapid expansion of specialty coffee shops and the emergence of third-wave coffee movements illustrate a significant shift in consumer behavior, where coffee consumption is intertwined with personal expression, social positioning, and symbolic capital within urban middle-class society (Purnomo et al., 2021). Scholars have noted that modern urban environments intensify psychological burdens such as stress, fatigue, and performance anxieties, leading individuals to adopt compensatory consumption as a coping mechanism and an attempt to restore threatened self-concepts (Kim & Gal, 2014; Ferreira et al., 2021). This shift positions coffee consumption not only as routine or utilitarian, but as an emotionally and culturally embedded practice that carries complex meanings rooted in everyday consumer experience and identity work (Thompson & Kumar, 2022). However, despite the global and regional relevance of this phenomenon, research exploring how consumers in Indonesia navigate emotional, social, and identity motives through coffee shop visits remains limited, presenting an important opportunity to contribute deeper phenomenological understanding to the growing literature on consumer culture and compensatory consumption.

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Problem Statement

The growing body of research on compensatory consumption has established that consumers often engage in marketplace behaviors to regulate negative emotions, restore threatened self-concepts, and manage psychological discomfort arising from stressful life circumstances (Mandel et al., 2017). However, most of these studies predominantly examine categories of conspicuous or high-value goods such as luxury fashion, cosmetics, or digital products, leaving everyday forms of compensatory consumption largely unexplored (Bi et al., 2024). This underrepresentation presents a significant theoretical limitation, particularly when considering that small, habitual, and affordable indulgences such as visits to urban coffee shops may play a more frequent and socially embedded role in consumers' emotional regulation. The lack of empirical attention to this domain restricts the academic understanding of how compensatory motives operate within routine consumption contexts that are less financially risky but psychologically meaningful.

The gap becomes increasingly salient in the context of fast-growing coffee cultures in Asian metropolitan societies, including Indonesia, where coffee consumption has evolved into a lifestyle practice intertwined with identity signaling, social validation, and emotional self-maintenance. Despite the rapid expansion of specialty cafés and the transformation of coffee shops into socially symbolic urban spaces, current literature offers limited empirical insights into how Indonesian urban consumers interpret and utilize coffee shop visits in response to emotional tension, self-discrepancy, or urban stress triggers. The contemporary café has become a site where consumers negotiate identity and belonging, yet there is still insufficient understanding of the psychological mechanisms that drive such behaviors in non-Western settings (Hanafiah et al., 2025). Without addressing this, the literature risks perpetuating a Western-centric conceptualization of compensatory consumption detached from cultural variability and everyday lived experiences.

Indonesia presents a particularly relevant and theoretically rich context, given its collectivist cultural orientation, rising urban middle class, and competitive socio-economic environment that exposes consumers to heightened stress, increasing performance expectations, and identity struggles typical of modern urban life (Erwin et al., 2023). However, no qualitative research to date has systematically explored how consumers in Indonesian urban environments consciously or subconsciously use coffee consumption as a coping resource to alleviate psychological discomfort, reinforce self-worth, or craft narratives of modern identity. The absence of such inquiry limits both theoretical development and managerial relevance, particularly for scholars seeking to understand everyday coping consumption in emerging markets and for practitioners aiming to design consumer experiences that align with deeper emotional and identity-driven needs. Thus, the central problem addressed by this study is the lack of rigorous qualitative understanding of how and why compensatory consumption manifests within Indonesia's urban coffee culture, and how emotional, social, and identity motives are negotiated, enacted, and reinforced through everyday coffee shop experiences.

Research Objectives

The primary objective of this research is to generate a deep and contextually grounded understanding of how compensatory consumption manifests within Indonesia's rapidly expanding urban coffee culture. While prior studies have emphasized the role of consumption in emotional regulation and self-restoration (Kim & Gal, 2014; Mandel et al.,

2017), limited empirical attention has been dedicated to everyday consumption settings such as coffee shops that represent both socially embedded and psychologically meaningful experiential spaces. Therefore, this study aims to explore the emotional, social, and identity-driven motives that influence Indonesian urban consumers' decisions to frequent coffee shops as a mechanism for managing psychological discomfort, restoring threatened identities, or negotiating personal and social meaning.

More specifically, the research seeks to uncover how coffee shop visitation acts as an emotional coping strategy in response to workplace pressures, performance expectations, and the increasingly volatile and demanding urban lifestyle. This extends prior work on marketplace coping behaviors by situating compensatory consumption in a non-luxury context that is habitual, accessible, and embedded within everyday life (Edelmann et al., 2022). Through a qualitative interpretive approach, the study also aims to examine how consumers construct symbolic value through interactions with café environments, social encounters, and ritualized consumption practices, reflecting the shifting role of the café as a lifestyle and identity-shaping social arena (Waskita, Ashari, Al Haris, et al., 2024).

In addition, the research seeks to illuminate how compensatory consumption may operate differently within Indonesia's collectivist cultural setting, where consumption is often shaped by communal values, social expectations, and the importance of maintaining interpersonal harmony. Existing research has suggested that non-Western consumption contexts hold unique identity dynamics that merit deeper scholarly exploration (Chandrasekara et al., 2023), yet such insights remain underrepresented in mainstream consumer literature. Thus, by interpreting consumer experience from an emic, phenomenological perspective, this study aims to generate theoretical contributions that expand global understanding of compensatory consumption beyond Western, high-involvement product categories.

Ultimately, the research is designed to develop a nuanced conceptual understanding of how Indonesian urban consumers use coffee consumption as a means of emotional management, identity work, and social positioning. This contributes to extending consumer culture theory by demonstrating how everyday consumption settings become active sites for psychological negotiation and lifestyle meaning-making. The findings are expected to advance both academic knowledge and practical insight for marketers, brand strategists, and service designers seeking to build consumer experiences that align with deeper emotional, symbolic, and lived motivations in the contemporary marketplace.

LITERATURE REVIEW

Gap Analysis

Existing literature on compensatory consumption has established that consumers often rely on marketplace choices to cope with negative affect, self-discrepancy, and emotional stress, positioning consumption as a symbolic means of psychological restoration (Mandel et al., 2017). Much of this research, however, has focused on product categories characterized by conspicuousness, hedonic superiority, or symbolic premium such as luxury fashion, high-end cosmetics, or advanced personal technology (Kim & Gal, 2014). These studies underscore the function of compensatory consumption as an attempt to reassert status, regain control, or reaffirm personal identity following emotional or self-concept threats. Meanwhile, parallel streams of research on consumer experience in specialty coffee settings emphasize coffee shops as experiential spaces where consumers seek authenticity, belonging, and lifestyle alignment (Ferreira et al., 2021; Purnomo et al., 2021; Waskita, Ashari, Eldon, et al., 2024).

Yet, the intersection between everyday café-based consumption and its role in emotional regulation remains underdeveloped, despite the increasing centrality of coffee spaces in contemporary urban culture.

While several studies have examined the experiential and social roles of coffee shops, few have analyzed them through the lens of compensatory motives. Literature on coffee consumption predominantly highlights themes such as sensory appreciation, craft quality, retail experience, and consumer lifestyle signaling (Ferreira et al., 2021). However, such studies largely neglect the underlying psychological drivers that may influence frequent café attendance, particularly the need to alleviate stress, repair emotional imbalance, or negotiate self-worth in increasingly demanding urban environments. More critically, existing research remains heavily Western-centric, with limited empirical exploration of Asian or emerging-market contexts where cultural frameworks, social expectations, and identity negotiation dynamics may diverge significantly from the Western consumption paradigm (Maspul, 2023). Without engaging diverse cultural settings, current consumer theory risks presenting compensatory consumption as a universal psychological construct while overlooking how cultural norms, collectivism, and community-based identity shape consumption realities in non-Western societies.

Indonesia provides a theoretically rich but academically underexplored context within this discourse. With rapid urban growth, rising socio-economic competition, and the proliferation of third-wave coffee culture, Indonesian consumers increasingly engage with coffee shops not merely as commercial venues but as lifestyle arenas that support emotional resilience and self-construction. Yet, no qualitative studies to date have examined how everyday coffee consumption in Indonesia operates as a mechanism for psychological coping or identity affirmation. This absence represents a critical gap because compensatory consumption in accessible, low-cost, frequently repeated contexts may reveal more nuanced, complex, and socially embedded emotional dynamics than high-value consumption typically studied. The lack of research on such non-luxury, routine consumption also limits theoretical development regarding the continuum of compensatory behaviors from small symbolic indulgences to large aspirational purchases within everyday cultural life.

The present study contributes to filling this gap by offering a qualitative, contextually grounded exploration of how emotional, social, and identity motives shape compensatory consumption within Indonesian urban coffee experiences. By adopting an interpretive approach and privileging emic consumer perspectives, this research expands theoretical understanding beyond transactional models to demonstrate how café visits function as active psychological and cultural practices. This contribution enhances consumer culture theory by providing insight into how compensatory behavior unfolds within non-Western, collectivist, and lifestyle-driven environments. Moreover, the study contributes to marketing and hospitality scholarship by offering deeper knowledge that can inform service design, experiential branding, and emotional engagement strategies in rapidly evolving urban markets.

Novelty and Research Justification

This study introduces several theoretical and empirical innovations that advance scholarly understanding of compensatory consumption in contemporary consumer culture. First, unlike prior research that has predominantly examined compensatory behavior in the context of high-value and conspicuous product categories such as luxury goods, fashion, or advanced personal technology (Mandel et al., 2017; Eldon et al., 2025; Waskita, 2025) this study shifts

the analytical focus toward everyday, habitual, and low-cost consumption within the specialty coffee sector. This reorientation challenges the assumption that compensatory motives primarily emerge in aspirational or status-laden categories and instead highlights the psychological and symbolic significance of small, repeatable consumption practices in everyday life. By situating compensatory behavior within accessible and experiential consumption spaces, the research expands theoretical boundaries and demonstrates how emotional regulation can occur through subtle and socially embedded actions rather than only through overt or aspirational purchasing.

Second, this study introduces a novel cultural and geographic context that remains underrepresented in existing literature. Compensatory consumption research has been dominated by Western conceptualizations of identity formation, emotional coping, and consumer individualism, often overlooking how these dynamics manifest within collectivist cultures, particularly in rapidly developing Asian urban societies (Sun & Wu, 2004; Koles et al., 2018). Indonesia's fast-growing urban coffee scene presents a unique socio-cultural environment where identity construction, social participation, and emotional negotiation operate through communal values, relational expectations, and shared lifestyle narratives. By analyzing consumer interpretations from this underexplored setting, the study generates theoretical contributions that counter Western-centric biases and extend compensatory consumption theory toward culturally diverse and globally relevant paradigms.

Third, the study provides novelty through its methodological positioning. While quantitative studies have frequently attempted to model compensatory mechanisms through attitudinal scales or behavioral metrics, there remains limited qualitative, phenomenological inquiry into how consumers experience and make sense of compensatory practices in their own lived contexts (Hackett, 2018). This research employs an in-depth interpretive approach to uncover how emotional strain, self-concept threats, and micro-social pressures are cognitively and symbolically resolved through the ritual of visiting coffee shops. Such immersive methodological grounding offers a granular, meaning-centered understanding of compensatory motives that is often obscured in positivist examination.

Finally, the integration of urban lifestyle theory with compensatory consumption provides a novel conceptual contribution by positioning coffee shops as psychological well-being spaces facilitating emotional restoration, identity reinforcement, and social re-balancing within the volatility of modern city life. This theoretical synthesis highlights that coffee consumption in urban Indonesia is not merely a commercial act but a culturally embedded coping practice responsive to the realities of contemporary urban stress. The findings are expected to illuminate new strategic pathways for experience design, hospitality innovation, and emotional branding within service-based industries increasingly driven by symbolic and affective value.

RESEARCH METHODOLOGY

Research Design

This research adopts a qualitative exploratory approach designed to understand the complex motives, emotional meanings, and symbolic interpretations that underlie compensatory consumption within the urban coffee industry. Qualitative research is particularly suitable in this context because compensatory consumption is not merely a measurable behavior, but rather a psychological and cultural phenomenon embedded within personal narratives and

social spaces. An interpretivist paradigm frames this study, acknowledging that consumer motivations emerge from subjective realities and socially constructed experiences rather than universal truths (Denzin & Lincoln, 2011).

A multiple case study strategy is employed to generate rich insights across several specialty coffee shops located in major urban areas. This design enables an in-depth understanding of how compensatory consumption unfolds in real-life environments, while allowing for comparison across different consumer experiences and café settings. Case studies remain a powerful approach for examining emerging consumer behavior in experiential and symbolic markets, particularly where theoretical development is still in progress (Yin, 2009).

The study is conducted in several leading specialty coffee shops situated in densely populated Indonesian cities. These locations function not only as retail outlets but as cultural stages where consumers negotiate identity, stress, aspirations, social belonging, and emotional recovery through coffee experiences. Urban lifestyles, marked by pressure, competition, and social comparison, provide fertile ground for compensatory behavior, especially when symbolic consumption becomes a mechanism for self-restoration and emotional regulation (Mandel et al., 2017; Khan et al., 2020; Carrington et al., 2021).

Participants are selected purposively to ensure that they represent active urban coffee consumers who engage with coffee not simply for caffeine intake, but as a lifestyle expression. Young professionals, entrepreneurs, university students, and freelancers who frequent cafés at least twice per week are included. A sample size of approximately twenty to twenty-five participants is targeted, a number appropriate for thematic depth and analytical saturation in qualitative consumption research (Guest et al., 2020).

Data Collection Procedures

Data are collected through several complementary methods to ensure depth, authenticity, and triangulation. The primary data source consists of semi-structured, face-to-face interviews lasting between forty-five and ninety minutes. These interviews explore personal motivations, emotional triggers, perceptions of the self before and after coffee consumption, experiences of stress and setback, symbolic interpretations of café spaces, and the role of coffee rituals in identity reinforcement or emotional coping. Interviews are recorded with participant consent and transcribed manually to maintain closeness to the data and to allow the researcher to engage deeply with participant expressions, hesitations, and narrative nuances often lost in automated transcription.

Non-participant observation is conducted within the café environments to capture naturally occurring behavior. The researcher observes how patrons select their seats, interact with baristas, design their workspaces, engage in social encounters, prepare or photograph their beverages, and display emotional cues such as satisfaction, relaxation, nervousness, or frustration. These observations help contextualize interview narratives and expand understanding beyond what participants explicitly articulate. Field notes are written immediately after each session to capture impressions, conversations, and environmental cues while memory is still fresh, following best practices in qualitative fieldwork (Creswell & Poth, 2016).

Secondary data are also reviewed, including marketing narratives, branding materials, online product descriptions, customer reviews, and social media interactions such as comments, testimonials, and hashtag trends. These materials help illuminate how the coffee industry frames consumption experiences and how consumers publicly represent their interactions

with coffee and café culture in digital spaces. Together, these sources contribute to a holistic understanding of compensatory behavior in a sector where identity expression and symbolic communication are increasingly digital and public.

Data Analysis

Data interpretation follows a reflexive thematic analysis process that unfolds iteratively as collection and interpretation progress. All interview transcripts, field notes, and documents are read multiple times to develop familiarity and interpretive sensitivity. Initial interpretations emerge through manual coding by highlighting key passages and marking recurring concepts, emotional themes, metaphors, and narrative patterns. This inductive process ensures that meaning originates from participant expressions rather than predetermined theoretical assumptions.

Themes are developed by comparing codes across participants and cases to identify larger interpretive categories such as emotional triggers, compensatory motivations, identity reinforcement strategies, and symbolic meanings of coffee rituals. The analysis remains flexible throughout, allowing themes to evolve as deeper insights emerge, consistent with Braun and Clarke's principles of reflexive thematic analysis (2019). Analytic memos are written during the process to document interpretive decisions, emerging theoretical ideas, and reflections on researcher positionality, thereby strengthening transparency and intellectual rigor (Braun & Clarke, 2019).

To ensure trustworthiness, the study employs several qualitative validation strategies. Participant feedback is incorporated through informal member checks, allowing respondents to confirm or clarify key interpretations. Triangulation across interviews, observations, and secondary sources strengthens credibility by demonstrating thematic consistency across different data types. An analytic audit trail, including documentary notes, methodological decisions, and coded excerpts, preserves transparency and allows the study to be evaluated and replicated by other scholars.

A structured literature search was conducted through major academic databases. Search terms included "compensatory consumption," "emotional regulation," "experience-driven consumption," "urban lifestyle consumption," and "coffee culture." Literature published within the last fifteen years in leading journals including the *Journal of Consumer Research*, *Journal of Business Ethics*, *Psychology & Marketing*, and *Consumer Marketing* was prioritized to ensure theoretical currency.

The literature consistently emphasizes that compensatory consumption emerges when individuals experience compromised psychological states such as emotional distress, reduced self-worth, or threats to identity coherence. Symbolic consumption then becomes a psychological mechanism to restore stability, confidence, or social meaning (Eldon & Waskita, 2024). However, existing scholarship has devoted limited attention to how this process manifests in the rapidly expanding specialty coffee industry of emerging Asian markets, where cafés function as social arenas for work, creativity, self-presentation, and emotional maintenance. This gap reinforces the relevance of the present study and its contribution to advancing theory within contemporary consumer behavior research.

RESULTS AND DISCUSSION

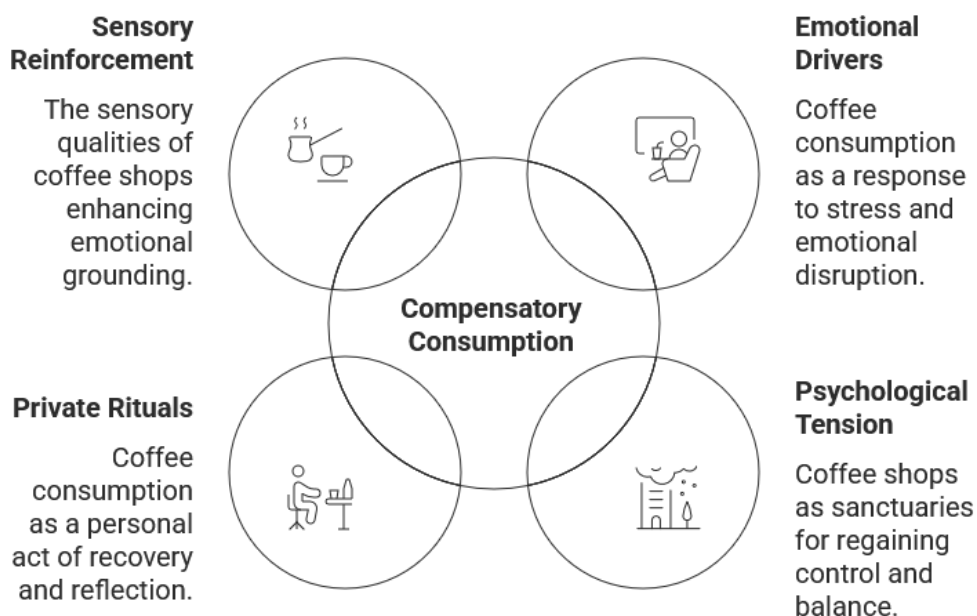
Results

The exploratory analysis of interview transcripts, field observations, and supporting documents revealed a complex set of emotional, social, and symbolic processes that shape compensatory consumption within the Indonesian urban coffee scene. Findings demonstrate that coffee consumption in metropolitan areas serves not only as a hedonic activity or habitual daily practice, but as a meaningful emotional and identity-regulating mechanism embedded in an increasingly dynamic and competitive urban lifestyle. Four major thematic patterns emerged during analysis, each illustrating how individuals engage with coffee shops as psychological spaces for coping, belonging, and self-affirmation.

Emotional Drivers and Psychological Tension as Triggers for Consumption

Participants consistently articulated that their visits to urban coffee shops were strongly connected to emotional disruption, perceived instability, or psychological discomfort. Consumers often positioned their coffee experiences as intentional responses to stress associated with work pressure, social expectations, academic deadlines, interpersonal strain, and feelings of self-doubt. Coffee shops thus emerged as accessible emotional sanctuaries where individuals regain a sense of control, productivity, or inner balance.

Many respondents described coffee consumption as a private ritual of recovery, an act that enabled them to reset, pause, and mentally distance themselves from discomfort. The sensory qualities of the coffee, the soundscape of the café, and the presence of others engaging in parallel routines frequently reinforced feelings of reassurance and emotional grounding. Rather than being guided by impulsive gratification, these behaviors reflected conscious attempts to restore psychological equilibrium after experiencing stress, failure, or perceived self-deficiencies. These findings suggest that everyday coffee consumption, while mundane on the surface, serves as an emotional coping strategy that fills a gap between internal emotional state and desired psychological condition.

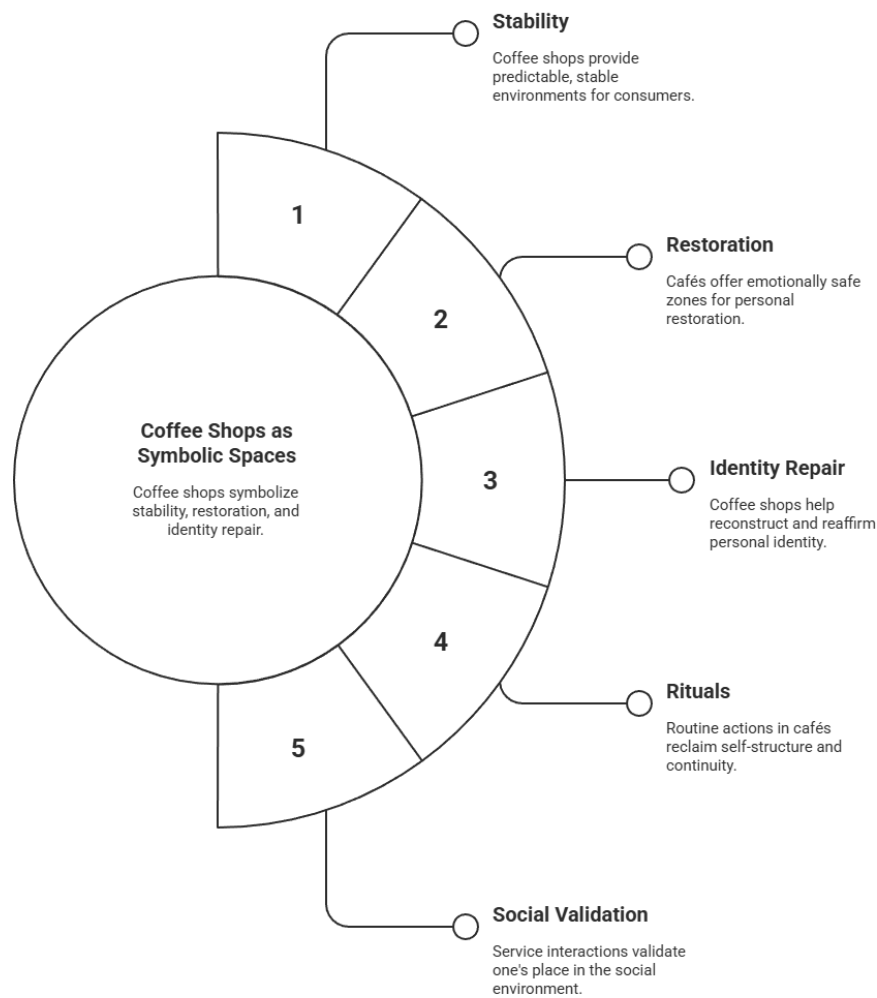


Picture 1. Compensatory Consumption in Indonesia's Urban Coffee Culture

Coffee Shops as Spaces for Stability, Restoration, and Identity Repair

The study found that coffee shops perform symbolic roles as stabilizing environments where consumers can reconstruct, rehearse, or protect their sense of identity. Participants expressed a strong psychological attachment to specific cafés which they perceived as extensions of their personal narrative. These spaces offered a predictable ambience, consistent routines, and emotionally safe zones that contrast with the volatility and unpredictability of urban pressures.

Participants frequently described the act of sitting in a particular corner, ordering “their” usual drink, or performing routine preparatory actions such opening a laptop, laying out notebooks, wearing earphones, as rituals that helped them reclaim self-structure and continuity. The café environment thus became an anchor point where identity is not only reaffirmed, but symbolically reset. The familiarity of service interactions, recognition from baristas, and stable environment created a sense of continued selfhood that participants sometimes felt was challenged in professional or personal domains. The experience of being served, acknowledged, and welcomed also reinforced symbolic acknowledgment of one’s place in the social environment, functioning as subtle but meaningful identity validation.



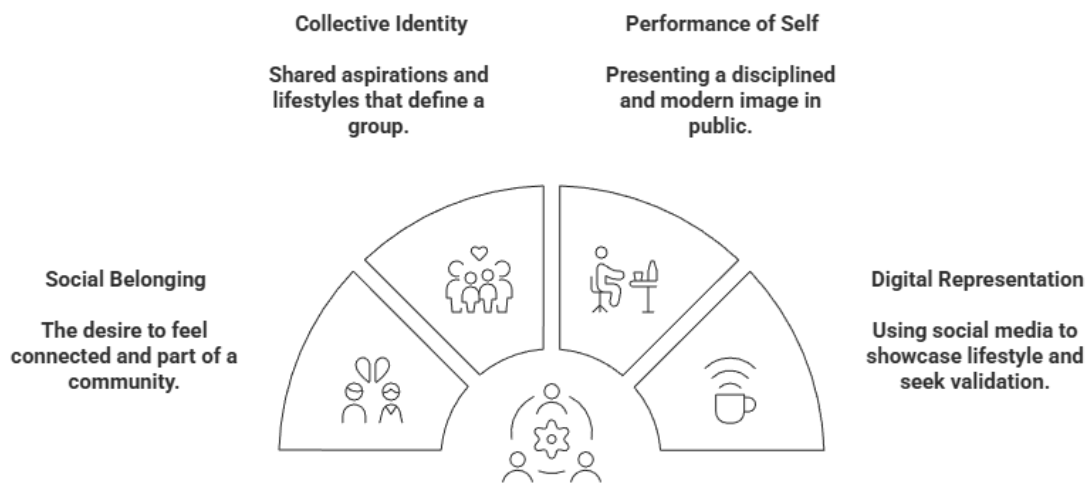
Picture 2. Unveiling Coffee Shops’ Symbolic Roles

Social Belonging and Collective Identity in the Urban Coffee Culture

Beyond personal coping, compensatory consumption also manifested in collective and social forms. Indonesia’s urban coffee culture, particularly among young professionals and students, is strongly embedded in community, shared aspirations, and visible participation in lifestyles associated with modern achievement. Many participants emphasized that choosing a coffee shop is not simply a matter of proximity or taste, but a reflection of social alignment, career ambition, and perceived cultural belonging.

Consumers repeatedly described the desire to “feel part of something”, a productive community, a creative environment, or a space associated with high-performing urban individuals. The presence of others working intensely, discussing business, networking, or building creative projects served as motivational stimuli. For many respondents, the café became a symbolic arena where a socially recognized version of oneself could be performed and rehearsed: disciplined, modern, competitive, and relevant.

Furthermore, digital representation amplified this phenomenon. Sharing photos of coffee cups, latte art, café interiors, and study or working setups functioned as public markers of lifestyle identity. While such displays appeared aesthetic, they also revealed the underlying need for social acknowledgment and psychological reassurance that one is aligned with broader urban success narratives. In this sense, the coffee shop served both as a physical and digital stage, legitimizing and reinforcing the aspirational self.



Picture 3. Urban Coffee Culture Dynamics

Symbolic Value, Self-Signaling, and Micro-Branding of the Individual

Finally, findings demonstrate that coffee consumption is deeply intertwined with symbolic value creation and personal branding. The choice of café, beverage type, and visual presentation of consumption signaled taste sophistication, discernment, cultural awareness, and professional commitment. Participants rarely framed their preferences only in terms of flavor; instead, they communicated how a particular drink or café environment aligned with who they wanted to be perceived as organized, modern, creative, or socially progressive.

This symbolic dimension extends to the interpersonal micro-dynamics of café life. Being known as a loyal customer, recognized by baristas, or referred to by name represented intangible validation of one's social position within the café ecosystem. These interactions strengthened emotional attachment and reinforced the feeling that the environment reflected their identity and social value. The act of consuming coffee in these spaces thus served multiple overlapping functions: emotional regulation, identity stabilization, self-expression, and interpersonal signaling.

As a result, compensatory consumption in the Indonesian urban coffee industry cannot be reduced to emotional escape alone. It is a multidimensional process in which individuals use everyday consumption as a way to negotiate the boundaries of self-worth, social legitimacy, and aspirational identity within the pressures of contemporary urban life.

Discussion

The findings of this study reveal that compensatory consumption within Indonesia's urban coffee culture is driven by a complex interplay of emotional regulation, identity restoration, social belonging, and symbolic value creation. These results highlight that everyday consumption in coffee shops is far from trivial; instead, it reflects how individuals negotiate psychological tension, social expectations, and aspirational identity in contemporary urban life. The discussion below interprets the findings in relation to existing theories, explains their implications for theory and practice, and outlines the study's limitations, future research avenues, and social–ethical considerations.

Interpretation of Findings in Relation to Existing Theory

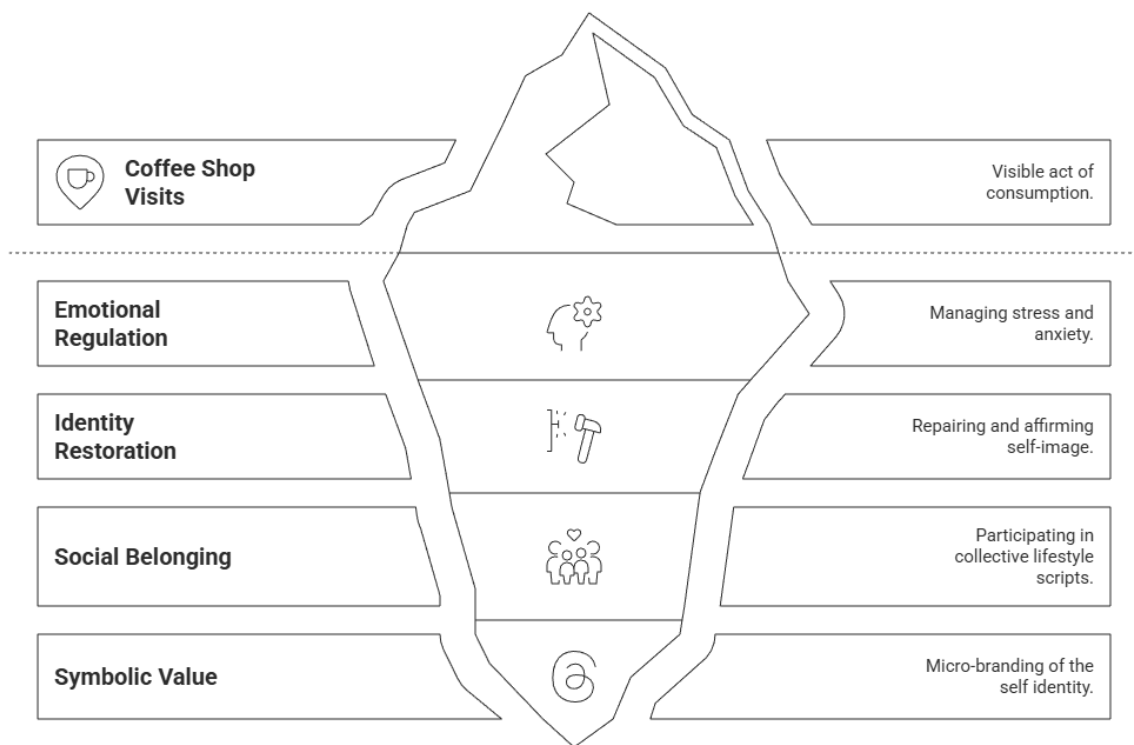
The first key finding demonstrates that emotional discomfort such as stress, frustration, anxiety, perceived failure, or insecurity serves as a significant trigger for coffee shop visits. This aligns with regulatory models of compensatory consumption, which argue that consumers turn toward consumption when experiencing a perceived discrepancy between their actual and ideal selves. The present study extends this understanding by revealing that, in the Indonesian urban context, coffee consumption operates not as impulse-driven hedonic escape but as a intentional ritual of emotional resetting. The routine of sitting, ordering, and consuming coffee becomes a self-administered emotional intervention that allows individuals to recalibrate affective states and restore inner balance.

The second major finding shows that coffee shops act as psychological “safe spaces” where identity can be repaired, affirmed, and stabilized. The consistent ambiance, familiar routines, and human recognition (such as baristas' acknowledgment) create a symbolic micro-environment of continuity and belonging that offsets the fragmented identity experiences often produced by urban pressures. This interpretation resonates with experiential consumption theory, which suggests that servicescapes can help individuals manage symbolic meaning and identity continuity, but the current findings deepen this notion by demonstrating how these processes unfold in habitual, everyday settings rather than in high-end lifestyle brands or ceremonial consumption.

Furthermore, the results show that compensatory consumption within coffee shops is not merely personal but social. Identity restoration frequently occurs through participation in collective lifestyle scripts, public work displays, creative productivity, online visibility, and immersion within high-achievement community environments. In Indonesia's collectivistic

urban scene, the consumption experience is co-constructed with others present in the space and reinforced digitally through social media sharing. This expands existing research, which mostly interprets compensatory consumption as individual coping, by showing that it may also be a socially shared mechanism of aligning with communal expectations of urban success, relevance, and productivity.

Finally, the symbolic signaling dimension of consumption reveals that coffee shops serve as platforms for micro-branding of the self. Choosing certain beverages, occupying preferred corners, or being known as a familiar customer become forms of everyday self-signaling that communicate competence, modernity, and cultural membership. Unlike prior studies focusing on luxury consumption as a domain of identity signaling, this research underscores how accessible, routine consumption can hold equally powerful symbolic value, demonstrating a democratization of identity performance through everyday lifestyle consumption.



Picture 4. Compensatory Consumption in Indonesia Coffee Culture

Contributions to Theory and Practice

Theoretical Contributions

This study makes several important contributions to existing scholarship. First, it demonstrates that compensatory consumption in Indonesia's coffee industry does not rely on high-value or prestige-driven purchasing; it unfolds within habitual and affordable consumption embedded in urban routines. These challenges prevailing assumptions that compensatory consumption requires conspicuous or extraordinary spending.

Second, the study integrates emotional, social, and symbolic dimensions of consumption into a holistic model that positions coffee shops as everyday psychological ecosystems where identity tensions are processed and negotiated. This expands theoretical understanding of servicescapes, demonstrating that they are not only atmospheres influencing behavior but micro-environments of affective and symbolic reconstruction.

Third, the findings contribute to non-Western interpretations of identity and consumption. In a collectivistic cultural context, compensatory consumption is revealed as both individual coping and collective participation in socially valued narratives of achievement and modernity. This provides conceptual nuance missing in Western-centric studies that often frame identity repair as individualistic.

Managerial and Industry Implications

From an applied perspective, the findings offer actionable insights for coffee shop operators, lifestyle service providers, and marketing practitioners. Understanding that consumers seek emotional grounding and identity affirmation enables businesses to design servicescapes that go beyond aesthetics toward psychological relevance. Emotional branding, narrative-based marketing, loyalty rituals, personalized interactions, and community-building strategies can help create deeper and longer-lasting engagement.

Coffee shops may also benefit from positioning themselves not merely as beverage sellers but as curated spaces of belonging and personal regulation supporting workshops, creative meetups, achievement rituals, or familiar service gestures that make consumers feel recognized and psychologically anchored. Similarly, acknowledging the symbolic value of digital representation means that businesses can leverage shareable visual identity, brand storytelling, and interactive social media culture to support consumers' self-signaling needs.

Research Limitations

As with all interpretive studies, several limitations shape how the results should be understood. The sample reflects primarily young urban consumers, limiting the transferability of findings to rural settings or older demographic groups. The study's reliance on interview and observational data means that participant self-expression and researcher subjectivity may influence interpretation. In addition, the research did not include perspectives from baristas, café owners, or industry stakeholders, which could enrich the understanding of identity construction from the service-provider side. The focus on a specific cultural–urban context also means results must be generalized cautiously across cultural boundaries.

Directions for Future Research

Building on these limitations, future research could take several directions. Longitudinal designs may uncover how compensatory consumption fluctuates over time in response to life transitions or changing urban pressures. Comparative studies across demographic groups, generations, or cities may reveal nuanced variations in emotional or symbolic consumption motives. Integrating quantitative methods could strengthen validation, while expanding the scope to other lifestyle industries such as fitness, co-working, fashion, or gaming could reveal whether the findings reflect a broader pattern of everyday compensatory identity management in modern urban economies. Including perspectives from workers and

business owners would also provide a more systemic view of identity construction within lifestyle servicescapes.

Social and Ethical Implications

The findings suggest that urban coffee shops can play a constructive social role by offering accessible emotional relief and community belonging in environments increasingly characterized by stress and fragmentation. However, they also raise ethical questions. Understanding consumers' emotional vulnerabilities opens the possibility of manipulative marketing strategies that exploit insecurity, aspiration, or social pressure. Emotional branding that subtly encourages overconsumption or identity dependence on commercial spaces may reinforce emotional commodification. Additionally, the rapid growth of lifestyle cafés can intensify socio-economic stratification, aesthetic gentrification, and hyper-commercialization of urban culture.

Therefore, industry actors should balance commercial interests with sensitivity to psychological well-being, designing consumer experiences that are empowering rather than exploitative and fostering environments that encourage connection, resilience, and inclusive participation.

CONCLUSION

This qualitative exploration of compensatory consumption within Indonesia's urban coffee culture reveals that specialty coffee stores have become significant emotional, social, and identity-laden spaces where consumers respond to psychological tensions associated with modern urban living. Rather than serving solely as commercial settings, coffee shops function as symbolic sanctuaries where emotional compensation occurs through experiential consumption, social belonging, and the cultivation of personal identity narratives. The findings demonstrate that consumers use coffee shop visits as a mechanism to alleviate stress, affirm self-worth, and construct aspirational identities consistent with contemporary urban narratives of productivity, modernity, and lifestyle sophistication.

The study extends theoretical understanding of compensatory consumption by situating it in a rapidly developing Southeast Asian market context, illustrating how cultural factors such as collectivism, urban social stratification, and digital lifestyle integration shape consumption behavior differently than in Western markets typically examined in prior research. The research also reveals that the symbolic and emotional significance of coffee consumption in Indonesia cannot be detached from the growth of third-wave coffee culture, which has repositioned the café as a micro-cultural arena for identity signaling, taste performance, and self-expression. These findings not only enhance conceptual clarity surrounding compensatory consumption in developing markets but also provide intervention points for industry actors seeking to design customer experiences that resonate more deeply with evolving social and emotional consumer needs.

RECOMMENDATIONS

Practical Recommendations

1. Design Emotion-Centered Customer Experiences

Coffee shop operators should incorporate sensory, spatial, and service design elements that intentionally respond to emotional needs such as stress relief, belonging, and self-

validation. Creating “therapeutic lifestyle spaces” can deepen brand attachment and enhance customer loyalty.

2. Strengthen Community-Based Engagement

Hosting community events, interest-based meetups, mentoring programs for young professionals, or creative workshops can enhance the sense of belonging that consumers seek, further supporting the compensatory motivations identified in the research.

3. Support Identity Expression Through Personalization

Allowing customers to co-create or customize beverage orders, loyalty experiences, and brand interactions (both online and offline) enables identity signaling and reinforces the psychological benefits consumers associate with urban coffee consumption.

4. Leverage Digital Storytelling and Branding

Coffee brands should adopt identity-rich storytelling through social media, highlighting narratives of craftsmanship, sustainability, creativity, and modern lifestyle to reinforce the aspirational meanings that consumers seek.

Theoretical Recommendations

1. Expand Cross-Cultural Comparative Research

Future studies should compare compensatory consumption in Indonesia with other emerging markets to evaluate whether similar psychological mechanisms manifest cross-nationally or are influenced by local cultural variations.

2. Integrate Psychological and Socio-Cultural Frameworks

Researchers should develop more comprehensive models combining motivational psychology, consumer identity theory, and socio-cultural consumption patterns to more accurately explain the dual emotional and symbolic roles of coffee culture in modern cities.

3. Investigate Digital-First Compensatory Consumption

With the increasing merging of online and offline consumption experiences, future studies could explore how digital content, virtual coffee communities, and social media validation contribute to compensation mechanisms.

Future Research Directions

Future studies may explore:

- The longitudinal evolution of compensatory consumption behavior in rapidly changing urban environments.
- The role of emotional resilience, mental health challenges, or socio-economic precarity as deeper psychological antecedents to consumption.
- The impact of global coffee market disruptions (e.g., sustainability, price volatility, climate change) on the emotional and symbolic dimensions of consumer behavior.

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