

ABSTRACT

The coffee shop industry in Bandung has grown rapidly, creating a highly competitive business environment. This condition demands business actors to adopt the right strategies to maintain sustainable performance. This study aims to explore the influence of strategic entrepreneurship behaviors (SEB) on business performance (BP), with business model innovation (BMI) as a mediating variable and competitive intensity (CI) as a moderating variable.

The main objectives of this study are to examine the direct relationship between SEB and BP, the indirect effect through BMI, and the moderating role of CI on these relationships. The study offers empirical insight for small and medium enterprises (SMEs) in the coffee shop sector to formulate more effective strategies in a competitive landscape.

This quantitative study employed the Structural Equation Modeling with Partial Least Squares (SEM-PLS) approach. Data were collected from 103 coffee shop business owners in Bandung. The research instrument was tested for validity and reliability before analyzing the relationships among variables using SmartPLS software.

The results show that SEB positively and significantly affects BP, both directly and indirectly through BMI as a partial mediator. BMI also has a significant impact on BP. Furthermore, CI strengthens the relationship between SEB and BMI, as well as between SEB and BP, but does not moderate the relationship between BMI and BP. This study highlights the importance of strengthening strategic entrepreneurship and business model innovation to improve business performance in a competitive environment. Business actors are advised to be more adaptive to market changes and responsive in developing sustainable innovation strategies.

Keywords: coffee shop, strategic entrepreneurship behavior, business model innovation, competition intensity, business performance.