

## **ABSTRACT**

*Mangandrew Coffee is one of the growing coffee producers in Bandung. Currently, Mangandrew Coffee sells through social media to reach a wider range of consumers. In addition, Mangandrew Coffee also actively participates in various MSME events and exhibitions in the West Java region. This research aims to design market segmentation for Mangandrew Coffee as a strategic step in supporting the decision to open a new coffee shop in Bandung. In the midst of increasingly fierce competition in the coffee industry, Mangandrew Coffee realizes that success depends not only on product quality, but also on a deep understanding of market dynamics and consumer behavior. This is all the more important given the growing number of coffee shops in Bandung. In this context, a marketing strategy that focuses not only on product dissemination, but also on identifying the most potential market segments is needed to support the successful opening of new coffee shops.*

*Translated with DeepL.com (free version) This research uses the K-Means Clustering method to identify and analyze the most relevant consumer segments for Mangandrew Coffee. This method was chosen due to its ability to efficiently cluster large and complex data, resulting in more targeted segmentation. Data was collected through a survey involving 270 respondents, consisting of consumers who have visited coffee shops in Bandung. The survey was designed with a focus on demographic variables such as age, income, and frequency of visits to coffee shops, as well as AIO (Activity, Interest, Opinion) aspects that delve deeper into consumer lifestyle and behavior. The use of the AIO approach in this study allows for more specific identification of consumer preferences and habits, which in turn can help Kopi Mangandrew to design marketing strategies that are more personalized and relevant to the needs of each segment.*

*The results identified three main segments that have different characteristics from each other. Cluster 1 consists of consumers aged 26-30 who have trend-conscious behavior, with purchasing power ranging from Rp100,000 to Rp150,000, and*

*frequency of visits to coffee shops around 1-2 times per month. Cluster 2 includes younger consumers, aged 20-25, who are price-sensitive and adventurous. Their purchasing power is within the range of Rp50,000 to Rp100,000, and they visit coffee shops with a frequency of 3-5 times per month. Cluster 3, which is considered the most potential segment, consists of consumers aged 31-35 who have a high purchasing power of more than Rp150,000, but have a low interest in coffee. Nonetheless, they have a frequency of visiting coffee shops more than 5 times per month.*

*The main findings of this study indicate that Cluster 3 is the most potential segment for Mangandrew Coffee to explore further. Consumers in this cluster tend to seek more exclusive and luxurious experiences, and they are willing to pay more for products and services that suit their lifestyle. Therefore, it is recommended that Mangandrew Coffee develop an exclusive non-coffee menu, such as tea-based drinks, matcha latte, or milk with unique flavors. In addition, enhancing the consumer experience through an elegant and luxurious interior design of the coffee shop is also recommended, so as to create an atmosphere that supports the premium image desired by this segment. By targeting this segment, Mangandrew Coffee can build a strong differentiation strategy for the products it will offer, which will not only increase revenue but also help maintain a competitive position in the increasingly crowded coffee market.*

**Keywords: Market segmentation, AIO (Activity, Interest, Opinion), K-Means Clustering, Mangandrew Coffee, Consumer Behavior.**