

ABSTRACT

Strategic location selection is a crucial factor in the success of a business, especially in the highly competitive coffee shop industry. The Upperside, a coffee shop business with a rooftop concept, plans to expand to broaden its market reach and increase profitability. However, this decision faces challenges such as variations in rental costs, customer demographics, purchasing power, and local regulations. Therefore, this study aims to analyze the factors influencing the optimal location selection for The Upperside's expansion using the Analytic Hierarchy Process (AHP) method.

This study identifies six key aspects as the foundation for location selection: legal, market, technical, demographic, economic, and social aspects. Data were collected through site surveys, in-depth interviews with business owners and potential customers, and literature reviews related to the coffee shop industry. The analysis was conducted using the AHP method to determine the weight of importance for each aspect and compare several alternative locations under consideration.

The results indicate that market and economic aspects have the highest weights in decision-making, given the importance of customer attraction and long-term profitability. Among the three alternative locations analyzed—Rooftop Baltos, Metro Indah Mall, and Cibinong City Mall—the location with the highest score based on the AHP method was recommended as the optimal expansion site for The Upperside. This location offers the best combination of accessibility, potential visitor numbers, purchasing power, and operational costs within a reasonable range.

The practical implications of this study emphasize that business location selection should not rely solely on rental costs but also consider market growth potential, competition, and the attractiveness of the surrounding environment. By using a data-driven approach through the AHP method, decision-making becomes more systematic and minimizes subjectivity. Additionally, this study serves as a reference for coffee shop entrepreneurs or similar businesses in designing more effective and sustainable expansion strategies.

Keywords: Location selection, business expansion, coffee shop, rooftop cafe, Analytic Hierarchy Process (AHP).