

Viability of Coffee Vending Machine: An Assessment

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Abstract

This study aimed to determine the Viability of Coffee Vending Machine in Batangas City. Specifically, to present the profile of Coffee Vending Machine in terms of capitalization, location, number of years in operation, hours of operation, average monthly income, average number of customers per day; to determine the factors that contribute to the viability of coffee vending machine in terms of sales performance, operational performance, and financial performance, and to identify the problems encountered in the operation of the coffee vending machine. The present study was a descriptive research that used quantitative analysis whose respondents were 33 owners residing within the vicinity of Batangas City. The results revealed that the location of the machine was the primary concern of participants during the operation. The problem that most occurred was the minimum return of investment due to many competitors which popped out in the vicinity of Batangas City. This means that it greatly affects the business in terms of viability. The researchers highly recommend that vending machines must continuously operate depending on the location and operators must have enough capital to make the coffee vending machine business viable. The researchers suggest to the operators of the machine to handle any proof of capital return by providing a record, and to monitor the business enterprise.

Keywords: viability, capital returns, vending machine

1. Introduction

Nowadays coffee vending machines are one of the fastest spreading businesses in the Philippines. One of the known brands was “Barista Choi”, a company in the Philippines that originated in 2012. The owner is Mr. Joel Chua, a Chinese Filipino business man who believes in three basic needs: free enterprise, guidance, and the power of coffee in the morning, lunch, evening, and even dawn. He believes that sharing precious moments with a cup of coffee strengthens the bond of person. He considers it a business that has minimum

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investment (low capital), easy to operate, and no franchise fees, but has a guaranteed daily income. This business is for the common Juan and loved by all Juan.

As of today, Batangas City is noted to be the most improved city in the Region IV-A Area and this factor contributed to the existence of instant vending machine around the city. Vending machine which includes internet cafes, school canteens, funerals, billiard halls, parlors, conferences, terminals, government and private offices, hospitals, banks, drugstore, retail stores, street corners with big foot traffics, bakeries and public markets has the ideal location in Batangas City. Furthermore, coffee vending machine in Batangas opens 24 hours that gives an impact for other retailers to earn income and earns sufficient budget for other business enterprises.

Entrepreneurship is undeniably an important source of income, an important strategy for creating new jobs and hastening the economic recovery and growth of the nation (Laguador, 2013). Ushikubo (2010) invented automatic vending machines which are operated exclusively by key cards. As the business become more complex and consuming, the original vision of the business usually changes or get lost and it becomes increasingly difficult to define and implement a marketing strategy that helps to achieve its business potential (Alcances, 2012). Calooy (2012) cited that start-up vendors could actually take advantage of vending machine business since there is no experience required, has flexible working hours, can work full-time, part-time or even as an absentee owner, never have to deal with a boss, has low overhead, good financing options, immediate cash income and tax advantages. Given the increasing demand for coffee with the coffee-holic Filipinos, Calooy (2012) added that there is an excellent return of investment within 3 to 4 months since a gross profit per cup is at P2.11 and could reach P6,330 monthly with 100 cups sold daily.

According to Lopez (2011), there is satisfaction in staying in one's own country with one's family and a business that includes a chance to succeed. It was advised to keep on gaining money at the end of the day and sit much that the money gained from every afternoon is reliable enough to be a source of income for daily needs. In terms of operational performance, with starting a new business, people prefer to start a completely new enterprise rather than to buy one already established. Some of the advantages of doing so are allowing the owner to choose his own location, brand of merchandise and kind of facilities to use (Hughes, 2008)

The coffee vending machines delivered a rich aroma of coffee with your choice of sugar and cream. These freeze dry coffee vending machines also delivered a great cup of hot chocolate, tea, and soup (Wittern, 2012).

According to some owners, minimum return of investment and high overhead expenses of the machine are the main problems in terms of financial performance. It took 4-6 months for them to have their return of investment because sometimes the machine didn't gain that much profit. They also even get to fix the machine because it needs money to rent an expert for fixing the machine. As the machine is encountering such problem, business enterprise are said to be viable when the return are effective especially when putting the vending machine in to proper destination.

The research runs through 24 barangay within Batangas City and as a result, there are 33 coffee vending machines that are still operating. Not all barangays have coffee vending machine. Only 20 barangays have the corresponding machines and majority of vending machines are from barangay 13, 16 and 24. They have an outstanding sale in the first month of acquisition but it is not consistent. As it became more popular the more machines are being established, the more machines operating the fewer costumers each equipment will have. There are also some machines that are not literally earning

The researchers aimed to determine if the viability of coffee vending machine is visible in Batangas, City five years from now. The innovation of technology makes all things almost possible the same reason why the researchers conducted the study about the Viability of coffee vending machines in Batangas, City. In connection to this, the researchers want to know if it is advisable to those who want to open a business in investing into coffee vending machine.

Objectives of the Study

The study was proposed to determine the Viability of Coffee Vending Machine in Batangas City. Specifically, this research sought to present the profile of Coffee Vending Machine in terms of capitalization, location, number of years in operation, hours of operation; average monthly income, average number of customers per day; it likewise determined the factors that contribute to the viability of coffee vending machine in terms of sales performance, operational performance, and financial performance, identified the problems encountered in the operation of the coffee vending machine, tested significant relationship between viability and problems encountered which are grouped according to the profile variables and viability and problems encountered.

Ho: There is no significant relationship between viability and problems encountered when grouped according to the profile variables.

2. Method

Research Design

In order to obtain the needed information regarding the coffee vending machine business in selected areas of Batangas City, the researchers used the descriptive method of research with questionnaire as the main tool for gathering data.

The descriptive design is concerned with the description of data and characteristics about a population. The goal is acquisition of factual, accurate and systematic data that can be used in averages, frequencies and similar statistical calculations. Descriptive studies seldom involve experimentation, as they are more concerned with naturally occurring phenomena than with the observation of controlled situations (Valdez 2011)

Participants

The subjects of the study are the 33 owners of coffee vending machine within the vicinity of Batangas City. The selected respondents were chosen to provide valid data with the set up and prospects of the business.

Instrument

The researchers adopted the Thompson's Business Model and also the profile variable included in Celis' (2008) dissertation. The said instruments were modified and validated so as to determine its reliability. This was used to gather data needed for the study on the viability of coffee vending machine.

Part I covered the details on the profile of the owners of the vending machine in the Batangas City⁷ which included queries with the initial capital, average monthly income, years of operation and so on.

Part II conveyed the items included in Thompson's (2005) Dimension of Business Viability such as the factors that contribute to the operation of coffee vending machine: sales performance, operational performance, and financial performance.

Part III enumerated the common problems encountered by the coffee vending machine in Batangas City, as formulated through informal interview and from literature review pertaining to the problems of coffee vending machines.

The draft of the questionnaire was submitted for both external and internal validation to fully determine the item's relevance, clarity and appropriateness; the researchers set the questionnaire for validation by experts in research and event management.

Procedures

The researchers constructed a self-made questionnaire with the consultation from their thesis adviser for validation. After the validation and approval of the questionnaire, the researchers underwent face to face interview both oral and written to the respondents of coffee vending machine located at Batangas City.

The respondents were informed briefly about the purpose of the study and they were instructed to answer the questionnaire honestly and practically. They were assured about the confidentiality of the data.

The researchers sent a request letter for the validation of questionnaires. The questionnaires were distributed to the selected owners of coffee vending machines located at Poblacion, Batangas, City to ensure it satisfies defined formats and other input criteria

Data Analysis

The data gathered were tallied, encoded and interpreted using descriptive and inferential statistics. This includes frequency distribution, ranking and weighted mean. Also, chi-square and Pearson-Product moment correlation were used. All data were supported using PASW version 18 with an alpha level of 0.05. The given scale was used to interpret the result of the study: 3.50 – 4.00 = Strongly Agree; 2.50 – 3.49 = Agree – 2.49 = Disagree; 1.00 – 1.49 = Strongly Disagree

3. Results and Discussion

Based on Table 1 in terms of initial capital with a 33 respondents majority of them marked 15 000-19 999 with 39.40% followed by 20 000-15 999 with 30.30%.the other participant marked the 25 000 & above, 10 000-14 999 and 5 000 & below with a percentage of 15.20. Most of the respondents have initial capital of Php 15,000-19,000. With this, they prefer a brand new and second hand machine with a high quality of innovation. In the interview conducted,respondents claimed that machine can be bought in any store and can be offered at a lower price. The other capital is from 10,000-14,999 and 5,000 & below, this is when machineis usually not owned but rented onlyfor them to earn more, as replied by some respondents.

Table 1: Percentage Distribution of the Business Profile (N=33)

Profile	Frequency	Percentage (%)
Initial Capital		
Php 25,000 & above	5	15.20
Php 20,000 -- 24,999	10	30.30
Php 15,000 – 19,999	13	39.40
Php 10,000 – 14,999	5	15.20
Php 5,000 & below	5	15.20
Location		
Market Place	6	18.20
Along the highway	13	39.40
Within the commercial areas	9	27.30
Near the School	5	15.20
No. Years of Operation		
2 – 3 years	14	42.40
1 year & below	19	57.60
Hours of Operation		
24 hours & above	2	6.10
13 – 18 hours	12	36.40
19 - 23 hours	6	18.20
12 hours & below	13	39.40

Average Monthly Income		
Php 10,000 & above	7	23.30
Php 7,000 – 9,999	7	21.20
Php 4,000 – 6,999	12	36.40
Php 1,000 – 3,999	14	42.40
Average Number of Customers per day		
60 customers & above	1	3.00
40-59 customers	8	24.20
20-39 customers	17	51.50
19 & below	7	21.20

Along the highway is the most marked location by the participants with high frequency and percentage of 13 and 39.40 percent, followed by the result of 27.30 percent of within the commercial areas together with market place with 18.20 percentage as shown in the table. Lastly, near the school arise 15.20 percent with a frequency of 5 respondents. Customer loyalty in a standardized service business is caused mainly by its location (Vidal, 2013). Majority answered along the highway. This means that wherever the machine is located it can operate. Regarding the number of customers that are transacting with the machine, majority of the customers are living in nearby areas that are popular or near or within the job places or institutions.

The selection of physical location is important, although some operators utilize remoteness of location and inaccessibility to a great effect. The location of a unit is dependent on a variety of factors such as accessibility for customers; existence of other competitors; existence of other units from a group of company; costs; and sites and services available (Barlan, 2013).

As to the number of years of operation 1 year & below has the highest rank where majority of the participants operate less than a year with a frequency of 19 and a percentage of 57.60 percent followed by the 2-3 year where it reflected the 42.40 percent of the respondent. The other vending machine (tissue, softdrinks etc.) are well established but the latest coffee vending machine was recently commercialized with a 2-3 years of operations but the majority of it was owned for 1 year & below.

Based from the interview conducted, coffee is a staple for almost every Filipino household and over the years, coffee drinkers have become more discriminating when it comes to taste. The market recognized this demand for quality coffee, thereby driving capitalists to invest in the coffee industry. The cities of Batangas and Lipa have just recently been regarded as subjects for trade and industry in the eyes of businessmen. With this, prevalent coffee vending machines have started opening branches in the said cities.

As gleaned in the table, 12 hours operation & below became the highest percentage with 39.40 percent, followed by 13-18 hours with 36.40 percent of the said participants, 19-23 hours comes next with a percentage of 18.20 percent and a frequency of 6 but the lowest rank was 24 hours & above. Some owners are offering a limited time slot for them to earn more. Some participants operate from 12 hours and below. This is because of the maintenance and its danger to be stolen.

Based from the table, average monthly income of 1 000-3 999 ranked first with a percentage of 42.40 followed by a percentage of 36.40 of 12 respondents marked 4 000-6 999, and the lowest rank determined 7 000-9 999 and 10 000 & above are presented with a percentage of 21.20 and 23.30. With the average of 1,000-3,999 this is not proportionate with the time and capital they are investing, either the value in the set up of the machine. This means that when machine is placed in a good condition and proper location, it will earn as much as 10,000 and above.

As a result, with the average number of customer per day, the 20-39 clients was the highest rank with 51.50% or 17 out of 33. It is followed by 24.20 and 21.20 percentage with 40-59 customers and 19 & below. And the lowest rank in the table was 60 customers & above with a 3%. The more customer transacting with the machine, the more return it will get but the participants say that the average customers per day are usually

from 20-39 This is quite enough and satisfied for the machine to operate well. With the 60 customers& above it was very profitable due to its demand in the barangay.

Caffeine used to be an adult-only-drink. But that is no longer the case as teenagers have discovered the pleasure of drinking coffee. Today, teens are seen shuffling into the coffee shops in their own schools and even outside, ordering drinks before going to class or during lunchtime (Allen, 2008). But more than anything, teens consider coffee drinking as a social connector, being an opportunity to hang out and have a laugh with friends. The average number of customer usually depends on the condition and time.

Table 2: Factors that Contribute the Viability of the Coffee Vending Machine in terms of Sales Performance

Indicators	WM	VI	Rank
1. More varieties to choose from	2.94	Agree	4.5
2. Latest technology service	2.94	Agree	4.5
3. Location of the machine	3.30	Agree	1
4. Provision for attraction	3.12	Agree	2
5. Target customers demand	3.06	Agree	3
Composite Mean	3.07	Agree	

Table presents the factors that contribute the viability of the coffee vending machine in terms of sales performance. The over-all assessment of the respondents’ on the sales performance was agreed with a composite mean of 3.07. All items were interpreted as “agree” and among the items enumerated are: location of the machine ranked first with a weighted mean score of 3.30. Furthermore, this results to be very sophisticated in terms of business income where it gives an advantage to a business to earn profit. It was followed by provision of attraction and target customers demand with a weighted mean score of 3.12 and 3.06 which means that it depends upon how customer adopted to the commercial advertisement and quota of customer to transact with the vending machine. This provision is present in the business where not all aspects give rise as its contribution in the sales performance of the machine.

However, more varieties to choose from and latest technology service got the lowest mean score of 2.94 which means that it does not reflect yet at the sales performance of vending machine as of this day but as the respondent concluded this is always present in the performance of a coffee vending machine but not as seen as in the other factors.

Table 3: Factors that Contribute the Viability of the Coffee Vending Machine in terms of Operational Performance

Indicators	WM	VI	Rank
1. Maintenance of coffee vending machine	3.48	Agree	1
2. Availability of stuff	3.15	Agree	4
3. Convenience of the use of the machine	3.18	Agree	3
4. Acquisition of machine	3.21	Agree	2
5. Longer hours of operation	3.06	Agree	5
Composite Mean	3.22	Agree	

As noticed from Table 3, the over-all assessment of the respondents’ on the operational performance was “agree” with a composite mean of 3.22. All items were interpreted “agree” and among the items enumerated, maintenance of coffee vending machine ranked first with a weighted mean score of 3.48 of which majority cited this as the most preferred during the operation of the business. It was followed by the acquisition of the machine with a weighted mean score of 3.21. Therefore, it is necessary for the owner of the vending machine to have available machine to update and release with a good condition of the machine. The convenience of the use of machine and availability of stuff are followed with a weighted mean score of 3.18 and 3.15 which does not necessary contribute well, but not that much least important in the operation of the

coffee vending machine. Furthermore, the result explains how the condition of the machine should be exhibited and where the stuff is supplied in the machine to let the business continue in the operation.

The longer hours of operation got the lowest rank among the given items with a weighted mean score of 3.06. However, this factor influenced the viability of the vending machine wherein it has a least important issue by the respondents. This is quiet enough that the owner of vending machine could operate in different time or specific number of hours in operating a business.

Table 4: Factors that Contribute the Viability of the Coffee Vending Machine in terms of Financial Performance

Indicators	WM	VI	Rank
1. Adequate amount of resource	3.09	Agree	1
2. High monthly income	3.00	Agree	2.5
3. Low overhead cost	3.00	Agree	2.5
4. Availability of accounting records	2.73	Agree	4.5
5. Availability of contingency fund	2.73	Agree	4.5
Composite Mean	2.91	Agree	

As gleaned from the Table 4 the overall assessment of the respondents on the financial performance was “agree” with a composite mean of 2.91. All items were interpreted “agree”. Adequate amount of resource ranked first with a weighted mean score of 3.09 of which majority of the respondents cited that it was due to the availability of stock and proper replacement once it was consumed. It was followed by the high monthly income and low overhead cost which has a weighted mean of 3.00. This means that an owner of the said business can earn big profit.

From the table presented the availability of accounting records and availability of contingency fund had the lowest mean score of 2.73. However, this factor has influenced the financial performance of the business wherein there is the need for transparency and accountability.

Table 5 presents that the reviews of the respondents’ on the sales performance was agree with a composite mean of 2.82. All items were interpreted agree and among the items enumerated, dissatisfaction of the customers ranked first with a weighted mean score of 2.94. Even though vending machines prefer varieties of stuff, majority of the customers did not prefer the type of flavor served in the machine.

Table 5: Problems Encountered in Coffee Vending Machine in Terms of Sales Performance

Indicators	WM	VI	Rank
1. Customer satisfaction is rarely achieve	2.85	Agree	3
2. System overload of the machine	2.70	Agree	5
3. Inaccessibility of the place	2.73	Agree	4
4. Dissatisfaction of the customers	2.94	Agree	1
5. Minimum promotional campaign	2.88	Agree	2
Composite Mean	2.82	Agree	

It was followed by minimum promotional campaign with a weighted mean score of 2.88 and customer satisfaction was rarely achieved with a weighted mean score of 2.85. It revealed that customers were given a chance to select, but were not satisfied of the taste which makes it to be a problem. Inaccessibility of the place and system overload of the machine got the lowest rank with a weighted mean score of 2.73 and 2.70 which means that such problem did not occur and where the operation practices in using machines did not vary as well.

Table 6: Problems Encountered in Coffee Vending Machine in Terms of Operational Performance

	Indicators	WM	VI	Rank
1.	Damage of facilities and equipment brought about by the costumers	3.12	Agree	1
2.	Insufficient supply of stuffs	2.94	Agree	2
3.	Difficulties from the machine	2.82	Agree	5
4.	High cost of repair	2.88	Agree	4
5.	Machine operates at a limited time	2.91	Agree	3
Composite Mean		2.93	Agree	

Table 6 presents the general view of the respondents' on the operational performance and they "agree" with a composite mean of 2.93. All items were interpreted "agree" and among the items enumerated, damage of facilities and equipment brought about by the customers ranked first with a weighted mean score of 3.12. Due to the insisted demand of coffee at present the factors arise as a problem.

It was followed by insufficient supply of stuff with a weighted mean score of 2.94 and machine operate at limited time was rarely achieved with a weighted mean score of 2.91. It revealed that the majority of the respondents can't stay long if the machine is outside the shop due to the hackers and it gives more damage when it was left a long time. High cost of repair and difficulties from the machine were the lowest rank with a weighted mean score of 2.88 and 2.82, respectively. Therefore, it does not reflect as the problem although it arise as factor that gives the machine to be viable. With this effect it does not occur to make the business feasible. So far, the participants agreed that high repair may cost expense, but as long they care for the machine it automatically gives no setback.

Table 7: Problems Encountered in Coffee Vending Machine in Terms of Financial Performance

	Indicators	WM	VI	Rank
1.	Insufficient capital	2.94	Agree	3.5
2.	Minimum return of investment	3.12	Agree	1
3.	High overhead expenses of the machine	2.97	Agree	2
4.	Unrecorded of accounting report	2.94	Agree	3.5
5.	Lack of emergency fund for other expenses	2.82	Agree	5
Composite Mean		2.96	Agree	

As gleaned in table 7 respondents generally agree with the problems encountered in terms of financial performance. Minimum return of investment got the highest weighted mean of 3.12 and high overhead expenses of the machine having the lowest weighted mean of 2.97. This means that not every purchase of stuff will get a high expected return, and as the machine needs maintenance the capacity of fund to be lent on the machine becomes difficult due to the least return and additional expense for the machine for improvement.

Unrecorded accounting report and insufficient capital were problems with a weighted score of 2.94. With this result it shows that the business is not normally setup with specific result during its operation. Lack of emergency fund was not a major problem with a weighted score of 2.82. Fund for any major difficulties was not that important to make the business operate. This proves that not every business can earn as much as expected.

Table 8: Relationship between the Profile Variable of the Coffee Vending Machines and the Factors that Contributes to the Viability

Profile Variables	Sales			Operational			Financial		
	Eta	P-value	I	Eta	P-value	I	Eta	P-value	I
Initial Capital	0.258	0.565	NS	0.272	0.518	NS	0.237	0.638	NS
Location	0.457	0.075	NS	0.534	0.020	S	0.367	0.234	NS
Number of Years of Operation	0.048	0.789	NS	0.086	0.634	NS	0.041	0.819	NS
Hours of Operation	0.098	0.963	NS	0.108	0.951	NS	0.302	0.421	NS
Average Monthly Income	0.209	0.513	NS	0.360	0.125	NS	0.043	0.972	NS
Average Number of Customers per day	0.438	0.099	NS	0.345	0.291	NS	0.417	0.131	NS

Legend: Significant at p-value < 0.05

As gleaned in the Table 8, the computed eta-values indicated slightly moderate correlation; however, only location (0.020) showed significant relationship on the factors that contribute to the viability of coffee vending machines in terms of operational performance. This was observed by the obtained p-value which was less than 0,05 level of significance. This implies that the business operational performance depends on the location.

Other variables did not show significant relationship and indicated that the factors such as sales, operational and financial were not affected by the business profile. Thus, the hypothesis that there is no significant relationship between the profile variable of the coffee vending machines and the factors that contributes to the viability was rejected.

Table 9: Relationship between the Profile Variable of the Coffee Vending Machines and the Problems Encountered in Coffee Vending Machine

Profile Variables	Sales			Operational			Financial		
	Eta	P-value	I	Eta	P-value	I	Eta	P-value	I
Initial Capital	0.540	0.017	S	0.207	0.732	NS	0.276	0.506	NS
Location	0.473	0.058	NS	0.327	0.344	NS	0.227	0.669	NS
Number of Years of Operation	0.104	0.563	NS	0.024	0.895	NS	0.070	0.698	NS
Hours of Operation	0.202	0.746	NS	0.079	0.980	NS	0.231	0.655	NS
Average Monthly Income	0.292	0.264	NS	0.161	0.676	NS	0.130	0.773	NS
Average Number of Customers per day	0.229	0.661	NS	0.325	0.348	NS	0.236	0.638	NS

Legend: Significant at p-value < 0.05

It can be gleaned from the Table 9 that the computed eta-values indicated slightly too moderate correlation, however, only initial capital (0.017) showed significant relationship on the factors that contribute to the viability of coffee vending machines in terms of sales performance. This was observed by the obtained p-value which was less than 0,05 level of significance. This implies that the business sales depend on the initial capital.

Other variables did not show significant relationship and indicated that the factors such as sales, operational and financial were not affected by the business profile. Thus, the hypothesis that there is no significant relationship between the profile variable of the coffee vending machines and the problems encountered in coffee vending machine was rejected.

As seen in Table 10, only the computed r-value of financial performance when correlated to the problems encountered in terms of operational performance (0.020) showed significant relationship since the obtained p-value was less than 0.05. However, the computed r-value showed moderate negative correlation. This means that as the factor that contributed to the viability of coffee vending machine in terms of financial performance becomes positive, the less problem that they encountered in terms of operational performance.

Table 10: Relationship between the Factors that Contribute the Viability of the Coffee Vending Machine and Problems Encountered in Coffee Vending Machine

Problems	Sales			Operational			Financial		
	r-value	p-value	I	r-value	p-value	I	r-value	p-value	I
Sales Performance	-0.141	0.433	NS	-0.131	0.467	NS	0.091	0.613	NS
Operational Performance	-0.080	0.656	NS	-0.236	0.186	NS	0.060	0.739	NS
Financial Performance	-0.325	0.065	NS	-0.403	0.020	S	0.025	0.892	NS

Legend: Significant at p-value < 0.05

Other variables did not show significant relationship and implies that the other variables were not affected by the problems encountered. Thus, the hypothesis that there is no significant relationship between the factors that contribute to the viability of coffee vending machines and the problems encountered in coffee vending machine was rejected.

4. Conclusions

Majority of Coffee Vending Machine which have initial capital of between Php 15,000- 19,999, located along the highway, operating from 1 year and below, hours of operation were within 12 hours and below, average monthly income was Php 1,000- 3,999 and the average number of customer per day is from 20-39 customers. The factors that contribute to the viability of coffee vending machine were the location, maintenance and adequate amount of resources of coffee vending machine. The problems that most occurred were the dissatisfaction of customers, damage of facilities brought about by the customers and minimum return of investment. The factors that contributed to the viability did not influence profile variables except that operational performance influenced the location. On the other hand, problems encountered did not influence profile variables except that problem in sales performance were influenced by initial capital. Moreover, problems encountered did not influence the factors that contribute to the viability, except operation performance which was influenced by financial performance.

5. Recommendations

Businessmen shall recognize in their decision-making, the interest of the general public and realize that they are utilizing to an important degree the nation’s resources (Buenviaje, 2013). It is recommended that to make the business viable they should come up with a branded and quality coffee mixture for the customers’ satisfaction, limited time for any transaction with the machine, and a record of every expense incurred in the machine. Likewise, to make the customers be satisfied and lessen the damage brought about by the customers there should be proper guidelines on how to operate the machine and the quality of the coffee should always be what the customers wanted and the return of investment would increase as expected.

It needs re-orientation in small and medium scale business management so that they could avoid or minimize the chances of loss and mismanagement (Refozar & Ceradoy, 2013). The effect of customer orientation and innovativeness on this kind of small-sized service retailers may provide insights on exploring customer orientation and innovativeness (Beredo & Mendoza, 2013). To make the business viable they suggest that the same factors presented in the objectives should be attained to maintain the business in demand in any projection.

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