

Analysis of Business Performance of Bread on "Ganep Bakery" in Surakarta, Indonesia

Nugraheni Retnaningsih

Agribusiness Studies Program, Faculty of Agriculture, Veteran Bangun Nusantara University, No.1 Lj. S. Humardani Street, Sukoharjo, 57521. Indonesia

Abstract

The study aims to find a general description of the bread company "Ganep Bakery" located at Sutan Syahrir Street 176, Surakarta from the aspects of cost, revenue, break even point, profitability and efficiency of their operations and marketing margins. Products include wet and dry toast bread because it has many production variations, soggy bread most preferred by consumers. The method used was a survey method, using secondary data obtained from the company's bread "Ganep Bakery" in one production period (1 month) from June to July 2013. Determination of the targeted site on the basis that "Ganep Bakery" by local government serve as pilot bread business in the city of Surakarta. Data was collected using questionnaires, validated, classified, tabulated, processed, and then analyzed with analysis of cost, revenue, break even point (BEP), the ratio of profitability and balance receipts/cost (R/C ratio), as well as marketing margin with the help of microsoft excel. The result showed the amount of variable cost is Rp. 134.8 million or by 69% and the fixed cost is Rp. 60.2 million or 31% of the overall cost structure in the company "Ganep Bakery" (Rp. 195 million). Dominated the company's revenue from the sale of bread wet by Rp. 174 million or 61% and crusty bread at Rp 110.275 million or 39% of total revenue "Ganep Bakery" (Rp 284,275,000). Break even point (BEP) is achieved at the level of the company's revenue of Rp. 229 165 946. Profitability ratio of 46% with the R/C ratio of 1.46 means the variability of business "Ganep Bakery" efficient and profitable. Marketing strategy that is in "Ganep Bakery" is directly to consumers through several self-owned outlets, then obtained the marketing margin (MP) for wet bread is Rp. 1,080/ unit and crusty bread at Rp. 4,989/ unit with the marketing efficiency of 0.03 ($EP < 1$) means the variability of bread marketing at the company "Ganep Bakery" has been efficient.

Keywords: *Performance of Business, Marketing "Ganep Bakery"*

1. Introduction

Develop businesses in the food sector both in terms of raw materials, semi-finished products, and finished products is an activity that has a very good prospect. This is because food is a basic human need in order to meet the nutritional needs of the body. Currently processing industry of agricultural products, especially food growing quite rapidly, in addition to having a higher economic value, the processing of agricultural products also aims to meet the tastes and lifestyles of man that continues to increase as the level of economic development of the community.

Food processing industry based flour is mostly done by operators in the form of small-scale, medium-sized businesses, and large enterprises. Currently agribusiness activities that support the economy is mostly done by good agricultural processing activities by small and medium industries. One of the food processing industry is a rapidly growing business processing wheat flour into bread or commonly called the "bakery". Indonesia is the only country in the world to impose trade restrictions on imports of wheat flour (Prihtiyani, 2013). Indonesian Wheat Flour Producers Association (Aptindo) recorded imports of wheat flour in Indonesia fell 34.92%. Company bread "Ganep bakery" is one example of the bakery business grow and thrive in the city of Surakarta. Bread "Kecik" become one of the characteristics of bakery products Ganep patented and is not found in the other bread company. The products sold are wet and dry toast bread because it has a lot of production variations, but the bread was soggy more favored by consumers (Penowo, 2011).

Competition small and medium enterprises engaged in the bakery tight enough with many actors who pursue this business. Thus, the efficiency of production becomes a decisive factor in addition to taste, shape and supported by the diversification of the product will determine the sustainability of the business. From of community service activities to the company "Ganep Bakery" in Surakarta obtained information that the business operations of the company for having some problems mainly related to an increase in production cost structure, as a result of rising prices for the main raw material, namely wheat flour (Retnaningsih et al, 2012). Increased production costs of the course will affect the level of revenue and profitability achieved by the company. These conditions encourage companies to improve efficiency to reduce production costs in order to compete with the price of other similar bakery products.

This study aims to analyze the feasibility of bread in terms of aspects of cost, revenue, breakeven, profitability, efficiency of operations, and marketing margins in the production period (1 month) June-July 2013. According to Halim and Supomo (2005) level of profitability is affected by the costs incurred production, sales volume and selling price. The increase in the price of the main raw material (wheat flour) will increase

production costs, but it will reduce the level of profitability achieved by the company.

Therefore, it is important to do research, to describe the performance of the company's business and marketing bread "Ganep Bakery" located at 176 road of Sutan Sjahrir, Surakarta, as well as any measures that have been taken by companies bread "Ganep Bakery" in keeping market stability that still exist existence and can last up to 131 years of age (Pramono and Esmaningtyas, 2012).

2. METHOD

Stages of research begin with the relevant literature and a survey to study sites are in the company of bread "Ganep Bakery" on the road of Sutan Sjahrir 176, Surakarta. Products include wet and dry toast bread because it has a lot of production variations, the wet bread sold. The data collected during the production period (1 month) June-July, 2013.

Study method is descriptive quantitative, used is the method of survey on bread company "Ganep Bakery" in Surakarta, with the consideration that the company will serve as a pilot bread by local governments Surakarta. Location research purposively, because the existence and strength of the company "Ganep Bakery" still exist and survive until the age of more than a century or 131 years (Pramono, & Esmaningtyas, 2012).

Observed variables include fixed costs: labor, and public administration, depreciation, maintenance, communication/telephone, marketing; and variable costs: raw materials (flour, eggs, butter, sugar, spices, flavored), water, electricity and gas, direct labor, packaging and labeling. Depreciation of fixed capital costs include: buildings, machinery, production equipment, vehicles computed by the straight-line depreciation method.

The type of data collected is secondary data, obtained from the company bread "Ganep Bakery" by using questionnaires, then the data is validated, classified, tabulated, processed and analyzed with the help of *Microsoft Excel* program, Analysis of Revenues and Profits, Analysis of Revenues and Expenses balance (R/C ratio), Break Even Point Analysis (Break Even Point/ BEP), Marketing Margin and Marketing Efficiency is calculated using the following formula (Rasyaf, 1995).

3. Results and Discussion

The results tabulated calculations on the performance of the business and marketing analysis bread on the company "Ganep Bakery" in Surakarta during the production period (1 month) June-July, 2013, the results are as follows:

3.1 Performance of Production Costs

The cost structure is generally divided into fixed costs and variable costs. Variable costs are costs that change in proportion to the total number of changes in the volume of activity and fixed costs are costs that the total volume of activity remains within the range specified (Martono and Harjito, 2003; Putriyana, 2008). Table 1 shows the magnitude of the cost structure of the performance of the production company Ganep Bakery bread.

Table 1. Performance of Production Cost Structure Company "Ganep Bakery"/Month

No.	Cost Component	Value (Rp.)	Percentage (%)
1.	Variable Cost		
	a. Row Material	83.200.000	43%
	b. Labor	39.600.000	20%
	c. Water	1.000.000	1%
	c. Electricity, gas	6.000.000	3%
	d. Packing	5.000.000	3%
	sub-total	134.800.000	69%
2.	Fixed Cost		
	a. Labor	35.700.000	18%
	b. Administration	6.000.000	3%
	c. Maintenance	4.500.000	2%
	d. Reduction	5.500.000	3%
	e. Communication	3.500.000	2%
	f. Marketing	5.000.000	3%
	sub-total	60.200.000	31%
	Total	195.000.000	100%

Analysis of the performance of the company's production costs Ganep Bakery bread during the month of June to July 2013 conducted by calculating production costs incurred by the company, both variable costs and fixed costs. The analysis showed that the magnitude of the variable costs amounted to 69% and fixed costs by 31%. The amount of the variable cost is dominated by the cost of procurement of raw materials by 62% of the

total amount of variable costs incurred by the company, or 43% of the total costs incurred by the company are used for the procurement of raw materials. As for the amount of fixed costs dominated for wage / labor costs, which amount reaches 59% of the total fixed costs incurred by the company, or 18% of the total costs incurred by the company.

3.2 Performance of Revenue

Revenue is increasing the number of assets as a result of the company's operations on a gross basis, revenue earned for the transfer / sale of goods / services or other activities in the period. Riyanto (2001) stated that the revenue is the gross inflow of economic benefits arising from the normal activities of the company during the period when those inflows result in increases in equity, which is not derived from the contribution of the increase in capital. Equity or capital (equity) is the owner of the assets of the company which is the net worth (total assets less liabilities). Table 2 shows the amount of the income structure of the performance of the company's production of bread "Ganep Bakery" in Surakarta.

Table 2. Performance of Revenue Structure Production Company "Ganep Bakery"/Month

No.	Components of Income	Value (Rp.)	Percentage (%)
1.	Wet Bread	174.000.000	61%
2.	Dry Bread	110.275.000	39%
	Total	284.275.000	100%

The results of the analysis of the performance of the production company revenues bread "Ganep Bakery" during the month of June to the month of July 2013 shows that the revenues generated from the sale of bread soaked Rp. 174 million or 61% of the company's overall revenue, while revenue from the sale of dry bread Rp. 110 275 000 or 39% of the total income of the overall company. This shows that the overall income of the company "Ganep Bakery" relying on the sale of the type of bread soggy, while the total overall revenue (wet and dry toast bread) Rp. 284.275.000.

3.3 Break Even Point (BEP)

Breakeven or even point (BEP) is a state in which a company does not lose and do not make a profit. An attempt is said to break even if the amount of income is equal to the amount of costs or if the profit contribution can only be used to cover the fixed costs alone. Break-even analysis is a way to determine the minimum sales volume so as not to suffer a loss of business, but also not for profit (Halim and Supomo, 2005; Sigit, 1995). Table 3 shows the magnitude of the value of BEP or break even on the performance of the company's production of bread "Ganep bakery" in Surakarta.

Table 3. Calculation of Break Even Point (BEP) of the Company "Ganep Bakery"/Month

Components	Wed Bread	Dry Bread
Total Productions (Unit)	51.000	6.860
Avarage of Selling Price/Unit (Rp/unit)	3.412	16.075
Revenue (Rp)	174.000.000	110.275.000
Total Revenue (Rp)	284.275.000	
Total Variable Cost (Rp)	134.800.000	
Total Fixed Cost (Rp)	60.200.000	
Total Cost (Rp)	195.000.000	
Profit (Rp)	89.275.000	
BEP (wed and dry bread) (Rp)	229.165.946	

Analysis of break-even point (BEP) was conducted to determine the level of acceptance where the company does not make a profit, but also did not suffer losses. Results of the analysis showed that the break-even point (BEP) is obtained at the level of corporate earnings "Ganep Bakery" is Rp. 229 165 946.

3.4 Profitability Ratio

Profit is the amount of profit earned from the sale of the company reduced by the total costs incurred by the company. Profitability is the value of net income divided by total expenditure. Profitability of the acquired companies describe the profits derived from the sale. Profits generated by the businesses affected by the selling price of the products, production costs, and the large volume of sales (Aziz, 2010; Limbong and Sitorus, 1997). Table 4 shows the magnitude of the ratio of profitability and R / C ratio of the performance of the company's business bread "Ganep bakery".

Table 4. Ratio Profitability and R / C Ratio Performance of Enterprises "Ganep Bakery"/Month

Revenue (Rp.)	Expenditure (Rp.)	Profit (Rp.)	Profitability Ratio (%)	R/C Ratio
284.275.000	195.000.000	89.275.000	46	1,46

Analysis of revenues and expenses balance is done by comparing the amount of receipts and

expenditures of the company during June to July 2013. The results of this analysis showed that the company's profitability ratio is equal to 46% or the rate of R / C ratio of 1.46. These results illustrate that the performance of the business of the company "Ganep bakery" efficient and profitable.

3.5 Marketing Margin

Marketing costs are those costs incurred in the movement of goods from producer to final consumer hands or any expenses incurred for marketing purposes (Muchlisin, 2012; Rasyaf, 1995). Table 5 shows the magnitude of the value of marketing margin and marketing efficiency of the performance marketing company "Ganep Bakery" in Surakarta.

Table 5. Margin Marketing and Marketing Efficiency of "Ganep Bakery" / Month

Components	Average of HPP on Producer (Rp/unit)	Average of Selling Price / Retail Prices on Consumers (Rp/unit)	Marketing Margins (Rp./unit)	Marketing Efficiency
Wed Bread	2.332	3.412	1.080	0,03
Dry Bread	11.086	16.075	4.989	

Marketing margin analysis is used to determine the distribution of the costs of any marketing activity and profits of any intermediaries and part of the price received by producers. Or in other words the marketing margin analysis was conducted to determine the level of competence of the actors involved in the marketing/distribution (Sudiyono, 2002).

Marketing strategies that exist in the company of bread "Ganep Bakery" is direct to the consumer through some self-owned outlets (in Surakarta there are 5 outlets). Marketing margin is the difference between the sale price / retail prices at the consumer level for a purchase price / cost of production (HPP) at the producer level. Calculation of the cost of goods manufactured is to be considered in determining the selling price of the product (Setiadi, 2014). Cost of production (HPP) is needed as a tool for the determination of a fair price at the consumer level by entering the value of the benefits to be achieved by the company. The results of the calculations in Table 5. The obtained marketing margins for wet bread Rp 1,080 / unit, while for dry bread Rp 4,989 / unit. Marketing efficiency is the ratio between the cost of marketing and the value of marketed products, obtained results of the marketing efficiency of 0.03 ($EP < 1$), this means that the performance of the marketing of the company "Ganep Bakery" in Surakarta is efficient.

4. Conclusion

- 1). The results of the performance of the company's business bread "Ganep Bakery" in Surakarta for 1 month (June-July 2013), obtained by the amount of variable cost is Rp. 134.8 million or 69% and the fixed cost is Rp. 60.2 million, or 31% of the total existing cost structure or the total cost of Rp. 195 million.
- 2). Revenue from the sale of company dominated moist bread Rp. 174 million or 61% and dry bread Rp. 110.275.000 or 39% of total revenue Rp. 284.275.000.
- 3). While the Break Even Point (BEP) is achieved at the level of corporate earnings Rp. 229.165.946.
- 4). Profitability ratio of 46% with R/C ratio of 1.46 means that the performance of the business in the company "Ganep Bakery" efficient and profitable.
- 5). The marketing margin (MP) for wet bread Rp. 1,080/ unit and crusty bread Rp. 4,989/ unit with marketing efficiency ($EP = 0.03$ or $EP < 1$), meaning that the performance of the company marketing bread "Ganep Bakery" already efficient.

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