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REVENUE ANALYSIS OF ARABIC COFFEE EXPORTERS IN CV. TRIMAJU OF BANDAR DISTRICT, INDONESIA

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ABSTRACT

The aim of this research is to determine CV. Trimaju's income for Arabica coffee exporters in Bandar District. The research results show that the income is RPI 2,730,937,945 with an average per month of IDR 455,156,324.22 and the total production costs incurred are IDR 12,915,766,066 with an average production cost of IDR 2,209,175,819. The R/C Ratio value obtained is > 1 , namely 1.21; this means that the Arabica coffee exporter business at CV. Trimaju has made a profit. The Break Event Point value obtained by CV. Trimaju as an Arabica coffee exporter at the time of receipt was IDR 1,780,357,601, production was 277,460 Kg and at the time the price was IDR 39,882.7/Kg. Suggestions to CV. Trimaju is to increase coffee export production and to the government to provide education and provide assistance in the form of capital so that production will increase in the future.

KEY WORDS

Income, exporters, arabica coffee, Indonesia.

Arabica coffee (*Coffea Arabica*) besides having a better taste and aroma than robusta coffee, guarantees the price. Indonesia's coffee production is predicted to continue to decline due to the impact of El Nino. It is believed that this decline will widen the demand for coffee, which is now increasing (Elisabeth Adventa, 2017).

Currently, Indonesian coffee plantations cover a total area of approximately 1.24 million hectares, 933 hectares of robusta plantations and 307 hectares of arabica plantations. More than 90% of the total plantations are cultivated by small-scale farmers. Indonesia's coffee production is 639,305 tons with a productivity of 707 kilograms/ha. The most widely developed type of coffee in Indonesia is robusta, around 76.2% and arabica 23.8%. Nearly 96% of these are plantations owned by the people, involving a workforce of around 1.8 million heads of families (KK). With an average land ownership of 0.6 ha (Devito Martha, 2017).

For Indonesia, coffee is a source of foreign exchange for the country, apart from that, coffee also plays an important role in the economy of the people of Bener Meriah in general and coffee farmers in particular. Competition in the coffee market is now increasingly tight, it can be seen from the many coffee brands circulating on the market in Indonesia and outside Indonesia, this happens because coffee is the minimum the most frequently consumed freshener. Export is the sale of goods abroad with a payment system, quality, quantity and



other sales conditions that have been approved by the exporter and importer. Sales of goods by exporters abroad are subject to various provisions and restrictions as well as special conditions for certain types of commodities, including how to handle and secure them.

Each country has different trading regulations and conditions. Especially for the export of agricultural and fishery commodities in Indonesia, some of them do not have terms and conditions that are too complicated, in fact the government is currently making it easier for every company to export agricultural and fishery products abroad.

These export and import activities will generate foreign exchange for the country. Export is a trading system by removing goods from within the country to abroad by complying with applicable regulations. Exports are the total of goods and services sold by a country to other countries, including goods, insurance and services in a particular year (Utomo, 2000:56) Imports are the flow of trade in a commodity from abroad to within the country (Sujuna and Wiharno, 2003).

Products to be marketed must have good quality standards (export quality) so that they can satisfy consumers and timely delivery of goods which can have an impact on regular orders. Apart from that, exporters must also understand the tastes of consumers in the country of export destination.

Excessive profits do occur in some international markets, but generally the cause of price differences between exporting countries and importing countries is called price increases, which are additional costs that arise as a result of exporting products from one country to another.

More specifically, the term relates to situations when prices increase due to shipping costs, insurance costs, packaging costs, tariff costs, longer distribution channels, higher intermediary margins, special taxes, administration costs, and exchange rate fluctuations. These costs increase as a direct result of the movement of goods across national borders and often these price increases are higher than prices on the domestic market.

Marketing of Arabica coffee with quite large volumes is not always easy to distribute, it is local and conditional. Producer trying to carry out a process that can provide added value through the application of the agribusiness concept so that consumers can immediately enjoy it. Arabica coffee is exported in large quantities and only goes through the stages of a perfect processing process and lengthy marketing so that it reaches final consumers who are abroad.

The implementation of development is not only to analyze economic growth, but development must also be seen through accelerating the expansion of business opportunities by utilizing existing resources (Zelly, et al. 2017). Another important factor to pay attention to increase revenue is promotion. Promotion is a means of introducing the product that will be offered which can influence consumers in buying the product (Suryati et al, 2020).

The activity carried out by CV. Trimaju is buying grain coffee from farmers or collectors which is then processed into green (pumpkin) coffee until it is dry and then exported abroad. Currently CV. Trimaju has several assets: a factory worth 2 (two) billion which absorbs Human Resources (HR) of 60 people with 741 heads of assisted farmer families spread across 2 (two) Districts include: Bandar District and Bukit District.

From year to year CV. Trimaju has experienced significant improvements, one of which is the increasing trust of several parties, such as foretrade as a business partner and consumer in various foreign countries such as in the American country, namely Pragon and the European country, namely Ambek. This can be seen from the number of deliveries of 6 lots in 2018 to 20 2 1 reaching 50 lots of organic coffee. This is what causes researchers to be interested in conducting research in the field of Income Analysis of Arabica Coffee Exporters at CV. Trimaju in Bandar District.

METHODS OF RESEARCH

The sampling method used in this research is a case study. A case study is a research strategy, empirical study, which investigates a phenomenon in a real life setting. This



strategy can enclose quantitative evidence that relies on various data sources and previous developments from a theoretical position. Case studies can use both quantitative and qualitative evidence. Single-subject research provides a statistical framework for making inferences from quantitative case study data.

R / C ratio analysis used to determine the profits of a business based on the amount of capital issued:

$$R/C \text{ Ratio} = \frac{TR}{TC}$$

Where: R / C Ratio = Revenue-cost ratio, TR = Total Revenue, TC = Total Cost; If the R/C Ratio \leq means CV. Trimaju does not make a profit and is not feasible to implement, If the R/C ratio value is > 1 , it means that the coffee export business at CV. Trimaju has made a profit.

Break Even Point (BEP) analysis used to estimate of the level of capacity at which the company neither makes a profit nor suffers a loss.

RESULTS AND DISCUSSION

The characteristics referred to in this research are age, education, experience in business, and the number of dependents in the family (life). The characteristics of the sample will determine the work ability of an entrepreneur in an effort to increase production, in addition to physical factors and other economic factors.

An entrepreneur is a person who functions as a manager in making decisions and managing the use of existing production resources in a business effectively so that it can produce production. In this case, entrepreneurs to manage their business must have the ability and skills, so that the entrepreneur can and is able to carry out the results of their business as well as possible.

Income in this research is a value analysis of production value after deducting production costs or income obtained from coffee exports where the total production value is reduced by production costs. Revenue is also a prominent measure in determining the success or failure of a business. If the income is large enough then it is considered successful and if the income is smaller than the business is considered less successful.

Table 1 –Average Coffee Export Income at CV. Trimaju in Bandar District

No	Month	Production (Rp)	Production Costs (Rp)	Income (Rp)
1	December	1,042,087,851	1,009,518,130	32,569,721
2	March	922,386,462	821.383.153	101,003,309
3	April	3,252,829,918	2,800,069,937	452,759,981
4	May	2,690,112,025	2,063,773,676	626,338,349
5	June	2,991,089,894	2,656,932,806	334,157,088
6	July	4,747,197,861	3,903,377,214	843.820.647
Amount		15,645,704,011	13,255,054,916	2,390,649,095
Average		2,607,784,002	2,209,175,819	398.608.183

Source: Primary Data processed, 2023.

From the table above it can be seen that the amount of income obtained by CV. Trimaju in exporting Arabica coffee is Rp. 2,391,649,095,- with an average monthly income of IDR 398,608,183. Ratio is an abbreviation of Return Cost Ratio, or known as the comparison/ratio between revenue and costs. This R/C ratio shows an idea of how many times the profit will be obtained from the costs incurred. The advance in Arabica coffee exports is 1.21, this means that the Arabica coffee export business has made a profit. Break Event Point is where costs or expenses and income are balanced; there is no loss and no profit. Exports of Arabica coffee at CV. Trimaju reached the break-even point at the time of receipt of IDR 2,088,092,240,- production of 284,749 Kg and at the time price IDR 39,882.7/Kg.



CONCLUSION

The total production costs incurred in exporting Arabica coffee to CV. Trimaju per month are IDR 12,915,766,066,- the production of Arabica coffee that has been exported abroad is 332,351.17 Kg with an average production per month of IDR 55,391.86,-total Production Value Rp 15,646,704,011,- monthly average IDR 2,607,784,002,- with a selling price of IDR 46,550. The amount of income obtained by the owner of CV. Trimaju from exporting Arabica coffee is IDR 2,730,937,945 with an average monthly income of IDR 455.156.324.22. R/C Ratio value > 1, namely 1.21 which means that the Arabica coffee export business has made a profit because the revenue is greater than the costs incurred. The BEP value obtained at the time of receipt is IDR. 1,780,357,601 production 277,460 Kg and at the time the price was Rp. 39,882.7 / Kg.

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