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Analysis Performance French Fries Business Income Studies Case at UD. Potatoes House, Kabupaten Pasuruan

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Abstract
This study aims to analyze the income level of the French fries business at U D. Potatoes House, Pasuruan Regency, and to evaluate the company's ability to generate net profit from its sales activities. The study was conducted from May to June 2026. The determination of the research location and respondents was done intentionally (*purposive sampling*). The data used consisted of primary and secondary data obtained through observation, interviews, and documentation from related agencies. Data analysis was carried out using revenue, cost, income, and profitability analysis. The results of the study showed that in May UD. Potatoes House me ncatat obtained total revenue of Rp20,190,000, with total production costs of Rp11,929,075, resulting in revenue of Rp. 8,260,925. Meanwhile, in June 202 6 total revenue decreased to Rp17,430,000, with total production costs of Rp. 10,309,019, resulting in a revenue of Rp7,120,981. The level of profitability measured using the Return on Investment (ROI) indicator also decreased during the study period. The Earning After Tax (EAT) value was recorded at Rp8,327,512 in May and decreased to Rp7,193,268 in June. This decrease caused the ROI value to decrease from 72.51% to 62.63%. These results indicate that every investment of Rp100 is able to generate a net profit of between Rp72.51 and Rp. 62.63. Despite the decline in profitability due to fluctuations in revenue and income, UD. Potatoes House is still able to generate profits so it is worth continuing to run and develop.

Keywords: Processing; Performance; Revenue; Added Value; MSMEs

INTRODUCTION

The agricultural sector is a strategic sector in the national economy, encompassing five subsectors: food crops and horticulture, plantations, livestock, forestry, and fisheries. Horticulture, as part of the agricultural sector, encompasses various commodities such as vegetables, fruits, and medicinal plants. Horticultural products, particularly vegetables and fruits, play a vital role in meeting the nutritional needs of the community because they contain vitamins and minerals that contribute to improving the quality of human resources, supporting economic development (Saragih, 2010).

Agroindustry is an activity focused on processing raw materials from agriculture and livestock into products with added value. According to Soekartawi (2001), agroindustry can be understood from two perspectives: as an industry that uses agricultural products as its primary raw material and as a subsequent stage in the process of agricultural development toward industrial development.

Regency Pasuruan is one of East Java is a region with abundant natural resource potential, particularly agricultural land. This situation makes the agricultural sector a key driver of regional economic development. One of the leading horticultural commodities growing in this region is the potato (Solanum tuberosum L.) (BPS, 2024).

Potatoes (Solanum tuberosum L.) are a horticultural commodity with high economic value and are widely used as a food ingredient. This tuber contains carbohydrates, fiber, vitamin C, vitamin B6, potassium, and various minerals that act as an energy source and support the fulfillment of people's nutritional needs. In addition to being consumed as an alternative staple food, potatoes are also used as a raw material for various processed products, such as French fries, potato chips, potato cakes, and other ready-to-eat food products (Lukman et al., 2022).

Processed potato products, particularly French fries, are in increasing demand due to their popular taste and practicality as a snack or side dish. Processing potatoes into French fries provides higher added value than selling fresh potatoes, while expanding business opportunities and increasing income by increasing the product's selling price (Khairina et al., 2022). However, the availability of potato raw materials is still affected by production fluctuations caused by seasonal factors, climate conditions, and price changes at the farm level, which can impact the continuity of production in the potato processing industry. (Secretariat General of the Ministry of Agriculture, 2022).

UD. Potatoes House is a micro-enterprise engaged in food processing and has developed independently. Its operational activities are supported by several workers involved in all stages of the business, from raw material procurement, processing potatoes into French fries, packaging, and product marketing activities. The main focus is producing French fries with various flavors and qualities that suit consumer preferences. Through business management oriented towards product quality and customer satisfaction, UD. Potatoes House continuously strives to increase its competitiveness and expand its product market share.

Every business owner essentially strives to maximize profits by increasing revenue and efficiently controlling production costs. Therefore, businesses need to consider various factors that can influence profit levels to ensure business continuity. One of the challenges faced by UD. Potatoes House is the fluctuation in the availability and price of potato raw materials, which are influenced by seasonal conditions, farmer supply, and changes in market demand. This condition impacts the amount of French fries produced and indirectly affects the income and profit levels of the business. If this condition persists, it can affect the sustainability and development of the business. Therefore, research is needed to analyze the profitability of the French fries business at UD. Potatoes House. This study aims to analyze the amount of income and profitability of the French fries business at UD. Potatoes House, located in Pasuruan Regency.

METHODS

This research was conducted at UD. Potatoes House, located in Pasuruan Regency, East Java. The research location was determined purposively, considering that UD. Potatoes House is a French fries processing company and has shown quite good business development in Pasuruan Regency. The research was conducted from May to June 2026.

The respondents in this study were selected using purposive sampling, including business owners and employees directly involved in operational activities. Respondents were selected based on their understanding of all business activities, from raw material procurement and production processes, packaging, and product marketing, enabling them to provide relevant information that meets the research needs.

The data used in this study consists of primary and secondary data. Primary data was obtained through field observations, direct interviews with business owners using questionnaires as a research instrument, and documentation of business activities. Meanwhile, secondary data was obtained from various relevant sources, such as the Central Statistics Agency (BPS) and the Ministry of Finance. related to Pasuruan Regency, as well as various literature that supports the implementation of the research.

The analysis method used is a quantitative approach, which includes cost analysis, revenue analysis, income analysis, and business profitability analysis.

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According to Soekartawi (2002), business income is the difference between total revenue (TR) and total costs (TC) incurred during the production process. Total revenue is obtained by multiplying the number of French fries produced by the selling price per unit, while total costs are all expenses incurred in the production process. Business income is calculated using the following equation:

π=TR-TC

Where:

π = Income (Rp)
TR = Total Revenue (Rp)
TC = Total Cost (Rp)

Total costs are calculated using the following equation (Soekartawi, 2002):

TC=FC+VC

Where:

TC = Total Cost (Rp)
FC = Fixed Cost (Rp)
VC = Variable Cost (Rp)

Next, total revenue is calculated based on the results of multiplying the number of products produced by the selling price of the product (Soekartawi, 2001), namely:

TR=Q x P

Where:

TR = Total Revenue
Q = Number of Products (Quantity)
P = Product Price (Rp)

According to Erniwati (2015), profitability is a company's ability to generate profits based on sales, total productive assets, and invested capital. One indicator used to measure profitability is Return on Investment (ROI), which is formulated as follows:

ROI=EAT/Investasi x 100%

Where:

ROI = Return on Investment (%)
EAT = Earning After Tax or profit after tax
Investment = Total investment used in business activities.

RESULTS AND DISCUSSION

Based on Table 1, it is known that UD. Potatoes House has fixed assets in the form of various production equipment with a total value of Rp34,602,000. These fixed assets are important components that support the smooth production process and support the continuity of business operations. Therefore, good financial management needs to be implemented so that all assets can be utilized optimally. This management includes planning operational needs, controlling cash inflows and outflows, and monitoring all financial activities so that business activities can run effectively and efficiently. At UD. Potatoes House, all financial management activities are still carried out directly by the business owner, so that every decision related to the use of capital, investment, and operational expenses is completely under the control of the owner.

Table 1. Amount Asset Still UD. Potatoes House 2026

No	Type Tool	Amount Unit	Mark Unit (Rp)	Amount (Rp)
1	Knife	8	10,000	80,000
2	Stove Gas	3	500,000	1,500,000
3	Spinner	1	4,000,000	4,000,000
4	Wok	3	200,000	600,000
5	Tube Gas 12 Kg	3	180,000	540,000
6	Jar Plastic	8	80,000	640,000
7	But s	4	25,000	100,000
8	Spoon Fry	4	28,000	112,000
9	Basket	4	150,000	600,000
10	Machine President	1	4,500,000	4,500,000
11	baking pan	6	30,000	180,000
12	Scales	1	750,000	750,000
13	Motor	1	21,000,000	21,000,000
	Amount			34,602,000

Source: data primary after processed, 2026

Based on Tables 2 and 3, revenue from the French fries business at UD. Potatoes House decreased from May to June 2026. This decrease was due to a decrease in production volume in June due to a decrease in consumer demand and sales of French fries. Furthermore, fluctuations in the availability of potato raw materials and increased business competition also affected production volume and sales levels. These conditions resulted in a lower total revenue for UD. Potatoes House in June compared to May. Details of the French fries business revenue during the study period are presented in Tables 2 and 3.

Table 2. Amount Reception French Fries on UD. Potatoes House in May 2026

No	Type Product	Size Packaging	Amount (Unit)	Price (Rp /unit)	Reception
1	Potato Fry	100 gr	282	30,000	8,460,000
		200 gr	93	60,000	5,580,000
		250 gr	82	75,000	6,150,000
	Amount		457		20,190,000

Source: Data Primary After processed, 2026

Table 3. Total French Fries Receipt at UD. Potatoes House in June 2026

No	Type Product	Size Packaging	Amount (Unit)	Price (Rp /unit)	Reception
1	Potato Fry	100 gr	269	30,000	8,070,000
		200 gr	76	60,000	4,560,000
		250 gr	64	75,000	4,800,000
	Amount		409		17,430,000

Source: Data Primary After processed, 2026

Based on Table 4, the total costs incurred by UD. Potatoes House in the production of French fries showed changes during the period of May to June 2026. In June, the total production costs decreased to Rp10,309,019. This decrease was influenced by the reduction in production volume, resulting in a decrease in the need for variable costs. The variable costs that decreased included the purchase of raw potatoes, auxiliary materials, cooking oil, spices, packaging materials, and the use of LPG gas during the production

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process. The reduced use of various production inputs resulted in the total production costs incurred by UD. Potatoes House being lower compared to the previous month.

Table 4. Total Cost Production French Fries from UD. Potatoes House May- June 2026

No	Month	Cost Still (Rp)	Cost Variables (Rp)	Cost Total (Rp)
1	May	792,754	11,136,321	11,929,075
2	June	792,754	9,516,265	10,309,019
	Amount	1,585,508	20,652,586	22,238,094
	Flat- flat	792,754	10,326,293	11,119,047

Source: Data Primary After processed, 2026

Income
Revenue analysis is conducted to determine the amount of profit earned by a business and to serve as a basis for measuring the company's profitability. When calculating revenue, several components must be considered, including the amount of investment, total revenue, and total production costs. According to Mubyarto (2002), revenue levels are closely related to the amount of production. The higher the production volume, the greater the opportunity for increased revenue. Conversely, if total costs exceed revenue, the company will experience losses. Revenue is derived from the difference between total revenue and total costs incurred during the production process.

Table 5. Income Product French fries on Month May- June 2026.

No	Month	Reception	Total Cost	Income
1	May	20,190,000	11,929,075	8,260,925
2	June	17,430,000	10,309,019	7,120,981
	Amount	37,620,000	22,238,094	15,381,906
	Flat- flat	18,810,000	11,119,047	7,690,953

Source: Data Primary After processed, 2026

Based on Table 5, the revenue of the French fries business at UD. Potatoes House fluctuated during the May–June 2026 period. During the study period, total business revenue was recorded at IDR 37,620,000, while total production costs reached IDR 22,238,094, resulting in a total revenue of IDR 15,381,906. The decrease in revenue in June was due to reduced consumer demand, which resulted in decreased sales volume and production volume. In addition, fluctuations in raw material supply and increased competition between businesses also affected the level of revenue obtained. These conditions caused UD. Potatoes House's revenue in June to be lower than in May.

Profitability
Profitability is an important indicator used to measure a business's ability to generate profits based on its assets or investment capital. According to Syamsuddin (2008), profitability reflects a company's level of effectiveness and efficiency in utilizing all available resources to generate profit.

In this study, the profitability of the French fries business at UD. Potatoes House was analyzed using the Return on Investment (ROI) ratio, which is the ratio between net profit after tax (Earning After Tax/EAT) and the total investment used in running the business. The investment used in this calculation consists of fixed assets, specifically production equipment owned by UD. Potatoes House to support the French fries processing process. The results of the ROI calculation are presented below.

1. Profitability in May
   ROI = (Rp. 8,327,512 / Rp. 11,484,000) × 100% = 72.51%
2. Profitability in June
   ROI = (Rp. 7,193,268 / Rp. 11,484,000) × 100% = 62.63%

Table 6. Profitability French Fries at UD. Potatoes House

No	Month	EAT (Rp)	Investment (Rp)	ROI (%)
1	May	8,327,512	11,484,000	72.51
2	June	7,193,268	11,484,000	62.63
	Amount			135.14
	Average			67.57

Source: Data Primary After processed, 2026

Based on Table 6, UD. Potatoes House's profitability level changed from May to June 2026. In May, the Return on Investment (ROI) was 72.51%, indicating that each investment used in business activities generated a net profit of 72.51% of the total invested capital. Meanwhile, in June, the ROI decreased to 62.63%, indicating a decline in the business's ability to generate profits based on the investments used.

Overall, the average profitability level during the two-month study period reached 67.57%. This value indicates that every Rp100 invested in business activities generated an average net profit of Rp67.57. The decline in profitability in June was influenced by a decrease in consumer demand, which impacted production volume, business revenue, and profits earned by UD. Potatoes House.

According to Widarjo and Setyawan (2009), profitability reflects the level of efficiency and effectiveness of a business in utilizing its assets to generate profits. The more optimal a company's asset utilization, the more efficient its operational costs will be, thereby increasing its chances of profit. This efficient use of assets can also strengthen a business's financial standing and reduce the risk of financial distress by ensuring sufficient funding to support operational continuity.

CONCLUSION

Income business product processed French fries at UD. Potatoes House during period study during two monthy, namely May to June 2026, reached amounting to Rp. 15,381,906, with an average income earned every month amounting to Rp7,690,953. average level of profitability obtained by UD. Potatoes House during period May– June 2026 based on Return on Investment (ROI) calculation of 67.57%. This value show that business capable produce profit clean amounting to 67.57% of the investment capital used. In other words, every use investment as much as Rp. 100 is capable produce profit clean amounting to Rp. 67.57 for business in support return assets owned. Based on mark profitability said, the effort French fries at UD. Potatoes House have performance good finances as well as promising prospects For Keep going run and developed Because capable produce profitable.

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