

ANALYSIS OF ADARA BAKERY MICRO, SMALL, AND MEDIUM ENTERPRISES (MSMEs)

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Abstract

Micro, Small, and Medium Enterprises (MSMEs) are a crucial sector in the Indonesian economy, contributing to job creation and improving community well-being. One of the growing MSMEs in the food and beverage sector is Adara Bakery. This study aims to analyze the business management and profits of Adara Bakery. The research method used is a descriptive method with a case study approach. The data used are simple assumptions regarding revenue and operating costs. The analysis shows that Adara Bakery has good profit potential if cost management and marketing strategies are implemented effectively. By improving product quality and cost efficiency, Adara Bakery can develop sustainably and contribute to the community's economy.

Keywords: *MSMEs, Bakery, Profit, Small Business*

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are a key pillar of the national economy. They play a strategic role in absorbing labor, reducing unemployment, and increasing public income. Amidst increasingly fierce economic competition, MSMEs are required to adapt and manage their businesses effectively to survive and thrive. One of the MSME sectors that continues to grow is the food and beverage sector, including bakeries. Bread and cakes are consumer goods with high demand from various segments of society. Adara Bakery is an MSME specializing in the production and sale of bread and cakes, targeting the local community. Despite its significant market potential, the Adara Bakery MSME also faces various challenges, such as managing production costs, business competition, and efforts to increase profits. Therefore, a business analysis is necessary to understand the condition of the Adara Bakery MSME and the potential profits it can generate from its operations. Micro, Small, and Medium Enterprises (MSMEs) play a vital role in strengthening local and national economic resilience, particularly in developing countries such as Indonesia. Beyond their contribution to employment creation, MSMEs function as drivers of income distribution and community welfare improvement. The food and beverage sector is one of the most dynamic MSME sectors due to its stable demand and close relationship with daily consumer needs. Bakery businesses, in particular, have significant growth potential because of their short production cycles, product variety, and opportunities for innovation. Adara Bakery represents a typical micro-scale enterprise that serves the local market while facing common challenges such as cost control, business competition, and profit optimization. Therefore, conducting a business and profit analysis is essential to understand the sustainability and development prospects of Adara Bakery within an increasingly competitive market environment.

LITERATURE REVIEW

According to Tambunan (2019), MSMEs are productive businesses owned by individuals or small businesses that make a significant contribution to the national economy. The success of MSMEs is greatly influenced by the ability of entrepreneurs to manage their resources, both human and financial. Profit theory in microeconomics explains that profit is the difference between total revenue and total costs incurred in the production process (Sukirno, 2016). If revenue exceeds costs, the business makes a profit. Conversely, if costs exceed revenue, the business experiences a loss. In the context of bakery MSMEs, product quality, price, and customer satisfaction are crucial factors in increasing sales and profits. Furthermore, utilizing social media as a marketing tool can also help MSMEs expand their market reach. MSMEs are defined as productive

economic activities managed by individuals or small business entities that contribute significantly to national economic development. According to MSME development theory, business success is closely related to managerial capability, especially in managing financial and operational resources efficiently. From a microeconomic perspective, profit is defined as the difference between total revenue and total costs incurred during the production process. This concept is fundamental in assessing business feasibility and performance. In the context of bakery MSMEs, factors such as product quality, pricing strategies, and customer satisfaction play a crucial role in influencing sales volume and profitability. Additionally, the utilization of social media as a marketing tool has become increasingly important, as it allows MSMEs to expand market reach at relatively low cost while enhancing customer engagement and brand awareness.

RESEARCH METHODS

This research uses a descriptive method with a case study approach on the Adara Bakery MSME. Descriptive methods are used to systematically and factually describe the business conditions. The data used in this study consists of simple assumptions regarding the revenue and operating costs of the Adara Bakery business. Data collection was conducted through observation and a simple financial calculation assumption approach. The data obtained was then analyzed to determine the business's profitability and the potential for future development of the Adara Bakery MSME. This study employs a descriptive research method with a case study approach to analyze the business performance of Adara Bakery. The descriptive method is appropriate because the objective of the research is to provide a systematic and factual description of the actual business conditions rather than to test statistical hypotheses. The case study approach enables an in-depth examination of a single MSME unit, allowing for a detailed understanding of its operational and financial characteristics. Data used in this study are based on simple financial assumptions regarding monthly revenue and operating costs, reflecting the real conditions of micro-scale enterprises that often lack formal financial records. Data collection was conducted through direct observation and basic financial calculations, which were then analyzed to assess profitability and business development potential.

RESULTS AND DISCUSSION

Adara Bakery is an MSME that produces various types of bread and cakes to meet consumer needs. The production process is simple, using quality ingredients and a limited workforce. The products are marketed directly to consumers and through social media. Adara Bakery's marketing strategy aims to attract consumers and increase sales volume. Furthermore, its affordable pricing is a key competitive advantage for other bakeries. From a business management perspective, Adara Bakery needs to focus on production cost efficiency to increase profits. Good cost management will help MSMEs maintain financial stability. The results of the study indicate that Adara Bakery operates with a relatively simple production process using limited labor and resources while maintaining product quality to meet consumer demand. Marketing activities are conducted through direct sales and social media platforms, which contribute to increased customer reach and sales volume. Affordable pricing serves as a key competitive advantage in attracting consumers in the local market. The profit analysis shows that Adara Bakery generates sufficient monthly revenue to cover its operational costs, resulting in a positive net profit. These findings suggest that effective cost management, particularly in raw materials and labor expenses, is essential for maintaining financial stability. The discussion highlights that business profitability is influenced not only by sales performance but also by efficient resource allocation and sound managerial practices.

ADARA BAKERY UMKM PROFIT ANALYSIS

Based on a simple calculation simulation, the profit analysis for the Adara Bakery MSME can be explained as follows. Business revenue is generated from monthly sales of bread and cakes. Operating costs include raw materials, labor, and other operating expenses.

- Estimated monthly sales revenue is Rp. 15,000,000.
- The cost of raw materials is Rp. 6,000,000.
- Labor costs amount to Rp. 3,000,000.
- Other operational costs amounting to IDR 2,000,000.

Thus, the total operational costs incurred were Rp11,000,000. Based on this calculation, Adara Bakery's net profit was Rp4,000,000 per month. This result indicates that the Adara Bakery MSME has good profit potential and is worthy of development.

CONCLUSION

Based on the analysis and discussion, it can be concluded that the Adara Bakery MSME has good business opportunities in the food and beverage sector. Efficient cost management, improved product quality, and appropriate marketing strategies significantly impact business profitability. We hope that the Adara Bakery MSME will continue to develop its business to be competitive and make a positive contribution to the local economy. This article is expected to serve as a reference for students and MSMEs in understanding small business analysis. Based on the analysis, it can be concluded that Adara Bakery has promising business prospects within the food and beverage MSME sector. Efficient cost management, consistent product quality, and appropriate marketing strategies significantly contribute to business profitability. The positive profit margin indicates that the enterprise is financially viable and has the potential for further development. Continuous improvement in operational efficiency and market strategy is necessary to enhance competitiveness and sustainability. This study provides practical insights for MSME owners and students in understanding simple business analysis and profit evaluation in micro-scale enterprises.

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