

Enhancing Culinary Business Financial Management For Rural Community Using Website-Based Cogs Calculator

Yoanita Alexandra^{*}, Dinar Ajeng Kristiyanti², Ringkar Situmorang³

¹Universitas Multimedia Nusantara, email: yoanita.alexandra@umn.ac.id*

²Universitas Multimedia Nusantara, email: dinar.kristiyanti@umn.ac.id

³Universitas Multimedia Nusantara, email: ringkar.situmorang@umn.ac.id

ABSTRACT

The study focuses on the implementation of ecotourism programs to develop village tourism potential, with a specific emphasis on improving the financial management of culinary businesses. The activities involved increasing promotion and marketing of tourism destinations, developing skills and knowledge in tourism management, and providing training in financial record-keeping for micro, small, and medium-sized enterprises (MSMEs). The paper discusses the process and implementation methods of the community service activities, along with the significant benefits they provided for the rural community. The findings show that many of the MSMEs were not formally doing their financial record, resulting low and minus profit margin for some products. Through the results from COGS calculator, it is then suggested for MSME to reevaluate their cost of product and profit margin. The result contribute to the understanding of how community outreach initiatives can effectively support the financial management of culinary businesses in rural areas, ultimately fostering sustainable economic development.

Keywords: Rural communities; Culinary businesses; Financial Management; Website-Based; COGS

INTRODUCTION

Rural communities often face challenges in developing their economies and sustaining their livelihoods. One of the key sectors that can contribute to rural economic development is the culinary industry. However, culinary businesses in rural areas face several challenges that can hinder their growth and success. These challenges include limited access to healthy and affordable food, competition with large chain grocery stores, high operating costs, and narrow profit margins (Eravia, Handayani, & Julina, 2015).

The community outreach activities participants are MSME culinary owner under VOE (Village-owned Enterprise/BUMDES) Serdang Tirta Kencana. Village Owned Enterprise are meant to contribute more significantly to rural development by making the most of the village's potential and meeting community needs without uprooting previously existing businesses (Krisnawati & Permana, 2023).

This is further supported by the fact that Indonesian village growth has accelerated, reaching 1,409 villages annually, or an average growth rate of 2.29 percent (Alhamidi, Pakpahan, & Muliarto, 2018).

The importance of culinary business financial management for rural communities in Serdang Wetan, Tangerang, is a significant aspect of local economic development and sustainability. As a rural area with untapped tourism potential, the development of culinary businesses not only contributes to the local economy but also preserves the cultural and environmental heritage of the region. The implementation of ecotourism programs and community service activities in Serdang Wetan has been recognized as a model for tourism development in rural areas, emphasizing the potential for economic growth and cultural preservation (Yunia, Sari, Desmawan, Syaifudin, & Setyadi, 2023). This underscores the relevance of effective financial management in culinary businesses to

support the overall economic and social well-being of the community.

Previous research studies have indicated that financial management practices have an impact on the performance and success of small businesses (Mang'ana, Ndyetabula, & Hokororo, 2023). In the case of Serdang Wetan, the development of culinary businesses can contribute to the local economy by providing employment opportunities, generating income, and promoting sustainable tourism. However, to achieve these goals, it is essential to address the unique challenges faced by rural culinary businesses and implement effective financial management strategies.

Based on a very strategic location of Serdang Weran and support from village officials to realizing “*Ekowisata Nu Desa*” (Village based on Ecotourism). Culinary products have great potential to support inclusive tourism development, namely increasing local businesses in the tourism industry. The vibrant culinary industry in Serdang Wetan village presents a unique opportunity for Micro, Small, and Medium Enterprises to thrive. However, these businesses often face challenges in effectively managing their operations and reaching their full potential. To address this, a community outreach initiative was undertaken to provide comprehensive training and support to MSME culinary businesses in the village.

This community outreach activity is part of the last of the three programs planned to improve the culinary business in Serdang Wetan Village, which is funded by a grant from the Ministry of Education and Culture in 2023. The other two programs will focus on ICT-based programs for culinary businesses, such as website profiles, branding, workshops, hygiene & sanitation, and culinary diversification for MSMEs BUMDes Serdang Tirta Kencana

(Alexandra, Situmorang, & Kristiyanti, 2023).

The community outreach program is focusing on implementing website-based cost of goods sold (COGS) calculator for MSME culinary business in Serdang Wetan village. Further, one of the program objective is to increase the rural communities understanding the concept of financial management and how to calculate COGS for their culinary businesses. Cost information is crucial knowledge for business owner since it measures the sacrifice of input value to determine if a company activity is profitable or not (Dewi, Devi, & Masdiantini, 2021).

METHODS

This research paper explores a comprehensive approach to community outreach, from the initial site visits and preparation to the implementation of outreach activities and the evaluation of their effectiveness. As shown in Figure 1, the community outreach program activities are carried out through the implementation of stages described in this figure. These include site visits, data collection, preparation, activities, and evaluation.



Figure 1. Program Phases

Site Visit and Preparation

Effective community outreach begins with thorough preparation, which often includes site visits to gain a deeper understanding of the target community (O'Donnell & Giovannoni, 2000). These visits allow the team to observe the community's dynamics, understand their needs and concerns, and identify potential

barriers to engagement. (Kaur, et al., 2022). During this phase, community outreach team should also establish connections with community leaders and organizations, as these partnerships can be invaluable in navigating the local context and gaining the trust of community members (Leong, 2013). In this matter, we have spoken to the head of VOE Serdang Tirta Kencana to gain deeper knowledge of what the MSME needs and wants.

After in-depth interview with the head of VOE, it is found that the MSMEs currently do not have understanding and implementing good business management. With good business management, it can help business actors to increase their sales production. If partners run their business without being supported by professional media, they will be left behind and find it difficult to achieve market share. Therefore, assistance in the field of business management development is really needed so that you can manage your business professionally, such as diversifying culinary products and managing financial management.

Serdang Wetan Village, located in Legok, Tangerang has culinary, cultural potential and a growing community of culinary entrepreneurs. These MSMEs, which are often family businesses, play an important role in shaping the identity and economic landscape of villages. Over the years, the culinary scene in this village has undergone significant changes, including culinary diversification and an increased focus on food hygiene and sanitation.

In the stage of preparation, it is also combined with other previous activity to assist MSME culinary in Serdang Wetan Village. The preparation stage for appropriate technology transfer (TTG) carried out several activities, including:

- a. Create Product Labels using the

Canva Application.

The preparations made are setting up the Canva Application and how to access it.

- b. Create a MSME Profile Website

Effective product marketing today uses digital media. A website answers partners' needs regarding marketing of culinary products. To create a website, a programming language is prepared using My Structured Query Language (MYSQL) PHP, HTML, CSS with a Xampp database.

- c. Creating Financial Management Applications

The financial management application is planned to be embedded in the MSME profile website, which is a feature that can be accessed from the back end. Available features including Food and Beverage Cost Determination Calculator (Food/Drink Costs), Food and Beverage Price Determination, and Profit Per Menu. Apart from that, other features such as Fixed Cost and Variable Cost Recording, Break Even Point Calculator, and Daily Sales Recording on the Website.

- d. Provides a user guide for the website

A website usage guide is provided to make it easier for users, in this case partners, to use it.

Community Outreach Activities

Once the groundwork has been laid, researchers can begin implementing a range of outreach activities to engage the community. The key is to tailor these activities to the specific needs and preferences of the community, ensuring that they are culturally relevant and accessible to all members. (Frasso, Keddem, & Golinkoff, 2018). To make sure the knowledge transfer being done effectively, the community outreach team use

individual approach with the culinary businesses with coaching clinic method as can be seen in Figure 2. This method gives opportunities for the business owner to consult directly and learned how to use the website-based COGS calculator one by one.



Figure 2. Community Outreach Poster

Evaluation

After the activities been done, the evaluation of the program was held. This is to evaluate whether the program knowledge has effectively absorbed by the participants.

RESULTS AND DISCUSSION

Results

According to the findings of the site-visit conducted on June 18, 2023, social media and conventional techniques like word-of-mouth marketing were the main strategies used in Serdang Wetan Village to promote food items. Due to manual administrative requirements, this strategy was time-consuming, and partners lacked product labels to successfully market their goods (Kristiyanti, Alexandra, Situmorang, Athira, & William, 2024). This has pinpoint the needs of digital presence by using website profile. There are two sides of the website-profile made and designed specifically for

MSMEs under VOE Serdang Tirta Kencana. The Front-end gives profile page explaining VOE's background, goals, and objectives as well as its organizational structure. Further, features like Forum, News, Contact, and Gallery were also in high demand so that VOE and the MSMEs under it, could interact with clients and offer current information and product visualizations.

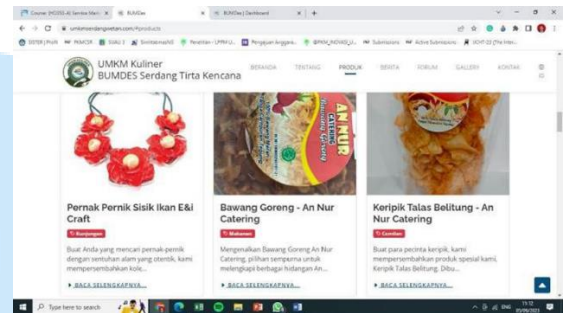


Figure 3. Front-end of the Websites

The backend comprised Master Data for effective data management, Dashboards for tracking business success, and Authentication features for safe access. Further, features like Product, Shopping List, COGS calculator, and pricing Suggestions were necessary for organizing products, orders, and the cost of goods supplied in addition to making suitable pricing recommendations.

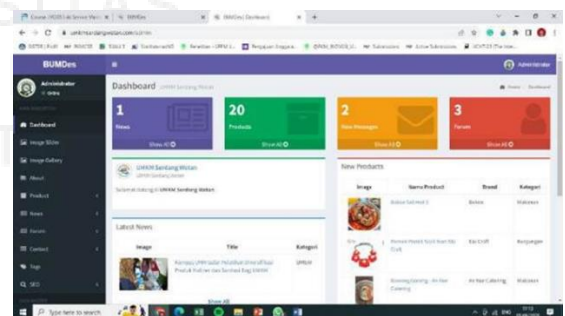


Figure 4. Back-end user preview

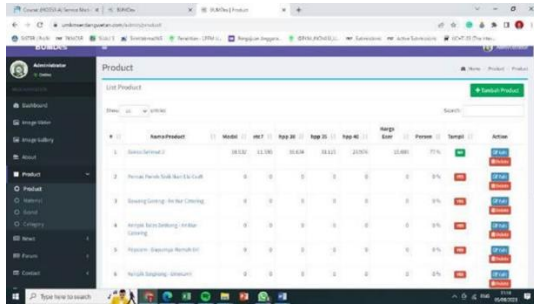


Figure 5. COGS Calculator

On the previous workshop, the socialization of how to use the website has been done to the MSMEs culinary business owner. The culinary business owner learned how to edit their digital presence on the website and also how to maximize the website function, including how to use COGS calculator.



Figure 6. Culinary Business owners learned how to utilized the Websites

Coaching Clinic

Final assistance is carried out using a personal consultation method, where MSMEs can ask questions and consult according to their needs. Personal consultation topics include culinary diversification, calculating the Cost of Goods Sold using a culinary calculator, inputting data into the Website Profile, and creating culinary logos using the Canva application. The community outreach activities were structured to be both informative and interactive. Utilizing a direct and personal consultation approach with the MSME. This approach ensured that MSME owners could actively engage with the content and receive

personalized guidance from the instructors. There are total 10 MSMEs culinary businesses who joined the coaching clinic program. Below are the MSME participants from VOE Serdang Tirta Kencana.

Table 1. MSME Participants

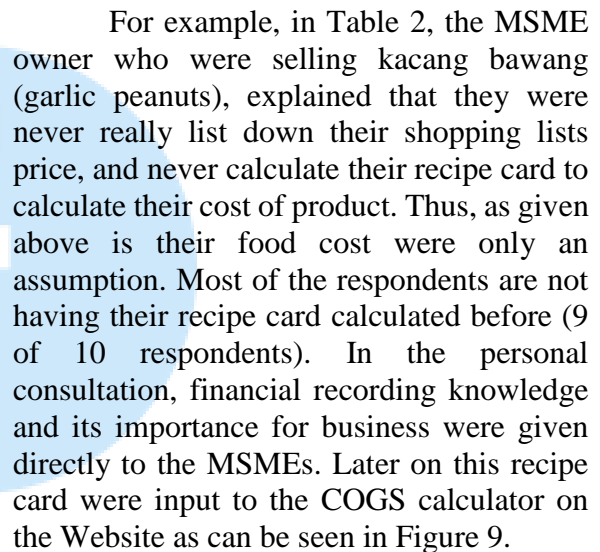
Participants	Product Menu
#1	Tahu goreng baso
#2	Nasi ayam bakar, Nasi Gudeg
#3	Nasi Tutug Oncom
#4	Keripik Singkong
#5	Minuman Serbuk Jahe merah
#6	Basreng Ikan
#7	Nasi Bakar Ayam/Teri
#8	Es Kuwut
#9	Keripik Singkong
#10	Siomay

The first consultation is on how to calculate using COGS calculator. One of the consultation objectives is so that MSMEs are more aware of production costs and can determine the right sales price for their culinary products. In this session, each cooking ingredient and purchasing prices in MSME production activities were also explored (Figure 7).



Figure 7. COGS Consultation Session

Another key aspect of the training was the emphasis on digital marketing strategies (Dawam & Sholeh, 2022). Participants were introduced to various digital platforms and tools, such as Canva and website platform, to help them effectively promote their products and reach

[illegible]

The screenshot displays a web application interface for managing products. The main content area shows a table titled 'Products' with the following data:

#	Nama Material	Qty	Range Satuan	Range	Action
1	Paku	5	1.000	0.500	Edit
2	Kayu	3	1.00	100	Edit
3	Lemari	2	1.000	0.500	Edit
4	Kayu	1	1.000	0.500	Edit
5	Batu	1	1.000	0.500	Edit

The interface includes a sidebar on the left with navigation links: Dashboard, Manage User, Manage Category, About, Product, User, Role, Forum, Contact, Tag, and QR. The top navigation bar contains links: Home, User, and Logout. The bottom of the page shows pagination information: 'Showing 1 to 5 of 5 Products' and buttons for 'Previous' and 'Next'.

Figure 9. COGS calculator lists of materials

Moreover, as can be seen in Table 3, it is found, some of the MSME were experiencing loss, since they never really calculate the cost to make a product, and never really think how the pricing given to the customer will affect the revenue they got. For example, Tahu Baso (steamed tofu with meatball) having revenue margin minus 20.05%, since the cost of making Tahu Baso

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is about Rp 16.380, meanwhile the MSME pricing sell of the product is Rp 15.000.

Table 3. Findings

Dish	Modal	HPP				Price	%	Margin
		Etc	30%	35%	40%			
Tahu Baso	Rp16,830	Rp 18,008	Rp 60,027	Rp 51,452	Rp 45,020	Rp 15,000	120.05%	-20.05%
nasi ayam bakar	Rp18,737	Rp 20,048	Rp 66,827	Rp 57,281	Rp 50,121	Rp 20,000	100.24%	-0.24%
nasi gudeg	Rp14,031	Rp 15,013	Rp 50,044	Rp 42,895	Rp 37,533	Rp 15,000	100.09%	-0.09%
Susu Kedelai	Rp8,292	Rp 8,872	Rp 29,575	Rp 25,350	Rp 22,181	Rp 10,000	88.72%	11.28%
nasi bakar ayam	Rp10,670	Rp 11,417	Rp 38,056	Rp 32,620	Rp 28,542	Rp 15,000	76.11%	23.89%
Mac and Cheese Ball	Rp10,395	Rp 11,123	Rp 37,076	Rp 31,779	Rp 27,807	Rp 12,000	92.69%	7.31%
jahe bubuk merah	Rp11,513	Rp 12,318	Rp 41,062	Rp 35,196	Rp 30,796	Rp 35,000	35.20%	64.80%
Kacang Bawang	Rp24,090	Rp 25,776	Rp 85,921	Rp 73,647	Rp 64,441	Rp 35,000	73.65%	26.35%
singkong	Rp2,378	Rp 2,544	Rp 8,482	Rp 7,270	Rp 6,361	Rp 10,000	25.44%	74.56%
Nasi tutug oncom	Rp4,136	Rp 4,426	Rp 14,752	Rp 12,644	Rp 11,064	Rp 15,000	29.50%	70.50%
AVG HPP	Rp12,107					AVG HPPP	74.17%	25.83%

After such findings in the personal consultation, the community outreach team were given business advice according to the needs based on cases found by the COGS calculator. These findings pinpoint the importance of proper financial knowledge and management of MSME culinary in VOE Serdang Tirta Kencana. The advice further given based on cases are including to find cheaper suppliers, decrease the amount of portion, increase the price rate, or aim for the quality but changing their marketing strategy for targeting different market.

CONCLUSION AND RECOMMENDATION

The Website Profile and Logo socialization program also adds new business opportunities and potential for VOE Serdang Tirta Kencana, specifically on Culinary MSMEs. The Profile website can be used as a new platform or forum for selling and digital communication for Culinary MSMEs. Apart from that, the Culinary MSME logo can also become a special branding for VOE Serdang Tirta Kencana so that they are better known by the wider community. Canva training can also support MSMEs to be able to utilize digital applications so they can develop culinary businesses through a more modern logo.

The culinary calculator application also helps the Culinary MSMEs of VOE Serdang Tirta Kencana to be able to find out the actual

calculations regarding production costs and the profit margins obtained. Apart from that, participants become more aware of the importance of financial planning in a culinary business. By holding outreach and training programs, this creates a foundation for the sustainability of the Serdang Wetan Village culinary industry in the future. The learning, knowledge gained, and collaborative spirit instilled throughout the program are valuable assets that can be built through ongoing training and support. The involvement of local governments, culinary experts and stakeholders remains important in maintaining and advancing the progress achieved.

The Culinary Calculator application is another valuable tool that can significantly benefit the Culinary MSMEs in VOE Serdang Tirta Kencana by providing them with a better understanding of their production costs and profit margins. This knowledge can assist these businesses in making more informed financial decisions, ultimately leading to improved financial planning and sustainability. Moreover, establishing regular workshops that focus on financial literacy and digital marketing will contribute to the overall enhancement of business acumen among participants, making them more competitive in the culinary industry and aligning with successful community development initiatives observed in similar contexts.

Moreover, fostering collaborations with local governments, culinary experts, and stakeholders can create a support system that amplifies the outreach efforts and provides continuous mentorship for the MSMEs, which is essential for long-term success and economic resilience in the community. In addition, implementing ongoing mentorship programs that pair experienced entrepreneurs with new MSME owners can facilitate knowledge transfer and practical support, enabling participants to navigate the

challenges of running a culinary business more effectively and enhancing their adaptability in a competitive market landscape. Furthermore, the establishment of a feedback mechanism will be crucial in evaluating the effectiveness of these outreach activities; this can be achieved through regular surveys and focus group discussions, enabling participants to voice their experiences and needs, which is essential for tailoring future programs to better serve the community's evolving requirements.

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