Value Chain Analysis of Banana Chips Products at UD. Dwi Tunggal, Lumajang Regency

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ABSTRACT

Value chain analysis is a tool used to understand the activities that create value for a product or service and to establish a competitive advantage for a company. This study aims to analyze the value chain stages of UD. Dwi Tunggal to identify the company's position in enhancing customer value and reducing costs. UD. Dwi Tunggal is a business engaged in the snack food industry, particularly banana chips. This research focuses on the original banana chips variant, as it has the highest consumer demand. The research employs descriptive and quantitative methods. The descriptive approach aims to describe and analyze the value chain conditions at UD. Dwi Tunggal, while the quantitative approach is used to analyze business costs and added value. The results show that the value chain of banana chips at UD. Dwi Tunggal involves three main actors: banana suppliers, the processing industry UD. Dwi Tunggal, and distributors. The production cost incurred is IDR 20,440,259 per month, with revenue of IDR 54,000,000 per month and a profit of IDR 33,559,741 per month. The modified Hayami method indicates an added value of IDR 71,464/kg with a ratio of 69%. These findings suggest that UD. Dwi Tunggal has strong competitiveness within the banana chip industry value chain. The differences between this research and the previous study lie in the variety of raw materials used, variable costs, labor wages (HOK), revenue, profit, and production output.

Keywords: value chain, banana chips, added value, UD. Dwi Tunggal