

***Value Chain and Value-Added Analysis of Bagiak Products at UD. Ardial in
Banyuwangi Regency***

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ABSTRACT

The food agroindustry sector plays an important role in increasing the economic value of traditional food products through processing activities. One of Banyuwangi's traditional products with significant development potential is bagiak. UD. Ardial is an agroindustrial enterprise that processes tapioca flour and arrowroot flour into bagiak products in various packaging types. This study aimed to analyze the value chain, calculate the added value generated, and identify the sources of competitive advantage at UD. Ardial. The research employed a quantitative descriptive approach with purposive sampling techniques. Data were analyzed using Porter's Value Chain Analysis and the Modified Hayami Value-Added Method. The results showed that the value chain of bagiak products involves raw material suppliers, UD. Ardial as the producer, distributors or retailers, and final consumers. The total production cost amounted to IDR 49,925,425 per month, while total revenue reached IDR 119,144,000 per month, resulting in a net income of IDR 69,218,575 per month. The added value analysis indicated that all packaging variants generated positive added value. The added value of small plastic packaging was IDR 22,864,057 (68%), large plastic packaging IDR 7,761,758 (69%), small box packaging IDR 32,056,246 (67%), large box packaging IDR 15,115,704 (63%), small jar packaging IDR 672,731 (55%), and large jar packaging IDR 744,449 (66%). The highest added value was generated by the small box packaging, while the lowest was generated by the small jar packaging. The findings indicate that UD. Ardial is capable of creating substantial added value and possesses competitive advantages through product quality, packaging diversification, and the utilization of local raw materials as a distinctive Banyuwangi souvenir product.

Keywords: Bagiak, Value Added, Value Chain, UMKM