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Trade business of etawa crossbred goats in Bangkleyan Village, Jati District, Blora Regency, Indonesia

Ali Mursyid Wahyu Mulyono[1*], Engkus Ainul Yakin[1], Ludfia Windyasmara[1], Muhammad Husein[1], and Marinir[1]

[1]Veteran Bangun Nusantara University, Indonesia
[*]Corresponding author: alimursyid64@gmail.com

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ABSTRACT This study aims to determine the feasibility of a trader of Etawa Crossbred goats in Bangkleyan Village, Jati District, Blora Regency. The population that became the research sample were all traders of Etawa crossbred goats in Bangkleyan Village, totalling five people. Research variables such as trader status, investment capital, costs, income and business financial feasibility are collected through interviews, direct observation and documentation with traders. Business feasibility is measured by profit, B/C ratio and length of return on investment. The study results show that the average: Investment capital is Rp. 36.300.000, costs are Rp. 110.496.126/month and income is Rp. 120.176.000/month. The study concluded that the trading business of etawa crossbred goats in Bangkleyan Village, Jati District, Blora Regency is financially feasible, with an average profit value of traders of IDR 9.679.874, B/C Ratio of 1.08 and return time investment capital for 3.9 months.

1. INTRODUCTION

Goat farming is a profitable business, and this is because goats have the potential as a component of farming in agroecosystems. Goats have relatively good adaptability compared to other ruminant livestock, characters that can survive marginal conditions, so this livestock is the choice of livestock (Serradilla et al., 2018).

In addition, goats have good prospects in the market because most Indonesian people are Muslims. The demand for goats is always there for carrying out aqiqah (thanksgiving) and slaughtering qurban animals during the celebration of the Islamic holidays of Eid al-Adha. Based on data for the last three years, the goat population has experienced growth; in 2018, the goat population in Central Java reached 3.937.013 heads; in 2019, there were 3.969.841 heads; and in 2020, there were 4.060.681 heads (Statistik, 2021).

The community makes goat livestock as a source of family income besides farming. This condition is shown in people who still use goats as savings because they can meet various family needs, such as paying school fees, birth fees, and marriage fees. The selling price of livestock is usually determined based on the performance or external appearance of the livestock because livestock performance reflects the production and quality of the carcass. The better the livestock performance, the higher the price, and the selling price set by the breeder does not consider the costs incurred to manage livestock and the expected profit (Budihardo et al., 2009; Negara et al., 2016).

Based on the description above, this study aims to determine the feasibility of the etawa crossbred goat livestock traders business in Bangkleyan Village, Jati District, Blora Regency. This research is expected to be an evaluation material for goat livestock traders in Bangkleyan Village, Jati District, Blora Regency, to add knowledge and information for future researchers.

2. METHOD

This research was conducted in January 2022 in Bangkleyan Village, Jati District, Blora Regency. The material in this study was all goat livestock traders in Bangkleyan Village, totalling five traders. Due to the small number, all traders are the research sample. The measurement of this variable is based on interviews with goat livestock traders, while the variables measured are as follows: Trader status, investment capital, costs, income, and business financial analysis.

2.1 Trader Background

Trader status data were collected by interview technique. Interview (Interview), namely data collection, is done by directly interviewing the respondent. Trader status data were collected by interview technique. Interview (Interview), namely data collection, is done by directly interviewing the respondent. The variables measured include name; age; level of education; experience trading goat livestock; livestock ownership scale.

2.2 Investment Capital

Investment data is collected through interviews, documentation, and observation techniques. The documentation technique is a way of collecting research data indirectly, meaning that data is obtained through supporting docu-

ments related to the data to be studied. At the same time, the observation technique is a data collection technique by directly observing the object being observed. Investment is capital that must be issued even though the business wheel is turning. The variables measured are the funds that must be spent to make the cage, funds that must be spent to buy land for cages, and funds that must be spent to buy a vehicle.

2.3 Cost

Cost data were collected through interviews, documentation, and observation techniques. Costs are the capital spent to turn the business wheel. Costs incurred for the goat livestock trading business include purchasing goats, purchasing feed, wages for workers, paying for electricity, purchasing fuel (fuel oil), and depreciation of stables and vehicles.

This cost expresses the funds to build the stables and buy vehicles but becomes expenses in one maintenance period. Thus obtained, depreciation costs for one month. Can be calculated by the following formula.:

$$\text{Cage shrinkage} = \frac{The initial value of the cage The final value of the cage}{Cage age}$$

2.4 Income

Income data is collected by interview, observation, and documentation techniques. Income data is collected by interview, observation, and documentation techniques. Income from the goat livestock trading business can be seen from the sale of goats for one month; The sale of waste is calculated by how many sacks of waste are multiplied by the price/sack.

3. RESULTS AND DISCUSSION

3.1 Business Financial Analysis

Data analysis was collected by interview and observation techniques. Several things must be done in business analysis, namely as follows: Looking for profit/loss (profit), benefit/cost ratio (B/C Ratio), and payback period (return on investment). The formula that can be used is as follows:

$$\text{Profit} = \text{Income} - \text{Cost}$$

$$\text{B/C Ratio} = \frac{Income}{Cost}$$

$$\text{Return on investment} = \frac{(Initial Investment)}{Profit}$$

3.2 Trader Background

The status of traders of etawa crossbred goats in Bangkleyan Village in terms of age, education level, trading experience, and side jobs are shown in Table 1.

Table 1 shows five etawa crossbred goat livestock traders in Bangkleyan Village, all of whom are male. The age range of traders is 31 – 51 years, with a trading experience level of 5 – 22 years. Most traders only graduated from elementary school with a total of 3 people, while two traders did not go to school. The condition of the trader's age can be a motivating factor in business because it is related to physical abilities in increasing trading results. By the opinion of Sumiati (2011) states that age affects the physical condition and motivation of breeders. Trading goats is their primary job, while their side jobs are farmers and some trade cattle. According to Nugroho et al. (2013), livestock trading does not require formal education and only requires low-level skills.

3.3 Investment Capital

Investment is the initial capital that must be issued by goat livestock traders to run their business, namely in the form of cages, land for stables, and vehicles. Data on the value of investment capital can be seen in Table 2.

Table 2. shows that one trader is different from other traders, namely trading without investing in land and stables. The trader buys the goats from the breeder and then takes them directly to the market for sale, so land and cages are not needed to run the goat trading business, while the other four traders use their land. Most vehicles used for the goat trading business are motorbikes, and only two traders use cars. Trading with a system without investment can help other sources of income for breeders because it helps in sales.

3.4 Cost and Income

The costs that goat livestock traders must incur to run their business are depreciation of stables, vehicles, purchase of goats, feed, wages for workers, fuel oil, and electricity. For income from the goat livestock trading business, the trader only obtains proceeds from the sale of goats. Costs and income are in Table 3.

Costs are the capital spent to turn the business wheel. Livestock traders have their way of finding business capital to continue. The costs incurred by etawa crossbred goat livestock traders in Bangkleyan Village are costs for depreciation of cages, depreciation of vehicles, purchase of goats, feed, workers, electric city and fuel. These fees are merchant fees for one month. Table 3 shows that one trader does not incur costs for cages, feed and electricity. Because the trader buys the goats from the breeder, they bring them directly to the market for sale, so they do not incur costs for pens, feed and electricity. It is one of the maneuvers of traders to get results at low costs. Livestock trade is a significant source of income for herders, traders, mediators, transporters and other actors in the meat supply chain (Roba et al., 2017).

Each trader has his day to sell goats; some traders go to the market daily to sell goats, and some sell every Tuesday and Friday. The income of goat livestock traders in Bangkleyan Village is only from the sale of goats, while goat manure is not sold but is made for fertilizer. The highest income reached IDR 156.800.000/month with the sale of 112 goats, while the lowest income was IDR 81.000.000 with the sale of 65 goats.

3.5 Business Financial Analysis

Business feasibility analysis not only analyzes whether the business is feasible or not but also when the business is operational, it is routinely seen for its achievements within a specific time and seen whether the business can continue to grow (Umar, 2005; Yusuf, 2017). Business feasibility is measured in profit, B/C ratio, and length of return on investment. The business feasibility value can be seen in Table 4.

Table 1. Status of Etawa Crossbred Goat Traders in Bangkleyan Village, Jati District, Blora Regency.

Name	Address	Age (Years)	Gender	Education	Side Job	Trading Experience (Years)
Suyitno	Dsn Ngledok, Ds. Bangkleyan	41	Male	Primary school	Farmer	10
Bambang	Dsn. Sambirejo, Ds. Bangjleyan	33	Male	Primary School	Cattle Trader	7
Sony	Dsn. Growong, Ds. Bangkleyan	31	Male	Primary School	Cattle Trader	10
Pujianto	Dsn. Bedengan, Ds. Bangkleyan	47	Male	No school	Farmer	22
Paimun	Dsn. Bendo, Ds. Bangkleyan	51	Male	No school	Farmer	5

Table 2. Value (Rupiah) Investment Capital of etawa crossbred Goat Traders in Bangkleyan Village, Jati District, Blora Regency.

Investment Component	Suyitno	Bambang	Sony	Pujianto	Paimin
Cage	5.000.000	3.000.000	8.000.000	4.000.000	0
Land	0	0	0	0	0
Vehicle	2.500.000	70.000.000	75.000.000	2.000.000	12.000.000
Total	7.500.000	73.000.000	83.000.000	6.000.000	12.000.000

Business profits are obtained from the difference in the revenue received by the company minus the costs incurred. The benefits are formulated as follows. Profit = Revenue – Cost(Blanchard & Johnson, 2019). Table 4 shows that the highest profit for etawa crossbred goat traders in Bangkleyan Village reached IDR 11.974.287 in 1 month, while the lowest profit was IDR 7.629.168.

According to Rahardi & Hartono (2003), B/C Ratio analysis compares the level of profit or income earned and the total costs incurred, B/C Ratio = Revenue/Cost. Eligibility criteria if the B/C Ratio is greater than ($\geq$) 1, it is accepted or declared feasible. B/C Ratio is smaller than ($\leq$) 1, then it is rejected or declared inappropriate (Rahman et al., 2013). Table 4 shows that the business run by all etawa crossbred goat traders in Bangkleyan Village has a B/C Ratio value greater than ($\geq$) 1, so the etawa crossbred goat trader business in Bangkleyan Village, Jati District, Blora Regency is feasible to run.

Assessing the business feasibility of five etawa crossbred goat traders in Bangkleyan Village, Jati District, Blora Regency, the return on investment was less than ($\leq$) 1 month for two traders with a value of 0.5 and 0.9. As for the return on investment of more than ($\geq$) 1 month, there were three traders with values of 8.7, 8.5, and 1.1.

The return on investment was quite long for two etawa crossbred goat livestock traders in Bangkleyan Village, which took 8.7 and 8.5 months, compared to the other three traders, which only took 0.5, 0.9, and 1.1 months. This is because traders use cars to run their businesses, so the initial investment is quite large. In contrast to traders who use motorbikes to run their businesses, the investment is quite small.

Table 3. Costs and Income of Etawa Crossbred Goat Traders in Bangkleyan Village, Jati District, Blora Regency (IDR/month).

Component Cost	Suyitno	Bambang	Sony	Pujianto	Paimin
Cage Depreciation	41.666	23.809	45.833	29.761	0
Vehicle Depreciation	4.166	25.000	27.777	5.952	16.666
Goat	112.000.000	70.000.000	90.000.000	140.000.000	120.000.000
Feed	700.000	420.000	600.000	1.120.000	0
Employee	2.520.000	1.200.000	2.000.000	2.800.000	4.500.000
Fuel	560.000	1.000.000	1.200.000	840.000	700.000
Electricity	25.000	20.000	25.000	30.000	0
Total Cost	115.850.832	72.688.809	93.898.610	144.825.713	125.216.666
Number of Goat	84	65	80	112	100
Income Component					
Sale of Goat	123.480.000	81.000.000	103.600.000	156.800.000	136.000.000
Sale of waste	0	0	0	0	0
Total Income	123.480.000	81.000.000	103.600.000	156.800.000	136.000.000

Table 4. Business Feasibility of Etawa Crossbred Goat Traders in Bangkleyan Village, Jati District, Blora Regency.

Investment Component	Suyitno	Bambang	Sony	Pujianto	Paimin	Mean
Profit (Rp/month)	7.629.168	8.311.191	9.701.390	11.974.287	10.783.334	9.679.874
B/C Ratio	1.06	1.11	1.10	1.08	1.08	1.08
Retrun of Investment (month)	0.9	8.7	8.5	0.5	1.1	3.9

4. CONCLUSIONS

The trading business of etawa crossbred goats in Bangkleyan Village, Jati District, Blora Regency is financially feasible, with an average trader profit of IDR 9.679.874/month, a B/C ratio of 1.08 and a long return on investment. For 3.9 months. That turns out that in Bangkleyan Village, the business of trading in etawa crossbred goats is quite prospective, so this business of trading in goat livestock is worth emulating.

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