

ABSTRACT

Success indicator of the company's performance are generally measured based on how much net profit is earned. To get the expected profit, profit planning must be carried out to predict the company's condition in the future, as well as to monitor the opportunities for factors that can affect profits.

This study aims to analyze the effect of production costs, operating costs, and sales volume on net profit at cosmetics companies listed on the Indonesia Stock Exchange (IDX) for the 2017-2021 period, both simultaneously and partially. Collecting data in this study using a purposive sampling method.

This research uses objects of cosmetic manufacturing companies listed on the Indonesia Stock Exchange in 2017-2021. The population in the study totaled 12 companies but only 6 selected samples met the criteria. The analysis technique used in this research is panel data regression analysis with data processing using Eviews version 12.

The results obtained from this study are that simultaneously production costs, operating costs and sales volume significantly affect net income. The adjusted R-squared value obtained at the coefficient of determination of 0.984828 (98.48%) indicates production costs, operational costs, and sales volume can explain net income and the remaining 1.52% is explained by variables outside this study. Partially, production costs and operational costs have a negative effect on net income, and sales volume has a positive effect on net income.

The researcher hopes that the cosmetics and household sub-sector companies can maximize their profits by reducing and controlling production and operational costs as well as by increasing the company's sales. Furthermore, the researcher hopes that future researchers will be able to continue research with its novelty, namely by using other company sectors and the latest research year, as well as by adding other variables related to the company's net profit.

Keywords: Production Costs, Operating Costs, Sales Volume, Net Profit