

Analysis of Aqiqah Business Marketing in Aqiqah Farm Medan Farm Sunggal District Medan City

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ABSTRACT

Ruminants are an important source of protein for humans which also provides economic benefits. This study aims to determine the general description of Aqiqah Medan Farm, marketing mix, income value, R/C ratio, and B/C ratio. Study method uses quantitative descriptive analysis with purposive sample selection. The parameters observed were marketing mix, income, R/C ratio and B/C ratio. The results of the study were products sold in the form of live sheep and processed dishes, with the lowest selling price on live livestock of IDR.850,000/head, and processed dishes of IDR.1,450,000/head. The revenue earned was IDR.60,676,250/month, with an R/C ratio and B/C ratio value of 2.26, and 1.26, respectively. In conclusion that Aqiqah Medan Farm business is considered feasible.

Keywords: Aqiqah, Farm Business, Economic Benefits, Income value, Marketing Mix



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1. Introduction

Animal husbandry plays an important role in the economy because ruminant animals provide an important source of protein for humans and provide economic benefits through the sale of livestock products and can play a role in fulfilling traditional needs [1]. Livestock products will be marketed through marketing that has its own system and flow according to the interests of farmers or livestock business owners.

The marketing system has an impact on the selling price of marketed products. According to Alamsyah (2015), the longer the marketing chain (more institutions involved), the greater the value of the selling price of a product [2]. Price is an important component in the marketing mix. [3] mentioned that marketing prices are quite important when compared to the rest of the marketing mix. This is because if the price of a product changes, changes in distribution channel policies, promotions and also a price level can cover the costs of the marketing mix.

In marketing aqiqah goat livestock breeders distribute livestock through distribution channels. Marketing of aqiqah goats also depends on marketing institutions and also institutions play a role in channeling services from producers to end consumers. For institutions that

participate in marketing, they get benefits and the benefits they get are different. The achievement of good marketing if breeders have an active role such as carrying out trading activities, determining or creating distribution channels that will be used. Distribution channels will affect the short or long chain of commerce, as well as the cost of commerce and also the profit of intermediary traders and also the acceptance of farmer breeders [4].

Aqiqah Medan Farm is one of the largest farming businesses in Medan City in providing goats for aqiqah needs. Aqiqah Medan Farm was established in 1997 starting with a family business owned by the parents of the current owner. The beginning of this business was formed starting from 6 goats until now Aqiqah Medan Farm has 200 goats. The type of maintenance carried out is a cultivation system, namely by raising puppies and mating the brood.

A livestock business requires capital which will be the source of funding for the livestock business. Capital owned by farmers is useful for fulfilling inputs that will produce outputs in the form of profits. The problems that farmers often face are closely related to capital. Limited capital is still a concern for farmers. In addition, the efficiency of capital use and capital use policies are also problems that are often encountered that will have a domino effect on the success of a livestock business. Based on Julpanijar et al. (2016), the success of a business entity in the field of animal husbandry is influenced by the ability of livestock productivity and the purchase price of feed raw materials [5].

Farmers' income is linked to the production costs incurred by the business owner. Production costs are all components of costs that must be incurred to produce livestock products. The majority of production costs incurred by farmers are in the form of seed purchase costs, feed costs, medicine costs, and the cost of purchasing equipment for cage needs. Farmer income is influenced by the farmer's ability to manage his business and the maximum profit level he achieves. Based on Julpanijar et al. (2016) the possibility of generating more income exists for farmers who have a large livestock population. In general, the number of livestock owned more will be more effective in terms of labor costs and output [5].

Based on the description above, aqiqah sheep marketing mix research was conducted, based on product, price, promotion, place, people, process, and physical environment, and conducted research related to the amount of income obtained from aqiqah sheep livestock at Aqiqah Medan Farm, Sunggal District, Medan City.

2. Methods

The research was conducted using purposive samples (intentionally) this is because Aqiqah Medan Farm is one of the largest aqiqah goat buying and selling farm businesses in Medan City. The manuscript structure was referred to the standard structure of the body as follows:

2.1. Data Collection Method

Data collection using surveys is descriptive. Based on Sugiyono (2017) surveys include methods of collecting data in the form of questionnaires [6]. This primary data is generated from observations and interviewing respondents from a list of pre-made questions that are the same as the research objectives.

2.2. Data Analysis Method

This research will present the research data descriptively. Descriptive analysis is used to reveal events or facts, circumstances, phenomena, factors, and circumstances that occur during the research in the form of meaningful numbers. Descriptive data analysis will be presented in the form of averages and standard deviations. The parameters observed in the research of Aqiqah goat marketing analysis at CV. Aqiqah Medan Farm are as follows.

1. Marketing mix analysis

The marketing mix is a component consisting of product, price, promotion and distribution. The marketing mix consists of product, price, promotion, place, people, process, and physical environment. Marketing mix analysis will be descriptively analyzed at Aqiqah Medan Farm.

2. Fixed Costs

Fixed costs are costs that are not affected by variations in activity or sales volume. Changes in volume or activity capability have an inverse relationship with fixed costs per unit. Fixed costs are not affected by production volume, such as depreciation, labor, and tax costs [7].

3. Variable Costs

Variable costs are costs that vary as a result of variations in product selling prices; these

costs increase as production volume increases. The greater the number of activities, the greater the proportional increase in overall variable costs. The lower the volume of activity, the proportionately lower the total variable costs [7].

4. Production Costs

Production costs include all costs incurred by a farming business Raharja and Manurung (2006), the formula for production costs is as follows [8]:

$$TC = FC + VC$$

Description:

TC: Total Cost (IDR)

FC: Fixed Cost (IDR)

VC: Variable Cost (IDR)

5. Revenue

Revenue is the value of total farm products within a certain period of time, both sold and not sold. The revenue formula is as follows:

$$Tr = Q. P$$

Description:

TR = Revenue (IDR)

Q = Total Production (IDR)

P = Product Price (IDR)

6. Income

The income of a business is the difference between total revenue and expenditure. To evaluate income, two important pieces of information are needed, namely the status of expenses and income during a certain period [9].

7. Return Cost Ratio (R/C ratio)

R/C explains the comparison between the revenue from livestock products and the costs required for the continuity of the production process to produce a product in this case livestock. The higher the R/C value produced, the greater the level of profit obtained from a business [10].

8. The Net Benefit Cost Ratio will explain the profit and is possible if the Net BCR is greater than one. If Net BCR = 1, the company has no profit or loss, and it is up to the appraiser to decide whether to apply for it or not. If the Net BCR is 1, the company is not profitable and should be avoided [10].

3. Result and Discussion

Table 1: Number of livestock purchases from networking (heads)

| Networking (District) | Month | | | | |
|-----------------------|---------|----------|-------|-------|-----|
| | January | February | March | April | May |
| Silver Overlay | 12 | 6 | 4 | 0 | 3 |
| Patumbak | 4 | 2 | 0 | 0 | 0 |
| Pegajahan | 0 | 4 | 4 | 0 | 6 |
| Dolok Masihul | 0 | 0 | 10 | 12 | 0 |
| Perbaungan | 0 | 0 | 0 | 9 | 14 |
| Total | 16 | 12 | 18 | 21 | 23 |

Based on Table 1, it can be seen the acquisition of livestock purchases from networking made by Aqiqah Medan Farm for 5 months. In May the largest quantity of livestock purchases from networking was 23 heads. February is the smallest purchase period of Aqiqah Medan Farm which is 12 heads, when compared in percentage form then from February and May there is an increase in the percentage of purchases by 48%. This purchase is made when there is a scarcity of livestock owned by Aqiqah Medan Farm. Aqiqah Medan Farm has two types of sales of aqiqah products, namely in the form of live animals, and in the form of processed dishes.

3.1. Marketing Mix

The marketing mix is a component consisting of product, price, promotion and distribution [9]. As an inherent attribute of a product that is used as a consumer attraction, the marketing mix must be properly communicated to consumers through various information media to influence consumers. The marketing mix consists of product, price, promotion, place, people, process, and physical environment. The marketing mix at Aqiqah Medan Farm is as follows.

1. Goods (Product)

Products are in the form of goods and services marketed by an institution or a business. Products have various forms such as goods or services offered to the market for attention, acquisition, use, or consumption that have the aim of meeting consumer needs [11]. Average product sales results at Aqiqah Medan Farm can be seen in Table 2 below.

Table 2. Average product sales at Aqiqah Medan Farm (head/month)

| Weight (Kg) | Live livestock (head) | Cooking preparations (head) | Total sales (head) |
|-------------|-----------------------|-----------------------------|--------------------|
| 15-24 | 2 | 0 | 2 |
| 25-34 | 1 | 7 | 8 |
| 35-44 | 5 | 3 | 8 |
| 45-54 | 3 | 10 | 13 |
| 55-64 | 0 | 1 | 1 |
| >64 | 0 | 2 | 2 |
| Total | 11 | 23 | 34 |

Based on the results of the survey conducted products marketed by Aqiqah Medan Farm in the form of live sheep and catering/processed dishes. Based on Table 3, it can be seen that product sales at Aqiqah Medan Farm are based on the type of product, namely live animals, and those that have been processed into dishes. Based on Table 2 aqiqah sales are mostly done in the form of processed dishes, which is 23 heads/month. This is because Aqiqah Medan Farm wants to achieve a large profit because when processing into dishes incurs additional costs and will increase the selling price of the product. This is in accordance with the research of [12] which states that the Prima Aqiqah Livestock Business in Bandar Lampung City processes goat meat into satay + curry and malbi + curry products which provide added value.

2. Price

Price is the amount of money paid by consumers to producers to carry out marketing system functions such as the exchange function, and the physical distribution function [14]. Pricing at Aqiqah Medan Farm is determined based on the weight of the sheep owned. The heavier the live weight of the livestock, the higher the selling price will be. The selling price owned by Aqiqah Medan Farm can be seen in Table 3 below.

Table 3. Selling price of aqiqah medan farm products (IDR/head)

| Weight | Live sheep | Cooking preparations (head) |
|--------|------------|-----------------------------|
| 15-24 | 850.000 | 1.000.000 |
| 25-34 | 1.800.000 | 2.000.000 |
| 35-44 | 2.800.000 | 3.000.000 |
| 45-54 | 3.750.000 | 4.000.000 |
| 55-64 | 4.700.000 | 5.000.000 |
| >64 | 5.600.000 | 6.000.000 |

Based on Table 3, the selling price of cooking is more expensive than the selling price of live animals. This is because when selling aqiqah products in the form of processed dishes, Aqiqah Medan Farm incurs additional costs for managing livestock into dishes due to the purchase of spices, slaughter wages, and packing costs incurred by Aqiqah Medan Farm. Determination of the selling price of products at Aqiqah Medan Farm is different from other aqiqah businesses. Based on research by [14] the selling price of processed cooking products in the form of satay as much as 300 and 350 skewers at Aqiqah Az-Zahra Surabaya is IDR.2000,000, and IDR.2,200,000, respectively.

3. Promotion

Promotion is an activity carried out by a business as a producer with the aim of attracting buyers / consumers. Based on Riyono and Budiharja (2016) a promotion strategy is an activity carried out by a company to attract consumers to buy the product [15]. Promotions carried out by Aqiqah Medan Farm through social media, websites, and through oral promotion. The form of promotion through social media and the website can be seen in Figure 1 below.



Figure 1. Forms of promotion at Aqiqah Medan Farm

Based on Figure 1, the form of promotion carried out from social media (Instagram) is by uploading with a matching color theme. Then on the Aqiqah Medan Farm web page there is a form of promotion by exposing the benefits and advantages of aqiqah at Aqiqah Medan Farm. The type of promotion carried out at the research site is similar to that carried out by other aqiqah places. Aqiqah Mandiri & Catering in implementing this promotional strategy uses online media which includes whatsapp, instagram, facebook, website, and also market place and offline media which includes brochures, mini banners, face to face, and banners.

4. Place

Marketing location is a place or area in a business in carrying out or carrying out activities to market products to consumers. According to Ulandhari and Hamidah (2019) a place or location around the community will be easily accessible to consumers and it is very possible that sales will increase [16]. The location of sales of aqiqah products both in the form of live animals and processed dishes occurs at Aqiqah Medan Farm cages located in Medan City. Aqiqah Medan Farm location is quite strategic because it is in the Medan City area.

5. Human Resources (People)

Based on Basar et al (2021) people are all components that perform a role to provide the best things for consumers so that they can influence product purchases [17]. Human resources (HR) involved

The number of employees owned by Aqiqah Medan Farm is 5 employees. Details of employees and wages paid can be seen in Table 4 below.

Table 4. Composition of employees at Aqiqah Medan Farm

| No. | Position | Total | Salary (IDR/month) |
|-------|----------------|-------|--------------------|
| 1 | Administration | 1 | 5.000.000 |
| 2 | Butcher | 1 | 3.000.000 |
| 3 | Stable boy | 2 | 3.000.000 |
| Total | | 4 | 11.000.000 |

Based on Table 4, it can be seen the number of employees participating in Aqiqah Medan Farm. There are a total of 4 people, namely the administrative position as much as 1 person, the position of slaughterman as much as 1 person, and the stable boy as much as 2 people. The total labor wage spent by Aqiqah Medan Farm for employees is IDR.11,000,000/month. Employees owned by Aqiqah Medan Farm are assets owned by the business. Based on Wardana et al. (2021) Human resources are the main asset in the service industry, especially businesses that require resources with high performance [11]. Consumer needs for high-performing employees will cause consumers to be satisfied and loyal. Good knowledge ability, will be a basic competency within the company and a good image outside.

6. Process

The process is a whole series of production process flows, packaging processes, labeling processes, distribution processes until buyers get products and make payments [18]. The process flow that Aqiqah Medan Farm goes through is through two marketing channels (Figure 2). The first channel is sheep obtained from Aqiqah Medan Farm's partners, and the second channel is the result of Aqiqah Medan Farm's own livestock cultivation. The livestock obtained will be promoted through social media to consumers who will perform aqiqah. Consumers who are

interested in buying livestock and carrying out aqiqah at Aqiqah Medan Farm will make a purchase by exchanging a mutually agreed amount of money.

7. Physical environment

Based on Daud et al. (2022) the physical environment is a place where the service delivery process takes place between service providers and customers [18]. The factors contained in this environment can have a significant influence on perceptions of the overall quality of service delivered by service providers. The physical form at Aqiqah Medan Farm has several facilities, including cages, feed storage areas, slaughterhouses, cooking rooms, and offices from Aqiqah Medan Farm.

3.2. Marketing Channel

Aqiqah sheep livestock consumers at Aqiqah Medan Farm buy livestock with aqiqah needs directly at the research site without going through intermediaries. This affects the collection of data on marketing channels, so that the marketing channels through which the sheep arrive at Aqiqah Medan Farm. The marketing channel at Aqiqah Medan Farm can be seen in Figure 2 below.

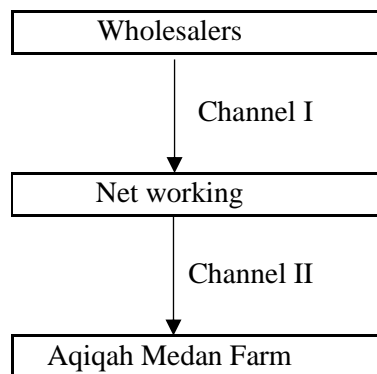


Figure 2. Marketing channels for sheep entering Aqiqah Medan Farm

Based on Figure 2, it can be seen the form of marketing patterns that occur in Aqiqah Medan Farm. Aqiqah Medan Farm has two marketing channels, the first is through partners then sheep from partners are purchased by Aqiqah Medan Farm and then purchased by consumers who want to do Aqiqah. The second marketing channel is sheep marketed to consumers directly from the results of cultivation carried out at Aqiqah Medan Farm. The marketing channels that occur in Aqiqah Medan Farm have two channels when compared to the results of research by [1] the marketing channels owned by Aqiqah Medan Farm are the same as the research conducted. The aqiqah marketing channel at Cv. Amanah Saebur in South Tambun District, Bekasi Regency has 2 marketing channels in aqiqah livestock, namely suppliers - large traders - consumers, and suppliers - large traders - small traders - consumers. Based on Miranda et al. (2023) the process of distributing goods from producers to consumers requires actions that can facilitate these activities [19]. The action is referred to as the marketing function which consists of three functions, namely the exchange function, the physical distribution function, and the intermediary function. The marketing functions that occur at Aqiqah Medan Farm are as follows.

1. Partners perform the exchange function of selling sheep to Aqiqah Medan Farm and perform the physical distribution function of delivering sheep to Aqiqah Medan Farm.
2. Aqiqah Medan Farm performs the exchange function namely buying sheep from partners, carrying out physical distribution functions, namely managing sheep into dishes, and carrying out intermediary functions for consumers who want to perform aqiqah.

3.3. Medan Farm Aqiqah Fees

Costs are nominal amounts of money charged to carry out business activities in a manner that is consistent with the intended puIDRose. These costs are usually released regularly or periodically over the relevant time period [11]. Aqiqah Medan Farm has 3 cost components namely fixed costs, variable costs, and production costs. All cost components can be seen as follows.

1. Fixed costs

Fixed costs are the costs of production equipment used many times, and are fixed regardless of costs that are not affected by the scale of production or the increase or decrease in the number of

livestock produced by a farm. Details of fixed costs incurred by Aqiqah Medan Farm can be seen in Table 5 below.

Table 5. Fixed costs of aqiqah field farm (IDR/month)

| No. | Component | Cost of depreciation (IDR) |
|-------|-----------|----------------------------|
| 1 | Pen | 416.667 |
| 2 | Pedicab | 25.000 |
| 3 | Pushcart | 2.500 |
| 4 | Freezer | 156.250 |
| Total | | 600.417 |

Based on Table 5, it can be seen the amount of fixed costs Aqiqah Medan Farm incurs in a month. Fixed costs that must be incurred by Aqiqah Medan Farm are in the form of depreciation costs and promotional costs. Depreciation costs consist of depreciation of cages, and equipment. The cost incurred by Aqiqah Medan Farm to promote is to pay for website maintenance costs used. Depreciation is used to reduce costs associated with the utilization of certain production-related strategies. Depreciation is the amount of cost depreciated over its useful life (Dirgantara & Suryadarma, 2020). Aqiqah Medan Farm has a cage depreciation cost of IDR416,667/month, rickshaw depreciation cost of IDR25,000/month, stroller depreciation cost of IDR2,500/month, and freezer depreciation cost of IDR156,250/month.

Total fixed costs for a month at Aqiqah Medan Farm amounted to IDR 600,417, or equal to IDR 7,205,000/year this amount is lower when compared to other similar businesses. Based on Bando et al (2023) the fixed costs incurred by CV Mitra Tani Farm Ciampea District, Bogor Regency, West Java in 2022 amounted to IDR 383,839,000. Based on Siregar & Aulia, (2023) the amount of fixed costs on smallholder sheep farms with a scale of livestock ownership greater than 100 heads is IDR 18,429,667 for one year [21].

2. Variable costs

Variable costs are costs that change based on the volume of production of a business. In sheep farming at Aqiqah Medan Farm, variable cost components are feed costs, drug costs, sheep purchase costs, cooking costs, and employee costs. The average variable costs at Aqiqah Medan Farm can be seen in Table 6 below.

Table 6. Medan Farm aqiqah variable costs (IDR/month)

| No. | Components | Unit | Cost (IDR) |
|-------|-------------------|-----------|------------|
| 1 | Sheep | 18 tails | 19.990.000 |
| 2 | Feed | 3000 kg | 3.000.000 |
| 3 | Medicines | 10 units | 200.000 |
| 4 | Cooking spices | 30 pcs | 10.500.000 |
| 5 | Employee wages | 4 org | 11.000.000 |
| 6 | Digital promotion | 1 package | 3.000.000 |
| Total | | | 47.690.000 |

Based on Table 6, it can be seen the amount of variable cost value incurred by Aqiqah Medan Farm in one month. The largest cost is incurred for the purchase of sheep from partners owned by Aqiqah Medan Farm. Costs incurred by Aqiqah Medan Farm amounted to IDR.19,990,000/month for the purchase of 18 sheep. The second largest cost is for the payment of employee wages. Aqiqah Medan Farm has 4 employees with positions, namely 1 administrative position, 1 butcher position, and 2 stable children (Table 4). The total wage paid was IDR.11,000,000. The cost for seasoning is IDR.350,000/head, so the cost incurred for processing sheep into dishes is IDR.10,500,000/month. The cost for medicines is IDR 20,000/unit. Kalba Zein and Combantrin are used by sheep farmers to prevent and overcome parasites in livestock. Promotional costs incurred by Aqiqah Medan Farm are IDR 3,000,000 per month for posting on social media platforms and maintaining websites used as online sales media. The results of variable costs incurred by Aqiqah Medan Farm amounted to IDR. 47,690,000/month to maintain 230 sheep.

This means that Aqiqah Medan Farm incurred variable costs of IDR 207,348/head/month. This result is higher than the variable cost per head in other research locations. Based on Khotimah et al. (2022) the variable cost per head per month in sheep business with ownership scale >20 heads in Kertajati District, Majalengka Regency was IDR. 63,289/head/month [22]. This difference is due to differences in maintenance management by using employees to increase the productivity produced, so as to get a large profit.

3. Production Costs

Costs incurred during the production process include the price of raw materials, staff salaries, auxiliary materials, and other costs. Thus, production costs are the sum of all costs incurred by a business entity to obtain the production factors and raw materials needed to produce a product. The amount of production costs can be seen in Table 7 below.

Table 7. Production costs at Aqiqah Medan Farm (IDR/month)

| No. | Components | Cost (IDR) |
|-------|----------------|------------|
| 1 | Pen | 416.667 |
| 2 | Pedicab | 25.000 |
| 3 | Pushcart | 2.500 |
| 4 | Freezer | 156.250 |
| 5 | Promotion | 3.000.000 |
| 6 | Sheep | 19.990.000 |
| 7 | Feed | 3.000.000 |
| 8 | Medicines | 200.000 |
| 9 | Cooking spices | 10.500.000 |
| 10 | Employee wages | 11.000.000 |
| Total | | 48.290.417 |

Based on Table 7, it can be seen that the production costs at Aqiqah Medan Farm for one month. The total production costs incurred for one month amounted to IDR.48,290,417/month. This amount consists of fixed costs and variable costs. Variable costs at Aqiqah Medan Farm have a proportion above 70% of the total costs incurred in one month at Aqiqah Medan Farm. This is in accordance with research conducted by Bando et al. (2023) variable costs at CV Mitra Tani Farm Ciampea District, Bogor Regency, West Java have a proportion of 72% of the total production costs owned by the business [20]. The total production costs at Aqiqah Medan Farm are lower than the production costs in other studies. Based on Ardiansyah et al. (2023) the total production costs in the cattle fattening business at CV. Jalu in Cigandamekar District, Kuningan Regency amounted to IDR.60,014,132/month [13]. This amount is greater than the production costs owned by Aqiqah Medan Farm.

4.Revenue

Acceptance of sheep business is the total result obtained from raising sheep in a certain period of time. Aqiqah Medan Farm has a source of revenue from the sale of live animals and cooking for the provision of aqiqah. The amount of revenue at Aqiqah Medan Farm can be seen in Table 8 below.

Table 8. Average revenue of aqiqah medan farm (IDR/month)

| Weight | Live livestock | Cook | Revenue |
|--------|----------------|------------|-------------|
| 15 | 2.000,000 | - | 2.000.000 |
| 25 | 2.666.667 | 15.725.000 | 18.391.667 |
| 35 | 15.000.000 | 10.950.000 | 25.950.000 |
| 45 | 12.000.000 | 30.875.000 | 42.875.000 |
| 55 | - | 5.850.000 | 5.850.000 |
| 65 | - | 13.900.000 | 13.900.000 |
| Total | 31.666.667 | 77.300.000 | 108.966.667 |

Based on Table 8, it can be seen the acquisition of Aqiqah Medan Farm revenue for one month. The largest revenue is in the provision of aqiqah needs in the form of cooking/processed dishes with a revenue of IDR.77,300,000/month. The total revenue earned from the sale of live animals at Aqiqah Medan Farm in a month is IDR.31,666,777/month. The overall total revenue earned by Aqiqah Medan Farm for one month is IDR.108,966,667/month. The revenue earned by Aqiqah Medan Farm is greater than the revenue earned by sheep farming in other studies. Based

on Hamzah et al. (2023) the amount of revenue obtained by the El Syifa partner sheep farm in Cirebon City was IDR.60,000,000/month with sales of 30 sheep per month [23]. The difference in revenue is caused by the selling price and sales quantity generated by each farm. The sale of cuisine as a form of aqiqah causes Aqiqah Medan Farm to be able to get a large profit.

5. Income

Income is the difference between the revenue earned by farmers and the production costs incurred by farmers. From the results of research at Aqiqah Medan Farm, the average income from sheep farming can be obtained. Details of income can be seen in Table 9 below.

Based on Table 9, it can be seen that the revenue earned by Aqiqah Medan Farm in one month. The total income earned by Aqiqah Medan Farm is IDR.60,676,250/month. Total revenue is influenced by the amount of product sales generated by Aqiqah Medan Farm for one month. This is in accordance with the literature [24] which states that the amount of income earned by farmers is influenced by several factors including capital, land, production costs, business experience, latest education, and number of livestock ownership. The amount of income obtained by Aqiqah Medan Farm is greater than the income on sheep farming with a scale of ownership of more than 100 heads in Hamparan Perak District, Deli Serdang Regency.

Table 9. Average income in aqiqah medan farm (IDR/month)

| No. | Components | Nominal (IDR) |
|-----|----------------|---------------|
| 1 | Fixed cost | 600.417 |
| 2 | Variable costs | 47.690.000 |
| 3 | Receipt | 108.966.667 |
| 4 | Income | 60.676.250 |

Based on [21] the total income of sheep per month is IDR.6,093,361. The difference in income results is influenced by the number of sales and selling prices. Aqiqah Medan Farm has added value from selling sheep into dishes to fulfill Aqiqah needs. Revenue is obtained from total revenue minus total costs. Income is the difference between the production costs of sheep cattle business and the receipt of sheep cattle business. If the difference between revenue and total production costs is positive, then the business makes a profit, but if the difference between revenue and total production costs is negative, then the sheep farm does not make a profit [25].

6. R/C Ratio

Return Cost Ratio is used to see the feasibility of a business by comparing the value of revenue with the costs incurred by farmers, this is in accordance with the opinion of Khoiri et al (2016) which explains that R/C is the ratio between the sales revenue of livestock products to the costs incurred during the production process to produce a livestock product. A sheep cattle business will be profitable if it gets an R/C value > 1 [26]. The greater the R/C value, the greater the level of profit that will be obtained by a business. The Return Cost Ratio owned by Aqiqah Medan Farm can be seen in Table 10 below.

Table 10. Return cost ratio at aqiqah medan farm

| No. | Components | Nominal (IDR) |
|-----|-----------------|---------------|
| 1 | Production cost | 48.290.417 |
| 2 | Receipts | 108.966.667 |
| 3 | R/C ratio | 2,26 |

Based on Table 10, it can be seen that the Return Cost Ratio at Aqiqah Medan Farm. The R/C ratio obtained at Aqiqah Medan Farm is 2.26. This indicates that Aqiqah Medan Farm's business is considered feasible because the R/C ratio value is more than 1. The implementation of this value can be interpreted as if Aqiqah Medan Farm incurs production costs of IDR.1000,000, it will get revenue of IDR.2,260,000. The results of the calculation of the R / C ratio owned by Aqiqah Medan Farm are greater than the value obtained in other studies. Based on [20] CV Mitra Tani Farm, Ciampea District, Bogor Regency, West Java has an R / C value of 1.35 > 1, meaning that every expenditure incurred worth 1 rupiah will get revenue worth 1.35. The difference in the resulting R/C value is caused by the total revenue and production costs incurred by each business.

7. B/C Ratio

Benefit Cost Ratio is obtained by finding the ratio between benefits and costs incurred. B/C shows how many times the benefits obtained from the costs incurred. If B/C > 1 then the business can be said to be feasible to develop, while if B/C < 1 then the business is not feasible to run. The B/C value can be seen in Table 11 below.

Table 11. Benefit cost ratio in aqiqah medan farm

| No. | Components | Nominal (IDR) |
|-----|-----------------|---------------|
| 1 | Production Cost | 48.290.417 |
| 2 | revenue | 60.676.250 |
| 3 | B/C Ratio | 1,26 |

Based on Table 11, it can be seen the value of the Benefit Cost Ratio obtained by Aqiqah Medan Farm. The B/C ratio value of $1.26 > 1$ indicates that the sheep farming business at Aqiqah Medan Farm is feasible. The B/C value can be interpreted that if the costs incurred of IDR.1000,000 can generate revenue of IDR.1,260,000. The B/C ratio value obtained is lower than other studies. Based on [21] the sheep business on smallholder farms in Hamparan Perak District has a Benefit Cost Ratio (BCR) value on a business scale of ≤ 50 sheep, 51-99 sheep, and ≥ 100 sheep respectively of 1.38, 1.46, and 1.52. The difference in the B/C ratio value is caused by smallholder farms in Hamparan Perak Sub-district, Deli Serdang Regency, which have smaller production costs than those of Aqiqah Medan Farm. When compared with other studies, the B/C value obtained by Aqiqah Medan Farm is also lower. Based on [13] The B/C Ratio value produces a value of 1.540. The value of 1.540 means that IDR. 1 spent can produce IDR 1.540, indicating that the sheep fattening business at Aqiqah Farm is feasible to run.

4. Conclusion

Aqiqah Medan Farm business has been established since 1997, has a livestock population of 230 heads, with breeder partners from 5 regions. Product sales are in the form of live sheep and processed dishes. with the lowest selling price of live animals per head of IDR 850,000 and dishes per head of IDR 1,450,000, promotions carried out through oral and digitalization. Revenue earned was IDR 60,676,250/month, with R/C ratio and B/C ratio values of 2.26, and 1.26, respectively. This value indicates that Aqiqah Medan Farm business is considered feasible.

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