

ABSTRACT

Every company has a goal to maintain survival by paying attention to the profits obtained, so it is necessary to know what factors affect the company's net profit. There are several factors that can affect net profit, namely production costs, operating costs, and sales volume. This is because when production costs and operational costs increase, the company's profit will decrease. Meanwhile, sales volume that reaches the target will affect profit generation because the sale of goods produced will provide income for the company. This indicates that the company needs to manage production costs, operational costs, and sales volume well in order to maintain the company's survival by obtaining maximum profits.

Therefore, this study aims to determine the effect of production costs, operational costs, and sales volume on net profit in the Food and Beverage Sub-Sector listed on the Indonesia Stock Exchange (IDX) for the 2017-2021 period.

The object of this research is a food and beverage subsector company listed on the IDX in 2017-2021. This study used purposive sampling method obtained by 18 companies for 5 years with 90 observational data. The data analysis method used is regression analysis of panel data using Eviews11 software, because the condition of the research data is cross-section and information is time series.

Based on the results of the study, it shows that production costs, operational costs, and sales volume simultaneously affect the net profit of food and beverage sub-sector companies listed on the Indonesia Stock Exchange in 2017-2021. Partially, production costs, operating costs, and sales volume affect net income.

This indicates that in order to make a profit, operational and production costs will increase in proportion to the sales volume. Investors should think about things when deciding how to allocate company funds.

Keywords: *Operating Cost, Production Cost, Net Profit, Sales Volume*