CAPABILITY TRAINING FOR LAUNDRY SERVICE MSMEs ON CALCULATING COST OF GOODS SOLD (COGS) AND BREAK-EVEN POINT (BEP) IN PONDOK CINA-DEPOK

Endang WULANDARI[1], Mira SEPTIANI[2*] and Nindhita MAHARANI[3]
[1-3]Universitas Sahid
***Email corresponding author*: miraseptiani792@gmail.com**

ABSTRACT

The laundry service MSME is one of the business sectors that has the potential to continue to grow, but still faces various obstacles in financial management, especially in recording costs and determining the right selling price. This problem was also found in laundry MSME partners in the Pondok Cina area, Depok, who still have limited understanding of calculating the Cost of Goods Sold (COGS) and Break-Even Point (BEP) analysis. This community service activity aims to improve partners' understanding and skills in calculating COGS and BEP. The implementation method includes identifying partner needs, delivering material through interactive presentations, discussions, questions and answers, practicing COGS and BEP calculations using partner business data, and evaluation through pre-tests and post-tests. Based on the results of the Paired Sample t-Test, a significance value (2-tailed) of 0.000 (Sig. <0.05) was obtained, indicating a significant difference between the pre-test and post-test scores. This proves that the community service activities carried out are effective in improving partners' abilities in understanding and applying COGS and BEP calculations to support better business management.

Keywords: Laundry MSMEs, Cost of Goods Sold (COGS), Break Even Point (BEP), Community Service.

1. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a strategic role in national economic development. In Indonesia, MSMEs contribute more than 60% to Gross Domestic Product (GDP) and employ approximately 97% of the workforce (Sulistiyono, 2025). In urban areas like Depok, MSMEs are growing rapidly in various sectors, one of which is laundry services, which provide a practical solution for busy urbanites with limited time for household chores (A. D. Pratama et al., 2026). However, behind this quantitative growth lies significant managerial and financial challenges. Many MSME laundry operators started their businesses autodidactically, without a background in business or accounting (Ibrahim, 2025). As a result, business financial management is often informal and unstructured (Cahyoginarti et al., 2026). One tangible impact of this situation is inaccurate pricing of services, which risks causing losses or business stagnation (Sidiq & Kusumastuti, 2025).

Based on observations and initial interviews with several laundry MSMEs in Pondok Cina, Depok, several common problems were identified. These include a lack of understanding of the Cost of Goods Sold (COGS), leading to pricing based on assumptions or imitating competitors without cost analysis. Furthermore, laundry MSMEs lack understanding of the Break-Even Point (BEP), leading to uncertainty about when their businesses will break even and begin generating profits. The laundry business in Depok, specifically the Pondok Cina area, was chosen because of its proximity to the University of Indonesia, Pancasila University, and Gunadarma University campuses, where most students reside in boarding houses. The majority of laundry customers are students, making pricing particularly sensitive for students.

Setting the right selling price is a crucial element of business strategy, especially for MSMEs (Muliani et al., 2026). One of the main foundations in determining selling prices is an accurate calculation of the Cost of Goods Sold (COGS). Unfortunately, various studies show that many MSMEs still use simple and unsystematic COGS calculation methods, resulting in selling prices that do not reflect true production costs (Afni & Firmasnyah, 2023). One important aspect that MSMEs often overlook, besides determining COGS, is understanding and applying the Break-Even Point (BEP) calculation. BEP is the break-even point where total revenue equals total costs, ensuring the business experiences neither profit nor loss (Risdayani & Susilawati, 2024). BEP calculation is crucial because it can help businesses determine sales targets, set appropriate prices, and manage costs efficiently (Liestiana & Novianty, 2021).

This situation makes it difficult for business owners to determine competitive and profitable pricing strategies and face increasingly fierce market competition (Pratama et al., 2025). To address these challenges, interventions in the form of practical and applicable training and mentoring are necessary, which is why this community service activity is necessary. This activity is expected to improve the efficiency and effectiveness of laundry business management,

encourage sustainable business growth, and make a significant contribution to the economic empowerment of the community in Pondok Cina, Depok.

2. METHOD

This community service activity was implemented using a participatory and practical approach to enable laundry MSMEs to directly apply the knowledge gained in their business operations. The implementation process consisted of several interconnected stages, beginning with partner identification through an initial survey of laundry MSMEs in the Pondok Cina area of Depok. The survey aimed to gather information regarding business profiles, operational scale, financial management practices, and the owners understanding of production cost calculations, Cost of Goods Sold (COGS) determination, and Break-Even Point (BEP) analysis. The findings were subsequently used to select suitable partners and develop training materials and methods tailored to the needs of the participating MSMEs.

The next stage involved educational activities delivered through interactive presentations, group discussions, question-and-answer sessions, and reflections on participants business experiences. Presentations were conducted to introduce the fundamental concepts of COGS calculation and BEP analysis, while group discussions encouraged participants to actively identify and analyze financial management challenges encountered in their respective businesses. Question-and-answer sessions provided opportunities for participants to clarify the material presented, while reflection activities helped them relate the concepts learned to their existing business management practices.

Following the educational activities, participants engaged in hands-on practical exercises involving COGS and BEP calculations using actual financial and operational data from their laundry businesses. The community service team provided guidance in identifying production cost components, preparing COGS calculations, and determining the break-even point. Participants were also encouraged to implement regular, accurate, and structured cost recording practices. This practical assistance was expected to strengthen their ability to control operational costs, establish more appropriate service prices, and make more effective business decisions.

The final stage involved evaluating the effectiveness of the training through pre-tests and post-tests administered to all participants. The pre-test was conducted to assess participants initial understanding of COGS calculations and BEP analysis, while the post-test was administered after the educational sessions, discussions, and practical exercises to measure improvements in their knowledge and competencies. Differences between pre-test and post-test scores were analyzed using a Paired Sample t-Test to determine whether the training resulted in a statistically significant improvement in participants understanding. The evaluation results served as an indicator of the program's effectiveness in enhancing the ability of laundry MSMEs to independently calculate COGS and BEP.

3. RESULTS AND DISCUSSION

The community service program involved ten laundry MSME partners located in the Pondok Cina area of Depok, namely Magafa Laundry, Kembar Laundry, Rafa Laundry, Dewaser Laundry, Laundry Express, Day Clean, Fazza Laundry, Yes Laundry, Sinari Laundry, and 8055 Laundry. These businesses participated in the educational and mentoring activities focused on improving their understanding and practical skills in calculating Cost of Goods Sold (COGS) and Break-Even Point (BEP).

The educational activities were conducted on December 29, 2025, through interactive presentations, group discussions, question-and-answer sessions, and direct mentoring by the implementation team. During the presentation session, participants were introduced to the basic concepts of COGS calculation, including the identification and classification of production cost components, such as raw material costs, direct labor costs, and manufacturing overhead costs. Participants also learned about the importance of BEP analysis in determining the minimum level of sales required for a business to cover its operating costs and avoid losses.

The presentation was followed by discussion and question-and-answer sessions, which provided opportunities for participants to share and address various challenges encountered in managing their laundry businesses, particularly those related to cost recording, service pricing, and profit calculation. Participants demonstrated enthusiasm through their active involvement in asking questions and discussing the financial and operational conditions of their respective businesses. These interactions enabled the implementation team to identify participants specific difficulties and provide explanations relevant to their business circumstances.

In addition to delivering educational materials, the implementation team provided hands-on guidance in calculating COGS and BEP using actual operational and financial data from the participants businesses. Through this practical mentoring, participants were guided in identifying cost components, organizing cost records, calculating the cost per kilogram of laundry services, and determining the break-even point. This activity helped participants understand the calculation procedures systematically and recognize the importance of recording all business expenses accurately. Furthermore, participants were encouraged to apply COGS and BEP calculations independently as a basis for establishing appropriate service prices, controlling operational costs, and supporting more informed business decisions.

The outcomes of this community service activity indicated that participants gained a better understanding of the importance of COGS and BEP calculations in supporting business sustainability. The combination of educational presentations, interactive discussions, and hands-on mentoring provided participants with practical knowledge that could be applied to their daily business operations. Documentation of the educational activities, discussions, and mentoring sessions involving the laundry MSME partners is presented in Figure 1.

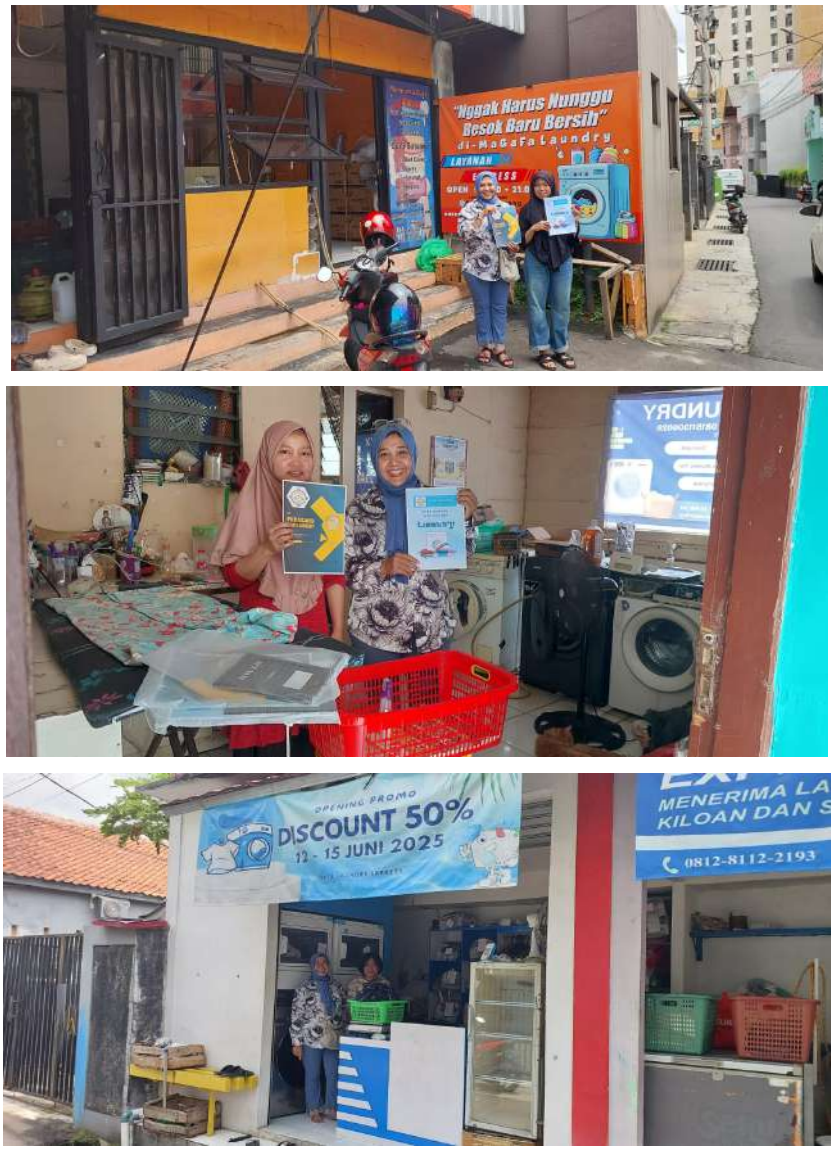

Figure 1. Educational Activities Documentation

During the practical training sessions, participants were guided in preparing Cost of Goods Sold (COGS) and Break-Even Point (BEP) calculations based on actual financial and operational data from their respective laundry businesses. The implementation team provided direct assistance throughout the calculation process, including identifying and classifying cost components, calculating the cost per kilogram of laundry services, and determining the break-even point.

The results of the practical exercises indicated that most participants began to recognize the importance of comprehensive and systematic cost recording as a basis for determining COGS and establishing more accurate service prices. Through these exercises, participants also gained a better understanding of how cost information can be used to evaluate business performance, control operational expenses, and support financial decision-making.

The following section presents examples of COGS and BEP calculations prepared by several participants during the training activities.

- Magafa Laundry

Fixed Cost:		Variable Cost:	
1. Employee Salaries	20.000.000	1. Detergent	3.000.000
2. Rent a place	2.000.000	2. Electricity	2.000.000
3. Machine depreciation	1.000.000	3. Water	1.000.000
4. Internet, etc	1.000.000	4. Packaging	1.000.000
5. Machine maintenance	1.000.000		
Total Fixed Cost	25.000.000	Total Variable Cost	7.000.000

Total Cost = Rp. 32.000.000 / 5.000 Kg (Average Monthly Sales) = Rp. 6.400 / Kg (COGS)
Analysis with Selling Price Rp 7.000/Kg
= Rp. 7.000 – Rp. 6.400 = Rp. 600 (Profit Difference)
BEP:
BEP (in units) = Fixed Costs / (Selling Price per Unit – Variable Cost per Unit)
= Rp. 25.000.000 / (Rp. 7.000 – (Rp. 7.000.000 / 5.000 Kg))
= Rp. 25.000.000 / Rp. 5.600
= 4.464,28 rounded 4.464 Kg
BEP Analysis = Sold 5.000 Kg – BEP 4.464 Kg = 536 Kg (Profit)

- Kembar Laundry

Fixed Cost:		Variable Cost:	
1. Employee Salaries	5.000.000	1. Detergent	1.000.000
2. Rent a place	1.000.000	2. Electricity	1.000.000
3. Machine depreciation	500.000	3. Water	300.000
4. Internet, etc	350.000	4. Packaging	200.000
5. Machine maintenance	500.000		
Total Fixed Cost	7.350.000	Total Variable Cost	2.500.000

Total Cost = Rp. 9.850.000 / 1.600 Kg (Average Monthly Sales) = 6.156 / Kg (COGS)
Analysis with Selling Price Rp 6.500/kg
= Rp. 6.500 – Rp 6.156 = Rp. 344 (Profit Difference)
BEP:
BEP (in units) = Fixed Costs / (Selling Price per Unit – Variable Cost per Unit)
= Rp. 7.350.000 / (Rp. 6.500 – (Rp. 2.500.000 / 1.600 Kg))
= Rp. 7.350.000 / Rp. 4.937
= 1.488,75 rounded 1.489
BEP Analysis = Sold 1.600 Kg – BEP 1.489 = 111 Kg (Profit)

- Rafa Laundry

Fixed Cost:		Variable Cost:	
1. Employee Salaries	7.500.000	1. Detergent	1.500.000
2. Rent a place	1.500.000	2. Electricity	1.500.000
3. Machine depreciation	800.000	3. Water	500.000
4. Internet, etc	500.000	4. Packaging	500.000
5. Machine maintenance	600.000		
Total	10.900.000	Total	4.000.000

Total Cost = Rp. 14.900.000 / 2.500 Kg (Average Monthly Sales) = 5.960 / Kg (COGS)
Analysis with Selling Price Rp 6.000/kg
= Rp. 6.000 – Rp. 5.960 = Rp. 40 (Profit Difference)
BEP:
BEP (in units) = Fixed Costs / (Selling Price per Unit – Variable Cost per Unit)

= Rp. 10.900.000 / (Rp. 6.000 – (Rp. 4.000.000 / 2.500 Kg))
= Rp. 10.900.000 / Rp. 4.400
= 2.477,27 rounded 2.477

BEP Analysis = Sold 2.500 Kg – BEP 2.477 Kg = 23 Kg (Profit)

- Dewaser Laundry

Fixed Cost:		Variable Cost:	
1. Employee Salaries	7.500.000	1. Detergent	2.000.000
2. Rent a place	2.000.000	2. Electricity	1.500.000
3. Machine depreciation	1.000.000	3. Water	700.000
4. Internet, etc	500.000	4. Packaging	500.000
5. Machine maintenance	800.000		
Total	11.800.000	Total	4.700.000

Total Cost = Rp. 16.500.000 / 3.000 Kg (Average Monthly Sales) = 5.500 / Kg (COGS)

Analysis with Selling Price Rp 7.000/kg
= Rp. 7.000 – Rp. 5.500 = Rp. 1.500 (Profit Difference)

BEP:

BEP (in units) = Fixed Costs / (Selling Price per Unit – Variable Cost per Unit)
= Rp. 11.800.000 / (Rp. 7.000 – (Rp. 4.700.000 / 3.000 Kg))
= Rp. 11.800.000 / Rp. 5.433
= 2.171,91 rounded 2.172

BEP Analysis = Sold 3.000 Kg – BEP 2.172 Kg = 828 Kg (Profit)

- Laundry Express

Fixed Cost:		Variable Cost:	
1. Employee Salaries	5.000.000	1. Detergent	1.000.000
2. Rent a place	1.500.000	2. Electricity	1.000.000
3. Machine depreciation	1.000.000	3. Water	800.000
4. Internet, etc	500.000	4. Packaging	500.000
5. Machine maintenance	1.000.000		
Total	9.000.000	Total	3.300.000

Total Cost = Rp. 12.300.000 / 2.200 Kg (Average Monthly Sales) = 5.591 / Kg (COGS)

Analysis with Selling Price Rp 6.000/kg
= Rp. 6.000 – Rp. 5.591 = Rp. 409 (Profit Difference)

BEP:

BEP (in units) = Fixed Costs / (Selling Price per Unit – Variable Cost per Unit)
= Rp. 9.000.000 / (Rp. 6.000 – (Rp. 3.300.000 / 2.200 Kg))
= Rp. 9.000.000 / Rp. 4.500
= 2.000

BEP Analysis = Sold 2.200 Kg – BEP 2.000 Kg = 200 Kg (Profit)

Based on the COGS and BEP calculations of the five laundry MSMEs, all businesses recorded monthly sales volumes above their respective break-even points, indicating that they had achieved operating profitability under the analyzed conditions. However, the profit margins varied considerably, with Rafa Laundry showing the smallest difference between its actual sales volume and BEP, while Magafa Laundry, Dewaser Laundry, and Laundry Express demonstrated relatively larger margins. These findings highlight the importance of accurate and systematic cost recording, appropriate service pricing, and regular BEP analysis to support cost control, profitability, and the long-term sustainability of laundry MSMEs.

The evaluation of training outcomes was conducted through pre-test and post-test questionnaires to assess participants understanding of Cost of Goods Sold (COGS) and Break-Even Point (BEP) in laundry businesses. The questionnaires consisted of ten statements designed to measure participants knowledge and practical abilities in identifying cost components, calculating COGS, determining service prices, and analyzing BEP. Participants were asked to indicate their level of agreement with each statement using a Likert scale. The questionnaire items were as follows:

- I understand the concept of Cost of Goods Manufactured (COGS) in a laundry business.
- I am able to identify fixed costs in a laundry business.
- I am able to identify variable costs in a laundry business.

- I understand how to calculate COGS for laundry.
- I am able to determine the selling price of laundry services based on COGS.
- I understand the concept of Break-Even Point (BEP).
- I am able to calculate BEP based on the number of kilograms of laundry.
- I am able to calculate BEP based on sales value (rupiah).
- I understand the benefits of BEP in determining the break-even point for a laundry business.
- This training/mentoring has improved my understanding of COGS and BEP.

The results of the pre-test and post-test questionnaires that were conducted on the targets/partners are available in the table below:

Table 1. Pre-test and Post-test Questionnaire Results

No.	Mitra	*Pre-test*	*Post-test*
1	Magafa Laundry	0,4	0,9
2	Kembar Laundry	0,2	0,8
3	Rafa Laundry	0,2	0,7
4	Dewaser Laundry	0,1	0,6
5	Laundry Express	0,1	0,8
6	Day Clean	0,3	0,9
7	Fazza Laundry	0,2	0,7
8	Yes Laundry	0,2	0,9
9	Sinari Laundry	0,3	0,7
10	8055 Laundry	0,2	0,8

For the analysis of this evaluation data, a Paired Sample T-Test was used, assisted by SPSS version 26 software. The Paired Sample T-Test was used to see whether there was a significant difference between the average of two groups of data, namely pre-test and post-test data on community service implementation. Because the Paired Sample T-Test is part of parametric statistics, the data being tested must first be normally distributed before testing the Paired Sample T-Test.

The normality test aims to determine whether the participants' pre-test and post-test scores meet the assumptions of a normal distribution. The normality test in this study was conducted using SPSS version 26 software using the Shapiro-Wilk method due to the relatively limited number of respondents participating in the activity. The basis for making decisions in the normality test is that if the significance value (Sig.) is > 0.05, the data is considered normally distributed. Conversely, if the significance value (Sig.) is < 0.05, the data is considered non-normally distributed. The normality test for the evaluation data for the implementation of community service is as follows:

Table 2. Normality Test Results

Tests of Normality

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Pre-test	,286	10	,020	,885	10	,149
Post-test	,181	10	,200*	,895	10	,191

Source: SPSS

The output shows that the pre-test had a Shapiro-Wilk value of 0.149, meaning that the data is normally distributed (Sig > 0.05). Meanwhile, the post-test had a Shapiro-Wilk value of 0.191, meaning that the data is normally distributed (Sig > 0.05). Thus, the evaluation data has fulfilled one of the basic assumptions of parametric statistics, so that the analysis can be continued using the Paired Sample t-Test to determine the difference in the average understanding of participants before and after the implementation of community service activities.

The paired sample t-test for the community service evaluation data is as follows:

Table 3. Paired Sample T-Test Results

Paired Samples Test

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference Lower	Upper			
Pair 1	Pre-test - Post-test	-,5600	,0966	,0306	-,6291	-,4909	-18,330	9	,000

Source: SPSS

From the output, the significance value (2-tailed) is 0.000 (Sig < 0.05), meaning that the pre-test and post-test results experienced significant (meaningful) changes. It can be concluded that this community service activity increased partners' understanding of how to calculate HPP and BEP for their business.

Overall, this community service activity has contributed to improving the ability of laundry MSMEs to better manage business costs. With an understanding of COGS and BEP, partners are expected to be able to determine selling prices more accurately, control operational costs, set realistic sales targets, and improve the sustainability and competitiveness of their businesses in the future. The program's sustainability through continued mentoring is still needed so that cost recording and financial analysis can become part of daily business management practices.

4. CONCLUSION

The community service program, which provided education on calculating COGS and BEP, was successful and responsive. This was evident in the support and enthusiasm of laundry MSMEs in Pondok Cina, Depok, who participated from start to finish.

Based on the results of the community service activities, several recommendations can be made to support program sustainability and improve partner business management. First, laundry MSME partners are expected to implement routine, structured, and sustainable cost recording to provide more accurate information on operational costs, COGS, and business profitability. This recording will assist partners in evaluating their businesses and making decisions related to pricing and business development strategies.

Second, continued mentoring is needed for partners to ensure that the understanding gained during the training can be consistently applied in daily operational activities. This continued mentoring could include evaluating financial records, preparing simple reports, and developing business financial analysis skills.

Third, similar activities are expected to be developed with a wider range of participants and include other business management topics, such as budgeting, cash flow management, pricing strategies, and digital marketing. With ongoing training programs, it is hoped that MSMEs will not only be able to improve their cost management skills but also achieve greater competitiveness and business sustainability.

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