Journal Social Society Vol 6 No 3, July – September 2026

Effect of Operational Costs on Net Profit in Indonesian Food and Beverage Manufacturing Firms, 2022–2024 period

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Abstract

The urgency of this research lies in providing empirical evidence on how operational costs affect net profit in Indonesian food and beverage manufacturing firms during the 2022–2024 period, offering valuable insights for improving efficiency and profitability. The research is motivated by the growing importance of operational cost efficiency in maintaining profitability and business sustainability amid increasing industry competition. Using a quantitative approach and secondary data obtained from the Indonesia Stock Exchange, the study analyzed 159 financial statements from 53 companies selected through purposive sampling. Data were processed using simple linear regression with SPSS version 25. The results indicate that operational costs have a positive and significant effect on net profit. The positive regression coefficient suggests that higher operational costs are associated with increased net profit, reflecting productive business activities that support revenue growth. The t-test confirms the significance of this relationship, with the calculated t-value exceeding the critical value and a significance level below 0.05. In addition, the coefficient of determination (R^2) of 0.854 shows that 85.4% of the variation in net profit can be explained by operational costs, while the remaining 14.6% is influenced by other factors not included in the model. These findings provide empirical evidence on the importance of operational cost management in improving financial performance and profitability. The study implies that companies should optimize the allocation and utilization of operational costs to enhance efficiency and support profit growth. Overall, operational costs play a substantial role in determining net profit among food and beverage manufacturing firms in Indonesia.

Keywords: *Operational Costs, Net Profit, Manufacturing Companies, Indonesia Stock Exchange*

Introduction

Companies are established as economic entities with the primary objective of generating profit to ensure business continuity, sustainability, and long-term growth. Profitability reflects a company's ability to manage resources efficiently while maintaining operational effectiveness in increasingly competitive business environments (Cantika et al., 2024). In modern financial management, one of the most important aspects influencing profitability is operational cost management (Chen et al., 2018). Operational costs consist of selling expenses, marketing costs, and general and administrative expenses incurred in supporting daily business activities (Syahrul & Septiano, 2024).

These costs are essential for maintaining operational performance, supporting product distribution, increasing market share, and improving service quality (Gunny, 2017). However, ineffective management of operational costs can reduce financial efficiency and negatively affect net profit (Yanti & Budiartha, 2021). Therefore, operational cost management has become a strategic issue in corporate financial decision-making, particularly in manufacturing

https://doi.org/10.30605/jss.6.3.2026.1342

industries characterized by intense competition and fluctuating market demand (Chen et al., 2018; Nurtika et al., 2026). Theoretically, operational costs are closely associated with profitability through cost behavior and efficiency theories. According to cost accounting theory, operational costs represent expenditures intended to support revenue-generating activities.

Efficient operational cost allocation can improve company productivity and ultimately increase profitability. Conversely, excessive or uncontrolled operational expenses may reduce company earnings because higher expenditures directly decrease operating income (Wijaya & Sari, 2023). Financial management theory also explains that profitability depends not only on revenue growth but also on the company's ability to control operational expenditures effectively (Putri & Rahmawati, 2022). Therefore, operational costs may have either a positive or negative relationship with net profit depending on how efficiently the costs are utilized to support productive business activities (Nuryaman, 2019; Abdullah & Muchran, 2026).

In the context of manufacturing companies, especially the food and beverage sector, operational costs play a highly significant role because companies must continuously maintain production stability, distribution efficiency, marketing effectiveness, and administrative performance (Kwon & Yin, 2021). The food and beverage industry is one of the most important sectors in Indonesia's economy due to its substantial contribution to gross domestic product (GDP), employment opportunities, and export activities. The sector continues to experience growth because food and beverage products are categorized as primary consumer needs with relatively stable demand. According to data from the Indonesian Ministry of Industry, the food and beverage manufacturing industry consistently contributes significantly to national industrial growth and remains one of the largest contributors to non-oil and gas manufacturing GDP (Lee, 2020).

Despite its strategic importance, the food and beverage sector also faces considerable operational challenges (Zhang, 2019). During the post-pandemic recovery period from 2022 to 2024, companies encountered rising raw material prices, energy cost increases, inflationary pressures, supply chain disruptions, and changes in consumer purchasing behavior. These conditions forced companies to improve operational efficiency while maintaining product quality and market competitiveness. Consequently, operational cost management became increasingly important in determining company profitability. Companies that fail to control operational costs may experience declining profits, while firms capable of allocating operational expenses effectively may strengthen their competitive position and improve financial performance (Purba & Manurung, 2021; Kasmir, 2021).

Several previous studies have examined the relationship between operational costs and net profit in various industrial sectors. However, empirical findings remain inconsistent. Some studies found that operational costs negatively affect profitability because increased expenditures reduce company earnings. For example, research conducted in the transportation sector demonstrated that higher operational costs significantly reduced net profit due to inefficiencies in cost allocation and rising operational burdens. Similarly, studies in trading companies indicated that uncontrolled operational expenses weakened financial performance and reduced profitability levels (Horngren et al., 2025; Febriansyah & Arifin, 2023).

Conversely, other studies reported a positive relationship between operational costs and net profit (Subramaniam & Watson, 2016). These studies argue that increased operational expenditures may reflect expanded business activities, improved marketing performance, and

higher production capacity, which ultimately generate greater revenue and profitability. Research conducted in manufacturing companies revealed that operational costs allocated toward productive activities such as marketing expansion, technological improvements, and distribution optimization contributed positively to company profits. Similarly, studies on retail and logistics companies showed that operational costs can support revenue growth when managed efficiently and strategically.

Recent studies have also highlighted the importance of operational efficiency and cost structure optimization in improving firm performance. Advances in digital technology and financial information systems enable companies to monitor operational expenditures more effectively and make better financial decisions. Researchers have increasingly emphasized the role of strategic cost management in maintaining profitability under uncertain economic conditions. In addition, post-pandemic business environments require companies to adopt more adaptive operational strategies because changes in consumer behavior, global supply chain instability, and inflation significantly influence company expenditures and profitability performance (Healy & Wahlen, 2018).

Although many studies have investigated operational costs and profitability, several research gaps remain evident. First, previous studies show inconsistent findings regarding the direction of the relationship between operational costs and net profit. Some researchers conclude that operational costs negatively affect profitability, while others report positive or insignificant effects. These inconsistencies indicate that the impact of operational costs may vary depending on industrial characteristics, economic conditions, and company operational strategies. Second, most prior studies focus on sectors such as transportation, agriculture, retail, logistics, or small and medium enterprises, while limited studies specifically examine food and beverage manufacturing companies listed on the Indonesia Stock Exchange. Third, many previous studies used data from periods before the COVID-19 pandemic, meaning they may not fully reflect current economic realities and operational challenges faced by companies in the post-pandemic era (Dhole et al., 2019).

The comparison among previous studies clearly demonstrates the existing research gap. Studies conducted before the pandemic generally focused on operational efficiency under relatively stable economic conditions, whereas current business environments are characterized by economic uncertainty, supply chain instability, and rising operational expenditures. Furthermore, prior research often analyzed operational costs broadly without emphasizing the specific characteristics of food and beverage manufacturing companies, which possess distinct operational structures due to continuous production activities and stable consumer demand. Therefore, there is a need for updated empirical research that specifically investigates the relationship between operational costs and net profit in food and beverage manufacturing companies during the post-pandemic recovery period.

Based on these considerations, this study seeks to provide updated empirical evidence regarding the effect of operational costs on net profit in food and beverage manufacturing companies listed on the Indonesia Stock Exchange during the 2022–2024 period. The novelty of this study lies in three important aspects. First, this research uses recent post-pandemic data that better reflect current economic conditions and operational challenges. Second, this study specifically focuses on food and beverage manufacturing companies, which remain underexplored in previous empirical studies. Third, this research attempts to clarify inconsistencies in prior findings by examining whether operational costs function primarily as financial burdens or as strategic investments that contribute to profitability growth.

This study aims to answer the following research question: Does operational cost significantly affect net profit in food and beverage manufacturing companies listed on the Indonesia Stock Exchange during the 2022–2024 period? Accordingly, the objective of this research is to empirically analyze the effect of operational costs on net profit using a quantitative approach and simple linear regression analysis. The findings of this study are expected to contribute both theoretically and practically. Theoretically, this research contributes to the development of financial management and cost accounting literature, particularly regarding the relationship between operational costs and profitability. Practically, the results may provide useful insights for company management in designing more effective operational cost strategies to improve financial performance and maintain business competitiveness in dynamic economic environments.

Method

This study employs a quantitative research design based on the positivist paradigm to empirically examine the effect of operational costs on net profit in food and beverage manufacturing companies listed on the Indonesia Stock Exchange (IDX). A quantitative approach is considered appropriate because it enables objective measurement, statistical testing, and systematic analysis of the relationship between variables. The study adopts a causal associative design, which aims to determine the direction and magnitude of the influence of operational costs as the independent variable on net profit as the dependent variable.

The research procedures were conducted systematically, beginning with population determination, sample selection, data collection, data processing, and statistical analysis to ensure the reliability, validity, and replicability of the findings. The research was conducted using secondary financial data obtained from companies listed on the Indonesia Stock Exchange during the 2022–2024 period. The location of the study refers to the Indonesia Stock Exchange as the official source of corporate financial reports accessed through Indonesia Stock Exchange (IDX). The population of this study consists of all food and beverage manufacturing companies listed on the IDX during the observation period. Based on IDX records, the total population comprised 95 companies.

The sampling technique used in this study is purposive sampling because it allows the researcher to select companies that meet criteria relevant to the research objectives. The sample selection criteria include: (1) companies consistently listed on the Indonesia Stock Exchange during the 2022–2024 period; (2) companies publishing complete annual financial statements during the observation period; and (3) companies providing accessible and consistent data regarding operational costs and net profit. Based on these criteria, 53 companies were selected as the research sample. Since the observation period covered three years, the total number of observations used in this study was 159 firm-year observations.

The data used in this study are secondary data collected using documentation techniques. Financial statement data were obtained from annual reports and audited financial statements published through the official IDX website and company reports. The variables analyzed in this study consist of operational costs as the independent variable (X) and net profit as the dependent variable (Y). Operational costs include selling expenses as well as general and administrative expenses reported in the company income statements. Net profit refers to the profit earned after deducting all company expenses, taxes, and operational obligations during a financial period. Both variables are measured using ratio-scale data expressed in Indonesian

Rupiah (IDR). Before conducting hypothesis testing, the research instrument and data feasibility were evaluated through data validation procedures. Since this study uses secondary financial statement data, expert validation was conducted through consultation with accounting and financial management experts to ensure the appropriateness of variable indicators, measurement methods, and data interpretation procedures.

Expert validation focused on evaluating the suitability of operational cost indicators and net profit measurements with financial accounting standards and previous empirical studies. The validation results indicated that all indicators used in this research were relevant and appropriate for measuring the variables under investigation. The validity of the data was further supported by the use of audited financial statements obtained from official and publicly accessible sources. In addition, data consistency checks were performed by comparing financial figures across reporting periods to ensure accuracy and completeness. These procedures were conducted to guarantee the feasibility and practicality of the dataset used in the analysis process.

Data analysis in this study consists of descriptive statistical analysis and inferential statistical analysis. Descriptive statistics were used to describe the characteristics and distribution of the data through the calculation of minimum values, maximum values, mean values, and standard deviations. Inferential statistical analysis was conducted using simple linear regression analysis to examine the effect of operational costs on net profit. The regression equation used in this study is formulated as follows:

$$Y=a+bX+e$$

Where:
Y = Net Profit
a = Constant
b = Regression Coefficient
X = Operational Costs
e = Error Term

The statistical analysis was performed using IBM SPSS Statistics. Prior to regression analysis, classical assumption tests were conducted to ensure the feasibility of the regression model. These tests included the normality test and linearity test. The normality test was performed using the Kolmogorov–Smirnov test, where data are considered normally distributed if the significance value is greater than 0.05. The linearity test was conducted to determine whether the relationship between operational costs and net profit follows a linear pattern. A significance value greater than 0.05 indicates a linear relationship between variables.

Hypothesis testing was conducted using the t-test to determine the significance of the effect of operational costs on net profit at a significance level of 5% ($\alpha=0.05$\alpha = 0.05$\alpha=0.05$). The decision-making criteria are as follows: 1). If the significance value (Sig.) < 0.05, then the hypothesis is accepted, indicating that operational costs significantly affect net profit. 2). If the significance value (Sig.) > 0.05, then the hypothesis is rejected, indicating that operational costs do not significantly affect net profit.

The coefficient of determination (R2R^2R2) was also calculated to measure the extent to which operational costs explain variations in net profit. The interpretation criteria for the coefficient of determination are as follows:

0.00—0.200.00 - 0.200.00—0.20 = Very weak explanatory power
0.21—0.400.21 - 0.400.21—0.40 = Weak explanatory power
0.41—0.600.41 - 0.600.41—0.60 = Moderate explanatory power
0.61—0.800.61 - 0.800.61—0.80 = Strong explanatory power
0.81—1.000.81 - 1.000.81—1.00 = Very strong explanatory power

To determine the feasibility and effectiveness of the regression model, the significance of the regression equation and the consistency of the coefficient values were evaluated. A regression model is considered feasible and effective if the regression coefficient is significant and the coefficient of determination demonstrates substantial explanatory power. In addition, practical feasibility is reflected in the ability of the model to explain the relationship between operational costs and net profit in real business conditions within the food and beverage manufacturing sector.

Overall, the methods employed in this study are systematically arranged and aligned with the research objectives. The use of purposive sampling, validated secondary data, statistical testing procedures, and clear analytical techniques ensures that the findings generated are reliable, valid, and capable of explaining the effect of operational costs on net profit in food and beverage manufacturing companies listed on the Indonesia Stock Exchange during the 2022–2024 period.

Results

Descriptive Statistics

The initial analysis presents descriptive statistics of the research variables based on 159 observations derived from 53 companies during the 2022–2024 period. The results summarize the distribution of operational costs and net profit values.

***Table 1**. Descriptive Statistics of Research Variables*

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Operational Costs	159	12,450,000,000	3,250,000,000,000	865,340,000,000	—
Net Profit	159	5,230,000,000	1,950,000,000,000	420,780,000,000	—
Total / Valid N					

The descriptive statistics in Table 1 indicate substantial variation in operational costs and net profit across the sampled companies. This variation reflects differences in company size, operational scale, and business strategies within the food and beverage manufacturing sector. Firms with higher operational costs tend to have broader distribution networks and more intensive business activities, which may contribute to higher revenue generation. The mean value of operational costs is significantly higher than net profit, which is consistent with the nature of manufacturing firms that require continuous operational spending. However, the presence of relatively high net profit values suggests that these costs are largely productive.

This indicates that operational expenses such as marketing, logistics, and administration play a vital role in supporting firm performance. The wide gap between minimum and maximum values also suggests heterogeneity among firms, implying that each company adopts different cost management approaches. Overall, the descriptive results highlight that operational costs are dynamic and closely related to company performance, providing a basis for further inferential analysis.

Regression Analysis

The regression analysis is conducted to estimate the relationship between operational costs and net profit using a simple linear regression model.

Table 2. *Regression Coefficient Results*

Variable	Coefficient (B)	Std. Error	Sig.
Constant	46,087,944,876	8,765,432,100	0.000
Operational Costs	0.661	0.022	0.000
Total / Model	-	-	-

The regression results in Table 2 show a positive and significant relationship between operational costs and net profit. The coefficient value of 0.661 indicates that an increase in operational costs is associated with an increase in net profit. This suggests that operational costs act as productive investments rather than merely expenses. The significance level of 0.000 confirms that the relationship is statistically reliable. This implies that operational costs play an important role in driving financial performance. Companies that allocate more resources to operational activities, such as marketing and distribution, are likely to generate higher revenues, which in turn increase net profit. However, the positive relationship depends on the efficiency of cost management. Ineffective allocation of operational costs may not produce the same results. Therefore, companies need to ensure that their operational spending is aligned with strategic objectives. Overall, the regression findings emphasize the importance of efficient cost management in enhancing profitability.

Partial Test (t-test)

The t-test is used to examine the significance of the independent variable on the dependent variable.

Table 3. *Results of t-test*

Variable	t-count	t-table	Sig.
Operational Costs	30.216	1.654	0.000
Total / Model			

The t-test results in Table 3 indicate that operational costs have a statistically significant effect on net profit. The calculated t-value of 30.216 is far greater than the critical value of 1.654, while the significance level of 0.000 is below 0.05. These results confirm that the influence of operational costs is strong and consistent. This finding supports the regression results, showing that operational costs are an important determinant of net profit. The high t-value suggests that changes in operational costs are closely associated with changes in net profit across the observed companies. From a practical perspective, this implies that companies should pay close attention to how they manage operational expenses. Strategic spending can enhance revenue generation and improve overall performance. The robustness of the results also indicates that the relationship is stable and not influenced by random variation. Therefore, the hypothesis that operational costs affect net profit is strongly supported.

Coefficient of Determination (R^2)

The coefficient of determination indicates the proportion of variance in net profit explained by operational costs.

Table 4. *Coefficient of Determination (R^2)*

Model	R	R Square
Regression Model	0.924	**0.854**
Total / Model		

Table 4 shows that the coefficient of determination (R^2) is 0.854, meaning that 85.4% of the variation in net profit can be explained by operational costs. This indicates that the model has strong explanatory power and that operational costs are a key factor influencing profitability. The high correlation value (R = 0.924) further confirms the strength of the relationship between operational costs and net profit. This suggests that operational activities play a major role in determining financial performance in the food and beverage manufacturing sector. However, 14.6% of the variation in net profit is explained by other factors not included in the model. These may include sales volume, production efficiency, and market conditions. This indicates that while operational costs are highly influential, they are not the only determinant of profitability. Overall, the results highlight the importance of operational cost management while also suggesting the need for further research to include additional variables for a more comprehensive analysis.

Discussion

The primary objective of this study was to analyze and empirically examine the effect of operational costs on net profit in food and beverage manufacturing companies listed on the Indonesia Stock Exchange during the 2022–2024 period. Based on the statistical analysis conducted using simple linear regression, the results demonstrate that operational costs have a positive and significant effect on net profit. This finding is supported by the regression coefficient value of 0.661 and a significance level below 0.05, indicating that operational costs significantly contribute to changes in company net profit. In addition, the coefficient of determination (R2R^2R2) value of 0.854 shows that 85.4% of the variation in net profit can be explained by operational costs, while the remaining 14.6% is influenced by other variables not included in this research model. These findings indicate that operational costs are a highly influential factor in determining profitability in food and beverage manufacturing companies.

The results of this study indicate that operational costs should not merely be interpreted as company expenditures that reduce earnings, but rather as strategic investments capable of supporting revenue growth and business expansion. In the context of food and beverage manufacturing companies, operational costs commonly consist of marketing expenses, selling expenses, distribution costs, logistics costs, and administrative expenses. These expenditures are essential for maintaining operational continuity, improving product accessibility, strengthening market penetration, and ensuring efficient business activities. Therefore, an increase in operational costs may reflect increased company activities aimed at expanding sales and strengthening market competitiveness, which ultimately contribute positively to net profit growth.

The interpretation of these findings is highly relevant to the characteristics of the food and beverage manufacturing industry. This industry is one of the sectors that heavily relies on operational efficiency because companies must continuously maintain product availability, distribution effectiveness, and product quality to satisfy consumer demand. Food and beverage products are categorized as basic consumer necessities, meaning demand remains relatively stable despite economic fluctuations. However, companies in this sector also face intense competition, requiring them to continuously invest in operational activities such as

marketing, distribution systems, product innovation, and customer service improvements. Consequently, operational costs become an important instrument in supporting company growth and maintaining market competitiveness.

The positive relationship identified in this study suggests that companies in the food and beverage manufacturing sector generally allocate operational expenditures toward productive activities that directly contribute to revenue generation. For instance, increased marketing expenses can improve brand awareness and attract more consumers, leading to increased sales volume. Similarly, higher distribution and logistics costs may improve product availability and delivery efficiency, ensuring that products reach consumers on time and in good condition. Administrative expenditures can also support more effective organizational management and operational coordination. Therefore, operational costs in this sector are not solely expenses that burden the company financially, but rather strategic expenditures aimed at improving operational performance and profitability.

The relevance of these findings becomes even more significant when considering the economic conditions during the 2022–2024 period, which represented a post-pandemic recovery phase. Following the COVID-19 pandemic, many companies experienced major operational disruptions, including supply chain instability, increased raw material prices, changes in consumer purchasing behavior, and inflationary pressures. As a result, companies were required to adapt by increasing operational expenditures to restore business stability and improve operational efficiency. Many firms invested more heavily in digital marketing, supply chain restructuring, logistics systems, and technological integration to maintain competitiveness in changing market conditions. The positive relationship identified in this study reflects how these operational investments contributed to improved financial performance during the economic recovery period.

From a theoretical perspective, the findings support the concept of cost behavior theory in managerial accounting. Traditional accounting perspectives often view costs primarily as factors that reduce profitability because costs decrease operating income. However, modern managerial accounting theory emphasizes that certain operational expenditures can create value when they are effectively managed and strategically allocated. Cost behavior theory explains that operational costs can contribute positively to profitability if they support productive activities capable of increasing company revenue. In this study, the positive regression coefficient demonstrates that operational expenditures in food and beverage manufacturing companies generally function as productive costs rather than unproductive expenditures.

In addition, the findings also support operational efficiency theory, which emphasizes the importance of optimal resource allocation in maximizing company output and financial performance. According to this theory, companies that effectively allocate operational resources toward strategic business activities are more likely to improve productivity and profitability. The high coefficient of determination found in this study indicates that operational costs play a central role in explaining variations in net profit, suggesting that operational efficiency significantly influences company financial performance. This finding reinforces the argument that effective operational cost management is not simply focused on minimizing expenditures, but rather on optimizing expenditures to generate maximum returns.

The findings of this study are also consistent with several previous empirical studies examining the relationship between operational costs and profitability. A number of previous studies conducted in manufacturing, retail, and trading sectors concluded that operational

costs positively affect net profit because such expenditures support sales activities, market expansion, and customer satisfaction. Previous researchers argued that marketing and distribution expenditures are essential for improving company competitiveness and increasing sales volume. Similarly, studies in logistics and service industries found that operational costs related to customer service improvement and technological development contributed positively to financial performance. The present study strengthens these findings by providing updated empirical evidence from the Indonesian food and beverage manufacturing sector during the post-pandemic period.

The findings of this study align with research emphasizing the strategic role of operational expenditures in business sustainability. Previous studies suggested that companies capable of balancing operational spending with revenue generation tend to achieve stronger financial performance compared to firms that focus excessively on cost reduction. Excessive cost-cutting strategies may reduce operational effectiveness, weaken product quality, and limit market expansion opportunities. Therefore, companies must adopt balanced operational cost management strategies that prioritize efficiency without sacrificing productivity and competitiveness. The results of this study confirm that operational expenditures can become important drivers of profitability when managed strategically and aligned with business objectives.

The results support a positive relationship between operational costs and net profit, the findings differ from several previous studies that reported negative effects of operational costs on profitability. Some earlier studies conducted in sectors characterized by low operational intensity found that increased operational expenditures reduced company profits because higher costs were not followed by proportional increases in revenue. Research conducted during periods of economic instability or declining market demand also reported that excessive operational spending weakened company financial performance. These inconsistent findings indicate that the effect of operational costs on profitability is highly context-dependent and influenced by industry characteristics, economic conditions, and management efficiency.

The differences between this study and previous studies can be explained by several important factors. First, the food and beverage manufacturing industry has unique operational characteristics compared to other sectors. Companies in this industry rely heavily on continuous operational activities because their products are perishable and require efficient distribution systems. In addition, strong competition forces companies to continuously invest in marketing and product innovation to attract and retain consumers. Consequently, operational expenditures in this sector are more directly connected to revenue generation compared to sectors with lower operational intensity.

Second, this study uses data from the 2022–2024 period, which represents a post-pandemic recovery phase characterized by significant operational adjustments and business adaptation strategies. During this period, many companies increased operational spending to rebuild supply chains, strengthen logistics systems, and improve digital transformation initiatives. Such operational investments likely contributed positively to profitability growth. In contrast, studies conducted before the pandemic may not fully capture the current business environment and operational challenges faced by companies. Therefore, this study provides more updated insights into the relationship between operational costs and profitability under recent economic conditions.

Third, differences in research findings may also result from variations in company efficiency and managerial capabilities. Operational costs can positively affect profitability only

when expenditures are managed efficiently and allocated toward productive activities. Poor operational management, excessive spending, or inefficient resource allocation may instead reduce company earnings. Therefore, the effectiveness of operational costs depends largely on management quality and the strategic alignment of expenditures with company objectives. This study indicates that food and beverage manufacturing companies listed on the Indonesia Stock Exchange generally manage operational expenditures effectively, allowing operational costs to contribute positively to net profit growth.

The comparison with previous studies clearly demonstrates the research gap addressed in this study. Most previous studies focused on sectors such as transportation, agriculture, retail, logistics, or small and medium enterprises, with limited attention given to food and beverage manufacturing companies in Indonesia. Additionally, many earlier studies used data collected before the COVID-19 pandemic, meaning their findings may no longer fully represent current business realities. This study contributes to the literature by providing updated empirical evidence regarding the relationship between operational costs and profitability during the post-pandemic recovery period. Moreover, the study specifically focuses on food and beverage manufacturing companies, thereby offering a more contextual understanding of operational cost behavior in this industry.

The findings of this study also provide important practical implications for company management. The positive relationship between operational costs and net profit suggests that management should not solely focus on reducing operational expenditures. Instead, companies should prioritize strategic and efficient operational spending aimed at supporting revenue growth, operational effectiveness, and customer satisfaction. Managers should carefully evaluate operational activities to ensure that expenditures contribute directly to productivity and profitability improvement. Effective operational cost management can strengthen company competitiveness, improve market performance, and support sustainable business growth in dynamic economic environments.

Overall, the findings of this study confirm that operational costs have a positive and significant effect on net profit in food and beverage manufacturing companies listed on the Indonesia Stock Exchange during the 2022–2024 period. The study demonstrates that operational expenditures can function as strategic investments that support revenue generation, operational efficiency, and business growth when managed effectively. The results also strengthen theoretical perspectives regarding cost behavior and operational efficiency while contributing updated empirical evidence to the literature on cost-profit relationships. Furthermore, the study highlights the importance of industry characteristics, economic conditions, and management effectiveness in determining the relationship between operational costs and profitability. Therefore, operational cost management should be viewed as an essential component of corporate financial strategy aimed at enhancing profitability, maintaining competitiveness, and ensuring long-term business sustainability.

Conclusion

This study examined the effect of operational costs on net profit in food and beverage manufacturing companies listed on the Indonesia Stock Exchange during the 2022–2024 period. Using simple linear regression analysis on 159 firm-year observations from 53 companies, the findings reveal that operational costs have a positive and significant effect on net profit, with a regression coefficient of 0.661 and a significance level below 0.05. The

coefficient of determination (R^2) of 0.854 indicates that 85.4% of the variation in net profit can be explained by operational costs.

The results suggest that operational costs should not merely be viewed as expenditures but also as strategic investments that support operational effectiveness, market expansion, and revenue growth. Spending on marketing, distribution, logistics, and administrative activities contributes positively to profitability by strengthening competitiveness and supporting sales performance. These findings support cost behavior and operational efficiency theories, which emphasize that well-managed operational expenditures can create value and improve financial outcomes. The study also provides updated empirical evidence from Indonesia's food and beverage manufacturing sector during the post-pandemic recovery period.

Practically, managers should focus on optimizing rather than simply reducing operational costs to enhance productivity, customer satisfaction, and long-term financial sustainability. However, the study is limited by its focus on a single independent variable, a specific industrial sector, and the use of simple linear regression. Future research is recommended to incorporate additional variables, such as sales growth, production costs, liquidity, leverage, and company size, while expanding the scope to other industries and applying more advanced analytical methods to obtain a broader understanding of factors affecting corporate profitability.

Acknowledgment

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