

**UTILISING THE VALUE CHAIN APPROACH IN ANALYSING COST  
STRUCTURE AND ACTIVITIES IN MICRO-SCALE MANUFACTURING  
BUSINESSES – CASE STUDY OF BALI ASLI**

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BACHELOR'S DEGREE  
in

BUSINESS ADMINISTRATION -  
HOTEL AND TOURISM MANAGEMENT CONCENTRATION

FACULTY OF BUSINESS ADMINISTRATION AND HUMANITIES



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August 2016  
Revision after Thesis Defense on 26 July 2016

### STATEMENT BY THE AUTHOR

I hereby declare that this submission is my own work and to the best of my knowledge, it contains no material previously published or written by another person, nor material which to a substantial extent has been accepted for the award of any other degree or diploma at any educational institution, except where due acknowledgement is made in the thesis.

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## ABSTRACT

### UTILISING THE VALUE CHAIN APPROACH IN ANALYSING COST STRUCTURE AND ACTIVITIES IN MICRO-SCALE MANUFACTURING BUSINESSES - CASE STUDY OF BALI ASLI

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Bali Asli, founded in 1986, is a food and household product manufacturing business, rooted in Batungsel, Pupuan, and Bali. As a micro-scale manufacturer, Bali Asli is put under the pressure of larger producers, both local and international, in creating competitive products to sell in the mass market. The purpose of this study is to identify value creating processes, performance, and cost structure of Bali Asli's activities, and analyse its strengths and weaknesses in order to explore ways to improve its value chain. To manifest an upgrading strategy, this qualitative research was formulated by conducting interviews, making field observations, and analysing finances to depict issues and find ways in solving them. Findings show that Bali Asli is not using their resources to full capacity, and is not distributing their costs effectively - especially in forms of technology and infrastructure, communications, administrations, and logistics – due to their disorganised structure. In conclusion, a set of suggestions and alternatives in improving Bali Asli's activities were made in order to upgrade their value chain.

*Keywords: Strategic Management, Value Chain, Cost Structure, MSMEs*



## **DEDICATION**

To the better tomorrows: mine, yours, ours – everyone's'.



## ACKNOWLEDGEMENTS

My sincere gratitude to those who made this little art piece possible: Pak Rachman, who had chased after me when I got myself lost, trusted in me, motivated me, and guided me through with his knowledge, everlasting patience and pure kindness; thank you bapak. Ibu Mumun and Mikey for their guidance and support. Dyo for the encouragement, enrichment, and for always having my back. Thank you.

To the family behind the beautiful Bali Asli – Tante Gendi, Om Donny, Om Richard, Savitri, Adi and the whole Bali Asli Crew; Mbok Nengah, Mbok Fera, Mbok Agung, Mbok Komang, Lude and Made – thank you for your enthusiasm, direction and warmth.

Pak Oqke, for being an adversary and now, a dear friend. Ririn, for all her awkwardness senselessness, and love. Panji, for being a perfect partner in crime. Dewo, for being my adik and technician. Melissa, bubble of energy. Thank you. Anya, Tessa, Sooji, Karina, Carlo, Rico, Kazu – my high school saviours. Neta mama, my soulmate.

Johnny for his teachings, shared evenings; Fischer's Fritz team, Giulliano, Nabil, Mina, Sertaç, Caro, Takeshi, Torben, Nicole and Paul, for sharing art with me. Four Seasons crew; Mba Yuli, Mba Ratna, Mba Bunga, Bu Noe, Jessica, for the guidance and joy.

Wilson, my deeply beloved campus partner for the cig-breaks and companionship. Arvin for listening, supporting. Ayut for his weirdness, patience, teaching. Omar, the kakak I've always wanted. Ste, for the shared silliness, perspectives, sincere kindness.

Ibu and Ayah, the epitome of my world, and the two people I am most grateful to have in this life. Your patience and understanding of immeasurable magnitude is everything, and more, to me. Thank you. Eyangs and Mbahs, for being and leaving – and teaching me to see beauty in fragility. Lintang, the source of my smiles and laughs, I love you.

Eta, you do not cease to amuse me. This is for your sarcasm, cynicism, and compassion.

Andy, thank you, deeply. And I always have, always will.

To the Infinite one and only. Thank you, thank you...thank you.

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