

Cost of Goods Sold Determination Analysis in Thrifting Business: The Case of @VINIZARA

Niken Cahyaningtiyas^{1*}, M. Taufik Aziz¹, Surono¹

¹Universitas Muhammadiyah Cirebon, Indonesia

*Email: nikenn.ca@gmail.com

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Abstract

The thrifting industry in Indonesia has experienced rapid growth, particularly among Generation Z consumers who prioritize affordability and sustainable fashion. This study investigates the cost of goods sold (COGS) determination process in a thrift-based retail enterprise, using @Vinizara in Cirebon as a case study. Employing a qualitative methodology with descriptive case study analysis, data were collected through in-depth interviews, direct observations, and financial document reviews. The research explores the cost calculation methods and pricing strategies used by the business, including cost-plus pricing, competitive pricing, and value-based pricing, while assessing their alignment with established cost accounting theories. The findings reveal that despite the absence of formal accounting systems, the applied pricing approach—based on practical intuition and market sensitivity—has enabled consistent inventory turnover and business sustainability. The study further highlights the importance of structured cost documentation and the use of appropriate COGS calculation methods to enhance pricing accuracy and operational efficiency. This research contributes theoretically to the literature on cost accounting in non-conventional retail and offers practical recommendations for thrift business owners and policymakers to improve financial literacy and pricing strategy implementation in MSMEs operating within the secondhand apparel sector.

Keywords : Cost of goods sold, business sustainability, pricing strategy, thrift business.

1. Introduction

In recent years, the thrifting phenomenon—buying and selling secondhand clothes—has gained significant popularity in Indonesia (Mulyadi & Djunaid, 2024; Zahro & Dhona, 2023), particularly among Generation Z consumers (Annisa, Moulidhanty, Tumpal, & Aruan, 2024). Thrifting not only represents a growing fashion trend, but also contributes to sustainable consumption by extending the lifecycle of textile products and reducing fashion-related waste (Aryaputra, Wibowo, Stefan, Yusiana, & Jessica, 2023). With fashion trends evolving rapidly due to fast fashion, many consumers are turning to thrift shops to obtain branded or vintage fashion at lower prices, while also supporting environmentally friendly practices (Suarningsih, Nugroho, & Aditya, 2021). This trend has become increasingly prominent in various Indonesian regions, including Cirebon, where access to import routes has facilitated the distribution of secondhand apparel from major cities.

Micro, Small, and Medium Enterprises (MSMEs) in Indonesia have become key economic drivers, contributing significantly to GDP and employment (Wahyudi, Yulivan, & Rahman, 2024; Zuhroh et al., 2025). Within this sector, thrift businesses have emerged as a lucrative trade model that involves purchasing used clothing from importers or donors, performing minor processing, and reselling to targeted consumers. Given the unique nature of this business model – where products are not standardized and often require selective refurbishment – the accurate determination of the Cost of Goods Sold (COGS) becomes critical to ensuring profitability and long-term sustainability (Serenade, Ulfa, Lailiyah, & Mardiani, 2023). Despite the growing market, many MSME actors, including @Vinizara in Cirebon, face challenges in identifying the true cost structure of their operations, particularly in allocating indirect costs such as logistics, labor, and sanitation.

Accurate COGS determination is a crucial component in pricing strategy, especially in thrift businesses that depend on price sensitivity and low-margin transactions. Many entrepreneurs rely on intuitive pricing or rough estimates without systematically incorporating key cost components such as procurement costs, refurbishing expenses, and operational overheads (Dewi & Atmadja, 2020). This pricing approach often results in misalignment between sales targets and profit margins, which may hinder the business's ability to compete effectively in the market. Given that the pricing of secondhand products directly affects consumer perception, competitiveness, and overall business sustainability, understanding the theoretical and practical foundations of COGS becomes essential.

This study aims to analyze the COGS determination applied in @Vinizara's thrift business in Cirebon. The objective is to identify the components and calculation methods used to determine selling prices, and to assess the extent to which these practices align with established accounting theories. By focusing on @Vinizara as a case study, this research explores the specific challenges MSMEs face in implementing effective financial management in thrift-based retail. The study applies a qualitative approach to gain an in-depth understanding of the cost elements involved and the pricing decisions made based on these calculations (Serenade et al., 2023).

The findings of this research are expected to contribute both theoretically and practically. From a theoretical perspective, the study enriches literature on cost accounting in non-conventional retail contexts. Practically, it serves as a reference for thrift business owners in implementing accurate and efficient pricing strategies through well-grounded COGS analysis. The results may also inform policy makers and financial consultants working with MSMEs to develop tools and educational materials that enhance cost control and profitability. Ultimately, this research supports the broader goal of improving financial literacy and operational

performance among MSME actors engaged in the secondhand apparel industry in Indonesia.

2. Research Method

This study adopts a qualitative case study approach to explore the cost of goods sold (COGS) calculation methods applied by a thrift business, @Vinizara in Cirebon, Indonesia. The research emphasizes an in-depth understanding of business practices and pricing strategies by utilizing descriptive analysis. Primary data were collected through direct observation and in-depth interviews with the business owner, while secondary data comprised financial records and relevant transaction documents. The study focuses on key operational variables including acquisition cost, cost per unit, gross profit, and pricing strategies such as markup pricing, competitive pricing, and value-based pricing.

Data collection followed Creswell’s qualitative framework, which includes stages of establishing rapport with informants, gathering data through field observations and interviews, and recording relevant documentation. To ensure the validity and reliability of the findings, this study employed various triangulation techniques—source triangulation (owner interviews, field notes, financial reports), technical triangulation (interviews, observation, documentation), and member checking. The credibility and transferability of the data were enhanced through detailed contextual descriptions and comparisons with similar thrift businesses. Dependability was maintained via audit trails and repeated interviews, while confirmability was established through transparent data documentation and replication procedures.

The data analysis process involved three interactive stages: data reduction, data display, and conclusion drawing. These stages were conducted iteratively and simultaneously to refine the emerging themes. The research procedure began with problem identification and literature review, followed by fieldwork that included observations and interviews, and finally data classification and analysis using applicable costing methods. The study concluded with the formulation of recommendations for improving cost accounting practices in thrift-based fashion enterprises, aiming to enhance pricing accuracy and financial decision-making.

3. Results and Discussion

3.1 Sales and Financial Data Period 2023-24

Table 1. Financial Data on Shirt and Pants Purchases

| Month | Shirt Purchases | Pants Purchases | Total Purchases (IDR) | Operational Costs (IDR) |
|----------|---------------------|---------------------|-----------------------|-------------------------|
| January | 800 pcs × 30,000 | 500 pcs × 30,000 | 39,000,000 | 150,000 |
| February | 800 pcs × 30,000 | 500 pcs × 30,000 | 39,000,000 | 150,000 |

| | | | | |
|-----------|---------------------|---------------------|------------|---------|
| March | 800 pcs × 30,000 | 500 pcs × 30,000 | 39,000,000 | 150,000 |
| April | 800 pcs × 30,000 | 500 pcs × 30,000 | 39,000,000 | 150,000 |
| May | 800 pcs × 30,000 | 500 pcs × 30,000 | 39,000,000 | 150,000 |
| June | 800 pcs × 30,000 | 500 pcs × 30,000 | 39,000,000 | 150,000 |
| July | 800 pcs × 30,000 | 500 pcs × 30,000 | 39,000,000 | 150,000 |
| August | 800 pcs × 30,000 | 500 pcs × 30,000 | 39,000,000 | 150,000 |
| September | 800 pcs × 30,000 | 500 pcs × 30,000 | 39,000,000 | 150,000 |
| October | 800 pcs × 30,000 | 500 pcs × 30,000 | 39,000,000 | 150,000 |
| November | 800 pcs × 30,000 | 500 pcs × 30,000 | 39,000,000 | 150,000 |
| December | 800 pcs × 30,000 | 500 pcs × 30,000 | 39,000,000 | 150,000 |

Period: Year 2023

Table 2. Sales Data of Shirts and Pants

| Month | Shirt Sales Grade A | Shirt Sales Grade B | Shirt Sales Grade C | Pants Sales Grade A | Pants Sales Grade B | Pants Sales Grade C | Remaining Unsold Items |
|----------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| January | 500 pcs × 60,000 | 200 pcs × 55,000 | 100 pcs × 50,000 | 300 pcs × 65,000 | 150 pcs × 60,000 | 50 pcs × 55,000 | - |
| February | 500 pcs × 60,000 | 200 pcs × 55,000 | 100 pcs × 50,000 | 300 pcs × 65,000 | 150 pcs × 60,000 | 50 pcs × 55,000 | - |
| March | 500 pcs × 60,000 | 200 pcs × 55,000 | 100 pcs × 50,000 | 300 pcs × 65,000 | 150 pcs × 60,000 | 50 pcs × 55,000 | - |
| April | 500 pcs × 60,000 | 200 pcs × 55,000 | 100 pcs × 50,000 | 300 pcs × 65,000 | 150 pcs × 60,000 | 50 pcs × 55,000 | - |
| May | 500 pcs × 60,000 | 200 pcs × 55,000 | 100 pcs × 50,000 | 300 pcs × 65,000 | 150 pcs × 60,000 | 50 pcs × 55,000 | - |
| June | 500 pcs × 60,000 | 200 pcs × 55,000 | 100 pcs × 50,000 | 300 pcs × 65,000 | 150 pcs × 60,000 | 50 pcs × 55,000 | - |
| July | 500 pcs × 60,000 | 200 pcs × 55,000 | 100 pcs × 50,000 | 300 pcs × 65,000 | 150 pcs × 60,000 | 50 pcs × 55,000 | - |

| | | | | | | | |
|-----------|------------------------|------------------------|------------------------|------------------------|------------------------|-----------------------|---|
| August | 500 pcs x 60,000 | 200 pcs x 55,000 | 100 pcs x 50,000 | 300 pcs x 65,000 | 150 pcs x 60,000 | 50 pcs x 55,000 | - |
| September | 500 pcs x 60,000 | 200 pcs x 55,000 | 100 pcs x 50,000 | 300 pcs x 65,000 | 150 pcs x 60,000 | 50 pcs x 55,000 | - |
| October | 500 pcs x 60,000 | 200 pcs x 55,000 | 100 pcs x 50,000 | 300 pcs x 65,000 | 150 pcs x 60,000 | 50 pcs x 55,000 | - |
| November | 500 pcs x 60,000 | 200 pcs x 55,000 | 100 pcs x 50,000 | 300 pcs x 65,000 | 150 pcs x 60,000 | 50 pcs x 55,000 | - |
| December | 500 pcs x 60,000 | 200 pcs x 55,000 | 100 pcs x 50,000 | 300 pcs x 65,000 | 150 pcs x 60,000 | 50 pcs x 55,000 | - |

Period: Year 2023

Table 3. Financial Data on Shirt and Pants Purchases

| Month | Shirt Purchases | Pants Purchases | Total (IDR) | Procurement Operating Costs (IDR) |
|-----------|-----------------------|-----------------------|-------------|-----------------------------------|
| January | 1,000 pcs x 35,000 | 1,000 pcs x 50,000 | 85,000,000 | 2,800,000 |
| February | 1,000 pcs x 35,000 | 1,000 pcs x 50,000 | 85,000,000 | 2,800,000 |
| March | 1,000 pcs x 35,000 | 1,000 pcs x 50,000 | 85,000,000 | 2,800,000 |
| April | 1,000 pcs x 35,000 | 1,000 pcs x 50,000 | 85,000,000 | 2,800,000 |
| May | 1,000 pcs x 35,000 | 1,000 pcs x 50,000 | 85,000,000 | 2,800,000 |
| June | 1,000 pcs x 35,000 | 1,000 pcs x 50,000 | 85,000,000 | 2,800,000 |
| July | 1,000 pcs x 35,000 | 1,000 pcs x 50,000 | 85,000,000 | 2,800,000 |
| August | 1,000 pcs x 35,000 | 1,000 pcs x 50,000 | 85,000,000 | 2,800,000 |
| September | 1,000 pcs x 35,000 | 1,000 pcs x 50,000 | 85,000,000 | 2,800,000 |
| October | 1,000 pcs x 35,000 | 1,000 pcs x 50,000 | 85,000,000 | 2,800,000 |
| November | 1,000 pcs x 35,000 | 1,000 pcs x 50,000 | 85,000,000 | 2,800,000 |
| December | 1,000 pcs x 35,000 | 1,000 pcs x 50,000 | 85,000,000 | 2,800,000 |

Period: Year 2024

Table 4. Sales Data of Shirts and Pants

| Month | Shirt Sales | | | Pants Sales | | | Remaining Unsold Items |
|-------|-------------|---------|---------|-------------|---------|---------|------------------------|
| | Grade A | Grade B | Grade C | Grade A | Grade B | Grade C | |

| | | | | | | | |
|-----------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|
| January | 500 | 300 | 200 | 350 | 350 | 160 | 140 |
| | pcs × 75,000 | pcs × 60,000 | pcs × 50,000 | pcs × 90,000 | pcs × 80,000 | pcs × 65,000 | pcs (pants) |
| February | 500 | 300 | 200 | 360 | 340 | 155 | 145 |
| | pcs × 75,000 | pcs × 60,000 | pcs × 50,000 | pcs × 90,000 | pcs × 80,000 | pcs × 65,000 | pcs (pants) |
| March | 500 | 300 | 200 | 400 | 400 | 200 | 123 |
| | pcs × 75,000 | pcs × 60,000 | pcs × 50,000 | pcs × 90,000 | pcs × 80,000 | pcs × 65,000 | pcs (pants) |
| April | 500 | 300 | 200 | 380 | 320 | 138 | 142 |
| | pcs × 75,000 | pcs × 60,000 | pcs × 50,000 | pcs × 90,000 | pcs × 80,000 | pcs × 65,000 | pcs (pants) |
| May | 500 | 300 | 200 | 350 | 350 | 175 | 125 |
| | pcs × 75,000 | pcs × 60,000 | pcs × 50,000 | pcs × 90,000 | pcs × 80,000 | pcs × 65,000 | pcs (pants) |
| June | 500 | 300 | 200 | 360 | 340 | 167 | 133 |
| | pcs × 75,000 | pcs × 60,000 | pcs × 50,000 | pcs × 90,000 | pcs × 80,000 | pcs × 65,000 | pcs (pants) |
| July | 500 | 300 | 200 | 396 | 380 | 120 | 104 |
| | pcs × 75,000 | pcs × 60,000 | pcs × 50,000 | pcs × 90,000 | pcs × 80,000 | pcs × 65,000 | pcs (pants) |
| August | 500 | 300 | 200 | 370 | 330 | 164 | 136 |
| | pcs × 75,000 | pcs × 60,000 | pcs × 50,000 | pcs × 90,000 | pcs × 80,000 | pcs × 65,000 | pcs (pants) |
| September | 500 | 300 | 200 | 395 | 380 | 120 | 105 |
| | pcs × 75,000 | pcs × 60,000 | pcs × 50,000 | pcs × 90,000 | pcs × 80,000 | pcs × 65,000 | pcs (pants) |
| October | 500 | 300 | 200 | 371 | 320 | 180 | 129 |
| | pcs × 75,000 | pcs × 60,000 | pcs × 50,000 | pcs × 90,000 | pcs × 80,000 | pcs × 65,000 | pcs (pants) |
| November | 500 | 300 | 200 | 400 | 307 | 188 | 105 |
| | pcs × 75,000 | pcs × 60,000 | pcs × 50,000 | pcs × 90,000 | pcs × 80,000 | pcs × 65,000 | pcs (pants) |
| December | 500 | 300 | 200 | 400 | 357 | 136 | 107 |
| | pcs × 75,000 | pcs × 60,000 | pcs × 50,000 | pcs × 90,000 | pcs × 80,000 | pcs × 65,000 | pcs (pan |

Period: Year 2024

Over the past two years, the thrift business @Vinizara has demonstrated a relatively stable and well-structured financial management pattern, particularly in merchandise procurement and routine operational expenditures. The year 2023 marked the initial full-operational period, during which inventory procurement was carried out consistently on a monthly basis. According to financial records, Vinizara purchased 800 pieces of shirts and 500 pieces of pants per month, each at a unit price of IDR 30,000. This resulted in a total monthly purchase value of IDR 39,000,000. In addition, there were fixed operational costs associated with procurement activities, such as transportation and logistics, amounting to IDR 150,000 per month.

Throughout the entire year – January to December 2023 – there were no changes in purchasing volume or cost, resulting in total annual merchandise purchases of IDR 468,000,000, supplemented by procurement operational costs of IDR 1,800,000. Thus, the total gross expenditure for merchandise acquisition reached IDR 469,800,000. There were no purchase returns or supplier discounts recorded, indicating that all transactions were logged as net purchases. Based on sales reports, all inventory was sold out each month, leaving no remaining stock at the end of the year. This reflects efficient inventory management and the business's ability to optimize inventory turnover.

Entering 2024, Vinizara implemented significant adjustments in both purchase volume and unit cost, driven by high demand and efforts to expand market reach. Monthly procurement increased to 1,000 pieces of shirts and 1,000 pieces of pants, with unit prices rising to IDR 35,000 for shirts and IDR 50,000 for pants. Consequently, monthly merchandise expenditure surged to IDR 85,000,000, bringing the total

annual purchase cost to IDR 1,020,000,000. This increase was accompanied by higher operational procurement costs—covering distribution, packaging, and transportation—amounting to IDR 2,800,000 per month, or IDR 33,600,000 annually. As with the previous year, no returns or discounts were observed, resulting in the same total net purchase value.

Unlike the previous year, a small portion of unsold inventory remained at the end of 2024. Monthly sales data indicated that these leftovers were primarily pants, with quantities varying each month and reaching an estimated total value of IDR 54,650,000 by the end of December. This remaining inventory was treated as a deduction in calculating the Cost of Goods Sold (COGS). After deducting the ending inventory, the total COGS for 2024 was IDR 998,950,000. This figure represents the actual cost incurred by Vinizara in providing goods successfully sold throughout the year. Although the presence of unsold stock indicates a surplus relative to 2023, it also presents an opportunity to meet early 2025 demand without requiring full restocking.

Overall, the financial data over these two years illustrate that Vinizara has adopted a well-organized approach to purchasing and operational management, with controlled and rational growth aligned with market dynamics. Despite the increase in expenditures and the emergence of remaining stock, these elements form part of a calculated expansion strategy aimed at addressing the rising and increasingly diverse demands of its customer base. The Table 5 below presents a comprehensive financial summary of Vinizara’s performance during 2023–2024.

Table 5. Financial Recapitulation for the Year 2023-2024

| Calculation Component | 2023 Amount (IDR) | 2024 Amount (IDR) |
|--|-------------------------------|---------------------------------|
| Beginning Inventory of Merchandise | 0 | 0 |
| Total Merchandise Purchases (shirts + pants) | 39,000,000 × 12 = 468,000,000 | 85,000,000 × 12 = 1,020,000,000 |
| Operational Purchase Costs | 150,000 × 12 = 1,800,000 | 2,800,000 × 12 = 33,600,000 |
| Total Gross Purchases | 469,800,000 | 1,053,600,000 |
| Purchase Returns/Discounts | 0 | 0 |
| Net Purchases | 469,800,000 | 1,053,600,000 |
| Ending Inventory (Remaining Pants Stock) | 0 (stock fully sold monthly) | 54,650,000 |
| Cost of Goods Sold (COGS) | 469,800,000 | 998,950,000 |

3.2 Product Sales Performance and Consumer Response

Over the past two years, @Vinizara’s thrift business has demonstrated a notable progression, particularly in the sales performance of shirts and pants, which serve as the enterprise’s core products. Despite their equal significance, the two product

categories exhibit distinct sales dynamics. Shirt sales maintained a stable pattern throughout 2023, utilizing a grading system—Grade A, B, and C. Each month, 800 pieces were offered: 500 Grade A at IDR 60,000, 200 Grade B at IDR 55,000, and 100 Grade C at IDR 50,000. Remarkably, all units were consistently sold out, indicating a uniform consumer interest across all quality levels as long as the pricing remained aligned with the product's condition. In 2024, shirt sales volume increased to 1,000 units monthly, with slight adjustments in composition—500 Grade A at IDR 75,000, 300 Grade B at IDR 60,000, and 200 Grade C at IDR 50,000. Despite the price increments, particularly for Grade A, sales remained robust with no unsold stock, reflecting consumer trust in product quality and a willingness to pay a premium for reliable merchandise. These findings suggest that shirts, across all grades, possess a loyal and resilient market.

In contrast, pants sales exhibited a more nuanced trajectory, especially in 2024. During 2023, 500 pants were sold monthly, comprising 300 Grade A at IDR 65,000, 150 Grade B at IDR 60,000, and 50 Grade C at IDR 55,000—all of which sold out each month, signifying a well-balanced supply-demand alignment and broad consumer acceptance across quality tiers. However, in 2024, monthly stock increased to 1,000 pants, accompanied by price hikes—Grade A at IDR 90,000, Grade B at IDR 80,000, and Grade C at IDR 65,000. While demand for Grade A and B remained strong, with peak sales reaching up to 400 and 340–400 units respectively, Grade C encountered absorption challenges. Monthly sales fluctuated between 120 and 200 units, with consistent leftover inventory. The largest surplus was recorded in February (145 units), while the smallest was in July (104 units), averaging 100–145 unsold items monthly. These patterns imply a shifting preference among thrift consumers—beyond affordability, quality and comfort are becoming increasingly prioritized.

This trend offers critical strategic implications for @Vinizara. The declining demand for Grade C pants suggests a need to reconsider procurement volume in this segment. Targeted marketing strategies—such as clearance promotions, product bundling, or discount offers—could be employed to stimulate movement of excess inventory. Conversely, the strong performance of Grade A and B pants presents an opportunity for stock expansion in these categories to better meet evolving consumer expectations and maximize revenue potential.

3.3 Operational Stability and Sales Strategy

Over the past two years, the @Vinizara thrift business has demonstrated operational consistency and stable growth in both purchasing and sales activities. From January 2023 to December 2024, the business maintained a structured procurement pattern, with 800 shirts and 500 pants purchased monthly throughout 2023, each at a fixed price of IDR 30,000 per item, resulting in a total monthly procurement cost of approximately IDR 39 million. These items were generally sold

out promptly, with prices determined based on quality grading (Grades A, B, and C), ranging from IDR 50,000 to IDR 65,000 depending on condition and brand. Monthly revenues ranged between IDR 54 million and IDR 58 million, generating a gross profit of approximately IDR 15 million to IDR 19 million. Although the operational model was relatively simple, it proved effective in maintaining business stability during this period.

In 2024, the business experienced a notable scale-up, increasing monthly purchases to 1,000 shirts and 1,000 pants. The purchase price also rose to IDR 35,000 for shirts and IDR 50,000 for pants, resulting in a monthly procurement cost of IDR 85 million. Despite the increase in inventory, nearly all items continued to sell well, with average monthly sales reaching 1,900 to 1,950 pieces. The pricing strategy continued to rely on quality grading, with shirt prices ranging from IDR 60,000 to IDR 75,000 and pants from IDR 70,000 to IDR 90,000. This strategy resulted in monthly revenues of approximately IDR 110 million to IDR 118 million, and gross profits between IDR 25 million and IDR 33 million.

These findings suggest that although the pricing and inventory management strategies applied were relatively straightforward—primarily based on purchase costs and targeted margins—they were highly effective in sustaining positive cash flow and supporting business growth. The business owner demonstrated a growing understanding of the thrift market's dynamics and an ability to adapt to shifting consumer preferences. The success of @Vinizara illustrates that even in the absence of complex strategic frameworks, a clear grasp of consumer behavior and efficient stock management can serve as key drivers of sustainability and profitability in the secondhand fashion retail sector.

3.4 Profit per Product (Shirts and Pants)

Table 6. Profit Analysis per Product Unit by Category and Year

| Year | Product | Grade | Purchase Price (IDR) | Selling Price (IDR) | Profit (IDR) | Profit Margin (%) |
|------|---------|-------|----------------------|---------------------|--------------|-------------------|
| 2023 | Shirt | A | 30,000 | 60,000 | 30,000 | 100% |
| 2023 | Shirt | B | 30,000 | 55,000 | 25,000 | 83% |
| 2023 | Shirt | C | 30,000 | 50,000 | 20,000 | 66% |
| 2023 | Pants | A | 30,000 | 65,000 | 35,000 | 116% |
| 2023 | Pants | B | 30,000 | 60,000 | 30,000 | 100% |
| 2023 | Pants | C | 30,000 | 55,000 | 25,000 | 83% |
| 2024 | Shirt | A | 35,000 | 75,000 | 40,000 | 114% |
| 2024 | Shirt | B | 35,000 | 60,000 | 25,000 | 71% |
| 2024 | Shirt | C | 35,000 | 50,000 | 15,000 | 42% |
| 2024 | Pants | A | 50,000 | 90,000 | 40,000 | 80% |
| 2024 | Pants | B | 50,000 | 80,000 | 30,000 | 60% |
| 2024 | Pants | C | 50,000 | 65,000 | 15,000 | 30% |

The Table 6 above outlines the profit margins generated by @Vinizara's product lines – shirts and pants – over the years 2023 and 2024, classified by quality grade (A, B, and C). In 2023, the uniform purchase price of IDR 30,000 per item allowed for substantial profit margins, with Grade A pants yielding the highest return at 116%. By 2024, the increased purchase prices, driven by improved product quality and rising import costs, resulted in tighter but still viable profit margins. For instance, shirt Grade A in 2024 achieved a 114% margin, slightly higher than the 100% from the previous year, whereas lower-grade items experienced reduced margins. Despite these cost increases, the business maintained profitability by aligning selling prices with perceived customer value, brand recognition, and prevailing market trends. This pricing strategy demonstrates an adaptive approach that balances cost efficiency with consumer behavior and competitive positioning.

3.5 Monthly and Annual Profit Analysis

During the operational period under review, the business demonstrated consistent sales performance. Monthly sales volumes exceeded 1,000 items, with a balanced composition between shirts and pants. This strategy contributed to a smooth cash flow and stable monthly profit generation.

Table 7. Recapitulation of Monthly and Annual Gross Profit in 2023 and 2024

| Financial Indicator | 2023 | 2024 |
|---------------------------------|-----------------|-----------------|
| Cost of Goods Sold (COGS) | IDR 469,800,000 | IDR 998,950,000 |
| Gross Profit (Annual) | IDR 204,000,000 | IDR 348,000,000 |
| Average Gross Profit (Monthly) | IDR 17,000,000 | IDR 29,000,000 |
| Gross Profit Margin (% of COGS) | 43.4% | 34.8% |

These Table 7 illustrate @Vinizara's ability to maintain a realistic balance between production costs, sales volume, and profit targets. Despite a decrease in the gross margin percentage in 2024 due to increased scale and operational costs, the nominal profit rose significantly, indicating a positive trajectory in the company's expansion and operational effectiveness.

3.6 Rationale for Setting Profit Margins Within a Certain Range

The determination of profit margins by the business owner is guided not by the desire to maximize profit on each product, but rather by a long-term, sustainable business approach (hafiz, Marliyah, & Syahbudi, 2025). The decision to set profit margins in the range of 30% to 100% is based on several key considerations. One of the primary factors is market segmentation, as the majority of buyers consist of young individuals such as students, university attendees, and workers with limited incomes. To maintain affordability and accessibility, product prices must remain within a reasonable range (Komandrovskaya, Kryvytska, & Dudar, 2024).

In addition, the strategy for inventory turnover plays a significant role (Kwak, 2019); instead of allowing stock to accumulate and remain unsold for extended

periods, the owner prefers to sell products quickly, even at moderate margins, in order to sustain healthy cash flow and continuously refresh inventory. Furthermore, given that thrift products originate from various sources and their quality can vary significantly, applying a flexible pricing approach based on product grade is considered the most suitable strategy for maintaining competitiveness in the market (Kochevoy, Kolesnik, & Vlasova, 2024; Silviah, 2025). Ultimately, preserving consumer trust and building loyalty are prioritized over short-term gains. Fair pricing encourages repeat purchases and increases the likelihood of positive word-of-mouth referrals, both of which are vital for the long-term success of the business (Adji & Bernarto, 2024; Reva, Putri, Andita, Zalzabyella, & Purwanto, 2025).

4. Conclusion

Based on the findings from the two-year study of the @Vinizara thrifting business, it can be concluded that the pricing strategy applied—although informal and not grounded in formal theoretical frameworks—has proven effective in generating profit and sustaining the business. The integration of a cost-plus pricing approach with market-driven considerations such as fashion trends, brand appeal, product condition, and consumer purchasing power has enabled a flexible and responsive pricing model. The consistent ability to sell nearly all inventory each month reflects the effectiveness of the pricing strategy in reaching its target market. While financial records are still maintained manually, the system is organized enough to allow periodic evaluations, though future digitization is expected to enhance operational efficiency. Overall, @Vinizara's pricing practices demonstrate a sharp business instinct combined with a solid understanding of market behavior, creating a sustainable and profitable thrift business model.

To further improve financial accuracy and pricing precision, it is recommended that businesses like @Vinizara adopt a more comprehensive and detailed approach to cost documentation, including minor expenses such as transportation, packaging, and daily operational costs. A structured recording system will offer a clearer picture of total expenditures and facilitate a more accurate calculation of the Cost of Goods Sold (COGS). The application of appropriate COGS calculation methods—such as the average cost or LIFO method—will also enhance the accuracy of cost valuation. Regular evaluations of cost components are essential to identify potential efficiencies without compromising product quality or customer service. Additionally, increasing financial literacy through relevant training programs will support more professional business management. Future pricing decisions should not be solely based on cost but also consider customer-perceived value and evolving market conditions to ensure prices remain both competitive and profitable.

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