

**ANALYSIS OF THE EFFECT OF CALCULATION OF COST OF  
PRODUCTION ON PRODUCT SELLING PRICES IN THE DISTRICT  
ARTEM HANDMADE ACCESSORIES.**

***(Case Studies on District Artem Handmade Accessories)***

**ABSTRACT**

*The study entitled Analysis of the Effect of Calculation of Cost of Production on Product Selling Prices in the District Artem Handmade Accessories. The research objective is to determine the effect of the calculation of cost of goods manufactured on the product selling price. The research method used by the writer is an explanatory method. Data collection techniques through field studies and literature*

*The results showed that the calculation of the cost of production affected the selling price of products in the District Artem Handmade Accessories. The company grouped the costs of production costs into two groups, namely direct production costs and indirect production costs or factory overhead costs. In the Artem Handmade Accessories District the method used in calculating the cost of production use the full costing method. Because the statistical test results show that the calculation of the cost of production affects the selling price of products by 80.5% and has a very strong relationship. Hypothesis test results indicate the value of  $t$  is greater than  $t$  table, thus the hypothesis that "Calculation of the cost of production has a significant effect on the selling price of the product" can be accepted.*

*Keywords: Calculation of the cost of production, product selling prices*