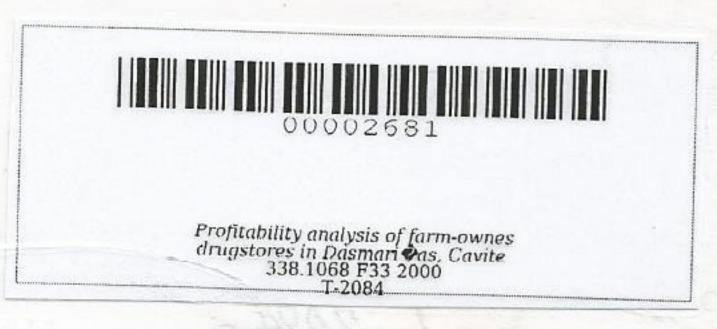
## PROFITABILITY ANALYSIS OF FAMILY-OWNED DRUGSTORES IN DASMARIÑAS, CAVITE

Undergraduate Thesis
Submitted to the Faculty of the
College of Economics, Management
and Develoment Studies
Cavite State University
Indang, Cavite

In partial fulfillment of the requirements for the degree of Bachelor of Science in Economics (Major in Development Economics)



MA. CECILLE C. FELEO March 2000

## ABSTRACT

FELEO, MA. CECILLE CATAJAY, Profitability Analysis of Family-Owned Drugstores in Dasmariñas, Cavite, B. S. Thesis, Bachelor of Science in Economics major in Development Economics, Cavite State University, Indang, Cavite, March 2000. Adviser Ms. Normida M. Malabanan.

The study was conducted to determine the characteristics of the drugstore; described the marketing practices of the business; determine the profitability of the different family-owned drugstore; ascertain the relationship between selected variables and profit; and identify the problem encountered by the respondents.

Sixteen barangays of Dasmariñas, Cavite including Zone 1, 2 and 4, Salitran, Salawag, Sampalok, Paliparan, Burol, San Mateo, Emmanuel, Sta. Maria, Fatima, Sta. Cruz, Antonio de Padua, St. Peter, Sta. Lucia were selected as the study areas. This study had a total of 28 respondents.

The years of operation started in 1975 up to 1999 with an initial capital ranging from P 100,000 to P 500,000. Majority of the respondents are still new in the drugstore business with an initial capital of P 100,000.

Forty-three percent of the total respondents used as a source of capital is their personal savings, 29 percent get their capital from banks and 29 percent used both personal savings and loans from banks.

The profitability of the family –owned drugstores in Dasmariñas, Cavite had a profit ranged of P 17,780 to P 139,000 with an average of P 40,292.43.

Marketing practices employed by the different family-owned drugstore in Dasmariñas, Cavite. It includes types of drugs, price of drugs, place of sale, supplier of the products, sales arbution and terms of sale.

It was also revealed the there were 10 types of drugs, these were antibiotics, cough and preparations, vitamins, general nutrients, analgesics, tubercolostics, antacids and antiseptic anti-asthmatics, anti-anemic and topical corticosteriods with a price ranged from P 102.50 per tablet/capsule and P 32.50 to P 502.00 per bottle.

Sales volume have been found the only variables to have significant relationship to the ability of the drugstore while some other variables such as place of sale, sales distribution educational attainment had no significant relationship to the profitability of the drugstore.

Profitability of the drugstore depend largely on the amount of capital invested to the store business.

## TABLE OF CONTENTS

Direction of the Contraction of	Page
BIOGRAPHICAL DATA	iii
ACKNOWLEDGMENT	iv
#BSTRACT	vi
LIST OF FIGURES	xi
<b>LIST OF TABLES</b>	xii
<b>LIST OF APPENDIX</b>	xiii
INTRODUCTION	1
Statement of the Problem	2
Objectives of the Study	3
Importance of the Study	3
Operational Definition of Terms	4
REVIEW OR RELATED LITERATURE	5
CONCEPTUAL FRAMEWORK	9
METHODOLOGY	-10
Time and Place of the Study	10
Sampling Procedures	10
Collection of Data	10
Method of Analysis	12
Hypothesis	13
Level of Significance	13

Scope and Limitation of the Study	13
SULTS AND DISCUSSIONS	
Characteristics of the Drugstore	14
Size of the drugstores	. 14
Location of sale	14
Legal status	15
Years in operation	15
Building rentals	15
Source of capital	15
Persons who influence the owners in entering into the drugstore business	15
Years of Establishments and Initial Capital Invested	
Marketing Practices Employed by the Different Drugstore	
Types of drugs	20
Price of drugs	20
Place of sale	20
Supplier of the product	21
Sales distribution	21
Term of sale	22
Profitability of Family Owned drugstores in  Dasmariñas, Cavite	22
Relationship Between Profit and Some Selected Variables	24
Problems Encountered by the Owners	26

MARY, CONCLUSIONS AND RECOMMENDATION	27
Summary	27
Conclusions	29
Recommendation	29
<b>BIBLIOGRAPHY</b>	30
APPENDICES	31