

ABSTRACT

Donita Food is one of the businesses engaged in the culinary field, specifically providing frozen food products (frozen food) which has been running since 2014 located in Deli Serdang Regency. Donita Food provides self-produced products such as donuts, buns, kebabs, and risol that do not have preservatives, so the product must be at the recommended temperature, otherwise the quality of the product will decrease, especially in the form of donuts and buns, which will experience a slight loss transformation. Business owners want to increase the amount of revenue and expand their market share with the same product quality. The solution to the problems in Donita Food's business is to open a branch store in the city of Medan, due to the large number of requests from outside the district, especially from the city of Medan. So that this study aims to determine the feasibility analysis of opening a Donita Food business branch in the city of Medan. To find out, it is necessary to calculate the feasibility based on market aspects, technical aspects, and financial aspects. The market aspect aims to get an estimate of demand from the calculation of the potential market, available market, and target market. The technical aspect aims to obtain information about business processes, human resources, location, and building layout. The financial aspect aims to calculate business feasibility which produces a Net Present Value (NPV) of Rp. 873.483.372, Internal Rate of Return (IRR) of 42,20%, Payback Period (PBP) of 2,82 years where the economic life of the investment is Rp. 5 years, the MARR value is 8,25%. The value obtained is $NPV > 0$, $IRR > MARR$, $PBP < \text{economic age}$, so the business design for opening a Donita Food branch in Medan City is said to be feasible. In addition to knowing the feasibility of this study, a sensitivity analysis was also carried out, in order to find out whether the future prospects of opening a new Donita Food branch were feasible, and the sensitivity results to an increase in material costs by 14,46%, decrease in demand by 32,15%, and a decrease in selling prices by 32,12%.

Keywords — Feasibility Analysis, Donita Food, NPV, IRR, PBP