

ABSTRACT

Government regulations related to the implementation of Community Activities Restrictions Enforcement have caused the decreasing in the number of tourists from within or outside the country to visit Denpasar, Bali. The decline in number of tourists prompted hotel and restaurant owners to close their businesses. This has an impact on decreasing the interest on buying chicken meat and the difficulty of fulfilling the need of livestock. The difficulty of fulfilling the need is due to the large number of livestock feed producer choose to limit the amount of product and increase the selling price. This condition is also felt by laying hens in Utu Traditional Village in Tabanan. Utu Traditional Village is an area in Tabanan Regency with the majority of population working as laying hens. In meeting the need of livestock, farmers must buy directly from the poultry shop or supply it from Surabaya, East Java. This problem encourages the business owner of UD Arka Tama Abadi to carry out business development by opening the branch in Tabanan Regency by considering the market aspects, technical and operational aspects, and financial aspects. Based on the results of feasibility analysis, it shows that the design of opening a new branch is feasible with an NPV Value Rp 758.863.733, an IRR value of 31.26%, and a PBP for 3.85 years. In addition, this design also carried out the sensitivity analysis on several aspects. The results show that the opening of a new branch is sensitive to the increasing of product prices at 7.07%, sensitive to the decreasing of selling price at 6.96%, and sensitive to the increasing of labor costs at 26.33%

Keywords: *Business Branch Design, Feasibility Analysis, NPV, IRR, PBP, and Sensitivity Analysis*