

ABSTRACT

Tirta Abadi Car Wash is an MSME in the field of car wash services that experiences problems in the form of limited capacity, especially the capacity of washing services and parking areas, which cause long lines and high customer waiting times. This research aims to calculate the feasibility of business development based on market, technical, and financial aspects. Then the best alternative was selected using the incremental cost method. The three alternatives analyzed were Alternative 1 (existing conditions), Alternative 2 (land expansion and additional washing machines), and Alternative 3 (land expansion, additional washing machines, and additional drying machines). The results of the market aspect analysis indicate that customer demand increases annually, exceeding existing capacity. Alternative 2 proved to be the most technically efficient because it can increase the service capacity from 26 to 36 units per day, can accommodate 7 units of cars in the parking area, and reduce waiting time by 92.36%. From the financial aspect, alternative 2 provides the best value with an NPV of Rp536,486,790, an IRR of 46.71%, and a PBP of 2.58 years. The incremental cost analysis shows that the upgrade from alternative 1 to alternative 2 provides significant additional benefits with a positive NPV, Δ ROR of 56.32%, and BCR of 1.946. Thus, alternative 2 was selected as the most feasible business development solution to implement and has a positive impact on operational efficiency.

Keywords – **Business, capacity, feasibility analysis, incremental cost**