

ABSTRACT

The potential of the poultry industry in Indonesia is enormous, with the meat consumption rate reaching 424.979 tons per year, dominated by poultry meat accounting for 60% of the national meat consumption, with an average consumption of 6,7 kg per capita, including duck meat. In 2018, the Association of Local Poultry Farmers recorded an unmet demand for duck meat of 30.000 tons out of a total demand of 75.000 tons, projected to increase by 15% annually. East Java Province is one of the provinces with high duck meat consumption, averaging 9.501 tons per year, experiencing an annual increase of 3,9%. This rise in consumption is accompanied by an annual population growth rate of 3,3%. D'Farm, a poultry farm, has chosen to establish a duck farm with the aim of distributing its products throughout East Java Province. D'Farm has decided to set up its operations in Tulungagung Regency, East Java Province. The farm has made investments to initiate the establishment process in the region. Based on the conducted feasibility analysis, the establishment of D'Farm has been deemed feasible, supported by an NPV value of Rp391,787,475, an IRR value of 25.70%, a PBP of 2,6 years, and an R/C value of 1,93. Sensitivity analysis has also been conducted, evaluating variables such as raw material cost increase, labor cost increase, and market demand decline. The sensitivity analysis results indicate that D'Farm is sensitive to a 160,97% increase in raw material cost, a 42,42% increase in labor cost, and a 5,52% decrease in market demand.

Keywords – *Feasibility Analysis, Market Aspect, Technical Aspect, Financial Aspect, Sensitivity Analysis.*