

ABSTRACT

Rambak 'SN' is a food company producing buffalo leather crackers in Bumiayu, Brebes. The profit from this company is increased every year and it is satisfied the owner of the company. Therefore, the owner is willing to expand her rambak's market so that she can develop the business to be better. So she has a plan to open a new branch of Rambak 'SN' in a new location to developing the business. The selected location is Bandung City. Therefore, the feasibility analysis of opening a new branch in Bandung City is needed to understand if the investment of the new branch will be feasible or not feasible seen viewed from market aspects, technical aspects, legal aspects, and financial aspects. For market aspects, we use questionnaire to conduct market research in Bandung City so we will know how many potential market, available market, and target market that can be obtained for the Rambak 'SN' buffalo leather crackers. Whereas technical, legal, and financial aspects will use the secondary data that obtained by interview with the owner of Rambak 'SN' and other variety of sources. After gathering and processing the data in market aspects, the potential market amounted to 78%, available market is 57% of the potential market, and target market amounted to 0,52% of available market. So the new branch is feasible viewed by market aspects. The requirements for buffalo leather crackers' production for opening the branch of Rambak 'SN' are technically fulfilled. Beside that, the opening of the branch legally are also obtained permit from Pemerintah Brebes, Dinas Kesehatan, and the local residents at the business location in Bandung. Thus, the business branch is legally feasible. For financial aspects, the results of the investment calculation are $NPV = \text{Rp } 13.391.439,80$, $IRR = 24,84\%$ with $MARR = 19,5\%$ and $DPP = 4,471$ years. Thus, the new branch location of Rambak 'SN' is feasible because the value of IRR is bigger than $MARR$ and NPV is positive.

Keywords : Feasibility Analysis, Buffalo Leather Crackers, Net Present Value, Internal Rate of Return, Discounted Payback Period