ABSTRACT

Strawberry Store is a mini market that sells various household needs, such as staple foods, snacks and beverages, toys, toiletries, cleaning tools, accessories, stationeries, cookware, cosmetics, and electronic devices, located in Patereman Village, Modung District, Bangkalan Regency. Based on the result of interviews with the owner, the profit obtained from the sales of the Strawberry Store have not reached the target of the owner, while the owner see opportunities to open store branch in districts around the current store location, especially in Galis District, which has a relatively higher population than other districts in Bangkalan Regency with a lower density of minimarket compared to population. For this reason, Strawberry Store design in Galis District and feasibility analysis for that store is necessary. The feasibility assessment for the Strawberry Store branch is carried out using the indicators of Net Present Value (NPV), Internal Rate of Return (IRR), and Payback Period (PBP). The result of feasibility measurement shows that the establishment of Strawberry Store branch in Galis District is feasible with NPV of Rp83,543,808, IRR in 16.60%, and PBP in 4.34 years. Furthermore, sensitivity analysis shows that investment on this store branch is very sensitive to an increase in product cost, a decrease in selling price, and a decrease in market demand. An increase in product cost by 2,41%, a decrease in selling price by 1,58%, and a decrease in market demand by 1,20% will make the store branch business not feasible. Therefore, cost reduction and intensive but efficient marketing is necessary to make this store branch sustainable.

Keywords: Bangkalan Strawberry Store Branch, Feasibility Measurement, NPV, IRR, PBP, Sensitivity Analysis