

ABSTRACT

Coffee is a very popular drink in Indonesia and in the world. Indonesia itself is the country with the fifth largest coffee consumption in the world in 2021. In recent years, coffee consumption in Indonesia has continued to increase, with an average increase of 8.22% per year from 2016 to 2021. With continued public interest Increased interest in coffee, many entrepreneurs opened coffee shops. One of them is Yumaree Coffee, which is a destination for many people from various circles. Yumaree Coffee offers a variety of menus and comfortable facilities, so the number of customers continues to increase every year. Limited space means customers often feel like they don't have enough space. Apart from that, Yumaree Coffee has an increasing number of customers, but its capacity is not commensurate with the high number of customers coming. To overcome the problem of limited seating at Yumaree Coffee, increasing capacity is the solution needed. In this research, the author selected the best alternative using the incremental method to select the best business development scenario including increasing space and facility capacity at Yumaree Coffee, where alternative evaluation was carried out to determine whether increasing capacity was needed or not. After conducting a feasibility analysis covering market, technical and financial aspects, both alternatives were deemed feasible. The NPV value for alternative 1 is Rp. 46.613973, while for alternative 2 it is Rp. 154,581,417 with IRRs of 36% and 51% respectively. Calculations show that the PBP for alternative 1 is 1.68 years, while for alternative 2, the PBP is 0.81 years. In selecting the most profitable alternative using Incremental Analysis IRR, a ΔROR value of 103% was obtained. Because $\Delta ROR > MARR$ (22.1%), the alternative chosen is alternative 2, which involves expanding shop capacity.

Keywords: Incremental analysis, Feasibility Analysis, NPV, IRR, PBP