

**FEASIBILITY ANALYSIS OF TRADITIONAL MARKET
CONSTRUCTION PROJECT: A CASE STUDY**

THESIS

Submitted to the International Program of Industrial Engineering Department in Partial
Fulfillment of the Requirement for Bachelor Degree of Industrial Engineering at
Universitas Islam Indonesia



Proposed by
Muhammad Shibhotullah Robbaniy
11 522 093

**INTERNATIONAL PROGRAM
DEPARTMENT OF INDUSTRIAL ENGINEERING
UNIVERSITAS ISLAM INDONESIA
YOGYAKARTA**

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THESIS APPROVAL OF SUPERVISOR

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Yogyakarta, 2 November 2018

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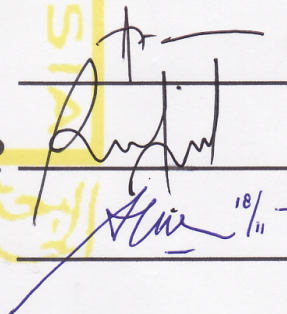
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AUTHENTICITY STATEMENT

By the name of Allah SWT, I declared that this research is conducts of my own crafts. All of the summaries study used have the source to be cited correctly. If in further my statement is proven to be at fault and violated the legal rules in writings and intellectual copyrights or proven plagiarism, I am ready to give up back my graduate degree on Universitas Islam Indonesia.

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ABSTRACT

Traditional markets are one of the characteristics of Indonesian cultural wealth that need to be preserved. Traditional markets contain many noble values of ancestors such as kinship, togetherness and mutual cooperation. This research entitled "Feasibility Analysis of Traditional Market Construction Project: a case study". The study was conducted because there were thousands of traders in the Klender flyover area selling there, causing various negative impacts on the surrounding environment, even though the location was a location that was prohibited from buying and selling according to local government regulation No. 8 of 2007. While, the purpose of this study was to conduct a feasibility study to build traditional markets.

This research refers to legal, financial, and technical issues. The methods used are SWOT analysis, payback period, NPV, and sensitivity analysis. Data retrieval is done directly to the location of the study and interview.

The conclusions of this study in terms of SWOT, EFAS and EFAS analysis indicate that the respective values of region are 2.33 and 1.88. The external and internal factors are positive, which means that the environment is relatively more likely than the threat, while the strength is relatively superior to the weakness. While the pessimistic initial capital of IDR 4,000,000,000, with an average net income per year of IDR 2,558,235,200 then payback period will be 18.8 months. While the cumulative cash flow by the end of the fifth year is IDR 8,540,270. In conditions of optimism, the initial capital of IDR 4,000,000,000, with an average net income of IDR 3,968,657,600 from the payback period will occur within 12.09 months. While the cumulative cash flow at the end of the fifth year is IDR 14,826,805,100. The statistical market conditions were obtained NPV of IDR 4,324,695,867, while in the optimistic condition the NPV value was IDR 10,144,056,611. With reference sensitivity of 5% or IDR 127,911,760, while the average annual income is IDR 2,430,323,440 in market conditions, cash flow is obtained after the sensitivity of the condition is IDR 7,900,711,900 then the payback period is 19.75 months. Second, using sensitivity of 5% or IDR 198,432,880, got the result average annual income is IDR 3,770,224,720 and money in cash conditions is IDR 13,834,640,700 and the payback period is 12.73 month. So, from here it can be concluded that the project is still good to be run even though it has been analyzed with sensitivity.

Keywords: Feasibility study, Market construction, SWOT, Pay Back Period, Sensitivity analysis

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CHAPTER I

INTRODUCTION

1.1. Background

Modern and traditional markets have an important role in the economy of society. The modern market is a market, which its transactions have been priced such as supermarkets, online shops, and minimarkets. While the traditional market is a classic market that the transaction still uses a bargaining system. The main traditional market prioritizes a sense of kinship, togetherness and mutual cooperation that all reflect the culture of the Indonesian nation, so empowering the traditional market is the same as preserving our nation's culture. The market is a good place to organize economic activities (Mankiw, 2006).

However, most traditional markets still get insufficient attention to start emerging non-official markets. Non-official markets are unregistered markets as official places. One of them is under the Klender flyover located in Pahlawan Revolusi Street, East Jakarta, where there are thousands of street vendors. In fact, the area has not been set as trading location according to local regulation No. 8 of 2007. Satpol PP often expelling the street vendors who disobey the rules, and later they will return to the same location.

After doing observation, it is found that the capacity of kiosks provided by the government and the private sector is still less than that of financial and infrastructure traders' expectations. Even though, it grows to better number. So inevitably the sellers packed up in the area under the bridge and continue to extend to the area of Kebon Singkong.

The dilemma arises when the customers want a healthy environment for shopping. The mushrooming sellers cause unfavorable impacts for the community and road users as the location becomes dirty even when the rainy season the streets becomes muddy and slippery, the garbage that is late to be will cause bad smells, traffic jams, and so on. Thus, the need for a place to accommodate street vendors is more important than the expulsion of traders in restricted areas.

Further feasibility studies and comprehensive analysis is still needed to be a consideration in the establishment of this market. In the feasibility study there is a review of the market, marketing, environment, financial, and uncertainty. There are advantages and disadvantages, so this research aims to compare the advantages and disadvantages. The result of this analysis is needed to see whether the plan of business establishment is possible or not.

1.2. Problem Formulation

Based on the description above it can be arranged a question that must be answered, which is “How to do feasibility analysis for building a market?”

1.3. Problem Limitations

The limitation of this study is:

- a. The marketing area discussed in the marketing aspect is the Klender region.
- b. There is no discussion on the selection of alternative for the equipment used.
- c. Assumptions: the data and information obtained are considered correct, the price analysis is based on data obtained during the study period, investments obtained from personal investments and individual debt, if any factors (interest rate, inflation rate and national economic conditions) are adjusted to field conditions in period of study.

1.4. Research Objective

Based on the explanation above, the purpose of this study is to analyze the business feasibility in order to know better whether the business to be built is worth considering from the aspects of market, marketing, technical, financial, and uncertainty.

1.5. Benefits of the Research

At least in the presence of this proposal can contribute to the stake holders and people of Jakarta, especially in the eastern Jakarta area:

- a. As a study material to assess the business opportunities.
- b. To improve the community order so as to create a more orderly and healthy shopping environment.

1.6. Systematical Writing

This section consists of 5 (five) chapters, namely:

CHAPTER I: INTRODUCTION

Containing the background of the problem, the formulation of the problems, problem limitations, research objectives, research benefits and the systematical of thesis writing

CHAPTER II: LITERATURE REVIEW

In this chapter, it will be presented the research literature on the study of deductive and inductive. Inductive studies to determine previous research literature studies. Additionally, this chapter also describes the background of the theory.

CHAPTER III: RESEARCH METHODOLOGY

This chapter concerned with the research design of research methodology

CHAPTER IV: EXPERIMENT RESULT

This chapter uses the experimentation and testing methods

CHAPTER V : DISCUSSION

This chapter will discuss about the result analysis from the experimentation adaptive neuro fuzzy inference system model.

CHAPTER VI: CONCLUSION AND SUGGESTION

This chapter presents conclusions of the study results, research contribution and suggestions for further research.

REFERENCES

APPENDIX

CHAPTER II

LITERATURE STUDY

2.1. Introduction

A pre-business discussion in the field of industry or other fields aims to obtain a decent standard in the future. These benefits can be profit, non-financial or a combination of both. Often the weakness in assessing business opportunities is the main cause of failure in business is that not rarely suffered a big financial loss. Many factors cause these failures that can actually be evaluated long before the business is built. By evaluating the investment in depth, we will get an idea of what obstacles might arise in the future and how far they can be overcome. Evaluation of business feasibility and planning in a managed project must be accountable from various aspects.

2.2. Feasibility Study

Feasibility studies can be interpreted as research on the establishment or extension of a project to determine whether or not the project is feasible. Then, how profit is viewed from the aspects of the market, technical aspects, financial and social aspects. Feasibility studies when performed professionally can play an important role in the investment decision-making process. Payerle (1974) stated that feasibility analysis is poised to make a more holistic assessment for a business.

Investment projects generally require a lot of funds and affect a business in the long term therefore needs to be done is project feasibility studies so that the funds that have been invested not wasted. So the purpose of doing a feasibility study is to avoid

too large an extension model for an activity that turns out to be unprofitable. In general, the aspects required in conducting a feasibility study are as follows.

2.2.1. Law

Businesses often fail because of legal problems or do not get permission from the local government. Therefore, before a business idea is implemented, an in-depth analysis of legal aspects must be carried out so that the business day to be implemented will not fail because of legal and licensing problems. Legal aspects are aspects that must be studied for the first time. This is because if the analysis of the legal aspects of a business idea is not feasible, the process does not need to be continued with analysis on other aspects. The legal aspect examines the legal provisions that must be fulfilled before running a business. Legal provisions for each type of business vary depending on the complexity of the business. The existence of regional autonomy causes the provisions of law and licensing between one region and another region to vary. Therefore, understanding the legal provisions and investment licensing for each region is very important to conduct a feasibility analysis of legal aspects. The government establishes legal provisions and investment licenses with the aim of maintaining public order in a broad manner. The community around the business location is expected to benefit greatly from the negative impact of a business investment.

Legal aspects analysis is carried out with the aim of answering the question "Can the business to be implemented be able to fulfill legal requirements and licensing in an area? Based on legal aspects, a business idea is deemed feasible if the business idea is in accordance with the legal provisions and able to meet all licensing requirements in the region. Specifically, legal aspects analysts in business feasibility studies aim to:

1. Analyzing the legality of the business that will be carried out
2. Analyzing the accuracy of the form of legal entity with the business idea that will be implemented
3. Analyzing business capabilities that will be proposed in fulfilling licensing requirements

4. Analyzing guarantees that can be provided if the business will be financed with a loan

Before conducting a legal aspect feasibility study design, the types of business entities. It is needed to run a business. The form of the business entity chosen depends on the capital needed and the number of owners. The selection of business entities is based on the following considerations:

1. The amount of capital needed to run a business
2. Level of legal and financial abilities and responsibilities
3. Field of industry that is run
4. Legislation requirements that apply

2.2.2. Market Aspects

In many business feasibility analysis, the market aspect crosses the first rank in the feasibility study. Analytical framework to integrate the result into decision when should the product enter the market is very important (Payerle, 1974). Market is the most important aspect of other aspects such things if the market is not able to accept a business then the development plan should be canceled. But on the other hand, if the existing market aspect is big enough but from other aspect it is not possible then it should also be considered further in order to produce a good solution.

In general, in the evaluation of market and marketing aspects, there are several things that are studied, ranging from the description of the market, which includes the market and transportation methods, the identification of potential customers, the planned position, the composition and the development of demand from the past to the present, to the competition and the role of government.

At this stage the magnitude of demand and the trend of future demand development must be carefully calculated. If not then the business cannot be operated efficiently. In order for businesses to operate in a healthy way then there are some things that need to be reviewed.

To obtain information about the above conditions it is necessary to collect primary data consisting of information from surrounding environment. The collection of primary data is information collected for a particular purpose, usually done by direct survey to the place of study. It is expected that the data obtained can answer the questions and forecasting potential market and determination of market share.

Forecasting method is a method to predict and to identify the problem to be faced in the condition to come. In general, forecasting methods can be grouped into qualitative methods, quantitative methods, and extrinsic methods.

Qualitative method is done if we do not have past data because the past data is difficult to obtain. So the basic consideration for forecasting is only data from current conditions. Forecasting with this method can be done in various ways:

- a. Delphi method
It is conducted by asking for opinions from various people who are experts in the field foreseen.
- b. Management decision
It is conducted by gathering a group of executives from various fields / disciplines to discuss problems encountered and develop a forecast.
- c. Market research
It is carried out by solving problems related to products and marketing methods.
- d. Cycle life cycle
Using product lifecycle analysis where the stages of the product grow, develop, climax, and decrease that can be used as factors that can affect the forecasting.

Quantitative methods are used in situations where sufficient information is available about the past, and the information collected can be quantified into numerical form. Forecasting with this method includes:

a. Intrinsic method

The method will assume that there are some patterns of data in the past that will continue in the future. This forecast will include an analysis of the past to predict a pattern and then projected into the future. This method includes time series, moving average, exponential smoothing, simple regression, and Box Jenkins method

b. Extrinsic method

Methods that take into account external factors in forecasting such as GNP, public purchasing power, environmental changes, budgets and other factors deemed to have an effect on forecasting results. The relationship is situated between external factors and demand for causal relationships. This method consists of multiple regression method, leading indicator, econometric method, and input output method.

2.2.3. SWOT

According to Freddy (1998), SWOT analysis is the identification of various systematic factors to formulate corporate strategy. This analysis is based on logic that can maximize strength and opportunities, but simultaneously can minimize weaknesses and threats. Strategic decision-making process always related to the development of missions, goals, strategies, and policies of the company. Thus, strategic planner (strategy planner) should be analyze the company's strategic factors (strengths, weaknesses, opportunities and threats) under current conditions. This is called Situation Analysis.

The most popular model for situational analysis is the SWOT Analysis. Rais (2009) SWOT analysis method is considered as a analysis method basic, useful to see a topic or problems of 4 (four) different sides. The results of the analysis are usually directives or recommendations for maintaining strength and adding advantage of existing opportunities, while reducing deficiencies and avoiding threats. If used with true, SWOT analysis will help us to see the forgotten sides or not seen so far. This analysis is divided into four basic components, namely:

- S = Strengths, is the situation or condition that is the power of organization or program at this time.
- W = Weaknesses, is a situation or condition that is a weakness of the organization or program at this time.
- O = Opportunities, is a situation or condition that is an opportunity outside the organization and provide opportunities for growth organization in the future.
- T = Threats, is a situation that is a threat to the organization that comes from outside the organization and can threaten existence organization in the future.

Comparison among four basic components (SWOT) is described in the scheme SWOT matrix Figure 2.1.

IFE	Strength (S)	Weakness (S)
EFE		
Opportunity	SO Strategy (Strategy that harnesses Strength and exploits opportunities)	WO Strategies (Strategies that minimize weaknesses and take advantage of opportunities)
Threat	ST Strategy (Strategies that use strength and overcome threats)	WT Strategy (Strategies that minimize weakness and avoid threats)

Figure 2.1. SWOT Components

The SWOT matrix consists of 8 cells: 4 cells containing inventory variables internal and business environment (external) and the other four cells contain implications strategically generated. Cell 1 contains a list of strengths (S) the company successfully built by management and cell 2 contains the list weakness (W) you want to remove. Therefore, the cells 1 and 2 are in the same way respectively are called cell S and cell W. Cell 3 contains a list of business (O) opportunities owned in the present and future and cell 4 contains a list of threats (T) being faced now and in the future. Therefore cell 3 and 4 are respectively called O cells and T cells. Cell 5 is an option a strategy that management chooses based on a combination of strength and business opportunities exist in S and O cells and are therefore referred to as cells or SO strategy.

The strategy of the cell is also often referred to as a strategy maks-maksi. Cell 6 is a strategy that management chooses to select based on a combination of weaknesses and business opportunities present in W and O cells and is therefore called a cell or WO strategy. The strategies on the WO cells often too named as mini-maksi strategy. Cell 7 contains the choice of strategy by a combination of S and T cells and is therefore called a cell or ST strategy. Strategies on ST cells are often also referred to as mini-max strategies.

- a. SO strategy is formulated with the consideration that management wants to harness the company's strengths and competitive advantages for exploiting the available business opportunities. This strategy is aggressive, spurred growth company. Therefore this strategy is also called maks-maksi because the management tries to use all-positive (maximum) potentials which are now owned. Surely, management likes a chance to implement this strategy to support company's health and at the same time available for promising business opportunities.
- b. WO strategies are obtained when management tries to take advantage of business opportunities which are available to reduce and even eliminate the company's weaknesses which existed. This strategy is called mini-maksi because the maximum is only one variable, ie opportunity; while one other variable is rated as something which is minimal because it is only a weakness. This strategy is not as aggressive as that called first, because management cannot fully utilize business opportunities that available. Companies concentrate more on healthy companies by eliminating weaknesses owned or outsourced. If it is forced, management leads the available business opportunities for taken by other competitor company.
- c. ST strategy is similar to WO strategy because the variable is not maximal. ST strategy is derived from management analysis that wants to use force and its advantages to avoid the negative effects of business threats faced. This strategy is called mini-maksi because it has only one max variable, which is power. Other variables are minimal, ie business threats. The company has an advantage but cannot make the most of it

because the only available threat is business. Such business threats could be the cause of the company's unfavorable if management is wrong in anticipating it. WT Strategy on essentially more a survival strategy that is still a business strategy may be found and selected by minimizing weaknesses and avoiding business threats

- c. WT strategy is also called mini-mini strategy. Management certainly does not want to put this strategy as the first option. This strategy provides very little space for management. The company has come to the question of death or survival (life), maybe even must choose to be liquidated. Nevertheless, it is still available for other options, such as being merged with other companies or to reduce the scale operation on a large scale (Suwarsono 2008). Further, Suwarsono (2008) explained that SWOT is not excessive if it is said to be the most commonly used analytical tool in helping the strategy design in Indonesia. In other parts of the world the most popular position is also still owned, albeit on the other hand, hard criticism against him too often and continues to be thrown. With all that variation owned, all models of SWOT analysis have a simple character, not complicated in its application.

According to David (2011), the matrix of strengths, weaknesses, opportunities and threats is an important matching tool that helps managers developing four types of strategies: SO Strategy (power-opportunity), Strategy WO (weakness-opportunity), Strategy ST (power-threat), and WT Strategy (fragmentation). Matching the major external factors is the hardest part in developing the SWOT Matrix and requires good judgment and none of the most correct alloys.

First, SO Strategy utilizes the company's internal strength to take advantage of external opportunities. All managers surely want their organization to be in a position where internal strength can be used to take advantage of various trends and events external. In general, organizations will run WO, ST, or WT strategies to achieve a situation where they can implement the SO strategy. If companies have great strength, then the company will fight to overcome threat and turn it into power. When an

organization is faced with a great threat, then the company will strive to avoid it and concentrate on opportunities.

Second, WO Strategy (WO strategic) aims to improve weaknesses internally by taking advantages of external opportunities. Sometimes, great opportunities arise, but companies have internal weaknesses which prevents him from taking advantage of the opportunity.

Third, ST Strategy (ST strategic) uses the strength of a company to avoid or reduce the impact of external threats. It is not taken as an indication that a strong organization must always face threats in a way directly within the external environment.

Fourth, WT Strategy (WT strategic) is a defensive tactic that is directed to reduce internal weakness and avoid external threats. An organization that faces a variety of external threats and weaknesses internally is really in a dangerous position. In reality, such companies may have to struggle to survive, merged, shrunk, and declared bankruptcy.

2.2.4. Strategy Choice

Freddy (1997) stated that, once we have known the strength and self-weakness, and the strengths and weaknesses of the opponent, already we can be sure that we will win the battle. In its current development of SWOT analysis, it is not only used to compile strategy on the battlefield, but much used to compose business strategy planning that aims to develop strategies in long term so that the direction and purpose of the company can be achieved clearly and an immediate decision can be made, along with all the changes to face competitors.

Further described SWOT analysis compares the external factors opportunities and threats with the internal factors of strength and weaknesses that resulted in the choice of strategy as mentioned in the Figure 2.2.

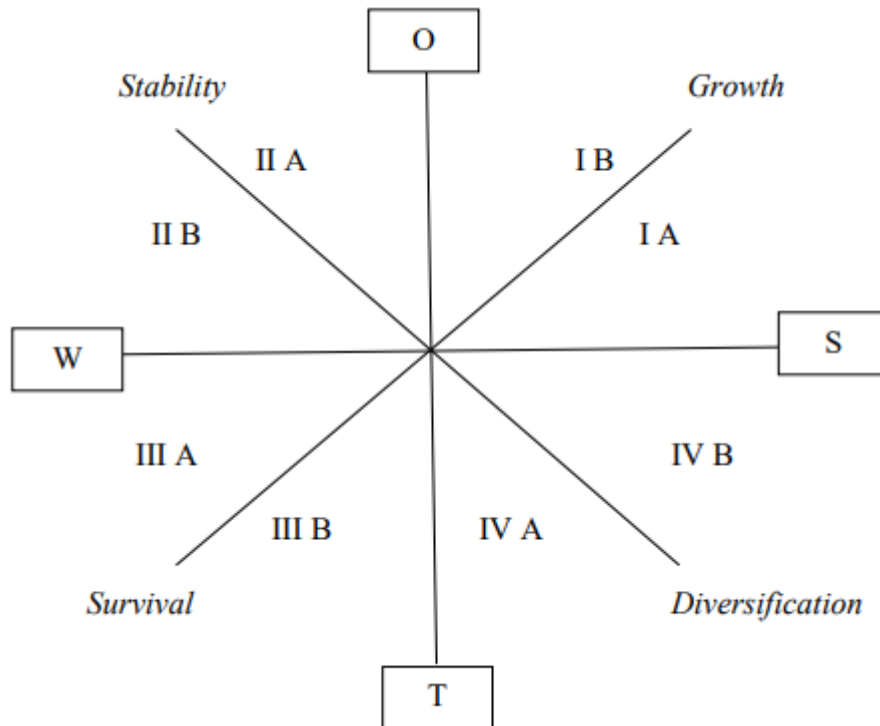


Figure 2.2. Strategy Choice

- a. Position in quadrant I: The external and internal factors are positive, which means that the existing environment relatively more likely than the threat, while the strength is relatively superior to the weakness. Therefore, an institution has the ability to turn the potential into a better performance achievement. So, the direction of the right policy to be implemented is to improve and enlarge the role of an institution in appropriate activities with the ability to expand as well as to participate for taking advantages on the opportunities. The direction of the policy is the basis of policies in growth strategy conditions and the direction of the policy itself can be distinguished by looking at the position of sub quadrant. If it placed in quadrant IA, means growth of the role that can be done quickly (rapid growth), and if it is positioned in the IB quadrant then the role growth needs to be performed gradually according to the priority scale (stable growth strategy).
- b. Position in quadrant II: external factor positive but negative internal factor, this position indicates that the opportunities faced are still greater compared to existing threats. While, in the internal position, strength or owned advantage is relatively smaller than its weakness. So that the

direction of the policy to be chosen is a negative internal factor, this means that the position encountered in a weak condition, where the strength or internal advantage tends to be greater. If it is located in the quadrant IIA, then the policy should be selected is retaining the role aggressively (aggressive maintenance), if it is located in the quadrant IIB then the policy is to maintain the role selectively maintenance strategy.

- c. Position in Quadrant III: External and internal factors are equally negative, this condition gives the meaning that the company no longer has the advantage compete, and the market also no longer provides business opportunities Hence, due to the intense weaknesses possessed, the company is required to choose a strategy of re-stability (turn-around strategy) to keep it survived, healthy and improved. In the quadrant IIIB, it is indicated that the weaknesses of the company are not as bad as in the IIIA quadrant and therefore the real company within certain limits is still possible to maneuver. But on the other side, the business environment faced is worse, worse than the quadrant IIIA. The strategy that is expected to be carried out is guerrilla strategy (guirella strategy) that the company is looking for a new breakthrough by utilizing competitive advantage that still exists to exploit the remaining opportunities markets that may still be available.
- d. Position in Quadrant IV: External factor is recorded negative but positive for internal factor, this condition gives the meaning that the existing opportunity is relatively smaller if compared with the magnitude of the threat. But on the internal side, the strength or advantage that is possessed relatively still greater than the weakness, so the activity that should be selected is implementing a policy of diversification. In this direction, the policies among them can be implemented with concentrated diversification (concentric diversification strategy), popular and a priority, while internal improvement or IVA quadrant should be carried out as well. This policy direction needs to be implemented in preparation for diversification broadly to the various activities that provide an opportunity for role's improvement of institution

(conglomerate diversification strategy) or quadrant IVB. In summary, the strategy options can be presented in Table 2.1:

Table 2.1. Technical Strategy

Technical Strategy	Score	Kuadran	Strategy Choice
Growth	$S > O$	I A	Rapid Growth
	$S < O$	I B	Stable Growth
Stability	$O > W$	II A	Aggressive Maintenance
	$O < W$	II B	Selective Maintenance
Survival	$W > T$	III A	Turn Around
	$W < T$	III B	Guerilla
Diversification	$S > T$	IV A	Concentric
	$S < T$	IV B	Conglomerate

2.3. Technical Aspects

The technical aspect is an aspect related to technical project development and operation after the project is built. Evaluation of the technical aspects includes the overall operations that will run in a business environment. From the above aspects, it can be seen that the initial design and also the assessment of investment costs are included in the exploitation costs.

2.4. Financial Aspects

Evaluation of financial aspects is usually performed after evaluation of other aspects is completed. In this aspect, the estimated amount of funds required for both procurement of project investment and initial working capital requirement is required. In addition to the amount of financing needs and funding sources, it will also learn how financing structures are most profitable and how much of the amount of funding needs can or can be financed with loans from third parties, from where the source and what the fees are. From a financial perspective, a business or project is said to be feasible if it can provide benefits and be able to meet its financial obligations.

2.4.1. Business Entity Income Tax

Income tax according to article 25 is tax imposed on individuals, companies or other legal entities for income earned. The legal basis for income tax is Law Number 7 of 1983, then changes successively, starting from Law Number 7 of 1991, Law Number 10 of 1994, Law Number 17 of 2000, and Law Number 36 of 2008. There are three tariff classifications that apply to business entities whose gross income varies showed in the table 2.2.

Table 2.2. Tax Calculation Method

Gross Income (IDR)	Tax Rate
Less than 4.8 billion	1%*gross income
4.8 billion - 50 million	{0.25-(0.6 billion/gross income)} * Taxable income
More than 50 billion	25%* Taxable income

Taxable income derived by calculating the amount of fiscal net income minus fiscal compensation

2.4.2. Costing

Costing is very important because it is needed as a benchmark in determining the amount of funds needed to realize a project. This can be seen clearly on the initial balance sheet, as for what is included.

- a. Current asset
Cash and insurance (prepaid) is one that is included in current assets.
- b. Fixed assets
Vehicles, land, buildings, machinery, office equipment and equipment, pre-operational including fixed assets.
- c. Liabilities and capital
The amount of funds needed to realize the project is obtained from both debts to banks and personal investments.

2.4.3. Cash Flow Analysis

The cash analysis is a graphical description of each alternative used and analyzed. Cash flow is the first step in technical economic analysis that aims to make it easier to know the development of money in accordance with the time. Recent textbooks on financial statement analysis also recommend the analysis of cash-flow (Payerle, 1974)

2.4.4. Internal Rate of Return (IRR)

IRR is the interest rate that equates the present value of the outgoing cash flow and the present value of the cash inflows. Similarly, (Dwiwinarno et al., 2011) stated that IRR is the interest rate that will make the current sum of expected proceeds to be combined with the sum of the present value of the mode expenditure.

IRR is an indicator value that is identical to how much the interest rate that can be generated by the investment compared to the generally accepted bank interest rate (market interest rate or Minimum Attractive Rate of Return / MARR).

How to calculate the IRR is used to determine an investment carried out or not, usually a reference is used if the investment must be higher than the minimum acceptable rate of return or the Minimum attractive rate of return.

In the IRR interest rate will be obtained $NPV = 0$, or commonly referred to as the IRR means the interest rate that can be given investment, which gives $NPV = 0$. The main requirement is if the $IRR >$ interest rate MARR.

IRR is the discount rate which makes NPV equal to zero, but not related to the discount rate which is calculated based on data outside the project as a social opportunity cost of capital (SOCC) which is generally applicable in the community (deposit interest).

To be able to get the final result of the IRR we must find a discount rate that produces a positive NPV, then after that find a discount rate that produces a negative NPV. IRR as expressed in Equation 2.1

$$IRR = i1 + \frac{NPV1}{NPV1 - NPV2} (i2 - i1) \dots\dots\dots(2.1.)$$

Description:

- IRR* = Internal Rate of Return
- i1* = Discount rate that produces NPV +
- i2* = Discount Rate that produces NPV-
- NPV1* = Net Present Value is positive
- NPV2* = Net Present Value is negative

According to Yacob Ibrahim, the Internal Rate of Return or IRR is a discount rate that produces an NPV equal to 0. IRR has three values, each of which has a meaning on the investment criteria, namely:

1. $IRR < SOCC$, this means that the business or project is not financially feasible.
2. $IRR = SOCC$, this also means that the business or project is in a break-even point state.
3. $IRR > SOCC$, this means that the business or project is financially feasible

2.4.5. Net Present Value (NPV)

NPV is a calculation of the difference between the present value of the investment and the present value with net cash receipts (operational or cash-flow terminals) in the future (Warsika, 2009). The equation of NPV is shown in equation 2.2.

$$NPV = \sum_{t=0}^N Ft (1 + i^0)^{-t} = 0 \dots\dots\dots(2.2)$$

Where:

- NPV* = net present value
- Ft* = cash flow in period t

- N = project age or study period of the project
- i^0 = the rate of return of the project or investment

If the present value/NPV is greater than 0 then the project can be said to be profitable, and vice versa.

2.4.6. Payback Period Analysis

The payback period is a point in time at which the firm expects “to be made whole again (Weingartner, 1969). The refund period is the amount required to be returned or close the initial investment cost with a certain rate of return. The calculations are based on either the annual jacket flow or the residual value shown in equation 2.3.

$$\text{Payback Period} = t + \frac{b-c}{d-c} \times 12 \text{ month} \dots\dots\dots(2.3)$$

Where:

- t = the last year where the amount of cash inflow before closing the initial investment
- b = initial investment
- c = cumulative cash inflow in year t
- d = cumulative cash flow in year $t + 1$

2.5. Uncertainty and Feasibility Analysis

In the assessment of a project feasibility study, a business needs to be aware that projection or "return" forecasts are unlikely to be achieved. This is a risk of uncertainty in the decision-making process. Risk can be defined as the fact that there are worse conditions than the forecast. Based on the expected spread of the expected return, risk is divided into two components:

- a. Business Risk
 - That business does not get a chance to operate successfully because of its wealth capability (assets). For example, businesses have a business that

does not work with actual capabilities, a business cannot produce the goods that preferred by consumers, or businesses that face the difficulties of operation or market difficulties that have an adverse effect on the business. So, all operational issues are classified into business risk.

b. **Financial Risk**

The unsuccessful investment will get insufficient cash flow to cover the interest payments or loan installments or unsuccessful in generating profits for the business. The above risks are needed to be considered also in the preparation of a business feasibility study. In a sense, it can be calculated beforehand in case.

The degree of project affects the intensity of the feasibility study. The more difficult sales income, expenses, cash flow and others are estimated, the more cautious a person conducts a feasibility study. For example, projects that produce new products are generally quite difficult in estimating sales projection. Various ways are being taken to address this uncertainty. For example, with the analysis of sensitivity, conservative estimates and so forth.

2.6. Inductive Study

This study discusses the business feasibility analysis to determine whether the business can be said worthy or not to run. This study also aims to avoid large investment increment for unfavorable activities. There are previous researches that have been done as follows:

Wakhyudin and Sasli Rais (2009) examined Development Sharia Pawnshop in Indonesia with SWOT analysis. It was indicated that there are major weaknesses related strategies and recommendations are established separately and subjectively so the analysis will lead to different assumption with others at the same time.

Later, research by Currie et al. (2009) determined stakeholders for feasibility analysis. This paper explored the utility of a systematic stakeholder analysis within a feasibility analysis. For a more inclusive assessment of stakeholder's salience in the context of sustainable development, balancing the managerial lack of intrinsic stakeholder commitment, a third-party perspective is added to the evaluation process. Contributing to the final evaluation of a development proposal, the coding scheme provides practitioners with parameters for stakeholder identification and salience. While application of the theory bears limitations in quantitative measurement, the results suggested that systematic stakeholder analysis is beneficial and useful in the context of feasibility analysis. In short, this paper told that selecting stakeholder also influencing feasibility analysis.

In the same year, Warsika (2009) conducted the research on Riung Rangga Ciater. He proposed a research on feasibility study in property investment. This research is proposed by keeping in mind that the Ciater Riung Rangga project is a property product that has been launched since 1995 and risking large capital in the long term it will arise whether to invest funds in Ciater Riung Rangga profitable or not. In analyzing the data and research results, cash in flow analysis was applied, cash out flow, projected cash flow, NPV analysis, IRR analysis, profitability index analysis, IRR modified analysis, and COC analysis. The result showed that additional investment is okay.

Also in the same year, research by Salam et al. (2009) argued about feasibility analysis focusing on financial aspect. The research aimed to analyze financial issues especially about cost allocation and its mount advantage. The research will be applied as information substance for the breeder in managing the broiler chicken ranch. This research is done by quantitative descriptive method at the broiler chicken ranch of partner pattern by directly involved in production process activities and collecting technical and financial data. The result showed that it is acceptable to use financial aspect to determine BEP.

Later on, Welling & Chavan (2010) analyzed the feasibility of green marketing in small & medium scale manufacturers. This paper tries to study the feasibility of practicing green marketing in case of small and medium scale manufacturers in Mumbai

city and its suburb, India. It analyzed whether these manufacturers are aware about green products and eco-labeling, and also the difficulties in implementing green marketing. The result shows that green marketing is not an easy concept and suggesting the firm have to plan and then carry out research to find out how feasible it is going to be.

Research by Nadiasa et al. (2010) investigated the investment analysis of tourism potency development of Jehem reservoir in Bangli regency. The Jehem reservoir tourism object which will be built side by side with the Jehem reservoir, is located in the watershed of Melangit river and still in Bangli Hill Ecotourism area. This potential tourism object is of the indirect benefits (secondary benefit) from the reservoir development. Objective of the study is to analyze feasibility on the tourism sector development in this area using methods of Net Present Value (NPV), Internal Rate of Return (IRR), Benefit Cost Ratio (BCR), Payback Period (PP) and Sensitivity Analysis. The result show With an NPV value greater than zero, the IRR value is greater than the interest investment and value of BCR is greater or equal to one, and Payback Period achieved before the age of the investment plan is reached then the investment plan is feasible held. The results of the sensitivity analysis also yield decent value for this investment plan.

And again in the same year, research by Swastawati (2011) was performed to assess feasibility study of smoking fish business with liquid smoke agriculture waste as one of the alternative substitution to traditional smoking industries which have some weaknesses in term of safety and environmental. The result showed that the production of liquid smoked agriculture waste and smoked fish using liquid smoked agriculture waste were as it produce with feasible excellence, safety product and acceptable to consumers and also profitable. Break Event Point also could be reached in a short period of time

Later on Abou-Moghli & Al-Abdallah (2012) investigated market analysis and the feasibility of establishing small businesses. This study aimed to explore the nature of relation and effect between market analysis and feasibility of establishing small businesses operating in the services sector in Jordan. The study made a number of

conclusions, most important of which is: there is a statistically significant relationship between the location, demand, price and competitors and the feasibility of establishing small businesses.

Ngamel (2012) investigated financial business of seaweed and additional value of Caraginan Flour in Maluku. The purpose of this study was to calculate the financial analysis of seaweed cultivation operation and count the number of value-added processing Karaginan flour mill in the District of Southeast Maluku Regency Kei. The results showed that the cultivation of seaweed and flour mills Karaginan feasible to be developed.

After that Pratama et al. (2012) analyzed financial feasibility analysis of fish catting business using arrows and basic powders in Karimunjawa flow. Karimunjawa is an Archipelago with good coral and abundant reef fish production. Two of fishing gears that used in catching reef fish are spear gun and bottom traps. The using of compressor by spear gun is judged dangerous, so bottom traps is an alternative for catching the reef fish without using compressor. The objective of this research is to analyze feasibility of fishing effort with spear gun and bottom traps that is saw from financial aspect. The result showed that this business is feasible.

In the next year O'Malley et al. (2013) investigated feasibility of increasing access to healthy foods in neighborhood corners stores. The feasibility of working with neighborhood corner stores to increase the availability of fresh fruit and vegetables in low-income neighborhoods in New Orleans was assessed. The result showed that working with neighborhood is positive.

Haloho & Santoso (2013) investigating "Profitability Analysis on Dairy Farm Business in Semarang Regency". The research was carried out to analyze the revenue, income and profitability of dairy cattle farm in Semarang Regency, Central Java Province. The result showed that probability analysis tells positive and feasible.

Later, Kusuma & Mayasti (2014) investigated financial feasibility analysis of local commodity production business development of corn-based noodle. The objective is to review value adding in corn processing into noodles. The result showed the positive result.

Other research about financial analysis conducted by Shalichaty et al. (2014) on technical and financial analysis of rajungan catching buss (*portunus pelagicus*) with fishing tools (traps) in tegal water. The objectives of this research were to analyze the technical aspects of the Fishes' traps equipment in Tegal Waters, to analyze the income, cost and profit of fishing effort, to analyze the financial feasibility level of the crab catching business with the fishing equipment (Traps). The fishing business was feasible to be run, because the NPV value of the business was positive with NPV value Rp 34,025,723 - Rp 52,554,963 (average Rp 42,178,564); IRR 53% - 66% (mean 61%); payback period 3.7 - 5.0 years (average 4.4 years); and B / C Ratio 0.13 - 1.18 (average 1.15). This proves that the fishing business is feasible to be run.

In 2015 Abdullah (2015) investigated investment feasibility analysis of printing machine purchasing in digital printing Inc Samarinda radja. This study discussed the investment analysis on the purchase of printing machines at Radja Digital Printing Samarinda viewed from the aspect of finance. The purpose of this study was to determine whether the purchase planning of printing machines made by PT. Radja Digital Printing Samarinda will provide benefits or vice versa so it was feasible to be run or not. So, the result indicated that the tool was feasible to be purchased.

Later on Padhi & Radhika (2016) investigated business feasibility on coir fibre and coir yarn manufacturing. The costs and returns analysis on the coir fibre and coir yarn manufacturing in Puri district, Odisha, India, revealed that these units gave a return of about 13 per cent over the investment. Therefore, it can be taken up as a secondary occupation by farmers with coconut plantations.

While, Indriyatni (2016) investigated factors that affected the success of micros and small enterprises. This research aimed in analyzing factors which influenced the success of micro and small business in West Semarang (Semarang Barat) region. The

result showed that working fund, skills, and business location have positive and significant influence on the achievement of micro and small business to gain some benefits by the significant points which are 0.002; 0.0015 and 0.003 while the Adjusted R Square is 0.348 or 34.8%. Between those three factors, work location is the most influencing factor with beta coefficient 0.24. The result also showed that there are some other factors (65.2%) which have influence on the success of micro and small business but those factors wouldn't be discussed here.

Later on Haryuni & Fanani (2017) studied the feasibility on broiler business development. The purpose of writing this article is to identify the advantages, disadvantages and financial analysis of broiler development patterns independently and partnership system. Financially analyzed results obtained Day Old Chick input price (DOC) on partnership system 9,52% higher than independent system.

While Gunawati & Sudarwati (2017) investigated the business study analysis of cassava chips business that located in Mardani Raya housing. Based on valid information, the interest in performing this potential market of cassava chips were quite high, Business feasibility studies should be conducted in terms of products, market/marketing, technical operations, human resources management, socio-economic, environmental, and financial to demonstrate the feasibility of the business. The results of analysis conducted on the market potential of market aspect is 11.292 kg / month = 135,504 kg / year by implementing the social media marketing . From the perspective of aspects of the product, there are 5 variants of taste with sealed packaging and labeled brand. In terms of Technical aspect, supplies of cassava raw material from supplier are obtained from 3 market alternatives. Aspects of HR Management required 3 workers. From the social economy aspect, this business can create job opportunities and increase the income of cassava farmers. From the environmental aspect, cassava leather waste can be used as cassava leather crackers. Financial aspect for business for 5 years with initial capital of Rp. 56.434.317, - The results of the calculation of investment valuation criteria obtained NPV value of Rp. 730,802,669, which means the difference between the future cash value and the value of the investment is positive. IRR value of 14%, greater than the discount factor of 13%, and payback period for 2 years 4 months. So it

can be concluded that the overall business of Cassava Chips NR Jaya is feasible to be run.

In the same year, Lasamahu et al. (2017) investigated analysis of feasibility study and application of hazard analysis critical control point system at Ina Parina in central Maluku regency. Food demand originated from sago especially sarut kanari was raised increasingly, the potential of sago-rich area in Maluku to be opened widely was suggested to develop the existing industry in designated area, for it was needed to be conducted feasibility studies by considering at the aspects of market and marketing, technical and technological aspects, management and organizational aspects as well as financial asset to discover product's quality that will be analyzed by using HACCP method. The result showed that the business is feasible.

Aziz et al. (2017) studied the tortilla business feasibility study with local seaweed utilization through internal business approach. This feasibility study aims to determine whether or not the business plan tortilla to be run or developed in terms of market and marketing aspects, technical and technological aspects, aspects of management and organization and financial aspects. The result showed that the business was feasible.

Again Lestari et al. (2017) investigated feasibility study of weaving bag business with utilization of mamasa typical woven fabrics and product innovation in order to improve business competitiveness. The market opportunities available for this business were quite large and increasing every year. Business feasibility studies are needed to determine the feasibility of this business in terms of several aspects of market and marketing, production aspects, management and organizational aspects and financial aspects (NPV, B / C Ratio, Payback Period, IRR, and BEP). The result showed that the business was feasible.

Later, Said et al. (2017) carried out the research on the analysis of business profits of presto chicken production under the brand of organic chicken products. This study aimed to analyze number of profits from the sale of vacuum-packed fried chicken presto under the brand of Celebes Organic Chicken (COC). This product was developed

from the activities of science and technology for innovation and campus creativity community service programs in the Faculty of Animal Science, Hasanuddin University. The result indicated that the business was feasible.

2.7. Summary

From the inductive analysis of the study on business feasibility, it can be concluded several things. Firstly, many researchers have investigated business feasibility issues. Second, the analysis used can be diverse as long as it refers to two main aspects such as financial and technical aspects and briefly explained in the Table 2.3.

Table 2.3. Difference with the previous research

Author	Research Object
(Rais, 2009)	Using SWOT analysis to develop Sharia Pawnshop by subjective measurement
(Warsika, 2009)	Feasibility analysis to developing Riung Rangga Ciater
(Salam et al, 2009)	Feasibility analysis on broiler chicken
(Welling & Chavan, 2010)	Feasibility analysis in the green manufacturing for small & medium scale
(Nadiasa et al, 2010)	Feasibility to develop potential tourism of Jehem reservoir
(Swastawati, 2011)	Feasibility study of smoking fish business
(Abou-Moghli & Al-Abdallah, 2012)	Feasibility study on the market analysis to establish small business
(Ngamel, 2012)	Feasibility study on seaweed and caraginan flour in Maluku
(Pratama et al., 2012)	Feasibility study of fish catting business
(O'Malley et al, 2013)	Feasibility study of healthy food around neighborhood
(Haloho & Santoso, 2013)	Feasibility study on dairy farm business in Semarang regency
(Hermansyah, Ismail, & Pramonowibowo, 2013)	Feasibility analysis and comparison between rumpon and payang
(Kusuma & Mayasti, 2014)	Feasibility analysis of cornbased noodle
(Shalichaty, Mudzakir, & Rosyid, 2014)	Feasibility analysis of ranjungan catching buss (portunus pelagicus)
(Abdullah, 2015)	Feasibility study to conduct purchasing printing machine
(Padhi & Radhika, 2016)	Feasibility study on coir fiber and coir yarn manufacturing
(Juniar, 2016)	Feasibility study in establishing PDAM in the north regency
(Indriyatni, 2016)	Investigating factor that affecting success of micro and small business

(Haryuni & Fanani, 2017)	Feasibility study on broiler business development
(Gunawati & Sudarwati, 2017)	Feasibility study on cassava chips business
(Lasamahu, Simanjuntak, & Winarni, 2017)	Feasibility study on hazard analysis critical control point system
(Aziz, Winarni, & Simanjuntak, 2017)	Feasibility analysis on tortilla business
(Said, Abustam, & Pakiding, 2017)	Feasibility study on chicken production for chicken organic celebes product

The difference that will be highlighted in this research is the research on market establishment, which there has been no research on traditional market establishment sector before.

CHAPTER III

RESEARCH METHODOLOGY

3.1. Research Object and Location

The research was conducted in Klender flyover area, East Jakarta, while the market development is planned to take place at Jl. Bekasi Timur no. 5, Klender, East Jakarta, DKI Jakarta, 13250. The searching data is done directly to the location, so that the data obtained for this research generated from the real data. Later, they will be used in problem solving in the research process.

At this stage, the determination of the location of the traditional Market was built. The placement of the market building site is 5 meters away from the Klender market tower which will operate in 2017 and about 300 meters from the Klender flyover. It becomes an advantage due to its strategic location.

Research object is one factors that cannot be separated from a study. According to Arikunto (2000), the object of research is defined as a core of the problematic research. Research object in this research is aspect of business feasibility (market aspect, competition factor, marketing strategy), technical aspects, financial aspects.

3.2. Research Methodology

This research used descriptive research method as well as quantitative. This descriptive research is also called the feasibility study which intends to obtain preliminary data (Soekanto, 1974) .

Descriptive research is the study on problems in society as well as the procedures that apply in society that cover certain situations on relationships, activities, attitudes, views, and ongoing processes and the effects of a phenomenon. Research with descriptive method is usually performed through observation, interview, and case study to describe the behavior rather than using data that can be analyzed statistically. The steps taken in conducting descriptive research are (Nazir, 2003):

- a. Selecting and formulating the problem.
Problems are related to the number of street sellers in the Klender flyover that expanded rapidly when there is already a ban from the local government to sell there. Second, there is no official market that can accommodate street sellers.
- b. Determining the purpose of the research
The purpose of this research is to make business feasibility analysis for traditional market development.
- c. Formulation of a theoretical framework or frame of mind.
The framework of thought is determined after the direct observation was performed at the location. It can be concluded that the street sellers have been complained about inadequate space as well as the high cost of rented kiosk that were accommodated in Klender and Bulak Market. Hence, the researchers created a strategy of establishing traditional markets by using SWOT analysis techniques, the strategy will be based on data obtained from both primary and secondary data, such as literature study, observation and interview.
- d. Browsing through library sources
The sources that used were theses, journals and internet
- e. Data collection
The data were collected through field observation and direct interview to street sellers around Klender flyover.

The description of the research outline is illustrated in Figure 3.1.

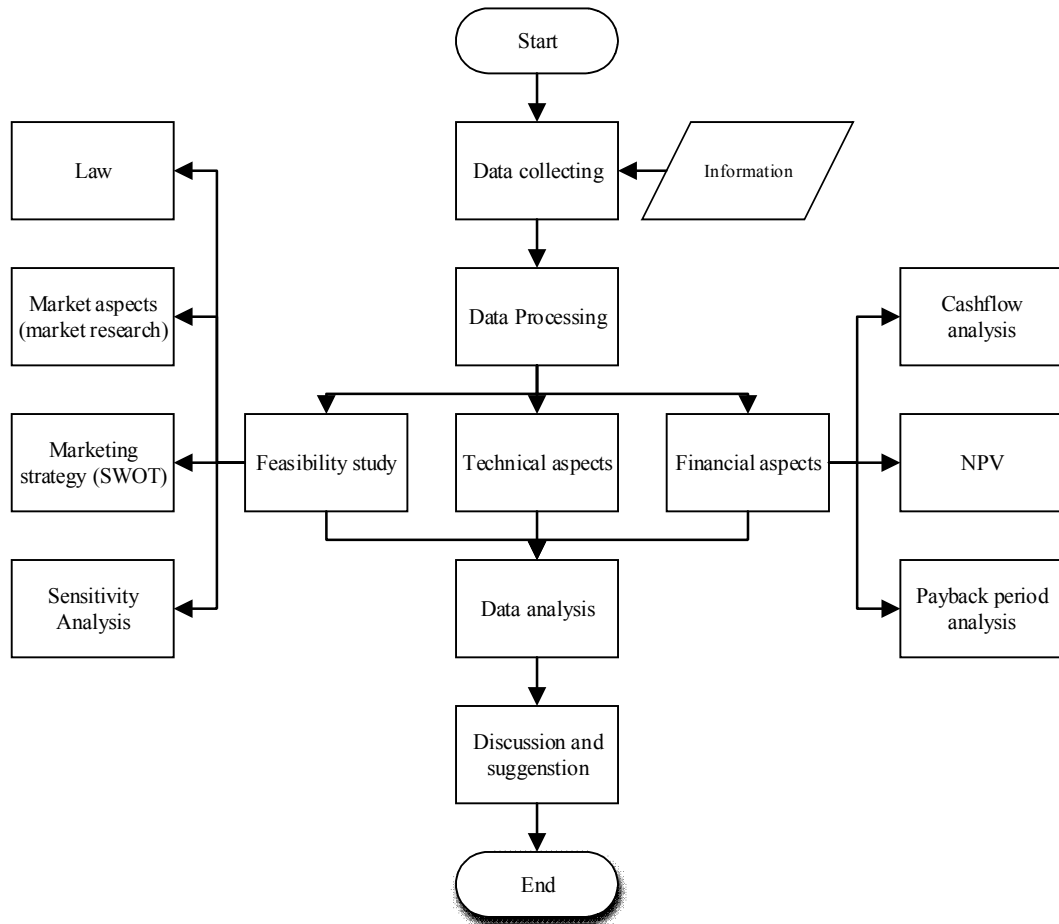


Figure 3.1. Research Outline

This research begins by infusing data, then being processed, analyzed, and then discussions and suggestions.

3.2.1. Market Research

The step in the market analysis is to conduct a complete analysis on the business that offers the type of product/service in the geographic area under consideration. The goal is to identify how many similar businesses already existed in the market, what do they offer, and where is the market located. After the data is being collected, a competition matrix is created

After making observations, question, answer and surveys, market analysis data are used as a way to determine whether there is a gap or not between what the customer's preferences and what the business provides. Market analysis was conducted

in Jaya Klender market and Bulak market subjected as competitor's objective assessment which is classified as a traditional market in Klender Sub-district. The assessment involves a comparison between the Klender Market and the Bulak Market. Then the data are used as material to construct the matrix and make an estimation of whether there is still a gap in the competition matrix. If there still exists an opportunity to start the business, then the customers will be offered for that segment.

3.2.2. Competitor Factor

A competitor is a company that produces or sells goods or services that are identical or similar to the products we offer, in this case the Bulak market and the Klender market. Factors used in the competition in this research are price, available space, promotion, cleanliness, facilities, and location.

3.2.3. Technical Aspects

In technical aspect will be discussed about product, physical evidence, layout, price, and technical process.

3.2.4. Financial

Finance is a very important thing in a business/project. Whether or not a business depends on the amount of capital money it has. Finance is also a driving force in the implementation of a business/project to achieve the planned objectives. Therefore, in this financial aspect requires special attention and observation more serious than other aspects of business feasibility studies.

Financial calculations and estimates greatly affect the investment that will be invested by investors. This finance cannot be separated from the balance sheet and profit and loss, which contains income, expenses, capital, debt, inventory, etc.

3.3. Research Informant

According to Bungin (2007) research informant in qualitative research related to how the steps taken by researchers to data or information can be obtained. Because in this discussion the most important is the researchers "determine" the informant and how the researchers "get" the informants. Determining informants can be done by researchers if researchers understand the general problem and understand the anatomy of the community where the research was carried out. However, if researchers do not understand the anatomy of the research community, the researchers try to keep the research informants. The research informants used by researchers are as follows:

a. Informants involved directly

The informants directly involved in this research are the tenants of the stalls in Bulak market and Klender market, as well as some street vendors in the Klender flyover area, the practitioners in the fields of industry, construction, and their architects are used as research informants in order to get the required information.

b. Informants who are not directly involved

Informants who are not involved directly in this research is the community around, which is Klender society, East Jakarta which is considered as appropriate to be a research informant as well as understand about the existing situation as a consumer. It is intended to obtain information and opinions from the community about the area. It is supported by Spradley's statement (in Basrowi 2008: 188) on the selection of good research subjects that consider to at least three conditions, which are, they have been long enough and intensively integrated to the activity or field of study described in research, they are fully involved in the activities or fields, they have enough time to be asked for information.

3.4. Research Instrument

In clarifying the focus of research, the research instrument in qualitative research should be able to complement the data and compare data that have been found in the field. The data could be obtained through interview guides, field observations and documentation supported by supportive equipment such as cameras, tape recorders, and required stationery.

Researchers conducted interviews to the Klender community and Kiosk tenants - Klender market stalls and Bulak markets. Interviews conducted aims to facilitate in finding and find out valid and relevant data in addition to save time and facilitate the author in analyzing the data. The research instrument used in this research is interview guideline.

3.5. Data Collecting Technique

In clarifying the focus of research, the research instrument in qualitative research should be able to complement the data and compare data that has been found in the field. To obtain data from the field can be used through interview guides, field observations and documentation supported by supportive equipment such as cameras, tape recorders, and required stationery.

Researchers conducted interviews to the Klender community and Kiosk tenants - Klender market stalls and Bulak markets. Interviews conducted aims to facilitate in finding and find out valid and relevant data in addition to saving time and facilitate the author in analyzing the data. The research instrument used in this research is interview guideline.

Data collection techniques in research use several instruments or tools that can be used as a data collector for more accurate data. Data collection technique is "the most strategic step in the research, because the main purpose of the research is to get the data"(Sugiyono, 2011). Data collection techniques used in this study through:

- a. Study of literature
Collecting data through literature, journals, internet, or reading either textbook or paper related to research topic.
- b. Observation
Observation method is a way of data collecting based on direct observation to the physical phenomenon of research object. This technique is performed by conducting research and direct observation in the research location
- c. Interview
Interview is a technique of data collection by asking direct questions during the interview. Interviews were conducted directly face to face or via telephone. Interview is the most flexible way to collect data so that the questions will be asked to the source and can be directly answered.
- d. Documentation
According Sugiyono (2011) documentation is defined as collecting documents in the form of writings, drawings or monumental works of someone. Documents are written in the form of diaries, life history, story, biography, policy regulations, and others. The illustrated documents are photos, sketches, live pictures and others. Documents in the form of works such as artwork in pictures, sculptures, films, and so on. Data collection techniques is subjected to obtain some documentations about the atmosphere in the Klender flyover, Bulak market, and Klender market based on existing sources in the research location.

3.6. Data Analysis

Data analysis technique used in this research is SWOT analysis technique with qualitative approach, which consist of Strengths, Weakness, Opportunities and Threats. SWOT analysis aims to maximize strengths and opportunities but can minimize weakness and threats.

According to Rangkuti (2001), SWOT analysis is a systematic strategic factor identification to formulate a strategy. Strategy is a very important tool for achieving goals (Porter & Millar, 1985). Meanwhile, according to Freddy Rangkuty (2001) strategy is a comprehensive master planning that explains how to achieve all the predetermined goals. From the SWOT understanding will be explained as follows:

- a. Evaluation of Internal factors
Strength (strength), that is what power is owned. By knowing the strength, the market can be developed to be more resilient to be able to survive in the market and able to compete for further development.
Weakness (weakness), that is all the factors that are not profitable or disadvantageous.
- b. Evaluation of External Factors
Opportunities (opportunities) that exist as government policies, regulations or national or global economic conditions are considered to provide opportunities for traditional markets to grow and develop in the future.
Threats (threats), such as things that can bring harm.

This analysis is done by using data gathering tools, which are observation guideline, interview and documentation. With the following stages:

- a. Grouping the data that has been obtained for processing.
- b. Performing SWOT analysis.
- c. Inserting into SWOT matrix
- d. Analyzing the strategies of the SWOT matrix
- e. Recommending strategies that have been made to the manager

This study uses a SWOT analysis based on the concept of David (1993). SWOT analysis means analysis based on Strength-Weakness Opportunities-Threats ie Strengths-Weakness-Opportunities-Constraints. Through the SWOT analysis, the final conclusion of the study will be derived. SWOT analysis uses an internal factor

evaluation (IFE) matrix and an external factor evaluation (EFE) matrix, in which IFEs include strengths and weaknesses and EFEs include opportunities and challenges.

The process of using SWOT analysis management requires an internal survey of the strengths and weaknesses of the program, as well as external surveys of opportunities and threats. After conducting the survey then the data will be obtained and presented in the Table 3.1.as follows.

Table 3.1. SWOT variable

Factors	Variables
Strength	Affordable rental rates Promotion strategy is good Strategic location The facilities are adequate Management is good Place is clean Trash is disposed of periodically Security is assured The name is well known to the public
Weakness	Workers are still inexperienced The quality of the product has not been tested
Opportunity	Will operate rusun beside HM market location. Madira in 2017 with a capacity of 300 kk or approximately 1,400 new market potential Street vendors under Klender flyover numbering about 1,000 people The condition of Pasar Klender and Bulak Market stalls that are full no place anymore The rental price of kiosks of Bulak Market and Klender Market is high The number of potential buyers is very much in east Jakarta People prefer to buy in a closer place Many potential suppliers can be invited to cooperation MCK less adequate under the Klender flyover Insufficient parking area under the flange of Klender Many street vendors who want to sell in the day but will not be able to because of satpol PP Government policy that prohibits selling under the Klender flyover
Threat	Main raw ingredient inflation PKL outsmart the raid by selling 4 pm to 6 am The economic condition of the community declined compared to previous years Increased taxes Thugs in the surrounding area

3.7. Data Analysis Technique IFAS and EFAS

Analyzing Internal Strategy Factors (IFAS) is,,,,,,,,,,,,,,,,,,,,,,,,,,,,. Evaluation of company's internal factors is intended to identify the strengths and weaknesses of a company. IFAS table are structured to formulate these internal strategic factors within the framework of the firm's strength and weakness. The steps in analyzing internal strategic factors are as follows:

1. Analyzing internal factors that affect the achievement of goals or targets, vision, and mission that has been specified in detail (detail) with the technique of brainstorming. Then, discussing any internal factors that exist whether including strength or weakness compared with other companies, by way of opinion polls. Internal factors consist of:

- c. Strengths

- It is a condition of strength within existing organizations, projects or business concepts. The strengths that analyzed are factors in the organization, project or business concept itself.

- d. Weakness

- is a weakness in the existing organization, project or business concept. Weaknesses analyzed are factors that exist within the organization's body, project or business concept itself

Input the strength and weakness factors in the IFAS table. Arrange 5 to 10 factors of strengths and weaknesses (Freddy Rangkuti, 2001: 22).

2. Provide each factor weights with a scale of 1.0 (very important) to 0.0 (not important). All these weights do not exceed the total score = 1.00 (Training Spama, 2000: 13). Factors that are weighted based on can have an impact on strategic factors.
3. Rate each factor with a scale ranging from 4 (Very strong) to 1 (very weak). Positive variables (all variables including strength) are rated from 1 to 4. While the negative variable is the opposite, the highest the weakness is, the value will

refer to 1, whereas if the weakness value getting low then the value is indicated by 4.

4. Multiply the weights by value (rating) to obtain weighting. The result is a weighted score for each factor with varies of value.
5. Add the weighting score to get the total weighted score.
6. Reduce the total number of weighted strengths scores with the total weighting score of the weakness factor.
7. The amount of reduction in the value of the probability and threat factors will give the value or point on the X axis in the quadrant Pearce and Robinson, which will be the coordinated point as the company concerned. This X value indicates the particular company's position towards its internal factors and the strategy selection to be taken. Other usefulness of this total score, it can be used to compare this company with other companies in the same industry group.

EFAS analyzes the external conditions of the whole aspect, at least based on political, economic, social, cultural, security factors from the external environmental conditions of the company (state or local government). Here are the steps for determining External Strategic Factors (EFAS):

1. Analyzing the external factors that affect the company, then discussed the opportunity or threat factor for the company.
 - a. Opportunities
Is a condition for future growth opportunities that occur. Conditions that occur are opportunities from outside the organization, project or business concept itself, such as competitors, government policies, environmental conditions
 - b. Threats
Is a condition that threatens the existence of the business from the outside. This threat may disrupt the organization, project or business concept itself. Put the opportunity and threat factors in the EFAS table. Arrange 5 to 10 factors of opportunities and threats (Freddy Rangkuti, 2001: 22)

2. Perform step 2-5 as described in the above EFAS factor.
3. Reduce the total number of opportunity factor weighting scores (opportunities) with the total number of threat factor weighting scores (threats)

The amount of reduction in the value of the probability and threat factors will provide the value or point at the Y axis in the quadrant Pearce and Robinson, which will be the coordinate point for the company's concerned. This Y value shows how the firm's position against its external factors and what strategy choices will be taken. Other usefulness of this total value is, the total value can be used to compare this company with other companies in the same industry group.

CHAPTER IV

DATA COLLECTING AND PROCESSING

4.1. Feasibility Study

4.1.1. Market Research

The market share of this business is the street vendors in the area of Klender flyover and also the residents of the klender market. In fact, East Jakarta as a dense and widespread city, which has a wider market potential than that, but focusing on street vendors and apartment owners (klender flat) is more than enough. Some pictures show trading activities in the area of klender flyover as shown in Figure 4.1.



Figure 4.1. Trading Activities in The Early Morning

In the picture above, it can be seen the crowded buying and selling activity that happens in the morning. This activity usually takes place from the afternoon until the morning before 7 o'clock on the next day.

The target market in this study is street vendors who live in the Klender flyover area as well as the Klender flat. Street vendors, thousands in numbers, are targeted to occupy available places in stalls. While, the residents of the flat are targeted as new markets for purchasing the goods inside the stalls.

4.1.2. Legal Requirements

According to Law no. 40 of 2007, conditions for establishing company. consist of 2 types, namely general conditions and formal requirements. The general conditions include:

1. Photocopy of Identity Card (*KTP*) of shareholders and management with at least 2 people each
2. Photocopy of the Family Card (*KK*) of the director or person in charge.
3. Colored photos belonging to the person in charge for the company 3 × 4 cm sized as much as 2 copies.
4. Tax payer Identification Number (*NPWP*) of the person who will be in charge for the company's establishment.
5. Photocopy of company ownership letters (land certificates and so on) or company lease agreements
6. Photocopy of previous year tax payment on Land and Building (*PBB*) in accordance with the company's domicile.
7. Statement Letter from *RT / RW* for companies that located in residential areas or villages.
8. Certificate of domicile of the building manager if the company is domiciled in an office building.
9. Photographs of company's office, illustrates the front part and rooms that contains tables, chairs, computer units and 1-2 employees

10. Company seal. If the company have not prepared an official one, it must have a temporary stamp to settle up the permit
11. The company office should be situated in an office area, plaza, or shop, which is not situated in a residential area
12. Ready to be surveyed.

While the formal terms of establishment of a company are described as follows:

1. Founder of the company consists of at least 2 people or more (according to law in article 7 paragraph 1)
2. Each company's founder must take part in the shared capital, except in the framework of consolidation (in accordance with article 7 paragraphs 2 and 3)
3. Notary Deed in Indonesian language.
4. The deed of establishment of the company must be legalized by the Minister of Justice, which is then announced in the State Gazette of the Republic of Indonesia (in accordance with article 7 paragraph 4)
5. The company has at least 1 director and 1 commissioner in charge of the company (in accordance with article 92 paragraph 3 and article 108 paragraph 3)
6. Shareholders must be Indonesian Citizens or business entities established according to Indonesian law and regulations, except foreign private companies
7. The authorized capital of the company is a minimum of IDR 50,000,000 with a minimum paid-up capital of 25% of the authorized capital (in accordance with articles 32 and 33).

The meaning of authorized capital is capital, the amount of which is stated in the deed of establishment of the company. Paid up capital is tangible capital of non-cash assets that are included in the company which is then used for company operations.

In addition to authorized capital and paid up capital, there are 2 other types of capital in the capital structure of a company namely the issued capital and paid capital. The capital that is placed is capital that its amount is still deferred or agreed to be included in the company

4.1.3. Procedures Establishment

Procedure for Establishing an company

1. In establishing a company, an official act should be prepared and made by a notary. In the deed, should be listed certain information such as company name, business area, address, amount of capital, and so on.
2. Furthermore, the official deed of establishment must be approved by the Minister of Law and Human Rights (*HAM*), formerly named the Minister of Justice, by fulfilling the following conditions:
 - a. The company does not conflict with public order or decency
 - b. The deed of establishment of the company fulfills the conditions stipulated in the applicable law
 - c. The minimum issued and paid-up capital of the company is 25% of authorized capital. This provision is in accordance with Law number 1 of 1995 also Act number 40 of 2007.
3. After obtaining approval from the Minister of Law and Human Rights, then the Minister of Law and Human Rights has the obligation to announce the establishment of the Limited Liability Company in the Official Gazette of the Republic of Indonesia (*BNRI*)
4. After being announced at *BNRI*, the company has been valid as a legal entity and can start its operations

The cost of company's handling approximately around Rp. 15,000,000 depending on the company's business scale. This fee is used for a third-party consultant service.

4.1.4. Relationship between Government and Market Standard Operations

The provisions regarding the market can be seen in the Presidential Regulation Number 112 of 2007 concerning the Arrangement and Development of Traditional Markets, Shopping Centers and Modern Stores ("Presidential Regulation 112/2007").

According to Article 1 point 1 of Presidential Regulation 112/2007, the market is an area where goods are sold by more than one seller, could be called as shopping centers, traditional markets, shops, malls, plazas, trade centers and other designations.

Meanwhile, what is meant by Traditional Markets is a market that is built and managed by the Government, Regional, Private, State-Owned Enterprises and Regionally-Owned Enterprises including cooperation with the private sector with business / establishments in the form of shops, kiosks, stalls and tents owned / managed by small, medium, self-help traders or cooperatives with small-scale businesses, small capital and with the process of buying and selling merchandise through bargaining based on article 1 number 2 Presidential Regulation 112/2007

The location of the establishment of a Traditional Market must refer to the District / City Spatial Plan, and the Regency / City Spatial Detail Plan, including its Zoning Regulations based on article 2 paragraph (1) Presidential Regulation 112/2007

Establishment of Traditional Markets must fulfill the provisions based on article 2 paragraph (2) of Presidential Regulation 112/2007 as follows:

1. Considering the socio-economic conditions of the community and the existence of Traditional Markets, Shopping Centers and Modern Stores as well as Small Businesses, including cooperatives, which are in the area of concerned;
2. Providing a parking area of at least as wide as the parking needs of 1 (one) four-wheeled vehicle for every 100 m² (one hundred meters per square) of floor area for traditional markets; and
3. Providing facilities that guarantee a clean, healthy (hygienic) traditional market, safe, orderly and comfortable public space.

Thus, traditional markets can be built and managed by private parties with business places in the form of kiosks owned / managed by small and medium traders. Establishment of traditional markets must consider the socio-economic conditions of the community such as the existence of Small Businesses in the region concerned.

Licensing to conduct Traditional Market, Shopping Center and Modern Shop businesses based on article 12 paragraph (1) of Presidential Regulation 112/2007, must have:

1. Traditional Market Management Business License (*IUP2T*) for Traditional Markets.
2. Shopping Center Business Permission (*IUPP*) for Shops, Malls, Plazas and Trade Centers.
3. Modern Store Business License (*IUTM*) for Minimarkets, Supermarkets, Department Stores, Hypermarkets and Grocers.

IUTM for Minimarkets is prioritized for local Small and Medium Enterprises. Permit to conduct business is issued by the Regent / Mayor and Governor for the DKI Jakarta Provincial Government based on article 12 paragraph (2) and (3) Presidential Regulation 112/2007.

Requests for *IUP2T*, *IUPP* and *IUTM* based on article 13 of Presidential Regulation 112/2007 are complemented by:

1. The feasibility study includes an analysis of environmental impacts, especially the socio-cultural aspects and their impact on local retailers;
2. Plan a partnership with a Small Business.

4.1.5. Marketing Strategy (SWOT)

Before going further, it is necessary to analyze IFAS and EFAS factor using subjective method as a preliminary judgement method. This method is aims to identify whether this business will be in the good position or not.

First is Evaluation on the internal factors of the company that is intended to know the Strength and Weakness of a company. The IFAS (Internal Strategic Factors Analysis Summary) table is structured to formulate the internal strategic factors within the framework of the firm's strength and weakness as below.

Table 4.1. Expected IFAS of New Market

Factor	Variable	Code
Strength	Affordable rental rates	A
	Promotion strategy is good	B
	Strategic location	C
	The facilities are adequate	D
	Management is good	E
	Place is clean	F
	Trash is disposed of periodically	G
	Security is assured	H
	The name is well known to the public	I
Weakness	Workers are still inexperienced	J
	The quality of the product has not been tested	K

Calculation of strength and weakness factor by giving weight of each factor with scale 1 (very important) and 0 (not important). All of these weights do not exceed the total score of 1. The score and weight are simply based on the subjective. The factors are weighted based on the impact given to other factors. Then the internal factor weighting is shown in the table 4.2 below.

Table 4.2. Technical Weighting IFAS

Factor	A	B	C	D	E	F	G	H	I	J	K	TR	Weight
A	1	0	1	0	1	1	1	1	0	0	0	6	0,22222
B	0	1	0	0	0	0	0	0	0	1	0	1	0,03704
C	1	1	1	0	0	0	0	0	0	0	0	2	0,07407
D	1	1	0	1	0	0	1	0	0	0	0	3	0,11111
E	0	0	0	0	1	1	1	1	0	0	0	4	0,14815
F	0	1	0	1	0	1	0	0	1	0	0	3	0,11111
G	0	1	0	1	0	0	1	0	0	0	0	2	0,07407
H	0	1	0	0	0	0	0	1	0	0	0	1	0,03704
I	0	1	1	0	0	0	0	0	1	0	0	2	0,07407
J	0	1	0	0	0	0	0	0	0	1	0	1	0,03704
K	0	1	0	0	0	0	0	0	1	0	1	2	0,07407
Total												27	1

Then the rating for each factor will be assigned with a scale ranging from 4 (Very strong) to 1 (very weak) to a positive variable (all variables including strength). While, the variables are negative opposite if the weakness is very large then the value is

1, whereas if the weakness value is low then the value 4 then multiplied by the weight of the result so obtained the following result 4.3.

Table 4.3. Weighting, Rating, and Score IFAS

Initials	Weight	Rating	Score
A	0,22222	4	0,88889
B	0,03704	1	0,03704
C	0,07407	2	0,14815
D	0,11111	3	0,33333
E	0,14815	3	0,44444
F	0,11111	3	0,33333
G	0,07407	2	0,14815
H	0,03704	1	0,03704
I	0,07407	2	0,14815
J	0,03704	1	0,03704
K	0,07407	2	0,14815
Total Strength			2,51852
Total Weakness			0,18519

Next by summing all score strength minus all score weakness then it can be identified the difference between the two as follows. Difference between strengths and weaknesses

$$= 2.52 - 0.19 = 2.33$$

Second is evaluation of the company's external factors that is aimed to identify the Opportunities and Threats of the company. The EFAS (External Strategic Factors Analysis Summary) table is structured to formulate these internal strategic factors within the framework of the Opportunity and Weakness of companies as below 4.4.

Table 4.4. Expected EFAS of New Market

Factor	Variable	Code	
Opportunity	Will operate rusun beside HM market location. Madira in 2017 with a capacity of 300 kk or approximately 1,400 new market potential	A	
	Street vendors under Klender flyover numbering about 1,000 people	B	
	The condition of Pasar Klender and Bulak Market stalls that are full no place anymore	C	
	The rental price of kiosks of Bulak Market and Klender Market is high	D	
	The number of potential buyers is very much in east Jakarta	E	
	People prefer to buy in a closer place	F	
	Many potential suppliers can be invited to cooperation	G	
	Toilet less adequate under the Klender flyover	H	
	Insufficient parking area under the flange of Klender	I	
	Many street vendors who want to sell in the day but will not be able to because of the gov. Law	J	
	Government policy that prohibits selling under the Klender flyover	K	
	Threat	Main raw ingredient inflation	L
		Street vendors outsmart the raid by selling 4 pm to 6 am	M
The economic condition of the community declined compared to previous years		N	
Increased taxes		O	
Thugs in the surrounding area		P	

Calculation of Opportunity factors and threats factors is performed by giving each factor weight with scale 1 (very important) and 0 (not important). All of these weights do not exceed the total score of 1. The factors are weighted based on the impact given to other factors. Then the weighting of external factors is shown below in table 4.5.

Table 4.5. Weighting EFAS

Factor	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	TR	Weight
A	1	1	1	0	1	1	1	1	0	0	0	0	0	0	0	0	6	0,06593
B	0	1	1	1	1	1	1	1	1	1	1	0	1	0	0	1	11	0,12088
C	0	1	1	1	1	1	1	1	1	1	1	0	0	0	0	1	10	0,10989
D	0	1	1	1	0	1	1	1	1	1	1	0	0	0	0	1	9	0,0989
E	0	1	1	1	1	0	1	0	1	1	0	0	0	0	0	0	6	0,06593
F	0	1	1	1	1	1	1	1	0	0	0	0	0	0	0	1	8	0,08791
G	0	1	0	1	1	1	1	0	1	0	0	0	1	0	0	0	6	0,06593
H	0	1	0	0	1	1	1	1	0	0	0	0	0	0	0	0	4	0,04396
I	0	1	0	1	0	0	0	0	0	0	0	0	1	0	0	0	3	0,03297
J	0	0	1	1	1	1	0	0	0	0	1	0	1	0	0	0	6	0,06593
K	0	1	1	1	0	0	0	1	1	0	0	0	1	0	0	0	6	0,06593
L	0	0	0	1	0	0	0	0	0	0	0	0	0	1	0	0	2	0,02198
M	0	1	1	1	1	1	1	0	0	1	0	0	0	0	0	0	7	0,07692
N	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1	0,01099
O	0	1	0	1	0	0	0	0	0	1	0	1	0	1	0	0	5	0,05495
p	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0,01099
Total																	91	1

Then a rating for each factor is assigned with a scale ranging from 4 (Very strong) to 1 (very weak) to a positive variable (all variables including strength). While the variables are negative opposite if the weakness is very large then the value is indicated by 1, whereas if the weakness value is low then the value 4 then multiplied by the weight of the result so obtained the following table 4.6.

Table 4.6. Weighting, Rating, and Score EFAS

Initials	Weight	Rating	Score
A	0,06593	2	0,13187
B	0,12088	4	0,48352
C	0,10989	4	0,43956
D	0,0989	3	0,2967
E	0,06593	2	0,13187
F	0,08791	3	0,26374
G	0,06593	2	0,13187
H	0,04396	2	0,08791
I	0,03297	1	0,03297
J	0,06593	2	0,13187
K	0,06593	2	0,13187
L	0,02198	1	0,02198
M	0,07692	3	0,23077
N	0,01099	1	0,01099
O	0,05495	2	0,10989
P	0,01099	1	0,01099
Total Opportunities			2,26374
Total Threats			0,38462

Furthermore, by summing up the entire score opportunities reduced by all score threats it can be seen the difference between the two as follows. Difference between opportunity and threat.

$$= 2.63 - 0.38 = 1.88$$

The results of the IFAS and EFAS analysis are then incorporated into the SWOT analysis diagram, by the difference between strength and weakness as X-axis coordinates, while the difference between the chances with the threats as the coordinates on the Y axis. The SWOT analysis diagram can be seen in the Figure 4.2 below.

economic factors such as labor availability, proximity to the market, availability of raw materials, and others. There are certain factors, such as:

a. Business opportunity

The type of business being undertaken is the development of a market, close to the location of the consumer, easy to transport raw materials, facilities and infrastructure (transportation, electricity and water) adequate, close to the city center, and PP No. 8 of 2007.

b. Labor

Factor of labor also needed because labors are required. East Jakarta is a city with a lot of manpower, usually paid according to regional minimum wage regulation.

c. Transportation

Transportation is easily accessible because it is situated right on the edge of the road and is in front of the Gambir station.

d. Parking Access

The allocated parking area is not too big but sufficient.

e. Population Density

Population density is indispensable, as more and more people are present, large numbers can increase the number of consumers. According to BPS East Jakarta, the most populous area in DKI Jakarta Province, reaching 2.84 million people. This figure is the highest if compared to other regions. By gender, East Jakarta population consists of 1.44 million men and 1.41 million women with a sex ratio of 102.02.

f. Public purchasing power

According to BPS, the level of national household consumption is at 4.95% level throughout 2017. This figure slows down if compared to 2016 which grew 5.01%. Central Bureau of Statistics (BPS) released the index of human development 2018. The index per capita expenditure in one year of Jakarta citizens reaches Rp 17.7 million, the figure is the highest national figure. Nationally, in the year 2017 the average spending per capita of Indonesia is IDR 10.66 million per year. The value is increased by IDR 244 thousand if compared to 2016.

g. Ordering of raw materials

Food is sent by farmer from Bogor, Depok and others

h. Investment cost

Costs for on-site investment such as land purchase or building costs, investment costs are cheaper because the cost of purchasing land can be neglected since the land used is private property.

Layout is the process of determining the shape and placement of facilities that can determine the efficiency of production or operation. Planning is considered products, processes, human resources, and location. To obtain a good layout, the company needs to determine the following:

a. Capacity and place needed

Identified number of workers, machines and equipment will ease us to recognize the capacity needed to determine the layout and the provision of a place or room for each component.

b. Equipment to handle materials or materials

The purpose of the apparatus for handling material or materials is a device used in a company's operations. Layout is also very dependent on the type of material or material used, such as cranes and automatic trains to move materials.

c. Environment and aesthetics

The layout decision is also based on the environment and aesthetics. The goal is to have the freedom and convenience of the workplace, such as window determination and air circulation.

d. Flow of information

Layout should also consider the flow of information. Consideration on how to move information or communication should be made as good as possible.

e. The cost of movement among different workplaces

The consideration is emphasized on the difficulty of moving the materials.

This section will demonstrate the building illustration on the business to be run. The initial illustration is made based on the real measurement, expert advisor, and investor desire such as:

- a. Adjusting the size and the form of the land
- b. Construct the building into two floors
- c. The height is adjusted to the size of the material purchased
- d. Available parking area
- e. Size optimization
- f. Attractive design
- g. Parking area 200 m²

The initial illustration will be presented in Figure 4.3 to Figure 4.8.

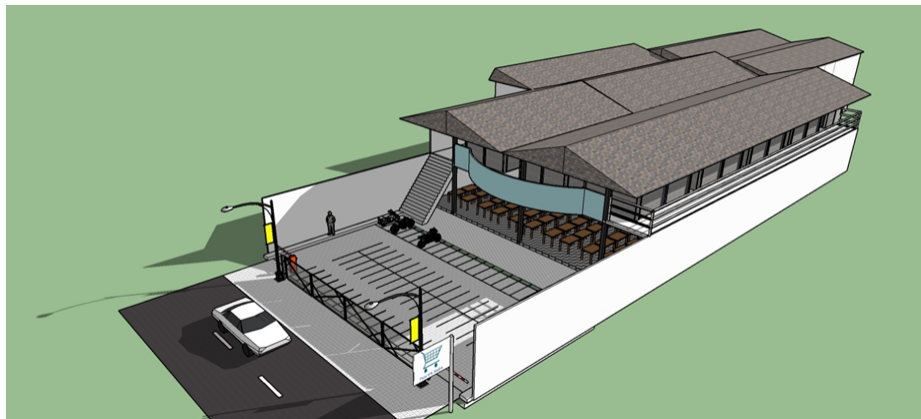


Figure 4.3. Market Project Illustration

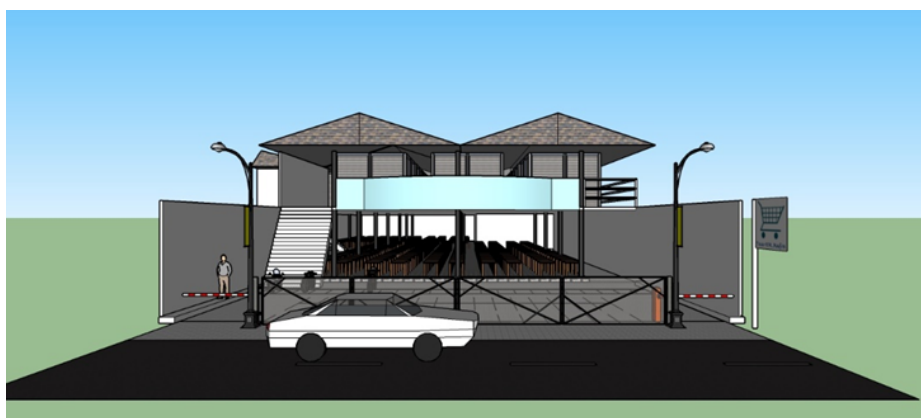


Figure 4.4. Illustration from the front

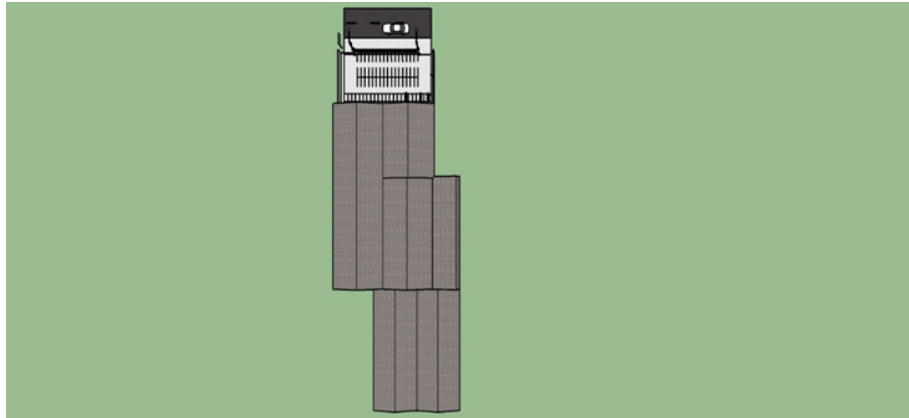


Figure 4.5. Illustration from the top

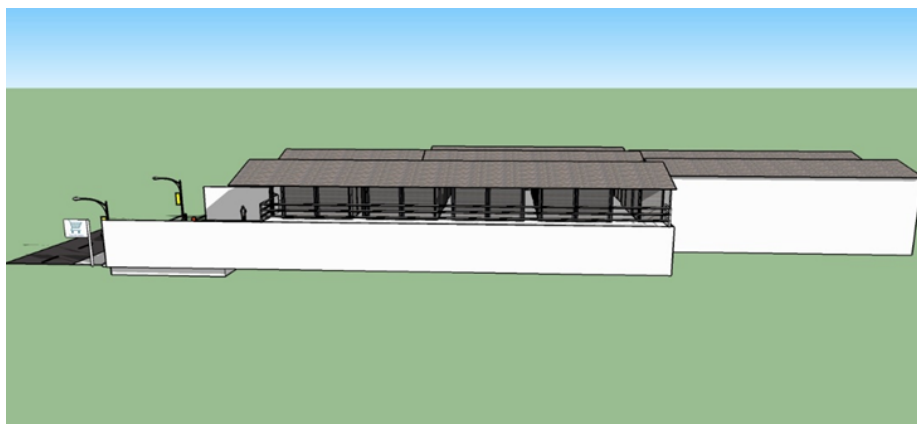


Figure 4.6. Illustration from the left

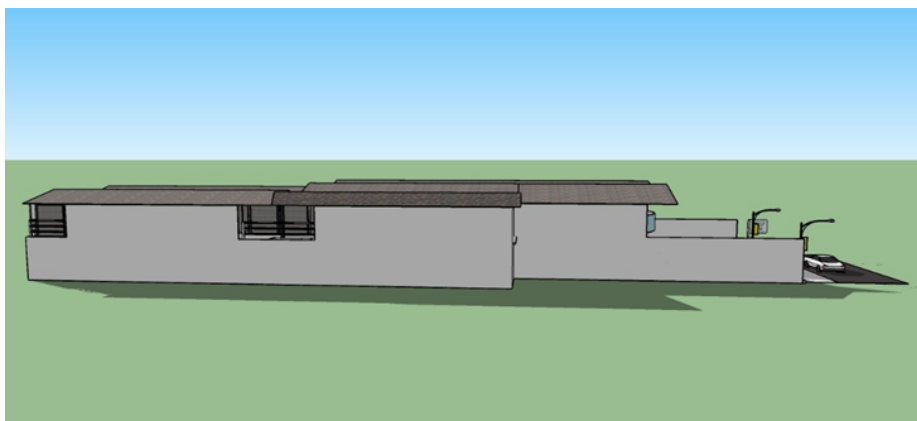


Figure 4.7. Illustration from the right

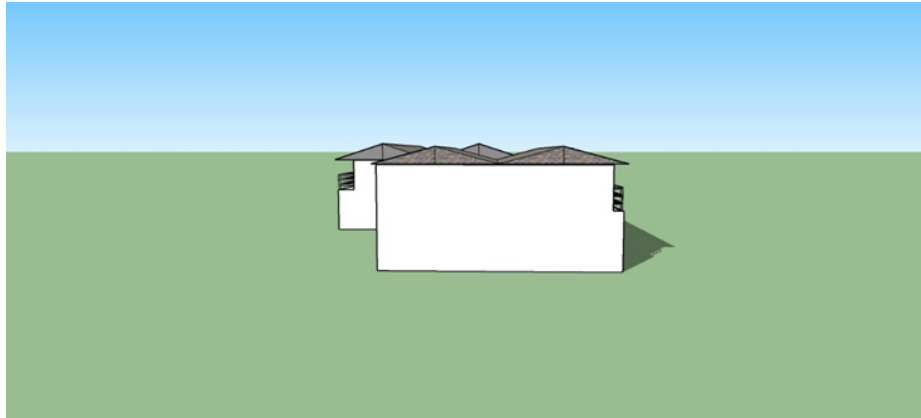


Figure 4.8. Illustration from the back

The picture above shows a drawing of the new market to be built when viewed from various sides. The building looks healthy, the healthy building indicator could be accumulated as:

- a. Adequate air with proper ventilation
- b. Optimization of sunlight entering the building
- c. The ceiling height is sufficient
- d. Sufficient building lightning
- e. No fan usage
- f. The correct material selection
- g. The cleanliness is maintained

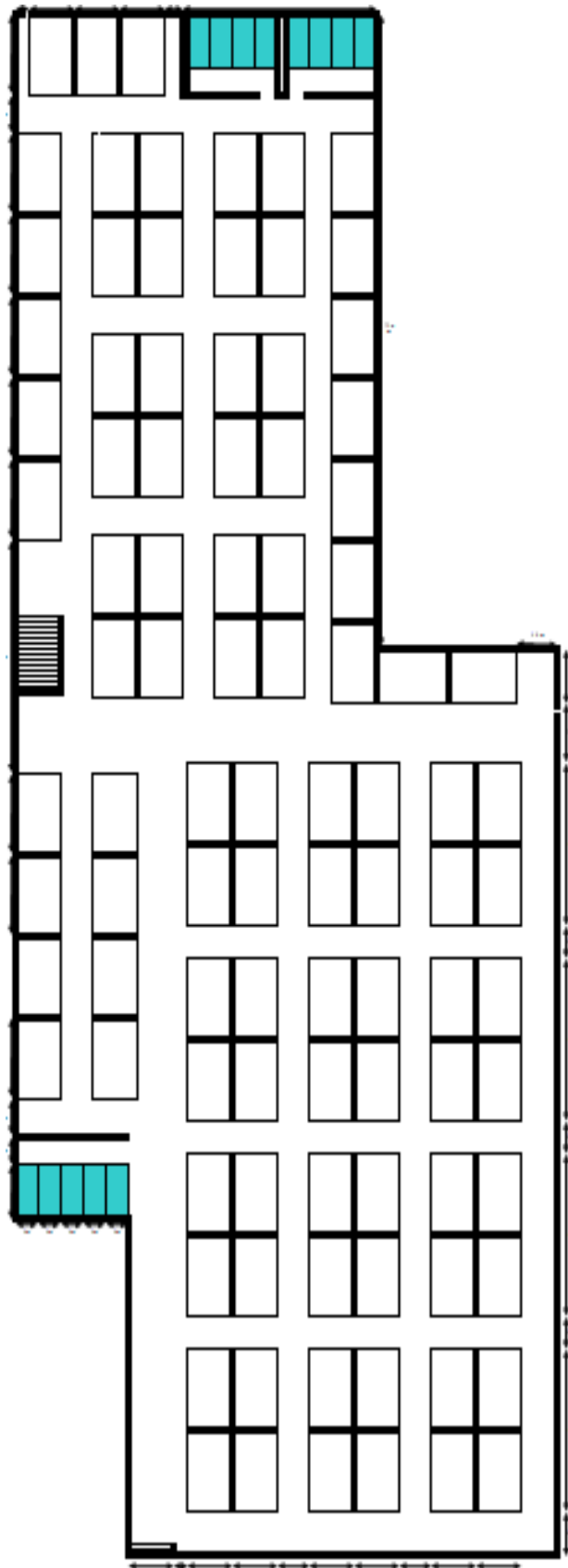


Figure 4.10. Second floor layout

On the first floor consists of 350 stalls and the second floor consists of 97 kiosks

4.3. Financial Aspect

4.3.1. Establishment Cost

The cost that included on the establishment cost is notary management fees for the establishment of the deed of limited liability incorporation , Trading Business License (SIUP), Company Registration Certificate (TDP), registered Certificate of Ministry of Law and Human Right, and the making of NPWP. The total cost for the management fee is Rp. 10.500.000 as shown in Table 4.7.

Table 4.7. Establishment cost

<u>Variable</u>	<u>Cost (IDR)</u>
Notary fee	3.000.000
SIUP	1.500.000
TDP	5.000.000
NPWP	1.000.000
Total	10.500.000

(Source: Company data)

4.3.2. Capital and Budgeting

After observing the location and determining the illustration, later it can be used to determine the capital and costs for development as shown in Table 4.8.

Initially, the existing building was in the form of a wooden building, while the former was used as a place to make furniture and wood shavings. Work is done by knocking out buildings using bulldozers. After that, 700 m of land was dredged and dumped. followed by refilling and leveling. The next job is to build a foundation and install a pole, after all is done, further work is done up to finishing. It should be underlined that from the beginning of project planning to the day-to-day caregivers there are already consultants working in the field to ensure that everything goes according to procedures this project approximately will finish in 6 until 8 months.

Table 4.8. Capital Budget

No	Variabel	Quantity	Price (IDR)	Budget (IDR)
1	Land lease	5 years	1.000.000.000	1.000.000.000
2	Authorized capital cost	1	50.000.000	50.000.000
3	Procedures cost	1	15.000.000	15.000.000
4	Planning consultant	1	3.5%*project cost	87.500.000
5	Supervision consultant	1	2.5%*project cost	62.500.000
6	Bulldozer (driver + solar)	1 x 200h	100.000.000	100.000.000
7	Land dredging (31 truck)	700 m2	300.000/23m2	31.000.000
8	Replenishment of land (31 truck)	700 m2	150.000/m3	106.000.000
9	Leveling	1400 m2 x 0.5 m2	150.000/m3	105.000.000
10	Foundation K-350	39 point x 1 m3	31.200.000	31.200.000
11	Iron WF 300x125x6x9mm -12M 355,2kg	26	4.000.000	104.000.000
12	Concrete	1200 m2 x0.15	800.000	144.000.000
13	Ironing D10 -8kg	1200 m2	7.000	67.200.000
14	Worker/30d	10x3	150.000	135.000.000
15	Box culvert U-Ditch 50 x 50 x 120	340	600.000	204.000.000
16	Wood table (1.2 x 0.8)	350	150.000	52.500.000
17	Pavling box	210 m2	150.000	31.500.000
18	Ceramics	1200 m2	150.000	60.000.000
19	Squat closet	12	185.000	2.220.000
20	Waste container fiverglass	1	30.000.000	30.000.000
21	Plastic trash cans HDPE 120liter	8	550.000	4.400.000
22	Plastic bucket 60liter	12	65.000	780.000
23	Scoop	12	20.000	240.000
24	Trolley fordable platform hantruck 300kg	10	520.000	5.200.000
25	GRC board (Glassfibre Reinforcement Cement)	417	49.000	20.433.000
26	Shear fencing	13 x 2.5m	500.000	16.250.000
27	AC	1	4.000.000	4.000.000
28	Stove	2	200.000	400.000
29	Computer	1	5.000.000	5.000.000
30	Carpet	23 m2	54.000	1.242.000
31	Table	4	1.000.000	4.000.000
32	Dispenser	2	2.000.000	4.000.000
33	Chair Indachi D-3002	2	650.000	1.300.000
34	Barrier Gate System Parking Manless Otomatic ticket	1	12.000.000	12.000.000
35	Bench	5	600.000	3.000.000
36	Phone	1	400.000	400.000
37	Lightweight steel roof	1200 m2	100.000	120.000.000
38	Kalsiboard Ling 6 (1.2 x 3m)	135 m2	152.500	20.587.500
39	Roll door steel 0.4mm	864 m2	295.000	254.880.000
40	Worker/30d	10 x2	150.000	90.000.000
41	Ceramics	1200 m2	50.000	60.000.000
42	Closet	12	185.000	2.220.000
43	Trashbin HDPE 120 liter	8	550.000	4.400.000
44	Plastic bucket 60liter	12	65.000	780.000
45	Scoop	12	20.000	240.000
46	GRC board (Glassfibre Reinforcement Cement)	666 m2	49.000	11.368.000
47	Iron fence	69 m2	400.000	27.600.000
48	Cooking ware		2.000.000	2.000.000
49	Dish equipment		1.200.000	1.200.000
50	Tableware		2.000.000	2.000.000
51	Storefront		3.000.000	3.000.000
52	tables and chairs		10.000.000	10.000.000
53	gas stove + gas cylinder		2.400.000	2.400.000
54	other equipment		1.000.000	1.000.000
		total		3.114.940.500

From the above data, it can be concluded that minimal capital for development is approximately IDR 3.100.000.000. It should be underlined that the possibility of costs in actual situations will exceed the cost on paper and this value only valid for 2017 data price. Another factor could considered as the unexpected costs, external factors such as weather and so forth.

4.3.3. Earning

The list of earning can be described in a listed variable in Table 4.9 below. This data is a result after observation and little research of comparison between competitors. The competitors are referred to Bulak market, Klender market, and current market place in the flyover area. This is the minimum expectation that settled already. Then, the list below is based on pessimistic assumption.

Table 4.9 Earning and target in pessimistic condition

Variable	Price (IDR)	Target < 6 months	Target > 6 months
Rent Stall/year	3.000.000	200 stalls	full (350 stals)
Rent kiosk/year	7.000.000	50 kiosks	full (97kiosk)
Parking	2.000	200 motorcycle/day	200 motorcyle/day
Toilet	2.000	200 people/day	200 people/day
Canteen food	10.000-25.000	15.000.000/month	15.000.000/month
Cleanliness fee	10.000	2.500.000/day	4.470.000/day

(Source: Company data)

Stalls rental in the Bulak market ranged between 5 million / year with an area of about 1mx1m. However, here the benchmark price is below the average competitive market price.

The range of kiosk rental prices in the Jaya market is valued varied with prices ranged from 7 million/year, some of them are valued over 10 million/year. While at Bulak market, kiosks worth more than 15 million/year.

The provided parking area is 200 square meters, in the area around the clamp flyover, it is very difficult to find parking area so this study believes that there will be

many customers who park their vehicles in this market. Besides, people prefer to use two-wheeled vehicles to go shopping in the market.

The toilet in this study is set for minimum of 200 customers every day. The market is a crowded place and surely many sellers and buyers gather there. In the surrounding area it is very difficult to find toilets, even some of mosques around do not provide toilets. So that the target number can still be achieved even more.

Canteen for food is initiated because of the construction consists of 3 towers flats (*Rusun*) which are predicted could bring 1.400 potential new customers. This flat is only 5 meters away from the market location that will be built. This study considers that the consumptive behavior of Jakarta residents tends to like fast food.

Cleaning costs are usually similar to one another, the cost of cleaning at the Klender flyover is valued 10.000/day while in the Bulak market is around 11,000/day, and in the Jaya market is around 10.000/day.

Then, the pessimistic condition will be compared with the optimistic one. This data is already a result after doing observation and little research of comparison among competitors, the competitors refer to Bulak market, Klender market and current market place in the flyover area. The optimistic expectation that settled in the list below is based on optimistic assumption, as shown in the table 4.10.

Table 4.10. Earning and target in optimistic condition

Variable	Price (IDR)	Target < 6 months	Target > 6 months
Rent Stall/year	5.000.000	200 stalls	full (350 stals)
Rent kiosk/year	10.000.000	50 kiosks	full (97kiosk)
Parking	2.000	500 motorcycle/day	500 motorcyle/day
Toilet	2.000	400 people/day	400 people/day
Canteen food	10.000-25.000	84.000.000/month	84.000.000/month
Cleanliness fee	10.000	2.500.000/day	4.470.000/day

(Source: Company data)

Stalls rental in the Bulak market ranges between 5 million / year with an area of about 1mx1m. while in the Jaya Klender markers the prices ranges from 7 million per

unit place. However, here the benchmark price is made the same as the price in the Bulak market.

The range of kiosk rental prices in the Jaya market is valued varied with prices ranging starts from 7 million/year and even many are valued over 10 million/year, 15 million/year or even 20 million/year. While, at Bulak market kiosks worth more than 15 million/year. In optimistic condition, this research gives price at 10 million/year.

The provided parking area is 200 square meters, in the area around the clamp flyover, it is very difficult to find parking areas. This study believes that there will be many customers who park their vehicles in this market. Besides, people prefer to use two-wheeled motorized vehicles to go shopping in the market. This research concludes there are 500 motorcycle/day since it opens 24 hours non-stop. While in the Bulak Market and Jaya Klender market 1.000 motorcycle park every day for each. Therefore they should provide larger parking area.

The toilet in this study sets a minimum of 400 customers every day. The market is a crowded place and surely many sellers and buyers gather there. In the surrounding area it is very difficult to find toilets even in mosques around them and some do not provide toilets. So that the target number can still be achieved.

Canteen food is initiated because of the construction of 3 towers flats (*Rusun*) which are predicted to bring 1,400 potential new customers. This flat is only 5 meters from the market location that will be built. This study considers that the consumptive behavior of Jakarta residents tends to like fast food. Optimistic assumption in this research is if this canteen can take and fulfil 20% of market from tower flat (*Rusun*) and the nett income is assumed as 10.000/person, then the calculation could be yielded as follows $\{(20\% \cdot 1.400) \cdot 10.000 \cdot 30 \text{ days}\}$ or equal to IDR 84.000.000/months.

Optimistically, we made the price same from one to another, the cost of cleaning at the Klender flyover is valued at 10.000/day while in the Bulak market it is around 11.000/day and in the Jaya market is around 10.000/day.

4.3.4. Cash Flow

Cash flow can provide information on the amount of cash needed to start a business, investment planning, and ensure cash suitability for cash availability against future expenditures.

Table 4.11 Cash flow projection on the first year pessimistic

Description	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	BEP		Month 9	Month 10	Month 11	Month 12
								Month 8					
Initial Balance:	4.000.000.000	1.858.339.500	1.881.619.500	1.904.899.500	1.928.179.500	1.951.459.500	1.974.739.500	2.836.119.500	2.918.499.500	3.000.609.500	3.082.719.500	3.164.829.500	
Assumption:													
Rent stall	600.000.000	-	-	-	-	-	450.000.000	-	-	-	-	-	
Rent kiosks	350.000.000	-	-	-	-	-	329.000.000	-	-	-	-	-	
Parking	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	
Toilet	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	
Canteen	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	
Cleanliness fee	75.000.000	75.000.000	75.000.000	75.000.000	75.000.000	75.000.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	
Sub Total	1.064.000.000	114.000.000	114.000.000	114.000.000	114.000.000	114.000.000	952.100.000	173.100.000	173.100.000	173.100.000	173.100.000	173.100.000	
Total earning	5.064.000.000	1.972.339.500	1.995.619.500	2.018.899.500	2.042.179.500	2.065.459.500	2.926.839.500	3.009.219.500	3.091.599.500	3.173.709.500	3.255.819.500	3.337.929.500	
Operational Cost													
Establishment cost	3.093.340.500	-	-	-	-	-	-	-	-	-	-	-	
Electricity	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	
Phone	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	
Janitor	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	
Parking attendants	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	
Security	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	
Employee	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	
Mop	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	
Broom	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	
Domestos	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	
Waste disposal	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	
Drinking water	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	
Gas	270.000	270.000	270.000	270.000	270.000	270.000	270.000	270.000	540.000	540.000	540.000	540.000	
Cooking utilities	21.600.000	-	-	-	-	-	-	-	-	-	-	-	
Raw ingredient	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	
THR	-	-	-	-	-	-	-	-	-	-	-	10.000.000	
Tax	-	-	-	-	-	-	-	-	-	-	-	26.244.800	
Entertainment	10.000.000	10.000.000	10.000.000	10.000.000	10.000.000	10.000.000	10.000.000	10.000.000	10.000.000	10.000.000	10.000.000	20.000.000	
Sub Total	3.205.660.500	90.720.000	90.720.000	90.720.000	90.720.000	90.720.000	90.720.000	90.720.000	90.990.000	90.990.000	90.990.000	137.234.800	
Non Operational cost													
Training	-	-	-	-	-	-	-	-	-	-	-	-	
Sub Total	-	-	-	-	-	-	-	-	-	-	-	-	
Total cost	3.205.660.500	90.720.000	90.720.000	90.720.000	90.720.000	90.720.000	90.720.000	90.720.000	90.990.000	90.990.000	90.990.000	137.234.800	
Loss/profit company	1.858.339.500	1.881.619.500	1.904.899.500	1.928.179.500	1.951.459.500	1.974.739.500	2.836.119.500	2.918.499.500	3.000.609.500	3.082.719.500	3.164.829.500	3.200.694.700	

Table 4.12 Cash flow projection on the second year pessimistic

Description	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24
Initial Balance:	3.200.694.700	4.221.074.700	4.293.454.700	4.365.834.700	4.438.214.700	4.510.594.700	4.582.974.700	5.434.354.700	5.506.734.700	5.578.844.700	5.650.954.700	5.723.064.700
Assumption:												
Rent stall	600.000.000	-	-	-	-	-	450.000.000	-	-	-	-	-
Rent kiosks	350.000.000	-	-	-	-	-	329.000.000	-	-	-	-	-
Parking	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000
Toilet	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000
Canteen	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000
Cleanliness fee	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000
Sub Total	1.123.100.000	173.100.000	173.100.000	173.100.000	173.100.000	173.100.000	952.100.000	173.100.000	173.100.000	173.100.000	173.100.000	173.100.000
Total earning	4.323.794.700	4.394.174.700	4.466.554.700	4.538.934.700	4.611.314.700	4.683.694.700	5.535.074.700	5.607.454.700	5.679.834.700	5.751.944.700	5.824.054.700	5.896.164.700
Operational Cost												
Establishment cost		-	-	-	-	-	-	-	-	-	-	-
Electricity	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000
Phone	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000
Janitor	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000
Parking attendants	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000
Security	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000
Employee	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000
Mop	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Broom	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Domestos	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Waste disposal	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000
Drinking water	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000
Gas	270.000	270.000	270.000	270.000	270.000	270.000	270.000	270.000	540.000	540.000	540.000	540.000
Cooking utilities	2.000.000	-	-	-	-	-	-	-	-	-	-	-
Raw ingredient	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000
THR	-	-	-	-	-	-	-	-	-	-	-	10.000.000
Tax	-	-	-	-	-	-	-	-	-	-	-	26.244.800
Entertainment	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000
Sub Total	102.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.990.000	100.990.000	100.990.000	137.234.800
Non Operational cost												
Training	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-	-	-	-
Total cost	102.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.990.000	100.990.000	100.990.000	137.234.800
Loss/profit company	4.221.074.700	4.293.454.700	4.365.834.700	4.438.214.700	4.510.594.700	4.582.974.700	5.434.354.700	5.506.734.700	5.578.844.700	5.650.954.700	5.723.064.700	5.758.929.900

Table 4.13 Cash flow projection on the third year pessimistic

Description	Month 25	Month 26	Month 27	Month 28	Month 29	Month 30	Month 31	Month 32	Month 33	Month 34	Month 35	Month 36
Initial Balance :	5.758.929.900	6.779.309.900	6.851.689.900	6.924.069.900	6.996.449.900	7.068.829.900	7.141.209.900	7.992.589.900	8.064.969.900	8.137.079.900	8.209.189.900	8.281.299.900
Assumption:												
Rent stall	600.000.000	-	-	-	-	-	450.000.000	-	-	-	-	-
Rent kiosks	350.000.000	-	-	-	-	-	329.000.000	-	-	-	-	-
Parking	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000
Toilet	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000
Canteen	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000
Cleanliness fee	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000
Sub Total	1.123.100.000	173.100.000	173.100.000	173.100.000	173.100.000	173.100.000	952.100.000	173.100.000	173.100.000	173.100.000	173.100.000	173.100.000
Total earning	6.882.029.900	6.952.409.900	7.024.789.900	7.097.169.900	7.169.549.900	7.241.929.900	8.093.309.900	8.165.689.900	8.238.069.900	8.310.179.900	8.382.289.900	8.454.399.900
Operational Cost												
Establishment cost		-	-	-	-	-	-	-	-	-	-	-
Electricity	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000
Phone	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000
Janitor	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000
Parking attendants	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000
Security	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000
Employee	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000
Mop	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Broom	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Domestos	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Waste disposal	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000
Drinking water	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000
Gas	270.000	270.000	270.000	270.000	270.000	270.000	270.000	270.000	540.000	540.000	540.000	540.000
Cooking utilities	2.000.000	-	-	-	-	-	-	-	-	-	-	-
Raw ingredient	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000
THR	-	-	-	-	-	-	-	-	-	-	-	10.000.000
Tax	-	-	-	-	-	-	-	-	-	-	-	26.244.800
Entertainment	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000
Sub Total	102.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.990.000	100.990.000	100.990.000	137.234.800
Non Operational cost												
Training	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-	-	-	-
Total cost	102.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.990.000	100.990.000	100.990.000	137.234.800
Loss/profit company	6.779.309.900	6.851.689.900	6.924.069.900	6.996.449.900	7.068.829.900	7.141.209.900	7.992.589.900	8.064.969.900	8.137.079.900	8.209.189.900	8.281.299.900	8.317.165.100

Table 4.14 Cash flow projection on the forth year pessimistic

Description	Month 37	Month 38	Month 39	Month 40	Month 41	Month 42	Month 43	Month 44	Month 45	Month 46	Month 47	Month 48
Initial Balance:	8,317,165.100	9,337,545.100	9,409,925.100	9,482,305.100	9,554,685.100	9,627,065.100	9,699,445.100	10,550,825.100	10,623,205.100	10,695,315.100	10,767,425.100	10,839,535.100
Assumption:												
Rent stall	600,000.000	-	-	-	-	-	450,000.000	-	-	-	-	-
Rent kiosks	350,000.000	-	-	-	-	-	329,000.000	-	-	-	-	-
Parking	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000
Toilet	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000
Canteen	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000
Cleanliness fee	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000
Sub Total	1,123,100.000	173,100.000	173,100.000	173,100.000	173,100.000	173,100.000	952,100.000	173,100.000	173,100.000	173,100.000	173,100.000	173,100.000
Total earning	9,440,265.100	9,510,645.100	9,583,025.100	9,655,405.100	9,727,785.100	9,800,165.100	10,651,545.100	10,723,925.100	10,796,305.100	10,868,415.100	10,940,525.100	11,012,635.100
Operational Cost												
Establishment cost		-	-	-	-	-	-	-	-	-	-	-
Electricity	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000
Phone	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000
Janitor	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000
Parking attendants	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000
Security	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000
Employee	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000
Mop	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Broom	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Domestos	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Waste disposal	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000
Drinking water	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000
Gas	270.000	270.000	270.000	270.000	270.000	270.000	270.000	270.000	540.000	540.000	540.000	540.000
Cooking utilities	2,000.000	-	-	-	-	-	-	-	-	-	-	-
Raw ingredient	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000	15,000.000
THR	-	-	-	-	-	-	-	-	-	-	-	10,000.000
Tax	-	-	-	-	-	-	-	-	-	-	-	26,244.800
Entertainment	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000
Sub Total	102,720.000	100,720.000	100,720.000	100,720.000	100,720.000	100,720.000	100,720.000	100,720.000	100,990.000	100,990.000	100,990.000	137,234.800
Non Operational cost												
Training	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-	-	-	-
Total cost	102,720.000	100,720.000	100,720.000	100,720.000	100,720.000	100,720.000	100,720.000	100,720.000	100,990.000	100,990.000	100,990.000	137,234.800
Loss/profit company	9,337,545.100	9,409,925.100	9,482,305.100	9,554,685.100	9,627,065.100	9,699,445.100	10,550,825.100	10,623,205.100	10,695,315.100	10,767,425.100	10,839,535.100	10,875,400.300

Table 4.15 Cash flow projection on the fifth year pessimistic

Description	Month 49	Month 50	Month 51	Month 52	Month 53	Month 54	Month 55	Month 56	Month 57	Month 58	Month 59	Month 60
Initial Balance:	10.875.400.300	11.895.780.300	11.968.160.300	12.040.540.300	12.112.920.300	12.185.300.300	12.257.680.300	13.109.060.300	13.181.440.300	13.253.550.300	13.325.660.300	13.397.770.300
Assumption:												
Rent stall	600.000.000	-	-	-	-	-	450.000.000	-	-	-	-	-
Rent kiosks	350.000.000	-	-	-	-	-	329.000.000	-	-	-	-	-
Parking	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000
Toilet	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000
Canteen	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000
Cleanliness fee	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000
Sub Total	1.123.100.000	173.100.000	173.100.000	173.100.000	173.100.000	173.100.000	952.100.000	173.100.000	173.100.000	173.100.000	173.100.000	173.100.000
Total earning	11.998.500.300	12.068.880.300	12.141.260.300	12.213.640.300	12.286.020.300	12.358.400.300	13.209.780.300	13.282.160.300	13.354.540.300	13.426.650.300	13.498.760.300	13.570.870.300
Operational Cost												
Establishment cost		-	-	-	-	-	-	-	-	-	-	-
Electricity	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000
Phone	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000
Janitor	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000
Parking attendants	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000
Security	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000
Employee	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000
Mop	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Broom	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Domestos	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Waste disposal	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000
Drinking water	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000
Gas	270.000	270.000	270.000	270.000	270.000	270.000	270.000	270.000	540.000	540.000	540.000	540.000
Cooking utilities	2.000.000	-	-	-	-	-	-	-	-	-	-	-
Raw ingredient	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000	15.000.000
THR	-	-	-	-	-	-	-	-	-	-	-	10.000.000
Tax	-	-	-	-	-	-	-	-	-	-	-	26.244.800
Entertainment	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000
Sub Total	102.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.990.000	100.990.000	100.990.000	137.234.800
Non Operational cost												
Training	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-	-	-	-
Total cost	102.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.720.000	100.990.000	100.990.000	100.990.000	137.234.800
Loss/profit company	11.895.780.300	11.968.160.300	12.040.540.300	12.112.920.300	12.185.300.300	12.257.680.300	13.109.060.300	13.181.440.300	13.253.550.300	13.325.660.300	13.397.770.300	13.433.635.500

Table 4.16 Cash flow projection on the first year Optimistic

Description	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	BEP	Month 9	Month 10	Month 11	Month 12
								Month 8				
Initial Balance:	4,000,000.000	2,445,339.500	2,505,619.500	2,565,899.500	2,626,179.500	2,686,459.500	2,746,739.500	4,086,119.500	4,205,499.500	4,324,609.500	4,443,719.500	4,562,829.500
Assumption:												
Rent stall	1,000,000.000	-	-	-	-	-	750,000.000	-	-	-	-	-
Rent kiosks	500,000.000	-	-	-	-	-	470,000.000					
Parking	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000
Toilet	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000
Canteen	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000
Cleanliness fee	75,000.000	75,000.000	75,000.000	75,000.000	75,000.000	75,000.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000
Sub Total	1,713,000.000	213,000.000	213,000.000	213,000.000	213,000.000	213,000.000	1,492,100.000	272,100.000	272,100.000	272,100.000	272,100.000	272,100.000
Total earning	5,713,000.000	2,658,339.500	2,718,619.500	2,778,899.500	2,839,179.500	2,899,459.500	4,238,839.500	4,358,219.500	4,477,599.500	4,596,709.500	4,715,819.500	4,834,929.500
Operational Cost												
Establishment cost	3,093,340.500	-	-	-	-	-	-	-	-	-	-	-
Electricity	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000
Phone	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000
Janitor	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000
Parking attendants	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000
Security	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000
Employee	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000
Mop	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Broom	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Domestos	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Waste disposal	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000
Drinking water	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000
Gas	270.000	270.000	270.000	270.000	270.000	270.000	270.000	270.000	540.000	540.000	540.000	540.000
Cooking utilities	21,600.000	-	-	-	-	-	-	-	-	-	-	-
Raw ingredient	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000
THR	-	-	-	-	-	-	-	-	-	-	-	10,000.000
Tax	-	-	-	-	-	-	-	-	-	-	-	47,822.400
Entertainment	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000	10,000.000	20,000.000
Sub Total	3,267,660.500	152,720.000	152,720.000	152,720.000	152,720.000	152,720.000	152,720.000	152,720.000	152,990.000	152,990.000	152,990.000	220,812.400

Table 4.17 Cash flow projection on the second year Optimistic

Description	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24
Initial Balance:	4,614,117.100	6,218,497.100	6,327,877.100	6,437,257.100	6,546,637.100	6,656,017.100	6,765,397.100	8,094,777.100	8,204,157.100	8,313,267.100	8,422,377.100	8,531,487.100
Assumption:												
Rent stall	1,000,000.000	-	-	-	-	-	750,000.000	-	-	-	-	-
Rent kiosks	500,000.000	-	-	-	-	-	470,000.000					
Parking	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000
Toilet	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000
Canteen	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000
Cleanliness fee	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000
Sub Total	1,772,100.000	272,100.000	272,100.000	272,100.000	272,100.000	272,100.000	1,492,100.000	272,100.000	272,100.000	272,100.000	272,100.000	272,100.000
Total earning	6,386,217.100	6,490,597.100	6,599,977.100	6,709,357.100	6,818,737.100	6,928,117.100	8,257,497.100	8,366,877.100	8,476,257.100	8,585,367.100	8,694,477.100	8,803,587.100
Operational Cost												
Establishment cost		-	-	-	-	-	-	-	-	-	-	-
Electricity	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000
Phone	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000
Janitor	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000
Parking attendants	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000
Security	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000
Employee	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000
Mop	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Broom	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Domestos	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Waste disposal	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000
Drinking water	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000
Gas	270.000	270.000	270.000	270.000	270.000	270.000	270.000	270.000	540.000	540.000	540.000	540.000
Cooking utilities	5,000.000	-	-	-	-	-	-	-	-	-	-	-
Raw ingredient	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000
THR	-	-	-	-	-	-	-	-	-	-	-	10,000.000
Tax	-	-	-	-	-	-	-	-	-	-	-	47,822.400
Entertainment	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000
Sub Total	167,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,990.000	162,990.000	162,990.000	220,812.400
Non Operational cost												
Training	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-	-	-	-
Total cost	167,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,990.000	162,990.000	162,990.000	220,812.400
Loss/profit company	6,218,497.100	6,327,877.100	6,437,257.100	6,546,637.100	6,656,017.100	6,765,397.100	8,094,777.100	8,204,157.100	8,313,267.100	8,422,377.100	8,531,487.100	8,582,774.700

Table 4.18 Cash flow projection on the third year Optimistic

Description	Month 25	Month 26	Month 27	Month 28	Month 29	Month 30	Month 31	Month 32	Month 33	Month 34	Month 35	Month 36
Initial Balance :	8.582.774.700	10.187.154.700	10.296.534.700	10.405.914.700	10.515.294.700	10.624.674.700	10.734.054.700	12.063.434.700	12.172.814.700	12.281.924.700	12.391.034.700	12.500.144.700
Assumption:												
Rent stall	1.000.000.000	-	-	-	-	-	750.000.000	-	-	-	-	-
Rent kiosks	500.000.000	-	-	-	-	-	470.000.000	-	-	-	-	-
Parking	30.000.000	30.000.000	30.000.000	30.000.000	30.000.000	30.000.000	30.000.000	30.000.000	30.000.000	30.000.000	30.000.000	30.000.000
Toilet	24.000.000	24.000.000	24.000.000	24.000.000	24.000.000	24.000.000	24.000.000	24.000.000	24.000.000	24.000.000	24.000.000	24.000.000
Canteen	84.000.000	84.000.000	84.000.000	84.000.000	84.000.000	84.000.000	84.000.000	84.000.000	84.000.000	84.000.000	84.000.000	84.000.000
Cleanliness fee	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000	134.100.000
Sub Total	1.772.100.000	272.100.000	272.100.000	272.100.000	272.100.000	272.100.000	1.492.100.000	272.100.000	272.100.000	272.100.000	272.100.000	272.100.000
Total earning	10.354.874.700	10.459.254.700	10.568.634.700	10.678.014.700	10.787.394.700	10.896.774.700	12.226.154.700	12.335.534.700	12.444.914.700	12.554.024.700	12.663.134.700	12.772.244.700
Operational Cost												
Establishment cost		-	-	-	-	-	-	-	-	-	-	-
Electricity	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000	8.400.000
Phone	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000
Janitor	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000	7.000.000
Parking attendants	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000	14.000.000
Security	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000
Employee	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000	12.000.000
Mop	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Broom	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Domestos	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Waste disposal	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000	6.000.000
Drinking water	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000
Gas	270.000	270.000	270.000	270.000	270.000	270.000	270.000	270.000	540.000	540.000	540.000	540.000
Cooking utilities	5.000.000	-	-	-	-	-	-	-	-	-	-	-
Raw ingredient	77.000.000	77.000.000	77.000.000	77.000.000	77.000.000	77.000.000	77.000.000	77.000.000	77.000.000	77.000.000	77.000.000	77.000.000
THR	-	-	-	-	-	-	-	-	-	-	-	10.000.000
Tax	-	-	-	-	-	-	-	-	-	-	-	47.822.400
Entertainment	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000	20.000.000
Sub Total	167.720.000	162.720.000	162.720.000	162.720.000	162.720.000	162.720.000	162.720.000	162.720.000	162.990.000	162.990.000	162.990.000	220.812.400
Non Operational cost												
Training	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-	-	-	-
Total cost	167.720.000	162.720.000	162.720.000	162.720.000	162.720.000	162.720.000	162.720.000	162.720.000	162.990.000	162.990.000	162.990.000	220.812.400
Loss/profit company	10.187.154.700	10.296.534.700	10.405.914.700	10.515.294.700	10.624.674.700	10.734.054.700	12.063.434.700	12.172.814.700	12.281.924.700	12.391.034.700	12.500.144.700	12.551.432.300

Table 4.19 Cash flow projection on the forth year Optimistic

Description	Month 37	Month 38	Month 39	Month 40	Month 41	Month 42	Month 43	Month 44	Month 45	Month 46	Month 47	Month 48
Initial Balance :	12,551,432.300	14,155,812.300	14,265,192.300	14,374,572.300	14,483,952.300	14,593,332.300	14,702,712.300	16,032,092.300	16,141,472.300	16,250,582.300	16,359,692.300	16,468,802.300
Assumption:												
Rent stall	1,000,000.000	-	-	-	-	-	750,000.000	-	-	-	-	-
Rent kiosks	500,000.000	-	-	-	-	-	470,000.000	-	-	-	-	-
Parking	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000
Toilet	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000
Canteen	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000
Cleanliness fee	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000
Sub Total	1,772,100.000	272,100.000	272,100.000	272,100.000	272,100.000	272,100.000	1,492,100.000	272,100.000	272,100.000	272,100.000	272,100.000	272,100.000
Total earning	14,323,532.300	14,427,912.300	14,537,292.300	14,646,672.300	14,756,052.300	14,865,432.300	16,194,812.300	16,304,192.300	16,413,572.300	16,522,682.300	16,631,792.300	16,740,902.300
Operational Cost												
Establishment cost		-	-	-	-	-	-	-	-	-	-	-
Electricity	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000
Phone	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000
Janitor	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000
Parking attendants	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000
Security	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000
Employee	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000
Mop	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Broom	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Domestos	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Waste disposal	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000
Drinking water	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000
Gas	270.000	270.000	270.000	270.000	270.000	270.000	270.000	270.000	540.000	540.000	540.000	540.000
Cooking utilities	5,000.000	-	-	-	-	-	-	-	-	-	-	-
Raw ingredient	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000
THR	-	-	-	-	-	-	-	-	-	-	-	10,000.000
Tax	-	-	-	-	-	-	-	-	-	-	-	47,822.400
Entertainment	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000
Sub Total	167,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,990.000	162,990.000	162,990.000	220,812.400
Non Operational cost												
Training	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-	-	-	-
Total cost	167,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,990.000	162,990.000	162,990.000	220,812.400
Loss/profit company	14,155,812.300	14,265,192.300	14,374,572.300	14,483,952.300	14,593,332.300	14,702,712.300	16,032,092.300	16,141,472.300	16,250,582.300	16,359,692.300	16,468,802.300	16,520,089.900

Table 4.20 Cash flow projection on the fifth year Optimistic

Description	Month 49	Month 50	Month 51	Month 52	Month 53	Month 54	Month 55	Month 56	Month 57	Month 58	Month 59	Month 60
Initial Balance :	16,520,089.900	18,124,469.900	18,233,849.900	18,343,229.900	18,452,609.900	18,561,989.900	18,671,369.900	20,000,749.900	20,110,129.900	20,219,239.900	20,328,349.900	20,437,459.900
Assumption:												
Rent stall	1,000,000.000	-	-	-	-	-	750,000.000	-	-	-	-	-
Rent kiosks	500,000.000	-	-	-	-	-	470,000.000	-	-	-	-	-
Parking	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000	30,000.000
Toilet	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000	24,000.000
Canteen	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000	84,000.000
Cleanliness fee	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000	134,100.000
Sub Total	1,772,100.000	272,100.000	272,100.000	272,100.000	272,100.000	272,100.000	1,492,100.000	272,100.000	272,100.000	272,100.000	272,100.000	272,100.000
Total earning	18,292,189.900	18,396,569.900	18,505,949.900	18,615,329.900	18,724,709.900	18,834,089.900	20,163,469.900	20,272,849.900	20,382,229.900	20,491,339.900	20,600,449.900	20,709,559.900
Operational Cost												
Establishment cost		-	-	-	-	-	-	-	-	-	-	-
Electricity	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000	8,400.000
Phone	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000	5,000.000
Janitor	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000	7,000.000
Parking attendants	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000	14,000.000
Security	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000
Employee	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000	12,000.000
Mop	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Broom	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Domestos	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000	300.000
Waste disposal	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000	6,000.000
Drinking water	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000	150.000
Gas	270.000	270.000	270.000	270.000	270.000	270.000	270.000	270.000	540.000	540.000	540.000	540.000
Cooking utilities	5,000.000	-	-	-	-	-	-	-	-	-	-	-
Raw ingredient	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000	77,000.000
THR	-	-	-	-	-	-	-	-	-	-	-	10,000.000
Tax	-	-	-	-	-	-	-	-	-	-	-	47,822.400
Entertainment	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000	20,000.000
Sub Total	167,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,990.000	162,990.000	162,990.000	220,812.400
Non Operational cost												
Training	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-	-	-	-
Total cost	167,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,720.000	162,990.000	162,990.000	162,990.000	220,812.400
Loss/profit company	18,124,469.900	18,233,849.900	18,343,229.900	18,452,609.900	18,561,989.900	18,671,369.900	20,000,749.900	20,110,129.900	20,219,239.900	20,328,349.900	20,437,459.900	20,488,747.500

4.3.5. Pay Back Period

The BEP value for this project is defined as the return on investment. For personal investment, it is assessed as 18.4 months for pessimistic and 0.84 month for optimistic. This value indicates that the investment return period of this project is relatively short as seen from the project analysis period, ie 5 years. Net cash flow for pessimistic condition presented in the table 4.21.

Table 4.21 Net cash flow pessimistic

Year	Cash flow	Cashflow cummulative
0	-IDR 4.250.905.300	-IDR 4.250.905.300
1	IDR 2.558.235.200	-IDR 1.692.670.100
2	IDR 2.558.235.200	IDR 865.565.100
3	IDR 2.558.235.200	IDR 3.423.800.300
4	IDR 2.558.235.200	IDR 5.982.035.500
5	IDR 2.558.235.200	IDR 8.540.270.700

Payback period is:

$$\begin{aligned}
 \text{Payback Period} &= \text{Initial Investment/average cashflow} \\
 &= 4.000.000.000/2.558.235.200 \\
 &= 1.56 \times 1 \text{ year} \\
 &= 18.8 \text{ months}
 \end{aligned}$$

Table 4.22 Net cash flow optimistic

Year	Cash flow	Cashflow cummulative
0	-IDR 5.016.482.900	-IDR 5.016.482.900
1	IDR 3.968.657.600	-IDR 1.047.825.300
2	IDR 3.968.657.600	IDR 2.920.832.300
3	IDR 3.968.657.600	IDR 6.889.489.900
4	IDR 3.968.657.600	IDR 10.858.147.500
5	IDR 3.968.657.600	IDR 14.826.805.100

Payback period is:

$$\begin{aligned}
 \text{Payback Period} &= \text{Initial Investment/average cashflow} \\
 &= 4.000.000.000/3.968.657.600 \\
 &= 1.0079 \times 1 \text{ year} \\
 &= 12.09 \text{ months}
 \end{aligned}$$

4.3.6. NPV

NPV is the net project symbol of today, in the year of project development. NPV is obtained by discounting the difference between the amount of cash that comes with the amount of cash that comes out each year with a predetermined interest rate. The interest rate here is 15% (Ibrahim, 2003). Thus, the NPV can be presented in the Table 4.23.

Table 4.23. NPV pessimistic

Year	Cash flow	Calculation	Discount Factor @15%	Discounted Cashflow
0	-IDR 4.250.905.300	-IDR 4.250.905.300		-IDR 4.250.905.300
1	IDR 2.558.235.200	IDR 2.558.235.200/(1+0.15) ¹	1,15	IDR 2.224.552.347,83
2	IDR 2.558.235.200	IDR 2.558.235.200/(1+0.15) ²	1,3225	IDR 1.934.393.345,94
3	IDR 2.558.235.200	IDR 2.558.235.200/(1+0.15) ³	1,520875	IDR 1.682.081.170,38
4	IDR 2.558.235.200	IDR 2.558.235.200/(1+0.15) ⁴	1,74900625	IDR 1.462.679.278,59
5	IDR 2.558.235.200	IDR 2.558.235.200/(1+0.15) ⁵	2,011357188	IDR 1.271.895.024,86
		NPV		IDR 4.324.695.867,59

Table 4.24. NPV optimistic

Year	Cash flow	Calculation	Discount Factor @15%	Discounted Cashflow
0	-IDR 5.016.482.900	-IDR 5.016.482.900		-IDR 5.016.482.900
1	IDR 3.968.657.600	IDR 3.968.657.600/(1+0.15) ¹	1,15	IDR 3.932.717.147,83
2	IDR 3.968.657.600	IDR 3.968.657.600/(1+0.15) ²	1,3225	IDR 3.419.754.041,59
3	IDR 3.968.657.600	IDR 3.968.657.600/(1+0.15) ³	1,520875	IDR 2.973.699.166,60
4	IDR 3.968.657.600	IDR 3.968.657.600/(1+0.15) ⁴	1,74900625	IDR 2.585.825.362,26
5	IDR 3.968.657.600	IDR 3.968.657.600/(1+0.15) ⁵	2,011357188	IDR 2.248.543.793,27
		NPV		IDR 10.144.056.611,54

4.4. Sensitivity Analysis

Project feasibility study was made based on a number of assumptions, this caused by many uncertainties about the situation and future conditions. Sensitivity analysis is

aimed to find out the basic parameters estimated to discover the significant influences to investment feasibility. In this case, it will be discussed the effect of the decreased purchasing power on business feasibility.

Asmiati Malik conducted research and was published in a coil print media March 14, 2018. All respondents thought that almost all prices of goods and services increased. 48.2% of community perception and small-medium retailers, found through surveys (200 respondents) on 8-29 October, 2017.

Respondents said that the price of goods was 5-10% more expensive, and 31.1% of the total respondents considered 11-15% more expensive. 14.5% of respondents thought the price of goods to be more expensive by 16-25%, and only 6.2% thought doubled in the period of 3 years.

Of the 58.5% of the total respondents blame inflation and the depreciation of the rupiah exchange rate in several years as the main cause of the decline in purchasing power. 24% thought that the uncertain price of gasoline (BBM) and following market prices caused the prices of goods and services to change. But this is not followed by an increase in their income

Although 73.2% of respondents said there was an increase in their income since 2014 until now. But 66.4% of them only experienced an increase between 1-10%, 17% who had an increase in income above 15%, and 16.6% of their income increased above 16%. While 26.8% confirmed that their income had not increased at all.

The Central Statistics Agency (BPS) noted that Indonesia's purchasing power slowed in the third quarter of 2017. This is reflected in the level of household consumption in the third quarter of 2017 fell to 4.93 percent compared to the first quarter of 2017 which reached 4.95 percent.

We cannot detect the percentage of kiosks that are closed due to the decline in purchasing power, but we can assume that there is a decline in purchasing power of around 5% in 2017. This figure is then used to analyze sensitivity to the possibility of

cash flow income, payback period, and NPV. Cash flow after sensitivity presented on the Table 4.17.

Table 4.25. Cash flow pessimistic

Sensitivity	Cash Flow	Cash Flow Cummulative
-IDR 4.250.905.300,00	-IDR 4.250.905.300,00	-IDR 4.250.905.300,00
IDR 127.911.760,00	IDR 2.430.323.440,00	-IDR 1.820.581.860,00
IDR 127.911.760,00	IDR 2.430.323.440,00	IDR 609.741.580,00
IDR 127.911.760,00	IDR 2.430.323.440,00	IDR 3.040.065.020,00
IDR 127.911.760,00	IDR 2.430.323.440,00	IDR 5.470.388.460,00
IDR 127.911.760,00	IDR 2.430.323.440,00	IDR 7.900.711.900,00

Thus payback period is:

$$\begin{aligned}
 \text{Payback Period} &= \text{Initial Investment/average cashflow} \\
 &= 4.000.000.000/2.430.323.440 \\
 &= 1.65 \times 1 \text{ year} \\
 &= 19.75 \text{ months}
 \end{aligned}$$

Table 4.26. Cash flow optimistic

Sensitivity	Cash Flow	Cash Flow Cummulative
-IDR 5.016.482.900,00	-IDR 5.016.482.900,00	-IDR 5.016.482.900,00
IDR 198.432.880,00	IDR 3.770.224.720,00	-IDR 1.246.258.180,00
IDR 198.432.880,00	IDR 3.770.224.720,00	IDR 2.523.966.540,00
IDR 198.432.880,00	IDR 3.770.224.720,00	IDR 6.294.191.260,00
IDR 198.432.880,00	IDR 3.770.224.720,00	IDR 10.064.415.980,00
IDR 198.432.880,00	IDR 3.770.224.720,00	IDR 13.834.640.700,00

Thus payback period is:

$$\begin{aligned}
 \text{Payback Period} &= \text{Initial Investment/average cashflow} \\
 &= 4.000.000.000/4.522.624 \\
 &= 1.06 \times 1 \text{ year} \\
 &= 12.73 \text{ months}
 \end{aligned}$$

While NPV after sensitivity presented in the Table 4.27 as follows:

Table 4.27. NPV after sensitivity pessimistic

Year	Cash flow	Calculation	Discount Factor @15%	Discounted Cashflow
0	-IDR 4.250.905.300	-IDR 4.250.905.300		-IDR 4.250.905.300
1	IDR 2.430.323.440	$IDR 2.430.323.440/(1+0.15)^1$	1,15	IDR 2.113.324.730,43
2	IDR 2.430.323.440	$IDR 2.430.323.440/(1+0.15)^2$	1,3225	IDR 1.837.673.678,64
3	IDR 2.430.323.440	$IDR 2.430.323.440/(1+0.15)^3$	1,520875	IDR 1.597.977.111,86
4	IDR 2.430.323.440	$IDR 2.430.323.440/(1+0.15)^4$	1,74900625	IDR 1.389.545.314,66
5	IDR 2.430.323.440	$IDR 2.430.323.440/(1+0.15)^5$	2,011357188	IDR 1.208.300.273,62
		NPV		IDR 3.895.915.809,21

Table 4.28. NPV after sensitivity optimistic

Year	Cash flow	Calculation	Discount Factor @15%	Discounted Cashflow
0	-IDR 5.016.482.900	-IDR 5.016.482.900		-IDR 5.016.482.900
1	IDR 3.770.224.720	$IDR 3.770.224.720/(1+0.15)^1$	1,15	IDR 3.278.456.278,26
2	IDR 3.770.224.720	$IDR 3.770.224.720/(1+0.15)^2$	1,3225	IDR 2.850.831.546,31
3	IDR 3.770.224.720	$IDR 3.770.224.720/(1+0.15)^3$	1,520875	IDR 2.478.983.953,32
4	IDR 3.770.224.720	$IDR 3.770.224.720/(1+0.15)^4$	1,74900625	IDR 2.155.638.220,28
5	IDR 3.770.224.720	$IDR 3.770.224.720/(1+0.15)^5$	2,011357188	IDR 1.874.468.017,63
		NPV		IDR 7.621.895.115,80

CHAPTER V

DISCUSSION

5. Discussion

Business feasibility analysis is a method used as one of the forecasting tools based on existing data and assumptions. The scope of this analysis is actually broad, but it can be taken outline that this analysis cannot be separated from legal (law), economic, technical and financial factors. Many methods can be used to analyze each of the above factors. In this discussion section, the writer will describe these factors related to the research objectives.

At the beginning of this study, a site review was conducted. There was a rough analysis, there was a problem faced by the DKI Jakarta government about the mushrooming around the Klender flyover. Secondly there is a building for the community that is being built and will operate in 2017 which is predicted to bring 1,400 new market potentials. Incidentally, there is land near there that can be used as a business to be built. The idea then emerged and further analysis was carried out, namely business feasibility analysis.

This research begins by analyzing the requirements legally according to the applicable law. According to Law no. 40 of 2007, conditions for establishing Inc. consists of 2 types, namely general conditions and formal requirements. In this phase, at least three things need to be underlined in the development of traditional markets, namely. First, taking into account the socio-economic conditions of the community and the existence of Traditional Markets, Shopping Centers and Modern Stores as well as Small Businesses, including cooperatives, which are in the area concerned; Second, a

parking area of at least as wide as the parking needs of 1 (one) four-wheeled vehicle for every 100 m² (one hundred meters per square) of floor area for traditional markets; and third, providing facilities that guarantee a clean, healthy (hygienic) traditional market, safe, orderly and comfortable public space.

To analyze the market and build the desired traditional market, this study uses a SWOT analysis by considering IFAS and EFAS. Evaluation of internal factors of the company is intended to know the Strength and Weakness of a company. While, the evaluation of the company's external factors is aimed at knowing the Opportunities and Threats of the company. Based on the results of the study, IFAS and EFAS analysis shows that the respective values of strength and weakness are 2.33 and 1.88. The external and internal factors are positive, which means that the environment is faced relatively more likely than the threat, while the strength is relatively superior to the weakness. Therefore, the institution has the ability to achieve better performance achievement. So the direction of the right policy to implement is to improve and enlarge the role of institutions in appropriate activities with the ability to expand as well as participate in taking advantage of opportunities. The direction of the policy is the policy in the growth strategy conditions and the direction of the policy itself can be distinguished by looking at the position of sub quadrant. If in quadrant IA, means growth of the role that can be done quickly (rapid growth), and if in the IB quadrant then the role growth needs to be done gradually according to the priority scale (stable growth strategy). The result of this method shows that the analysis placed on the IB quadrant.

After that, the traditional market design is built based on the results of the location survey, legal aspects, consumer desires, and investor desires. After the design is complete, further analysis and depth of financial aspects are carried out. In business feasibility analysis, financial aspiration can be a determinant of whether a business is feasible or not.

In cash flow analysis, this study uses two approaches, namely the approach when the condition is pessimistic and approaches when conditions are optimistic. In the pessimistic condition, this study uses the minimum price standard and is cheaper compared to similar competing competitors, namely the bulak market and the Klender

market. Whereas in an optimistic market condition, the pegged price is the right price or similar to the market price, although basically this price is still less than the average price.

payback period is a method in determining the time period needed to cover the initial investment of a project by using the cash inflow generated from the project. The advantages of this Pay Back Period method are:

1. Easy to understand
2. Prioritize investments that produce faster cash flow
3. Assume that the longer the return time, the higher the risk
4. It is quite accurate to measure the value of investments compared for several cases and for decision makers.

The disadvantages of the Pay Back Period method are:

1. Ignoring the time value of money (time value of money)
2. Ignoring investment receipts or proceeds after the Pay Back Period is reached.

If using a pessimistic market condition, it can be calculated if the author have an initial capital of IDR 4.000.000.000, with an average net income per year IDR 2.558.235.200 than pay back period will occur within 18.8 months. While the cumulative cash flow at the end of the fifth year is IDR 8.540.270. So it can be concluded that after 5 years we can get a large profit, at least twice as much as the initial capital invested.

If using an optimistic market condition, it can be calculated if the author have an initial capital of IDR 4.000.000.000, with an average net income per year IDR 3.968.657.600 than pay back period will occur within 12.09 months. While the cumulative cash flow at the end of the fifth year is IDR 14.826.805.100. So it can be concluded that after 5 years we can get a very large profit, at least five times as much as the initial capital invested.

The Net Present Value method is to calculate the difference between the present value of investment and the present value of net cash receipts (operational and terminal cash flow) in the future. The advantages of this Net Present Value method:

1. Paying attention to the time value of money (time value of money)
2. Prioritize earlier cash flow
3. Do not ignore cash flow during the project or investment period

The disadvantages of the Net Present Value method are:

1. Requires calculation of Cost of Capital as a Discount Rate
2. More difficult to implement than the Pay Back Period

The NPV analysis aims to calculate the current net value of an investment by using a discount rate and a series of future payments (negative value) and income (positive value). In pessimistic market conditions obtained NPV of IDR 4.324.695.867, while in the optimistic condition he NPV value is IDR 10.144.056.611. The NPV of a project is positive then this project is feasible, this means that the project is expected to increase the value of the company by the positive amount of the NPV calculated from the investment and also that the investment is expected to generate a higher level of profit than the desired profit level.

The project feasibility study was made based on a number of assumptions, this caused by many uncertainties about the situation and future conditions. Therefore, this research adds sensitivity analysis as a tool to reduce the possibility of errors in the analysis. First, with reference sensitivity of 5% or IDR 127.911.760, while the average annual income is IDR 2.430.323.440 in market conditions, cashflow is obtained after the pessimistic sensitivity of the condition is IDR 7.900.711.900 then the pay back period is 19.75 months. Second, with reference sensitivity of 5% or IDR 198.432.880, while the average annual income is IDR 3.770.224.720 in market conditions, cashflow is obtained after the pessimistic sensitivity of the condition is IDR 13.834.640.700 then the pay back period is 12.73 months. So, from here it can be concluded that the project is still good to run even though it has been analyzed with sensitivity.

CHAPTER VI

CONCLUSSION AND SUGGESTION

6. Conclusion and Suggestion

Returning to the purpose of feasibility analysis is to find out whether a business is feasible or not to be run. By using a pessimistic market condition, it can be calculated that there is an initial capital of IDR 4.000.000.000, with an average net income per year IDR 2.558.235.200 then the pay-back period will occur within 18.8 months. While the cumulative cash flow at the end of the fifth year is IDR 8.540.270. So, it can be concluded that after 5 years we can get a large profit, at least twice as much as the initial capital invested. Using an optimistic market condition, it can be calculated if the author have an initial capital of IDR 4.000.000.000, with an average net income per year IDR 3.968.657.600 than pay back period will occur within 12.09 months. While the cumulative cash flow at the end of the fifth year is IDR 14.826.805.100. So, it can be concluded that after 5 years we can get a very large profit, at least five times as much as the initial capital invested. In pessimistic market conditions obtained NPV of IDR 4.324.695.867, while in the optimistic condition he NPV value is IDR 10.144.056.611. The NPV of a project is calculated as positive then this project is considered as feasible, this means that the project is expected to increase the value of the company by the positive amount of the NPV calculated from the investment and also that the investment is expected to generate a higher level of profit than the desired profit level.

The next step that is expected to be carried out is to come to consultants, both planning consultants and development consultants. After that, it is in the process of using legal standing through the legal channels that apply in Indonesia.

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