



BUSINESS FEASIBILITY STUDY OF HEALTHY FOOD RESTAURANT IN BEKASI

Steffani Novenia Wimartanti¹, Sonny²
¹President University, steffani.nov@gmail.com
²President University, sonny@president.ac.id

ABSTRACT:

The increasing of health awareness and the concern of long-term effect from artificial seasoning, healthy food's trend has continuously increased in demand, along with the trend of a healthy lifestyle in recent years. The change in healthy food perception from time to time also helps with the healthy food demand in Indonesia. There are around 52.2% of the population in West Java who has carried out a healthy lifestyle. This research has the main objective to analyze Foresty Cookery's (healthy food restaurant) in Bekasi by using financial feasibility as main analysis and industry feasibility as secondary. The financial use feasibility of investment such as Net Present Value (NPV), Payback Period (PP), and ratio analysis that consists of Return of Asset (ROA), and Return of Investment (ROI). The financial analysis shows Net Present Value is Rp1,489,209,200 (NPV > 0), Payback Period less than 3 years, and the following result of Ratio Analysis for the first year of business, where ROA is 10%, and ROI is 33%. Then for industry feasibility using Porter's Five Forces and SWOT analysis, that resulted in low competitive rivalry, yet high risk of substitution. From both analysis on finance and industry feasibility, the analysis results indicated that the business has a profitable prospect and financially feasible.

Keywords: *feasibility study, business plan, entrepreneurship, healthy food restaurant*

Introduction

A healthy lifestyle supported with healthy food has become an uprising trend in Indonesia and changed people's mindset about healthy food. Indonesian consciousness about health is increasing, along with their awareness about nutritious products. Most Indonesian who lives in the cities are trying to eat healthier and prioritizing healthy as their key focus, whereas around 75% of Indonesian customers aim to have a healthy and balanced diet (Yuniarni, 2017). According to Healthy Living Index 2018, in 2016, around 62% of Indonesian respondents perceive healthy food as expensive food. However, in 2 years, most of the Indonesian respondents did not perceive healthy food as expensive food anymore, where around 73% of total respondents agree that healthy food is cheaper than unhealthy food (AIA, 2018).

The change in perception about healthy food is also shown in Indonesian living allocation. According to the Healthy Living Index by AIA, around 50% of total respondents choose to allocate their spending in healthy food, 33% allocate it to medical treatment and

check-ups, 5% to exercise, and 13% to another living spending, which means, Indonesian customers, prefer to spend their money for healthy food to prevent illness, rather than medical treatment and checkups, exercise, and others (AIA, 2018).

In West Java, West Java Provincial Health Office (Dinas Kesehatan Provinsi Jawa Barat) stated that around 52.2% of the total number of West Java population has carried out or started doing a healthy and clean lifestyle, and 47.8% have not started a healthy lifestyle yet (Ridwan, 2016). There are around 3,918 people in Bekasi with diabetes every month, where most of the Diabetes patients are dominated by people with productive ages (Ardiansyah, 2019). A quite high number of people with diabetes in Bekasi is caused by an unhealthy lifestyle and lack of healthy food consumption, whereas people consume too much carbohydrate and high sugar intake.

The opportunity for opening a healthy food also arises from the low number of healthy food restaurant. Of the total 143 restaurants, only 26 of them are healthy food restaurants. Looking at the opportunity and current situation in the market, this business plan was created using the name *Foresty Cookery* and believes that healthy food will be well received in Bekasi. Thus, to support that, this paper will analyze the feasibility of opening a healthy food restaurant in Bekasi from both financial feasibilities as the main aspect and industry analysis as the secondary aspect.

Literature Review

A feasibility study has a purpose to prevent and to avoid any investment in a business or an activity that may not have any profitable result (Umar, 2009). To analyze the industry, Porter Five's Forces analysis was used in this paper to assess the competitive intensity and thus help the business identify its power in the market. The following below are the five forces in Porter's Five Forces theory, which are (Bruijl, 2018):

Competitive Rivalry among Existing Competitors

Rivalry among existing competitors comes in the form of price and product competition, product introduction, and marketing competition (Bruijl, 2018).

Bargaining Power of Supplier

The bargaining power of suppliers can determine how they can control the price and the products' quality. If the products required are unique and there are only a few suppliers who can provide or if the switching cost has built up, then the suppliers' bargaining power will increase (Bruijl, 2018).

Bargaining Power of Buyer

There are several aspects that affect the bargaining power of buyers, one of them is that, if the products that a business offers are undifferentiated, then the buyers can find another alternative place to purchase the products and choose which one offers the best. Thus, increase the bargaining power of the buyer (Bruijl, 2018)

Threat of Substitution

Product substitution can threaten the business by limiting the potential of the business in the industry. Unless the business upgrades the quality or make a differentiation that attracts customers, the business will be losing in earnings and growth. Product substitution usually arises in the industry after a new trend or development increases the competition and cause price reduction or performance improvement (Bruijl, 2018).

Threat of New Entry

The threat of new entry depends on the barriers in the industry and how another competitor in the same industry reacts to the newcomer. If the barriers are too high and the competitors may retaliate harshly to the newcomers, then newcomers may not give a big threat to the business. There are six major barriers for the newcomers in entering a new market, which are: economies of scale, product differentiation, capital requirements, cost disadvantages, access to distribution channels, and government policy (Bruijl, 2018).

Besides Porter's Five Forces, SWOT analysis was also used to determine a business' resource capabilities and deficiencies, the market opportunity, and external threats to the business (Gurel, 2017). Strength in SWOT analysis can be defined as a resource, skill, and another advantage that a business has compared to its competitors, and a distinctive competitive that gives a business a comparative advantage in the industry (Gurel, 2017). On the other side, weakness refers to a business' condition where it lacks the competence of certain aspect and is more disadvantage when compared to its competitor (Gurel, 2017). Then, for the opportunity, it is defined as a driving force that supports an activity to take place (Gurel, 2017). Last, the threat in SWOT can be defined as a situation or condition that will create difficulty for an activity's actualization (Gurel, 2017).

According to Kashmir, financial analysis is used to determine whether the investment cost has a profitable expected rate of return or not, and the analysis will use several methods, such as (Kashmir & Jakfar, 2012):

Payback Period

The payback period is a method to determine the amount of time when the business can recover and payback the cost of investment (Kashmir & Jakfar, 2012). Since the amount of cash flow is not different for each year, thus the formula used in this paper is:

$$\text{Payback Period: } n + (a-b) / (c-b) \times 1 \text{ year}$$

Where:

n = Year when the total cumulative of cash flow has not covered the initial investment

a = Initial investment

b = Cumulative cash flow at year n

c = Cumulative cash flow at year n + 1

Net Present Value

This method is used to calculate the difference between the present value of investment cost with the present value of cash inflows within the period of time. The project or business can be seen as profitable if the value of future cash inflows is higher than the value of the present value of investment cost, or if the net present value is higher than zero (Kashmir & Jakfar, 2012).

$$\text{Net Present Value: } \sum (OCF_t - IO) / (1+k)^t$$

Where:

OCF_t = Total cashflow after-tax on year t

IO = Investment cost

K = Discount factor

t = year

Return on Asset

Return on Asset (ROA) indicates how well the business is performing by comparing the net income with the capital or investment that a company invested in the assets. The higher the return, means that the business is productive and efficient in handling the resources.

$$\text{Return on Asset} = \text{Net Income} / \text{Total Asset}$$

Return on Investment

Return on Investment (ROI) is used to measure and evaluate the net profits of an investment cost. This paper will use an assumption where in the future years, no investments from the business owner will be given to the business, thus the only investment from the business owner is the investment cost.

Return on Investment = Net Income / Cost of Investment

Research Method

To determine the feasibility of this plan from both financial and industry sides, a series of research was conducted through market and price observation and literature study to create and collect the data, such as investment cost, market situation, and food price.

Then, all the data from the research was analyzed using quantitative and qualitative approaches which are: Net Present Value (NPV), Payback Period (PP), Return-on-Asset (ROA), and Return-on-Investment (ROI) as a quantitative approach, and Porter's Five Forces and SWOT analysis as the qualitative approach.

Results and Discussion

The results will be divided into two sections that consist of the main analysis which covers financial feasibility and the secondary analysis which covers industry feasibility.

Marketing Plan & Industry Feasibility

In running a restaurant business, Foresty Cookery realizes that not all months are the peak season for the business. Some months will have higher sales, but some months will have lower sales. Thus, to maintain customer engagement and maintain stable sales, Foresty Cookery will use social media as a medium to share new menu, activity, and reply to customers' questions or suggestions. Besides that, to support the stable sales throughout the year, Foresty Cookery creates 3 main plans, which are: starting plan, normal season plan, and low season plan.

Starting Plan

Grand Opening Plan

Running an opening promo can be a good opportunity to gain brand awareness, since, in the beginning, most people may not know about the Foresty Cookery. The opening promo is, 50 first customers will get to eat any food and beverages for free with the following terms and conditions:

1. The maximum transaction is Rp55.000, if the transaction is exceeding Rp55.000. Then, customers will pay for the remaining amount.
2. Customers who want to receive the free voucher must follow the Foresty Cookery Instagram account and post their experience to their story.
3. One table or one group can only receive one voucher.
4. The period of this promo is one week, starting from Foresty Cookery opening until a week after that.

Low Season Plan

Ramadhan Promo

1. Forestry Cookery is expected to face a downward trend in sales during Ramadhan, since there are customers who are fasting. Therefore, Forestry Cookery plans to create a special promo for Ramadhan, in purpose to attract customers, breaking their fasting in Forestry Cookery.
2. Ramadhan promo will be running from the first day of Ramadhan until the twenty-fifth day of Ramadhan.
3. Prepare free *takjil* for customers who are visiting Forestry Cookery at 05.00 pm – 07.00 pm, but for dine-in only.
4. New product packages with temporary price reductions (TPR) around 10%.
5. Special price for reservations at 05.00 pm – 07.00 pm, with a minimum of 10 people or minimum purchase Rp600.000.

Christmas and New Year Promo

1. Unlike Ramadhan, day-to-day restaurant activity in December will be going to be the same. However, a decrease in sales is expected, because from Christmas until New Year, people will go on a long vacation and will come back again after New Year. Thus, to attract more customers to visiting Forestry Cookery, Forestry Cookery will run a Christmas and New Year special promo.
2. Christmas and New Year promo will be running from the second week of December until the first week of January
3. Promo is in the form of product package with temporary price reductions (TPR) around 10%

Pandemic Promo

In a situation where people are strongly suggested to stay inside the house, restaurant income may face a downward trend due to a lack of visitors. Thus, to maintain the sales, Forestry Cookery will join Grab and Gojek promotion that suitable with restaurant budget, and also join the free delivery promotion.

3. Normal Season Plan

Loyalty Program (The Green Wall)

- Repeated and loyal customers are important for business since the restaurant will have fixed visitors and loyal customers will also highly recommend Forestry Cookery to their family, friends, and community. Thus, in order to create customer loyalty, besides high-quality food and beverages, Forestry Cookery will also create a loyalty program in form of plants.
- Customers whose total transaction is more than Rp200.000 will receive a potted plant with a tag, where they will fill the tag with their name.
- Customers who come with more than 1 person and whose total transaction is more than Rp200.000, will only receive one potted plant.
- Forestry Cookery employees are going to take care of the plant.

- Customers whose plant grow a full-grown flower will receive a 20% discount for their total order, with the maximum discount is Rp20.000
- Promote Best Sellers Product or Menu of the Month
- To help customers deciding what to eat, especially for new customers, the owner of Foresty Cookery will continuously decide best seller products from weekly and monthly sales. Bestseller products will not be decided from year-to-date sales, since there will be a possibility that some products will be the best selling products every month. Therefore, best seller products will be decided from three-month sales.

Then, for the Industry feasibility, the feasibility was analyzed using Porter's Five Forces and SWOT analysis.

Porter's Five Forces

Porter's Five Forces itself was used to understand and measure the competition as well as the profitability within the industry.

Competitive Rivalry among Existing Competitors

The current competitive rivalry situation between competitor of healthy food restaurant is not too intense and tight, because there is not a lot of option for healthy food restaurant in Bekasi, and the distance from one restaurant to another restaurant is also quite far. Therefore, Foresty Cookery can take advantage of this situation by locating the restaurant at a strategic location, create a suitable concept and ambiance, along with foods that worth its price, to create a strong and long-lasting impression for customers.

Intensity: Low

Bargaining Power of Supplier

There are a lot of suppliers in Bekasi who provide supplies for healthy food restaurants at various prices. Therefore, if the price that suppliers offer does not match or too expensive, the owner can still able to use supplies from other suppliers. Similar also with the quality of supplies, if the quality is below the restaurant's standard, the owner can switch current suppliers with other suppliers who can provide suitable prices. In other words, the owner's side has more bargaining power than suppliers.

Intensity: Low

Bargaining Power of Buyer

Foresty Cookery is a specialty restaurant that is focusing on serving healthy food and due to the low number of specialty health restaurants in Bekasi, the bargaining power of buyers can be reduced. However, customers of a restaurant tend to value their spending and they expect to receive foods that are suitable for the value of money they spent. Thus, the restaurant must find ways to impress their customers to create a relationship and loyalty between customers and restaurants.

Intensity: Medium

Threat of Substitutions

Foresty Cookery is located in a commercial area where there are several restaurants and café within the area. Thus, customers have more than one option when they want to eat. Therefore, the threat of substitution is quite high. Foresty Cookery can try to decrease the threat of substitution by promoting specifically the benefits of a healthy lifestyle and healthy food and provide nutritional information on promotion tools to increase customers' conscious, and awareness about Foresty Cookery.

Intensity: High

Threat of New Entry

There is always a new entry of competitors in the food and beverage industry since food and beverages are something that people always need to consume to survive. Besides, the government also constantly try to ease entrepreneur in opening a new business and there is no rule about the limitation of opening a new food and beverages business in a certain area. In other words, another entrepreneur can open a new food and beverage business as long as they have enough capital to do it.

Intensity: High

SWOT Analysis

Strength

Foresty Cookery realizes that when customers visit a restaurant, they are also looking for great concept and ambiance to increase their satisfaction. Therefore, we give our best to provide great ambiance through layout and interior design that is suitable for our restaurant concept, because according to research by Saufiyudin Omar and Hashim Rozila Ahmad, spatial layout, interior design, color, and music significantly affect customers' satisfaction (Omar & Ahmad, 2015).

Healthy foods are not always in the form of salad and healthy foods are not always overpriced or expensive too. Foresty Cookery provides a variety of menu besides salad, that contains high nutrition but low calories and low cholesterol. Next, Foresty Cookery also tries to give affordable prices with excellent quality of food, where consumers from both middles until the upper class can enjoy.

Foresty Cookery is located at a strategic location inside the commercial area in the heart of Summarecon Bekasi, where Summarecon Bekasi itself is also famous as a hotspot area for hangout and dine-out, especially on weekends.

Weakness

There are only a few healthy food restaurants in Bekasi and Foresty Cookery is also a newcomer in the food and beverage industry. Customers may not feel familiar with Foresty Cookery and healthy food restaurants. Therefore, it might be quite a challenge to build brand awareness, but still doable.

Opportunity

Nowadays, people start to become more conscious about health and due to the low number of healthy food restaurants in the Bekasi area, Foresty Cookery has a big opportunity to grow bigger and become a healthy food restaurant that people always remember whenever they are thinking about healthy food. In the Foresty Cookery's area, there are many restaurants, café, and food court, however, none of them provide healthy food as their main menu. Foresty Cookery is able to provide differentiation among all the existed restaurants. Foresty Cookery can provide similar prices compared to the competitors, with healthy foods menu. This is an opportunity to show potential customers that healthy food can be affordable and also to increase potential customers' interest in Foresty Cookery.

Threats

Foresty Cookery is located in an area with many restaurants and café around it that offers a big variety of foods and beverages. Therefore, customers may have many options to eat besides healthy food. Even though customers' perception of healthy food is continuously

changing from expensive food toward affordable food, but there are still people who view healthy food as something expensive.

Operational Plan

Customer satisfaction and customer loyalty are two important aspects to help Foresty Cookery business sustainability since satisfied customers are more likely to do repeat order and become loyal customers. Therefore, Foresty Cookery's operational plan also includes maintaining and providing high-quality food and services.

Product Development

There will be two types of Foresty Cookery product development, which are product innovation and product maintenance. For product innovation, the Foresty Cookery team is going to research and develop a new menu, following a new trend in the food and beverage industry and how we can develop the trend into a portion of healthy food. Then, for product maintenance, we will continuously review customers' feedback to know what customers want and which taste suits them better.

Standard Operation Procedures (SOP)

To help employees or new employees to learn about Foresty Cookery operational or daily activity and task, then SOP will be prepared as guidance for employees. The SOP will contain a job description of each job. For example, SOP for the chef: it is mandatory to wash your hand before you start cooking and it is also mandatory to use different cutting boards and knives to cut vegetables and fruits, chicken, meat, and fish to avoid cross-contamination. Then, saying thank you after customers finished their transaction for the cashier.

Inventory Control

Freshness is one of the most important aspects of the ingredients' quality. If the ingredients are no longer fresh, then the food taste and quality will be also affected. Thus, to maintain product quality and to ensure that what we give to our customers is the best, we do an inventory control every day, where we check vegetables, fruit, and meat condition and stock in storage every day after the store is closing down.

Clean and Comfortable Place

For customers to enjoy their foods, Foresty Cookery will also provide a clean and comfortable place for them to eat. The employees will ensure that the tables or chairs are cleaned from any crumbs after customers finished eating, so the next customers will have a clean table and surroundings. Then, Foresty Cookery employees are also going to make sure that restrooms provided by us are clean, so customers will not pull a long face after they are going to the restrooms.

Financial Feasibility

Since Foresty Cookery is a new business, some parameters in the first year will use the assumption approach. Then in the second and subsequent years, the parameters will be using tangible results from the first year. Thus, here are some financial assumptions for Foresty Cookery:

- Sales are projected to increase following the product life cycle, this the sales will not be increasing at the same rate every year.
- The cost of Goods Sales is 30% of gross sales.

- Expenses of inventory and utilities are expected to increase by 5% every year.
- The depreciation rate of equipment and furniture is 10% per year and the depreciation rate of building is 5% per year.
- Marketing expenses are coming from the annual marketing budget and are expected to increase by 5% per year.
- Employee salary is projected to increase by 10% per year.
- The amount of tax that should be paid by the owner will follow the regulation from Article 2 Paragraph 2 Peraturan Pemerintah No.23 Year 2018, where the company with gross sales below Rp 4,800,000,000 per year have to pay tax as much as 0.5% from their gross sales (Direktorat Jenderal Pajak, 2018).

The balance sheet and cash flow of Foresty Cookery are forecasted yearly.

Table 4.1 Source of Fund and Expenses Statement for Year One

| Sources | Amount |
|------------------|------------------------|
| Owner Investment | IDR 720,000,000 |
| Total | IDR 720,000,000 |

| Cost | Amount |
|-------------------------|------------------------|
| Marketing and Promotion | IDR 40,460,000 |
| Inventory | IDR 16,391,750 |
| Equipment | IDR 37,229,300 |
| Furniture | IDR 26,650,000 |
| Employee Salary | IDR 468,000,000 |
| Building Renovation | IDR 100,000,000 |
| Cash (Working Capital) | IDR 31,268,950 |
| Total | IDR 720,000,000 |

Table 4.2 Income Statement of Foresty Cookery

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---------------------------|------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Gross Sale | IDR 1,281,117,500 | IDR 1,665,452,750 | IDR 2,248,361,213 | IDR 2,698,033,455 | IDR 3,102,738,473 |
| COGS (30%) | IDR 384,335,250 | IDR 499,635,825 | IDR 674,508,364 | IDR 809,410,037 | IDR 930,821,542 |
| Gross Profit | IDR 896,782,250 | IDR 1,165,816,925 | IDR 1,573,852,849 | IDR 1,888,623,419 | IDR 2,171,916,931 |
| Expense | | | | | |
| Marketing and Promotion | IDR 40,460,000 | IDR 42,483,000 | IDR 44,607,150 | IDR 46,837,508 | IDR 49,179,383 |
| Salaries | IDR 468,000,000 | IDR 514,800,000 | IDR 566,280,000 | IDR 622,908,000 | IDR 685,198,800 |
| Electricity and Water | IDR 40,000,000 | IDR 42,000,000 | IDR 44,100,000 | IDR 46,305,000 | IDR 48,620,250 |
| Internet | IDR 9,600,000 | IDR 10,080,000 | IDR 10,584,000 | IDR 11,113,200 | IDR 11,668,860 |
| Building Renovation | IDR 100,000,000 | IDR - | IDR - | IDR - | IDR - |
| Total Expense | IDR 658,060,000 | IDR 609,363,000 | IDR 665,571,150 | IDR 727,163,708 | IDR 794,667,293 |
| Net Income Before tax | IDR 238,722,250 | IDR 556,453,925 | IDR 908,281,699 | IDR 1,161,459,711 | IDR 1,377,249,638 |
| Tax (0.5%) | IDR 1,193,611 | IDR 2,782,270 | IDR 4,541,408 | IDR 5,807,299 | IDR 6,886,248 |
| Net Income | IDR 237,528,639 | IDR 553,671,655 | IDR 903,740,290 | IDR 1,155,652,412 | IDR 1,370,363,390 |
| Monthly Net Income | IDR 19,794,053 | IDR 46,139,305 | IDR 75,311,691 | IDR 96,304,368 | IDR 114,196,949 |

Table 4.3 Balance Sheet of Forestry Cookery

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Assets | | | | | |
| Current Assets | | | | | |
| Cash | IDR 796,954,307 | IDR 1,144,103,824 | IDR 1,831,003,968 | IDR 2,758,979,422 | IDR 3,890,285,949 |
| Account Receivable | IDR - | IDR - | IDR - | IDR - | IDR - |
| Inventory | IDR 196,701,000 | IDR 206,536,050 | IDR 216,862,853 | IDR 227,705,995 | IDR 239,091,295 |
| Non Current Assets | | | | | |
| Equipment | IDR 37,229,300 | IDR 33,506,370 | IDR 30,992,983 | IDR 28,730,935 | IDR 26,695,091 |
| Equipment Depreciation | IDR (3,722,930) | IDR (2,513,387) | IDR (2,262,048) | IDR (2,035,843) | IDR (1,832,259) |
| Furniture | IDR 26,650,000 | IDR 19,085,000 | IDR 17,176,500 | IDR 15,458,850 | IDR 13,912,965 |
| Furniture Depreciation | IDR (2,665,000) | IDR (1,908,500) | IDR (1,717,650) | IDR (1,545,885) | IDR (1,391,297) |
| Building | IDR 1,500,000,000 | IDR 1,425,000,000 | IDR 1,353,750,000 | IDR 1,286,062,500 | IDR 1,221,759,375 |
| Building Depreciation | IDR (75,000,000) | IDR (71,250,000) | IDR (67,687,500) | IDR (64,303,125) | IDR (61,087,969) |
| Total Assets | IDR 2,476,146,677 | IDR 2,752,559,357 | IDR 3,378,119,106 | IDR 4,249,052,848 | IDR 5,327,433,150 |
| Liabilities and Equity | | | | | |
| Owner Fund | IDR 2,238,618,038 | IDR 2,198,887,701 | IDR 2,474,378,815 | IDR 3,093,400,436 | IDR 3,957,069,760 |
| Retained Earning | IDR 237,528,639 | IDR 553,671,655 | IDR 903,740,290 | IDR 1,155,652,412 | IDR 1,370,363,390 |
| Total Liabilities & Equity | IDR 2,476,146,677 | IDR 2,752,559,357 | IDR 3,378,119,106 | IDR 4,249,052,848 | IDR 5,327,433,150 |

Table 4.4 Cash Flow of Forestry Cookery

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Beginning Balance | IDR 720,000,000 | IDR 796,954,307 | IDR 1,144,103,824 | IDR 1,831,003,968 | IDR 2,758,979,422 |
| Sales Revenue | IDR 1,281,117,500 | IDR 1,665,452,750 | IDR 2,248,361,213 | IDR 2,698,033,455 | IDR 3,102,738,473 |
| Sales Disbursements | | | | | |
| COGS (30%) | IDR 384,335,250 | IDR 499,635,825 | IDR 674,508,364 | IDR 809,410,037 | IDR 930,821,542 |
| Marketing Expenditures | | | | | |
| Marketing and Promotion | IDR 40,460,000 | IDR 42,483,000 | IDR 44,607,150 | IDR 46,837,508 | IDR 49,179,383 |
| Employee Expenditures | | | | | |
| Salaries | IDR 468,000,000 | IDR 514,800,000 | IDR 566,280,000 | IDR 622,908,000 | IDR 685,198,800 |
| Utilities Expenses | | | | | |
| Electricity and Water | IDR 40,000,000 | IDR 42,000,000 | IDR 44,100,000 | IDR 46,305,000 | IDR 48,620,250 |
| Internet | IDR 9,600,000 | IDR 10,080,000 | IDR 10,584,000 | IDR 11,113,200 | IDR 11,668,860 |
| Inventory | IDR 196,701,000 | IDR 206,536,050 | IDR 216,862,853 | IDR 227,705,995 | IDR 239,091,295 |
| Capital Expenditures | | | | | |
| Equipment | IDR 37,229,300 | IDR - | IDR - | IDR - | IDR - |
| Furniture | IDR 26,650,000 | IDR - | IDR - | IDR - | IDR - |
| Tax (0.5%) | IDR 1,187,643 | IDR 2,768,358 | IDR 4,518,701 | IDR 5,778,262 | IDR 6,851,817 |
| Total Cash Outflows | IDR 1,204,163,193 | IDR 1,318,303,233 | IDR 1,561,461,068 | IDR 1,770,058,001 | IDR 1,971,431,947 |
| Cash Flow | IDR 76,954,307 | IDR 347,149,517 | IDR 686,900,145 | IDR 927,975,454 | IDR 1,131,306,527 |
| Ending Balance | IDR 796,954,307 | IDR 1,144,103,824 | IDR 1,831,003,968 | IDR 2,758,979,422 | IDR 3,890,285,949 |

Payback Period

For payback period analysis, Forestry Cookery will use the following formula, since Forestry Cookery cash flow does not generate the same amount every year:

Payback Period: $n + (a-b) / (c-b) \times 1 \text{ year}$

Where:

n = Year when the total cumulative of cash flow has not covered the initial investment

a = Initial investment

b = Cumulative cash flow at year n

c = Cumulative cash flow at year $n + 1$

Table 4.5 Cumulative Cash Flow

| | | | | | |
|----------------------|-------------|-------------|---------------|---------------|---------------|
| Initial Investment | 720,000,000 | | | | |
| Cash Flow | 76,954,307 | 347,149,517 | 686,900,145 | 927,975,454 | 1,131,306,527 |
| Cumulative Cash Flow | 76,954,307 | 424,103,824 | 1,034,049,662 | 1,614,875,599 | 2,059,281,980 |

Payback Period

$$= 2 + ((720,000,000 - 424.103.824)/(1,034,049,662 - 424.103.824))$$

$$= 2.485$$

$$= 2.5$$

Thus, the payback period for Foresty Cookery is **2 years and 5 months**

Net Present Value

Table 4.6 Net Present Value

| Year | Cash Flow | DF 10% | PV |
|--------------------------|---------------|----------|----------------------|
| 0 | (720,000,000) | 1 | (720,000,000) |
| 1 | 76,954,307 | 0.909091 | 69,958,461 |
| 2 | 347,149,517 | 0.826446 | 286,900,427 |
| 3 | 686,900,145 | 0.751315 | 516,078,246 |
| 4 | 927,975,454 | 0.683013 | 633,819,721 |
| 5 | 1,131,306,527 | 0.620921 | 702,452,345 |
| Net Present Value | | | 1,489,209,200 |

The result shows Foresty Cookery NPV > 0, therefore, it can be concluded that the investments to the company will be profitable.

Ratio Analysis

Table 4.10 Table of Ratio

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--|--------|--------|--------|--------|--------|
| Return on Asset (ROA) Net Income / Total Asset | 10% | 20% | 27% | 27% | 26% |
| Return on Investment (ROI) Net Income / Cost of Investment | 33% | 77% | 126% | 161% | 190% |

Conclusion and Implications

Conclusion

Based on the results and discussion, it can be concluded that:

Based on Five Porter and SWOT analysis, there is a big opportunity to create a healthy food restaurant business in Bekasi and Foresty Cookery also has an opportunity to become a profitable business

From the result of the Payback Period, Net Present Value, and Ratio Analysis (ROA and ROI), Foresty Cookery is financially feasible, and running the business will be profitable for the owner.

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