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Implementation of Zayurku'sBusiness Plan Financial Strategy

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ABSTRACT : *The food industry is a business that continues to grow with pandemic conditions making this industry begin to change and follow the requirements. Lifestyle and convenience have played an essential role in bringing about changes in modern food packaging by heating themselves have gaining significant popularity. The packaging sector is gradually shifting away from traditional packaging techniques and towards newly developed innovative techniques, including intelligent packaging, active packaging, and bioactive packaging. In business competition in the fast-food business, companies need to create and plan the right financial strategy, one of which is an investment strategy. This is to face funding and financial needs to compete in the ecosystem and current conditions, in this case, the Ready Food industry. Capturing this financial approach is essential. Companies must have added value in financial investment planning and be able to compete with competitors in the market. To survive, the company must focus on business activities and processes and product development, and financial efficiency to maintain the company's sustainability. Zayurku's Financial Strategy method focuses on how the value of an investment by calculating this business plan's IRR, NPV, and the payback period is acceptable to investors. The conclusion is that IRR, NPV, and payback period are worth running and getting investors right and financially strong.*

KEYWORD : *Financial Modelling, Strategic Financial, Business Plan, Zayurku*.

I. INTRODUCTION

The Food and vegetable industry is a business that continues to grow with the support of population growth factors, technological availability, and ease of capital in Indonesia. The emergence of franchised food entrepreneurs and independent food enterprises demonstrates the expansion of the food sector. The potential of the growing food and vegetable market requires food businesses to increase their business by adding value to flavour's, packaging, service, and affordable prices. The need to consume vegetables to meet daily intake is significant for health. The nutritional adequacy rate recommended by the World Health Organization (WHO) is 400 grams per day. However, bps data (2018) shows the consumption of vegetables in Indonesia only reaches 107 grams per day. The results explain that the consumption of ready-to-eat vegetables can grow even more rapidly with the strategy in processing and packaging that is more modern.

In recent years, packaging trends in the food and beverage sector have also witnessed a large-scale evolution due to consumers' increasing appetite for ready-to-eat, convenient, lightly processed food products with long shelf life and high levels of quality. Lifestyle changes have played an essential role in bringing about significant changes in modern food packaging, where self-heated food packaging has gained significant popularity. The packaging sector is gradually shifting away from traditional packaging techniques and towards newly developed innovative techniques, including intelligent packaging, active packaging, and bioactive packaging.

According to Transparency Research, there is an increase in ready-to-eat products globally. Innovative has gained tremendous traction, and with that, the demand for self-heating food packaging has increased by leaps and bounds. During the forecast period, significant advancements in packaging technology and rising adoption of intelligent packaging devices, such as time-temperature indicators, sensors, automatic cooling containers, and automatic heating containers with embedded electronic displays, are expected to drive the growth of the self-heating food packaging market. Personalization is another major trend that has gained significant momentum in the self-heating food packaging market. The growing personalization trend, the rise of patented self-heating food packaging technology, and the shift toward holistic products are major factors likely to drive the global self-warming food packaging market over the forecast period. It is predicted that by the year 2027, this market will be worth $77 million (Transparancy, 2020).

Seeing from the opportunity, PT Zayurku Indonesia tried to make a business breakthrough that makes ready-to-eat vegetable products with self-healing technology and complete ready-to-eat. The product will be made in a practical packaging form and distributed in Java and Bali in the first year. While in the next year, it

will penetrate the entire territory of Indonesia. Zayurku ready meals are an alternative product for consumers who have limited time to cook and serve healthy food menus such as vegetables and side dishes because of their busyness and ability to cook. Zayurku's business progress is strongly supported by working capital needs, where working capital management directly affects profitability, and the company's liquidity position also confirms the critical role of working capital ((Sutjiadi et al.), 2020).

The start-up of Zayurku's product business development requires working capital needs and funds from investors as part of the continued development that Zayurku will implement. Zayurku must conduct an Investment Analysis for investors so that the business gets additional working capital. There will be four ways employed. The Payback Period Method (PP), Present Net Value (NPV), Return on Investment (ROI), and Internal Rate Return (IRR) are utilized to compute income interest rates in this research. (Gammanpila et al., 2012; Solomon, 2013; Winantara et al., 2014). For investors, it is very important to know and examine the potential of the start-up business (Prihambodo et al., 2020).

Furthermore, the purpose of this feasibility analysis is comprehensively enough to use Present Net Value (NPV), Internal Rate Return (IRR), Return on Investment (ROI), and Payback Period (PP) (Marsiwi et al., 2019). These four methods can demonstrate the viability of the business financially, whether it is worth continuing or not worthy of continuing financially (Kim et al., 2013; Kangotra, 2013). In addition, the purpose of this research is also to increase innovations related to products, processes, organizations, and business models for companies to always be ready for future market changes (Prasetyo et al., 2019). Researchers try to research this aspect from the existing development with the theme "**Implementation of Zayurku Business Plan Financial Strategy".** This analysis is expected to guide investors to assess the feasibility of investing in Zayurku.

II. LITERATURE REVIEW

Net Present Value (NPV) is the income stream's present value generated by the investment. NPV results from reduced discounted costs (Khotimah and Sutiono, 2014). According to Kusuma et al. (2021), Present Net Value (NPV) is a net financial assessment that exists in the company after being reduced by other costs so that the value of the company's existing added or lack of money can be used as a reference to assess the viable financial statements of the company. This NPV analysis is used to analyze how an investment is valued by considering the value of a currency and shows the difference between the present value of profits and costs (Kadir W, 2007). Understanding Net Present Value (NPV) in the form of Net Present Value (NPV) calculation activities in a company needs to be done by the company's financial personnel who are competent in it. This is because the miscalculation of current value can affect the company's large level of small profit income. Net Present Value (NPV) can be associated with company funds that experience addition when existing funds are no longer mixed with investment funds. This can be attributed to the total net capital obtained by the company with added net income (Shamsuddin, 2011).

IRR or Internal Rate of Return is an evaluation instrument used to decide whether a capital owner wants to invest or not, where the IRR > the level of profit hinted, the project is accepted, but if the IRR < the required profit level, the project is rejected (Kusuma et al., 2021). Internal Rate of Return (IRR) is an interest rate that indicates the present net value (NPV) equal to the total amount of business investment (Pahlevi et al., 2014). The IRR value indicates the actual return value of a business. Business people most often use the payback period to measure the length of investment funds reinvested. Therefore, the calculation results are expressed in units of time, i.e., years or months. The faster the return-on-investment period, the smaller the investment risk, and the investment project are worth running. Conversely, the longer the return, the greater the investment risk, and the investment project is less feasible / not worth running (Harmono, 2016). According to Cashmere and Jakfar (2012), the Payback Period (PP) method is a technique of assessing the period (period) of return on investment of a project or business. Payback period analysis in feasibility analysis needs to be displayed to determine how long a new venture or group can return investment. Payback period analysis calculates the time required when the total cash inflow equals the total cash outflow. Based on the results of this analysis, it is expected that there are alternatives with shorter periods. This analysis is only advisable to obtain additional information to measure how quickly the return on invested capital is.

According to Kusuma et al. (2021), Return on Investment (ROI) is a ratio measuring the success of companies in generating shareholders' profit and loss. Therefore, ROI is considered a representation of a shareholder's wealth or the value of a company. If we look at the existing ROI trends, the company, in generating profits for shareholders, experienced an increase that appeared in the rising value of the ROI ratio. (Harmono 2016). Return on Investment (ROI) on Zayurku is a ratio measuring Zayurku's success in generating profit and loss in 5 years. Thus, Zayurku's ROI represents Zayurku's wealth and the value of Zayurku's company. If we look at the existing ROI trends, the company, in generating profits for shareholders, experienced an increase that appeared in the rising value of the ROI ratio. (Harmono 2016).

III. METHOD

This research uses inductive qualitative research to analyze the feasibility of PT Zayurku Indonesia's business investment using the feasibility calculation method. The data used in this study used secondary data. Secondary data is information obtained by researchers indirectly through intermediary media or obtained and recorded by other parties. Secondary data in general in the form of evidence, records, and historical reports for the period 2020-2021 have been compiled and then processed and distributed using accounting calculations and entered into the pessimistic, normal and optimistic analysis. The method of data collection used by the author is the Interview Method. According to GorysKeraf (2001), the interview method is a way to collect data by asking questions directly to an informant or an authority (an expert who is authorized in a problem). The author did it online using application facilities such as Google form WhatsApp during the pandemic. The following method is Literature Studies conducted by studying books that support this research, including literature on writing and financial statements related to matters in this study.

The analytical tool used in this research is to use Present Net Value (NPV), which is interpreted as the financial analysis used to determine whether or not the efforts made by the company are seen through the present value of the net cash flow to be received by the company concerned compared to the present value of investment capital issued by the company. Net Present Value (NPV) is a net financial cash flow. The Present Net Value (NPV) method is used to see the difference in the value of receipts with the value of an investment. This is the firm's financial analysis, which is examined in light of the company's investment expenditures. (Pinson, 2008) (Harmono, 2016). The next analytical tool is that the IRR is more of an indicator of the efficiency of an investment, as opposed to NPV, which indicates the value or amount of money. IRR is an effective compounded annual return rate generated from an investment or the yield of an investment. A project/investment can be made if the rate of return is greater than the return received if we invest elsewhere (banks, bonds, etc.). So, the IRR should be compared to other investment alternatives. IRR has disadvantages where IRR is commonly used for decision-making for single projects instead of mutually exclusive projects (projects that eliminate each other). The Internal Rate of Return (IRR) method calculates income interest rates. (Gammanpila et al., 2012; Solomon, 2013; Winantara et al., 2014).

The Payback Period method is used to look at the payback period of capital that has been issued. The payback period is needed to recoup investment expenses (initial cash investment) using cash flow. In other words, the Payback Period is the ratio between initial cash investment and cash flow which results in a unit of time. Thus, the cash flow used is cash flow that has been discounted based on interest rate / required rate of return or opportunity cost (Karaini, 2000). Return on Investment (ROI) on Zayurku is a ratio measuring Zayurku's success in generating profit and loss in 5 years. Thus, Zayurku's ROI represents Zayurku's wealth and the value of Zayurku's company. If we look at the existing ROI trends, it can be seen that the company, Return on Investment (ROI), increased due to increased profitability for shareholders. In the year of our Lord 2016 (Harmono 2016).

IV. RESULT DISCUSSION

The following are the results of the research and discussion analysis based on financial aspects and investment analysis. To determine whether the investment capital used can be run using an analysis of 4 feasibility study methods.

a. *Calculation of Present Net Value* and *Internal Rate of Return* (IRR)

In performing the analysis of NPV and IRR, PT Zayurku uses the expected parameters as follows:

Table 1. *Net Present Value*

Year	disconted 10% Net Cash Flow	Factor PV	**NORMAL** PV
	9.255.285.539		
1	3.445.170.952	0,909	3.131.973.593
2	12.459.425.876	0,826	10.297.046.179
3	14.862.520.128	0,751	11.166.431.351
4	27.212.824.280	0,683	18.586.725.141
5	46.130.614.978	0,621	28.643.482.486
		PV	**71.825.658.750**
		NPV	**62.570.373.211**
		IRR	**0,15**

Source: "Zayurku"

In the Net Present Value table, normal conditions show the present value of 71,825,658,750 so that this value can still be used as a benchmark of the PV factor. While the Present Net Value is positive, 62,570,373,211, and

the IRR is also positive (0.15), it can be concluded that Zayurku's business is growing and increasing its consumers and strong brand recognition in the world. Society, so this business is generally worth running.

b. Payback Period

Table 2. *Payback Period*

TAHUN	NET PROFIT	BALANCE
	9.255.285.539	
2022	1.823.012.588	1.823.012.588
2023	5.377.798.715	7.200.811.303
2024	8.500.685.888	15.701.497.191
2025	13.589.145.787	29.290.642.978
2026	21.656.632.335	50.947.275.313
PAYBACK PERIOD		2 0,2

Source: "Zayurku"

The Payback Period calculation of Zayurku's 5-year business investment project explains that the 2-y the 2-day period is favorable for investors. (Harmono 2016). This demonstrates that a period of 2 years two days is profitable for investors. (Harmono 2016).

c. Return of Investment

Table 6. Return *of Investment* (ROI)

RETURN ON INVESTMENT NORMAL			
TAHUN	NET PROFIT	INVESTMENT	ROI
2022	1.823.012.588	9.255.285.539	0,2
2023	5.377.798.715	9.255.285.539	0,6
2024	8.500.685.888	9.255.285.539	0,9
2025	13.589.145.787	9.255.285.539	1,5
2026	21.656.632.335	9.255.285.539	2,3

Source: "Zayurku"

In the Return of Investment (ROI) table, the positive average percentage from 2022 is 0.2. In 2023 it is 0.6. In 2023, it is 0.9. In 2024, it is 1.5, and in 2026 it is 2.3. The average increase in ROI is 1.1% over five years of Investment, which explains that the business is quite attractive for investors to make investments based on financial Analysis. The Return of Investment (ROI) table shows that the average percentage is positive, 1.1 percent over five years. This explains that the business is quite attractive for investors to make investments with calculations based on the Analysis of return on Investment.Based on the results of calculations that have been done, namely with an investment of Rp.9255,285. 539, - then the following results are obtained:

Table 7 Result Investment

No	Method	Result	Information
1	*Net Present Value*	62,570,373,211	Investment Accepted
2	Interest Rate Ratio	0,15	Investment Accepted
3	*Payback PerioTwo*	2 years 2 days	Investment Accepted
4	*Return of Investment*	1,1	Investment Accepted

V. CONCLUSION

The conclusion is that the "Zayurku" Ready Food Business in a plan and executeon using Present Net Value (NPV) is still in the positive category and worth running. The Internal Rate Return (IRR) method analysis also shows a positive value. Return on Investment (ROI) also indicates a positive value with an average above 20%, while this business's payback period (PP) also shows a positive value with payback two years two days. Overall, this analysis provides good information to investors to provide their investments to Zayurku. In addition, for further research, it is necessary to examine other fundamental factors that impact investor interest in investing in Zayurku.After doing calculations and analyzing whether or not Zayurku business investment is feasible, the investment proposal is accepted. However, if the company wants to do business development, developing new products and areas must be supported by the feasibility of the investment and the management capabilities that will be made. Good to run well and compete with similar businesses that already exist.

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