

Business Feasibility Study Of Aahana Villas In Cisarua, Bogor Regency

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Abstract – This study looks into the feasibility of Aahana Villas as an accommodation provider business in Cisarua, Bogor Regency. Aahana Villas is a self-catering accommodation, specifically classified as a select-service resort villa, which offers one bedroom villa as well as recreation and sport activities. The concept of this villa is to provide lodging for small families, with tropical themed villa area and open-air architecture of each building. This study is driven by the growth of tourist in Bogor Regency and high demand of accommodation other than star hotels. As a new business, a series of analysis of four components of the business was carried out to ensure the feasibility of the proposed project, namely market and marketing aspect, operational aspect, organizational and human resources aspect, and financial aspect. The primary data of analysis is gathered through online survey with questionnaire, and secondary data is collected from reliable resources. Based on the financial analysis conducted, Aahana Villas is estimated to report net profit in first year of operation, that is estimated to grow within second year of operation. This study finds that Aahana Villas is feasible to operate and profitable.

Key Words – Business Feasibility Study, Accommodation, Villa, Bogor Regency.

I. INTRODUCTION

Tourists according to Yoeti (in Suwena & Widyatmaja, 2017) are any individual who travels to a place other than his place of residence, and is in that place for a short period of time (for minimum of 24 hours and maximum of six months) with the intention of carrying out recreational activities, sports, health, family matters, studies, spiritual activities, and business trips.

In 2021, supporting data of number of tourists in Bogor Regency collected from BPS (*Badan Pusat Statistik*) has shown 26.14% growth from the previous year, mainly dominated by domestic tourists (BPS Kabupaten Bogor, 2022). That phenomenon indicates that there is a promising opportunity to open an accommodation business in Bogor Regency, as a result of increasing number of tourists from year to year. Moreover, a district in Bogor Regency namely Cisarua has the greatest number of star hotels, *hotel melati*, and other accommodation compared to other districts in Bogor Regency (BPS Kabupaten Bogor, 2022). This shows that there is a high demand of accommodation in Cisarua district, especially *hotel melati* and other accommodation types. Cisarua district also has a total of eleven tourist attractions, which indicates that accommodation will be increasingly needed to accommodate tourists who wish to stay overnight near the destinations.

To further support the business prospect, a short survey has been conducted to analyse guest preference in selecting type of accommodation in Cisarua. Said survey has successfully received 100 respondents, in which the majority of respondents who had visited Cisarua for a vacation would choose to stay in a villa if they have the opportunity to stay overnight in Cisarua. In accordance with the data above, which shows that there is a great opportunity to open an accommodation business in Bogor Regency and a high demand for accommodation in Cisarua district, supported by a survey showing guest preference in choosing villa in Cisarua, hence conducted a business feasibility study of villa resort accommodation in Cisarua district, Bogor Regency.

The accommodation business that will be analysed is a self-catering accommodation in a form of resort villa located in Taman Safari Street, Cisarua District, Bogor Regency, West Java Province. According to Fletcher et al. (2018), self-catering accommodation is a combination of lodging with recreational areas and facilities for private serving of meals. Whereas resort villa according to Gunawan (in Tokan, 2014), is built near tourist destinations as lodging facilities to support tourism activities in that location and has separate buildings between

units with main function as a place to stay overnight and is equipped with supporting facilities for recreation, sports and relaxation. This resort villa is located within 400 metres radius from a tourist destination, which is Taman Safari Indonesia Bogor zoo. Carrying out the architectural concept of tropical and open-air style, the villa environment will be designed resembling a village, with each villa unit separated by a jogging track and a landscape planted with green leaves and grass. The general plan of each villa unit consists of a bedroom, bathroom, living room, kitchenette and balcony area. The tropical architectural concept will be reflected from the interior of the villa which combines stone, wood, and rattan elements so that the room provides a homey atmosphere. Meanwhile, the open-air concept will be reflected from the rooms in each villa unit which are built semi-outdoor, separated by glass doors leading to the balcony area, so that it blends with nature.

In terms of pricing, this villa resort is classified as a select-service hotel with lower room rates compared to full-service hotels, offering limited to a few choices of facilities and simple food and beverage services for the guests. According to Barrows et al. (2012), select-service hotel offers accommodation with limited food and beverage service, a small meeting area that includes lounge and free internet access. In terms of facilities, each villa unit is classified as an extended-stay hotel, defined as accommodation which offers a separate living room, a kitchen area equipped with stove, microwave, refrigerator, cooking utensils, cutlery, as well as limited housekeeping services (Barrows et al., 2012). This villa is also included in the European plan hotel classification, where guests who wish to stay only pay the villa rental rate without breakfast (Andrews, 2013). Based on the market, this villa is classified as a family hotel specifically designed for families, equipped with child-friendly furniture designs and facilities such as kids club, outdoor playground, and entertainment lounge. According to Andrews (2013), the rooms at a family hotel is equipped with a kitchenette and essential cooking facilities, the public facilities for guests also include an entertainment lounge equipped with a television, a children's play area, an outdoor children's playground and a jogging track. This villa resort also offers several activities for in-house guests, both for free or could be purchased with an additional charge, such as table tennis activity, jogging track facility, picnic activity, and camping activity for kids.

Demand is the willingness and ability of consumers to buy a number of goods or services at a certain price (Eastin & Arbogast, 2011). Demand comes from human desires that are supported by buying power, where desires are human needs that are shaped by culture, society, the personality of each individual, and are manifested in the form of objects that will fulfill those needs (Kotler & Armstrong, 2012). With the desire and resources they have, people then demand for products with benefits that can provide added value and the highest satisfaction. According to statistic data sourced from BPS Kabupaten Bogor (2022), the number of tourists in Bogor Regency over the last five years have fluctuated, which shows decreasing number of tourist in 2017 and 2020, however the number have also grown positively 74.07% in 2016, 2.92% in 2018, 29.38% in 2019, and 26.14% in 2021. That phenomenon indicates that there is a potential growth number of tourists demand for accommodation, showing that Aahana Villas has the opportunity to grow and expand.

To analyse the market trends, data collection in the form of a questionnaire was executed with appropriate sample size of 150 respondents. Analysis of the responses finds that the majority of respondents range from 25 to 34 years old, stay in a lodging for 1 to 3 times in a year, stay during national holiday, staying with family, spend 1 to 2 nights every stay, spend an average of Rp 1.000.000 to Rp 2.000.000 per night to rent a lodging, most often get an information about a villa from online travel agent, and consider the location or accessibility as the key aspect in selecting a villa.

In regard to specific marketing mix offered by Aahana Villas, the average score taken from the 6-point Likert scale utilized shows that the majority of respondents favor the current offers with 5.81, 5.47, 5.37, and 5.42 for clean and attractive villa, facilities for children, recreation and sport facilities, and public area for work and gathering space offered respectively. This data is supported further by asking whether the pricing is appropriate with the product offered, namely villa rate per night ranging from Rp 1.000.000 to Rp 2.000.000, price for picnic activity ranging from Rp 150.000 to Rp 450.000, price to rent sports facilities ranging from Rp 50.000 to Rp 100.000, and price to rent children's activity facility ranging from Rp 150.000 to Rp 300.000, with average score of 5.46, 4.9, 4.74, and 4.54 for pricing offered respectively. The data above show that the respondents react positively to the product and pricing elements of marketing mix offered by Aahana Villas.

The questionnaire also inquires whether the packages offered by Aahana Villas is suitable, namely stay and picnic package, stay and sport package, and stay and camp for children package, with average score of 5.52, 5.36. and 5.32 respectively, indicating positive reaction from the majority of respondents. To enhance the

significance of products and packages offered, the majority of respondents strongly agree with the programs offered, with average score of 5.51 and 5.59 for complimentary kids amenities program and complimentary picnic activity program respectively.

Another element of the marketing mix regarding service quality of the proposed business, is measured by tangible assets, empathy, responsiveness, reliability, and assurance and whether the respondents react positively to each. The results are 5.79, 5.81, 5.8, and 5.81 respectively, indicating a positive correlation between service quality and satisfaction. Other data inquired through the questionnaire involves the willingness of respondents to either book the villa directly through website, walk-in at the property, or through online travel agent; as well as the awareness of information the respondents could access either through social media, promotional discount, or merchandising. The results show that respondents are willing to book the villa through mentioned distribution methods, and each element of promotion mix Aahana Villas offered could provide information needed by the respondents.

Supply is the willingness of sellers to offer a number of goods or services at a certain price (Eastin & Arbogast, 2011). The higher the price offered, the more product available for buyers, enabling suppliers to maintain profits regardless of the increasing production cost due to short-term expansion of production capacity (Whelan & Msefer, 1996). To examine matters relating to the goods and services offered by the business, Aahana Villas conducted competitor analysis, Porter's Five-Forces analysis, and SWOT analysis.

Competitor analysis is the process of identifying competitors, assessing competitors' objectives, strategies, strengths and weaknesses, and reaction patterns, then choosing which competitors to attack or avoid (Kotler & Armstrong, 2012). Direct competitor of Aahana Villas is observed around the location of business offering similar products and services, which is Villa Puncak by Plataran. One of the types of villas offered by Villa Puncak by Plataran is the Grand Narendra Villa with maximum capacity of four guests, equipped with a dining room, kitchen, living room, and a balcony. However, Aahana Villas is closer by distance to the tourist attractions Taman Safari Indonesia Bogor and Agrowisata Gunung Mas. Whereas the indirect competitors offer different concepts, activities, facilities, varied price range, and locations so that Aahana Villas hold its superiority in terms of location around tourist attractions.

Porter's Five-Forces

Porter's Five-Forces is a management tool used to analyse the profitability and attractiveness of an industry from an inside-out perspective (Shi et al., 2021). Michael Porter explained that competition in an industry depends on five basic strengths, and the weaker these strengths, the easier it will be to build a business in that industry (Porter in Ural, 2014). Porter's Five-Forces consider rivalry among existing firms, threat of new entrants, threat of substitute products or services, bargaining power of customers, and bargaining power of suppliers. This analysis reveals that there is moderate rivalry among existing firms, low threat of new entrants, high threat of substitute products or services by direct and indirect competitors nearby, low bargaining power of customers, and low to moderate bargaining power of suppliers.

The product differentiation which is a resort villa specially designed for small families offered by Aahana Villas can outperform the presence of well-known and reputable players in the industry, hence result in moderate rivalry among existing firms. Entry barriers in accommodation provider industry is considered high, where large amount of capital is needed to build a villa resort and its facilities, high differentiation of products, and limited profitable location that could not be duplicated, therefore result in low threat of new entrants. However, there is a relatively high threat of substitute products or services, which can be seen from several direct and indirect competitors located in Cisarua district. Although offering different accommodation concepts, services, and capacities, these competitors have the same function as Aahana Villas, namely to provide lodging services. Customers are free to choose to stay at accommodations with the most suitable location for their individual needs and preferences. In this case, Aahana Villas is a promising option for visitors of Taman Safari Indonesia Bogor tourist attraction, who wish to stay in a private accommodation, hence making this strong force more manageable for Aahana Villas. As a result of inability of becoming their own accommodation provider in a tourist destination with specific service resembling a commercial accommodation rental, customers have low bargaining power. Besides the forces mentioned, there is also low bargaining power of suppliers, in which Aahana Villas could easily find a substitute supplier to supply room amenities, housekeeping chemicals, welcome drink, and welcome snack, since those supplies are considered supporting products with lower significance level than the main products which is the villa units and facilities that comes with it.

SWOT Analysis

Analysis of strengths, weaknesses, opportunities, and threats (SWOT) is a fundamental tool for companies to evaluate their business position in the market and is widely used to analyse a company's internal and external environment (Benzaghta et al., 2021).

The key strength of Aahana Villas lies in its strategic location near Taman Safari Indonesia Bogor tourist attraction and its product offering one bedroom villa as a private accommodation for family of four. Whereas the main weakness is being considered as a new player in the accommodation provider industry, with unfamiliar reputation and low awareness among its existing competitors located in Cisarua. The opportunities present is the location near tourist attractions which could increase collaboration and promotion opportunities to increase sales, along with the emergence of travel influencer and technological advancement to help with promotions or advertisements. The main threats faced by Aahana Villas is the presence of various existing competitors in the accommodation industry in Cisarua, both star hotels and non-star accommodation available for customers to select.

In order to maximize the strength and opportunities present, Aahana Villas plans to work with neighboring tourist attractions and souvenir shops such as offering discounts for entrance ticket, while also using endorsements method to promote the villa. To minimize the negative impact of its weakness and threats exists, Aahana Villas is to ensure any promotional means are done in constant effort promoting the key excellence of the villa.

Segmentation, Targeting, and Positioning

Market segmentation is a process to identify buyers and classifying them into groups based on their profiles, who may have preferences or require varied products and services, by examining geographical, demographic, psychographic, and behavioral differences among buyers (Kotler & Keller, 2012). By identifying the groups, companies can therefore determine which groups to target and tailor the products and services offered to suit the target market. Aahana Villas aims for tourists with age segmentation ranging from 25 to 34 years old, generally those who are married or young couples with kids under five years old (small families). These tourists would stay in a lodging for one to three times a year and spend one until two nights each stay, typically staying for leisure purposes and wish to enjoy the villa and its facilities with little desire to explore the area in which the villa is located, considering the relatively short period of stay. Aahana Villas also aims tourists with ability to spend Rp 1.000.000 to Rp 2.000.000 per night to rent a lodging, and consider the location, price, and facilities in selecting a villa.

Aahana Villas position its products in the market by using a differentiation strategy, defined as providing unique products or services, thereby differentiating its products with the products offered by competitors to meet customer needs (Kotler & Keller, 2012). The main uniqueness to highlight is the architectural concept that blends with nature, the interior and villa facilities designed to be family friendly. In addition, the activities offered are also tailored to meet the needs of each family staying overnight. When compared with competitors such as star-rated hotels, Aahana Villas offers private accommodation with a separate living as well as a fully equipped kitchenette. When compared with competitors such as non-star accommodations, villas located in Cisarua are generally large capacity villas that are more suitable for large families and communities or companies with gathering purposes. Meanwhile, Aahana Villas offers villa accommodation suitable for small families so that the space provided also gives a more intimate ambience.

Marketing Mix

According to Kotler (in Azimi, 2017), marketing mix is a set of factors that can be controlled and combined by companies to influence customer purchases, and promote the position of certain products in the market.

- 1) Product : one-bedroom villa, communal space, kids club, entertainment lounge, swimming pool, jogging track, and recreation activities.
- 2) Price : status-quo-oriented pricing, determining price to match with the competitors to maintain the company's position against competitors; competitive approach and price lining, determining price based on competitor's price and convinced that the price determined could attract customers.

- 3) Place : direct marketing channel by means of reservation through direct booking via website and walk-in reservation at the property; indirect marketing channel by means of reservation through online travel agent, namely Agoda.com, Booking. com, and Traveloka.com.
- 4) Promotion : advertising through social media, cross selling by front desk agent, grand opening sales promotion, merchandising, and public relations thorough corporate social responsibility.
- 5) People : tangibles, reliability, responsiveness, assurance, and empathy.
- 6) Packaging : stay and picnic, stay active, and stay and camp package.
- 7) Programming : pamper the kids and let's celebrate program.
- 8) Partnership : cooperating with online travel agents, banks, and nearby tourism business.

Environmental Aspects

From economical environment perspective, low and stable inflation rate in Indonesia, and Indonesia's involvement in G20 Presidency could accelerate economic recovery post covid pandemic. This indicates a prospective and conducive economic environment for Aahana Villas to open its business. From the social environment perspective, Aahana Villas aims to support the local community by donating rice for people living in poverty. Legal and political aspects perspective are fulfilled in compliance with government regulations and obtaining permits in order to establish the business. From ecological perspective, Aahana Villas aims to provide green open spaces at the villa area to preserve the ecosystem. Whereas from technological perspective, the operational of the villa is supported by property management system coupled with Microsoft Office software, key encoder, and electronic data capture to accommodate payment and registration process.

Activities and Facilities

In the operational of a service business, service blueprint is needed to explain in detail about the activities to be carried out, facility size, location, facility layout, and required equipment, in order to provide a consistent service experience for each customers (Russell & Taylor III, 2011). According to Wirtz & Lovelock (2018), service blueprint consists of customer actions, front-stage activities, and back-stage activities.

The customer actions are as follow: arrival and valet parking – consume welcome drink and welcome snack – check-in – escorted to villa unit – rooming – doing activities – cook and dine at the villa unit – watch TV and use Wi-Fi access – rest – request for luggage pick-up by telephone and valet – check-out.

The front-stage activities are as follow: take guest car key and unload luggage – security check and greetings – process check-in – escort guest to villa unit – rooming – assist in guest activities – answering calls from in-house guest and pick-up luggage from villa unit – process check-out.

The back-stage activities are as follow: receive and confirm reservation – villa website maintenance – park guest car – monitor the security of villa area – wear uniform and obeying the grooming standard – prepare welcome drink and welcome snack – clean villa units and refill amenities – deliver guest luggage to their villa unit – ensure the property management system works properly – ensure the computer, Wi-Fi, and EDC machine work properly – perform building maintenance – perform briefing on every shift – order from suppliers and receive goods – perform monthly villa financial calculations.

Location and Facility

A business feasibility study contain recommendations for facilities related to the product mix, to be able to meet the needs and satisfy the demands of intended market segment (Bolukoglu, 2011). The facilities provided will support the flow of activities between guests and employees, and the operation of this villa. The functional relationship between the activities carried out by guests (customer actions) and Aahana Villas facilities can be observed such as, guest arrival and valet parking executed in guest parking area, consuming welcome drink and welcome snack at the lobby and seating area, guest check-in at the front desk counter in the lobby, guest escorted to villa unit passing through villa pathway, rooming done in the villas, guest doing their activities at pool area, *pendopo*, entertainment lounge, kids club, green space area, jogging track, guest cooking, dining, watch TV, using Wi-Fi access, taking a rest, requesting for luggage pick-up and valet by telephone all executed at the villa unit, and guest check-out at the lobby.

The functional relationship between the activities carried out by employees to serve customers directly (front-stage activities) and Aahana Villas facilities can be observed such as, employees taking guest car key and unload luggage at the lobby, security check and greetings executed at the lobby, front office pantry, and seating area, processing check-in at front desk counter in the lobby and back office, escorting guest to villa unit passing through villa pathway, rooming done in the villas, assisting guest with their activities in *pendopo*, green space area, villas, pool, entertainment lounge, kids club, jogging track, answering calls from in-house guest and pick-up luggage from villa unit executed at the lobby, back office, and luggage store, processing check-out at front desk counter in the lobby and back office.

The functional relationship between back-stage activities of employees that are not visible to guests (back-stage activities) and Aahana Villas facilities can be observed such as, receive and confirm reservation at back of the house office, villa website maintenance done at back of the house office, park guest car executed in guest parking area, monitor the security of villa area from loss prevention office and CCTV room, wear uniform and obeying the grooming standard executed at locker room, prepare welcome drink and welcome snack at front office pantry, clean villa units and refill amenities executed in villas, housekeeping office and linen room, housekeeping pantry, deliver guest luggage to their villa unit from luggage store, ensure the property management system works properly which installed at the lobby (front desk counter) and back office, ensure the computer, Wi-Fi, and EDC machine work properly at the lobby (front desk counter) and back office, perform building maintenance in every villas with tools stored at the engineering office, perform briefing on every shift in the back office, order from suppliers and receive goods executed in back of the house office, loading dock, general storage, and perform monthly villa financial calculations at back of the house office.

The estimate building area for all facilities are to be contained in a 1.089 meter square area consisting of 11 buildings, a 545 meter square area for parking lot and loading dock, and a swimming pool of 82 meter square. The location of choice falls to Taman Safari Street, Cisarua district for its superior accessibility, visibility, traffic condition, availability of parking area, availability of expansion space, surrounding environment, location of competitors, government regulations, availability of labor, and complementary services compared to Kampung Sukatani Street and Raya Cimacan Street.

Human Resources and Organization

The positions required for Aahana Villas business operations are listed below:

Table 1 Positions Required

Position	Job Description	Desired Qualities	Qualifications
Commissioner	To supervise the management	Have high moral character and integrity	Minimum of Bachelor's degree and five years of experience
Director	To manage the company in accordance with company goals	Goal oriented an able to work under pressure	Minimum of Bachelor's degree in Hospitality or Business and five years of experience
Villa Manager	Monitor the operational of villa business	Detail oriented and have high organizational skill	Minimum of Bachelor's degree in Hospitality or Business, experienced as a villa manager
Human Resources Supervisor	Responsible for recruitment, selection, and orientation of employees.	Able to work in a team and have good public speaking skill	Minimum of Bachelor's degree in Psychology, 2 years experience in hospitality industry
Front Office Supervisor	Supervise front desk agent, escorter, and bellman, ensure guest satisfaction	Able to handle guest complaints effectively	Minimum of Diploma 4 degree in Hospitality, 2 years experience
Front Desk Agent	Perform check-in, check-out, receiving reservations, answering phone calls, and fulfill guest requests	Service oriented	Minimum of Diploma 3 degree in Hospitality, one year experience
Escorter	Prepare, serve, clear up welcome drink and welcome snack, escort guests	Initiative and responsive	Minimum of Hospitality Vocational High School
Bellman	Deliver and pick-up guest luggage, greet and in charge of valet parking	Friendly, polite, and honest	Minimum of Hospitality Vocational High School degree
Housekeeping Supervisor	Supervise room attendant and public area attendant, ensure villa cleanliness	Highly discipline and able to work in a team	Minimum of Diploma 3 degree in Hospitality, one year experience

Room Attendant	Clean the villa units according to applicable standards	High personal responsibility and honest	Minimum of Hospitality Vocational High School degree, 6 months experience
Public Area Attendant	Clean the public areas of the villa and employee areas	High personal responsibility and honest	Minimum of Hospitality Vocational High School degree
Recreation Supervisor	Supervise recreation staff and responsible for recreation activity sales	Initiative and high leadership spirit	Minimum of Diploma 4 degree in Hospitality, 2 years experience
Recreation Staff	Assist in-house guest in recreation facilities inside villa area	Initiative, communicative, and friendly	Minimum of Diploma 3 degree in Hospitality
Loss Prevention Supervisor	Supervise loss prevention officer, maintain and ensure the security of villa area	Initiative and responsive	Minimum of high school degree, Gada Pratama certification, 2 years experience
Loss Prevention Officer	maintain and ensure the security of villa area	Highly discipline and able to work in a team	Minimum of high school degree, Gada Pratama certification
Chief Engineer	Supervise duty engineer, conduct inspections of villa facilities and equipment that require preventive maintenance measures	Skillful in handling emergency situations and able to provide solutions	Minimum of Bachelor's degree in engineering, 2 years of experience
Duty Engineer	Repair damaged equipment, furniture, and all facilities	Skillful in handling emergency situations and able to provide solutions	Minimum of Diploma 3 degree in engineering, 1 year of experience
Sales and Marketing Executive	Design marketing plans and promotional strategies for the villa	Good communication and negotiation skills	Minimum of Bachelor's degree in marketing, 2 years of experience
Reservation Agent	Receiving reservations via telephone, e-mail, website, or online travel agents	well-organized, detail-oriented, able to multi-task	Minimum of Diploma 4 degree in Hospitality
Chief Accountant	Prepare financial reports, budgeting, and responsible in distributing compensation	Able to work in a team, detail oriented, and hardworking	Minimum of Bachelor's degree in accounting
Purchasing Officer	Make purchasing orders based on purchase requests from relevant departments	Able to negotiate, communicate, and coordinate with suppliers	Minimum of Diploma 3 degree in economics
IT Support	Responsible for hardware and software used for the operation of the villa	Communicative, proactive, good time management skills	Minimum of Bachelor's degree in computer science

Source: Processed Data (2022)

The structure of the company organization is pictured in following diagram:

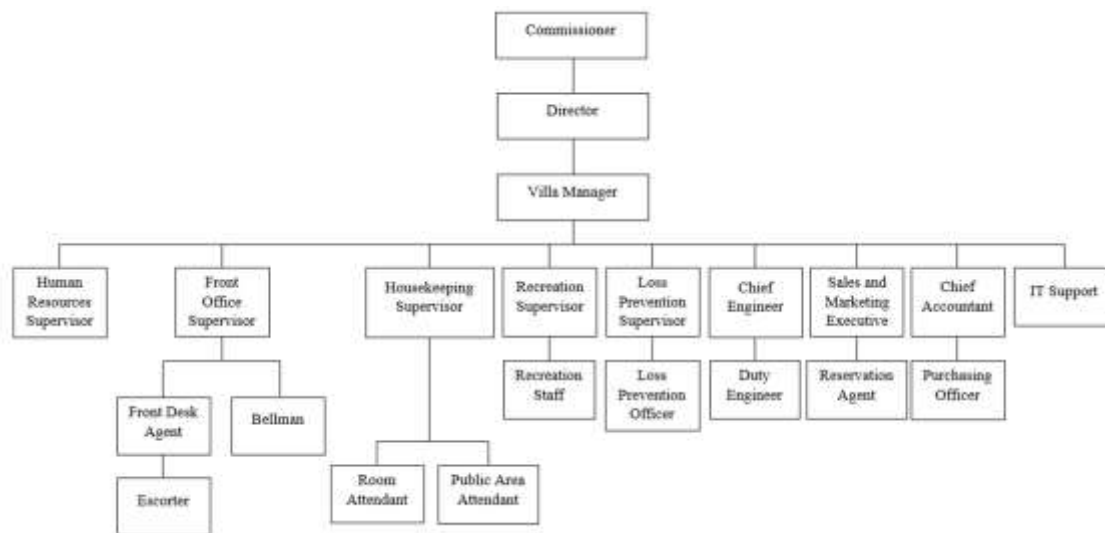


Fig 1. Organizational Structure of Aahana Villas

The total number of employees required is 40 with one of commissioner, director, villa manager, human resources supervisor, front office supervisor, four of front desk agent, two of escorter, bellman, one of housekeeping supervisor, four of room attendant, three of public area attendant, one of recreation supervisor, three of recreation staff, one of loss prevention supervisor, four of loss prevention officer, one of chief engineer, four

of duty engineer, one of sales and marketing executive, reservation agent, chief accountant, purchasing officer, and IT support each.

Working hours for the front office, housekeeping, recreation, loss prevention, and engineering departments will use a shift system. Meanwhile, the division of working hours for commissioners, directors, human resources supervisors, sales and marketing executives, reservation agents, chief accountants, purchasing officers and IT support will use office hour system (08.00 – 17.00). The shift system is to be divided as follow:

Table 2 Shift Schedule

Position	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Front Office Supervisor	OFF	8	8	14	14	14	OFF
Front Desk Agent 1	OFF	OFF	14	11	11	11	11
Front Desk Agent 2	8	OFF	OFF	8	8	8	8
Front Desk Agent 3	23	23	OFF	OFF	23	23	23
Front Desk Agent 4	14	14	23	23	OFF	OFF	14
Escorter 1	OFF	OFF	8	8	8	8	8
Escorter 2	14	14	OFF	OFF	14	14	14
Bellman 1	OFF	OFF	14	14	14	14	14
Bellman 2	8	8	OFF	OFF	8	8	8
Housekeeping Supervisor	11	OFF	OFF	6	6	6	6
Room Attendant 1	OFF	OFF	11	11	14	14	14
Room Attendant 2	14	14	14	OFF	OFF	23	23
Room Attendant 3	6	6	6	14	OFF	OFF	11
Room Attendant 4	23	23	23	23	23	OFF	OFF
Public Area Attendant 1	OFF	11	11	11	14	14	OFF
Public Area Attendant 2	14	14	14	OFF	OFF	11	11
Public Area Attendant 3	6	6	6	14	OFF	OFF	14
Recreation Supervisor	8	OFF	OFF	8	8	8	8
Recreation Staff 1	OFF	OFF	8	8	8	8	8
Recreation Staff 2	8	8	8	OFF	OFF	8	8
Recreation Staff 3	8	8	8	8	8	OFF	OFF
Loss Prevention Supervisor	OFF	8	8	14	14	14	OFF
Loss Prevention Officer 1	OFF	OFF	14	11	11	11	11
Loss Prevention Officer 2	8	OFF	OFF	8	8	8	8
Loss Prevention Officer 3	23	23	OFF	OFF	23	23	23
Loss Prevention Officer 4	14	14	23	23	OFF	OFF	14
Chief Engineer	OFF	OFF	8	8	8	8	8
Duty Engineer 1	14	14	OFF	OFF	14	14	14
Duty Engineer 2	8	8	14	14	OFF	OFF	23
Duty Engineer 3	OFF	23	23	23	23	23	OFF
Duty Engineer 4	23	OFF	OFF	8	8	8	8

Source: Processed Data (2022)

Human Resources Development

1) Recruitment and Selection

As a newly established company, Aahana Villas will use an external recruitment. According to Dessler (2020), external recruitment is a way of obtaining candidates for a job from outside the company. The chosen external recruitment method is internet recruitment by placing advertisements in the career section of the villa website and through social networking sites such as LinkedIn and JobStreet.

Candidates are selected through job applications, job interviews, and tests. On the first step, recruiters will sort incoming job applications according to the Job Specifications required by the company. The second step, human resources supervisor will contact the selected applicants and invite them to attend an interview. The third step, human resources supervisor will conduct tests on candidates who pass the interview stage, namely the Customer Service Aptitude Profile (CSAP) and Criteria Basic Skills Test (CBST).

2) Compensation

Each employee is eligible to get direct financial payments (salary and bonus), and indirect financial payments (social security and paid leave). The salary follows local government's regulation of minimum wage with appropriate adjustments according to job positions.

Each employee is also obligated to obtain a national insurance and social security scheme provided by social security agency of Indonesia. The insurance covers healthcare services and the social security scheme covers protection such as working accidents, old age protection, life insurance, and pension benefit.

3) Training and Development

Employees are obligated to follow several programs to obtain knowledge of the basic skills required to do their jobs and to improve their performance: organization orientation, work unit orientation, leadership training, service excellence training, disaster management training, and team building.

Judicial Aspect

In compliance with the government's regulation, Aahana Villas is established as a limited liability company or *Perseroan Terbatas* (PT). Indonesian law governs that in order to establish a PT, a company must obtain several permits, license, certificates, and fulfill the appropriate funding scheme.

As an accommodation provider business, Aahana Villas has to obtain *Tanda Daftar Usaha Pariwisata* (TDUP) *Penyediaan Akomodasi*, *Sertifikat Usaha Vila*, and *Sertifikat Laik Sehat* (SLS) *Akomodasi* in order to operate.

II. METHOD

This study used quantitative research method with target population is domestic tourists in Indonesia and sample frame is domestic tourist residing at Java Island, aged 25 and above, and married. This feasibility study also uses a nonprobability sampling technique, specifically convenience sampling. Convenience sampling refers to collecting data from part of the population who are willing to provide information (Sekaran & Bougie, 2016). To determine the sample size, the researcher uses sample-to-item ratio rule of 5:1, based on the total of question items on the questionnaire (Memon et al., 2020). Hence, with a questionnaire containing 27 questions, the number of respondents needed is 135 respondents. To prevent invalid information from the total specified respondents, this villa resort business feasibility study will collect data from 150 respondents, which is an additional 10% of the initial number of respondents. The questionnaire will be created using Google Forms and distributed electronically for seven days from October 5th to October 11th, 2022. The questionnaire contains a series of closed ended questions, where respondents have to choose from the answer choices that had been determined by the researcher (Sekaran & Bougie, 2016). Each item in the questionnaire uses a Likert scale as an answer choice, which is made to test how strongly the subject agrees or disagrees with statements from a scale of one to six (Sekaran & Bougie, 2016). The scale one to six, namely: 1 (one) = Strongly Disagree; 2 (two) = Disagree; 3 (three) = Moderately Disagree; 4 (four) = Quite Agree; 5 (five) = Agree; 6 (six) = Strongly Agree.

To support the primary data obtained from survey through questionnaire, this study also uses secondary data collected through existing sources (Sekaran & Bougie, 2016). Secondary data is gathered through book

sources accessed through the National Library website, journals, published final assignments or obtained from institutional databases, laws accessed online, data from websites The Central Bureau of Statistics and the Ministry of Tourism and Creative Economy of the Republic of Indonesia, as well as articles from internet sites, to obtain information related to the feasibility study.

III. RESULT AND DISCUSSION

Here are some results of the analysis at Aahana Villas:

Funding and Spending

The funds required for initial investment of Aahana Villas is at Rp 10.001.809.724 with breakdown as follow:

Table 3 Funding Requirements

No.	Item	Amount (Rp)
1	Land	3.500.000.000
2	Construction Expenses	4.307.750.000
3	Equipment Expenses	1.484.548.840
4	Supplies (1 month)	2.022.024
5	Pre-operating Expenses	539.645.563
6	PAR Insurance	4.527.874
7	Beginning Inventory (1 month)	13.315.422
8	Cash on Hand	150.000.000
Total		10.001.809.724

Source: Processed Data (2022)

To meet the funding needs, the initial source of investment funds for Aahana Villas came from 40% of the company owner's equity and 60% of bank loans. Owner's equity is valued at Rp Rp 4.000.723.889 and the bank loan is valued at Rp 6.001.085.834.

Operational Costs

Operational cost of Aahana Villas consists of compensation, employee meals, social security program, PAR insurance, utilities, depreciation and amortization, training and development, promotion and programming, printing and stationery supplies, repair and maintenance, corporate social responsibility, laundry, welcome drink and welcome snack, room amenities, linen, cleaning supplies, public area and back of the house supplies, recreation activity supplies, and drinking water refill station supplies with grand total of Rp 3.932.181.727. The breakdown of operational cost is as follow:

Table 4 Operational Costs

No.	Costs Name	Amount (Rp)
1	Compensation	2.464.540.000
2	Employee Meals	95.760.000
3	Social Security Program	239.780.784
4	PAR Insurance	4.527.874
5	Utilities	318.965.640
6	Depreciation & Amortization	458.568.074
7	Training & Development	9.300.000
8	Promotion & Programming	21.259.000
9	Printing & Stationery Supplies	12.954.000
10	Repair & Maintenance	70.090.000

11	Corporate Social Responsibility	4.471.000
12	Laundry	54.750.000
13	Welcome Drink & Welcome Snack	6.120.000
14	Room Amenities	107.825.880
15	Linen	48.254.000
16	Cleaning Supplies	2.130.000
17	Public Area & Back of The House Supplies	6.339.960
18	Recreation Activity Supplies	3.705.187
19	Drinking Water Refill Station Supplies	2.840.328
Total		3.932.181.727

Source: Processes Data (2022)

Operational Revenue Estimates

Aahana Villas generates revenue from villa rental, Pangrango Terrace venue rental, table tennis activity, picnic activity and camping activity for children. One of Aahana Villas source of income, which is villa rental is estimated with use of average room occupancy rate in West Java Province from 2019 to 2021. The average room occupancy rate in West Java Province from 2019 to 2021 is 35.34%. Therefore, it can be assumed that the occupancy rate of Aahana Villas is 30% by taking into account that Aahana Villas is a new player in the accommodation provider industry, and the number of guests assumption is 2190 guests. With a total of five villas, the amount of villa rental revenue earned in the first year is Rp 1.180.683.750.

With assumption of 45% venue rental from Friday, Saturday, and Sunday, the amount of Pangrango Terrace venue rental revenue earned by Aahana Villas in the first year is Rp 3.179.250.000. Assuming 42% of the number of guests staying in one year, the amount of revenue derived from table tennis activity is Rp 91.980.000. Assuming 42% of the number of guests staying in one year, the amount of revenue collected from picnic activity is Rp 413.910.000. Assuming 34% of the number of guests staying in one year, the amount of revenue derived from camping activity is Rp 223.380.000. For the first year, the estimated total revenue for the first year comes out at Rp 5.089.203.750.

Profitability

In the first year, Aahana Villas is estimated to report Rp 4.915.195.624 in gross profit with operating expenses of Rp 3.786.338.158. After tax and interest, Aahana Villas is estimated to report Rp 546.230.303 net income in the first year and estimated to increase in second year with Rp 924.056.319 net income.

Considering the fixed costs and profits, the forecasted break-even point is calculated as below:

$$\begin{aligned}
 BEP &= \frac{\text{Fixed Cost}}{(\text{Sales} - \text{Variable Cost})} \times \text{Sales} \\
 BEP &= \frac{\text{Rp}3.603.930.094}{(\text{Rp}5.089.203.750 - \text{Rp}492.973.766)} \times \text{Rp}5.089.203.750 \\
 BEP &= \text{Rp}3.990.473.630
 \end{aligned}$$

Fig 2. Break Even Point calculation of Aahana Villas

With minimum BEP value of Rp 3.990.473.630 per annum, Aahana Villas is feasible to operate and profitable with estimated payback period of 7 years, 10 months, and 2 days.

Table 5 Financial Ratios

No.	Ratio	Value
1	Weighted Average Cost of Capital (WACC)	5,29%
2	Payback Period	7 years, 10 months, and 2 days
3	Internal Rate of Return (IRR)	14,48%
4	Net Present Value (NPV)	Rp17.635.409.256
5	Profitability Index (PI)	1,76
6	Current Ratio	1,67
7	Quick Ratio	1,63
8	Debt to Asset Ratio	55,10%
9	Debt to Equity Ratio	122,74%
10	Time Interest Earned (TIE)	2,53
11	Gross Profit Margin	96,77%
12	Net Profit Margin	10,73%
13	Return on Assets (ROA)	5,39%
14	Return on Equity (ROE)	12,01%
15	Fixed Asset Turnover	0,57
16	Total Asset Turnover	0,5
17	Inventory Turnover	11,00
18	Net Working Capital Turnover	1,81
19	Annual Revenue per Available Room (REVPAR)	Rp646.950
20	Occupancy Percentage	30,00%
21	Labor Cost Percentage	53,14%

Source: Processed Data (2022)

Risk Management

In doing its business, Aahana Villas faces risks from various aspects of business feasibility studies, namely marketing, operational, human resources, laws and regulations, social, and financial risk.

Aahana Villas has developed a risk management strategy in order to handle risks, explained as follows: maintain business excellence; carry out product development, promotions, and programs; prepare hardcopy backup report each shifts; perform equipment maintenance regularly; taking PAR insurance; provide panic button in the front desk; conduct team building program; socialization of company regulations during new employee orientation; obtain permits and licenses to operate business; supervision through CCTV cameras, corporate social responsibility, and ensuring the financial health of the company.

IV. CONCLUSION

Based on analysis of marketing with data obtained from questionnaire, operational, organizational, and financial aspect, Aahana Villas is considered feasible to operate and is projected to generate profits for years to come. As a novel business in accommodation provider industry, it is important for Aahana Villas to ensure the implementation of strategies and management that have been planned, in order to maximize the strengths and opportunities, as well as minimalizing potential negative effect caused by weaknesses, threats, and risks it faces which could affect the business in a long run.

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