Abstract

The study on feasibility in opening indoor artificial grass football field business, case study: Khaoroupchang subdistrict, Maung district, Songkhla province aims to analyze feasibility in opening indoor artificial grass football field business whether it is worthwhile for investment. We will consider on NPV, IRR, DPB, and BCR as indicators of project investment worthiness. In the study, income or expenditure factor is assigned to vary in 3 cases as follows. Case 1: cash flow budget, case 2: cash flow budget with 10% additional cost, case 3: cash flow budget with 10% decreased return, case 4: cash flow budget with 10% additional cost and 10% decreased return.

Will the investment worthwhile when the factors have changed? This is considered by analyzing sensitivity of the project. It is an analysis to consider the impact of project sensitivity whether it is worthwhile for investment.

Study objectives

1. Examine feasibility in opening indoor artificial grass football field business in Khaoroupchang subdistrict, Maung district, Songkhla province
2. Examine consumer need in indoor artificial grass football field in Khaoroupchang subdistrict, Maung district, Songkhla province

Results

Case 1: The project spent 2,321,836 Baht of investment. The total return was 6,430,442 Baht. Current net value was 890,044 Baht. The ratio of return to cost was 1.16. The return rate within the project was 22.01%. It was higher than deduction rate used in this project at 8.85%. Payback period of deduction was 3 years and 6 months.

Case 2: Cash flow budget with 10% additional cost, the current net value was 564,776 Baht. The ratio of return to cost was 1.1. Return rate within the project was 17.37%. It was higher than deduction rate used in this project at 8.85%. Payback period of deduction was 3 years and 11 months.

Case 3: Cash flow budget with 10% decreased cost, the current net value was 247,000 Baht. The ratio of return to cost was 1.04%. Return rate within the project was 12.67%. It was higher than deduction rate used in this project at 8.85%. Payback period of deduction was 4 years and 6 months.
Case 4: Cash flow budget with 10% additional cost and 10% decreased return, the current net value was -78,268 Baht. The ratio of return to cost was 0.99. Return rate within the project was 7.61%. It was lower than deduction rated used in this project at 8.85%. Payback period of deduction was invalid.

It can be concluded that the investment in indoor artificial grass football field business in Khaoroupchang subdistrict, Maung district, Songkhla province offers worthwhile return since it passes all existing financial criterions at good level. Although there might be high cost crisis in the future, this project will still offer good return at satisfying level. However, business operation should be monitored strictly because if the project earns less income and requires higher cost at the same time, the project might lose the money.

The study on feasibility in the investment in indoor artificial grass football field business was conducted in 2012. The investment information used in the study was the actual cost occurred in that year. Therefore, any persons interested in this project must adjust the cost corresponding to the expenses for various operations at the present. Importantly, one should differentiate oneself from competitors with distinct selling point.

About opinions and suggestions regarding to the needs of indoor artificial grass football field’s clients, they give priority to services, such as toilet, bathroom, and dressing room that must be clean and sufficient. The staffs should be able to give advice correctly. They also suggested about regular competition arrangement.

About opinions and suggestions for further research on indoor artificial grass football field estimation, the researcher thinks that one should have the questionnaire for business owner. This will be the guideline to examine feasibility in opening indoor artificial grass football field business. It will identify the problems and obstacles of indoor artificial grass football field business owner. Such study can be used to improve indoor artificial grass football field business.