# BUSINESS PLAN FOR R&M SALES C.A. DE S.V.

By Marvin Menjivar



# MISSION AND PURPOSE

Our business will sell mainly used cars, either bought with damages to sell for as a profit, from basic vehicles to high-end vehicles and sports cars, as well as loan and financing vehicles.

Our goal is to become our customers' first choice for products and services by providing them with unmatched quality, value, honesty, and passion. We shall cooperate effectively, act responsibly, and give our whole attention to both meeting and, if possible, exceeding the needs of our Customers.

# **Company Profile:**

- Industry: Automotive, retail sector
- Founded: TBA
- Location: San Miguel, El Salvador
- Employees: 2
- Fundraising: TBD
- Niche: Sports cars/ Car loans and financing
- Patents: N/A

- Founders: Marvin Menjivar
- Social Media influencer
- Insurance broker
- Accountant
- Rogelio Menjivar
- -Accountant
- -Treasurer

# Company Profile (Continued)

Contact Info:
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Amount invested so far: \$32,000 Goal: \$100,000

#### **Potential Problems**

Public transit is getting rare and cannot travel off-road, therefore owning a vehicle is a lifelong need. In most cases, in off-road locations, people will mainly need 4x4 pickups and SUVs.

At the global level, according to different studies, 61% of respondents strongly agree and 24% agree somewhat, which means that 85% of respondents feel that owning a vehicle is necessary in some capacity.

Buses become overcrowded and public transportation availability is becoming less available for the moment due to the strong sanctions from the government.

Risks of taxi/uber services

## Potential Problems (Continued)

El Salvador has suffered from gang violence over the years; in fact, from 2005 to 2022, more acts of violence occurred on public transportation than while operating a vehicle, so possessing a vehicle is a much safer option than taking the bus. Despite the fact that the economy is steadily recovering, the majority of the population cannot afford such vehicles due to the lack of employment opportunities.

#### **Potential solutions**

- Unique solutions such as Themed Car sales events, promoting on social media such as Facebook and Instagram, Hosting holiday season bonus incentives can attract people to purchase a comfortable and affordable vehicle that suits their needs.
- Used budget-friendly vehicles that suits the customer's needs
- Affiliate with very-well recognized insurance companies

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# Target markets

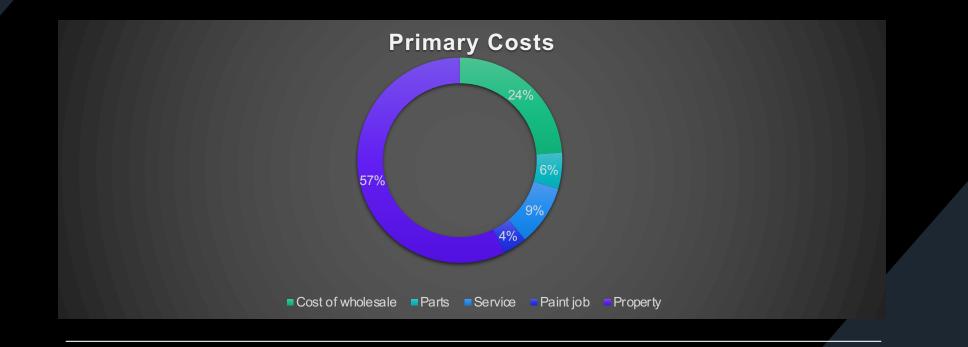
- Age, gender, household income, marital status, and geographic location are the customer demographics that automotive dealers utilize most frequently for targeting purposes. Another demographic targeted by dealerships is recreational use as opposed to commercial use.
- Kelley Blue Book, using J.D. Power statistics, found that Millennials buy the most pickup vehicles and SUVs.

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# Competitive advantages

- Competitive advantages increase and preserve market share and lead to market dominance. And this is essential. Cost, quality, service, brand, innovation, and comfort are the six primary means by which a company can outperform its competitors in the automotive industry.
- Social Media Platforms
- Contact with different lawyers and brokers
- Here at R&M Sales we plan to follow the vehicle's market value by implementing U.S. values to ensure the buyer's safety and satisfaction.

# Business model



# Business model (continued)

- Average cost of fixing 1 vehicle is around \$3,000-4,500. We can generate profit depending the mileage of the vehicle and the maintenance records.
- Cars that are fixable can also be used for loan/rent daily to generate income and revenue.
- Website design, taking audience to the right media, Creating and promoting video commercials can drive customers to want to purchase a vehicle from our fleet.
- Remodeling our location is also a very important factor to have a presentable spot for our customers.

#### Phase 1-4

- Buy or Lease Property
- Remodel and flip property

(50,000)

Phase 2:

- Buy vehicles (import or customs) (25,000) Phase 3:

- Flip vehicles/Service (25,000)

Phase 4:

- Website design/Social Media (300-600 monthly)  Opening a business may require special assistance such as loans, savings, etc. But at the end of the day, this investment will bring future long-term earnings.

> The overall cost of operating a vehicle dealership is often estimated to range anywhere from \$50,000 to as much as \$100,000. The difference in costs can be attributed to the several ways in which they are broken down.

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