

A Brief Overview and Business Plan for: -

Ruia Care

(A multi-brand car service workshop)



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The following report is prepared for: -

IndusInd Bank

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References: -

- <https://ruiacare.com/>
- <https://www.financialexpress.com/auto/car-news/multi-brand-car-service-centres-automobile-servicing-india-maruti-night-service-car-service-price/1806246/>

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Executive Summary: -

A brief Description: -

Ruia Care is determined to offer the best car service experience to the ailing vehicle owners of the city. Our decades of industrial experience combined with our tailor-made customer-oriented policies have helped us establish ourselves as the best car repairing service center in Kolkata. Car repair is conventionally executed at two levels- either at the local freelancing garages which provide mediocre services at nominal prices or at authorized car service centers which provide quality work but charge exorbitantly. Ruia Care combines the advantage of both these stratum of car repairing to provide exceptional quality of work at affordable prices.

Market Analysis: -

The business model and the market presence of the multi-brand car workshops is supported by the basic necessity of the car repairing industry. Through robust measures like technological advancements, assurance on 100% genuine spare parts, cashless insurance claims and OEM and OES level of services, the multi-brand car workshops have grown at a stable rate of 7% globally. Moreover, 65% of the out-warranty cars prioritize Multi-Brand Car Workshops for servicing their cars. It also offers a 40% cost haircut in comparison to authorized centers.

Competition:-

We conventionally face competition on 2 verticals. Our local competition possesses no form of brand-loyalty and customer-retention rate since there is an industry absence of customer-loyalty programs with negative brand distinction. Moreover, the competition that we face from GoMechanic can easily be overcome since the franchised garages operate in a manner independent of each other and their standards of service differ from garage to garage.

What Sets us Apart: -

- Decades of experience making us the best car repair mechanics in Kolkata.
- Emphasis on superior service quality and value for money.
- Customer-oriented policies which are tailor-made for maximum satisfaction.
- Deep-rooted technical proficiency which is required to service you optimally.



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Company Description: -

Great ideas germinate from the seed of necessity, nurture through inspiration coupled with perseverance and finally evolve into a fruit-bearing tree. Having an affordable, trustworthy and premium quality “car servicing center near me” is the primary rationale behind “RUIA CARE”, the Brainchild of Mr. Abhishek Ruia who is also the Co-Founder and M.D of Ruia Car Rentals. With humble beginnings in the year 1996, having a mere fleet of 10 cars, it was through dedication and ethical professionalism that Ruia Car Rentals has amassed a fleet of 250+ cars in the span of 24 years. Like any other machine, a car endures routine wear and tear which requires efficient maintenance. For this reason, we have serviced all our vehicles in our in-house state-of-the-art Car workshop. Our expert Car mechanics are well-equipped to tackle a plethora of vehicular problems with the assistance of latest technology. Experience, value for money and commitment to deliver distinguishes us from the competition.

The Indian Car Repairing Industry is a rapidly expanding sector due to the increased purchase of automobiles in the country. The market operates on 3 primary verticals of business out of which the multi-brand car repairing vertical acquires the largest market share. At Ruia Care, we aim to create a sustainable ecosystem of car-servicing within the city of Kolkata by establishing an optimally functioning car workshop which caters to the holistic needs of the vehicle owners of the city.

Vision: -

To create a seamless network of car-servicing in the local market so as to optimally cater to the growing demands of the ailing vehicle owners of the city.

Mission: -

Strive to establish an ecosystem of tailor-made car servicing facilities by integrating modern technology with personal expertise to ensure hassle-free and affordable car repair services for the masses.

Core Values: -

- ✓ **Precision-** Detailed car diagnosis by experienced mechanics.
- ✓ **Accountability-** Quick response to customer queries
- ✓ **High regard for quality-** Quality assurance on jobs done
- ✓ **Personal Touch-** Real-time road assistance through Mobile Car Clinic
- ✓ **Ethical Trading-**Competitive pricing in Car Maintenance

Our USP: -

- Decades of experience giving us a competitive edge over the market.
- A one-stop car clinic for all your vehicular ailments.
- Emphasis on superior service quality and value for money.
- Customer-oriented policies which are tailor-made for maximum satisfaction.
- Deep-rooted technical proficiency which is required to service you optimally.

Market and Industry Analysis

As per the statistics by the Indian Brand Equity Foundation, the Indian Automobile industry has consistently been among the top 5 largest automobile industries of the world. In the year 2019, above 4 billion units of 4-wheeled vehicles were sold. As we stand in the post-pandemic situation, the high momentum automotive sector has propelled an equally potent car servicing market in the country. The car repairing industry in India can broadly be classified along 3 major verticals: -

1. Authorized Car Service Centers.
2. Unorganized local garages.
3. Multi-brand car service workshops.

In totality, the authorized car service centers are designated automotive repair shops which cater to a specific brand. They specialize in covering the repair processes of vehicles which are under the warranty period as provided by the company. On the other hand, unorganized local garages are crude establishments which prioritize the notion of cost-cutting and substandard quality of services. This creates a situation of 2 extremes which harbour their own cons, both of which pressurize the end-consumer. As a result, the multi-brand car service workshops were birthed out of a basic necessity in response to the lingering demand for quality services at affordable prices.

A vehicle is usually covered under a warranty period of upto 3 years after the purchase of the vehicle. Once the warranty expires, only 35% of the vehicle owners choose to get their car serviced at an authorized or an unorganized workshop. The remaining 65% are catered by the multi-brand car workshops. This market phenomena can be attributed to the fact that authorized service centers charge upto 40% more for their services post warranty and the unorganized garages offer mediocre services which does not provide utility.

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Competitive Analysis:-

Since the idea of multi-brand car garages has been pervasive in the car servicing industry for the better half of the previous decade, we witnessed the emergence of numerous independent car servicing centers which have their presence on a local scale. Along with that, we also witnessed the emergence of national players like GoMechanic in the industry which is an app-based, asset light, franchise-based model operating in the car repairing industry. The market structure of the car repairing industry can be characterised as a differentiated monopolistic competition. A comprehensive list of the select notable players on a local parameter is as follows: -

Local Competition

Classification

1. Aman Motor Works	Multi-brand, independent.
2. Lansdowne Automobiles	Multi-brand, independent.
3. Alok Automobiles	Multi-brand, independent.
4. InLineFour Car servicing	Multi-brand, independent.
5. BMW OSL Prestige	Authorized Service Center
6. Mahindra First Choice	Authorized Service Center
7. 11 Motors	Multi-brand, independent.
8. Sona Auto Udyog	Multi-brand, independent.

It is extremely crucial to note that the multi-brand car workshops which have been listed here possess minimal brand loyalty and almost negligible customer penetration in terms of repeat customers and product differentiation. However, **RUIA** is a trustworthy and a renowned brand in Kolkata due to our decades of presence in the car rental space of the city. This competitive advantage is a catalyst for us and will help us seamlessly extrapolate into the car repairing space and generate brand value and customer loyalty. This has further been elucidated upon in the 'marketing and sales strategy' of the report.



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A brief summary of the services on offer: -

At Ruia Care, we offer an eclectic array of services which are deemed to remedy all sorts of vehicular ailments. The comprehensive list of services which are on offer are: -

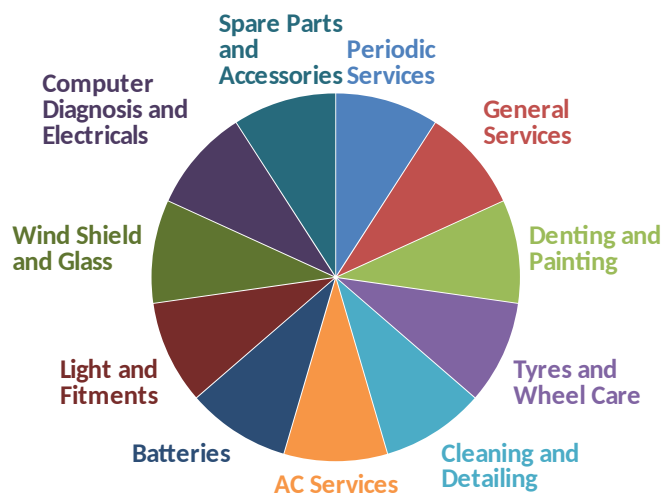
- 1. Periodic Services:-** Periodic services are those essential services which are required to upkeep your car and ensure that it is operating in a healthy working condition. It is also referred to as a 'scheduled maintenance'. It is recommended in regular intervals to ensure longevity and utility.
- 2. General Services: -** General servicing of a vehicle is done when a specific problem erupts in your car. The issues might range from suspension problems to brake inefficiencies to clutch and transmission impairments.
- 3. Denting and Painting: -** Your vehicle has a certain body shape which it must adhere to. In case your car endures dents for any reason whatsoever, it is advisable to opt for this service. Moreover, if you want a brand-new refurbishing for your car exterior, vibrant and stylish paint jobs are the way to go.
- 4. Tires and Wheel Care: -** A vehicle's wheel base and tires are its limbs. It is of utmost importance that they are in optimum working condition in order to ensure passenger safety and reduced costs of car maintenance.
- 5. AC Services: -** In a country like India where the climate is humid and scorching, the air conditioner in the vehicle becomes a basic requirement. It is necessary to ensure that the AC is in proper operational condition to avoid passenger discomfort.
- 6. Cleaning and Detailing: -** It is widely believed that a cleaner vehicle with proper hygiene and razor-sharp detailing appeals more to the general consumer's eyes. Your car deserves the routine cleaning process in order to improve its general condition and passenger utility.
- 7. Batteries: -** Your car battery is like an alternative power source for your vehicle. It is responsible for supporting the engine during the initial startup of your car and also provides electricity for the smooth functioning of the electricals equipped in the vehicle.
- 8. Wind Shield and Glass: -** It is common knowledge that a vehicle's windshield serves the purpose of guarding the driver from unwanted jolts of air while driving and provides clarity when the vehicle is in use. It is important to keep the windshield clean and intact.

9. Light and Fitment: - Fitments and light configurations primarily deal with the different lights of the car like the front and back headlights, fog lights, turning indicators etc. Fitments include bumper configurations (front and back) and the grills of the car (if any).

10. Computer Diagnosis and Electricals: - We at Ruia Care are willing to go the extra mile to provide premium quality services to our esteemed clients. Our computer diagnostic systems will help us determine all the electrical impairments which your car is facing and will help us serve you better.

11. Spare Parts and Accessories: - It is a common struggle to locate and source the spare parts for your vehicle in case they get damaged. At Ruia Care, we remove that burden off your shoulders and provide you with a wide array of genuinely sourced spare parts at affordable prices for your vehicles.

12. Insurance: - We at Ruia Care consistently hope that your precious vehicle never encounters an accident. However, in the wake of this unfortunate event, we make the process of claiming your auto insurance and restoring the original splendour of your car our honest duty. With our insurance network, the process of rebuilding your car gets easier and affordable.



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Marketing Plan and Sales Strategy

Since the market structure of the car repairing industry is a conducive monopolistic competition with real service differentiation, it becomes crucial to employ effective marketing strategies and provide sales incentives to attract prospective customers and grab a significant share of the market. It was an extremely strategic decision to venture into this space owing to our decades of experience in a parallel service sector. Our marketing strategy would be premised around a series of high-impact factors, namely: -

1. Stellar Corporate Presence:- At Ruia Car Rentals, we have a distinguished consortium of high-volume clientele who have been patronizing our services for years now. Usually, these corporates offer company-owned vehicles to their managers as a part of their compensation package. These cars are serviced at random locations as and when the need erupts. However, it would be extremely prospective for us to access this network of clients and register ourselves as their contractual car-repair workshop. This is a competitive advantage that we possess over every other competitor in the local market.

2. Strategic Location: - The workshop for Ruia Care is located near 'Urbana Housing Complex' which houses over 1000 families, more than 80% of which own vehicles. Moreover, other housing complexes like Avishikta are also nearby. We would be specifically targeting these housing complexes through online and offline means in order to establish a geographical monopoly in these areas. Additionally,

we would be conducting a weekly reinforcement marketing program in these complexes which will spread awareness regarding our brand.



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3. Fully-Owned Car Workshop: - Being a fully-owned car workshop, we enjoy the autonomy and the operational liberty to implement reliable measures of quality-checks and customer-centric marketing policies to attract customers. This freedom is not enjoyed by all the franchise owners of GoMechanic in Kolkata since every garage operates in a manner independent of each other which results in inconsistent quality-control measures and restrictions on garage-specific marketing.

4. Exclusive OEM and OES relations: - Since we have been operating in the same industry for over 24 years, we have access to a brilliant network of Original Equipment Manufacturers and Original Equipment Suppliers which would drastically reduce our genuine spare parts' procurement cost and ensure the establishment of a reliable supply-chain.

5. Comprehensive Marketing Blueprint: - We are actively engaged in digital marketing through Facebook and Google adverts which is helping us establish a potent online presence. Moreover, we are in the process of installing various hoardings across the city at strategic locations in order to catalyze our brand-building endeavours. Lastly, we will be launching an app for Ruia Care in the near future which would increase our online presence and brand value by manifolds.

In addition to this, our sales strategy would focus on market penetration which would involve exclusive services such as complimentary pickup and drop, synergistic combo offers, incentive-based pricing strategies, stellar after-sales

service and a customer loyalty programme in the future. This would ensure a high-sales turnover for our initiative which will further propel diversification and expansion plans in future.

