

# LEAN BUSINESS PLAN

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*“Let us fix your car”*

03/07/2018



"Let us fix your car"

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# INTRODUCTION

## 1. Project Description

### 1.1. How did our idea come up?

Living in Madrid also means seeing a lot of car in the streets. According to the *Direccion General de Trafico in 2016* there were 4.474.787 vehicles in the city. In Spain the number of vehicles rises to 32 million (including big trucks and motorcycles). We also found out that 70% of vehicles in Madrid are 10 years old, while vehicles between 0 and 3 years old account for approximately 16% of vehicles.

As we were seeing in the streets many cars having scratches and little bumps, we were wondering and wanted to know the reasons for car owners to have their cars with bumps and scratches, because we believe that everybody wants to have a good looking car even if it is not brand new. Also, we are certain that nowadays people seek acceptance from society and are interested in taking care of their own image. Cars, in many cases represents a good that it is appreciated by consumers and its main purpose is not only for mobility but also for status. So having a car in good conditions is appealing to car owners.

In addition, we also take into account the second-hand vehicle market, which during the economic crisis has experienced strong growth. In Spain for each brand new car that is sold, there is 1.7 second-hand vehicle sold. According to IEA, car sales that are not more than 3 years' growths at 50% yearly and the ones that are over 10 years' growths at 21,7%. per year.

As it was mentioned, in Madrid it is common to see cars having little scratches, bumps, and irregularities on the painting, we also found out that every week, about 1,200 drivers are reported for driving with vehicles with technical deficiencies. Often, when we see vehicles circulating around us, we detect



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infractions that we consider minor. There are some cars that goes without a brake light. Some of them might not have pressure on the front wheels. It is also probable that you will see one car that is so dirty in the back moon that it is impossible for others to see anything.

## 1.2. Hypothesis

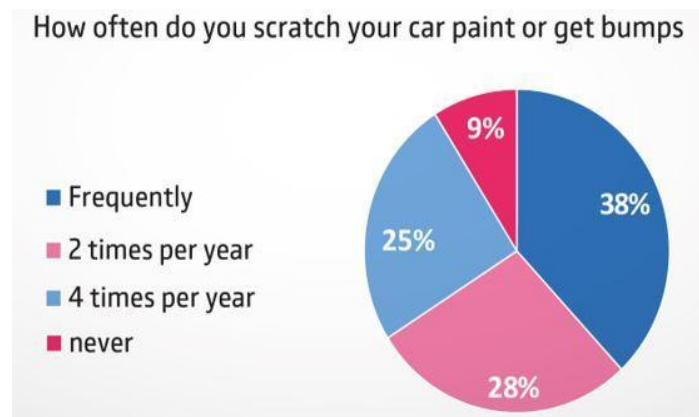
Since we believe that people care about having their car in good conditions, we did not understand their reasons to have their car full of scratches and bumps and not doing a reparation. So we developed a couple of hypothesis to validate them, and to try to find out if we could develop something, a new project or idea, to address this situation. Our firsts hypothesis was:

- In several cases, workshops "require" to change big parts of the car in order to repair very small problems, this rises the price exponentially as well as the amount of time that the car spends on the automobiles workshop. Users don't want to spend so much time without their vehicle for that type of small damages.
- We believe that people are not interested in repairing these small issues because of the high prices for reparation on the workshops.
- Not everyone has a full coverage insurance, and in the case that you have it, you have maximum number of incident reports that you can present per year, and if you exceed it your insurance price will surely rise next year. So that's one of the reasons people don't want to present incident reports so often, and they let the time pass without repairing that damages.
- In Madrid, it is allowed to have car washing and small reparation on public parking's, so this kind of reparations will be possible.
- We believe parking spaces will allow car washing services and small reparations in their spaces.

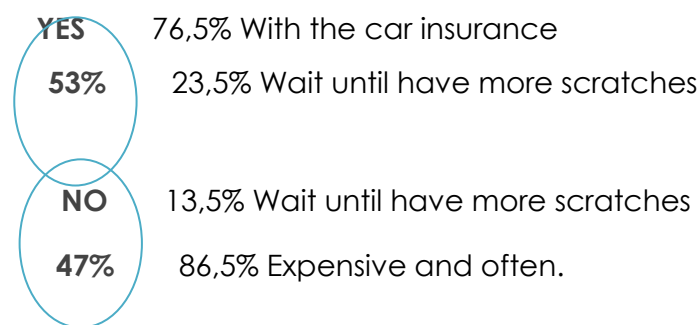
### 1.3. Validation Process

So, it was noticeable that people did not like having a car full of scratches but we also noticed that many people believe that fixing a car is not easy, that is really boring, expensive and time consuming, this why to validate our hypothesis, we did the following experiments:

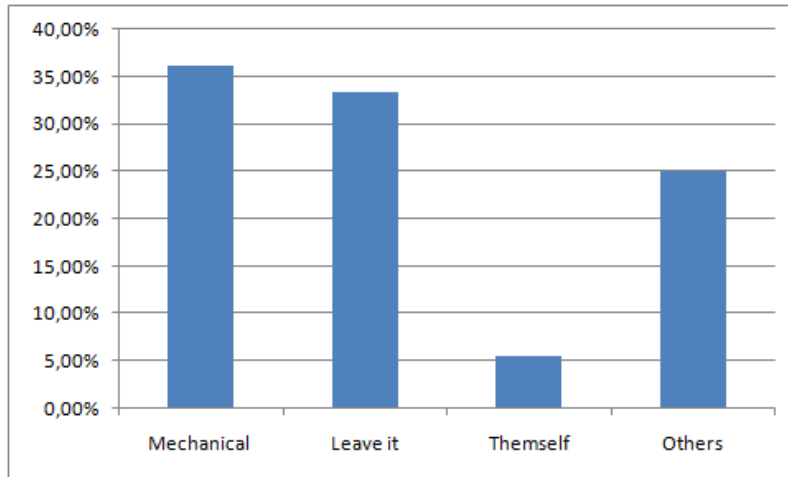
- 1) We conducted different surveys by our team, asking different questions:
  - a) "How often do the people scratch car paint of get bumps", and as the graphic below, the answers validated our hypothesis because 38% said frequently, 28% two times per year, 25% four times per year and 9% said never.



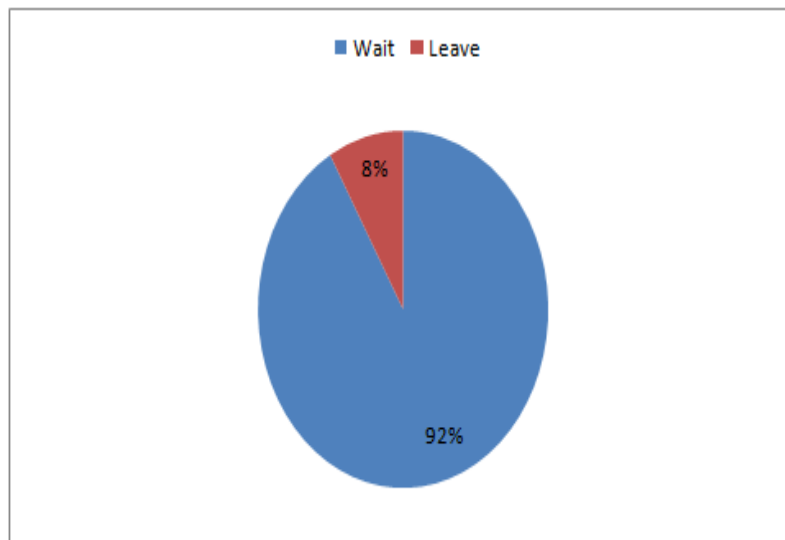
- b) "Have you consider repairing the small scratches in your car? if no, why? and if yes, how you did it?", the results are the following ones:



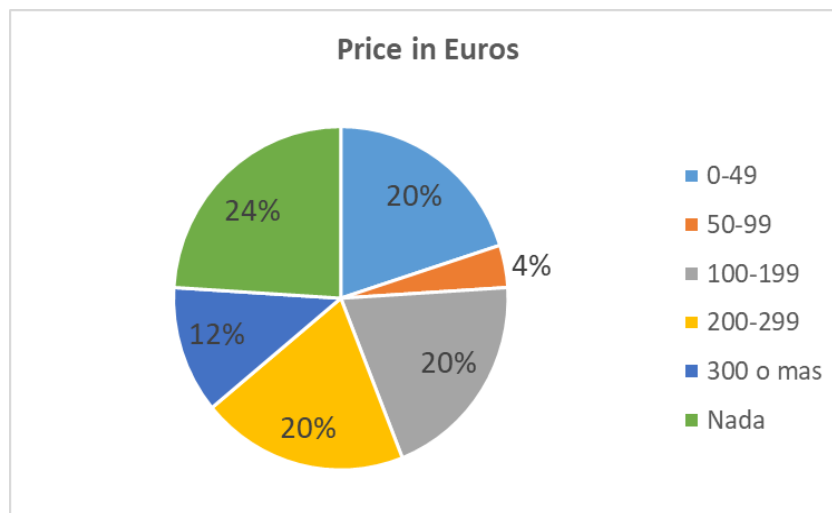
- c) "Do you go to a mechanical workshop when you get scratches or small bumps to repair it, just leave it like that, or you find easy to repair small scratches by yourself?"



d) For small issues, do you prefer leaving your car in the workshop or wait there until the work is done and take it?



e) How much money are you willing to spend, not using your insurance, to fix your car? are you willing to pay without using your insurance coverage?



- 2) We had interviewed the following workshops, and we validated the average prices to repair little scratches are between 100 euros and sometimes it goes more than 1000.

Talleres Vicente Miralles  
Interviewed: Vicente Miralles



Taller Boralauto  
Interviewed: Daniel Ramirez



- 3) We contacted with Professional Formation institutions (FP in Spanish), to validate that mechanics are interested in work with us and also that they are interested in be partners for job opportunities. We contacted with the following institutions and four contact us back showing interest in more details.



With the methodologies above, we validate that not only there are cars to be repaired, and clients that are willing to pay, but there are also mechanics who want to make money or that are looking for a job, and they are also willing to go to the client's place. The

So, in the era of sharing economy, we decided to create the next Cabify for car reparations: EASYFIX. By using EASYFIX car owners will save time fixing their car, they will also get rid of their scratches and they will be able to make easy reparations on their cars. With EASYFIX We will connect car owners with the nearest mechanical technician, so there is no need to move to the mechanic's workshop. EASYFIX is convenient, comfortable and faster compared to traditional business.





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#### 1.4. **Project Status**

We are currently working on developing both, our APP and Web Page. Our Web page will be launched on August 2018.

We also contacted some mechanics schools, and they are looking forward to work with EASYFIX. They are waiting for our APP to start a pilot.

We are looking for investment opportunities in order to increase our growth potential.

### 2. **Meet Our Team**

We are an enthusiastic, responsible and multicultural team with different backgrounds, with a deep knowledge of our markets need. We have different experience in business, big data, planning and marketing. We have an environmental engineer, we also have a couple of experts in sustainability, and some of us have startup experience. Four out of five people in our team have a Business Administration Degree.

We are also students at Escuela organizacional Industrial EOI, so we are well aware of the advantages of becoming an entrepreneur. We believe that startups are a real option that creates solutions to new market's needs.

Spanish current situation gives us an opportunity to develop an idea. We are young and we believe that entrepreneurship and being self-employee will help us growth, both, professional and personal.

We are from different places: we are from Spain, Dominican Republic, Venezuela and Colombia. All of us are bilingual, and some of us speaks French.

**Cristina:** Double degree in Business and Law, with an MBA at the EOI with a project manager course at the same school. I´ve been working on the private sector on an investment bank. During my studies I've been working as a promoter and hostess image, so I´m in relation with sales. Also, during my studies I have learned financial, strategic and marketing knowledge.



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**Gabriela:** Environmental Engineer from UPM, and currently studying the Master in Environmental Engineering and Management of the EOI. I consider myself a person 100% committed in the search of solutions to environmental problems and in the development of innovations that generate an improvement and progress in this sector. Throughout my life I have had the opportunity to live in several countries; among which are Venezuela, Brazil, Mexico, Spain and Saudi Arabia. I consider myself a multicultural person with ease to work with groups of different backgrounds and opinions. I have a command of 4 languages. I have availability to work in the international field.

**Daniel:** During my studies at the Carlos III University I had the opportunity to develop a good knowledge in the business field. As from theory to practice there is a big step, I decided to develop a personal project in which to be able to use the knowledge acquired during these years. In this project I had the opportunity to develop the digital strategy and it was when I realized the importance of the digitalization of business and the new strategies that changed the business paradigms. This was the reason why I took the Master in Big Data.

I describe myself as a dual profile with a vision of the future developed during my university studies, and at the same time a technical profile specialized in Big Data and new business forms in the digital era.

**Saiurys:** Bachelor Degree in Business and international master in Sustainable Development and Corporate Social Responsibility. Five (5) years of international experience. Native Spanish and professional English. I feel a vocation to work in projects and companies focused on profitability doing their best to create value. I show strengths in the interaction with people, leading strategic plans, and goal focus oriented.

On a personal level, my goal is to develop my skills and knowledge in corporate social responsibility and sustainable development for the benefit of marginalized communities in developing countries, creating opportunities for social inclusion through entrepreneurship in sustainable projects.



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**Tatiana:** Master in Sustainability and Corporate Social Responsibility. Master in Social Innovation with a bachelor degree in Business Administration. Tatiana is Sustainability expert, with more than 12 years of experience in planning and managing projects. Leader developing strategies and building partnerships to make a positive impact. I am certain that Sustainability is a strategy that creates value for all of the stakeholders. I am purpose driven, and easily adapt to change, which has allowed me to lead as an executive director in the private, public and social sector. I have negotiation and team management skills. Experience in data analysis, impact measurement, and Information Systems. I also have significant experience implementing Sustainable Development Goals SDGs and Smart City projects

## **BUSINESS MODEL DESIGN**

### **1. Empathy Map**

What does he SEE?

Our customers see their family, friends, classmates and co-workers as part of their lives. They see the importance of having nice things, they also see that appearance and that being good looking it is important. They really like enjoying their free time doing things that they enjoy, like having time to chill and relax. They also like to spend time with their family and friends. They don't want to spend or "waste" their time on the workshop.

What does SAY AND DO?

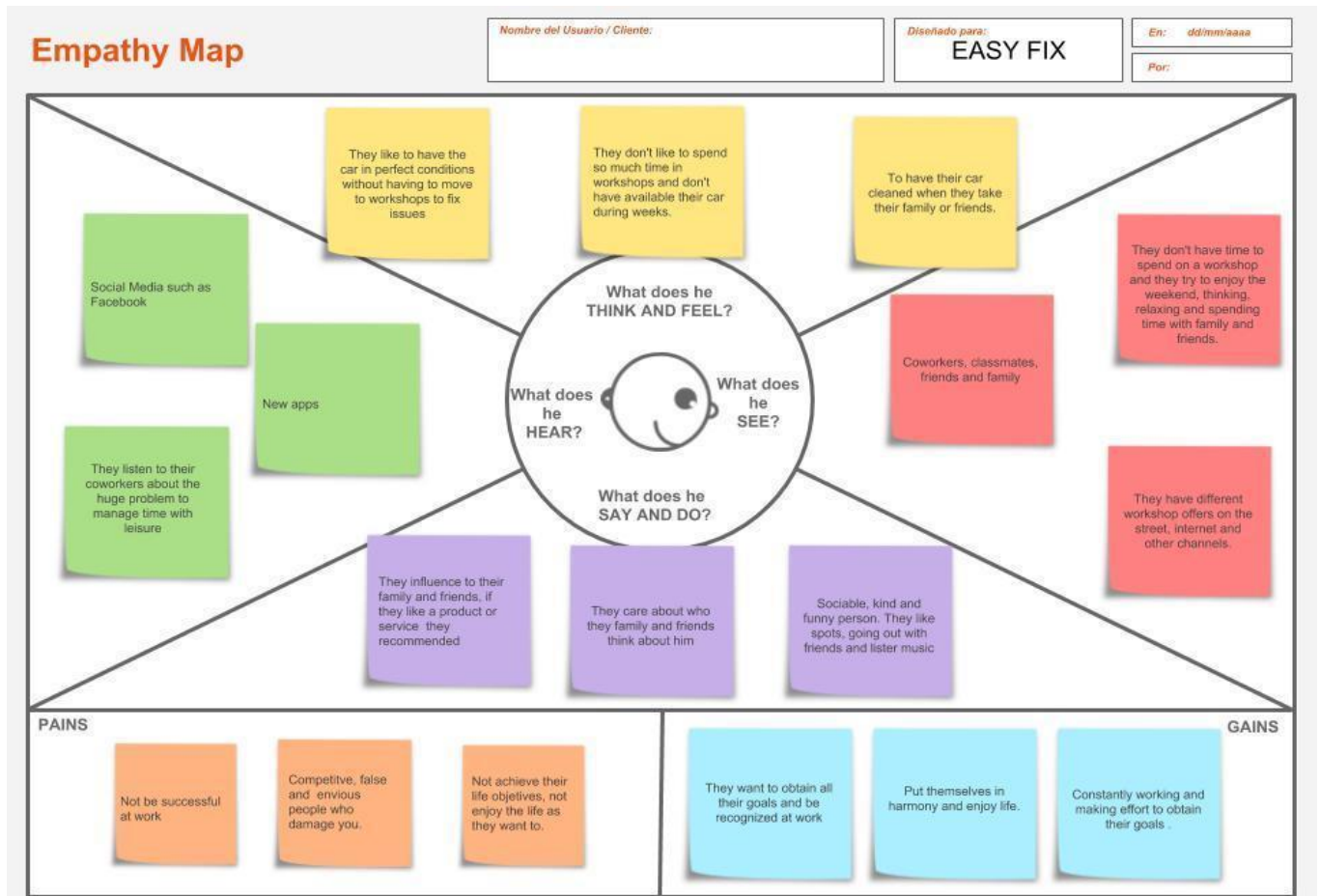
Our customer cares about what their friends and family think about him. He/she is a social, empathetic who cares about mobility and aesthetics and who also wants to spend time with their friends. If our customer likes a product or service, he/she will recommend it to their family and friends.

What does he LISTENS TO?

They listen to their co-workers, family, friends, but also he/she notices things that are trendy, they know about new influences in apps and social media.

What does he THINK and FEEL?

They really like to have the car in perfect conditions (fixed and clean) but they don't want to spend a lot of time in the workshop or a lot of money for small reparations.



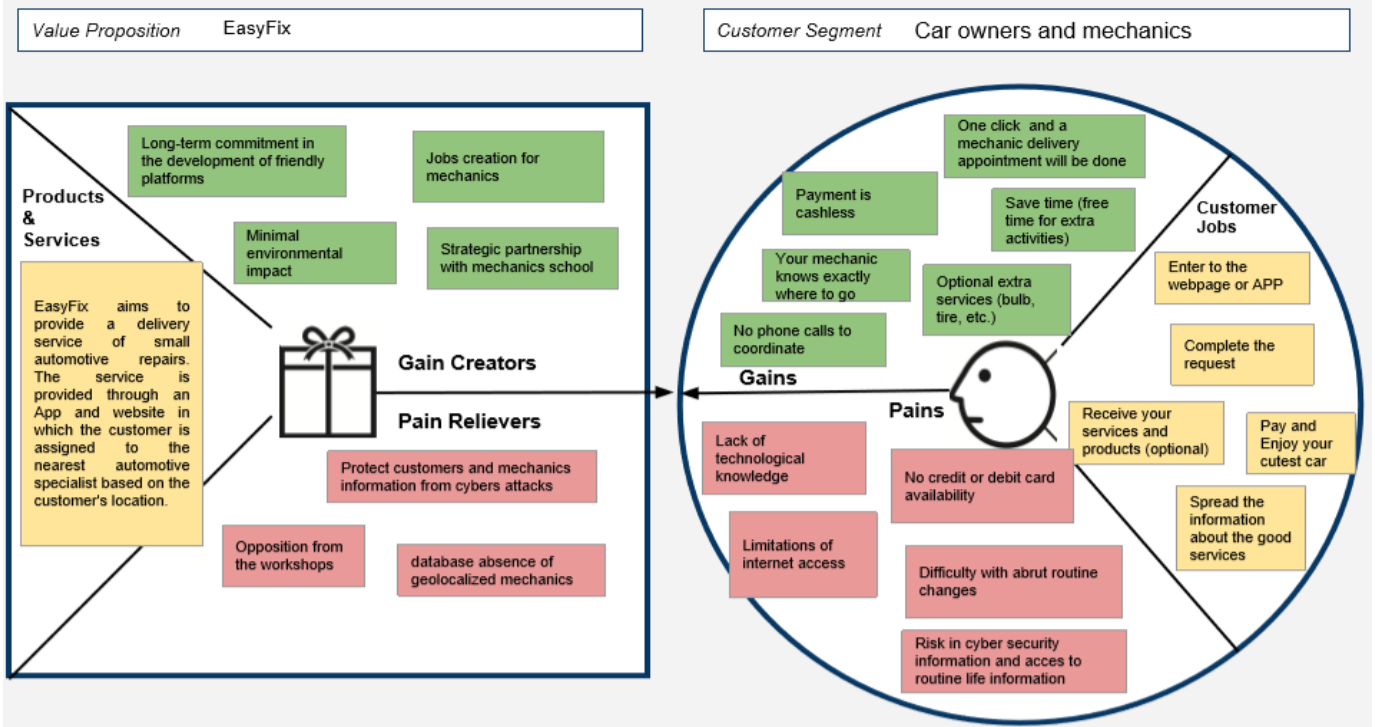
## 2. Value Proposition

To create our value proposition, we took into consideration:

- The benefits provide to the customers
- Perceived value by customers

As Kaplan and Norton said, "The strategy is based on a differentiated value proposition, and the clarity of this proposal is the most important dimension of the strategy.", this is why you can find our Value Proposition in the following image.

## The Value Proposition Canvas



### 3. Business Model Canvas

#### Customer segment

EasyFix is an easy solution to car owners that are tired of having scratches in their car, but that are not willing to pay a lot of money to repair those small things, or they might need to change their car battery, bulbs or windscreen wiper but they lack the time to go to a workshop, so they will see EasyFix as their solution. We also rely on mechanics, people that have the technical skills to make reparations or small changes in our client's cars. So, we are targeting either self-employed mechanics or mechanic schools to build our mechanics database and to provide the services to our clients. We could also sell our services to low insurance coverage companies or car washing business, so they could add some value to their customers.



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## **Customer relationship**

As EasyFix is a solution based on a service, they will pay as they go. We will have delivered a customize service in which the client will just pay the service that he/she requires. EasyFix will have a ranting or evaluation of mechanics available, so car owners will be able to identify mechanics that are better ranked among their colleges.

## **Channels**

We will use an APP and a Web Page so our clients both, car owners and mechanics, could contact by using our platform. For instance, if one car owner needs to change its car battery, he has to go to EasyFix and he will login and ask for the service that requires. EasyFix will display the list of mechanics that are nearby and available so the client could decide both, mechanics and schedule. Once the service is requested, our mechanics will accept the service, and a confirmation of the service will be send to our client. Payments will be done by online methods (through the use of credit card).

## **Value Proposition**

Our value propositions are focus on delivering in home delivery services to car owners to repair small things in their car. EasyFix is convenient. Our platform serves as an intermediary for mechanics and clients. It is easy to make transactions. By using EASYFIX car owners will save time making reparations on their cars. With EASYFIX We will connect car owners with the nearest mechanical technician, so there is no need to move to the mechanic's workshop. EASYFIX it is convenient, comfortable and faster compared to traditional business. EasyFix also represent income generation and job opportunities for Mechanics.

## **Key activities**

We will provide a service that connects mechanics with car owners that need



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to change small things in their cars: tires, Bulbs, batteries, windscreen whipper. By using EasyFix car owners can also repair small scratches and bumps in their facilities, our service will take the mechanic to their private parking lot. With EasyFix, car owners do not have to go to the workshop because mechanics will go to their place.

### **Key Resources**

Our main resource is our platform. We will offer our service by using a Web page and an APP and we will also need a database with our mechanic's specialities and schedule availability.

### **Key partners**

We believe our main partners are mechanics because they are the ones providing the service to our customers. We need mechanics that are committed to our platform and provide a good service with high quality to our customers. We will partner with mechanic's schools to offer their students a job.

Furthermore, we could also develop partnerships with car washing business to extend their services to small reparations. Private parking lots would be also needed to provide the space in which we deliver the service in case that car owners do not have a private space, for example the office parking lot, or shopping mall parking lot.

Insurance companies are very interesting potential partners because we can offer our services to their clients who will beneficiate from the reduction of time spent repairing their car and making it easier for them, as we provide them mechanics that will get to where they are instead of them going to a workshop. Together with this, the insurance company would reduce the costs of displacements vehicles and other operational activities that take place when an accident takes place.



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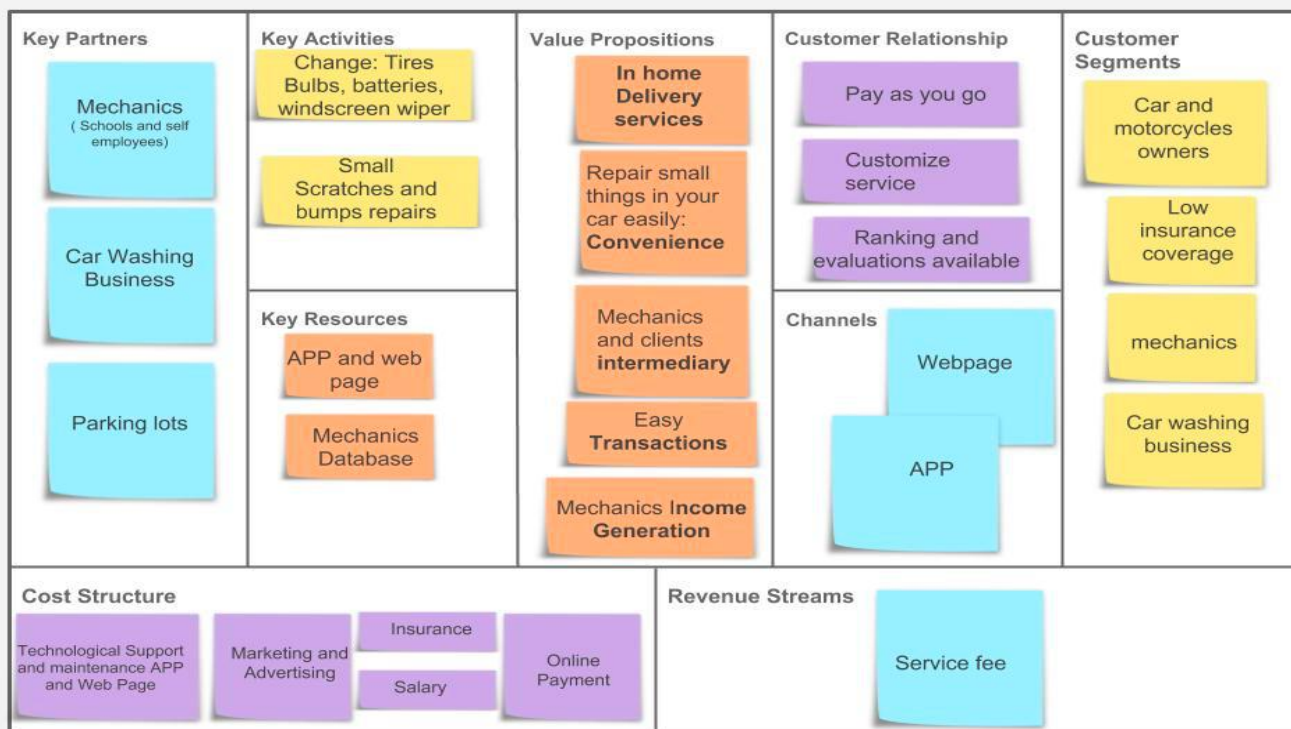
### Cost structure

- Technological support and maintenance of our Platform and web page
- Marketing and advertising
- Insurance
- Salary-wages
- Online payment

### Revenue streams

Our main revenue streams are our service fee, but we could also sell advertising in our platform.

### Easy Fix Business Model Canvas







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# PLANNING

## 1. Marketing Plan

### SWOT

<b>WEAKNESSES:</b> <ul style="list-style-type: none"><li>● Non-automated repairation processes</li><li>● Ignorance of the competition.</li><li>● Not having a sufficient workforce to cover the entire city of Madrid.</li><li>● Newly created company.</li><li>● Lack of trust in our mechanics.</li></ul>	<b>THREATS:</b> <ul style="list-style-type: none"><li>● Appearance of new competitors.</li><li>● Emergence of new regulations that involve an increase in cost or a reorientation of the business.</li><li>● Parking lots do not allow us to develop our activity in them.</li><li>● Workshops of informal mechanics</li></ul>
<b>STRENGTHS:</b> <ul style="list-style-type: none"><li>● Wide range of services offered.</li><li>● In home delivery service</li><li>● Adaptation to the client.</li><li>● Efficient technical assistance and quality in the service.</li><li>● Certified workforce.</li><li>● Customer loyalty.</li><li>● Strong differentiation.</li></ul>	<b>OPPORTUNITIES:</b> <ul style="list-style-type: none"><li>● Brand strategy and marketing plan.</li><li>● Potential market.</li><li>● Aging of the automobile park of Madrid.</li><li>● Possibility of establishing collaborative agreements with insurance companies, washing companies, car parks, etc.</li></ul>



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## PESTEL

<p><b>POLITICAL</b></p> <ul style="list-style-type: none"><li>• The World Bank places Spain in 142nd place out of 189 in the ranking on ease of starting a business, according to the study Doing Business 2014: Spain.</li><li>• In the automotive sector, the Government has promoted the so-called PIVE plans, of which seven campaigns have been launched and which seeks to renew the mobile fleet of the national territory by granting subsidies to owners who cancel their vehicle for acquire a new one.</li></ul>	<p><b>ECONOMIC</b></p> <ul style="list-style-type: none"><li>• The unemployment rate in Spain is around 25% and in the Community of Madrid around 20% with an expectation of improvement. People are looking for cheaper options to fix their cars.</li><li>• The automotive sector plays an important role in the economy of the country, since it is estimated around 400 million euros the income generated directly or indirectly.</li><li>• Studies assure that of the totality of establishments destined to the automotive industry, 70% corresponds to establishments of maintenance and repair of vehicles and 30% to sale of pieces, accessories and vehicles.</li><li>• In addition, we must take into account the second-hand vehicle market, which during the economic crisis has experienced strong growth. Only during the first half of 2014 sales of this type of vehicles increased by 4.5% compared to the same period of the previous year.</li></ul>
<p><b>SOCIAL</b></p>	<p><b>TECHNOLOGICAL</b></p>



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<ul style="list-style-type: none"><li>● Increasing level of demand from consumers, who seek a high quality service at a reasonable price.</li><li>● The social perception has evolved, in such a way that the companies understand that their clients value positively the fact that the companies acquire commitments over what the legislation makes.</li><li>● People seek acceptance from society and take care of their own image. The car, in many cases represents a good appreciated by consumers and seek not only its proper functioning but also a good aesthetic.</li><li>● 70% of vehicles in Madrid are 10 years old, while vehicles between 0 and 3 years old account for approximately 16%.</li></ul>	<ul style="list-style-type: none"><li>● Thanks to information technologies, the consumer is able to easily access the service letter of the different companies that offer automotive mechanics services.</li><li>● The customer has now the possibility of being offered and anticipated budget for their repair operations, as well as to request a prior appointment or to anticipate payment through the Internet.</li><li>● Companies are aware of the importance of being positioned in social networks and actively participating in them interacting directly with consumers.</li><li>● According to the study "Habits of e-commerce", prepared by Nielsen, 52% of Spanish consumers first search online before buying in the physical store.</li></ul>
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<b>ENVIRONMENTAL</b>	<b>LEGAL</b>
<ul style="list-style-type: none"><li>• Management and treatment of hazardous waste. RD 833/88 and RD 952/97. Hazardous waste is one that endangers public and environmental health and safety.</li><li>• The awareness for ecology and care for the environment has increased. More and more companies are concerned about developing Corporate Social Responsibility, as an active and voluntary contribution to the social and environmental improvement in the field in which they operate.</li></ul>	<ul style="list-style-type: none"><li>• The activity of providing repair services for automobiles is regulated in Spain by Royal Decree 455/2010.</li><li>• Law 22/2011, of July 28, waste and contaminated soil law. Establishes the obligations that must be fulfilled in relation to the treatment of generated waste.</li><li>• Repairs cannot be made in public space</li><li>• There is no law that regulates the arrangements at home.</li></ul>

**a. Product description**

EasyFix aims to provide a delivery service of small automotive repairs. The service is provided through an App and website in which the customer is assigned to the nearest automotive specialist based on the customer's location. We will provide a service that connects mechanics with car owners that requires to fix something in their car.

**b. Price Determination System**

The prices of each of the services offered vary depending on the type of item that the client wants to change, for example: batteries, light bulbs, wheels and whippers, the amount of time required to perform the service and the distance travelled by the mechanic in order to get to its destination.



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### Prices list of each service

<b>Service</b>	<b>Price (euros)</b>
Battery change	27
Tire Change	25
Wipe Washer	8
Lights bulbs	10
Painting	170 (depending on the area)

### Price depending on the distance travelled by the mechanic

<b>Distance (km)</b>	<b>Price (Euros)</b>
5	6
10	9
15	12

### Items that are included in the price

The price paid by the client will include the mechanic's travel to the point of service, the product to be exchanged and the hours of labour.

### Collection systems

The payment will be made automatically by the app or website through credit/debit card or with PayPal.

### **c. Distribution policy**

#### Distribution chain:



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It is expected to have a workforce that can serve the largest number of neighbourhoods in the city of Madrid. Depending on the client's location, the nearest mechanic is assigned.

The mechanics are in charge of the displacement to the client's house and performing the service. EasyFix is the only intermediary between the two of them.

#### Waste production:

The wastes produced by the labour of each mechanic will be stored in four deposits rented for that purpose. Each waste will be properly labelled with its specific approved label, so that the company dedicated to the treatment of each waste can make its storage and destruction without misunderstandings.

By producing less than 10,000 kg / year of hazardous waste, EasyFix will register as a small producer.

Yet, as it is estimated that in the first years EasyFix will produce less than 500 kg / year of hazardous wastes, we will pair with the company CORESA which offers a plan that exempts EasyFix from its condition of Producer, and as a result of the obligations, risks of inspection and sanction, and management implies the condition of Waste Producer.

CORESA will be subrogated in its condition of Hazardous Waste Producer, for which a Contract of Assignment is signed in which its specified that every six months they will be in charge of the collection and treatment of all waste generated with a company authorized for this purpose

CORESA will be in charge of the legal obligations: Registration books, documentary custody for several years, assume the management and risks of hiring a Carrier, control legal deadlines for collection, LER code assignment, knowledge of the legal management alternatives, annual declaration, etc.

EasyFix will only have to comply with the requirements for temporary storage while the waste remains in their facilities. The cost of this service will vary



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depending on the amount and type of waste produced, but it is estimated that this environment at 1100 euros per year.

#### **d. Establishment:**

EasyFix will rent a Workspace to use it 2 times a week, for the 5 members of the executive worker's template.i

Together with this, a member of the EasyFix management team will be assigned quarterly for the resolution of complaints and comments. These can be made through the Contact us tab of the app, in which a telephone number will be provided for any possible complaints, claims and returns. The comments or calls will get to the mobile device acquired only for this use and that will be under operation of a member of the easyfix team. In addition to this, once the mechanic's work is finished, the client will have the possibility of evaluating the experience obtained through satisfaction ranking and comments.

There will be 4 waste storage deposits in the city, for the mechanics to take their wastes. And no workshop will be needed, rented or used.

#### **e. Communication policy**

##### Communication objectives

The corporate image that EasyFix seeks to create and transmit is that of a serious, solid and capable platform. It seeks to communicate the advantages in relation to the time and comfort offered by the EasyFix when carrying out repairs at home. The target audience that is intended to reach are all those people residing in the city of Madrid who own a car and garage at home.

The design of the initial logo was made by the original shareholders of the company, but it lacked the strength and character that was intended to be transmitted, therefore, a graphic designer was hired to create two new versions. Finally, the definitive one was chosen. All of them presented below:



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The first logo designed for the company was the following:

Easy Fix 

The final version that was chosen was:



The colours selected for the logo represent:

- Dark blue: wisdom and knowledge
- Gary: security and stability
- Red: power and dynamism

#### f. Actions and Budget for the launch

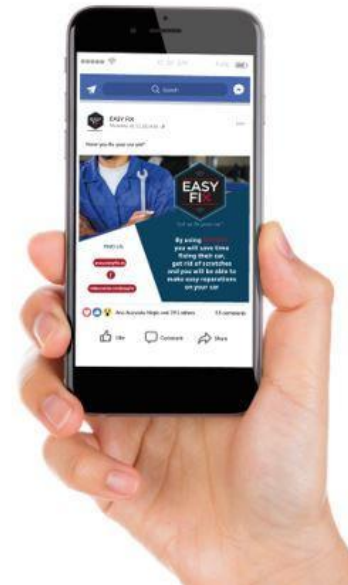
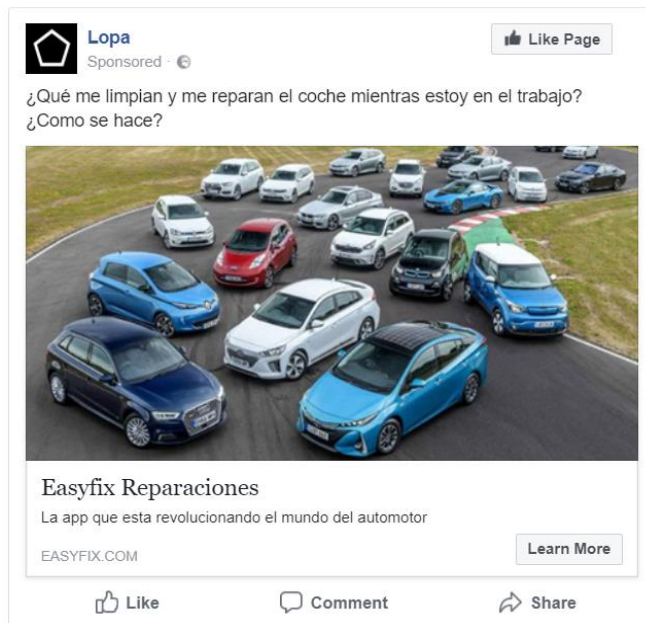
##### Media:

- EasyFix will advertise its services through flyers distributed on car windshields of the main residential neighbourhoods of the 21 districts in Madrid.
- As direct marketing strategies, it will resort to the use of SEM strategies and through CPC.
- Facebook ads have also been developed, through which it can measure the number of people who are interested in the services offered and their general data such as gender and age is registered as they click the add. This ad will be analysed more in detail in the sales plan section.

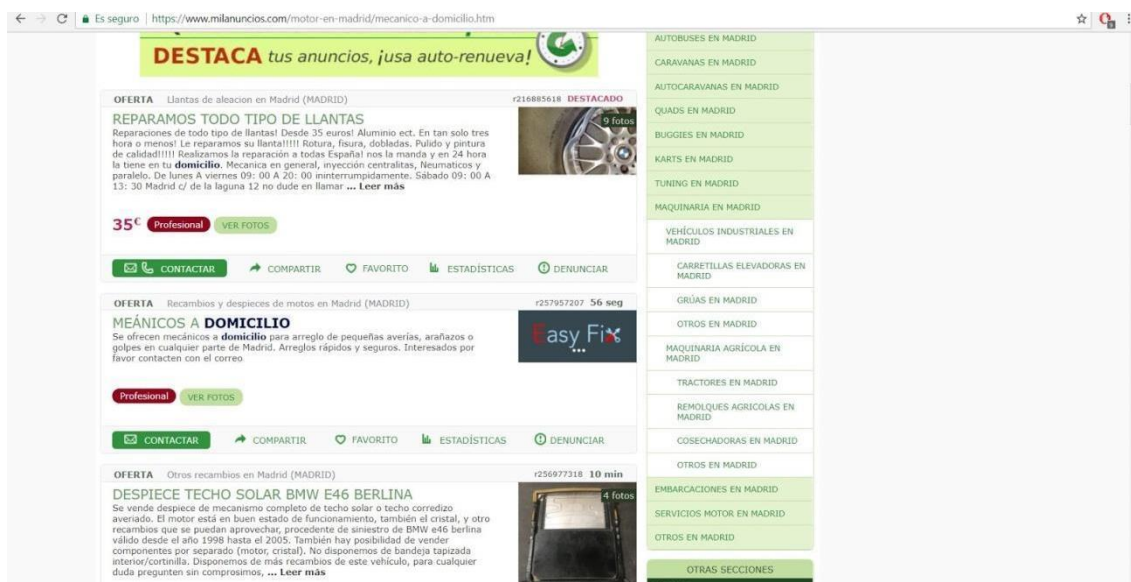




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- Two posts have also been created on MilAnuncios.com website in which a fee of 15 euros has been paid for self-renewals, which is equivalent to 105 renewals. Every two days it auto-renews and the ad appears as highlighted at the top of the customer's search. The posts advertise the services EasyFix offers.



- Together with it, informative talks will be held three times a year in Vocational Training Centres (Centros de Formación Profesional), in order



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to announce EasyFix activities and recruit in some cases mechanics that are currently graduating and that are interested in working in our Company.

### **g. Sales plan**

Both the app and the website will have a system for assessing the work and treatment received by the person who has performed the services. These assessments and opinions will be visible to all public and the complaints received by customers will be answered from this platform.

- **Client Acquisition**

As we have seen above, Easy Fix is going to use different channels in order to get the clients. Majorly all of them are digital, as we developed a service based on the internet. In this section we are going to focus more precisely in one of the channels which is Business Facebook and we are going to do an analysis in order to calculate the cost of acquisition per client.

Before entering in too much detail, it is worthy to say that looking at the big picture we have taken into account the seasonality of the service we offer. There are two major peaks that are in December, coinciding with Christmas holidays, and the second one is in July when we expect many car travel for summer time.

- **Bottom-up**

It exists two different ways of calculating the number of client. The first one known as top-down procedure, is when we estimate the whole amount of targetable client there exist and then just pick for example 1% of them. We think that this approach simplifies too much the reality and miss valuable information about the client itself which could be very helpful for the firm.

The Second option is called bottom-up and the way of calculating the number of clients is by doing a very different process. We estimate the number of clients we can get from the different channels, then we estimate the cost of acquisition through these channels and once we have the cost we just have to



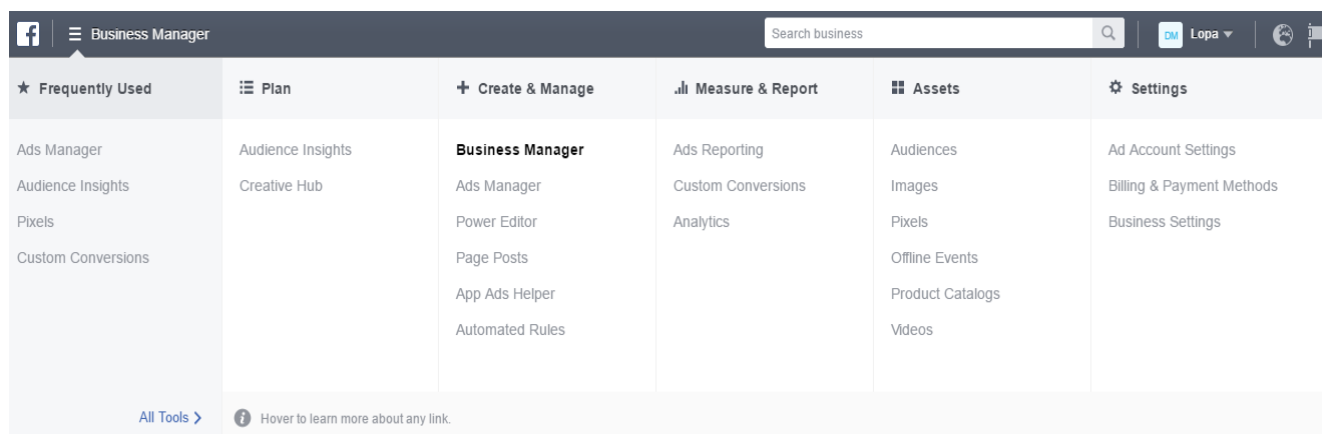
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do a very simple calculation of how many clients we are going to have depending on the amount spend on marketing.

In order to have it clearer we are going to perform an example on the following section.

- Business Facebook

To measure and understand better the information we used a tool called Facebook Business Manager. It allows users of Facebook ads, and managers of different websites to have everything in just one page and then making it much more straightforward to use.



From this image we can see an overview of Business Manager Panel. The most interesting is Power Editor that allows to create manage and analyse the post and the users.

There exist major objectives when creating a campaign, the most used are *awareness* (Reach people more likely to pay attention to the ads and increase awareness for our brand.) *traffic* (Send more people to a destination on or off Facebook.) *engagement* (Get more people to see and engage with your post



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or Page. Engagement can include comments, shares, likes, event responses and offer claims) or *conversions* (Get people to take valuable actions on the website, such as adding payment info or making a purchase.)

Finally, a crucial characteristic of this tool is "Asset Audiences", that allows to manage the audiences and analyse them very deeply. It is counterproductive to create an awesome ad but target the wrong people, so it is very important to know how to create and manage those audiences.

- Easy Fix and Business Facebook

In order to understand how much, it could cost us to get new clients we did a test by creating an ad. Customers are willing to use the app and we are going to measure the cost per click (CPC) that we expect is lower than 40 cents.

The ad we created is below.



Thanks to this simple way of creating advertisement we can understand our clients' needs and iterate very easily in order to offer them the best service. The ad is composed of text where we introduced two questions, the image and



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then below a call to action button. Once the click on it they would go directly to the web app.

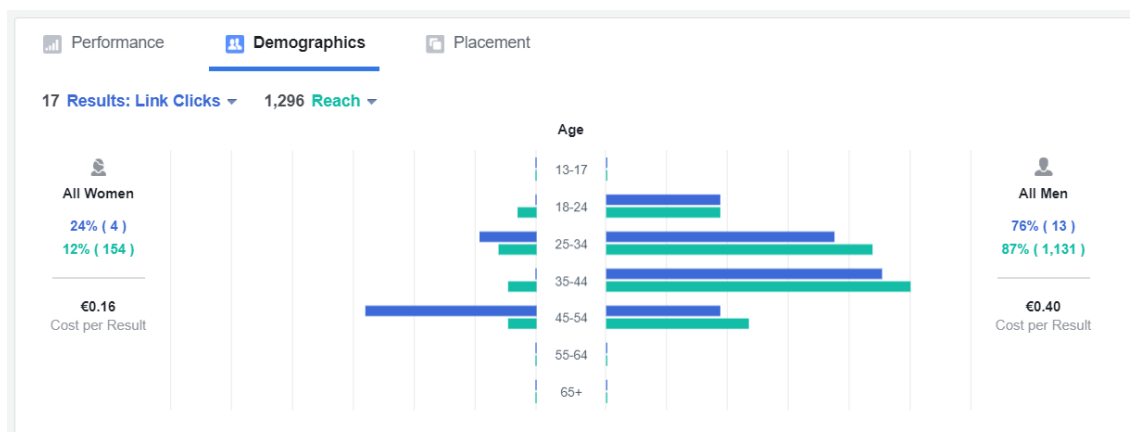
So, after performing the advisement the same tool also offers and summary of the most important kips.

Overall, we have spent 5,83€ that have reached 1.296 people and got 17 clicks, which makes a cost per click (1296/17) of 0.34 cents. Which is a very good piece of news because is lower that what we estimated and we have attained it with an ad that can be very easily improve as well as our target audience.



In blue there is the number of people reach and in green is the clicks. Those results are divided into 4 different channels (Audience Network, Facebook, Instagram, Messenger)

From this ad we have obtained also a precious information and as we can see in the next image the cost per click for man is of 0.40€ while the one for woman is 0.16€ cents. It is true that the ad has a low budget and the results can vary once we invest more money, having said that it is interesting to emphasise that with one iteration we could go as low as 0.16€ cents of cost per click if we target just woman from 45-54 years old.



In this image we have in green the number of people reach and in blue the clicks. The audience is divided into man and woman and then again divided into group of ages.

- AARRR Metrics Framework

This framework is developed by Dave McClure and entrepreneur and angel investor who has worked in PayPal, Facebook, Microsoft and many other high-tech firms.

The idea is to breakdown 5 important metrics and analyse them separately making it possible to get a very deep understanding of the business, its core activities and where we could improve. The 5 metrics are Acquisition (Where customers come from), Activation (Do the users like the app), Retention (Do they come back), Revenue (How do we make money), Referral (Do the users tell others about us). The way of representing it, is by creating a funnel. Now we are going to create the one for Easy Fix.

Acquisition	Visite the webpage, Facebook Account or the App		100% - 0,34€
Acquisition	Does not abound (inverse of the bounce rate) Visit more than 2 pages, more than 3 clicks, or more than 8 second in the app)		70% - 0,4€
Activation	Download the app		20% - 0,90€
Activation	Sign up on th newsletter or creat an account		15% - 1,15€
Retention	Navigate over the different products of the shop		13% - 1,3€
Retention	Open the emails, ads and click through it		10% - 1,5€
Referral	Refer the app and visit the web	8% - 1,7€	
Referral	Refer the app and create a profile	6% - 1,9€	
Revenue	User generates revenue for the firm	5% - 2,5€	



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As we can see in this funnel there are the different levels marked in colours. In the middle is the way of understanding each of the level, and finally in the last column we have the percentage of the funnel and the estimated cost. Logically as we progress through the funnel the percentage decrease and the estimated cost of attained it increase.

We start from the whole population arriving from Facebook so they have a cost of 0.34€ and then following the funnel and the different stages we can estimated the percentage and the cost. Because we divide into different steps the info we can understand very well where to focus on, and we can have a very precise estimation of the cost of acquisition per client.

Once we know that in order to make a client generate revenues it cost the firm 2.5€ the only thing we need is a marketing budget and a client number acquisition objective.

## 2. Financial Plan

The projection made by our team has been carried out in two years, starting from August 2018. Below we will reflect the information extracted from it:

First of all, we must mention that we have no direct cost, since our company will only be in charge of putting mechanics in contact with users. Our main revenue source will be a fixed fee of a 10% for each service, which means that our gross margin will be between 0.8 and 17 Euros, depending on the service that the client wants.

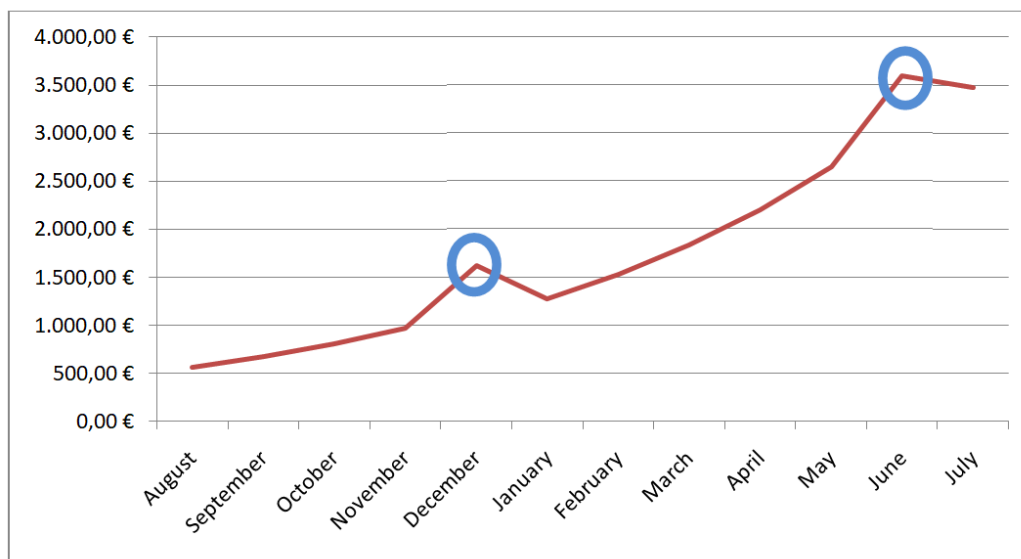
<b>Service</b>	<b>Fees (Euros)</b>
Battery Change	2,7
Tire Change	2,5
Wiper Washer	0,8
Lights Bulbs	1
Painting	17



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We estimated that sales will grow based on the marketing campaigns (Facebook ads, Milanuncios ads and flyers), which is why we estimate that the growth during the first 17 months will be 20% compared to the previous year. After these 17 months we consider that growth will be lower, 15% because we know that it's not easy to be growing at the same level all of the years. On the other hand, during the months of December and June we can see that we will increase our sales, which it's based on the specialized campaigns that we will made those months. In June and in December we consider that many people use their cars to move to other places (because of Christmas and holidays), we will increase the campaigns during those months, as we can see on the graphic, there are two peaks.

### Sales in year 1

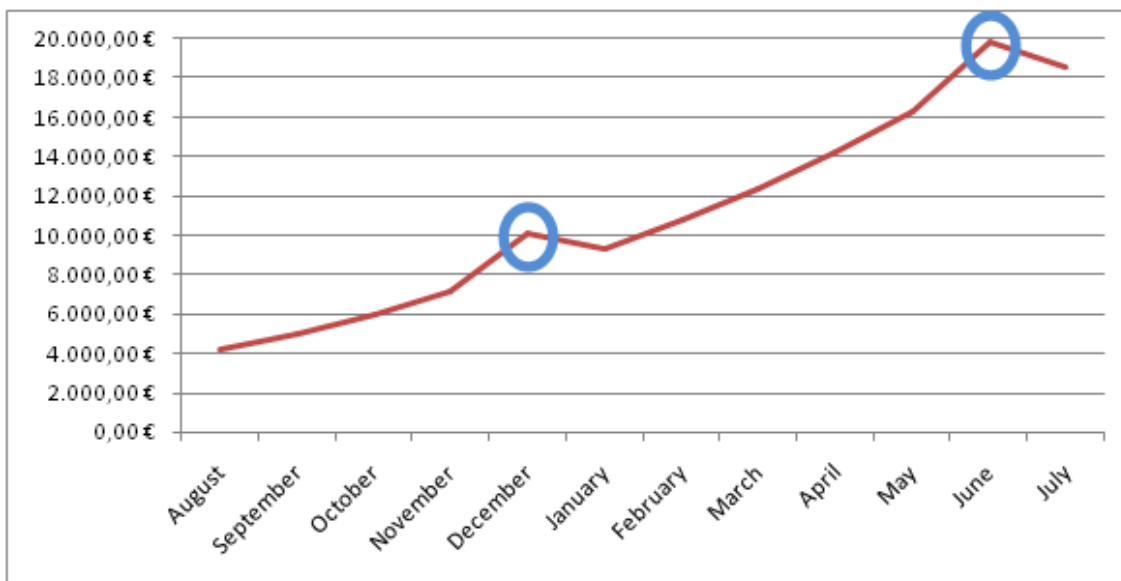


### Sales in year 2





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As we mention, the collection system will be made automatically by the app or the web site through credit/ debit card, and on the future, we want to implement the PayPal system. That means, that the collection of all the operations will be done online and at the moment that the mechanic made the reparation. On the same way, we will pay to our mechanics, at the moment. That means that the 100% of our bill collection and payments are going to be at the same moment.

The main costs that we are going to have are going to be those of the marketing campaigns, renting spaces to manage the waste generated and the expenditure necessary for the operation of the web and the app

- Facebook: This will be our biggest expense, and we estimate that the first year will be 18,991.90 Euros, and the second year of 86,254.9 Euros. We will use the money generated during the sales to this campaigns.
- Flyers distribution: we subcontracted to a company that carries out the dissemination of informational pamphlets and this will cost 120 Euros each year.



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- "Blue space": as we said, we have to care about the wasted generated by the mechanics during their work. Mechanics have to put the polluting discharges into a place where an external company will be in charge of managing them. We will be leasing four blue spaces and the cost of leasing those spaces will be 3.312 euros every year.
- To set up our web and application will be 550 Euros the first year. We estimated this based on the cost of having a web domain.

The profitability that we expect to obtain from customers, estimating that their relationship with the company is about 15 years and that they request our services, at least once a year, makes a lifetime value (LTV) of 45 in the first year and 47 in the second.

Regarding to the human resources costs, it has been established that during the first year they will be 0, since we will not hire staff and the entrepreneurs will work for free. During the second year, we decide to hire the following staff:

- Recruitment: we will be on charge of making talks in different vocational education schools (Escuelas de Formación Profesional) to inform and recruit future mechanics. We will have a contract for a specific project or service 2.000 Euros.
- Sourcing an IT specialist to make improvements on the app and the web during the first month, we will pay them 1.000 Euros
- Client service: this employee will be on charge of helping users to solve questions and to solve complaints. The salary will be 2.000 Euros because we will hire him just at the end of the year two.

As a result, of those revenues and costs, the net profit at the first year it's negative (2.246,4) with fixed annual costs of 23.462,3 Euros.

But, on the second year, the net profit it's 23.462,3 Euros, with fixed annual costs of 98.680,1 Euros.

To run the business, the money provided by the entrepreneurs' it's 6050 Euros; we will spend the money in:

- 500 Euros to obtain the certificate of company registration, to cover the following costs:
  - Notary costs
  - Registration costs
  - Expenditure costs
- 550 Euros to create the web, which mean the cost to request the web server and to create the app.
- The last 5000 Euros will be used to make the ads campaigns, and leasing the four spaces of "Blue space"

That is why the need for investors at first would not be necessary, being aware that if there is financing this would mean an increase in advertising campaigns, which in turn will mean an increase in sales.

### Balance Sheet

	Apertura 1º Ejerc. /1		Cierre 1º Ejerc. /1		Cierre 2º Ejerc. 1/2	
	Euros	%	Euros	%	Euros	%
Activo No Corriente ("Inmovilizado")	1.050,0	17,4%	375,0	9,9%	250,0	0,6%
Activo Corriente ("Circulante")	5.000,0	82,6%	3.428,6	90,1%	42.615,2	99,4%
<b>TOTAL ACTIVO</b>	<b>6.050,0</b>	<b>100,0%</b>	<b>3.803,6</b>	<b>100,0%</b>	<b>42.865,2</b>	<b>100,0%</b>
Patrimonio Neto - Recursos Propios	6.050,0	100,0%	3.803,6	100,0%	30.041,8	70,1%
Pasivo No Corriente ("Exigible a LP")	0,0	0,0%	0,0	0,0%	0,0	0,0%
Pasivo Corriente ("Exigible a CP")	0,0	0,0%	0,0	0,0%	12.823,5	29,9%
<b>TOTAL PATRIMONIO NETO + PASIVO</b>	<b>6.050,0</b>	<b>100,0%</b>	<b>3.803,6</b>	<b>100,0%</b>	<b>42.865,2</b>	<b>100,0%</b>
Saldo de Tesorería (Disponible)	5.000,0	83%	3.174,9	83%	42.615,2	99%
Recursos Permanentes	6.050,0	100%	3.803,6	100%	30.041,8	70%



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### 3. **Operational Plan**

Our business plan is very simple, since we are only intermediaries, we are not going to produce or manufacture anything, our main challenge is to complete our APP design so we are going to focus on developing our APP and web page. Also, we will be focusing on reaching as much clients as possible, we also need to reach self-employed or autonomous mechanics that are willing to work with us. Our strategy to reach both, it is explained in our marketing plan.

EasyFix does not need any inventory. In Addition, we would not need labour force. Making our business less risky. Mechanics are the ones providing the service so if they are going to get clients by using EasyFix they will need to have an insurance coverage, guaranteeing that if something goes wrong with the reparation a third party is going to cover the damage. In this case, we are going to have a lawyer that is going to help us with the legal contracts and terms of use for users.

We will also need to work on our alliances, since we believe insurances companies could offer EasyFix as an added value to their clients. We are also going to reach different companies based on Madrid, so they would allow their employees to use their company's parking lot to repair their cars.

As it was explained in our financial plan, we will require at least 6.050 Euros as capital. However, if we want to take this company one step forward we will require more capital to be able to target more cities.

Our growing strategy includes:

1. To complete our APP design: include more features, databases, PayPal option among others.
2. To implement our marketing campaign: we will be able to increase the number of cities and clients by implementing our marketing campaign.
3. To recruit mechanics: we would need to partner with training centres to present our advantages.

## **Executive summary**



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Company Information

Web: <https://tmssas.com/easyfix/> We are still working on it.

Email: [easyfixeoi@gmail.com](mailto:easyfixeoi@gmail.com)

Since: August 2018

Sector: IT

Nº Employees: 5

Finance situation

Investment received: \$6.050 euros from the entrepreneurs

Burn rate: During the first year it's on an average of -152,08, during the second year, the average it's 3286,68

pre money rating: 3,9 million

Capital: \$6.050

Team

CEO: Tatiana García Echeverry

CTO: Daniel Benzaquen Moreno

CCO: Cristina Rodríguez Martínez

CMO: Gabriela Planchart Robles

CSO: Saiurys Bonnet Matos

Mentor: Carlos Perales

Tutor: Pablo Valcárcel

Investors

FFF: 6.050 euros

Business angel: 0

Seed Capital: 0

Investment destination

- Recruitment: during the first year it's 0, on the second year 6.604 euros:
- Development: 1050 euros, 500 for the web and the app and 550 euros to register the company

Company name: EASYFIX

Activity description:

We will offer our service by using a Web page and an APP.

We will provide a service that connects mechanics with car owners that need to change small things in their cars: tires, Bulbs, batteries, windscreen wiper. By using EasyFix car owners could also repair small scratches and bumps in their facilities. Our service will connect mechanics with people that requires some service in their car and it will take the mechanic to their private parking lot. With EasyFix, car owners do not have to go to the workshop because mechanics will go to their place.

Our team description:

We are an enthusiastic, responsible and multicultural team with different backgrounds, with a deep knowledge of our markets need. We have different experience in business, big data, planning and marketing. We have an environmental engineer, we also have a couple of experts in sustainability, and some of us have startup experience. Four out of five people in our team have a Business Administration Degree. We are from different places. We are from Spain, Dominican Republic, Venezuela and Colombia.

We are also students at Escuela de Organizacional Industrial EOI, so we are well aware of the advantages of becoming an entrepreneur. We believe that startups are a real option that creates solutions to new market's needs.

Business model summary:

Our value propositions are focus on delivering in home delivery services to car owners to repair small things in their car. EasyFix is convenient. Our platform serves as an intermediary for mechanics and clients. It is easy to make transactions. By using EASYFIX car owners will save time making reparations on their cars. With EASYFIX We will connect car owners with the nearest mechanical technician, so there is no need to move to the mechanic's workshop. EASYFIX it is convenient, comfortable and faster compared to traditional business.



"Let us fix your car"

- Marketing: during the first year will be 6.372 euros, on the second year will finance our marketing campaign with the sales we are making.

EasyFix also represent income generation and job opportunities for Mechanics.

In the era of share economy, we decided to create the next cabify

for car reparations: EASYFIX. By using EASYFIX car owners will save time fixing their car, they will also get rid of their scratches and they will be able to make easy reparations on their cars.

**Problem that is solved:**

EasyFix is an easy solution to car owners that are tired of having scratches in their car, but that are not willing to pay a lot of money to repair those small things, or they might need to change their car battery, bulbs or windscreen wiper but they lack the time to go to a workshop, so they will see EasyFix as their solution. We also rely on mechanics, people that have the technical skills to make reparations or small changes in our client's cars but they do not have a job.

We know that there are MANY cars having little scratches, bumps, and irregularities on the painting. We also know that Workshops "require" to change big parts of the car in order to repair very small scratches, and this is Expensive and time consuming.

**Products or services offered**

EasyFix aims to provide a delivery service of small automotive repairs. The service is provided through an App and website in which the customer is assigned to the nearest automotive specialist based on the customer's location. We will provide a service that connects mechanics with car owners that requires to fix something in their car.

Our clients could ask for changing Bulbs, batteries, windscreen wiper. By using EasyFix car owners could also repair small scratches and bumps.

**Market description**

In 2016 there were 4.474.787 vehicles in Madrid. In our opinion, it is common to see in the streets many cars having



"Let us fix your car"

scratches and little bumps.

We are certain that nowadays people seek acceptance from society and are interested in taking care of their own image. Cars, in many cases represents a good that it is appreciated by consumers and its main purpose is not only for mobility but also for status.

EasyFix is a solution for car owners that need a reparation, for mechanics that want income generation. An eventually EasyFix could partner with Mechanics School, Low Insurance Coverage Companies, and car washing business.

#### **Marketing strategy**

We are going to focus on Direct Marketing strategies:

Flyers: distributed on car windshields of the main residential neighbourhoods of the 21 districts in Madrid.

Facebook ads: adds are going to be visible through the FB website and app.

Post at MilAnuncios: posts advertise the services EasyFix offers.

Informative talks: in Vocational Training Centers in order to announce EasyFix activities and recruit in some cases mechanics that are currently graduating and that are interested in working in our Company.

#### **Competitors**

Our main competitors are the establish workshop

#### **Competitive advantages**

- Convenience
- Innovative service
- Wide range of services offered.
- In home delivery service
- Adaptation to the client.
- Efficient technical assistance and quality in the service.
- Certified workforce.
- Mechanics
- Strong differentiation.



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