

# Lariat Cars Rental Agency

Presented by Hawazin Al Abbasi

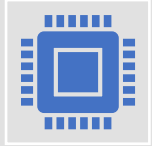


# Business Objectives

- The purpose of this model is to create an effective business model that may contribute mainly to reducing the cost and increasing the profit of the Lariat car rental agency.



# Business Strategies



Startegy1:Reduced cost by removing 100 unprofitable cars from the agency.



Strategy 2: Increased profits by replacing 100 unprofitable cars which are removed through strategy 1 with 100 most profitable cars.



Strategy 3:Increased profit by building three new branches in most profitable locations Denver, Miami, and Houston.

# Business Strategies Continue...

Labels	Baseline 2018	Strategy1	Strategy2	Strategy 3
No. of Cars	4000	3900	4000	4000
Sum of Gross Revenue	<b>\$52,830,207</b>	\$52,073,971	<b>\$54,055,432</b>	\$56,098,260
Sum of Cost	<b>\$30,320,298</b>	\$29,467,761	\$30,134,692	\$32,135,794
Sum of profits	<b>\$22,509,909</b>	\$22,606,210	\$23,920,740	\$23,962,466

## Strategy 1: Reduced cost by removing 100 unprofitable cars from the agency (calculations results blue records in table 1)

No. of cars 4000

Gross Revenue	\$52,830,207
Sum of Cost	\$30,320,298
Sum of Profits	\$22,509,909

Strategy 1	Calculations of removed 100 unprofitable cars		Results
Sum of Gross revenue	\$756,236	Gross baseline subtract gross revenue of 100 unprofit cars	\$52,073,971
Sum of cost	\$852,537	Cost of 100 unprofitable cars subtract from total cost in baseline 2018	\$29,467,761
Sum of profit	-\$96,284		22,606,193
Number of cars to be removed		100	3900
		Blue records	4000

# Sample of data for removing 100 unprofitable cars(some of records) (Table1, strategy1)

Row Labels	Sum of Revenue	Sum of cost_per_transaction	Sum of profit_per_transaction
8412151526	\$5,311	\$9,700	-\$4,389
1101469803	\$5,791	\$9,358	-\$3,567
2629965295	\$5,297	\$8,783	-\$3,486
7279836542	\$5,921	\$9,192	-\$3,271
2696842825	\$5,792	\$8,911	-\$3,119
9670401348	\$6,813	\$9,376	-\$2,563
1861643497	\$6,437	\$8,952	-\$2,515
4669949586	\$6,211	\$8,563	-\$2,352
5590115825	\$5,456	\$7,777	-\$2,321
6682914792	\$5,322	\$7,509	-\$2,187
598458506	\$7,491	\$9,590	-\$2,099
3001548983	\$7,058	\$9,114	-\$2,056
4787252232	\$7,206	\$9,178	-\$1,972
8662335276	\$6,233	\$8,205	-\$1,972
4303309222	\$5,575	\$7,462	-\$1,887
4514268097	\$7,739	\$9,563	-\$1,824
7140857385	\$7,634	\$9,425	-\$1,791
5954826315	\$7,825	\$9,595	-\$1,770
9814526940	\$7,799	\$9,539	-\$1,740
2391211724	\$6,465	\$8,160	-\$1,695

Table 1

Strategy 2: Increased profits by replacing 100 unprofitable cars which are removed through strategy 1 with 100 most profitable cars. (Green records in table 2).

Gross Revenue	\$52,830,207
Sum of Cost	\$30,320,298
Sum of Profits	\$22,509,909

\$1,981,461	→	Results Strategy1
\$666,930	→	\$52,073,971
\$1,314,531	→	\$29,467,761
100	→	22,606,193
		3900

Strategy 2	Calculations of adding 100 profita	Notes	Results
Sum of Grossrevenue	\$1,981,461	Add to GrossRevenue in strategy1	\$54,055,432
Sum of Cost	\$666,930	Add to cost in strategy 1	\$30,134,692
Sum of profits	\$1,314,531	Add to the profit in startegy1	\$23,920,740
Number of cars to be added	100	Green records	4000

# Sample of (some of records )100 most profitable cars records (Table2, strategy2)

Row Labels	Sum of Revenue	Sum of cost_per_transaction	Sum of profit_per_transaction
739226509	\$24,718	\$6,457	\$18,261
4479002820	\$22,628	\$6,775	\$15,853
2730960716	\$21,711	\$6,121	\$15,590
700409661	\$20,960	\$5,498	\$15,462
7379254936	\$21,110	\$5,890	\$15,220
9203432051	\$21,935	\$7,032	\$14,903
4820462075	\$20,590	\$5,808	\$14,782
8912822020	\$21,659	\$6,914	\$14,745
8242181330	\$20,264	\$5,579	\$14,685
6282806445	\$20,993	\$6,419	\$14,574
4280950784	\$20,055	\$5,506	\$14,549
6494644449	\$21,761	\$7,298	\$14,463
7627986044	\$21,400	\$7,008	\$14,392
5497041647	\$19,865	\$5,474	\$14,391
6715642354	\$20,872	\$6,562	\$14,311
3902497181	\$20,265	\$6,025	\$14,240
2234891930	\$20,882	\$6,680	\$14,202
8424460006	\$20,891	\$6,690	\$14,201
2416240994	\$19,835	\$5,638	\$14,197
4114580549	\$20,956	\$6,799	\$14,157
957813287	\$21,217	\$7,214	\$14,003
3684660108	\$20,057	\$6,075	\$13,982



## Strategy 3: Increased profit by building three new branches (51,52,53) in most profitable locations Denver, Miami, and Houston

Gross Revenue	\$52,830,207
Sum of Cost	\$30,320,298
Sum of Profits	\$22,509,909

Strategy3	Calculations build 3 most profitable	Notes	Results
Sum of Gross revenue 3 branches	\$3,268,053	Add to Gross in Baseline	\$56,098,260
Sum of Cost 3 branches	\$1,815,496	Add to cost in Baseline	\$32,135,794
Sum of profits 3 branches	\$1,452,557	Add to profit in baseline	\$23,962,466
		Gold records	

Row Labels	Sum of Revenue	Sum of cost_per_transaction	Sum of profit_per_transaction
7			
Denver	\$1,096,100	\$607,463	\$488,637
32			
Miami	\$1,096,105	\$612,498	\$483,607
44			
Houston	\$1,075,848	\$595,535	\$480,313
	\$3,268,053	\$1,815,496	\$1,452,557

# Sample of most 3 profitable branches records (Strategy3).

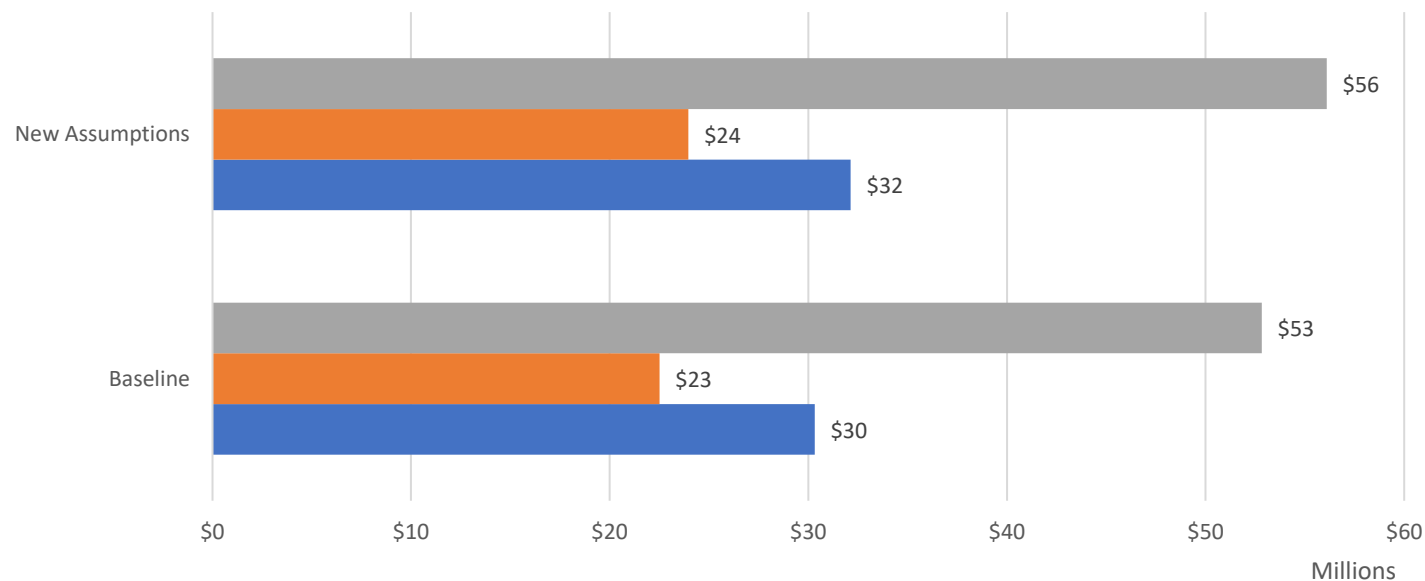
Row Labels	Sum of Revenue	Sum of cost_per_transaction	Sum of profit_per_transaction
7			
Denver	\$1,096,100	\$607,463	\$488,637
32			
Miami	\$1,096,105	\$612,498	\$483,607
44			
Houston	\$1,075,848	\$595,535	\$480,313
42			
Los Angeles	\$1,089,487	\$609,487	\$480,000
22			
Saint Louis	\$1,111,112	\$631,372	\$479,740
29			
El Paso	\$1,081,213	\$611,647	\$469,566
45			
Roanoke	\$1,087,019	\$618,028	\$468,991
19			
El Paso	\$1,066,228	\$600,226	\$466,002
24			
Charlotte	\$1,082,085	\$616,182	\$465,903

# Base Assumptions & New Assumptions(Strategy3)

Row Labels	Sum of Cost	Sum of Profits	Sum of Gross Revenue
Baseline	\$30,320,298	\$22,509,909	\$52,830,207
New Assumptions	\$32,135,794	\$23,962,466	\$56,098,260
Differences	\$1,815,496	\$1,452,557	\$3,268,053

Gross Revenue	\$52,830,207
Sum of Cost	\$30,320,298
Sum of Profits	\$22,509,909

Baseline & Adding 3 branches



# Dynamic Dashboard(Profit, Cost ,Revenue by Branch\_ID)

**rented\_date**

Mar 2018 MONTHS

2018

JAN FEB MAR APR MAY JUN

◀ ▶

**branch\_id**

1

2

3

4

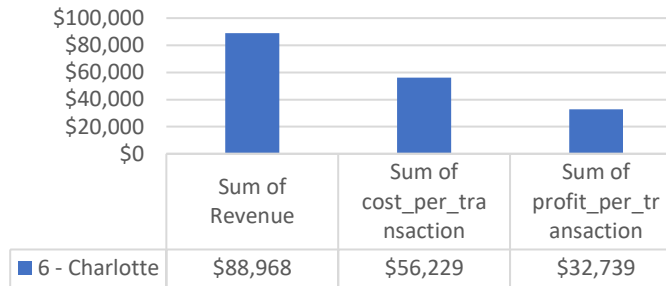
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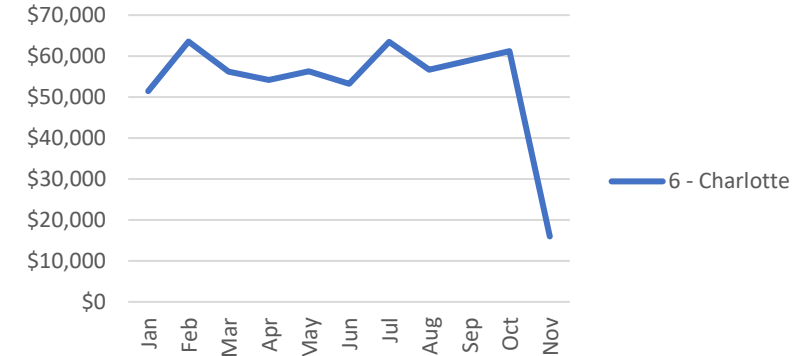
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Sum of Revenue Profit & Cost by branch ID



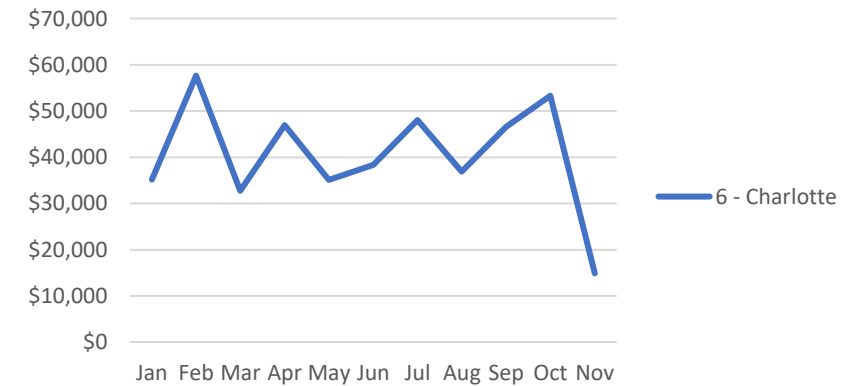
Branch Sum of Cost Monthly



Branch Sum of Revenue Monthly



Branch Sum of Profit Monthly



# Thank you!



# Questions

