



LARIAT
RENT-A-CAR
1-800-555-9345

2018 Objectives

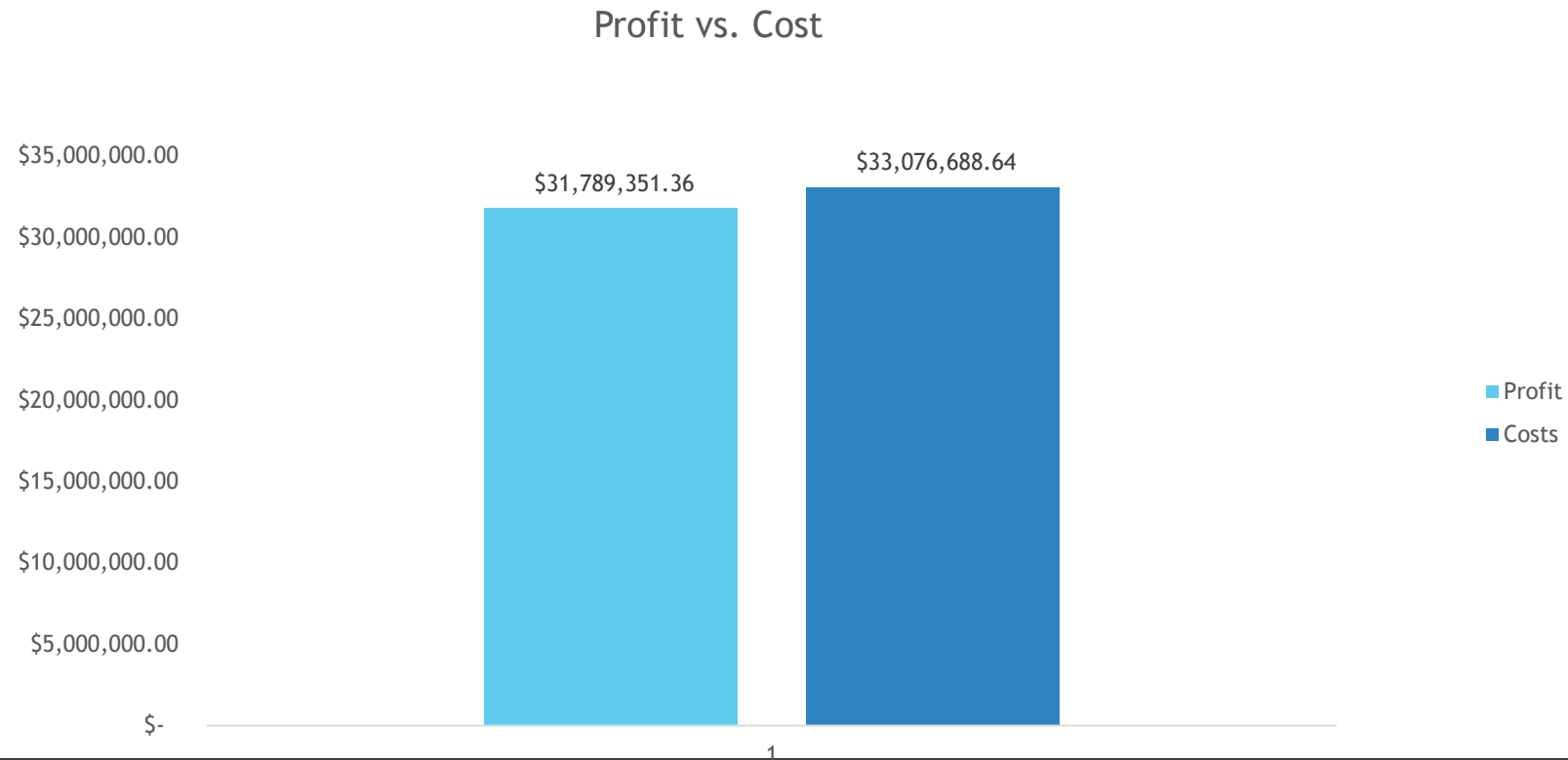


Baseline Revenue

Current year (2018) Revenue is
\$64,866,040

Profit margin 49%

Over half of Revenue goes to Cost
of maintaining current fleet.



Baseline Profit and Costs Comparison

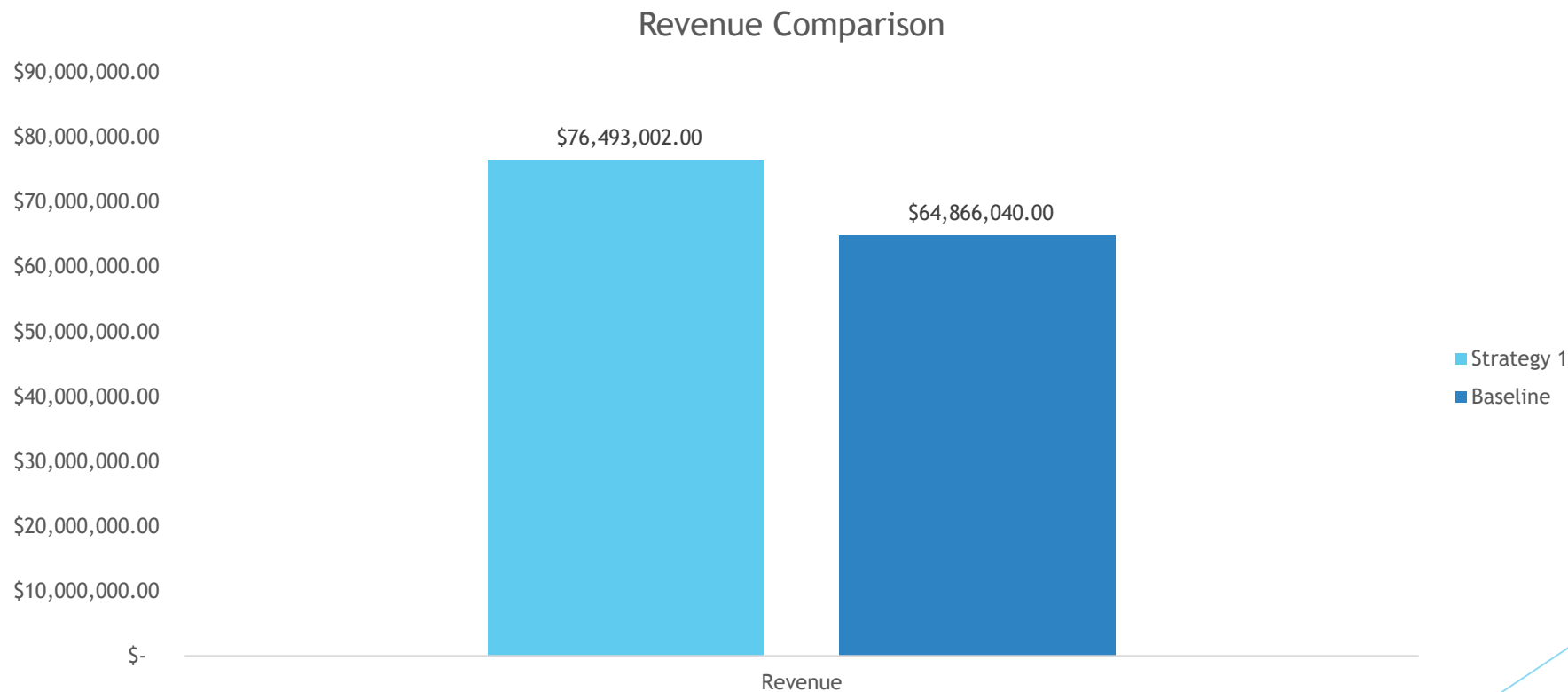
Hypothetical Strategies

Strategy 1 Eliminate cars that have a PM
(profit margin) $< 50\%$ and replace them with cars
 $\geq 65\%$ PM

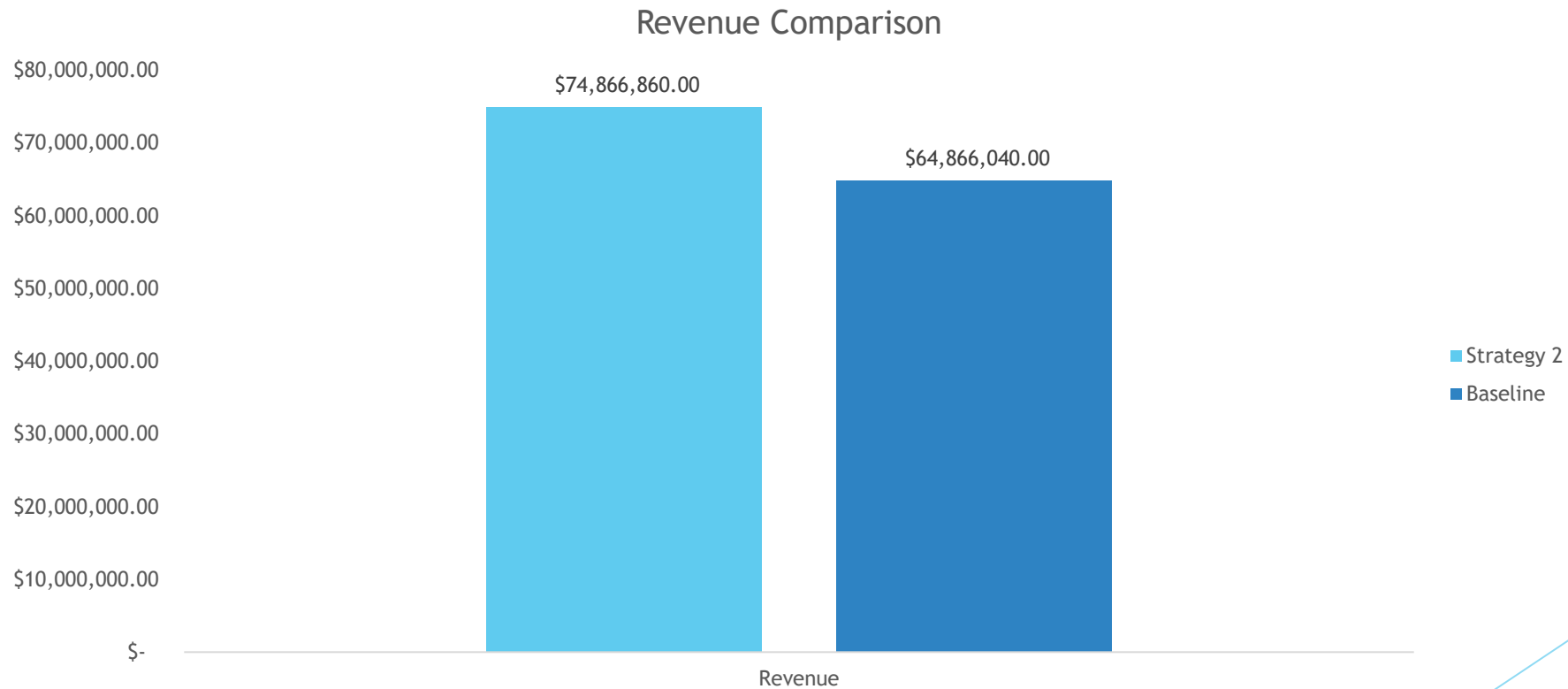
Strategy 2 Eliminate cars that are 2016
models replace with all new models and $> 50\%$ PM

Strategy 3 Eliminate cars rented under 22X
& $< 50\%$ PM with cars $> 50\%$ PM

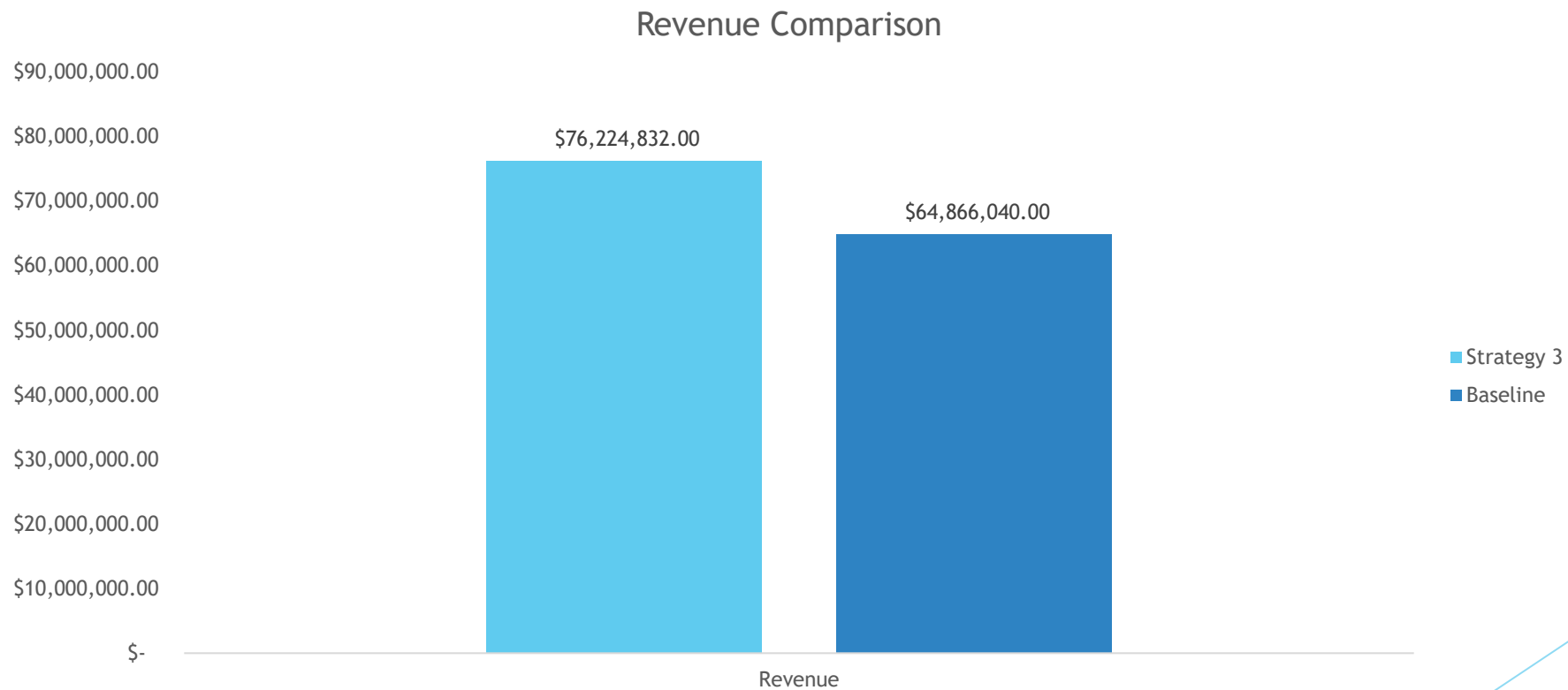
Strategy 1 >>> Eliminate cars that have a PM (profit margin) < 50% and replace them with cars >=65% PM



Strategy 2 >>> Eliminate cars that are 2016 models replace with all new models and > 50% PM



Strategy 3 >>> Eliminate cars rented under 22X & < 50% PM with cars > 50% PM





Lower Cost by...

Eliminating more than half of the fleet

Strategy 1 Eliminate cars that have a profit margin below 50%

- ▶ Strategy 2 Eliminate cars that are 2016 models and below 50% profit margin
- ▶ Strategy 3 Eliminate cars rented under 22 times and below 50% profit



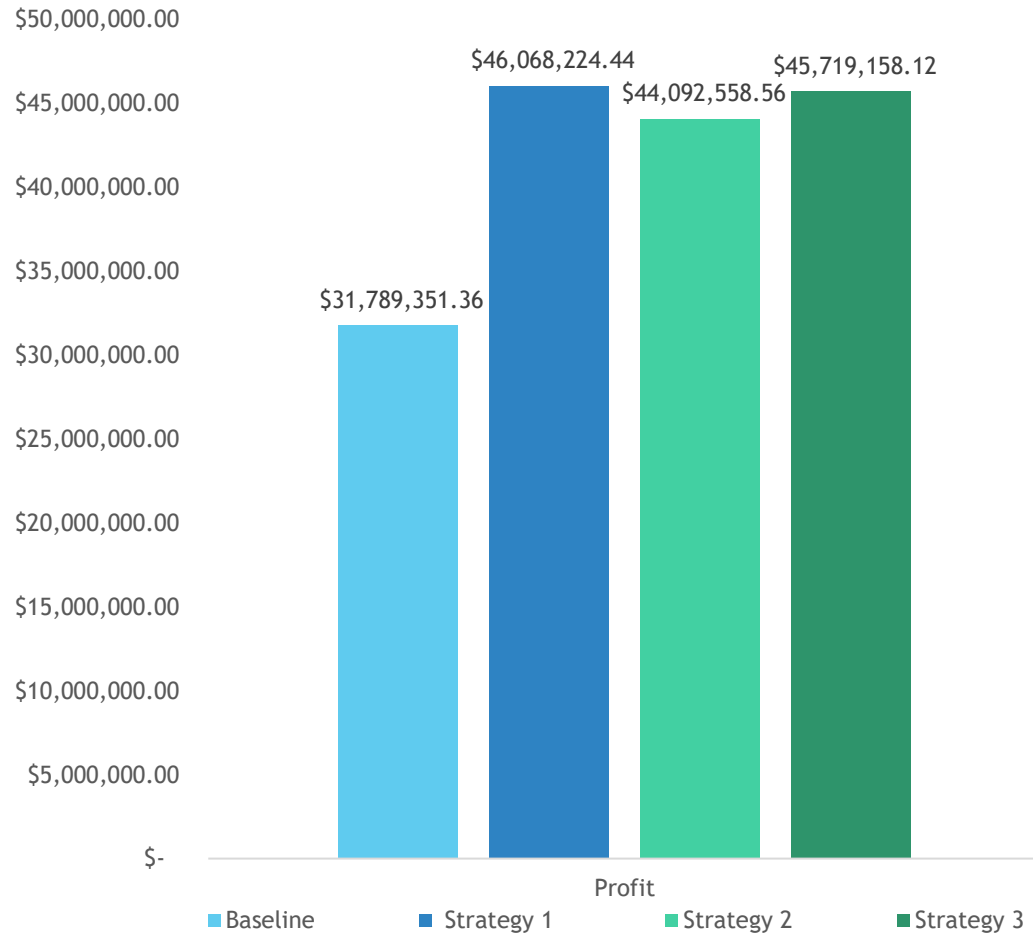
Lower Cost by...

Replacing more than half of the fleet

- ▶ Strategy 1 Cars Total = 2,131
- ▶ Strategy 2 Cars Total = 2,643
- ▶ Strategy 3 Cars Total = 1,646

Increase Profit & Drive Cost Down

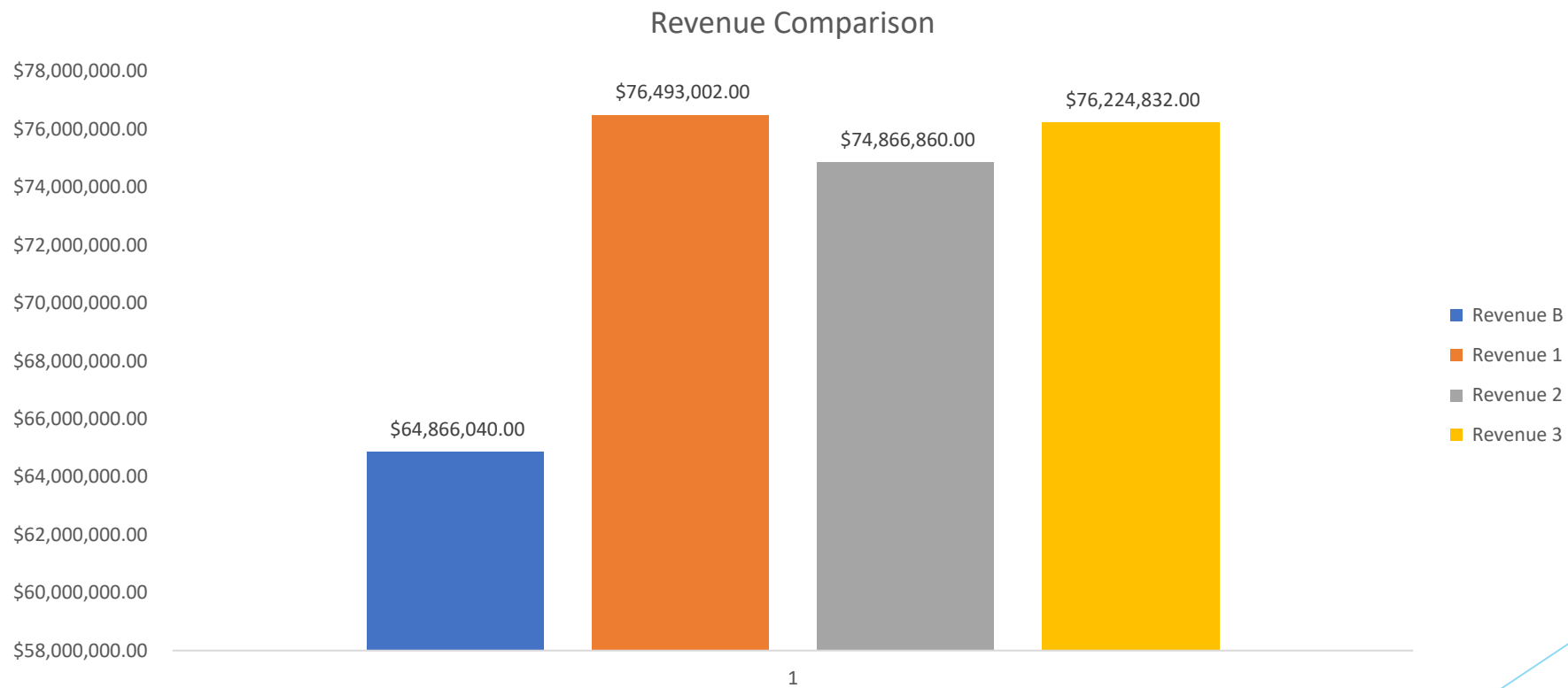
Profit Comparison



Cost Comparison



Strategy 1 is the future of Lariat



Plug & Play Models

	Future Fleet Purchase Decisions			
Make	Toyota		Make	Toyota
# of Cars	185		Added # of Cars	20
Revenue	\$ 3,041,629.00		new Revenue	\$ 3,129,415.42
Costs	\$ 1,507,166.04		new Costs	\$ 1,670,102.91
Profit	\$ 1,534,462.96		new Profit	\$ 2,993,775.47
Profit Margin	50%		new Profit Margin	96%
# of Days Rented	4,667			Baseline
Average Days Rented	26		New total Revenue	\$ 67,995,455.42
Average Rental price	\$ 168.82		New total Costs	\$ 34,746,791.55
Average Costs	\$ 8,146.84		New total Profit	\$ 34,783,126.83
2016	1284		New total Profit Margin	51%
50% or higer	2131			
# Rented (22 or less)	1646			

	Strategy Plan Tool				
	Baseline	Baseline	Strategy 1	Strategy 2	Strategy 3
# of Cars	4000	4000	4000	4000	4000
Revenue	\$ 64,866,040.00	\$ 64,866,040.00	\$ 76,493,002.00	\$ 74,866,860.00	\$ 76,224,832.00
Costs	\$ 33,076,688.64	\$ 33,076,688.64	\$ 30,424,777.56	\$ 30,774,301.44	\$ 30,505,673.88
Profit	\$ 31,789,351.36	\$ 31,789,351.36	\$ 46,068,224.44	\$ 44,092,558.56	\$ 45,719,158.12
Profit Margin	49%	49%	60%	59%	60%

Measurable
Difference
with
Strategy 1

Anticipated Revenue
\$76,493,002

Increased Profit margin of
60%

20% Profit Growth



Moving Companies Forward
Jordan Hamilton
Data Analysts