

Easy Drive

A product to tackle driver's foot

Business Plan

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Group 4

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1 - Executive Summary

Mission - To ease the driving experience of a long route truck & bus driver by reducing their effort to press the accelerator for a longer duration of time.

Company and Product - Our company offers a product which will make driving more easier for long route truck drivers and aim to reduce pain in their feet by changing the way of pressing the accelerator, positioning of the accelerator pedal & by providing alternate ergonomically designed pedals at a more convenient position to the driver.

These services include customer education, regulatory advice and and project management for developing and installing our product through replacing old conventional way of pressing accelerator that leads to stiffness in the right foot of the driver, pain in heel, knee, entire feet or leg due to prolonged driving hours by a modern approach to have a cruise feel.

In starting we would offer our product to the needs of the drivers who drive for very long hours at ₹999. This will make the client comfortable with the product and will involve other people to witness our product.

Market - The current strength of long route truck & bus drivers which will be our immediate customers is nearly 1 Lakhs in numbers out of total 10 lakh who drive on long routes . According to this, our current market size could be equivalent to ₹400-500 million. We will start our operations in India. We will enter this market by selling our product to drivers who carry goods from one state to another through highways and long tracks . The size of our target market segment is ₹150-200 million. Our product will be a one time investment for the customers and with the benefits our product provides we assume our market size to increase to 25 million by the end of

year 2023. In 2026, our total revenues will be around 450 million. This would be equivalent to a market share of about 7.5% in the addressable market segment.

Management - The product is made by a group of 6 people who are specialized in their respective fields. Some of them are experts in mechanics whereas others are skilled in product development. In all we work in a team looking after the various perks of the product and its well run in the market.

Financial Briefing - Our product is expected to follow the following financial stats –

	2023	2024	2025	2026
Total Revenue (₹)	24,975,000	149,850,000	269,730,000	449,550,000
Net profit (₹)	12,009,000	44,862,000	83,102,000	155,392,000

2 - THE INDUSTRY, COMPANY AND PRODUCT

2.1 Industry Overview

In India, nearly **5 Lakhs** of occupations are generated for long route truck and bus drivers. The Indian truck market size reached **US\$ 16,832 Million in 2021**. Looking forward, IMARC Group expects the market to reach US\$ 33,018 Million by 2027, exhibiting a growth rate (CAGR) of 10.5% during 2022-2027. Additionally, India's strong economic growth has also been a major driver of the truck industry. Other factors that are driving this market include **rising incomes, urbanization, growth in the rural economy, e-commerce, etc.** Average income of truck drivers in India is, as per , Indeed.com around Rs 16,140. Indian truck market By System Type include light commercial vehicles, medium commercial vehicle and heavy commercial vehicle. By Application Type include last mile delivery, freight carrier, construction and others. Fuel Type includes diesel and electric.

Also, the global Bus market is forecast to reach \$55.2 billion by 2026, growing at CAGR 6.7% from 2021 to 2026. Buses are the most preferred mode of public transportation by many people in day-to-day life. Growing population in urban areas has increased the demand for buses. Government's initiatives towards improving public transportation along with the growth of on-demand bus services are expected to propel the market growth. Innovation and manufacturing of vehicles have helped the industry to grow into a profitable one. The demand is also increasing for varied bus types primarily double decker and articulated buses. These factors are set to boost the market growth for Bus during the forecast period 2021-2026.

Based on a survey by All India Transporters Welfare Association (AITWA), On an average, commercial drivers drive for nearly **12 hours in a day** and cover a distance of 417 km daily. Almost 50% of the respondents said they drive vehicles even if they are **feeling fatigued or sleepy**. More than 1 in 5 (22%) respondents said they take some kind of drugs during trips. All of these cases lead to deadly accidents and injuries.

Among road-user categories, truck/lorry makes up the third highest share of deaths at 10% claiming 15,150 lives each year. There are almost 57,441 crashes, 23,868 deaths and 51,166 injuries in the category of impacting vehicles in India.

Our product aims to solve all these problems by

- reducing the accidents due to lack of senses caused by fatigue or restlessness among truck and bus drivers.
- It will provide the truck and bus drivers a way to relax their feet as well as keep the acceleration working.

Our company aims to design devices that are perfectly made to ease the pain of long route truck & bus drivers by reducing their efforts to press the accelerator for a

longer duration of time. Our design will also allow the drivers to relax their feet/leg by offering a new comfortable inclination angle of the accelerator as well as a new relaxing position for feet placement while driving on a long route journey.

Clearly, this indicates that there is a huge market for our product. Our product aims to reach the overall truck and bus driver market by providing an impressive pain relief feature during long route journeys. Our product aims in relaxation to truck drivers by reducing the leg and foot pain caused because of efforts in pressing the accelerator for a longer duration of time in a commercial journey. There are plenty of companies that provide delivery services and transportation facilities to the public, and they hire truck and bus drivers for it to complete. Our aim will be to connect with them regarding the health issues of their driver during a journey and then propose an appropriate solution by showcasing our product. Thus, our company clearly aims to enter the healthcare sector of truck and bus drivers and provide a solution to the problem of fatigue, restlessness and accidents due to long route truck and bus journeys.

2.2 Company Overview

Our company offers a product which will aim to reduce pain in their feet by changing the way of pressing the accelerator . These services include customer education, regulatory advice and and project management for developing and installing our product through replacing old conventional of way of pressing accelerator that leads to stiffness in the right foot of the driver, pain in heel, knee, entire feet or leg due to prolonged driving hours by a modern approach to have a cruise feel . This makes the commercial sector a much attractive proposition. Our Company's differentiation strategy is by being pro-actively engaged in educating potential clients that adoption of Our Company solutions means savings in real Rupees.

Strategic partnerships with other stakeholders in the Company value chain are pivotal for the success of Our Company. Our success partners are engineering firms, engineering departments, designers and marketing departments.

- Our Company's rollout plan is to target the **commercial market (transport, delivery, shipping and trade industry)**.
- In the next five years, we plan to strengthen our activities in these three sub-segments of the commercial sector, trade sector and healthcare sector.
- We will formally launch October 2024.

2.3 Products

Our Company will offer one basic type of product which will focus on reducing the pain on the foot because of longer pressing the accelerator in long route journeys. It will come with a **pre-installed platform** to give some cushioning to the heel and it will have a lower angle of inclination to reduce the force needed for the accelerator to work. It'll also provide the driver with better driving experience due to its ergonomic design of the new accelerator pedal & because of the newer & more comfortable positioning of this pedal.

We will however, customize each of these products to the specific needs of the customer after conducting an on-site survey. In addition to these, we will also start offering **custom products**, which will include better design and technological changes as we proceed further with our product.

3- Market Analysis and Research

3.1- Market Segmentation and Targeting

Our product will initially target commercial properties that:

- Currently truck drivers lack to resist their pain

- Drivers interested in lowering their pain and increasing the ease of driving
- Drivers can now be stress free and would encourage others to use our product

BROADENING THE CONSTITUENCY:

Based on the above criterion we found out that out of various categories of people who would be interested in our product beyond just it the truck drivers are the bus drivers & intracity drivers. But in the initial stage we basically target our product to long route truck drivers.

These are people who drive continuously for 3-4 days carrying heavy loads. This leads to a pain in the ankle and further to a disease called Plantar Fasciitis. We can segment them into different categories depending on the age, education level, social class, routes of movement, lifestyles and user status.

The long route truck drivers are assumed to be within an **age group of 35-60**.

Their education level usually is up to **senior secondary** which is by the way not very educated.

- They usually come from **backward social class or lower middle class** and are mostly men who carry out this work.
- Their average salary ranges from 15-20,000/ month.
- They travel inter as well as intra city generally on highways, tolls and villages.
- They are Survivors, who have money just to fulfill basic needs while on the other hand they are aware and experienced users and could be the potential buyer of our product.

- The second category of people who are a market for our product are intercity drivers or intra-city bus, van drivers who do not travel for very long hours.
- Their age group is around 25-50 with the majority of them being university or school graduates.
- They are from lower middle or middle class.
- There are few female drivers who drive a van or taxi but their number is very less. They generally drive for short distances and can be categorized as experiencers who are people who want to buy the product for a new experience.

Therefore, our target segment of the major segments are the long routes truck and bus drivers who drive very long distances which leads to major pain and injury in their legs which often leads to accidents and their discontinuation from driving.

3.2 Estimating Addressable Market Size

Therefore, our market size is estimated to be around ₹400-500 million which includes all the estimated 1 million drivers but for now our target segment has a market size of around ₹150-200 million which includes around 0.1-0.5 million truck and bus drivers who drive on long routes. Our target segment is around 40-60% of our total addressable market size.

It is also our long-term goal to modify our product such that it could also be used in very small vehicles like cars so that people of different segments are also interested and eager to buy and consume our product.

4.0 MARKETING & SALES PLAN

4.1 Mission

Our Company is committed to focusing on enhancing the economic potential and productivity of our customers. By developing an ergonomic product for our clients, we will identify and solve the problem of pain caused in the foot of long route drivers due to continuous press of the accelerator during commercial journeys.

4.2 Marketing Strategy

Our Company's unique selling proposition will be that investments in its products will pay for themselves within one year of their installation, thereby improving the economic health of customers. All of Our Company's promotional activity will focus on this key economic fact. Building upon this core, following elements will constitute Our Company's marketing strategy.

- The Company will conduct market research to understand customer needs, tastes and preferences in a graduated way. In 2023, the company will conduct this research to understand more about the difficulties faced by long route drivers in the commercial and trade sector. In 2023, Our Company will conduct similar research to understand the automobile equipment sector of the market.
- Based on the findings of market research, Our Company will generate customized promotional materials for each of the addressable sub-sectors of the market. Our Company's team will use these promotional materials in one-to-one interactions, as well as in trade shows, and other professional events.
- Our Company will conduct onsite surveys and will come with accurate estimates of each project's costs, and its payback period.
- Our Company will partner with several organizations that will indirectly promote our products.

4.3 Getting our First Customer in the First Year

The results of market research will help Our Company to a large extent in configuring the profile of the first potential customer in Year 1.

However, even without such research, it is reasonable to expect that our first customer will probably not be from a big chain of commercial transport services

providing companies because such changes in such enterprises are dictated from top.

Our first customer will also not be a small marginal vehicle owner from a village, because he is extremely frugal, and his conservatism is dictated by the imperatives of the industry.

In all likelihood, our first customer could very well be someone who would be running a medium to somewhat large transportation vehicle, and who is open to trying new things if they make economic sense. Getting such a person's business will mean developing a relationship with him. This will take some time. Further, we will do ourselves a favor by providing him free estimates of project costs and potential savings, if he returns the favor by buying into our product.

For marketing budget and operational cost, we took a loan of 2,000,000 on which we were charged interest every year which eventually decreased as we paid back some of our account payable.

4.4 Marketing Budget

	2023	2024	2025	2026
Marketing Research	1,000	51,000	151,000	200,000
Promotion	230,000	16,500,000	24,500,000	30,000,000
Presentation	50,000	5,300,000	9,200,000	14,000,000
Professional Events	70,000	8,400,000	17,200,000	22,000,000
Total expense (₹)	351,000	30,251,000	51,051,000	66,200,000

5.0 Operations

Based on these criteria, our operational plan has the following features.

- We will partner with a ergonomic pedal manufacturing company for the first year.
- We plan to penetrate the market by making referrals from existing users of our product.
- Delivering personalized products to truck drivers.
- We will ensure that our list of sub-contractors is large enough to address the needs of key population centers like north India.
- We will focus on-spot selling on road side Dhabas.

For this we will need to hire a

- Product Designer,
- Mechanical engineer,
- Legal expert (for regulatory approval)

Inside manufacturing plant:

- Manager (operations & storage),
- Mechanical engineer (cutting, welding, dimensions etc.),
- Carpenter (wooden block fitting),
- Packaging
- Logistics,
- CEO cum designer

5.1 Outsourcing and subcontracting – We will outsource certain components which are readily available such as joints, hinges, wooden boards. After each project completion, the implementing sub-contractor will be evaluated and graded using a balanced scorecard. A project director, who will be an employee of our company, will manage each project. Geographical spread – We will ensure that our list of sub-contractors is large enough to address the needs of key population centers specifically near highway areas.

5.2 Operation Budget

	2023	2024	2025	2026
Cost of goods sold	12,475,000	74,850,000	134,730,000	224,550,000
Bond expense	100,000	100,000	100,000	100,000
Machinery/Equipment	20,000	25,000	700,000	2,200,000
Depreciation	0	5,000	35,000	100,000
Total expense (₹)	12,595,000	74,720,000	135,565,000	226,950,000

6.0 Management

We have a diverse team which includes mechanical engineers, UX, Product, VC Designers.

Team

- Krishan Pandey : Product Designer / Mechanical Engineer | *functionality and mechanism of product*
- Oosheen Tanya: UX designer | *Ergonomic design and communication*
- Rahul : Product Designer | P.hd | *Quantitative and Qualitative surveys*
- Ishan Patel: UX designer | *Physics , Manufacturing Lead*
- Sayan: Chemical Engineer | *Marketing and sales*
- Rohan Singh: Bioscience and Finance Engineer | *Health and user study, quality testing*

Providing a safe work environment to protect employees, the employees of customers and subcontractors, and the public.

- Supplying safe products for customers.
- Continuously improving the company's safety program to reduce the risk of accidents and occupational illness in a changing work environment.
- Encouraging employees to participate in accident prevention programs and take personal responsibility for their own and their co-workers' health and safety.
- Regulatory compliance and contribution to high safety standards for our industry.
- Monitoring workplaces, enforcing safe work practices, and communicating the company's safety performance to employees and other stakeholders.
- Making safety a value-added service that the company provides to its customers.

7. Financial briefing

7.1 Pricing and Cost Benefit Analysis

Product Cost breakdown:

S.No	Cost type	Cost per unit
1	Raw material cost	300
2	Manufacturing & direct cost	60
3	Factory overhead	15
4	Logistics & others	20
5	Marketing cost	70
6	Other Expenses	34
7	MRP	999/-
8	Profit	500/-

- We find these numbers by benchmarking other automotive products to analyze our product's performance-to-cost ratio.
- In the initial phase we try to keep our product principle based on mechanics only, later we can switch to solenoid valve & electronics for better precision & accuracy.

According to a survey on the status of truck drivers in India, each truck driver drives for almost 11~12 hours in a day on average and earns Rs 117 per hour.

We estimated that with our product they can drive for 30 minutes more in a day So, we can plot the following cost benefit chart:

Product	Initial Investment	Add on Income per month	Maintenance per month	Return of Investment
EasyDrive	999	1170	100	Within a month

This product allows customers to recoup their initial investment within the first month after the purchase of the product. Additional benefits that are not incorporated in the return on investment calculation are:

1. It creates a better overall driving experience for the user as it reduces the heel pain.

2. It can save their medical expenses which occurs due to prolonged hours of driving with the same accelerator design.

Based on our calculation that the selling price of our product will be 999/- & there are approximately 5,00,000 truck/bus drivers in India.

Market volume = Number of target customers × Penetration rate in first 2 years

Market volume = 5,00,000*0.4

(We assumed this number for initial phase i.e. early adopters)

Market volume = 1,50,000

Market Value = Market Volume * Unit price of product

Market Value = 2,00,000*999

Estimated Market Value = 19,98,00,000 INR

7.2 Income Projections

We assume that initially we will sell our product to long route truck/bus drivers followed by taxi drivers. Since it will take some time to acquire specific expertise, we anticipate that we will offer a customizable & more effective system in future.

The product will be sold per the following timeline:

Units Sold	2023	2024	2025	2026
Long route truck & bus driver	25,000	125,000	170,000	290,000
Intercity bus & truck drivers	-	25,000	60,000	100,000
Taxi drivers & intra-city drivers	-	-	40,000	60,000
Total units of product sold in a year	25,000	150,000	270,000	450,000

7.3 Estimating the Net Income

Year 2023

Revenue	24,975,000
Operational	
Cost of goods sold	12,475,000
Bond	100,000
Equipment	20,000

Depreciation	0
Marketing	
Marketing research	1,000
Promotion	230,000
Presentation	50,000
Professional Events	70,000
Interest	20,000
Net Income	12,009,000

Year 2024

Revenue	149,850,000
Operational	
Cost of goods sold	74,850,000
Bond	100,000
Equipment	25,000
Depreciation	5000
Marketing	
Marketing research	51,000
Promotion	16,500,000
Presentation	5,300,000
Professional Events	8,400,000
Interest	17,000
Net Income	44,862,000

Year 2025

Revenue	269,730,000
Operational	
Cost of goods sold	134,730,000
Bond	100,000
Equipment	7,00,000
Depreciation	100,000
Marketing	
Marketing research	151,000
Promotion	24,500,000
Presentation	9,200,000
Professional Events	17,200,000
Interest	12,000
Net Income	83,102,000

Year 2026

Revenue	449,550,000
Operational	
Cost of goods sold	224,550,000
Bond	100,000
Equipment	2,200,000
Depreciation	1,100,000
Marketing	
Marketing research	200,000
Promotion	30,000,000
Presentation	14,000,000
Professional Events	22,000,000
Interest	8000
Net Income	155,392,000