

Component 1: Written Report

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Startup Business Idea: EcoAutoClean - Mobile Car Wash and Detailing Service

Overview of the Business Idea, Products, or Services

EcoAutoClean is a mobile car wash and auto detailing startup firm that aims to deliver convenience, high quality, and eco-wash to car owners in Birmingham, United Kingdom. Due to the prevailing situation, people have little time and, therefore, cannot attend conventional car wash services (Ekawati *et al.*, 2024). EcoAutoClean takes professional car care to customers making it convenient for clients to access the services at their homes, workplaces, or any other place of their choosing.

Their services include exterior wash, interior cleaning, wax and polish, and complete auto detail. The opportunities for differentiation include the utilisation of waterless and biodegradable cleaning products to minimise the use of water. This service targets the owners of private cars, fleet managers, and any business which needs to keep vehicles clean. Customers can make appointments online through a website or the 'App,' so scheduling and payment are efficient. The services offered by EcoAutoClean come with an adjustable price that makes them wanted by various customers, be it one-time services or subscription services. EcoAutoClean's vision is to produce the best and safest cleaning outcomes while using environment-friendly approaches to attract repeat clientele and be acknowledged as the leading service provider in the United Kingdom's car care market.

Legal Format of the Startup Company – EcoAutoClean

EcoAutoClean will operate as a private limited company (Ltd) in accordance with the Companies Act 2006. This kind of legal structure suits small businesses in the UK since shareholders' personal assets are at risk in the event of a company's insolvency (Legislation, 2024). A private limited company is appropriate for a business with a private operative system because, according to Section 3 of the Companies Act 2006 of the UK, the private limited company is prohibited from issuing shares to the public (Legislation, 2024).

The company will be registered with Companies House requirements that fall under section 9 of the Companies Act 2006 and contain the company's name, address, articles of association, and directors and shareholders information (Legislation, 2024). The founder of EcoAutoClean will be the only director and shareholder in the first

instance and will be bound by the duties of directors, which are regulated by Section 170-177 of the Companies Act of 2006, which specify that the director must act in good faith and not a conflict of interest (Legislation, 2024). This structure allows EcoAutoClean to contract to the status of a legally distinct entity to cultivate autonomy in fundraising sources, offer fair limited liability for stakeholders, and receive tax favours. Filing annual accounts and corporation tax returns is also a legal requirement that helps manage to ensure that it is met. This creates credibility and a scalable strategy for the business.

Management of the Company

EcoAutoClean is going to be started by a single director and owner initially who will be looking after all the affairs of the business organisation. The director will be responsible for planning, implementing, and managing the activities including organisation, coordination, and financial direction of the company so that day to day running of the organisation and future development can be achieved. The owner will also concentrate on advertising and sales to strengthen the market image of the company in the local market.

At the start of the business, there will be 2 trained service personnel in mobile car washing and detailing. These employees shall be trained in the right use of green products as well as methods to create homogeneity in services. When the business expands the services to a new level, more members will be recruited to respond to the needs of the users. EcoAutoClean will also hire outside experts to consult to meet the compliance and field-specific knowledge. For instance, the organisation will recruit accounting personnel to handle accounts receivable, records and accounts, taxes, and returns reports. In addition, a digital marketing consultant will help with website presence, SEO, and social media marketing. In addition, legal consultants may be sought out to manage contracts and employment law as well as data protection laws governing the company so the UK business complies with the laws.

Evaluation of the Business Idea by using the SWOT Analysis Model

SWOT is an acronym for Strengths, Weaknesses, Opportunities, and Threats, which is a planning tool that a firm uses to analyse the environment within which the business operates (Darmawan and Grenier, 2021). Here is the breakdown of SWOT for EcoAutoClean, the mobile car wash and detailing company.

Strengths

- **Convenience:** This is the biggest advantage of the EcoAutoClean service as mobile car washing at home or work saves time for customers.
- **Eco-Friendly Focus:** Regarding biodegradable and waterless products, this sets the business apart in the market among environmentally friendly clients.
- **Flexible Pricing:** Subscriptions, pay-per-use services, and different types of tariff packages help to include as many customer segments as possible.
- **Low Overhead:** Not having a physical space to operate out of, EcoAutoClean is a mobile service, which saves money on overhead costs.

Weaknesses

- **Dependence on Weather:** This service is inclined to weather conditions, for instance, exterior washing is likely to be cancelled or in high demand of water in wet weather.
- **Initial Costs:** There are high initial expenses when it comes to buying mobile units and goods and services from environmentally-friendly cleaning equipment.
- **Limited Brand Awareness:** For a new business, it can take a while before customers begin to trust and identify the business.

Opportunities

- **Rising Demand for Eco-Friendly Services:** Increased customer concern for corporate responsibility builds a demand for environmentally friendly services.
- **Partnerships with Businesses:** This means achieving growth through working with car rental companies, fleet owners, or offices if there are many business services to be provided.
- **Expanding Service Offerings:** The firm could add other services such as auto interior paint, engine bay cleaning or washing, or selling of environmentally friendly car accessories.

Threats

- **Competitive Market:** The car wash business is challenging because there are already companies that operate in the specified regions.

- **Economic Downturn:** When there is a slowdown in the economy and people's disposable income decreases, they have less money to spend on extras such as car detailing.

Key Framework

Political: EcoAutoClean experiences the effects of government rules and regulations on environmental sustainability, waste management, and the conduct of business. A fair chance for green services, the UK government emphasises the fight against carbon emissions and supports green businesses.

Economic: This environment factors the disposable income which in turn influences the customer's capacity to spend on unnecessary products such as car details. Recessions also present challenges that are consistent with the need to offer appealingly priced package deals to ensure the target market is reached (Eun *et al.*, 2021).

Social: As more consumers grow conscious about the effects of their actions on the environment, they turn to green services. Mobile services are on the rise due to convenience and time factors which remain the major socially acceptable norms of today's consumer. Further, health consciousness and hygiene factors after the pandemic may also work in car detailing services' favour.

Technological: Chances in mobile apps enhance points of bookings and payments to increase convenience in serving customers. Other advancements, such as in green cleaning solutions and equipment, also affect service quality, which positions EcoAutoClean well ahead of rivals.

Legal: EcoAutoClean has legal requirements for the health and safety of workers in the UK, GDPR, and waste and product disposal which must conform with environmental standards (Jardine *et al.*, 2021).

Environmental: Consumer preferences and their gradual shift towards greener services have also increased their appeal to the company, as they are aligned with the global trend to decrease the company's carbon footprint.

Apply the 4Ps of Marketing to the Business Idea.

Product: Taking time to detail the car should not be an expensive affair; this is why EcoAutoClean provides affordable car wash and detailing services such as exterior washing, interior cleaning services, waxing, polishing, and full detailing among others. The differentiation strategy resides in the fact that the company uses environment-

friendly, bio-degradable, products that do not require water (Manjare *et al.*, 2023). The service is mobile because it is taken to the customer's homes, offices and other places thus making it convenient and time-saving. Besides, EcoAutoClean can diversify by adding superior services like cleaning the automobile engines, cleaning of car interiors among others, as well as providing a protectant film to the automobile exterior paint.

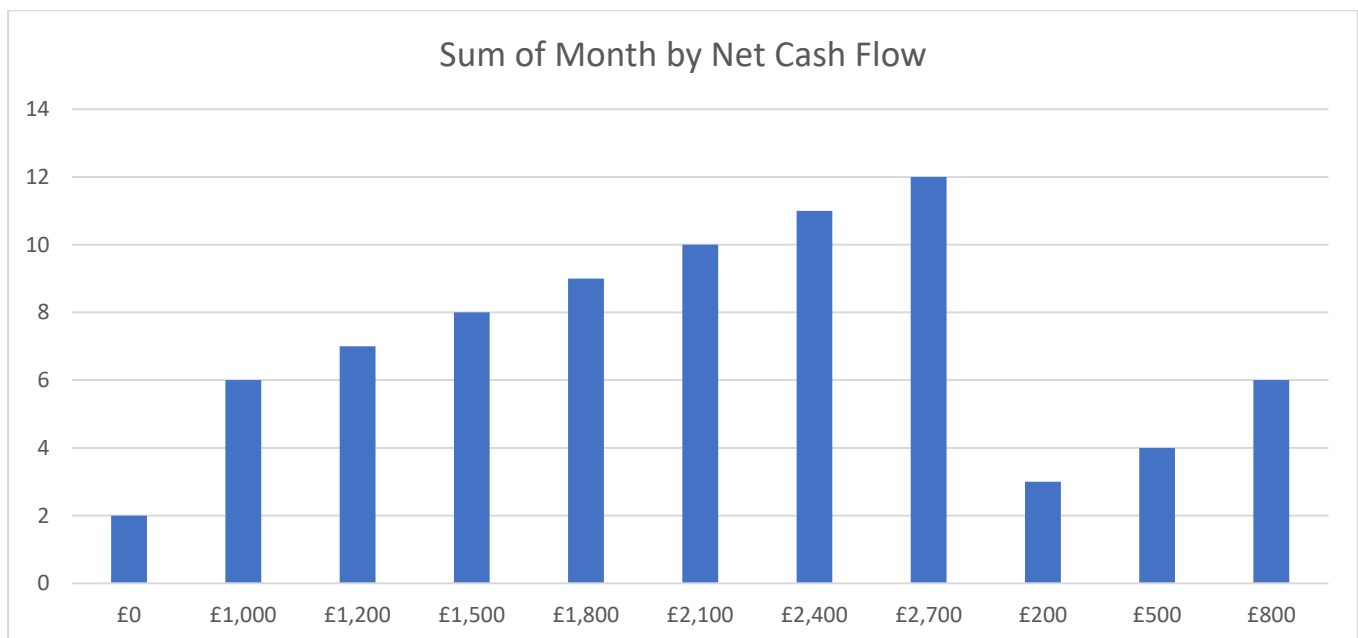
Price: EcoAutoClean uses a variable pricing model. The basic cost structure will be adjusted to reflect a premium service to reflect its premium environmental and sustainability characteristics as well as its positioning in the market (Martin *et al.*, 2021). The company will set different prices depending on service sections, starting with basic, premium, and deluxe services, and have a membership service for clients interested in frequent car maintenance. It means that the price will be shown as a range that will depend on the type of the car (standard, oversized car, SUV or van, etc.) and the specific type of service. Seasonal discounts, promotions, and sales are also ways of attracting new customers to the business can also be employed (Kotler *et al.*, 2021).

Place: The service is portable so that EcoAutoClean does business directly with the customers at their convenience. This means that there is no need for the firm to own premises, which may be an added advantage because many customers prefer convenience. The service will only initially be offered within a particular region, although the scope may expand once the business is established more strongly. Firms may use an online portal, through a website or mobile application, to increase the convenience of a customer (Kotler, 2020).

Promotion: EcoAutoClean will employ all forms of Internet and offline marketing. That is why digital marketing will require social media promotion, as well as SEO and emails for potential customers (Ndlovu, 2023). They will also promote brand recognition through local stakeholders and corporate partnerships with other businesses. Users can be enticed through incentives like a package that is associated with a lower price for the first time being used. Also, the company will use word-of-mouth by giving incentives to those customers who recommend the company to other citizens.

Cash flow forecast

Month	Revenue	Operating Costs	Fixed Costs	Startup Investment	Net Cash Flow	Cumulative Cash Flow
1	£2,000	£1,200	£1,000	£15,000	£800	£15,800
2	£2,500	£1,500	£1,000	£0	£0	£15,800
3	£3,000	£1,800	£1,000	£0	£200	£16,000
4	£3,500	£2,000	£1,000	£0	£500	£16,500
5	£4,000	£2,200	£1,000	£0	£800	£17,300
6	£4,500	£2,500	£1,000	£0	£1,000	£18,300
7	£5,000	£2,800	£1,000	£0	£1,200	£19,500
8	£5,500	£3,000	£1,000	£0	£1,500	£21,000
9	£6,000	£3,200	£1,000	£0	£1,800	£22,800
10	£6,500	£3,400	£1,000	£0	£2,100	£24,900
11	£7,000	£3,600	£1,000	£0	£2,400	£27,300
12	£7,500	£3,800	£1,000	£0	£2,700	£30,000



Assumptions

- **Revenue:** The revenue in a simplistic approach could start from £2000 per month with a constant rise when customer base and repeat business are

factored in. Starting with 20-30 bookings per month and increasing as the number of paying customers grows.

- **Operating Costs:** Some of these include fuel for the mobile units, detergents and washing fluids and salaries for 1-2 scrutinising staff members. These costs hit the roof as the business expands and employs more people.
- **Fixed Costs:** These are accommodation for equipment storage, advertising expenses, cost of software (of the application/website), Insurance and many other overhead costs.
- **Startup Investment:** The £25,000 generated from the start-up funds are as follows Purchase of the Mobile Units (vans), equipment and the organic cleaning materials and initial marketing campaign costs. One month is required for setup, and once completed, no additional investment is required.
- **Net Cash Flow:** The final figure in calculating the financial condition of a business and reflects the monthly turnover of profit/loss.
- **Cumulative Cash Flow:** Net operating cash flow as the sum of cash flow during the 12 months. It remains clear that after a few months' expenses must be covered, and investments made at the start of EcoAutoClean, the company must start to make some cash.

From this sales forecast, EcoAutoClean is expected to break break-even by month four with net profit from the sales in the fifth month. By the end of the first year, the company should be able to generate a positive cash flow that will be useful in expansion processes.

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