



UNIVERSITI TEKNOLOGI MARA
KAMPUS SABAH

FUNDAMENTAL OF ENTREPRENEURSHIP
(ENT 300)

'TRAVELOCITY RENT-A-CAR ENT'

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1.0 INTRODUCTION

1.1 Introduction to Travelocity Rent-a-Car Business.

Travelocity Rent-a-Car is the outcome of everyone's ideas and interest in car rental. Their impossible dream turns into a reality when an opportunity to open a car rental business comes up to them. The name itself reflects the main purpose of opening the business which is to fulfil the demand of transportation nowadays especially students. The nature of this business is service where we provide high quality of car condition in cheaper rental price.

The head office of Travelocity Rent-a-Car runs at Sulaman Sentral. It is situated at the opposite of the busiest shop lots in Sepanggar area which is Indah Permai. The location chosen there because it is strategically located in between of majority educational institution in Kota Kinabalu such as Universiti Teknologi MARA, Polytechnic KK, Universiti Malaysia Sabah etc. Endless houses and shop lots surrounding Sulaman Sentral has also created business opportunity for Travelocity Rent-a-Car.

The date of business commencement for this business is on June 2012 which is the next year. This is due to the time taken for the partners to finish their education in diploma level. The incorporation of business, application of business licence, searching for business location, and also the renovation of premise will approximately took seven months to complete, that is from December 2011 to June 2012.

There are several factors which led us to select this proposed business. One of those is the increase of demand of transportation. Student nowadays tends to drive their own personal car to do tasks that requires them to travel around. Since most of the university has a policy not to allow the students to bring their car to the campus, they have the only one option: to rent a car for the outside. Here the solution they proposed and finally come up with this business idea.

In order to support Malaysian product, this business only provide 'Made in Malaysia' cars to be rent by the customers. We believe by supporting this cause can implement patriotism in our customer's heart and mind that our local product able to live their expectations. It also minimize our maintenance cost as local car are cheaper than imported car and at the same time the customer can enjoy low price of rental.

Travelocity Rent-a-Car provides three (3) basis of car rental price which are hourly basis, daily basis and monthly basis. This will cater the demands from the optional traffic customer; one of the traffic characteristic. Optional traffic is a situation whereby people who are travelling for personal purpose such as shopping, visiting friends, visiting place of interest or going to sporting events. The demand of optional traffic is elastic which means people are responding based on price and the quality of the services. This is another reason we introduce this type of pricing basis.

Our service only offered to students and staffs of universities and colleges that do not own a car and want to rent good condition of car from us. As long as they hold an identity card and valid student card and ID with valid driving license, they are welcomed to be our customer.

1.2 Purpose of Preparing Business Plan.

The purposes of preparing this business plan are to apply for loan or financial assistance from relevant financial institutions. This business plan is important for the bank or investors to know whether this business is worth investing in. Furthermore, we are able to know and estimate the costs needed to run the business and forecast sales for three consecutive years.

To supervise the business progress, a business plan is also important as a guideline for the management department. Through a business plan, we are also able to allocate the business resources as efficient as possible. It is also important to stimulate the new ideas and well managed effort towards the successful life as entrepreneurs. Business plans give us the opportunity to assess the business venture thoroughly.

We also need a business plan in order to understand how to initialize the business and maintain the business in gainful position. It is a very helpful guideline for daily basis management of the business too.

Through a business plan, we can oversee the whole business. Therefore, we are able to distribute business resources more effectively. Thus, the business will use lesser resources and make profit more. Thus, the productivity of our business will also increase.

A business plan is also a vital item to convince investors, bankers and venture capitalists of the ability of the business to prosper in future. This is important as to raise capital for the business and to gain support for the venture from the experienced people. Moreover, we can also recruit more workers in future as they can see the potential of our business and will also know our business incentive scheme for employees through this business plan.

1.3 Business background

Travelocity Rent-a-Car office is located at A-0-1, Lot 1, Lorong Sulaman Sentral 1, 88450 Sepangar, Kota Kinabalu Sabah. Our telephone line would be registered later.

One of our main activities is to let our customers to rent a good condition of car with the best price. We will ensure they get the best condition of car with full tank of fuel to ease their mind to start their work with the car without thinking they have to fill up the fuel first.

Apart from that, we also provide car delivery service for those who cannot go to our office to take the car keys by themselves. We assign someone between us to take the customer from their place and bring them to our office to do some registration and agreement before they can rent our car.

Since our service is narrowed only for students and staffs of educational institution that holding valid student / staff ID, we can ensure that we can offer the best price for them and satisfy the objective of both parties.