

Report On
Emergence of online 360-degree vehicle solutions: an insight into
Mechanic Koi

By

Shadman Navid Khan
16104091

An internship report submitted to the BRAC Business School in partial fulfillment of the
requirements for the degree of
Bachelor of Business Administration

BRAC Business School
BRAC University
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Declaration

It is hereby declared that

1. The internship report submitted is my own original work while completing degree at BRAC University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

Student's Full Name & Signature:

Shadman Navid Khan

Shadman Navid Khan

ID: 16104091

Supervisor's Full Name & Signature:

Tania Akter

Lecturer, BRAC Business School

BRAC University

Letter of Transmittal

Tania Akter

Lecturer,

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: **Submission of Internship Report**

Dear Madam,

As per the requirement for successful completion of the Bachelor of Business Administration (BBA) program, I hereby present to you my full internship report, titled “**Emergence of online 360-degree vehicle solutions: an insight into Mechanic Koi**”.

Through elaborate research, I have tried, to the best of my ability, to deliver a thorough analysis of the findings in this report regarding Mechanic Koi, a start-up that was founded nearly 4 years ago to provide innovative, all-round solutions to vehicle owners of Dhaka city.

I am wholeheartedly thankful to you, madam, for your continuous guidance and support in helping me to compose and finish my internship report, and I would be immensely grateful to you for your valuable feedback and evaluation on this project, for my own learning and understanding.

Sincerely yours,

Shadman Navid Khan

Student ID: 16104091

BRAC Business School

BRAC University

Date: November 30, 2021

Non-Disclosure Agreement

This agreement is made and entered into by and between Mechanic Koi Pvt. Ltd. and the undersigned student at BRAC University, Shadman Navid Khan with a Student ID of 16104091.

Acknowledgement

A successful conclusion to this internship report and the BUS400 course would not have been possible without the help and guidance from some significant individuals and entities.

At first, I would like to thank my on-site internship supervisor, Mr. Alvi Rahaman, Managing Director and CEO at Mechanic Koi Pvt. Ltd., for enlightening me with valuable knowledge about his start-up company, as well as providing me with all the crucial data and information which were essential for the completion of my internship report.

Afterwards, I give my heartfelt gratitude towards my academic supervisor, Tania Akter ma'am, who for me was a strong source of motivation throughout my internship period, and without her constant guidance and support it would have been difficult for me to finish and submit the full internship report within a proper time.

Last, but definitely not the least, I am very thankful to all the brilliant faculties from BRAC Business School for teaching me really well about every major aspect of business administration, and also to BRAC University itself, for giving an exposure to a practical work environment and, at the same time, offering students an opportunity to implement the body of knowledge obtained during the 4 years of the undergraduate BBA program in a real-life context.

Executive Summary

Although there are numerous tech start-ups within the road transport sector of Bangladesh catering towards customers in terms of either ride-sharing services, booking cabs and bus tickets, peer-to-peer (P2P) parking spaces or even vehicle location tracking systems, how much is actually known about start-ups that connect mechanics with vehicle owners, in this very same sector? Due to a lack of substantial information, people still do not have enough knowledge or understanding regarding this particular area of vehicle-related services. Therefore, through this internship research report, a better understanding has been provided on how Mechanic Koi, a start-up operating in Dhaka, continues to offer 360-degree vehicle solutions, including on-road emergency support, to vehicle owners of this city.

Keywords: Tech start-up; vehicle-related services; road transport sector.

Table of Contents

Declaration	ii
Letter of Transmittal	iii
Non-Disclosure Agreement	iv
Acknowledgement	v
Executive Summary	vi
List of Figures and Tables	viii
List of Acronyms	ix
Glossary	x
Chapter 1 – Overview of Internship	1
Chapter 2 – Organization Part: Overview, Operations and a Strategic Audit	8
Chapter 3 – Project Part	24
References	34

List of Figures and Tables

Figure 1: Logo and Tagline of Mechanic Koi	10
Figure 2: Organogram of Mechanic Koi	13
Figure 3: Porter's Five Forces Model	20
Figure 4: Market map for vehicle maintenance start-ups	20
Figure 5: Financial allocation of Mechanic Koi's resources	29
Table 1: SWOT Analysis of Mechanic Koi	22

List of Acronyms

CEO	Chief Executive Officer
ROI	Return on Investment
CLV	Customer Lifetime Value
TAM	Total Available Market
SAM	Serviceable Available Market
SOM	Serviceable Obtainable Market
HR	Human Resources
BDT	Bangladesh Taka

Glossary

Internship Report	A written summary about the internship experience and organization, necessary to satisfy the requirements of a qualification by a student.
Tech start-up	A company whose objective is to bring technology-based products or services to the market.

CHAPTER 1

OVERVIEW OF INTERNSHIP

1.1 Student Information:

1.1.1 Name and ID: To begin with, I am Shadman Navid Khan, an undergraduate student of BRAC University, and currently completing my Bachelor's degree in Business Administration. I began my undergraduate studies through BRAC Business School in the Spring 2016 semester, and my Student ID was 16104091.

1.1.2 Program and Major: It had always been my ambition to obtain a tertiary education in the area of business, which is why I had enrolled straight into the Bachelor of Business Administration (BBA) program offered by BRAC Business School (BBS), at BRAC University. Moreover, for my major or specialization, I chose to study Marketing. This is because, when I came across this discipline for the first time during my A-levels, I was really fascinated by concepts such as consumer psychology, advertising, brand management, market research, and so on. Thus, building on this fascination, I was strongly determined, even before I got formally admitted into BRAC University, to major in Marketing, since it was my goal to eventually work and create a long-term career in this vast and dynamic field.

1.2 Internship Information:

1.2.1 Period, Company Name, Department and Address: In order to fulfill a compulsory requirement for the BBA program, I had to secure and complete my internship at an organization, so that I could get a glimpse of the real-life work environment within a fixed period of time. As a result, I was appointed to work as an intern in the marketing department of Mechanic Koi, a start-up with an online platform that provides 360-degree vehicle solutions, for the vehicle owners of Dhaka city.

I worked at Mechanic Koi for an internship period of 3 months, which commenced from August 22, 2021 and lasted till November 22, 2021. The main office of the company is located at House No. 326, Palashbagh (Opposite to Sonali Bank), DIT Road, West Rampura, Dhaka-1219. Besides, the start-up also has a co-working space that can be found at the ICT Tower, BCC Bhaban, Startup Bangladesh, 14th floor, Plot-E 14/X, Dhaka-1207.

1.2.2 Internship Company Supervisor’s Information: Throughout my internship tenure, I was directly supervised by Mr. Alvi Rahaman, Managing Director and CEO of Mechanic Koi, who is a successful serial entrepreneur and design thinker. From him, I had the opportunity to learn and understand many important issues in terms of marketing planning, strategic thinking and business development. In addition, it was easier for me to write and complete my internship thesis because of the invaluable information that he provided regarding Mechanic Koi.

1.2.3 Job Scope – Job Duties and Responsibilities: During my tenure as a marketing intern at Mechanic Koi, the key responsibilities that I had to fulfill were as follows:

- Researched and analyzed this start-up company’s operations to create a marketing plan that represented the entire firm itself, in order to guide management decisions as well as help them to sustain the business’s brand image in the minds of both existing customers and future consumers, for the long-term
- Assisted with the strategic planning for an upcoming Car Wash package at two new target locations, i.e., Lake City Concord and Pink City, within Dhaka
- Collected data on customer reviews regarding the company’s services and reported them to management for their decision-making purposes.

1.3 Internship Outcomes:

1.3.1 Student's Contribution to the Company: Through my job responsibilities, I was able to contribute towards the company in the following ways:

- By devising a marketing plan for the start-up company as a whole, there was about 75-80% ROI, 50-60% increase in market share and nearly 20-30% increase in customer retention, for target audiences located in different parts of the city, within the timeframe of my internship tenure
- Because of the strategic planning for the newly launched Car Wash package, as mentioned previously, there was a significant improvement in important communication channels of Mechanic Koi, e.g., the company website, which are crucial for implementing customer acquisition tactics
- Finally, collecting data on customer reviews helped the management team to gain useful insights on people's preferences when it comes to availing Mechanic Koi's services, which ultimately facilitated the development of strategies for providing even better services in future.

1.3.2 Benefits to the Student: The internship program that I was involved with has, indeed, helped to add value to both my personal and professional growth, in terms of the following benefits which I obtained:

- The work responsibilities, that have already been highlighted, have allowed me to think and analyze more deeply beyond traditional textbook theories when it came to generating ideas or solutions for the different marketing/strategic plans, and such activities have also helped me to realize how to brainstorm for marketing strategies that not only emphasizes short-term user benefit but also long-term sustainable impact

- Second of all, the activities in the internship taught me to be more detail-oriented in my work
- Thirdly, through this experience I got to learn how to step-by-step develop, formally structure and then create the Marketing Plan itself for the different projects, which in turn is arguably the most important tool in marketing, and this lesson will definitely help me in future brand building, business development as well as marketing strategy formulation related activities, for any organization where I later get to work
- Lastly, the biggest benefit that I got from this internship is obtaining the kind of knowledge, information and guidance which only a CEO of a start-up can provide, that definitely enriched my way of thinking and learning, and such golden opportunities might not arrive even from line managers or supervisors in many other organizations.

1.3.3 Difficulties/Limitations faced during the internship period: Although I had the privilege to receive important learning opportunities during my internship, there were still some difficulties that I experienced within my tenure, which acted as obstacles for my regular work responsibilities:

- Even though I had to work from home according to the terms and conditions of my appointment as well as due to the ongoing COVID-19 pandemic, I found this to be a demotivating factor, since I had no chances of physically going to the office and interacting/working in-person with my supervisor or other employees
- No scope for any field-based assignments/projects from the organization, during my internship tenure

- Most importantly, as my on-site internship supervisor was the Managing Director and CEO himself, he often had several other important responsibilities, obligations, problems and challenges regarding the company to take care of, for which he could not always assign projects and/or provide feedback on schedule. This caused unfortunate delays and waiting times, as well as communication gaps, which prevented me from using my full potential and hampered regular work performance to a large extent
- Lastly, no opportunity at all to meet and communicate face-to-face with my academic supervisor for any kind of detailed help or suggestions, as the University has been physically closed since the start of the ongoing pandemic.

1.3.4 Recommendations: The following recommendations are outlined for this company in terms of future internships: -

- In my opinion, Mechanic Koi should recruit more employees for the mid- to senior-level departmental positions, e.g., in Marketing, Human Resources, Accounting etc., so that the CEO and the entire top management can face less pressure in dealing with the junior employees, mostly the interns. In other words, such recruitments will allow the company to create more departmental line managers to handle the subordinates, for which the CEO, for example, do not always have to be directly concerned when it comes to supervising the interns from different departments

- Furthermore, the start-up must hire even more interns, especially for the Marketing team, since this will enable them to assign and delegate a greater number of projects and in return get more innovative or unique ideas. At the same time, recruiting more interns for this particular team should lead to more team-based projects for better effectiveness and efficiency, which is currently missing in the company because there are very few interns working in Marketing at Mechanic Koi, and that too for individual projects most of the time.

CHAPTER 2

ORGANIZATION PART: OVERVIEW, OPERATIONS AND A STRATEGIC AUDIT

2.1 Introduction:

2.1.1 Objectives: The primary or broad objective of this part of the study is to understand how a start-up in the automotive industry is operating and offering a wide range of vehicle-related solutions to customers within Dhaka, with the help of its major areas of business operations. Besides this, there are a few specific objectives of this research project that aims to support the broad objective, which are:

- Analyzing how the key functions of this start-up are helping it to, basically, do what they do and serve its target customers
- Highlighting the company's main competitive advantages
- Understanding where this business stands, with respect to its competitors and the overall market.

2.1.2 Methodology: The research methodology for this particular segment of the project comprises of collecting data through both primary and secondary sources.

The primary sources for this report include collection of important information from my line manager/supervisor, practical knowledge/experiences gained from assigned work responsibilities, as well as some level of personal observation. On the other hand, the secondary sources of data consist of the company website and critical information obtained from a pitch conducted by the founder of this company (and my on-site supervisor) for venture capitalists, as well as similar research carried out by a previous marketing intern at this start-up, but who is from another institution/university.

2.1.4 Limitations: The major limitation regarding the Organization Part of this report is Mechanic Koi's very strict policy in disclosing certain functional information. In other words, the following components are completely non-disclosable by the company:

- The human resource planning process of the organization, including recruitment and selection process, the compensation system, the training and development initiatives, and performance appraisal system
- Data regarding both past and present financial performance and accounting practices
- Practices in terms of quality management, scheduling and resource allocation
- The information system practices of the organization.

2.2 Overview of the Company:

2.2.1 Background: Mechanic Koi is a technology start-up with an online platform that has a 360-degree approach to providing vehicle solutions, and even gives emergency support to any vehicle (mainly cars and motorbikes) facing on-road turbulence. Technically, Mechanic Koi offers support in every portion of a vehicle's life cycle and tries to provide an innovative solution for every vehicle-related problem.



Figure 1: - Mechanic Koi's logo and tagline.

By managing an in-depth resources hub that aims to include approximately 400+ partner garages, an online shop with 210+ parts, 20+ vehicle importers, 2000+ mechanics, 5 automobile experts, 10 field executives and 15 executive officers, Mechanic Koi wants to optimize their business operations and successfully satisfy target customers' unmet needs in the long run.

2.2.2 Company Vision: As an innovative start-up, Mechanic Koi's core vision is to serve top-notch vehicle maintenance facilities using futuristic technologies and highly trained personnel, but at the same time keeping the service quality to an international standard.

2.2.3 Company Mission: The mission of Mechanic Koi can be described through the points that are highlighted as follows:

- Providing vehicle maintenance with appropriate quality assurance
- All-round or 360-degree solutions for any vehicle owner
- Automating the customer journey from Point A, i.e., the intention to purchase a vehicle, checking details or other option/alternatives, taking vehicle loan, actual purchasing and taking insurance, to Point Z, i.e., reselling the existing vehicle and buying a new car
- Modernizing conventional garages and car workshops, with an emphasis on compliance as well as proper accountability, in terms of service quality, to the customers
- Ensuring that authentic and legal sources are maintained for the vehicle spare parts and accessories, and
- Making the entire process of vehicle ownership, and regular maintenance, easier for the target customers.

2.2.4 Company Goals: In order to support the company’s long-term vision of offering customer-centric vehicle solutions with futuristic technologies, Mechanic Koi has the following goals, which they intend to fulfill in due time:

- Successfully reach break-even within the end of 2021, by selling about 75,000 units; then after that scale onwards and upwards with their service portfolio
- Launch the below mentioned service offerings within the outlined timeframes in order to achieve their primary customer-based goals and satisfy their unmet or yet-to-be-solved needs:
 - ✓ The Mecha Map, which illustrates a community of partner garages and mechanics connecting with each other, and even shows the nearest location of particular garages/mechanics on the map to users, in Quarter 3 of 2021
 - ✓ Substantially upgrade the existing Mechanic Koi Mobile App – which will help with vehicle repairing services, e.g., in terms of vehicle health monitoring, fuel tracking and vehicle location tracking features – to a state-of-the-art level, by Quarter 4 of 2021
 - ✓ Portable Garage, again within the fourth quarter of 2021
 - ✓ A “Garage on Wheels”, within the first quarter of 2022, and
 - ✓ The Mecha Bot – which is an automotive virtual assistance software running on artificial intelligence that instantly recognizes problems in any vehicle in response to user queries and gives suggestions with possible solutions – by Quarter 2 of 2022.

2.3 Management Practices:

2.3.1 Organizational Hierarchy: For a relatively small enterprise, Mechanic Koi Pvt. Ltd. follows quite a structured organizational hierarchy or organogram, so that as a company they can effectively delegate the appropriate tasks to the respective employees and departments, in order to achieve overall corporate objectives. The organogram of this start-up company is outlined as follows:

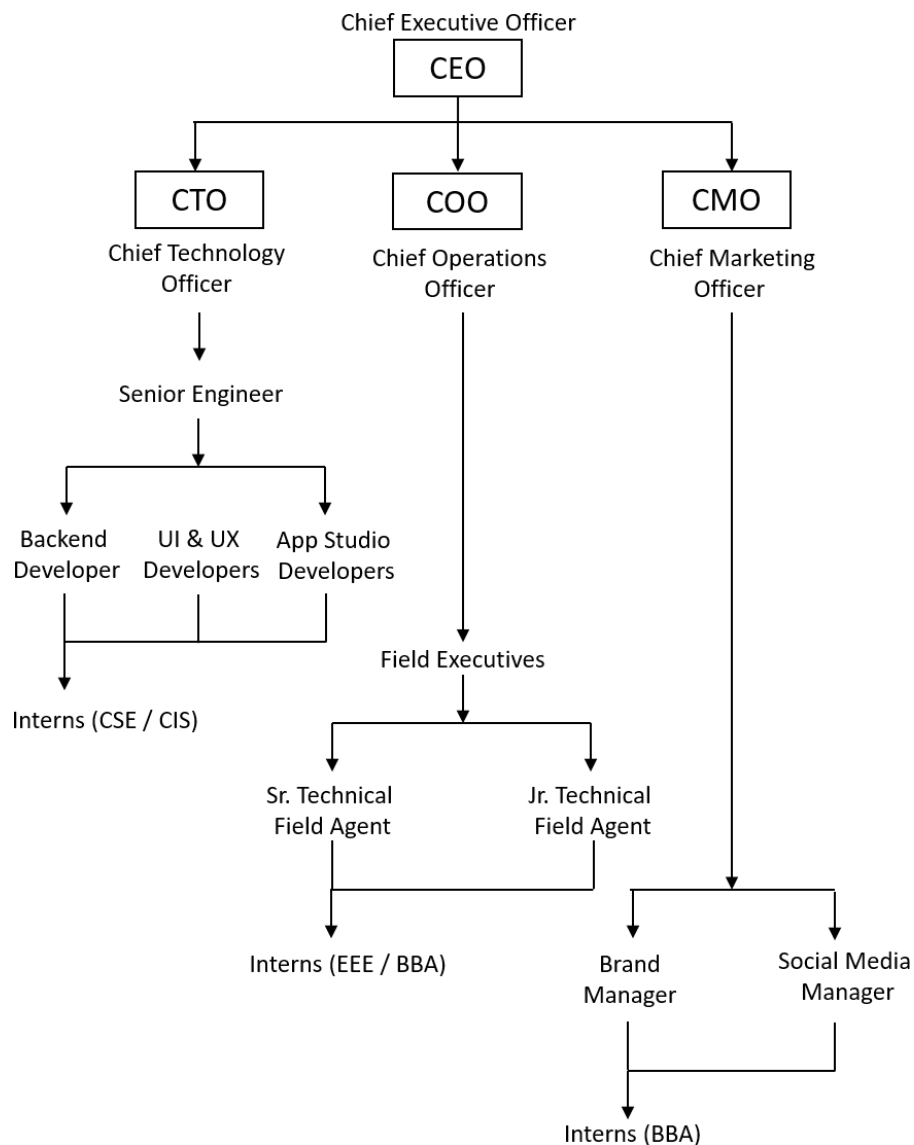


Figure 2: - Organogram of Mechanic Koi.

2.3.2 Leadership Style: From my own observation and practical experience, I have seen that Mechanic Koi follows more of a *laissez-faire* leadership style, instead of any of the other forms of leadership approaches. This is because, the members of the senior or top-level management in this organization tend to have an attitude of trust towards their employees/subordinates. That means, they do not interfere too much in the assigned projects or tasks of the employees. Rather, they provide guidance and instructions where necessary, but at the end of the day the subordinates in this company get to have ownership for their work and take proper lead.

Because of this particular leadership style, Mechanic Koi makes sure that the employees are not rigid in their thinking. In other words, the start-up encourages creative, in-depth and out-of-the-box idea generation from members, which in turn is essential for bringing up highly innovative solutions, in order to meet the ultimate goal/objective of building efficient as well as customer-focused product offerings and services. In fact, I can assure the reader that I myself have found reflections of many of the attributes mentioned so far regarding this *laissez faire* leadership style at Mechanic Koi, while I was being managed by my direct supervisor during the internship period.

2.4 Marketing Practices:

2.4.1 Marketing Strategy: The core marketing strategy of Mechanic Koi is, primarily, to successfully develop and sustain brand equity, for a large proportion of their target customers. To put it another way, the company emphasizes on increasing repeat customers by around 5 to 6%, as well as gradually increase market share every quarter annually. Most importantly, however, Mechanic Koi has a strong intention, as part of its marketing strategy, to develop greater acceptance of all its product/service offerings, with higher customer conversion away from competitors, more customer retention and profitable customer lifetime value (CLV) for the long term, and a decrease in customer acquisition costs.

2.4.2 Target customers, targeting and positioning strategy: Since Mechanic Koi cannot provide its service offerings to the mass population, it is obvious that specific target customers within the overall market will have more preference. Thus, keeping this in mind, the target customers of this start-up company are summarized as follows, in terms of demographic, geographic, behavioral and psychographic factors: -

- **Demographic** – The main demographic indicator is the gender ratio. So, since Mechanic Koi currently provides its operations only in Dhaka city, statistics show that in this location, there are approximately 103.9 males per 100 females. In other words, the male population is significantly greater. This is quite an important observation for the company, since generally men tend to care much more about cars or vehicles than women, and are therefore much more likely to spend their income on different vehicle-based solutions.
- **Geographic** – As mentioned already, the geographic factor from this start-up's perspective is its present area of operations, which is Dhaka city itself.
- **Behavioral** – On average, Mechanic Koi's target customers consist of those people who give strong importance to how their cars look, both inside and outside. That means, these target groups believe that their individual as well as family usage have a higher status if their personal vehicles are in a top-notch condition.
- **Psychographic** – In terms of psychographic segmentation, Mechanic Koi usually targets the customers who always focus on the quality of services being provided. Besides service quality, however, the hours of operation as well as the average time needed to provide any particular service are convenient and fast, to ensure higher customer satisfaction in the long run.

For Mechanic Koi, identifying target customers is based on the type of cars that end users actually own, because this criterion tells a lot about the customers' specific requirements from the company. Mainly, Mechanic Koi has four major target customer segments, which are: new car owners, second-hand car owners, sports car owners, and lifetime car owners (i.e., owners who have had at least one vehicle for more than five or six years). Among these segments, Mechanic Koi specifically prefers to "target" the market niches regarding the new and second-hand car owners, as both the former and the latter segments always want to keep their vehicles in the best shape possible, for which they are ones who are most likely use this company's services frequently, and in turn generate a higher ROI and CLV.

Finally, with respect to the related positioning strategy, Mechanic Koi believes in upholding themselves as the number one choice when it comes to providing 360-degree vehicle solutions, by leveraging their core competitive advantages, which includes:

- Effective and, most importantly, budget-friendly service packages
- An overall system that is both fast and time-efficient, which aims to keep costs, in terms of time spent per vehicle on maintenance/repair/servicing, at a competitive level
- Largest chain of key partners, i.e., mechanics and garages/workshops
- Smooth supply chain
- An extensive product line, in terms of both hardware, i.e., the company's e-commerce platform offering vehicle spare parts and accessories, and software, i.e., all the app-based solutions that the start-up has, as mentioned before.

2.4.3 Marketing channels: Because Mechanic Koi has purely a service-oriented business model, the marketing channels through which it provides its offerings basically includes all of the partner garages and mechanics who fall under the company's network, and are generally found in the end users' nearest locations, at almost all parts of Dhaka city.

2.4.4 Product/New product development practices: In order to secure a strong competitive edge in the market, Mechanic Koi intends to improve its existing services by investing heavily in new product development, and thus eventually launch products such as the Mecha Map and Mecha Bot, as well as further upgrade the current Mechanic Koi Mobile App for better functionality.

2.4.5 Promotion strategies: Mechanic Koi applies both the following categories of promotion strategies for greater customer awareness and brand recognition:

- **Traditional communication channels** – this consists of print advertisements in newspapers at any strategic locations, distribution of leaflets/brochures directly (or sometimes through the newspapers) to target groups, e.g., drivers, mechanics and vehicle owners themselves, as well as sending company representatives from the field force to members of the mentioned target segments in order to spread knowledge about the start-up's existence and services provided.
- **Digital marketing** – in case of digital marketing practices, Mechanic Koi mainly promotes its service offerings, important updates and other miscellaneous information through its official social media pages, that are on Facebook, Instagram, LinkedIn and Twitter. Apart from this, the official company website itself acts as a crucial digital marketing channel to convey all the major aspects regarding this start-up company.

2.5 Operations Management Practices:

2.5.1 Digital operations process: Since Mechanic Koi offers, and monitors, all-round vehicle solutions through its online platform, the overall operations process occurs mostly in the digital space.

To begin with, in order to avail any of Mechanic Koi's vehicle-related services, a customer has to log into the official Mechanic Koi Mobile App or visit the company website. Afterwards, based on his/her individual requirements, the customer then has to book an appointment, from any one of the two platforms, to get the desired service/s. Next, the customer support team of Mechanic Koi shortly contacts the customer to verify the order as well as answer any specific queries if necessary. After this step, the operations team of the company will activate the order and send the relevant personnel to the customer's home to complete the job; in contrast, if the customer needs the service from any of the partner garages/workshops, then the same process is carried out, except that the service maybe activated after the service starts in the partner garage. Finally, after finishing a service, the customer has to make the necessary payment to either the personnel who was sent to the user's location, or to the particular mechanic who performed the task at the partner garage.

2.5.2 Selection and onboarding of vehicle mechanics: Vehicle mechanics who officially want to be a part of Mechanic Koi's wide network must go through a series of assessments in order to be finally selected and onboarded. So, first of all, a mechanic's basic qualifications are mapped, e.g., the ability to work with various brands/models of vehicles, aptitude to understand and provide maintenance to different types of engines depending on the vehicle's model, etc. Then, these core skills or qualifications are practically assessed on-the-spot by company personnel in each individual garage. Based on this assessment, the assessors can find out exactly how many of the mechanics' skills in a specific garage are strongly relevant to the company's needs or expectations. After that, the mechanics who properly qualify in this criterion are forwarded in the process, and receive basic training on soft skills, such behavioral skills, customer handling/managing skills, as well as other vehicle-related knowledge and skills to enhance overall technicality. Finally, those who pass this basic training stage are at last onboarded into Mechanic Koi's network, so that they can start their jobs immediately and serve target customers.

2.6 Industry and Competitive Analysis:

2.6.1 Porter's Five Forces Analysis: In order to judge the industry competitiveness of Mechanic Koi, the Porter's Five Forces Model described below can help us to understand where this particular organization stands in the vehicle maintenance services market:

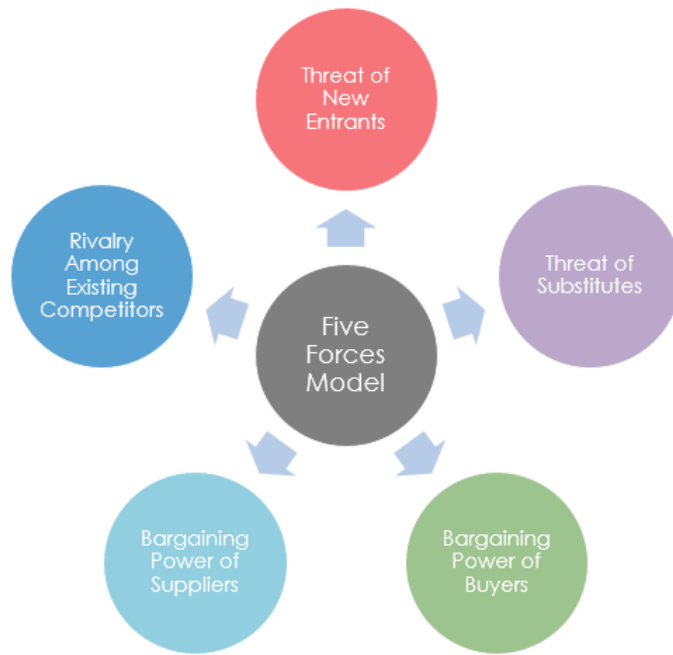


Figure 3: - Porter’s Five Forces Model.

- **Rivalry among existing competitors** – The competitive rivalry in this specific market is quite high. This is demonstrated through the “market map” highlighted below:



Figure 4: - A market map for vehicle maintenance start-ups.

Even though Mechanic Koi is the very first of its kind to enter the unique vehicle maintenance market segment, and had first-mover advantage, yet within the same year and the ones afterwards, other competitors came up with very similar service offerings. Thus, although Mechanic Koi is providing highly technology-centric services at a lower price, a rival like Bhalogari.com, which also started in 2017, is in the same dimension as well. Other than these, there are also start-ups like Zantrik and Sheba.xyz which are offering high quality automotive services, but at comparatively higher prices. Finally, at the bottom of the market, there are firms like Vroom, having less technology-centric services at high prices, and Toolbox, which has less technology-centric offerings at relatively lower prices.

- **Threat of new entrants** – The threat of new entrants in this market is, unfortunately, remarkably high. So, as we can already see in the scenario regarding competitive rivalry, many rivals of Mechanic Koi have already emerged in the market, which proves that the business model of this company is very imitable. For this reason, it can be said that even more new firms offering these types of vehicle maintenance services are likely to rise in the market in future.
- **Threat of substitutes** – In this case, the key substitute that could act as a threat against Mechanic Koi is the usage of traditional garage or workshop services by consumers for their vehicles. In other words, there is still a large proportion of consumers who are not very tech savvy by nature, and might hesitate to use the automotive services from technology-based platforms such as Mechanic Koi and the other competing firms mentioned so far. As a result, this certain percentage of consumers might instead opt for less trouble and just take their vehicles for maintenance to a conventional garage or workshop, without having to contact Mechanic Koi in-between.

- **Bargaining power of buyers** – Even though target customers would prefer to a large extent to avail Mechanic Koi’s automotive services, because of their high quality but at competitive prices, these customers still have a lot of options to choose from in the market. That means, with so many other similar businesses out there already, it could be a matter of time before customers switch to another start-up firm, so as to keep their vehicles in top shape.
- **Bargaining power of suppliers** – The bargaining power of suppliers is quite low with respect to Mechanic Koi. The reason is that, since there are numerous garages with their respective numbers of mechanics across Dhaka city alone, the company can easily choose from which particular garage/s they would prefer to recruit and onboard vehicle mechanics for their own platform.

2.6.2 SWOT Analysis: The SWOT analysis for Mechanic Koi is explained in detail as follows:

<p style="text-align: center;"><u>Strengths</u></p> <ul style="list-style-type: none"> ▪ Strong technology-centric offerings ▪ Highly capable team of idea generators that can take the business further 	<p style="text-align: center;"><u>Weaknesses</u></p> <ul style="list-style-type: none"> ▪ Lack of regular financing/funding for business operation/expansion ▪ Gaps in digital marketing activities
<p style="text-align: center;"><u>Opportunities</u></p> <ul style="list-style-type: none"> ▪ Greater scope for expansion ▪ Slow but gradual awareness of automotive maintenance start-ups among potential customers 	<p style="text-align: center;"><u>Threats</u></p> <ul style="list-style-type: none"> ▪ Ease of entry for rivals, due to imitable business model ▪ Many consumers are still not habituated with such technology-based online platforms for vehicle maintenance

Table 1: - SWOT Analysis of Mechanic Koi.

2.7 Summary and Conclusions:

In a nutshell, as far as Mechanic Koi's overall business operations is concerned, they still have a lot of untapped potential. Being a small start-up, they definitely have more room for growth to successfully deliver on customer demands. However, they obviously should address their organizational as well as operational limitations in order to perform at their full potential, and make sure that they never lose track of continuous improvement and development.

2.8 Recommendations:

To effectively overcome their operational setbacks and move ahead seamlessly, the following recommendations are advisable for Mechanic Koi:

- They must promote and constantly update their digital marketing contents/materials even more regularly than usual on the relevant communication channels, otherwise there is a risk that both existing and potential customers might forget about Mechanic Koi's existence and their services, and then move towards other competitors
- Should look out for more start-up financing and funding options from high-profile angel investors and/or venture capital firms, for urgent business expansion
- Start upgrading the existing Mechanic Koi Mobile App substantially, and as soon as possible, for increasing beneficial features as well as usability for end customers
- Stick to their implementation plan for timely launches of their upcoming digital and app-based product offerings, in order to expand overall portfolio and enhance company's competitive advantages.

CHAPTER 3

PROJECT PART: EMERGENCE OF ONLINE 360-DEGREE VEHICLE SOLUTIONS – AN INSIGHT INTO MECHANIC KOI

3.1 Introduction:

3.1.1 Background: According to statistical data, the total size of the vehicles market in Bangladesh is approximately 4.5 million vehicles. Within this parameter, the total available market (TAM) is 133 billion, serviceable available market (SAM) is 93.1 billion, and the serviceable obtainable market (SOM) is roughly 13.3 billion. Moreover, based on recent research, it has been found that, on average, the total vehicle maintenance cost per year is around 15000 to 120000 BDT, which is quite expensive. What is more, before officially starting their business, the founders of this start-up company realized a potential market gap, where they found out a few key vehicle-related problems that were persistent, which includes: **inefficient vehicle supports, lack of on-demand vehicle repair solutions**, as well as **lack of proper on-field training and technologically adaptable mechanics**.

In order to tackle all of these issues, work on their market validation, and eventually exploit a market opportunity, “Mechanic Koi” was launched in 2017 to bring about some specific solutions to the target customers, such as both home and on-road emergency vehicle support at competitive prices, vehicle health consultancy, a reliable in-house e-commerce platform for vehicle spare parts and accessories, training support for mechanics and drivers, and many other highly useful service offerings.

3.1.2 Literature Review: Based on a thorough literature review regarding the business scenario in the overall road transport start-up area in Bangladesh, it has been discovered that although there several past studies available related to traditional ride-sharing services such as Pathao or Uber, for example, still there is no previous research on start-ups like Mechanic Koi, which operates more in the “vehicle maintenance and repair” arena. With this in mind, therefore, I have taken the initiative to conduct research into this particular start-up firm and their contributions, as part of my internship project.

3.1.3 Objectives of the Study: The main objective of this entire study is to provide a better understanding of how a start-up like Mechanic Koi continues to offer 360-degree vehicle solutions to end users or vehicle owners. To do that, the following research questions need to be addressed:

- What kind of services does Mechanic Koi provide?
- How does this start-up effectively tap into a market opportunity and fulfill customers' unmet needs?
- What can be done to make sure that Mechanic Koi's services are even better in the future?

3.1.4 Scope of the Study: Through this research project, we can get an elaborate insight on Mechanic Koi, what their value proposition they are offering, how they are effectively taking advantage of a market opportunity, and in what ways they could sustain their company/brand image in the minds of future customers. It is my sincere belief and that this report will be successful in shedding light on all of these issues, for the benefit of the readers.

3.1.5 Significance of the Study: The ultimate goal of this entire research is to enhance knowledge and understanding about a less known but innovative start-up like Mechanic Koi, so that the readers of this report can realize the positive and unique impact that a firm such as this is creating in the marketplace. More importantly, it is hoped that the results of this study will be beneficial to both the organization as well as both academic students and faculties alike, in terms of developing better marketing/business strategies and enriching awareness about a business with distinctive vehicle-based solutions, respectively.

3.2 Methodology:

The research methodology for the Project Part of this report, both primary as well as secondary sources of data have been consulted.

3.2.1 Primary Sources: For this part of the report, the primary source of data mostly includes direct interviews with my on-site supervisor, in order to gather the relevant information.

3.2.2 Secondary Sources: The secondary sources of data collection include the official company website, a business plan formulated for Mechanic Koi by the CEO, and previous research conducted on this company by another marketing intern who worked there before.

3.3 Findings and Analysis:

3.3.1 Service Offerings and Fulfilling Previously Unmet Needs: Relating back to the previously mentioned key problems that are persistent among vehicle owners, Mechanic Koi wants to ensure superior customer value over time by offering the following value propositions to target customers:

- **Both home and on-road vehicle support** – Whether a customer is in the comfort of their home or travelling on-road, Mechanic Koi offers vital vehicle maintenance and repair options on both occasions.
- **Vehicle health consultancy** – To ensure longer durability and usability, the company offers regular and in-detail check-ups on customers' vehicles, using highly trained mechanics and other tools for diagnosis.
- **E-commerce platform** – The company runs an efficient and reliable e-commerce platform from where both end customers as well as vehicle mechanics from partner

garages can easily purchase spare parts and other accessories, from an existing wide collection.

- **Disinfection service** – This is especially beneficial because of the ongoing pandemic, and thus the firm has an expert team of field personnel who travel to customers' locations at their request and disinfects their vehicles, with the aid of high-quality imported chemicals and smog technology.
- **Car wash services** – Mechanic Koi also has an on-demand and extensive range of car wash services, including liquid wash, foam wash, wheel & tire cleaning, undercarriage/chassis cleaning, exterior shiny waxing, interior shiny waxing, as well as interior steam and vacuum cleaning (for the roof, floor, seat and dashboard of a car).
- **Other services** – Besides all of the above, Mechanic Koi offers several other important services with the aim of solving customer's unmet needs, which consists of vehicle insurance, vehicle loan support, option to resell vehicles, vehicle paperwork support, rent-any-vehicle options and vehicle parking support.

3.3.2 Future Sustainability: As stated before, since Mechanic Koi is yet to reach break-even before operating at full potential, the company in the meantime needs to focus even more on brand building, so that a greater number of consumers become aware of who they are and what they offer. This point is reflected in the following financial allocation of the company:

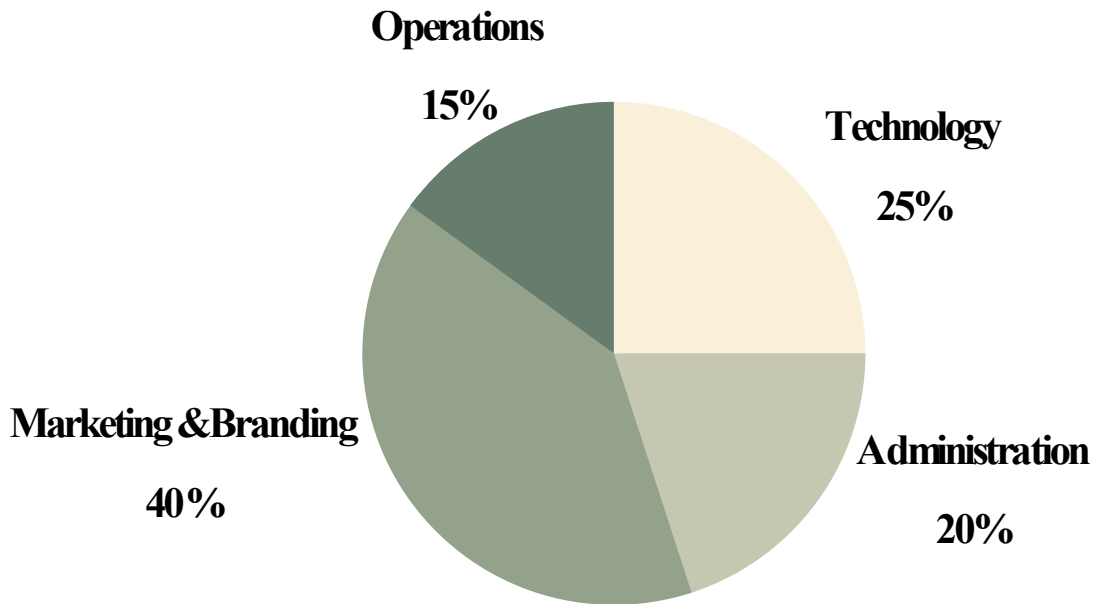


Figure 5: - Financial allocation of Mechanic Koi's current resources.

Demonstrated by the chart above, it is therefore clear that, in order to ensure that the company's services are even better in the future, Mechanic Koi needs invest most of its financial resources on marketing and branding activities, before the other areas. This is because, such an investment will make sure that greater lead generation and customer acquisitions take place in order to expand the customer base, for greater profitability after the break-even point. Nevertheless, this still does not mean that the firm should compromise with customer retention. In other words, within the high percentage of marketing investment shown above, a significant portion of it should be spent on retaining the customers who already avail Mechanic Koi's offerings, instead of losing them, and the rest of the percentage must be applied for acquiring completely new customers of the future.

In this context, more data analysis could have been highlighted regarding customer satisfaction towards Mechanic Koi in order to test the company's long-term sustainability. However, due to the business's very strict policy of confidentiality, neither internal data regarding existing customer satisfaction nor the data on customer reviews that I collected for management's decision making can be revealed for this project.

3.4 Summary and Conclusions:

Given all of the observations outlined so far, it can be concluded that Mechanic Koi is, indeed, a start-up that still has a long way to go. Thus, if they can successfully run their existing services as well as launch the yet-to-be-offered unique ones on time, then they can easily turn out to be a powerful player in the vehicle maintenance segment of the road transport start-up sector, and might even be a significant threat to their competitors.

3.5 Recommendations:

The following recommendations could be taken into account by Mechanic Koi for their future success:

- The company must invest more time and energy in developing “partnership operations”. That means, they could, for instance, onboard key partners like Mobile Financial Service (MFS) providers into the organization, so that customers can later pay for the company's services through applications such as Bkash, Nagad, etc., for greater convenience
- There should be a special market research team for the company, consisting of employees who are highly qualified in this area, in order to make sure that more informative and in-depth customer insights and analytics are found from new as well as past data

- Finally, based on the previously explained data on financial allocation of the company's resources, Mechanic Koi should invest more on Administration. In fact, special attention needs to be given on improving certain HR practices of the organization, such as providing the onboarding documents (e.g., appointment letters) to selected candidates more smoothly and efficiently. For this case, improvement in the HR team's technological equipment is necessary.

References:

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