

Mini-Investment Memo - Venture Capital Assignment

Vroom Crew Company

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Need to have an introduction which should contain information you have in "The Company" and detail what will be talked about in the memo

"The Company" section should contain the company's business model and more - see memo outline provided

The company

Vroom Crew is a car detailing company based in Oakland Road, Halifax, Nova Scotia, Canada (Vroom Crew, 2020). The company deals in car detailing services offering full-service car care services at the client's convenience.

Describe this assignment.

Favorableness of the industry

There are many companies offering the same service as Vroom Crew. However, there is a huge quality difference between the company under review and its competitors. Despite the other companies offering price cuts and high-impact marketing campaigns, the quality difference is the major factor keeping VroomCrew afloat above all the other competitors. Arguably, Some of the rival companies include The Van Hand Car Wash, Glare. Besides attention to detail, Vroom Crew uses high-quality waterless products, which helps them keep water usage to an absolute minimum. (Robertson et al., 2017). Vroom Crew is better placed to win more clients than others because they do not provide door-to-door services. Providing mobile services are one of the ways businesses are providing customized services, especially at this time when the movement has been curtailed to combat the Covid-19 pandemic. Also, Vroom Crew has the advantage of being remote which saves them locations rent payments. In a sense, the expected form of retaliation from their competitors would be trying to copy some of their strategies to attract and maintain clients particularly.

Power of buyers and suppliers?

Market size

The current car detailing market in Canada is composed of industrial employees and retired civil servants. Many people no longer consider car washing and detailing a luxury. Due to the fact there is a significant drop in the number of people washing their cars at home (IBIS World, 2020), the demands for car detailing services have also increased. Based on the Canadian car wash industry statistics, the annual revenue realized is about 6 billion dollars. Automotive dealers have also been central to the growth of this industry because the majority of them outsource car wash and detailing services to industry operators. Besides, the rate of cars in Canada has been increasing, and this has greatly resulted in the expansion of the car wash industry (Noussan et al., 2020). With an increased number of vehicles, it means more demand for car wash services. Considering that the founder said that they do more than 100 car service per month, I believe that there are no difficulties in accessing the market except other market factors.

Give us the statistics

Entrepreneurial team and management

Other market factors such as?

Vroom Crew management possesses some critical management skills, some of which include efficient division of labor. Also, the company has invested in high-quality and reliable equipment (Vroom Crew, 2020). The equipment used by the crew members are observably durable, high-quality, and are expected to pay off times what was spent on purchasing them. The company, however, lacks the following, such as offering a variety of services. Besides offering basic car detailing services, the company needs to cover other demands that the customers may have.

Tell us more about the team
Go to linked in

Who are the team members? What skills do they possess? What skills are needed in this industry?

Conclusion

Based on the above arguments, I believe there is a huge potential for growth, which would result in significant potential yields with the next few years. If the recommended managerial skills are implemented, there are hopes of enjoying exponential returns. Even with the significant challenges the car detailing industry faces, I believe a venture capital investment is recommended.

In the conclusion you should back up your recommendation with information from each of the above paragraphs



References

- IBIS World. (, 2020). Car Wash & Auto Detailing in Canada Market Size 2003–2026. Retrieved: <https://www.ibisworld.com/canada/industry-statistics/market-size/car-wash-auto-detailing/>
- Vroom Crew. (, 2020). Mobile Auto Detailing. Retrieved: <https://www.vroomcrew.com/>
- Noussan, M., Hafner, M., & Tagliapietra, S. (2020). Policies to Decarbonize the Transport Sector. In *The Future of Transport Between Digitalization and Decarbonization* (pp. 71-112). Springer, Cham.
- Robertson, R. D., Meister, S. R., Vanlaar, W. G., & Hing, M. M. (2017). Automated vehicles and behavioural adaptation in Canada. *Transportation Research Part A: Policy and Practice*, 104, 50-57

IBIS is nice reference. Needs more references. This is worth 12.5% of your final grade.