

# BUSINESS PLAN

## G-RAFFAS CARS TANZANIA LIMITED

### Car Rental & Car Hire Services

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#### 1. Executive Summary

G-RAFFAS CARS Tanzania Limited is a proposed car rental and car hire company to be established in Tanzania, offering reliable, affordable, and high-quality vehicle rental services to corporate clients, tourists, NGOs, government institutions, and private individuals. The company will operate a modern fleet of well-maintained vehicles ranging from economy cars to SUVs and executive vehicles.

The business will be launched with an initial capital investment of **TZS 1,000,000,000 (One Billion Tanzanian Shillings)**. The funds will be primarily used to acquire vehicles, set up operations, and hire skilled staff, marketing, and working capital.

Our mission is to become a trusted mobility solutions provider in Tanzania, known for professionalism, safety, and customer satisfaction.

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#### 2. Company Description

- **Company Name:** G-RAFFAS CARS Tanzania Limited
  - **Business Type:** Limited Liability Company
  - **Industry:** Transport & Logistics – Car Rental and Hire
  - **Location:** Tanzania (initial operations in Dar es Salaam with expansion to Arusha, Mwanza, and Zanzibar)
  - **Services:**
    - Self-drive car rental
    - Chauffeur-driven car hire
    - Corporate fleet leasing
    - Airport transfers
    - Long-term vehicle hire
    - Tourist and safari transfers (non-safari focused)
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#### 3. Vision, Mission & Objectives

##### Vision

To be among the top five most reliable car rental companies in Tanzania.

## Mission

To provide safe, affordable, and convenient vehicle rental services while maintaining high customer service standards and operational efficiency.

## Objectives

- Achieve operational break-even within 18–24 months
  - Build a fleet of over 40 vehicles within 3 years
  - Secure long-term contracts with corporate and institutional clients
  - Maintain fleet utilization rate above 70%
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## 4. Market Analysis

### Industry Overview

The car rental market in Tanzania is driven by: - Growing tourism sector - Increasing business travel - NGO and government project mobility needs - Rising demand for short-term and long-term vehicle hire

### Target Market

1. Corporate companies
2. NGOs & international organizations
3. Government institutions
4. Tourists (local & international)
5. Individuals (weddings, events, personal travel)

### Competitive Advantage

- New, well-maintained fleet
  - Competitive pricing
  - Flexible rental packages
  - Professional drivers
  - Strong customer service focus
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## 5. Services Offered

Service	Description
Self-Drive Rental	Daily, weekly, and monthly rentals
Chauffeur-Driven Hire	Vehicles with professional drivers
Corporate Leasing	Long-term contracts (6–36 months)
Airport Transfers	Pick-up and drop-off services
Event Car Hire	Weddings, conferences, VIP transport

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## 6. Operations Plan

### Fleet Composition (Initial)

- Economy cars (Toyota Axio, Vitz): 10
- SUVs (Toyota Prado, Fortuner): 8
- Mid-size sedans (Toyota Premio, Camry): 6
- Vans (Hiace): 4
- Executive vehicles (Land Cruiser, Lexus): 2

**Total Vehicles: 30**

### Location

- Head office & yard: Dar es Salaam
- Parking yard with security
- Office with booking and administration desk

### Operating Hours

- 24/7 bookings (online & phone)
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## 7. Marketing & Sales Strategy

### Marketing Channels

- Company website & online booking
- Social media (Instagram, Facebook, LinkedIn)
- Google Ads & SEO
- Partnerships with hotels, travel agents & tour operators
- Corporate sales visits

### Pricing Strategy

- Competitive market pricing
  - Discounts for long-term rentals
  - Corporate contract pricing
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## 8. Management & Staffing

### Key Personnel

- Managing Director
- Operations Manager
- Fleet/Mechanical Supervisor
- Finance & Administration Officer

- Drivers (10–15)
- Sales & Marketing Officer

## 9. Legal & Regulatory Requirements (Tanzania)

- Company registration (BRELA)
- TIN & Tax registration
- Business license
- Motor vehicle insurance (comprehensive)
- Drivers with valid PSV licenses
- TRA compliance

## 10. Financial Plan

### Capital Allocation (TZS 1 Billion)

Item	Amount (TZS)
Vehicle Purchase (30 cars)	750,000,000
Office setup & yard	60,000,000
Insurance & registration	40,000,000
Marketing & branding	30,000,000
Staff recruitment & training	40,000,000
Working capital	80,000,000
<b>Total</b>	<b>1,000,000,000</b>

## 11. Year Revenue Projections (TZS)

### Year 1 Assumptions

- Utilization: 60%
- Average rental days per car/year: 219 days
- Revenue growth driven by brand awareness & corporate contracts

### Revenue Projection (5 Years)

Year	Estimated Annual Revenue (TZS)	Growth Rate
Year 1	770,000,000	–
Year 2	950,000,000	23%

Year	Estimated Annual Revenue (TZS)	Growth Rate
Year 3	1,150,000,000	21%
Year 4	1,380,000,000	20%
Year 5	1,650,000,000	20%

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Revenue Source	Amount (TZS)	%
Daily Car Rentals	575,000,000	50%
Chauffeur-driven Hire	345,000,000	30%
Long-term Leasing	180,000,000	16%
Airport Transfers & Others	50,000,000	4%
<b>Total</b>	<b>1,150,000,000</b>	<b>100%</b>

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## 12. Profitability Snapshot (Indicative)

Item	% of Revenue
Operating Costs	55%
Gross Profit	45%
Net Profit Margin	25–30%

### Estimated Net Profit

- **Year 1:** TZS 190–230 million
- **Year 5:** TZS 410–495 million

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## 13. Risk Analysis & Mitigation

Risk	Mitigation
Vehicle damage	Comprehensive insurance
Low utilization	Strong marketing & corporate contracts
Fuel price fluctuation	Cost pass-through pricing
Competition	Service differentiation

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## 14. Growth & Expansion Plan

- Expand fleet annually using retained earnings
- Open branches in Arusha & Zanzibar
- Introduce mobile app booking
- Add luxury & electric vehicles (long-term)

## 15. Conclusion

G-RAFFAS CARS Tanzania Limited is a viable and profitable business opportunity supported by strong market demand and a well-structured operational and financial plan. With proper management and customer-focused service delivery, the company is positioned for sustainable growth and long-term success.