

# Business Planning for Korean Used cars in Madagascar

The screenshot displays the SSANCAR website interface. At the top, the logo 'SSANCAR Exporters Association Wholesale used cars' is visible on the left, and the website URL 'http://www.ssancar.com' is on the right. Below the logo, there are navigation tabs: 'Community', 'About Us', 'Stock', 'Equipment', 'How to buy', 'Shipment', and 'F.A.Q.'. The main content area is divided into several sections:

- Search by Maker:** Lists various car brands with their respective counts: HYUNDAI [576], KIA [241], GM.DAEWOO [133], SSANGYONG [17], SAMSUNG [57], and HONDA [0]. Each brand has icons for Sedan, SUV, Truck, and Van.
- QUICK & Fast Search:** A search form with dropdown menus for 'Maker', 'Model', 'Transmission', 'Area', 'Fuel', 'Price Range', 'Type', 'State', and 'KIS certify'. It includes a 'Keywords & Stock number' input field and a 'Search' button.
- New Incoming Vehicles:** A grid of four car listings:
  - KIA Pregio: \$ 3,300
  - SAMSUNG Sm5: \$ 2,000
  - SAMSUNG Sm3: \$ 3,200
  - GM, DAEWOO Kalos: \$ 3,000
- New Incoming Heavy Equipment:** A grid of four equipment listings:
  - Crane: \$ ASK
  - Crane Others Truck: \$ ASK
  - Crane Others Truck: \$ ASK
  - Crane: \$ ASK
- SSANCAR'S SOCIAL:** Links to Facebook, YouTube, Google+, and Twitter.
- Search by Country:** A list of countries with expandable arrows: RUSSIA, YEMEN, EGYPT, GHANA, MONGOLIA, IRAQ, JORDAN, KAZAKHSTAN, UZBEKISTAN, TAJIKISTAN, PHILIPPINE, MYANMAR, PALESTINE, CAMBODIA, and South America.
- Inquiry SMS:** A form with input fields for Name, E-mail, Phone, Country, Stock No., Skype ID, and yahoo ID.

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SSANCAR

# Contents

## I Background of the project, the need

1. Background
2. Conditions and potential changes in the African Region

## II The need for cooperation

3. Capability
4. The need for cooperation between Madagascar and Korea

## III Business Structure

5. Direction of the business
6. Business Process
7. Reference Case : [www.mada-infinity.com](http://www.mada-infinity.com)
8. Development

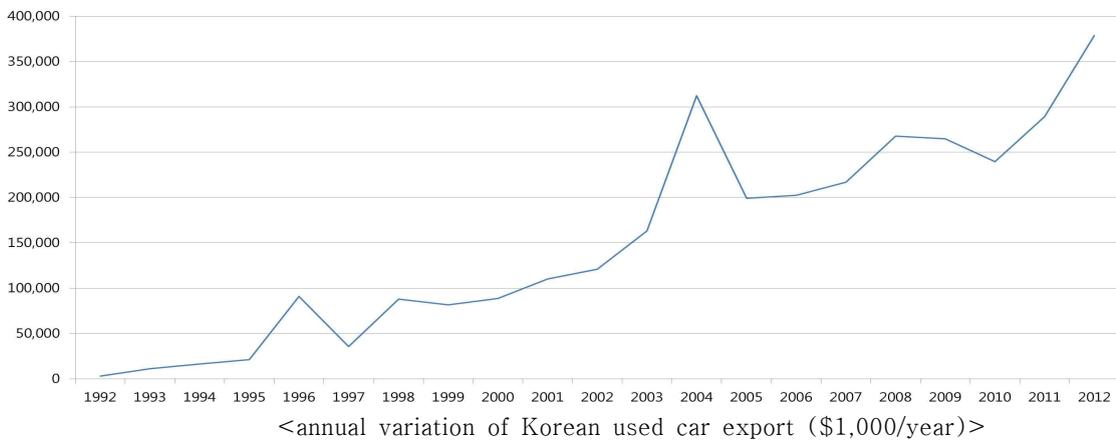
## IV Effects

9. Business effects
10. Industry effects

# I Background of the project & the need

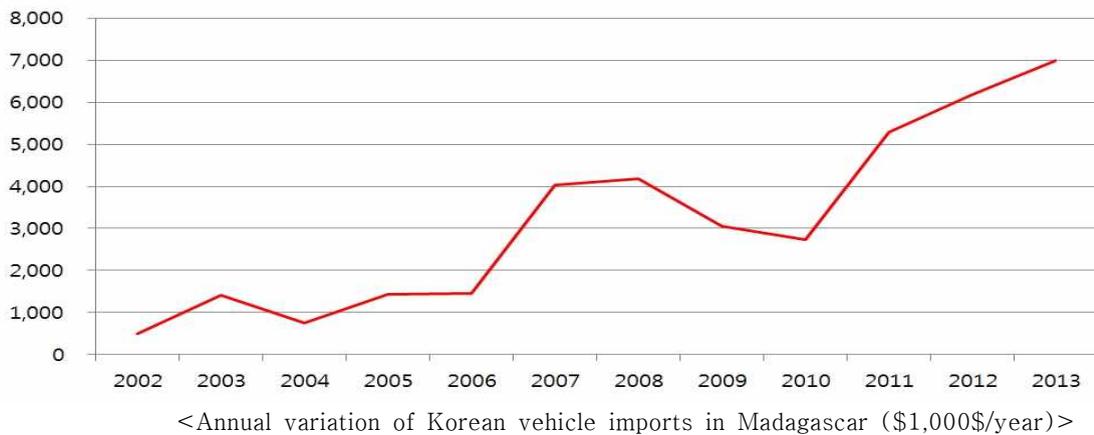
## 1. Background

- Growing used car exporting in Korea
  - We started with the business of small companies in the early 1990s.
  - The business is a unit of the relevant national industry that annual export amount has grown to more than \$ 3 billion units in 2013, according to industry data.



## 2. Conditions and potential changes in the African Region

- The economic growth and increases the need for cars in African region
  - South Korea has the highest car technology and export experience and Madagascar has the highest potential, so if we build a model of bilateral cooperation, this business can have sufficient growth potential. The imports of Korean vehicles is increasing to 10 million U.S. dollars in Madagascar.



## II The need for cooperation

### 3. Capability

- **Why Must Korean used car?**
  - The world's fifth largest automobile producer in Korea. All vehicles are left hand.
  - Since 2000, the performance and quality of Korea vehicle are increasing constantly, so those have access to a global level.
  - Korean domestic vehicle market consists of Various models in Korea. There are a variety of SUV and vans, so it is possible to provide a variety of models to your country.
  
- **Why must SSANCAR?**
  - SSANCAR is leading company of Korean used car exporter companies. We are association of more than 100 of Korean used car exporters. Korea Used Car Exporters Association is a national organization. All companies are organically linked, You can find the car you want, quickly and accurately.
  - Requested by our buyer, those trading companies belong to SSANCAR will get vehicles inspect before exportation. We offer to you the results of the inspection with strictly accurate standard by KIS.
  - SSANCAR's partnership is not limited in Korea. Partners are in Asia and Africa, and South America regions. In particular, we dealing with the right hand vehicle through partners in Japan.

### 4. The need for cooperation between Madagascar and Korea

- **Korea : Ensure stable market**
- **Madagascar : Preempt the market with utilizing the advanced SSANCAR system**

### III Business Structure

#### 5. Direction of the business

- **Basic structure of the business**
  - Combined Ability of the vehicle to collect of SSANCAR and local sales network of your company
- **business relationship**
  - Maintain long-term business relationship and promote the development of both companies
  - Acquisition additional benefits associated local national agencies of Korea
  - Risk reduction using various financial instruments

#### 6. Business Process

- **The role of each company**
  - SSANCAR
    - The collection of good quality vehicles, and provide at wholesales price
    - Positively solve the problems those like breakdown replacement Parts and Finance
  - Your company
    - Receive vehicles from SSANCAR and end merchandising
    - PR and Marketing



## 7. Reference Case : www.mada-infinity.com

- Dealer specialized in Korean used cars

- The company has sales being actively by connection with a used car company in Korea.
- Improvement of recognition of Korean automobile company, and the benefits of the Left Handle
- Currently, the Mada-infinity is one of famous used car company. possibility of success is proven by this case under conditions of seamless vehicle supply.

**www.mada-infinity.com**  
VEHICULES D'OCCASION CERTIFIES - PLATEFORME D'ACHAT - VENTE

Stock Corée | Stock Mada | Petites annonces  
Vendez votre voiture

Recherche rapide

Marque ▼ | Modèle ▼ | Année ▼ | Energie ▼ | Prix-min | Prix-max

Recherche avancée | Lancer la recherche

### LES NOUVEAUX ARRIVAGES

 ref : 001955 Hyundai Terracan 30 000 000 Ar	 ref : HVeloster Hyundai Veloster 60 000 000 Ar	 ref : 13791599 Starex 15 736 680 Ar SOUS DOUANE	 ref : 13884960 Grand Starex 44 758 080 Ar SOUS DOUANE	 ref : 13812831 Terracan 17 017 320 Ar SOUS DOUANE	 ref : 13744089 Veracruz 52 441 920 Ar SOUS DOUANE	 ref : 13880018 Retona 15 736 680 Ar SOUS DOUANE
 ref : 13889978 New Korando 18 013 680 Ar SOUS DOUANE	 ref : 7678 Hyundai Tucson 25 600 000 Ar	 ref : 7400 Hyundai Tucson 25 600 000 Ar	 ref : SYRTAJ Ssangyong REXTON 22 000 000 Ar	 ref : tyt3983 Toyota Prado 75 000 000 Ar	 ref : H1HVX Hyundai H1 HVX 56 000 000 Ar	 ref : VERHAS Hyundai Veracruz 69 000 000 Ar

La nouvelle plate forme  
**D'ACHAT ET VENTE**  
de  
VEHICULES D'OCCASION à Madagascar

- Price structure : Hyundai Terracan EX or JX 250, 290 4WD

		Specifications		Figures	
		Full Length		4,710mm	
		Full Width		1,860mm	
		Unladen weight		1,975kg	
		Engine Type		Turbo Intercooler, CRDI	
		Seating capacity		7	
		Displacement		2,476cc	
		Fuel		Diesel	
		Mission		A/T, M/T	
Model	FOB price	Shipment	Local charge(Duty, Insurance, etc)	Total	Sale price
2002	4,000	1,400	4,600	10,000	12,500

( U.S Dollar )

- Sufficient profitability

- Local Margin is more than \$ 2,000 per a car.
- When the expansion of export volume, is reduced transportation costs, and profits can increase.

- Preferred model in Madagascar



## 8. Development

- Add Business Type
  - Continuously growth of Car Rental Market in Africa
  - Repair garages and other facilities required
  - Occurrence of certain sales, ensuring financial soundness

Model	Rental costs	Operating costs	Vehicle maintenance costs	Profit
Terracan 2002	1,000	250	100	500

Revenue per unit of structure of Rental car

( U.S Dollar )

## IV Effects

### 9. Business effects

- Confirmed the possibility of success with the Mada–infinity, If we take a lot of the market occupancy through aggressive marketing, it is possible to pursue the enormous profits.

### 10. Industry effects

- Occurs between the two countries and win–win business model.
- It is possible the expansion and development of the auto industry and related industries in Madagascar.
- Transference Korean Automotive Technology