

How to Start a “Auto Repair Shop” Business?

BUSINESS MODEL

Vehicle repair and maintenance services has been there for decades and it will stay. Having a spacious shop, complete mechanic tools as well as experience and expertise are keys to winning this business. The investment capital can be big if you will start from scratch. But as you build clientele, you can break-even in less than 2 years.

BUSINESS OVERVIEW

Repairing flat tires, damaged under chassis, malfunctioning engine, and broken lights or accessories is what brings money to this business. Every vehicle owner has to go to a repair shop every now and then. From minor repairs to major maintenance and upgrade, the fees can fully recover your costs. Experienced mechanics is the lifeline of this.

STARTING CAPITAL: ₱120K - ₱180K*

₱40,000 – Basic Mechanic Tools & Equipment

₱40,000 – Consumables Inventory

₱10,000 – Permits & Licenses

MONTHLY OVERHEAD:

₱15,000 –Shop Rental, Utility Bills

₱20,000 –Salary for 2-3 Crews

**for first 2-3 months operation only, includes overhead*

ANNUAL ROI: 20% – 50%



RECIPE FOR SUCCESS

Most of the time, vehicle owners look for a mechanic whom they can trust and have had previous dealings with. Although the business makes money from professional services, the bigger income is generated from sales of automotive products mainly parts, engine oil, tire, battery and accessories. Combination of good service, balanced inventory of parts, and technical know-how are keys to make clients come back. Your shop should also be organized, from cleanliness to overall management.

LEARN MORE. BE GUIDED.

Knowriel can assist you in the startup aspects and operational strategies. [Talk to Us](https://www.knowriel.com) today. Grow your Auto Repair business!

Let's build your business.



Visit www.knowriel.com!

Build Your Dream Business Towards Success.

Let's talk about it.

We'll evaluate your idea.

Any business idea will do. But business idea should be carefully tested before that decision to make it happen. Business viability or feasibility is analyzed against available resources, market condition, and the five startup success factors – timing, team, idea, model and funding.

2

We'll create a plan.

Business planning is about understanding and writing down the product development, marketing, management, and financial aspects of your business. It is more on answering the "How" question. Business plan is the formal documentation of your business idea so you're always on track.



We'll dive into finances.

Any business cannot start without that capital. This capital has to be allocated properly to the starting inventory and operating expenditures. Identifying the assets and liabilities, costs and gains, and maintaining an honest record of them in the ledger or journal are important business practices to observe.

3



We'll device strategies.

Good strategy is key to winning success in any business. Strategy is mainly that action plan to outcompete competitors but is also a sensible approach to get customers to love your products and services. Formulating strategy is always an edge is achieving growth and profitability.

4

We'll review and improve our actions.

Business is an on-going endeavor. Customer demand changes over time, and so are the technology and economy. We need to adjust to the demand of times.

5



Knowriell.com will guide you in starting and building your dream business. [Talk to Us.](#)