Growth Challenge
Define a business model that ensures sustainable revenue growth and profitability

Raja Mobil

Company description
- Online lead-generator for car sales
- Self-funded, trying to raise Series A round

Background
- Founded as used car advertising and news portal in 2012
- 4 founders with experience in automobile and technology
- Started changing focus to new cars in 2015 to avoid strong competition

Value proposition
- Selling cars on brick and mortar is inefficient in Jakarta
- Customers value shopping around among different dealerships/dealers
- RajaMobil aims to become:
  - A trustworthy one stop shop for car buyers
  - An important business generator for dealers

Methodology

- Validated RajaMobil’s existing business model by conducting customer interviews and surveys
- Assessed opportunities for platform services by researching comparable automotive companies and performing market size analysis
- Rationalized a growth strategy through qualitative and quantitative insights

Key recommendation

RajaMobil should continue to operate a lead generation business. After stabilizing profits and developing digital capabilities, the startup should pivot to platform-based services.

- Today, RajaMobil sells prospects to automakers and dealers. By shifting to a platform model, RajaMobil can provide these customers with the business capabilities to source their own leads. This includes digital marketing and data analytics.
- In the short term both models lead to the same revenue, however lead generation is hard to scale in the long term.
- With the subscription model RajaMobil can earn between USD $148 and USD $231 compared to USD $242 per car sold with the lead generation model.

Relationship building activities with management team