

**Socrates – The Consulting &
Strategy Club, IIFT**

PRE-INDUCTION Assignment

Electronic vehicles and autonomous cars have become the drivers of automobile industry. The industry is seeing a paradigm shift towards smart-intelligent cars with market flooded with semi-automated vehicles. Manufacturers in automobile industry have been known to base their differentiating factor around customer experience through technology providing connected, personalized and smart decisions and knowledge base.

However, the other side of the facts brought in the light is the large gap to be bridged between expectation and reality for the next 10-15 years. Adding to it the insights of the consumers which now see vehicles more as a service and liability rather than an asset to be invested in. The fuel price hike was prevalent over the festive offers to accelerate the sales in last few months. The millennials surveyed prefer using services like renting, leasing, pooling or putting minimum amount in second hand cars rather than vesting large sum of money in fancy technology driven cars. The impact of these consumer preferences owing to increasing awareness regarding air quality and pollution have been profound in terms of purchase of new vehicles leading to decrease in sales in American, European and Chinese market.

Mr. Dutt, a 15 years' experience holder in automobile industry has been the part of top-notch players and is currently working in TATA Motors as the senior portfolio manager. TATA Motors is a leading global automobile manufacturing company. Its diverse portfolio includes an extensive range of cars, sports utility vehicles, trucks, buses and defense vehicles. It is India's largest and the only original equipment manufacturer (OEM) offering extensive range of integrated, smart and e-mobility solutions. It has identified six key mobility drivers to lead them into the future – modular architecture, complexity reduction in manufacturing, connected & autonomous vehicles, clean drivelines, shared mobility, and low total cost of ownership.

TATA Motors is looking forward to come up with the corporate startup for online trading of vehicles in Indian market whose charge has been given to Mr. Dutt. However, in the light of above discussion there is a dilemma as to enter into second hand vehicles trading looking at behavioral preferences of consumers or go with niche segment of dealing in only new technology driven cars suited for customers looking for luxurious connected driving experience. Pertaining to this your firm has been approached by Mr. Dutt to delve into the industry's nitty gritty and come up with a solution for his conundrum.

Mr. Dutt is looking for a **Business Model Solution** to enter into the online vehicle trading market.

1. The solution needs to be based on industry characteristics such major players, barriers to entry, market growth, plan differentiation etc.
2. Strategy and business model idea based on the conundrum to be suggested.
3. Analysis of profit pertaining to the business model to be provided.

Your solution should not exceed 8 slides (including introductory and thanking slide). You will be evaluated on your approach to solve the current business problem, innovative ideas, flow of your presentation and ease of implementation of solutions. Carry out any research and make whatever assumptions you want.

You are requested to go through the reference material for the basic hygiene to be followed for the presentation and as well as to get the direction to approach the above case.