

## LEVERAGING NEW BUSINESS MODELS TO ENHANCE PROFITABILITY IN COHORT-BASED COURSES EDTECH BUSINESSES STUDY CASE: PT DIBIMBING DIGITAL INDONESIA

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### Abstract

Over the past five years, the education technology (EdTech) sector has gained increasing prominence, characterized by significant growth in investments, transactions, and overall revenues. PT Dibimbing (*Dibimbing.id*), an EdTech company, experienced a decline in revenue largely attributed to elevated customer acquisition costs (CAC). This research aims to analyze the challenges faced by *Dibimbing.id* and form an innovative and profitable business model for *Dibimbing.id*. This study uses qualitative research by applying Richardson's framework theory (Value Oriented Framework). This research was obtained through in-depth interviews and Forum Group Discussions (FGDs). The FGD involved teams in *Dibimbing.id*, including marketing and sales, development, operations, human resources, finance, and technology teams. The results showed that the existing business model faces problems such as variable learning speed, highly complex learning syllabus, hiring difficulties to find advanced talents, bootcamp business model that does not contribute to profit growth, students' concerns with limited job prospects, and financial constraints. Therefore, four solutions were revealed in this research for a new business model, namely self-paced learning, leveling course, job guarantee program, and Study Now Pay Later (SNPL).

**Keywords:** Leveraging New Business Models

### Introduction

The education technology (EdTech) field has become increasingly prominent over the past five years, with substantial growth in investments, transactions, and revenues. With this development, the EdTech sector in Indonesia has also experienced a significant surge in business activity (Sikandar & Rahman, 2021). Most EdTech companies in Indonesia have positioned themselves strategically, supported by Indonesia's rapid internet penetration rate. This strategic alignment underscores the sector's recognition of the evolving technology landscape, emphasizing EdTech's critical role in shaping the future of education in Indonesia (Bhardwaj & Yarrow, 2020).

The EdTech sector is segmented into various markets, covering K12 (elementary, middle, and high schools), individual students, professionals, and institutional needs. The content is diverse, covering academic subjects, career preparation, and creative and lifestyle themes. EdTech has several types of business models, including the cohort-based model. Cohort-based models in the EdTech field have been used in various start-up companies and educational institutions (Alam & Mohanty, 2022; Rice et al., 2022). The cohort-based business model in the EdTech sector engages the organization of students into groups that advance through a program together. It emphasizes collaboration, peer learning, and networking (Rice et al., 2022). (HolonIQ, 2021) states that many EdTech with a cohort-based business model are widely considered more favored by users than those with the video course (Susanto et al., 2022).

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Despite the advantages it offers, the implementation of cohort-based business models in EdTech also encounters various challenges. According to study by von Maltitz and van der Lingen (2022) examining the experiences of EdTech entrepreneurs in South Africa, they identified issues concerning access to support and funding, diversification of revenue streams, and a lack of governmental support. To address these challenges, they suggested a business framework model involving establishing a mature product and creating Value that teachers can endorse, along with the development of a supportive network.

Despite the success of its Job Connector boot camp program, PT Dibimbing (*Dibimbing.id*), an EdTech firm in Indonesia using a cohort-based business model, has suffered continuous financial issues since its second year. Based on the financial report in 2022, *Dibimbing.id* experienced a loss of 4% of total revenue, then increased to 40% of revenue from January to June 2023. A major factor in these financial difficulties is the significant increase in Customer Acquisition Costs (CAC), encouraged by low customer retention rates. This problem is becoming a significant issue in EdTech. According to Mattsson and Andersson's (2019) study, poor retention of participants can lead to increased learning costs, affecting the rate of profit increase in EdTech companies. According to the data from *Dibimbing.id* report in 2023, From early 2022 to 2023, the average CAC ranges from 25% to 36% of the product prices offered to users. *Dibimbing.id* should endeavor to keep customers in the long run, resulting in a high churn rate and requiring continuous improvement to attract new customers to compensate.

In the case of *Dibimbing.id*, it can be concluded that a new business model that is able to survive and continue to adapt to technological advances and shifting conditions must be created. According to Alam and Mohanty (2022), Several EdTech companies have experienced challenges in creating a sustainable and profitable business model due to technological changes and changing educational needs. Karlsson (2023) employs a thorough and systematic integration method to provide an extensive and adaptable approach for studying case studies within the Swedish EdTech startup sector. Furthermore, this approach is commendable for its ability to enable theoretical frameworks, empirical materials, and case studies to progress simultaneously in a nonlinear process, demonstrating flexibility in integrating new concepts and ideas to propel the development of innovative business models (Dubois & Gadde, 2017).

This study aims to investigate *Dibimbing.id*'s issues and to develop an innovative and successful business model for *Dibimbing.id*. This comprises alterations to the existing model, value offer, and configuration of existing classes in order to increase sustainability and financial performance. Furthermore, to develop the business model, this study employs Richardson's framework, focusing on three elements: value proposition, value generation, and value capture. Furthermore, the outcomes of this study can provide significant knowledge to the EdTech industry, promoting the development and expansion of sustainable business models.

### **Business Model Innovation**

Building a sustainable success is crucial to analyze about how well the business model adapts to changes in market demand and external circumstances (Nandamuri et al., 2020). Most research suggests value is a key focus in some aspect of a company's model. Therefore, the approach used in this study is value-oriented, which is adapted to Richardson's (2008) nuanced analysis. Furthermore, (Karlsson, 2023) research also states that Richardson's framework is built around three main components: value proposition (a), value production (b), and value capture (c). Each of these components has a different function in explaining the dynamics of a business model. The purpose of the framework is to provide a method to decipher its fundamental components.

- a. Value Proposition: This basic element aims to realize the company's commitment to providing tangible and intangible benefits to customers. In this Richardson Classification introduces a three-dimensional perspective, which is shown in the offering, product and also the target customer or market identification.
- b. Value Creation: a strategic blueprint to demonstrate the organization's competitive stance. In this case, it goes beyond description, and also delves into the intricacies of how value is generated. Richardson's theory covers many activities, from creation and production to sales and delivery processes. This view examines a business's strategy for creating and delivering value to its customers.

- c. Value Capture: in this case, business efforts are transformed into tangible revenues and profits. It includes two dimensions: revenue model and economic model. The revenue model deals with the sources from which the business derives revenue. This model shows the channels through which businesses receive compensation for their services. On the other hand, the economic model includes financial aspects, including costs and margins, which examine how the business maintains profitability.

These parts are interrelated or in other words, not separate components, as in (Richardson, 2008) business model paradigm. The value proposition indicates the services and customers served by the company. Meanwhile, the operational nuances of this relate to how the company competes and generates value are examined in value creation. Finally, value capture shows the economic model and revenue streams, examining how the company remains profitable considering financial factors. As in (Karlsson, 2023) case study, Swedish startups, in the context of the EdTech industry, show the dynamics of business model design and development in the edtech sector.

### ***Design Thinking***

Design thinking (DT) is a team-based approach method that aims at problem identification and problem solving (Luchs et al., 2015). Additionally, it is intended to balance the ability to solve problems analytically and intuitively (Liu & Mannhardt, 2019). DT is also a tool to assess human needs to generate new concepts with professional resources and design perspectives (Lin & Fong, 2021). In this case, in order to align human needs with technological feasibility, applicable business strategies so as to provide customer value and market opportunities, DT serves as dynamic learning that utilizes designers' sensibilities and methods (Puspitasari & Jie, 2020).

Design Thinking (DT) consists of three main categories of elements which consisted of methods, cognitive, and mindset. Methods are specific activities and instruments, while cognitive approaches relate to thinking processes and styles, and mindsets relate to the problem-solving mentality approach. These three concepts are critical to the success of DT (Liu & Mannhardt, 2019). From a cognitive perspective, it aims to examine possibilities and existing understandings to infer new concepts (Liedtka & Ogilvie, 2011; Lüdeke-Freund, 2020). Reflective framing involves the challenge of ensuring that questions are answered appropriately (Kirjavainen & Björklund, 2019). In brief, the main point of DT is to balance opposing models, such as desirability, feasibility, and advisability, or intuitive and analytical thinking, to find the right solution (Radic et al., 2022).

DT is characterized by fundamental principles that are critical to its success and are divided into three main groups of elements: methods, concrete activities, and tools; cognitive approaches, thought processes, and styles; and mindset, the mentality used to approach problems (Liu & Mannhardt, 2019). From a cognitive perspective, *abductive thinking* examines possibilities and challenges existing understandings to infer new possible worlds (Liedtka & Ogilvie, 2011; Lüdeke-Freund, 2020). Reflective reframing involves perceiving a challenge in a new way to ensure the right questions are answered (Kirjavainen & Björklund, 2019). At the core of DT, integrative thinking aims to balance opposed models, such as desirability, feasibility, and advisability, or intuitive and analytical thinking, to find a compatible solution (Radic et al., 2022).

An innovative and explorative mindset is perceived as a crucial success factor in DT (Liu & Mannhardt, 2019). Accepting mistakes as a natural part of the innovation process and "failing often and early" is encouraged compared to testing ideas with minimal risk (Puspitasari & Jie, 2020; Ries, 2018). High tolerance for ambiguity is another crucial aspect of the design thinker's mindset, as the process is seen as emergent rather than deterministic (Puspitasari & Jie, 2020).

### **Method**

This research employed qualitative research by applying the theory of Richardson's framework (Richardson, 2008), crafted with precision as in Karlsson's research (2023), consisted of three fundamental elements: (a) value proposition, (b) value creation, and (c) value capture. Each element serves a different role in describing the complex dynamics of a business model, offered a structured approach to dissecting its core components. The Value Proposition is applied to deliver tangible and intangible benefits to customers. The Value Creation is applied to delve into the intricacies of how value

is generated. Finally, Value Capture is used to increase tangible profits. This element includes two dimensions: revenue model and economic model.

This research is obtained through in-depth interviews and Forum Group Discussion (FGD). This FGD involved the teams at *Dibimbing.id*, including the marketing and sales team, development, operations, Human Resources, finance, and technology teams. Before conducting the FGD session, the researcher briefly provided an overview to each informant individually, serving as a basis for discussion that would optimally lead to results during the FGD. The interviews and FGD sessions were conducted online through the Zoom platform and were carried out in Bahasa Indonesia. Each interview lasted approximately 35 minutes, while the FGD sessions spanned over 2 hours. The interviews were recorded and then transcribed and thoroughly analyzed.

**Table 1. The Demography of Forum Group Discussion informants**

Informant	Division profile	Job Title	Experience (Years)
AL	Product creation and development	Chief product officer	3
SY	Creating syllabus relevant to industry needs	Learning designer code	2.5
VA	Creating syllabus relevant to industry needs	Learning designer code	2
VE	Ensuring students achieve learning objectives during bootcamp	Head of bootcamp	2.9
T	Supervise day-to-day execution of bootcamp code	Product operation code officer	2
I	Supervise day-to-day execution of bootcamp non-code	Product operation non-code officer	1.8
S	User acquisition	Sales manager	2.8
W	Technology development for product requirements	Chief technology officer	3
M	Recruitment and employees development	HR manager	2.5
N	Treasury, tax, and budgeting	Finance manager	2.8
Y	Top funnel team which focus to acquire leads	Performance marketer	1
AN	Handle job connector bootcamp	Talent support manager	2

Table 1 provides demographic information about the informants that participated in the Forum Group Discussion, while Table 2 details the demographic characteristics of the In-Depth Interview participants. After both interviews and FGDs were transcribed into Bahasa Indonesia, the data was systematically compiled into themes and keywords. The themes and keywords were labeled as findings and characteristics, which described significant patterns in the data. It is important to note that this analysis process took a manual approach, avoiding reliance on computer-based tools.

**Table 2. The Demography of In-depth Interview Participants**

Informant	Division profile	Job Title	Experience
A	Recruiting <i>Dibimbing.id</i> 's Graduates after Completing Bootcamp	Hiring partner	1 year
B	Recruiting <i>Dibimbing.id</i> 's Graduates after Completing Bootcamp	Hiring partner	8 months
C	Teaching Students in Bootcamp Classes	Mentor Code	2 years
D	Teaching Students in Bootcamp Classes	Mentor non-Code	1,8 years
E	Bootcamp users at <i>Dibimbing.id</i>	Student code	4 months
F	Bootcamp users at <i>Dibimbing.id</i>	Student/alumni non code and code	10 months

## Result and Discussion

### The problems and challenges impacting *Dibimbing.id* financial performance

After conducting an analysis of the results of interviews and Focus Group Discussions, the findings of this study summarize the problems experienced by *Dibimbing.id* that have an impact on the company's financial performance. Some of these issues include varying learning pace, highly complex learning syllabus, hiring difficulties in finding advanced talent, bootcamp business model not contributing to profit growth, students' concerns with limited job prospects and financial constraints.

#### *The students have different learning paces*

This issue is expressed by students, mentors and the internal team at *Dibimbing.id*, that within each cohort there are often types of students who tend to be quick or slow. This inequality occurs in almost 25% of students in each batch as shown in excerpt (1).

(1) “*Setiap batch-nya itu churn-nya lumayan kak kira-kira 25% an orang-orang biasanya emang gak bisa ngikutin pace kelas beberapa akhirnya pindah batch*” (Informant Ve-Bootcamp Manager)

“Each batch has a decent churn, about 25% of people usually can't keep up with the pace of the class, some end up moving batches” (Informant Ve-Bootcamp Manager)

Based on the results of FGDs conducted by the internal team, it was also stated that some students were eventually forced to join the next batch because they felt they did not perform well in the first batch they joined. This is also supported by information from the mentors who noted that almost in every cohort there tends to be an imbalance between one student and another, as shown in excerpt (2).

(2) “*gue sebagai pengajar yang kelasnya terbagi di awal, tengah, akhir jadi cukup tau beberapa batch jumlah nyusul, jumlah pastinya gatau ya tapi lebih dari 20% gue rasa nyampe*” (Informant C-Mentor Code at *Dibimbing.id*)

“As an instructor with classes divided into beginning, middle, and end, I have a good understanding of the reduced numbers in several batches. I can't provide the exact figures, but I believe it's more than 20%.” (Informant C-Mentor Code at *Dibimbing.id*)

#### *The students are overwhelmed with the learning syllabus*

*Dibimbing.id* made the program in one boot camp package to accommodate learning from beginner to advanced levels. Covering the program into one boot camp program package results in a tendency to force the material to be taught, making the students feel overwhelmed and the mentors feel like they are being overburdened. This is also supported by students' statements that they feel overwhelmed by mentors, which in turn forces them to consult outside of class because there are some questions that have not been answered in class, as shown in excerpt (3).

(3) “*.... Ekspektasi dibimbing kan agak tinggi, jadi satu materi pasti padat banget akhirnya banyak yang ketinggalan, solusinya gw open question after kelas juga.*” (Informant D-Mentor non code at *Dibimbing.id*)

“*.... Dibimbing expectations are quite high, one material must be dense in the end, many students miss it, the solution is that I also open questions after class*” (Informant D-Mentor non code at *Dibimbing.id*)

It was also revealed by *Dibimbing.id* operational team during the FGD that the large number of requests for consultations outside of class because students felt that they had not been helped in class. It forced the team to incur additional costs for this which ultimately resulted in an increase in sales costs at *Dibimbing.id*, as indicated in excerpt (4).

- (4) “*Ini aja gue udah overwhelmed padet bener bro, banyak yang pada ngeluh, apalagi kalo sama mas grady bikin diskusi diluar kelas karena materi susah dan padet yak arena tadi lu ngas banyak hal dalam waktu yg pendek kan*” (Informant E- student code)  
“I’m already overwhelmed, it’s really packed, bro. Many, including Zaky, have been complaining. Especially when with Mas Grady, having discussions outside of class because the material is difficult and packed. You’ve covered a lot in a short time.” (Informant E student code)

#### ***Hiring partners have difficulty in finding advanced talent***

Interviews with recruitment companies revealed that one of their biggest difficulties is the difficulty in finding a talent pipeline for senior level positions. This need is quite urgent because the company’s need for digital and tech positions are constantly evolving, so it is not enough to just recruit for entry-level positions. This is something that is often experienced by hiring companies, which has an impact on the length of the recruitment process due to a small pipeline and it is not uncommon for them to make the wrong hires, as shown in excerpt (5).

- (5) “*Mudah-mudahan dibimbing ada talent buat senior mas sukur-sukur ada buat lead kita kebutuhannya banyak lho, Kita udah nyaman sama dibimbing jadi kalo ada dari dibimbing kita akan pilih dari sini soalnya lebih murah dan biasanya banyak dari yg lain*” (Informant A-Hiring company)

“Hopefully, Dibimbing has talent for senior roles, ideally, we even have some for a lead position. We have a high demand for it. We are already comfortable with *dibimbing* so if there is from *dibimbing* we will choose from here because it is cheaper and usually more than others. (Informant A-Hiring company)

#### ***The current boot camp business model does not contribute to good growth of profits***

The results of the forum group discussion with the internal team of *Dibimbing.id* revealed that the current business model, namely the cohort base, has taken into account the variables that are really needed by students and recruitment companies, including direct classes with mentors, learning assistance, assignments and final projects, then job channeling programs. This cohort base is also considered capable of meeting user needs with manageable sales costs, as shown in excerpt (6).

- (6) “*gue butuh diajarin mentor secara live git uterus kan bootcamp tuh karena jadwalnya fix jadinya lebih ketriger untuk belajar ngerasa ada yang satu perjuangan, walaupun mungkin temen gue ada yang sukanya yang belajar fleksible dan sendiri-sendiri ya*” (Informant E student code)

“I need to be taught by a live-in mentor live because a bootcamp, due to its fixed schedule, triggers me to learn more. I feel like there’s a shared struggle. Although I understand some of my friends prefer flexible and individual learning.” (Informant E - Student, Code)

However, the internal team at *Dibimbing.id* did not realize that the cohort base was only an option for a part of the market. This meant that some prospective students who did not like cohort tend not to enroll in *Dibimbing.id* bootcamp. This is supported by Informant S as the sales manager that many prospects do not choose *Dibimbing.id* because of the schedule and length of the program that has been determined at the beginning. This claim is also confirmed by students who explain that students have very varied learning preferences, as shown in excerpt (7).

- (7) “*Beberapa kali gue juga sering nemu orang dateng ke dibimbing terus gk jadi beli karena jadwal yang kurang fleksible gue gatau deh kalo gk salah di refoc\*\* tuh live class but you can choose at any time, maybe that’s what it means*” (Informant S-Sales manager).

"Several times, I've encountered people who came to *Dibimbing.id* but didn't end up buying because of the inflexible schedule. I'm not sure, but I think it's about refoc\*\* on live classes, but they can choose any time, maybe that's what's meant." (Informant S - Sales Manager)

***Some students are worried about limited job prospects***

The results of interviews with students in *Dibimbing.id* explain that the thing they are really afraid of is related to job placement. They even said that they can afford to pay more as long as they were guaranteed a job after the bootcamp. This was also conveyed by the internal team of internal team through FGD that the biggest motivation for students to join the *Dibimbing.id* bootcamp is to get a job. In fact, most of them rely heavily on the job connector program process provided by talent support in *Dibimbing.id*. Furthermore, the talent support team during FGD also mentioned that many students asked for more consultation sessions than the actual quota than the quota they should get during the job connector program. This request is also accompanied by their willingness to pay additional fees. It is shown in excerpt (8) and (9).

(8) *"...yang paling crucial mungkin di penyaluran kerjanya biar gue paling gk terbantu dapet kerja lebih gampang bahkan gue kepikiran gpp deh gue bayar lebih penting dapet kerja"* (Informant E-student code)

"The most crucial aspect is probably in job placement, so I feel the most assisted in finding a job more easily. I even think it's okay to pay more as long as I can secure a job." (Informant E - Student, Code)

(9) *"Tapi disisi lain ada juga yang semangat banget bahkan minta kelas tambahan di TS buat job connector"* (Informant An-Talent support manager)

"On the other hand, there are also those who are very enthusiastic and even ask for additional classes in the Talent Showcase for job connections." (Informant An - Talent Support Manager)

**The Business Model Solutions through addressing Financial Challenges**

Based on the results of interviews with mentors, students, and hiring companies, and supplemented by the results from the focus group discussion forum, it is important to design future learning. It includes the integration of conceptual, practical, and technical case study materials in the delivery of classroom materials. The mentoring approach throughout the learning process is also considered important, to develop a comprehensive understanding. Furthermore, the establishment of clear and firm rules in each bootcamp is strongly emphasized to ensure student commitment during the program. The integration of assignments, final projects, and technical and interpersonal soft skills training also needs to be improved by aligning with the evolving needs of the company. Mentoring approach should be taken to ensure the high quality of students' career preparation for the job connector program.

Therefore, the research shows the existing model applied by *Dibimbing.id* and also the new business model developed to improve financial performance and profit. The existing guided model is described using the business model analysis framework by (Richardson, 2008) shown in Table 3.

**Table 3. The description of the Existing Business Model of *Dibimbing.id***

Dimension	Components	Findings
The Value Proposition	The offering	- Industry relevant skills with syllabus yang comprehensive - Career support and job placement - Hands on learning experiences - Networking opportunities - Affordable price
	The target customers	- Fresh graduates (22-24 years old) - Career switcher (25-35 years old) - Early learner

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Dimension	Components	Findings
<b>The Value Creation</b>	Competitive advantage	<ul style="list-style-type: none"> <li>- Cohort base preferences (fix schedule, grouping class)</li> <li>- People who are concern about price</li> <li>- Offering diverse courses to obtain new skills</li> <li>- Providing a strong network of instructors and industry professionals (minimum 3 years experience) to deliver high-quality education and training.</li> <li>- Building a community of learners and professionals through networking events and industry partnerships.</li> <li>- A promising job connector program with a 91% success rate</li> <li>- Affordable price</li> </ul>
	Resources and capabilities	<ul style="list-style-type: none"> <li>- 570+ hiring companies</li> <li>- 2000+ expert mentors</li> <li>- All of our services was built from a single platform (Omega)</li> <li>- Dedicated Talent support team</li> <li>- Curriculum development</li> </ul>
	Value chain infrastructure	<ul style="list-style-type: none"> <li>- Curriculum Development: Designing and developing relevant and up-to-date course materials.</li> <li>- Learning Delivery: Offering online training sessions, workshops, and networking events.</li> <li>- Career Services: Providing job placement assistance and career guidance for students and graduates.</li> <li>- Community Building: Organizing networking events and building a strong professional community.</li> </ul>
	Position in the value network	<ul style="list-style-type: none"> <li>- Centralized platform for learning process</li> <li>- Mentor</li> <li>- Students</li> <li>- Hiring companies</li> <li>- Talent support</li> <li>- earning designer</li> </ul>
<b>The Value Capture</b>	Revenue Sources Cost Structure	<ul style="list-style-type: none"> <li>- Course Fees: Generating income through tuition fees for various educational programs and courses offered by General Assembly.</li> <li>- Mentor/teacher fees</li> <li>- Operational Costs: Including costs for maintaining physical campuses, online platforms, administrative staff, and marketing activities.</li> <li>- Technology Infrastructure Costs: Expenses related to maintaining and upgrading the online learning platform and technology resources.</li> <li>- Marketing Cost: user acquisition costs</li> </ul>

Based on the data in Table 3, it is evident that the existing model has to adapt to the needs of recruitment partners, mentors, and students. This ensures that the learning objectives are achieved and solves the problems stated in the problems and challenges faced by *Dibimbing.id*. Therefore, this existing business model is modified with a new business model as a solution to solve the problems faced by *Dibimbing.id*. The description of the new business model is shown in Table 4.

**Table 4. The description of the New Business Model**

Dimension	Components	New findings
<b>The Value Proposition</b>	The offering	<ul style="list-style-type: none"> <li>- Industry relevant skills with syllabus yang comprehensive</li> <li>- Career support and job placement</li> <li>- Guarantee job connector program</li> <li>- Hands on learning experiences</li> <li>- Networking opportunities</li> <li>- Cohort based learning</li> <li>- Self-paced learning</li> </ul>
	The target customers	<ul style="list-style-type: none"> <li>- Fresh graduates (22-24 years old)</li> <li>- Career switcher (25-35 years old)</li> <li>- Early learner</li> <li>- People who are prefer cohort base (fix schedule, grouping class)</li> <li>- People who are prefer Self-paced learning</li> <li>- People who are concern about price</li> <li>- People who are concern on quality only</li> </ul>



Dimension	Components	New findings	
<b>The Value Creation</b>	Competitive advantage	<ul style="list-style-type: none"> <li>- Offering a diverse range of courses and leveling programs to cater to the specific needs of individuals and businesses in the rapidly evolving tech and business landscape.</li> <li>- Providing a strong network of instructors and industry professionals (minimum 3 years experience) to deliver high-quality education and training.</li> <li>- Building a community of learners and professionals through networking events and industry partnerships.</li> <li>- Promising job connector program with 91% success rate</li> <li>- Affordable price</li> </ul>	
	Resources and capabilities	<ul style="list-style-type: none"> <li>- 570+ hiring companies</li> <li>- 2000+ expert mentors</li> <li>- All of our services was built from a single platform (Omega)</li> <li>- Dedicated Talent support team</li> <li>- Curriculum development and learning path</li> </ul>	
	Value chain infrastructure	<ul style="list-style-type: none"> <li>- Curriculum Development: Designing and developing relevant and up-to-date course materials.</li> <li>- Learning Delivery: Offering online training sessions, workshops, and networking events.</li> <li>- Career Services: Providing job placement assistance and career guidance for students and graduates.</li> <li>- Community Building: Organizing networking events and building a strong professional community.</li> </ul>	
	Position in the value network	<ul style="list-style-type: none"> <li>- Centralized platform for learning process</li> <li>- Mentor</li> <li>- Students</li> <li>- hiring companies</li> <li>- Talent support</li> <li>- Learning designer</li> </ul>	
	<b>The Value Capture</b>	Revenue Sources	<ul style="list-style-type: none"> <li>- Course Fees: Generating income through tuition fees for various educational courses and level of programs offered by <i>Dibimbing.id</i></li> <li>- Subscription model for self-paced learning</li> <li>- Job Placement Services: Offering additional career services and job placement assistance at a cost to clients.</li> </ul>
		Cost Structure	<ul style="list-style-type: none"> <li>- Mentor/teacher fees</li> <li>- Operational Costs: Including costs for maintaining physical campuses, online platforms, administrative staff, and marketing activities.</li> <li>- Video learning production cost</li> <li>- Technology Infrastructure Costs: Expenses related to maintaining and upgrading the online learning platform and technology resources.</li> <li>- Marketing Cost: user acquisition costs</li> </ul>

Table 2 shows the new business model of *Dibimbing.id*, presenting new components to enhance the existing business model. The revised value proposition includes a guaranteed job connector program and introduces cohort-based and self-paced learning options. In addition, the customer segment is also expanded to those who prefer self-directed learning and focus on quality. The competitive advantage was strengthened with diverse course offerings, a strong instructor network, and a job connector program, while resources and capabilities remained consistent. Infrastructure of the value chain now incorporates learning pathways in curriculum development, and the revenue model introduces subscriptions for self-paced learning in addition to existing course fees, emphasizing additional revenue from job placement services. The cost structure includes new elements such as learning video production costs while maintaining existing components such as mentor fees and operational costs. In connection with the business model change, a more detailed discussion of the implications of the proposed solution for the problem to be solved and the expected results is presented in Tabel 3,4,5,6.

### ***The Development of Job Connector Guarantee Program***

While job connector guarantee program has not resulted in a significant increase in customer acquisition, the Job Guarantee Program has shown a significant impact on average revenue per user (ARPU). Based on student acquisition data as of November 27, 2023, it is revealed a total of 35 students for Data Science Bootcamp and 15 of them are Job Guarantee bootcamp students. Furthermore, for Digital Marketing Bootcamp, the total number of students reached 32 and 13 of them were job guarantee bootcamp students, and other data also shows that this job guarantee program has an impact. This findings shows that creating a job guarantee program is effective in increasing revenue which is higher than the revenue of *Dibimbing.id*. The description of job connector guarantee program for new business model is shown in Table 5.

**Table 5. The description of Job Connector Guarantee Program for New Business Model**

<b>Dimensions</b>	<b>The Value Proposition</b>
<b>Improvement</b>	Offers a guarantee job connector program
<b>Design</b>	All regular job connector bootcamp class facilities are obtained by student guarantee, and are accompanied by additional facilities as follows: <ul style="list-style-type: none"> <li>- 6 months job guarantee (Refund up to 100%)</li> <li>- 35+ Live class sessions with mentors (combined with regular classes) &amp; Extra 20+ classes in weekdays</li> <li>- Unlimited 1 on 1 sessions with instructors by request + Routine 1 on 1 mentoring on schedule</li> <li>- Mentorship Club</li> <li>- Intensive mentoring to build a career</li> <li>- HR Interview practice</li> <li>- User Interview practice</li> <li>- Internship project at well-known company</li> </ul>
<b>Expected Outcome</b>	<ul style="list-style-type: none"> <li>- Reduce the percentage of customer acquisition costs because it increases transaction value for students</li> <li>- The percentage of class and operation costs will also be reduced because 80% of the running guarantee program costs are included with the regular program</li> <li>- Increase revenue</li> </ul>
<b>Solved Problem</b>	<ul style="list-style-type: none"> <li>- High customer acquisition cost (CAC)</li> <li>- High Operational Cost</li> </ul>

### ***The Development of Self-Pace learning***

The Self-Paced Learning is a live class with a comprehensive online learning ecosystem designed to provide a flexible and interactive learning experience for students seeking digital skills courses. The online learning platform will host a variety of learning materials, including on-demand video tutorials, interactive exercises, comprehensive reading materials, and live classes hosted by industry experts. Through combining self-paced learning with live classes, *Dibimbing.id* aims to create a dynamic and inclusive learning environment that meets the diverse learning needs of students. The description of Self-Pace learning for New Business Model is shown in Table 6.

**Table 6. The description of Self-Pace learning for New Business Model**

<b>Dimensions</b>	<b>The Value Proposition</b>
<b>Improvement</b>	Self-Pace learning
<b>Design</b>	<ul style="list-style-type: none"> <li>- Learning that adapts to students' pace, so students can complete classes faster or later depending on the free time they have</li> <li>- Continuous fixed live class schedules are available which come from regular bootcamp class schedules from various cohorts</li> <li>- High quality learning videos are available which must be watched first before starting class.</li> </ul>

Dimensions	The Value Proposition
	<ul style="list-style-type: none"> <li>- Video access is provided in its entirety and will be a requirement for students to be able to take part in live classes by following the learning sequence through video learning first</li> <li>- This learning video is also given to student cohorts, but access to the video is only open based on the class schedule that will be running</li> <li>- There are integrated labs available through the learning center which can be used for practice needs</li> <li>- Mentoring sessions with mentors can be requested according to best needs to discuss material, practical results, assignments and final projects but the number is still limited per month</li> <li>- This program is equipped with career preparation and job connector programs, both regular and guaranteed</li> </ul>
<b>Expected Outcome</b>	<ul style="list-style-type: none"> <li>- The percentage of class and operation costs will also be reduced because 70% of learning activities do not incur additional costs</li> <li>- Capture new markets by adding students' learning preferences</li> <li>- Has the potential to extend the Lifetime Value of <i>Dibimbing.id</i> services</li> <li>- Increase revenue</li> </ul>
<b>Solved Problem</b>	<ul style="list-style-type: none"> <li>- High Operational Cost</li> <li>- Changes in Market Needs</li> <li>- Short lifetime value</li> </ul>

### The Development of Leveling Program

The leveling program is designed to provide a structured learning path for students at various skill levels, which include beginner, intermediate, high-intermediate and advanced level for a wide array of digital skills courses. Each level is designed and built to deliver specific learning outcomes and skills, encouraging a comprehensive and progressive learning journey for students who want to improve their digital skills proficiency. The description leveling program for new business model is shown in Table 7.

**Table 7. The description Leveling Program for New Business Model**

Dimensions	The Value Creation
<b>Improvement</b>	Curriculum development and learning path (offering diverse range and levelling)
<b>Design</b>	<ul style="list-style-type: none"> <li>- Added several new topics</li> <li>- Create a learning path based on leveling as follows:                             <ol style="list-style-type: none"> <li>1. Video-based Learning + Virtual Internship (Beginner Level)</li> <li>2. Bootcamp &amp; Job Connector guarantee program (Intermediate Level)</li> <li>3. Specialized Bootcamp &amp; Job Connector (High Intermediate Level)</li> <li>4. Professional Class (Advance Level)</li> </ol> </li> </ul>
<b>Expected Outcome</b>	<ul style="list-style-type: none"> <li>- Adding new markets to guide</li> <li>- Increase retention</li> <li>- Extend LTV</li> <li>- Increase revenue</li> </ul>
<b>Solved Problem</b>	<ul style="list-style-type: none"> <li>- Short LTV</li> <li>- Changes in Market Needs</li> <li>- High CAC</li> </ul>

### The Development of Study Now Pay Later Program

The Study Now Pay Later (SNPL) program is a tuition fee payment model designed to attract new students by providing the opportunity to defer tuition fees until after completion of the course. The program aims to reduce financial barriers for prospective new students, so that they can enroll in various skill levels without immediate financial constraints. financial constraints directly. The description leveling program for new business model is shown in Table 8.

**Table 8. The description Leveling Program for New Business Model**

<b>Dimensions</b>	<b>The Value Capture</b>
<b>Improvement</b>	Study Now Pay Later <ul style="list-style-type: none"> <li>- Offering more expensive class fees for students who want to pay after the program is finished</li> <li>- Offering alternative solutions for prospective students who want to take part in the <i>Dibimbing.id</i> program but have financial constraints</li> </ul>
<b>Design</b>	<ul style="list-style-type: none"> <li>- Study now pay later (SNPL) which allows students to pay after finishing program and we can charge at a much higher cost than students who pay upfront</li> </ul>
<b>Expected Outcome</b>	<ul style="list-style-type: none"> <li>- Increase revenue</li> <li>- Responding to changes in customer needs which may require implementing a Study Now Pay Later (SNPL) system in several classes</li> </ul>
<b>Solved Problem</b>	<ul style="list-style-type: none"> <li>- Changes in Market Needs</li> </ul>

## Discussion

Based on the research result, *Dibimbing.id*, as an EdTech company, still has considerable acceleration potential, as evidenced by the large market capitalization of the EdTech industry. However, it faces many challenges and problems today and experienced financial losses over 18 months. The problems were caused by high Customer Acquisition Costs, short Lifetime Value models, increased operational costs associated with cohort-based boot camps, and lack of innovation in program design, resulting in a decline in the market segment and overall revenue. Therefore, this study reveals four alternatives to the existing business model namely study now pay later (SNPL), job guarantee program, leveling course, and self-paced learning.

(Rice et al., 2022) stated that the cohort-based business model in the EdTech sector engages the organization of students into groups that advance through a program together and also emphasizes collaboration, peer learning, and networking, this research claimed that self-paced learning is more effective to be applied due to its flexibility. Furthermore, this study offers solutions to business model focusing on expanding into new markets to increase Average Revenue per User (ARPU) and Total Revenue. This research is in line with research by (Maltitz & Lingen, 2022) who suggested a business framework model that involves creating a mature, value-creating product that can be supported by teachers, along with developing a supportive network.

Nevertheless, some recommendations for future research would like to examine specifically related to the proposed business model solution, notably an in-depth analysis of the success factors of the gap and job guarantee program. Then, a comparative study between group-based and independent learning models will be used to identify the strengths and weaknesses of each, as well as learners' preferences. The last recommendation is to analyze the SNPL Program Effectiveness by researching to evaluate the effectiveness of the Study Now Pay Later (SNPL) program in improving educational accessibility and overcoming learners' financial barriers. These further research recommendations have the potential to contribute to studies in the EduTech Industry, especially in Indonesia, where discussions related to EdTech still need to be improved.

## Conclusion

There are four solutions are revealed in this study to the new business model, namely self-paced learning, leveling course, job guarantee program, and Study Now Pay Later (SNPL). First is self-paced learning, which develops an independent learning module with various digital skills courses. This solution will address new market segments prioritizing flexibility,

primarily employed professionals and time-constrained individuals. The second is the Introduction of Course Leveling, which introduced a structured leveling program to ensure progression for students at different levels of digital skills. The initiatives will increase retention, thus impacting the lifetime value of students. The third solution is improving the job guarantee program, in which the job placement program is carried out by providing additional guarantees or support for students who wait to get a job after completing the program. This allows for implementing higher-class costs for market segments with higher purchasing capacity, potentially increasing revenue and reducing the percentage of increase in operating costs relative to revenue. The fourth solution is the development of the Study Now Pay Later (SNPL) program designed to meet the needs of learners at all levels of proficiency, from entry-level to managerial. It allows students to defer tuition payments until successful completion of training, removing financial barriers and ensuring accessibility to education.

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