

Shaheed Sukhdev College of Business Studies

CASE BOOK

2025 - 2026

3rd Edition



BRIDGES
FOR
ENTERPRISE
SSCBS, NEW DELHI

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After a demanding placement and internship season, our team of second and third-year Shaheed Sukhdev College of Business Studies students wanted to share the information we had acquired with those who would be filling our shoes in the future.

Following two years of intensive preparation for consulting firms and interviews with numerous corporate behemoths including McKinsey, Accenture Strategy, Dalberg, and Bain & Company, we made the decision to focus on the preparation for consulting firms as our main topic.

This book, which contains information about the case interviews of influential people in the field, is the third edition of **Shaheed Sukhdev college's first consulting case book**. Our experience and those of our fellow applicants who were hired by companies like McKinsey & Co., BCG, Dalberg, L. E. K. Consulting, AB InBev, Accenture Strategy, Bain & Company, etc. have helped us compile resources. This book includes comprehensive transcripts from the aforementioned case interviews, frameworks for various case kinds, and all additional information required for a job in consulting.

We poured our hearts and souls into our preparation for these interviews because we were so driven to succeed. With the intention of reaching out to every student, regardless of background, we will again make our book freely accessible online so that anyone in need only needs to click a button. In line with our objectives, the SSCBS Placement Cell is assisting in making it accessible to the incoming batches at SSCBS.

We would also like to acknowledge that we gained knowledge that allowed us to write this book from sources such as the Case Compendium and IIM A's casebook. Lastly, regards to all the students who contributed with their interview experiences and case solutions. Thank you for helping us!

“

Congratulations to the BfE students of SSCBS on the successful publication of your third casebook! After six to seven months of consistent hard work and dedication, this milestone stands as a true testament to your perseverance and passion. You've set a new benchmark for SSCBS, and I'm confident your achievement will inspire many others to strive for excellence.

This accomplishment is not just a reflection of your individual efforts, but also of the unwavering support from your friends and family, who played a vital role in your journey. Be proud of what you've achieved — and I look forward to seeing many more such impactful contributions in the future. Wishing you continued success ahead!

”

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Acknowledgement

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About Bridges for Enterprise

New Delhi chapter at Shaheed Sukhdev College of Business Studies



Private enterprise plays a powerful role in advancing social and environmental change. Unfortunately, growing a social enterprise without adequate support is incredibly challenging. In the developing world, access to incubator or accelerator programmes, government support or investment is either unavailable, inaccessible, costly or ineffective. Support targeted at early-stage social entrepreneurs can make a big difference.

Bridges for Enterprise (BfE) is a non-profit that provides pro bono advisory services to social innovators in the developing world. Through our flagship Incubation Programme, we support early-stage businesses with existing revenue and a clear mission to create social impact for their beneficiaries. The services are free of charge - and always will be - as we don't believe that money should ever be a barrier for social entrepreneurs to receive additional support in scaling their ventures.

BfE is run by a global community of purpose-driven professionals and students. As a non-profit established in 2015, we expanded rapidly to operate from five student chapters and developed a client base spanning over 30 countries. We collaborate alongside a growing network of over 200 professional mentors who provide strategic guidance to chapter teams and assistance to start-ups.

BfE New Delhi was started in 2021 at Shaheed Sukhdev College of Business Studies, University of Delhi.



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Accreditation

The students of following organizations have gone through the contents of the book and support the publication



The University of British
Columbia



Indian Institute of
Management, Indore



Hansraj College



Lady Shri Ram College For
Women



Ramjas College



Shri Ram College of Commerce



Hindu College

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INDUSTRY LANDSCAPE



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Market Overview

- The Indian mutual fund industry's AUM stands at ₹67.25 trillion.
- India's Asset Management market is consolidated as top players hold the major market share, including **ICICI**, **HDFC**, and **Aditya Birla**, among others.
- As of January 2025, the total number of investment accounts have reached **229.2 million**.

\$1.6tr

Expected Market size by 2028

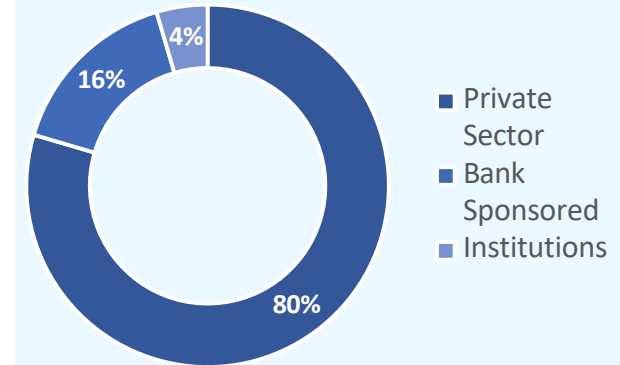
14%

Expected CAGR of AUM in India

Regulatory Environment

- AMFI - SEBI** is India's major regulatory agency for mutual funds.
- SEBI is responsible for regulating all elements of mutual funds, including the establishment of mutual funds, their operations, fees charged by mutual funds & their performance.

AMCs in India



Market Trends

- India's mutual funds industry **outpaces global peers with 16.2% asset growth**, leaving behind US, Japan and China.
- In India, passive funds' AUM has increased significantly, reflecting investors' preference for lower-cost investment options.
- Investors are placing more and more emphasis on backing businesses that share their values and make beneficial contributions to the environment and society (**ESG**).
- By combining the power of technology and data-driven insights, these platforms offer **efficient, transparent, and straightforward investing solutions** that satisfy the evolving needs of today's investors..

Major Players



Future Prospects

- The rise of **fractional investing and sachet-sized SIPs** (starting at ~\$3) is expected to increase financial inclusion.
- AI, analytics and alternative data at scale** will play a prominent role in an asset manager's toolkit as a route to better returns
- Firms will need to distinctly articulate—internally and externally—the **compelling story** about their **mission** and **values to customers** and employees alike.

KPIs

- Net Asset Value** is used by Investors to track the fund's performance and to buy or redeem shares.
- Expense Ratio** includes management fees, administrative costs, and other operational expenses. A lower expense ratio indicates a more cost-effective fund.
- Standard deviation** is a measure of the fund's historical volatility. It reflects the degree of fluctuation in the fund's returns.
- The fund size reflects the **total assets under management (AUM)** of the mutual fund.

Introduction

- The **automotive industry in India** is the third-largest in the world as of 2024.
- The Automobile Sector is seen as an **indicator of the health** of the Indian economy.
- As of 2022, India's auto industry is worth more than **US\$100 billion**, accounts for **8%** of the country's total exports and **7.1%** of India's GDP.

Key Trends

- Electric Vehicles, A fast growing reality:** The market is projected to grow from USD 23.38 billion in 2024 to USD 117.78 billion by 2032, exhibiting a CAGR of 22.4%.
- Reduced ownership period leading to rise in the used car market:** The India Used Car Market size is estimated at USD 36.39 billion in 2025, and is expected to reach USD 73.52 billion by 2030, at a CAGR of 15.1% during the forecast period.
- Emerging profit centres and the rise of car leasing:** Recently, we've seen that new models and mobility solutions have emerged as new profit centres.

Key Players



9.70%

Expected CAGR of Automobile sector in India during 2023-2030

\$300_{bn}

Expected market size of Automobile sector in India by 2026

5%

Expected Share of EVs in Automobile Sales in India by 2030

Manufacturing Clusters

Southern Cluster

Around Chennai is the southernmost and largest, with a **35% revenue share**, accounting for **60% of the country's automotive exports**, and home of the operations of Hyundai, Renault, Nissan, BMW, Hindustan Motors, Daimler, Caparo, Mini, Citroën and Datsun.

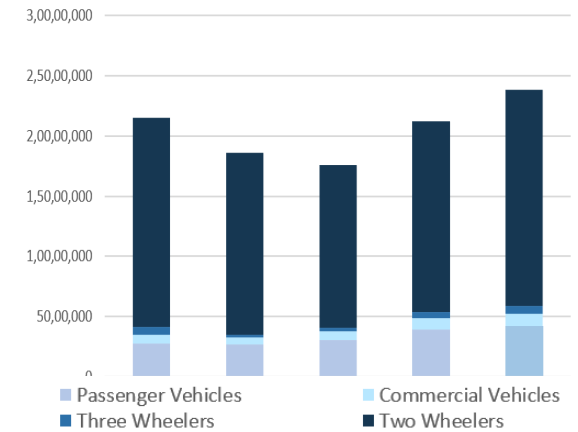
Northern Cluster

Present near NCR, and contributes **32%**. Country's largest car manufacturer, Maruti Suzuki, is based out of Gurgaon and Manesar.

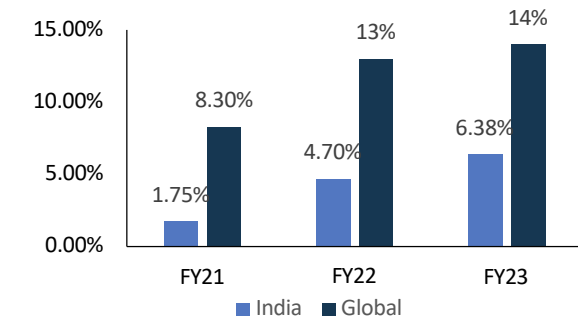
Western Cluster

Near Mumbai, Maharashtra, along the Chakan corridor near Pune, is the western cluster, with a **33% share** of the market. Tata Motors, Mercedes, Land Rover, Jaguar, and Force Motors have assembly plants in the area.

Automobile Domestic Sales Trends



Contribution of EVs in Total Automobile Sales is 6.4% against a Global Average of 14%



Introduction

- The aviation industry encompasses airlines, aerospace manufacturing, airport operations & air traffic management, global connectivity
- Market Size & Growth: Valued at ~\$850B in 2023, expected to grow at a 4.5-5% CAGR
- **Economic Impact:** A key driver of global trade, tourism, and economic development

Porter's Five Forces

- **Suppliers:** Strong power (Boeing, Airbus, engine makers, labor unions)
- **Buyers:** High power (price-sensitive, many choices, OTAs boost transparency)
- **New Entrants:** Low to moderate threat (high costs, regulations; ULCCs emerging)
- **Substitutes:** Moderate threat (high-speed rail, remote work reducing business travel)
- **Rivalry:** Intense (price wars, service competition, consolidation yet fierce)

Key Players



Key Drivers

Revenue Segments	Cost Segments
Ticket Revenue	Aviation Fuel
Baggage fees	Aircraft, facility lease
On-board food & services	Employee cost
Growth Drivers	Challenges
Rising middle and upper class	Fuel costs and availability
Trade and Tourism	High competition
Government policies	Climate change

Emerging Trends

- **Digital & AI Integration:** Airlines leverage AI for personalization, automation, & dynamic pricing to enhance efficiency & revenue
- **Sustainability Push:** Increased use of Sustainable Aviation Fuel (SAF), fuel-efficient aircraft, and electric/hydrogen-powered planes to cut emissions.
- **Advanced Air Mobility (AAM):** Growth of eVTOL aircraft for urban air transport & cargo, reshaping mobility.
- **Biometrics & Automation:** Facial recognition, automated check-ins & baggage handling improve security & passenger experience.

KPIs

- **Aircrafts fleet** – Total no. of planes including ones leased out
- **Available tonnes kms** – (No. of tonnes of capacity available for the carriage of revenue load) * (distance flown)
- **Available seat kms** – (No. of seats available for sale to passenger) * (distance flown)
- **Seat load factor** – % of checked-in passengers of an aircraft's available seat

Industry Overview

- As of March 2023, the total number of ATMs in India reached **1.4 Million**
- In 2022-23, total assets in the public and private banking sectors were **US\$ 1,861.72 billion** and **US\$ 1264.28 billion**, respectively
- India's digital lending market witnessed a growth of CAGR 39.5% over a span of 10 years

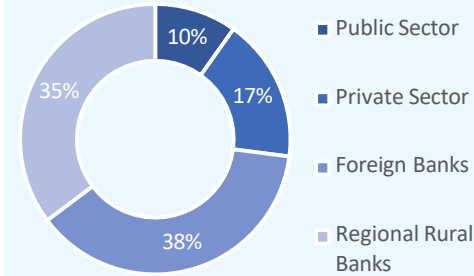
25 bn

UPI transactions by 2025

\$2.71 tn

Total Deposits by 2023

Segmentation



KPIs

- **Earning asset yield** – Compares interest income to its earning assets.
- **Cost of funds** – A reference to the interest rate paid for the funds used in the business.
- **Return on Average Assets (ROAA)** – Used to assess the profitability of a firm's assets, and it is most often used to gauge financial performance.
- **Return on average equity** – Measures performance based on its average shareholders' equity outstanding.

Value Chain

- **Customer Acquisition and Onboarding:** Attracting new customers, understanding their needs, and opening accounts
- **Product and Service Development:** Designing and creating relevant financial products and services
- **Transaction Processing:** Handling everyday banking transactions
- **Credit Management:** Assessing creditworthiness, extending loans, and managing loan portfolios.
- **Investment Management:** Advising clients on investments, managing investment portfolios, and facilitating financial markets activities.
- **Risk Management:** Identifying, assessing, and mitigating various risks

Growth Factors

- Technological developments
- Digital Adoption
- Government Initiatives
- Evolving Product Offerings
- Fintech Collaboration
- Supportive Policies
- Financial Sector Reforms

Market Share

- Indian Fintech industry is estimated to be at **US\$ 420 billion** by 2029
- India has the 3rd largest FinTech ecosystem globally
- There are currently more than **2,000** DPIIT-recognized Financial Technology (FinTech) businesses in India
- In 2022-23, assets of public sector banks accounted for **59.24%** of the total banking assets

Key players



Industry Overview

- **User Base:** As of 2024, India had approximately **692 million** internet users,
- **Emerging Categories:** New segments within e-commerce (ed-tech, hyperlocal services), continue to gain traction.
- **Funding Growth:** In 2024, the e-commerce sector in India attracted substantial investments. Like, Zepto, an Indian grocery delivery startup, raised **\$340 million** in a funding round achieving a valuation of **\$5 billion**.

Value Chain

- **Inbound Logistics** - Inventory management, warehousing, receiving materials
- **Operations** - Handling inventory, tech integration and final packaging of products
- **Outbound Logistics** - Order management, distribution and invoice generation along with sustainable development
- **Marketing and Sales** - Advertising, Promotion, Partnership, Pricing strategies amidst re-entry of global brands
- **Services** - Refunds and exchanges, servicing and customer service

\$363.30mn

Indian E-Commerce Market by 2030

21.5%

CAGR from 2025 to 2030

Growth Factors

- Growing investment in logistics and warehouses
- Development of mobile-friendly websites
- Search Engine optimization
- Faster payments
- Promotion by government
- Advertising on social media
- Diversification of product range and services
- Consumer behavior with respect to demand
- Re-Entry of Global Players

Barriers to Entry

- Customer Acquisition
- Search Engine Rankings
- Web Design
- Cybersecurity
- Product Differentiation
- Inventory Management
- Access to Distribution Channels
- Data-Driven Advantages
- Regulatory Issues
- Tech Advancements

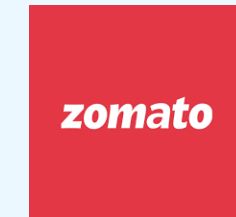
Market Share

- **Current Market Size:** In 2024, India's e-commerce market was valued at approximately USD 123 billion.
- **Projected Growth:** The market is expected to reach USD 300 billion by 2030.
- **Global Standing:** With a turnover of **USD 87.5 billion in 2023**, India became the **7th largest** e-commerce market globally. The Indian e-commerce market contributed to a worldwide growth rate of **8.7% in 2023**.

KPIs

- **Conversion Rate** – no. of sales divided by no. of visitors on website
- **Customer Acquisition Cost** – money spent divided by customers acquired
- **Customer Lifetime Value** – avg net profit customer is predicted to contribute
- **Average Order Value** – avg amt a customer spends per transaction
- **Bounce Rate** – percentage of visitors who enter and leave the site
- **Gross Profit Margin** – percentage of difference of revenue and profit
- **Customer Satisfaction Score** – customers rate their satisfaction on a scale
- **Net Promoter Score** – measures the chances of customer recommending

Key players



Sector Overview

- The EdTech market in India is presently worth around **\$7.5 billion**.
- India has **7 EdTech Unicorns**, with around 11,000 Startups in the Indian EdTech space
- Number of Users has doubled in 2021 for the EdTech startups with a total paid user base of around 10 Million.
- **Average time spent** on EdTech Platforms also grew **1.5X post-pandemic**.

100mn

Paid EdTech Users by 2030

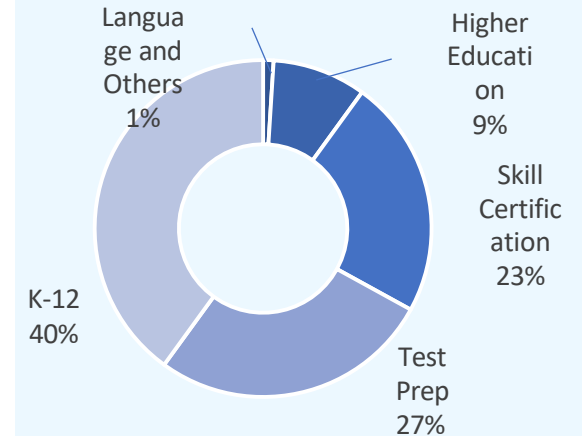
25.8%

Expected CAGR of EdTech in India

Funding Scenario

- **3rd most funded sector** with cumulative funding exceeding \$5.1 bn. in 2024
- Majority of VC funds went towards market leaders such as Physics Wallah and Unacademy.
- Key Attractions: **Favorable Government Policies** and Increase in internet penetration

Market Segments



Key Enablers

- Governmental initiatives such as **New Education Policy, DIKSHA, SWAYAM** etc. emphasizing importance of **leveraging technology** in education sector
- Growing adoption and trust on EdTech tools by both academic and non-academic sectors thereby increase in market share
- **Economic digitization** and rising internet penetration across the country
- Rising scope of **gamification and edutainment** to boost engagement and community development initiatives
- Dynamic progressions in business models of startups to enhance **perceived value of online education** and promotion of peer-to-peer learning

Major Players



Future Prospects

- India's ed-tech industry is poised to become **\$30 billion** in size in the next 10 years
- **Gamification** is a key trend in EdTech start-ups. Companies such as **Toppr, Cuemath and Byju's** have introduced learning through games.
- **Hybrid Model** is also picking up, Online players are trying to establish offline touchpoints for students.
- The GOI announced **PM e-VIDYA**, allowing the top 100 universities in the country to start online courses.

KPIs

- **Customer Acquisition Cost (CAC)** measures the average amount of cash a startup burns in order to onboard a new customer.
- **Administrative Costs per Student** indicate how much an institution is spending on admin services per-student.
- **Student to Faculty Ratio** indicator used to know the number of students per faculty member.
- **Student Retention Rate**
- Indicator used to understand attendance and regularity of students

Sector Overview

- The FMCG sector in India is currently worth around **US\$167Bn**.
- FMCG is the **4th** Largest sector in the Indian economy.
- The gross merchandise value (GMV) of the online grocery segment in India is expected to increase to **US\$40.06Bn** by 2026.

Key Drivers in India

- Digital and E-commerce Expansion Shift to Organized Market**

Increased internet penetration & smartphone usage -> rise in online purchases -> growth in FMCG sales via e-commerce & quick-commerce platforms

- Rising Rural Consumption**

Higher disposable incomes & improved infrastructure -> better access to branded products -> increased demand from rural areas

- Health Conscious Consumer**

Growing health awareness -> shift to organic, herbal, and premium FMCG products -> rising demand for wellness-oriented brands

- Expansion of Organised Retail**

Growth of supermarkets & hypermarkets -> better product visibility & consumer trust -> higher adoption of branded goods

16.54%

Expected CAGR of FMCG sector in India

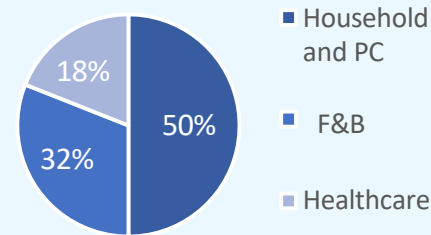
\$230_{bn}

Expected market size of FMCG sector in India

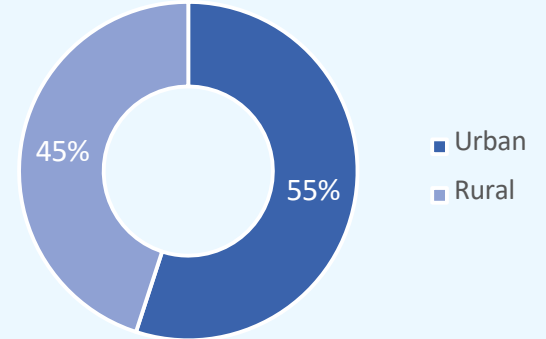
11%

Increase in the share of e-commerce in India by 2030

Segmentation



Urban-Rural divide



Future Prospects

- Companies are investing in eco-friendly packaging and energy-efficient manufacturing to reduce costs and environmental impact
- AI-driven personalization and smart supply chains are improving efficiency and customer experience
- More brands are adopting direct-to-consumer models to build stronger customer relationships

KPI & Industry Standard

- Out of Stock Rate**
(Ability to meet customer demand)
- Average Time to Sell**
(Tracks time needed to sell products)
- Carrying Cost of Inventory**
(Assess the costs your inventory holds)
- On Shelf Availability**
(Measure the impact on your sales)
- Cash-to-Cash Cycle Time**
(Analyses cash cycle time in detail)

Major Players



Industry Overview

- The healthcare market size reached at **\$372 billion** in 2023.
- Healthcare sector is one of the largest employers of India with **7.5 million** people.
- India's public sector expenditure stood at **1.9%** of GDP in 2024 against **1.6%** in 2023.

Value Chain

- Producer** – Comprises of pharmaceuticals and medical device companies.
- Supplier** – Consists of wholesaler groups & purchasing organizations that buy medical equipment & requisites
- Intermediary** – Mainly includes insurance companies & HMOs.
- Care Centres** – Comprises of hospitals and medical clinics.
- Payer** – Comprises of the government, institutions and individuals.

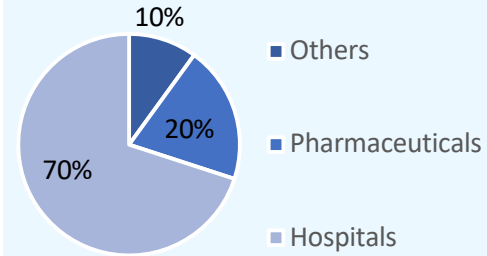
8%

Expected CAGR of Healthcare sector in India

\$ 14.31bn

Expected size of Indian medical tourism market by 2029

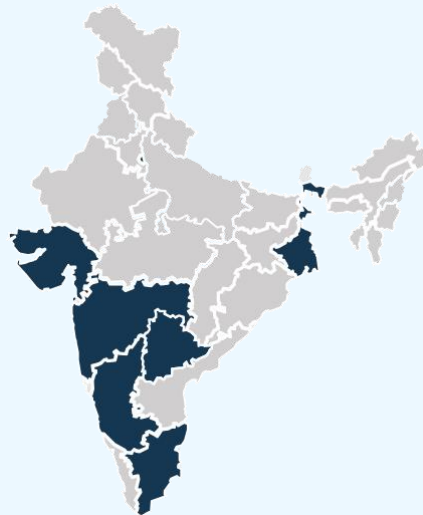
Segmentation



Key Players



Major Healthcare Centres in India



Cost Drivers

- Due to insurance coverage, government regulation, a lack of individual choice, lack of pricing transparency, the **absence of free-market principles** working in health care drives up costs.
- Changes in the breadth of private and public health **insurance coverage have an impact on the usage of services by lowering the effective price paid** at the point of service by consumers.

KPIs

- Average Hospital Stay**
(Average length of time that patients stay in the hospital)
- Claims Denial Rate**
(Number of denied insurance claims/ total number of insurance claims)
- Average Treatment Charge** (Total Treatment Charges divided by Number of Treatments)
- Doctor-population ratio**
(Counts the number of doctors in an area with respect to its population)

Introduction

- The hospitality industry spans lodging, food & beverage, travel & tourism, and entertainment, focusing on delivering exceptional customer experiences.
- In 2023, the global hospitality market was valued at \$4.7 trillion and is projected to grow at a CAGR of 5.5%, highlighting its expanding influence and economic significance.

Key Trends

- AI & automation in customer service.
- Rise of sustainable & eco-friendly tourism.
- Growth of boutique & lifestyle hotels.
- Expansion of wellness tourism.

Key Players



100 Million +

India aims to attract foreign tourists by 2030

US \$125 Billion

Projected travel market size of India for FY2027

KPIs

- **Revenue Per Available Room:** Revenue per available room, calculated as $ADR \times \text{occupancy rate}$.
- **ADR:** Average income per occupied room per day.
- **Occupancy Rate:** Percentage of rooms occupied
- **CSAT:** Guest satisfaction based on surveys & feedback.
- **Online Reputation Index:** Score from online reviews and ratings.

Value Chain

Primary Activities:

- **Inbound logistics:** Procurement of raw materials (food, linens, furniture, etc.).
- **Operations:** Hotels, restaurants, airlines, cruises, event management.
- **Marketing & Sales:** Branding, loyalty programs, OTA partnerships.
- **Service:** Customer experience, reviews, guest retention.

Support Activities:

- HR, IT, Finance, Supplier & Partner Management.

Growth Factors

- Rising disposable incomes & middle-class Increased global & domestic travel demand.
- Tech integration (AI in bookings, smart hotels).
- Rise of experience-based travel (luxury stays, adventure tourism).
- Government initiatives & FDI in tourism.

Barriers to Entry

- High capital investment & operational costs.
- Stringent regulations & licensing.
- Intense competition from established brands.
- Dependence on economic cycles & geopolitical stability.
- Brand loyalty challenges

Introduction

- India's insurance penetration was pegged at 3.7% in FY23-24. On the other hand, total assets in the **public and private banking sectors** in India were US\$ 1,861.72 billion and US\$ 1,264.28 billion, respectively in FY24.
- Credit growth is expected to hit double-digits in eight years.
- India is the fifth largest life insurance market in the world's emerging insurance markets.

Digitalization

Electronic payment services, Real Time Gross Settlement, electronic fund transfer, electronic clearing services, ATM's point of sale terminal, m-banking, these are some new ways that **changed the way** of banking practices. In the same way Insurance companies nowadays also use online payment, telephonic and online advisory services, and cross-processes with Banks etc. resulting in multi-distribution, product innovation, claim management etc. According to Capgemini, new Fintech firms are causing threat to traditional financial institutions, in order to cope up with the proactive approach required to develop innovative offerings. The main reason behind this is **changing customer demographics** and expectations.

3.71%

Forecasted CAGR of life insurance industry in India

12.5%

Forecasted credit growth in 2024-25

Role of Public sector

Within the banking system, public sector banks (PSB) continue to dominate with 63% of market share of assets and 78% of branches. There are total 12 PSBs in India while LIC is the only public sector life insurance company with 6 non-life public sector insurers. Public sector insurance firms hold a greater share of the market even though they are fewer in number. The privatisation agenda is part of the government's strategic disinvestment policy.

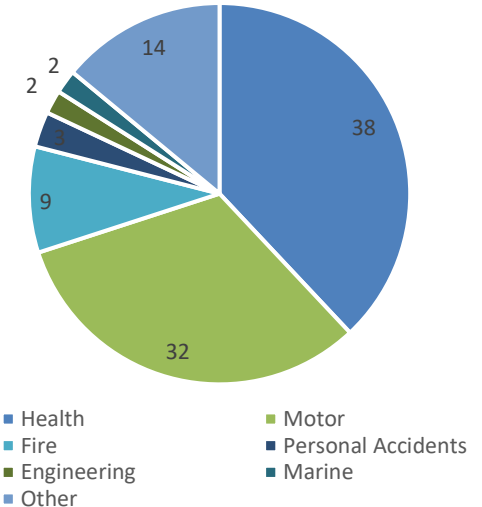
Financial inclusion and customer engagement

Urban India is good with Banking system but there has to emphasis more focus on rural Banking hence there is sizable portion of the population that is un banked or say under banked, needs financial awareness, with the help of Government Indian Banks are focusing on it to increase the business growth as well as to get participated each and every individual under banking system.

Key Players



Non-Life Insurance breakup FY24



Huge employment avenues

India's Banking and Insurance sector has always been the most preferred avenues of employment. According to the McKinsey report on Banking, the Indian banking sector has the potential to account for 7.7% GDP with avenues of job over 2 million.

Industry Overview

- India is the world's leading provider of generic drugs, renowned for its affordable vaccines and medicines.
- Ranked third in pharmaceutical production by volume, the industry thrives across key segments, including generics, OTC drugs, bulk drugs, vaccines, biosimilars, biologics, and contract research & manufacturing.

Key Players



KPIs

- Order Fulfillment Speed** – Measures how quickly pharmaceutical vendors process and deliver orders, reflecting operational efficiency.
- Inventory Turnover** – Measures how often stock is sold and replenished, indicating inventory efficiency.
- Customer Order Accuracy** – Tracks the percentage of correctly fulfilled orders, ensuring minimal errors.
- Sales Growth Rate** – Evaluates revenue growth over time, showcasing market expansion and sales strategy success.

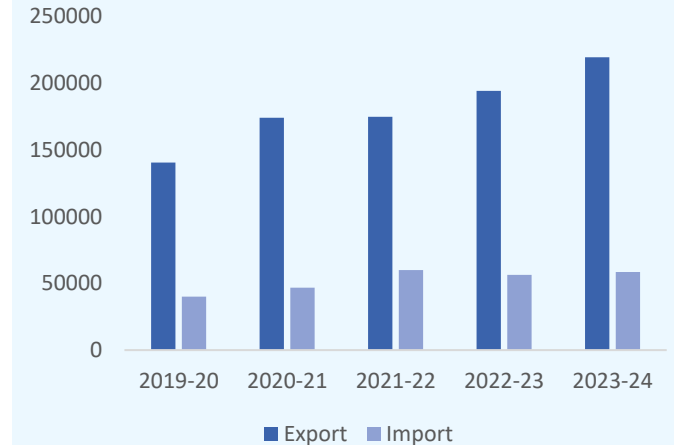
10%

Expected CAGR of pharmaceuticals in India

\$130_{bn}

Expected market size of pharmaceuticals sector in India

Export-Import of Pharmaceuticals (in Rs. Cr.)



Future Prospects

- The total market size of the Indian Pharma Industry is expected to reach US\$ 130 billion by 2030 and US\$ 450 billion market by 2047.
- Indian pharmaceutical companies are projected to achieve a revenue growth of 9-11% in FY25. This growth is expected to be fueled by robust performances in key markets, including the United States, Europe, and emerging regions.

Value Chain

- Research and Development (R&D):** Drives pharmaceutical innovation through research, drug discovery, and clinical trials.
- Drug Manufacturing:** Converts compounds into quality, scalable pharmaceuticals.
- Marketing and Sales:** Promotes and sells products to healthcare providers and patients.
- Distribution:** Ensures efficient delivery and product availability.
- Regulatory Compliance:** Adheres to safety and efficacy standards.

Sector Overview

- The Real Estate Industry in India Market size is estimated at **USD 332.85 billion** in 2025
- FDI in this sector (including construction development & activities) stood at **USD 11.4 billion** in 2024
- India is among the **top 10** price-appreciating housing markets internationally.

24.25%

Expected CAGR of Real Estate sector in India

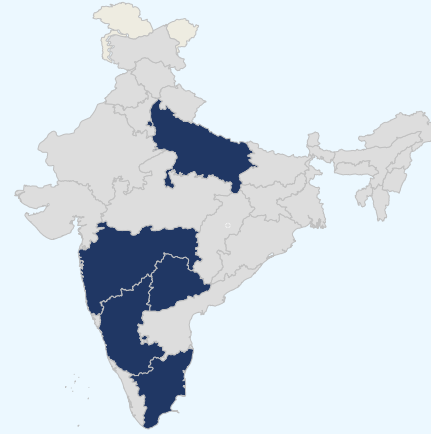
\$985.8_{bn}

Expected market size of Real Estate sector in India

\$780.6_{bn}

Industry Revenue Forecast in 2028

Real Estate Clusters



- Mumbai
- National Capital Region
- Bengaluru
- Pune
- Chennai
- Hyderabad

Key Drivers in India

- **Urbanization and Demographic Shifts**
Influx of people seeking better opportunities and changing demographics
- **Technological Advancements**
Virtual reality tours and online platforms has revolutionized the property buying experience
- **Housing for All: Government Initiatives**
Housing for All by 2022' and 'Smart Cities Mission' - development of affordable projects.
- **Thriving Commercial and Industrial Sectors**
expanding businesses and multinational corporations propels the demand for industrial properties
- **Infrastructure Development**
development focusing on enhancing connectivity, lifestyles and work-life balance.

Major Players



Future Prospects

- Augmented reality and virtual reality is transforming by enabling remote and personalized experiences.
- Integration of eco-friendly features, with certifications like Leadership in Energy and Environmental Design (LEED).
- Rising demand for affordable housing, with co-living spaces.
- Integration of digital platforms in real estate to turn homes into smart homes.

KPI & Industry Standard

- **Payback Period**
(Years needed to recover initial investment)
- **Return on Investment (ROI)**
(Performance of an investment)
- **Tenant Turnover**
(Tenant departure frequency annually)
- **Average Rent Price Per Property**
(Calculating the average monthly rental price)
- **Loan to Value (LTV) Ratio**
(Assessing down payment requirements)

Sector Overview

- India is the second-largest SaaS hub globally, after the US
- Government initiatives like Digital India are accelerating SaaS adoption, with over \$1 billion in public cloud investments
- Web 3.0 and blockchain-based solutions gain traction, with India expected to have the world's third-largest blockchain market by 2026

Key Drivers in India

- Cloud Adoption Acceleration**
Increasing enterprise shift to cloud-based solutions for cost-efficiency and scalability
- Rise of Vertical SaaS**
Industry-specific SaaS solutions catering to niche markets like healthcare, fintech, and logistics
- Usage-Based & Hybrid Pricing**
Transition to flexible pricing models optimizing profitability and customer acquisition
- Global Expansion of Indian SaaS**
Indian SaaS startups scaling globally, supported by talent and competitive pricing
- Investor Confidence & Funding**
Continued VC and PE investments fueling innovation and market expansion

18.2%

Expected CAGR of SaaS sector in India

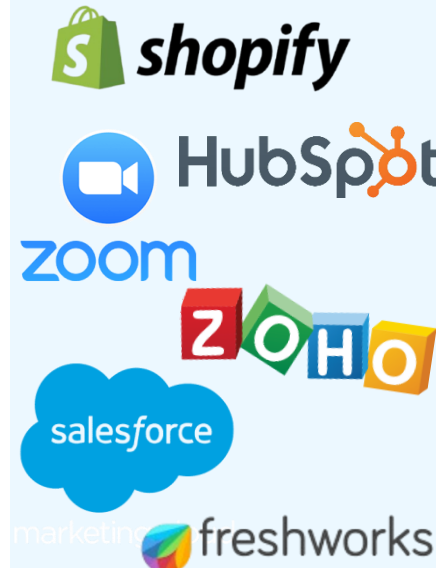
\$25_{bn}

Expected market size of SaaS sector in India

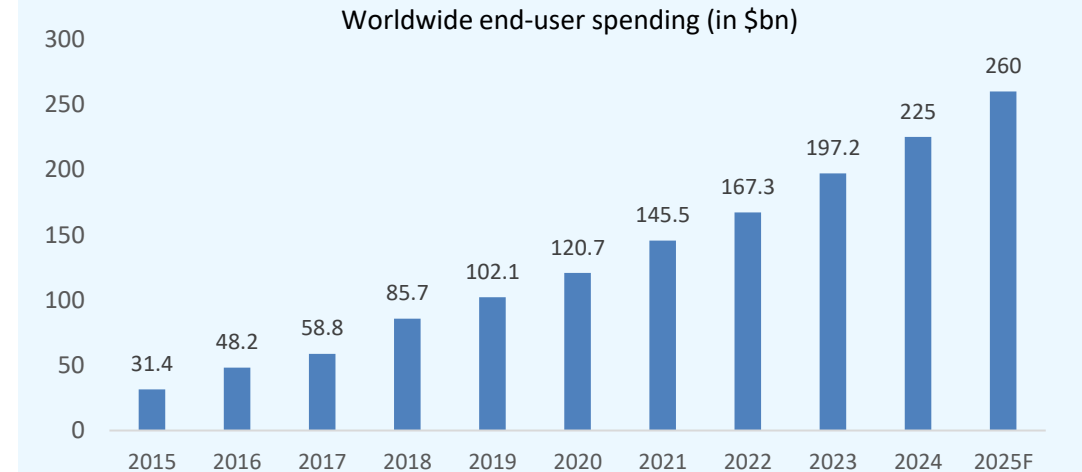
\$390.5_{bn}

Industry Revenue Forecast in 2025

Major Players



Industry Size



Future Prospects

- Personalized SaaS experiences** using AI and machine learning, leading to adaptive software solutions
- Sustainability-focused SaaS** solutions are emerging, optimizing energy consumption and carbon tracking for enterprises
- Low-code/no-code platforms** are gaining traction, enabling faster software development with minimal coding expertise

KPI & Industry Standard

- Net Promoter Score (NPS)**
(Measures customer loyalty and likelihood of referral)
- Feature Adoption Rate (FAR)**
(Percentage of users adopting a new feature)
- Time to Value (TTV)**
Time taken for a new customer to see tangible benefits from the SaaS product
- Magic Number**
Measures the efficiency of sales and marketing spend in driving new revenue



GUESSTIMATES



BRIDGES
FOR
ENTERPRISE

What are Guesstimates?

A guesstimate requires an interviewee to estimate a figure based on very minimal information. Interviewee is expected to approach the problem in a structured manner, use knowledge which they might already possess and drill to number which may be near to the exact figure. It is worth noting that in most cases interviewers aren't expecting an extremely close estimate, but they really want to see is your approach towards the problem, your ability to play with numbers and how well you can communicate all of it.

Guesstimates may be a separate case in themselves or a way to do market sizing in other type of cases.

Ways to Approach

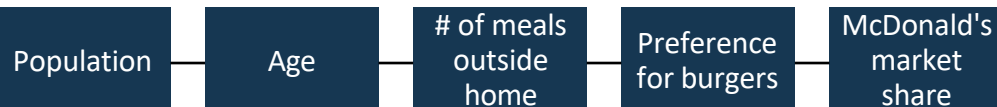
Example: How many burgers are sold by a McDonald's outlet in a day

DEMAND SIDE

In this approach we try drill down on how many burgers are demanded and being bought. We can start with the population of the city and narrow down to how many people would want to have burgers in a day and how many people would end up choosing McDonald's. Post which we can estimate how many burgers are consumed per person.

SUPPLY SIDE

In this approach we can try to spot the bottle neck of supply and try to estimate how many burgers a chain is selling. We can do this by understanding the structure of an outlet and estimating the total number of counters, time taken by each counters to serve one order and once again, the average number of burgers per order.



Preliminary Questions

Ask questions related to the scope of the problem, for example:

- Unit of the final answer
- Day of the week is it
- Working day or an off day
- Geography

Beware of grey areas in your scope

Plan the approach

- Have your Interviewer understand the full logic of what you are going to do before estimating (help the interviewer evaluate you)
- Use top-down structures to make sure that, you're not leaving anything out and that the interviewer understands your ideas easily
- Explicitly state the algebra in your structure

Calculate

- Use data logic to backup your assumptions (Example: Avg. number of cars in a household)
- Focus on what matters- use the 80/20 principle and state those assumptions which greatly affect the outcome of your guesstimate
- Get creative with numbers- use ratios, averages and weighted averages
- Ask interviewer if you are confused about some assumption.

Sanity Check

- Don't wait for the interviewer to ask you to do this
- Compare your value to something to get an idea of whether it makes sense or not
- Get creative of what methods you use to do the sanity check
- Don't just check the calculations but also the approach

Guesstimates Cheat Sheet

Common Data Points to keep in mind while attempting guesstimates / Essential



Age - Population	
0-18	30%
18-35	40%
35-60	20%
60+	10%

Literacy Rate	
India	75%
Male	85%
Female	65%
World	85%

Gender	
Male	50%
Female	50%

Income split	India	World
Upper Class	20%	15%
Upper-Middle Class	30%	35%
Lower-Middle Class	30%	40%
Below Poverty Line	20%	10%

Total Area	in sq. kms
India	3.2M
Delhi	1500
Mumbai	600
Bangalore	750
Land – world	150M (29%)
Water-world	360M (71%)

Indian Ports	
Major Airports	50%
Int. Airports	20%
Dom. Airports	20%
Shipping Ports	10%

Religion	World	India	Delhi
Hindu	15%	80%	80%
Muslim	23%	15%	13%
Christian	31%	2%	1%
Others	15%	3%	6%
Atheist	16%	0%	0%

Language	
English	15%
Chinese	15%
Hindi	10%
Spanish	5%
Other	55%

Household Expenses	
Food	50%
Travel	20%
Other	20%
Saving	10%

Populations	in Cr.	in Million
India	140	1400
Delhi	2	20
Mumbai	2.5	25
World	775	7750
Bangalore	1.5	15
USA	33	330
London	0.8 ~ 1	8
New York	0.8 ~ 1	8

Penetration	India	World
Internet	400M (33%)	56%
Smart Phone	300M (25%)	83%

India	
Metro Cities	8
States	28
UTs	8

Avg Household Size	
Urban	4
Rural	5

Urban-Rural	
Urban	30%
Rural	70%



Transcript

Good morning! Let's dive into a guesstimate. I'd like you to estimate the market size of automatic washing machines in India in the year 2030. You can make reasonable assumptions along the way. How would you approach this?

Good morning! That sounds interesting. To estimate the market size, I'll break the problem into structured steps. First, I'll determine the population of India in 2030. Then, I'll segment it into urban and rural areas. I'll further divide the urban population by income levels to identify the target consumer base. Finally, I'll factor in washing machine penetration rates and replacement cycles to arrive at the final estimate. Does that approach sound reasonable?

Yes, that makes sense. Let's begin with the population.

India's population in 2023 is around 1.4 billion. Assuming an annual growth rate of 1%, the estimated population in 2030 would be:

$$140 \text{ cr} * (1.01)^7 \approx 150 \text{ cr}$$

Now, I'll segment this into rural and urban populations. The current urbanization rate is around 35%, and it's expected to rise to about 40% by 2030. So,

$$\text{Urban population} = 150 \text{ cr} * 40\% = 60 \text{ cr}$$

$$\text{Rural population} = 150 \text{ cr} * 60\% = 90 \text{ cr}$$

Since affordability is a major issue in rural areas, I will assume that only a small fraction of rural households will own washing machines, so I'll largely focus on the urban population.

Good. How will you determine the addressable market within the urban population?

I'll divide the urban population into three income groups:

- High-income: Likely to own washing machines
- Middle-income: Some will own washing machines based on affordability
- Low-income: Unlikely to afford washing machines

Assuming the following distribution:

- High-income: 20% of urban population = 12 cr
- Middle-income: 50% of urban population = 30 cr
- Low-income: 30% of urban population = 18 cr

I will assume that nearly all high-income households own washing machines. For middle-income households, I'll assume 40% ownership, given increasing affordability and aspirations. The low-income group will be largely excluded.

Transcript

That's a reasonable assumption. Now, how will you factor in household size and replacement cycles?

Assuming an average household size of 3.5, the number of urban households is:

60 cr / 3.5 $\approx$ 17 cr households

Now, let's estimate washing machine penetration:

- High-income: 12 cr people / 3.5 = 3.4 cr households (assuming nearly 100% ownership)
- Middle-income:
 - 30 cr people / 3.5 = 8.6 cr households
 - 40% of 8.6 cr = 3.4 cr owning households

Total washing machine-owning households = 3.4 cr + 3.4 cr = 6.8 cr

Considering a lifespan of 10 years, the annual demand for washing machines is:

6.8 cr / 10 = 68 lakhs units per year

Good. How do you translate this into market size in terms of revenue?

I'll assume the average cost of an automatic washing machine in 2025 is ₹20,000. Factoring in inflation (5%) and an additional margin (2%) for technology improvements, the price in 2030 would be:

₹20,000 * (1.07)⁵ $\approx$ ₹28,000

Annual market size = 68 lakhs * ₹28,000 $\approx$ ₹19,040 crore

That's a solid estimate! Any final refinements or considerations?

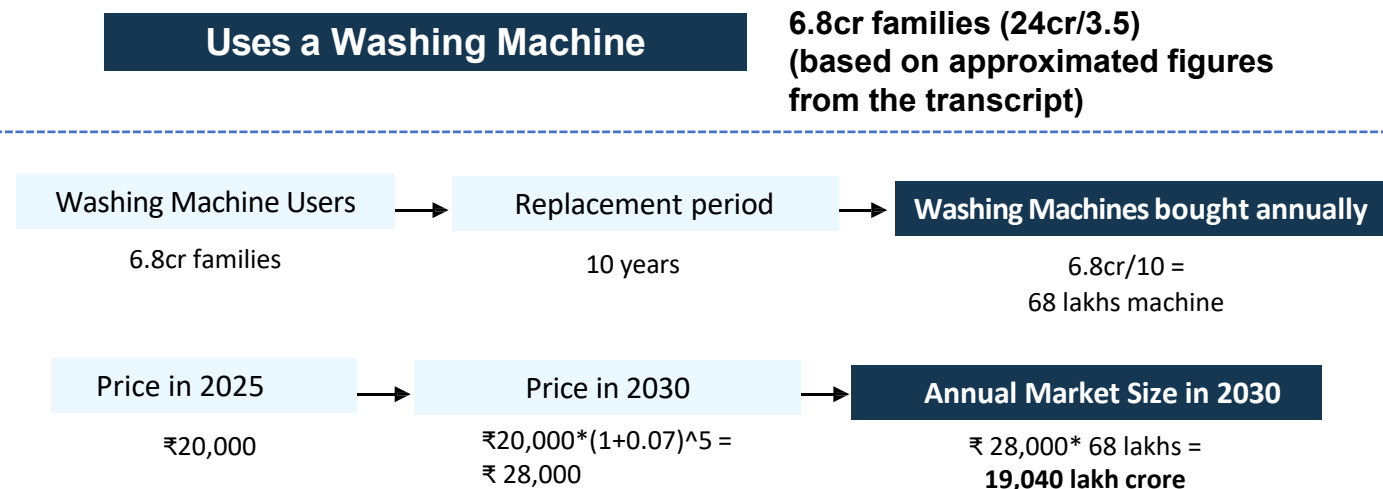
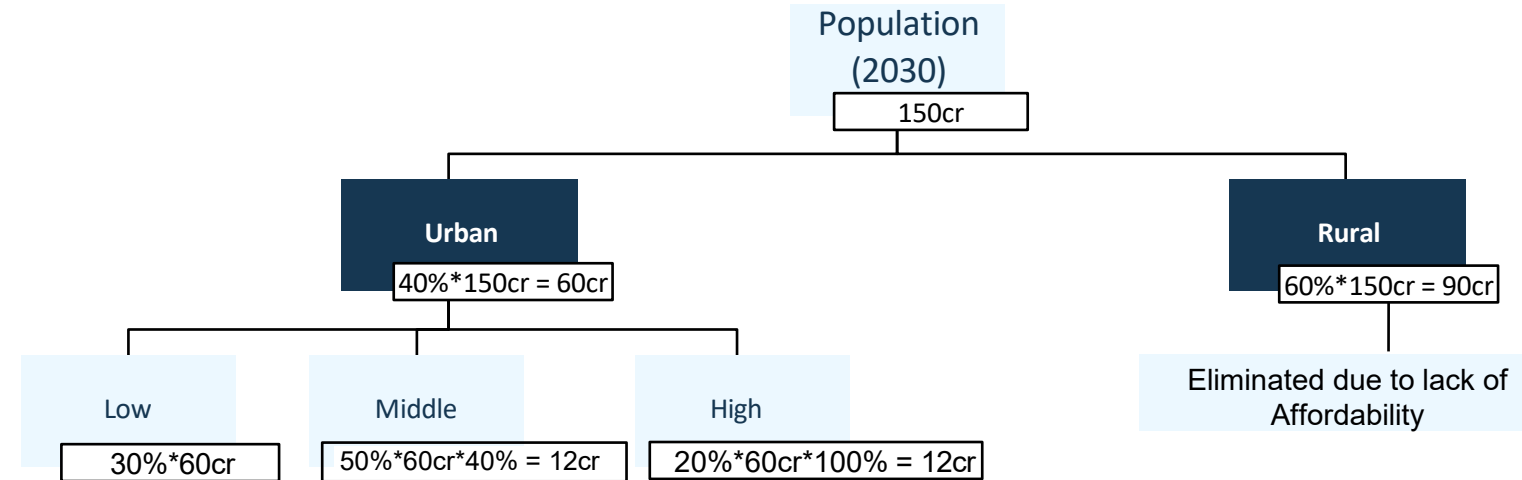
One factor to consider is the impact of increasing disposable income, which might lead to greater adoption among the middle-income segment. Additionally, government initiatives and financing options could influence penetration rates. Lastly, technological advancements might extend product lifespans, slightly reducing annual demand.

Great analysis! Thank you for walking me through it.

Assumptions

1. Household Size & Penetration – Avg. household size of 3.5; washing machine ownership concentrated in urban areas.
2. Replacement Cycle – Washing machines last ~10 years, determining annual demand.
3. Price Growth – Inflation and tech improvements drive prices up ~7% annually.

Framework / Approach



Transcript

Guesstimate the market size of online coaching in India.

Alright, can you please clarify if we have a specific target market in mind? Are we looking for competitive exams or post-K-12 education or school coaching?

Let us focus on online coaching taken by students studying in classes 6th to 12th.

Moreover, are we planning to focus on a specific segment of the coaching industry, such as premium or affordable market? Is there anything in particular we need to keep in mind?

You can assume it to be an average player in the online coaching industry.

So, I will start with the population of India which is 1.4 billion. Then I will divide the population into rural and urban split assuming a 7:3 ratio. After this we can focus on internet and smartphone penetration and further focus on the target age group. Thereafter, we can focus on the people who can afford an online coaching. So far, we have accounted for ability to access online coaching, now in order to account for willingness we can focus on students who prefer online coaching over self study and offline coaching. Does this approach seem fair?

Sounds good. Go Ahead.

Rural population = $0.7 \times 1.4B = 980M$, Urban population = 420M. Now, let's consider internet and smartphone penetration.

Rural population with smartphone and internet access: 40% of 980M = 390M

Urban population with internet & smartphone access: ~70% of 420M = 294M

Total addressable population: ~684M

Assuming the target audience is students in the 12–20 age bracket, we estimate this group to be ~20% of the total population 20% of 684M = ~137M potential students

Now, let's consider income levels. I will divide both rural and urban populations into three income groups: low-income, middle-income, and high-income.

Rural: 60% low-income, 35% middle-income, 5% high-income; Urban: 30% low-income, 50% middle-income, 20% high-income

Assuming affordability levels for online coaching: Low-income: 5% can afford, Middle-income: 30% can afford, High-income: 90% can afford

Therefore, total addressable market of students is = 34.4M

Finally, let's account for study preferences. Students typically choose between online coaching, offline coaching, or self-study. Based on trends: 40% prefer self-study, 35% prefer offline coaching, 25% prefer online coaching.

Thus, the number of students opting for online coaching would be: 25% of 34.4M = ~8.6M students

Does this seem okay?

Sounds okay, we can end the guesstimate here.

Online Coaching Industry

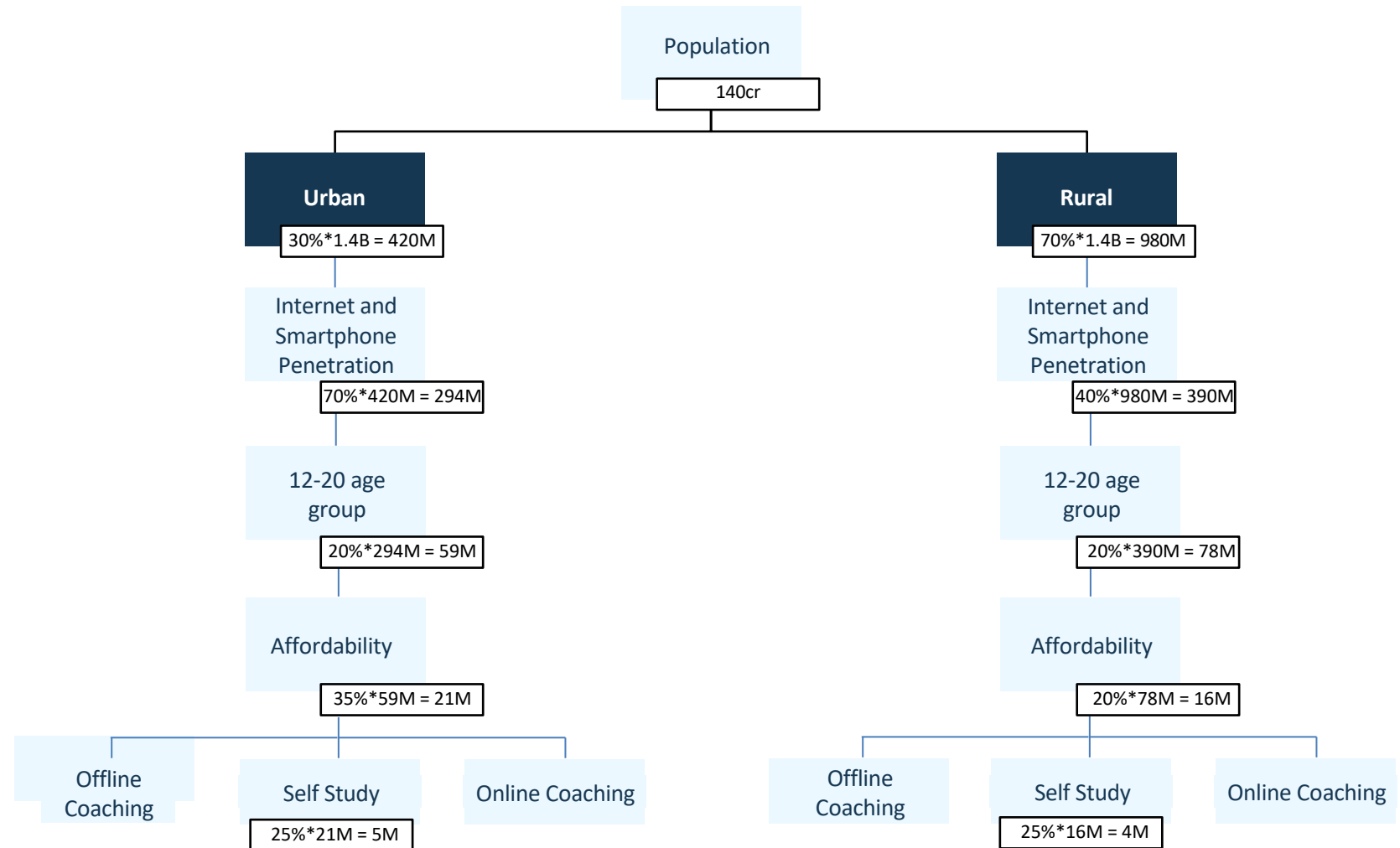
Bain / Difficulty - Easy



Assumptions

1. Market size in terms of number of students
2. Online education consists of students in middle and high school and yet to join college
3. $\frac{1}{5}$ th of the population lies between the age group of 12 to 20.

Framework / Approach



Transcript

Guesstimate the number of vehicles that come to fuel stations for petrol and diesel in one day in Jaipur.

Alright, could you please clarify whether we are calculating just for 2 wheelers or 4 wheelers or both? And are we considering only personal use vehicles or commercial vehicles too?

Let us focus on 4 wheelers for now and vehicles for personal use only.

Okay. Also, should we consider it to be a weekday or a weekend?

Assume it to be an average day, you can now proceed with the guesstimate.

So, I would like to approach this from the supply side since we have the quantity of fuel as a constraint. The number of vehicles can be calculated with the help of the this formula:

Number of Vehicles = Number of petrol pumps * Capacity of each petrol pump * Occupancy.

Sounds good. Go ahead.

For the number of petrol pumps, I'll start with the area of Jaipur which is around 467 sq km. Is it fine if round it off to 460 sq km for simplification?

Yes, you can proceed with that.

Let us assume that on average, a petrol pump is found within a 5 km radius in Jaipur. Hence the number of petrol pumps thus becomes = $460/5 = 92$ petrol pumps. Now to calculate the capacity of each petrol pump, we can assume an average petrol pump to contain 2 rows for vehicles. In each row, we have 4 filling stations and each station has 2 nozzles, one for petrol and one for diesel. This makes the capacity = $2*4*2 = 16$.

It looks good till now, what else will you factor in?

Now I will factor in the occupancy. I will assume that an average fuel station functions with peak and non-peak hours during the day. So, I'll classify 7am-10 am and 6pm-10pm as the peak hours due to the high volume of people commuting to and from work, school and college during these times. I would assume around 80% occupancy during these hours. The non-peak hours then account for 10am-6pm (around 50% occupancy) as selective number of people are out during these hours and 10pm-7am (around 20% occupancy) which includes people going out and returning from journeys. Also, let's assume that, on average, a car takes around 4 minutes to be filled. So, number of cars served in one hour = $60/4 = 15$ cars. Hence, number of cars that can be filled in one day on one petrol pump = $15 [(3+4)*80\% + 8*50\% + 9*20\%] = 171$. To arrive at the number of vehicles, we now put the values in the formula, Number of petrol pumps * Capacity of each petrol pump * Occupancy, hence = $92 * 16 * 171 = 2,51,712$. Hence the number of cars that come to fuel stations in Jaipur in one day is around 2.5 lakhs.

Sounds okay, we can end the guesstimate here.

Assumptions

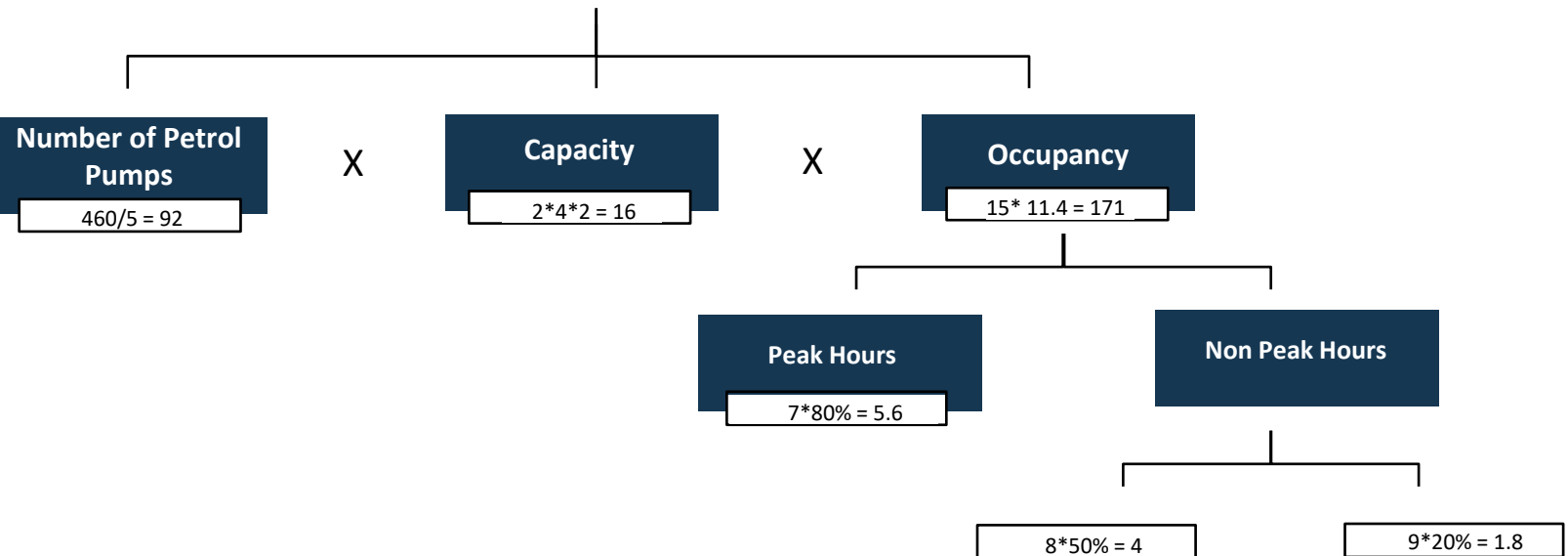
1. Calculating the number of 4-wheelers only
2. An average day is considered
3. A fuel station can be found within a 5km radius in Jaipur
4. Division into peak and non-peak hours of operation

Framework / Approach

Number of 4-wheelers in Jaipur

No. of 4 Wheelers

$$92 * 16 * 171 = 2.5 \text{ lakhs}$$



Transcript

Guesstimate the number of iPhone 14s that will be selling in India in one year

Alright, can you please clarify if we are calculating just the personal usage sales or commercial sales also? And what about second-hand sales?

Let us focus on personal usage sales only for now. We can assume second-hand sales to be negligent.

Okay. So, I would like to approach this guesstimate from the demand side as for supply side a lot of assumptions will need to be taken

Sounds fair, you may go on

So, I will start with the population of India which is 1.4 billion. Then I will divide the population into rural and urban split assuming a 7:3 ratio. After this we can further divide into lower, middle and high-income classes. For rural areas it can be taken as 60, 35, 5 and for urban areas 30, 50, 20. Here I think it will be reasonable to assume that only the high-class people in rural areas will be able to afford an iPhone. For urban areas, both middle and high-income brackets will be the target market. Does this approach seem fair?

Sounds good till now, please continue.

Rural population = $0.7 \times 1.4B = 980M$, Urban population = 420M

Income Split- Rural: 600M, 340M, 40M: Urban: 130M, 210M, 80M

I will assume that in rural areas only 10% of high-class people will be able to afford an iPhone and in urban areas, 50% of middle-class people and 100% of high-class people can.

This leaves us with $4M + 100M + 80M = 184M$ people who can afford iPhone

For simplification, let us assume that there is a 50-50 split between Android users and iPhone users. That gives us 90M iPhone users.

Does this seem okay?

Yes, it looks fine. What else will you factor in?

Now I will factor in the replacement time period. So, I will assume that the lifetime of an iPhone is 3 years. So, iPhone users will buy a new iPhone every 3 years which gives us $90/3 = 30M$ iPhones sold. We can assume that $2/3^{rd}$ of these sales are for the latest version iPhone 14s, which gives us 20M iPhone 14s sold.

There may be some Android users also who will switch to iPhone 14s upon its release. Android users are 90M and taking 3 years lifetime again we get 30M android users who will purchase a phone this year. Let's assume 5% of them will switch to Apple. This gives us 1.5M. So, the total number of iPhone 14s sold will be 21,500,000.

Total number of iPhone 14s sold = existing iPhone users purchasing new iPhone + Android users shifting to Apple

Sounds okay, we can end the guesstimate here.

The iPhone Diaries

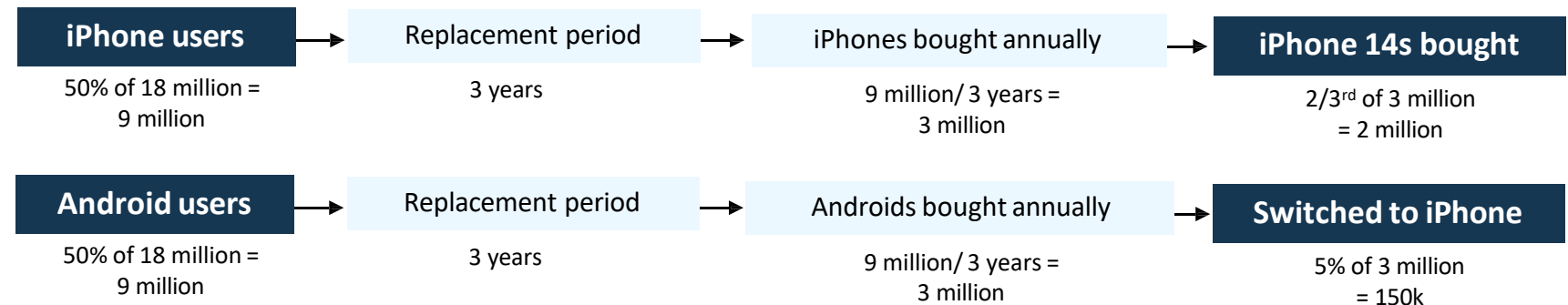
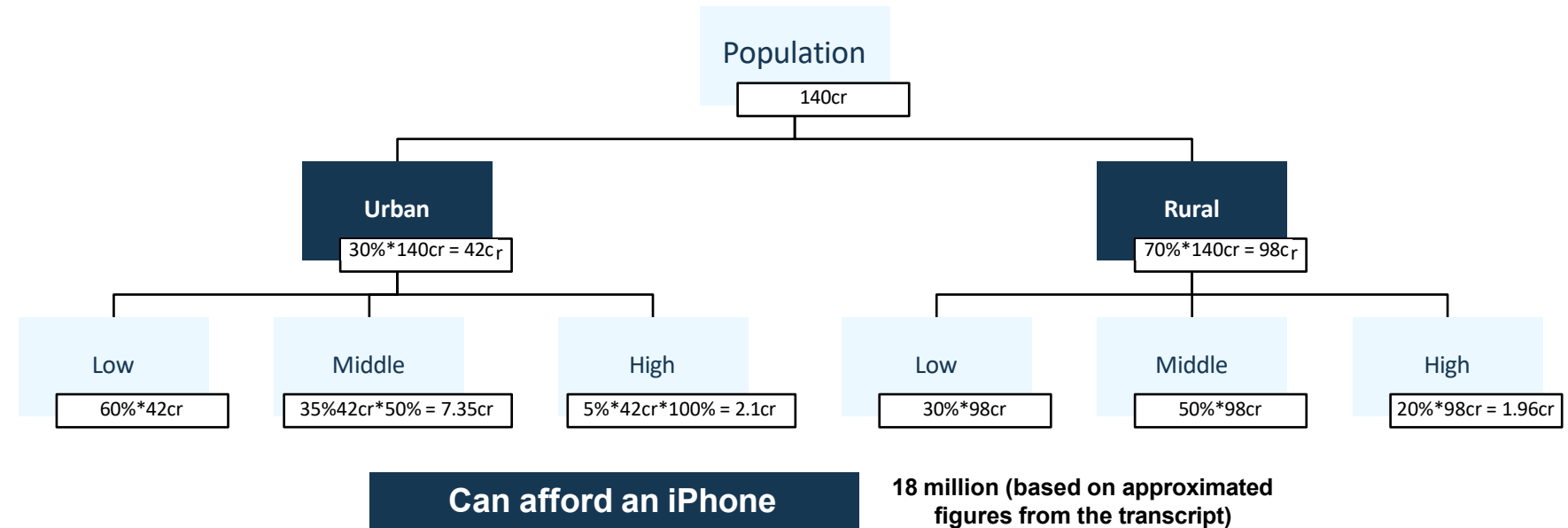
McKinsey / Difficulty - Easy



Assumptions

1. Sales for only personal usage are considered
2. Second hand sales are not considered
3. Only upper class people can afford an iPhone in rural areas whereas in urban areas middle and upper classes can
4. 50-50 split between iPhone and Android users is assumed
5. Lifetime of an iPhone is 3 years
6. 5% of Android users are expected to switch to iPhone

Framework / Approach



Transcript

Dogs are a human's best friends. If you were told to estimate the number of hair on a dog, how would you approach the problem ?

Dogs are my favourite too. Coming to the question, what kind of a dog are we talking about here?

Assume the dog is a retriever.

Got it. So, first of all I'll estimate the density of hair on a dogs body. Since the density is not the same everywhere, I'll divide its body parts into 4 parts, the face, the legs, tail and the core. I'll assume the core to have 15,000 hair per square inch. Since the face and legs have lesser hair, I'll assume them to have 5000 hair per square inch. The tail is the hairiest part of a dogs body, hence it should have a density of around 30000 hair per square inch.

Sounds good. Go Ahead.

Now, I need to calculate the area of a dogs body. Since the division of the body is done. I'll calculate the area likewise. The legs can be assumed to be cylinders, the core and tail can be assumed to a cylinder as well. The face can be assumed to be of a conical shape. I'll calculate the surface area of each part and multiply with specific surface area density.

Sounds Reasonable

For the legs, the height is around 10 inches with a radius is 2 inches. The surface area exposed is $2 \times \pi \times R \times H$. Multiply that by 4 legs, we get around 500 sq. inches of surface area. Similarly for the tail, the length is around 10 inches and radius is about an inch. For the core, the length is about 27 inches and radius is around 7 inches. Hence, the surface area is around 70 square inches for the tail and 1188 for the core. The mouth is shaped like a cone whose radius is 3 inches and height is 6 inches. Hence the surface area is 91.5 square inches.

Now, to find the total number of hair, we'll multiply the surface area of each surface with respective density.

$$\begin{aligned} &= \text{Hair on legs} + \text{Hair on tail} + \text{Hair on core} + \text{Hair of mouth} \\ &= 500 \times 5000 + 70 \times 30000 + 1188 \times 15000 + 91.5 \times 5000 \\ &= 22,877,500 \text{ Hair} \end{aligned}$$

The approach seems fair, I think we are done with the guesstimate now. Good Job.

101 Dalmatians

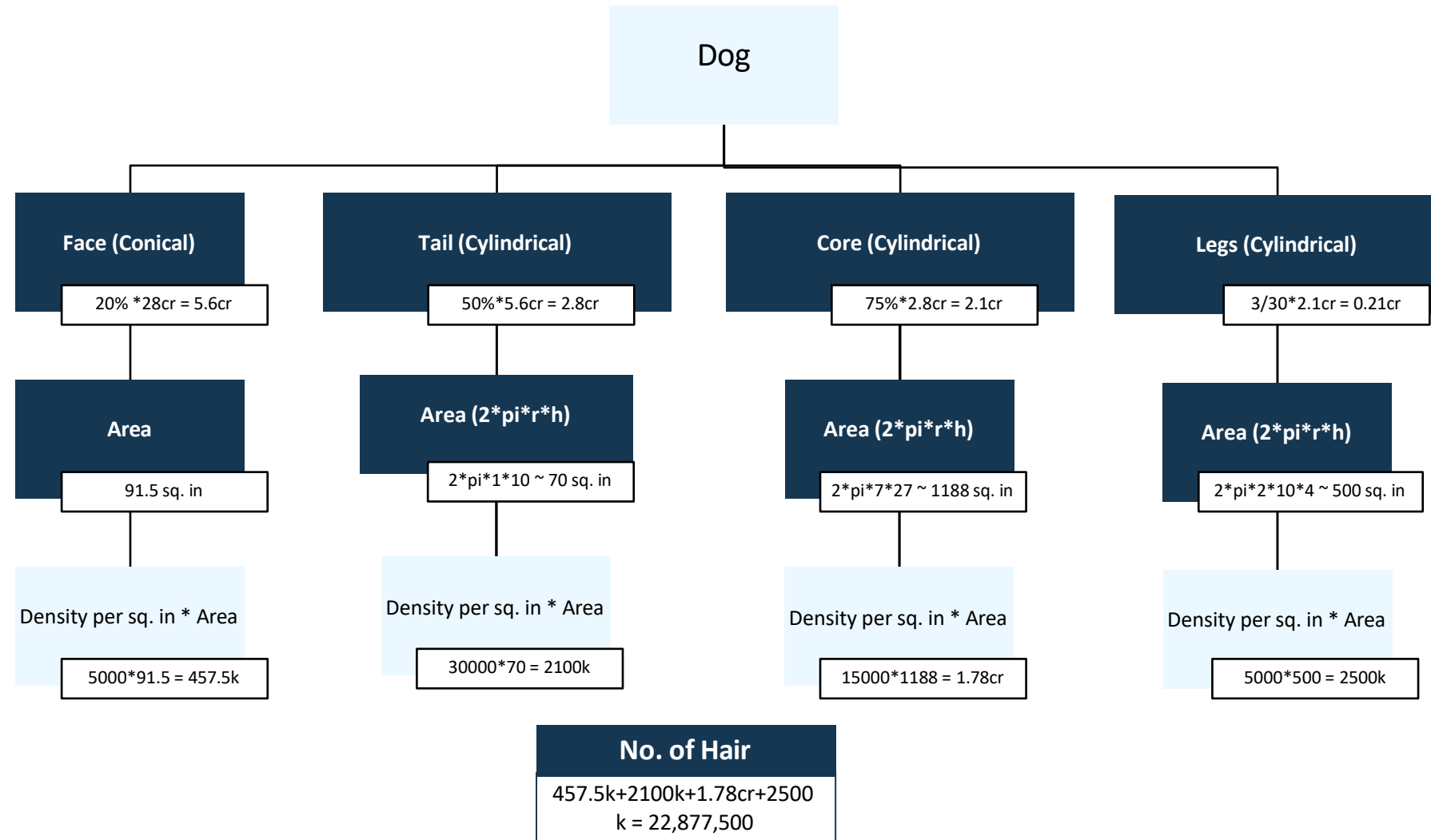
McKinsey / Difficulty - Medium



Assumptions

1. A dog's body is divided into different shapes for easy calculation
2. Hair per square inch is assumed for different body parts
3. Legs, core and tail are assumed to be cylindrical, and face to be conical.

Framework / Approach



Catch up to my fries

Everest / Difficulty - Medium



Transcript

Guesstimate the revenue of a McDonald's Outlet in Connaught Place in a month.

Alright, would you please clarify which revenue streams are we considering? Orders, advertisements, collaborations or any other additional revenue sources?

Let us focus on sales from orders only for now.

Okay, are we considering all order types, including dine-in, takeaways, and online deliveries, or just dine-in?

Let's prioritize dine-in sales for now.

Understood, given that customers typically purchase meals at McDonald's, should I consider food and beverages together, or separate them into distinct categories?

Sounds good. Go Ahead.

For estimating the total number of transactions happening in a month we multiply the total number of transactions happening in a day with 30. Total number of transactions in a day can be calculated in the following manner = Seating capacity*Seating cycles in an hour*Total number of operational hours*Average occupancy throughout the day.

Is it fine to assume the total number of seats = 80, considering there are 20 tables, with an average seating of 4 customers per table.

Yes, it's a fair assumption. You can continue with the formula.

Now I will factor in the number of seating cycles in an hour. I would assume it takes around 20 minutes to serve a customer, so, approximately 3 customers in an hour. For the number of operational hours, I would assume an outlet in CP works for around 14 hours from 9 am-11 pm. The average occupancy can be estimated by segregating the operational hours into non peak, moderately peak and peak hours. Since McD is a fast food restaurant, it would be occupied mostly during the meal times, breakfast, lunch, dinner. So, I will assume that 9am-12noon are the non peak hours with around 40% occupancy. 12pm-6pm are the peak hours, considering CP as a popular lunch and shopping destination, hence occupancy of around 80% and 6pm-11pm would be the moderately peak hours with around 60% occupancy. So, calculating the weighted average of the same we get, Average occupancy = around 65%. $(3*0.4+6*0.8+5*0.6)/14$

Sounds good till now. Carry on with your calculations.



Catch up to my fries

Everest / Difficulty - Medium



Transcript

Okay, now, to calculate the average order value, we can consider three types of transactions, small, medium and large order value. I would take the small order value to be around Rs 100 as their highest selling item is a single burger on the go. Hence, I would assume 50% of the transactions to lie in this category. Similarly, Rs 200 for medium order with around 30% transactions in this category. And lastly, Rs 400 for the large order value orders with around 20% transactions. Calculating the AOV using weighted average we get, Rs 190, for simplification, 200. Hence the number of transactions in a day = $80 \times 3 \times 14 \times 65\% = 2184$. We can assume it to be roughly around 2,000. Multiplying this by 30, we get, 60,000 monthly transactions. For calculating the revenue, we have $AOV \times \text{Monthly transactions} = 200 \times 60,000 = \text{Rs } 1,20,00,000$.

That's comprehensive, we can end the guesstimate here.



Catch up to my fries

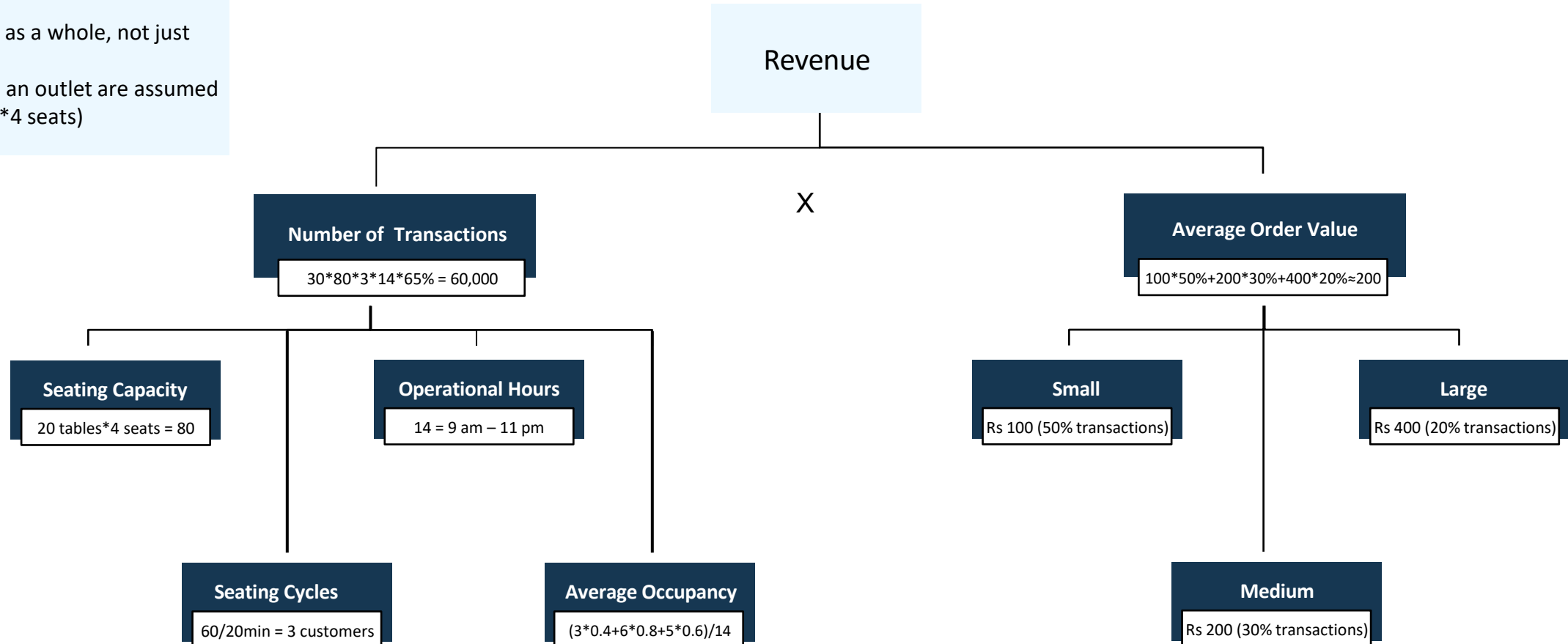
Everest / Difficulty - Medium



Assumptions

1. Only calculating revenue for dine-in orders
2. Considering orders as a whole, not just food or beverages
3. Number of seats in an outlet are assumed to be 80 (20 tables*4 seats)

Framework / Approach



From A-Z, all deliveries

BCG / Difficulty - Medium



Transcript

You are required to estimate number of deliveries made by Amazon in a day in India.

I would like to clarify if we are taking into consideration all types of goods, perishable or non-perishable, and if it is fine to assume number of people in each household to be 5?

Yes, you have to consider both the types of goods and 5 is a fair number to assume.

So, my approach for this would be to divide India into Tier 1, 2 and 3 cities and further dividing the households into two categories on the basis of income levels, for simplicity. According to me, we can safely assume that low income category households don't really use e-commerce for their needs. Further we can assume proportion of such households placing e-commerce orders in a month and divide it by 30 to reach at per day orders. Thereafter we can segment orders into two types of goods: 1) perishable, and 2) non-perishable. As per my experience, Amazon doesn't have a considerable share in perishable goods market is insignificant, so we can focus entirely on non-perishable goods. And to calculate the same for tier 2 and 3 cities we can take a suitable multiple of tier 1 cities. We can arrive at the final figure through:

*Number of deliveries in a day in tier 1 cities = Number of households * proportion living in tier 1 cities * proportion who can afford * proportion willing to buy * (average number of orders made in a month)/30 * share of non-perishable goods * share of Amazon*

That sounds comprehensive. Let's put numbers into this.

Sure. We can assume population of India to be 1.4bn which gives us 280mn households out of which 20% can be assumed to be in tier 1 cities. According to my observation, 50% of those will be the ones who can afford e-commerce. Their average number of e-commerce orders per month can be estimated to be 3, of which 50% should be non-perishable items. And lastly if we talk about Amazon's market share, it should be 50%. This gives us:

*Number of Amazon deliveries in a day in tier 1 cities = 280mn * 20% * 50% * 75% * 3/30 * 50% * 50% = 530k (approx.)*

OK. That's fine. And what if we consider Tier 2 and Tier 3 cities as well?

According to me, for tier 2 cities we can assign a multiple of 0.5 and for tier 3 cities 0.01 should be good enough. That gives us final figure of:

*Total daily deliveries made by Amazon in India in a day = 530k + 0.2 * 530k + 0.05 * 530k = 660k (approx.)*

That should be a fair estimate. Well attempted.



From A-Z, all deliveries

BCG/ Difficulty - Medium



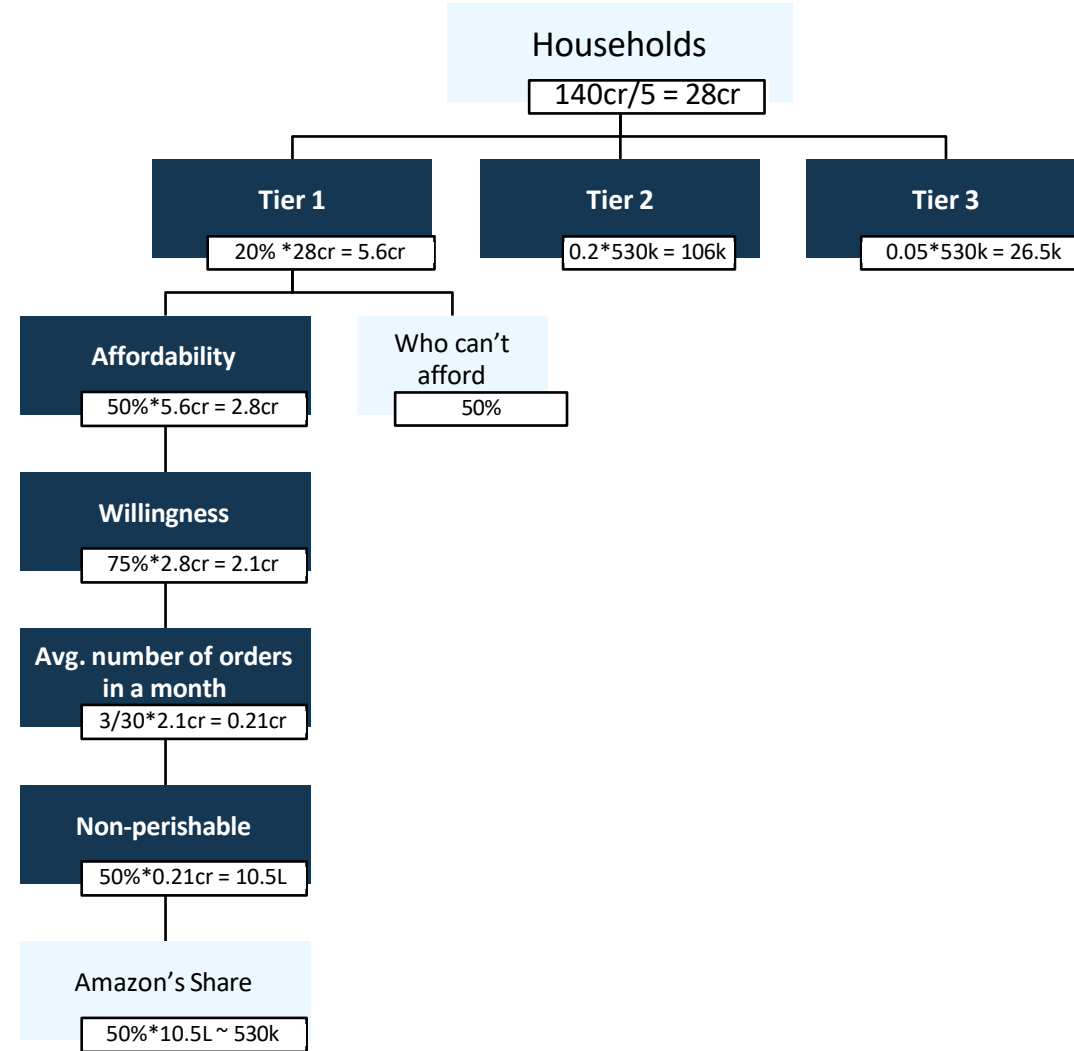
Assumptions

1. Usage of E-Commerce sites by lower class people is insignificant
2. Amazon doesn't have a significant market share in delivery of perishable items in the urban Indian market
3. Average number of e-commerce orders is assumed to be 3

Framework / Approach

No. of Deliveries

530k + 106k + 26.5k = **662.5k**



Framework / Approach

Estimate the number of bicycle tires sold in a year.

Here the tires will be 2 times the number of cycles sold in a year + the replacement demand. Here we assume that the average life of a tire is 5 years.

These seem like fair assumptions, why don't you go ahead with the guesstimate.

First we take the population of India which is 140 Cr. and divide the population into Rural and Urban in the ratio of 70:30. Moving ahead we divide the population on the basis of income into Lower Class, Middle Class and Upper Class. Under the Middle Class there are 3 age groups - 0-20 segment has no money to afford a cycle, 20- 60 segment will own the cycles and the 60+ age segment is too old to ride a cycle. In the Lower Class a low percentage of people will own cycles. There may be 1 cycle per household. Since an average household has 4 people we can assume that 1 in every 4 people owns a cycle. Similarly for the middle class there exist the same 3 age groups. Here, only children below the age of 20 own cycles for fun. Since they can afford cycles, as high as 75% children will own cycles. Similarly for upper class only children own cycles. However the percentage here declines since excess affluence leads to lavish alternatives.

These seem fair. How will you go about estimating for rural areas?

We will again divide the population into income segments of lower, middle and upper class.

Here the percentage of lower and middle-class population will be higher. We again divide the population into age segments as in the case of urban areas. And follow the same process as before.

This only gives us the number of cycle buyers in India. How will you calculate the number of tires sold in a year?

We will multiply the number of cycles by 2 to estimate the number of tires. Since the life of a tire is 5 years; we divide the total sales by 5 to arrive at sales per year. Above this a further 10% will replace their tires due to excessive wear and tear or other reasons and another affluent 10% may choose to buy new cycles anyways. Taking this into account we arrive at our final number.

That seems fair, we can end the guesstimate here.

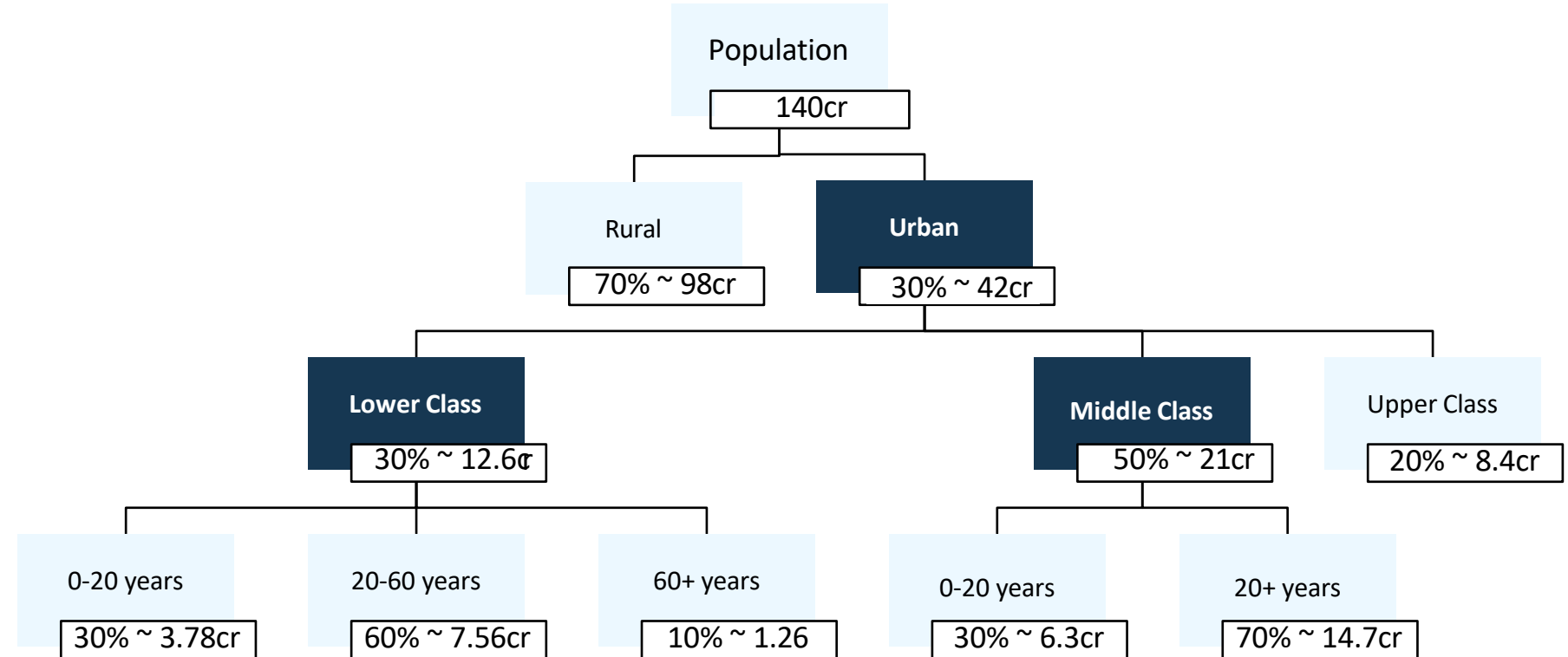
Assumptions

1. The average life of cycle is 5 years
2. In the lower class a low percentage of people will own cycles.
3. 60+ aged people are considered to be too old to own a cycle
4. Due to excess wealth of upper class people, they have access to lavish alternatives to cycles

Brownie Points

- Taking a higher percentage of population using cycles in Rural Areas than Urban Areas
- Dividing the population in terms of income groups and further into age groups

Framework / Approach



Transcript

Hey, let's begin with a quick case. You are required to estimate the number of Tube-lights in India

Okay, Tube-lights comes in various shapes and sizes. Do I need to consider a specific size of tube light? Should I include only the LED tube lights or old cylindrical tube lights too? Also Do I need to consider defected/burned out tube lights?

Let's stick to all kinds of standard-sized tube lights that are currently used in India.

Alright, Tube lights will mostly be used in Households and Workplaces. Here workplace includes everything from hospitals, schools, and factories to offices, malls etc.

$$\begin{aligned} & \text{Number of Tube-lights in India} \\ &= (\text{Number of Households} * \text{Average number of tube-lights in a household}) + (\text{Number of Workers} / \text{Average number of workers under 1 tube-light}) \end{aligned}$$

Sounds great so far, Go ahead with your approach.

Okay, So for calculating the number of households in India, I would assume

1. India's population to be 140 Crores and The average household size in India to be 5 people per household

$$\text{So, the Total Number of households} = \text{Total Population} / \text{Average Household size}$$

After arriving at the total number of households we can divide them according to income level

1. 15% of the households would be below the poverty line and would have no tube lights
2. 15% of the households belong to the lower class and have, on average, 2 tube-lights per household
3. 50% of the households belong to the middle class and have, on average, 5 tube-lights per household
4. 20% of the households belong to the high class and have, on average, 8 tube-lights per household

$$\text{And Number of Tube-lights in households} = \text{Number of household} * \text{Average number of Tube-lights in each household}$$

After making all the calculations, the number of Tube-lights used in household = 123.2 crore

Very good, Now let's move to the number of tube-lights in workplace

Framework / Approach

Sure, To arrive at number of workplaces I would like to start with the working population. People in the age bracket of 18-60 constitute the workforce, which is around 60% of the population ≈ 84 Crore. Eliminating 15% of this who might be unemployed brings us to ≈ 63 Crore. They can further be segmented based on the nature of the activity

1. Agriculture employs roughly 50% of the workforce.
2. Manufacturing employs roughly 25% of the workforce.
3. Services also employs 25% of the workforce.

Tube-lights used in workplaces = Number of Workers / Average number of Workers per Tube-light

Agricultural workplaces require few to no Tube-lights and hence can be neglected. In the Manufacturing sector on average 5 workers will require 1 tube-light while in the services sector on average 3 workers will require 1 tube-light.

After calculating we arrive at 7.87 crore Tube-lights at workplace

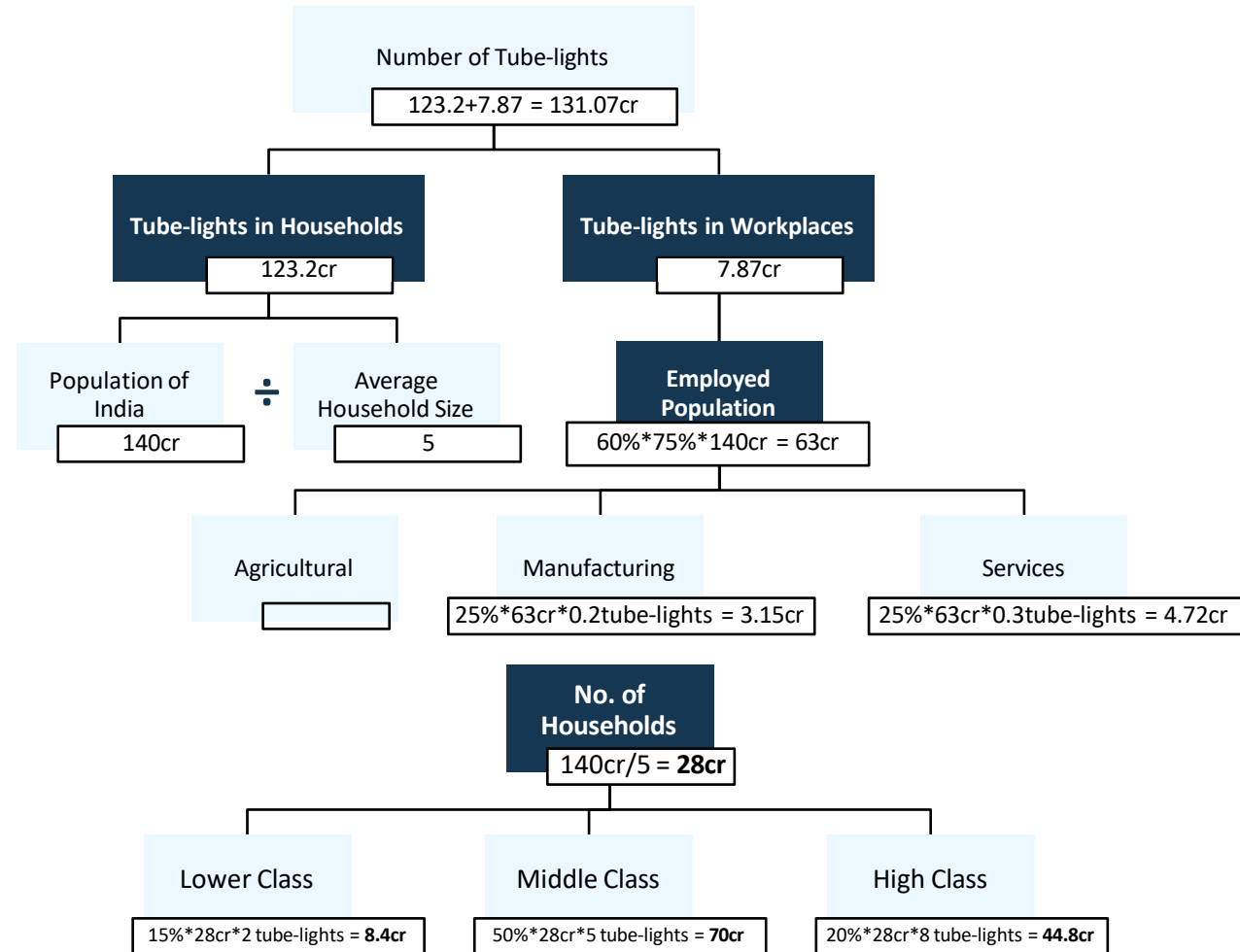
Total number of Tube-lights = 7.87 + 123.2 = 131.07 Crore Tube-lights

Great, that sounds like a fair estimate. Let's end the case here.

Assumptions

1. Upper class people have larger houses for same number of people, hence require more tube-lights.
2. Below poverty line people have no house and hence no tube-light
3. Unemployment rate is assumed
4. Manufacturing will have lower number of tube-lights per person

Framework / Approach



The Showrunner's Worth

Bain / Difficulty - Medium



Transcript

Can you calculate the revenue of Netflix in India.

Sure. I'll do a top down approach for the guesstimate, if that's okay.

Sounds good. Go Ahead.

So, I'll start with India's population i.e. 140 Cr. I'll divide the population on the basis of internet penetration. 60% of India has access to decent speed internet on which OTT apps like Netflix would work fine.

Sounds Reasonable

Further, I'll divide the population on the basis of income since the propensity of consuming content on OTT changes with varying income levels. The division is high income, medium income and low income. In each division that we make, there would be a certain percentage of people who consume OTT content. Also, in each division the market share of Netflix would vary. Further, the sharing rate varies with income level. Since, there are multiple plans for Netflix, I'm making the assumption that the revenue is higher for higher income group of people.

Hence for each group, the revenue can be calculated as

$$= \text{Total population in the group with access to internet} * \text{Percentage of people consuming OTT} * \text{Netflix market share in the group} * 1 - \text{Sharing rate of Netflix} * \text{Average Revenue}$$

The approach seems fair, why don't you fit in the numbers and tell me the final figure.

Sure. The Indian population is 140 crore, for a penetration level of 60%, 84 Cr people have access to the internet. 16.8 Cr people belong to the higher income group, out of which 25% people use OTT platforms, the market share of Netflix in this group is 40%, the sharing rate is 25% and the average revenue is Rs 300. For this group, the revenue is 126 Cr per month.

For the middle class, the number of people are 50 Cr, out of which 10% people use OTT platforms, the market share of Netflix in this group is 25%, the sharing rate is 50% and the average revenue is Rs 200. For this group, the revenue is 125 Cr per month

For the lower class, the number of people are 16.8 Cr, out of which 5% people use OTT platforms, the market share of Netflix in this group is 10%, the sharing rate is 70% and the average revenue is Rs 150. For this group, the revenue is 84 Cr. Hence, the total number is 169.25 Cr per month or 2031 Cr per annum.

This figure is close to the actual number. Good job, we can wrap the guesstimate up now.

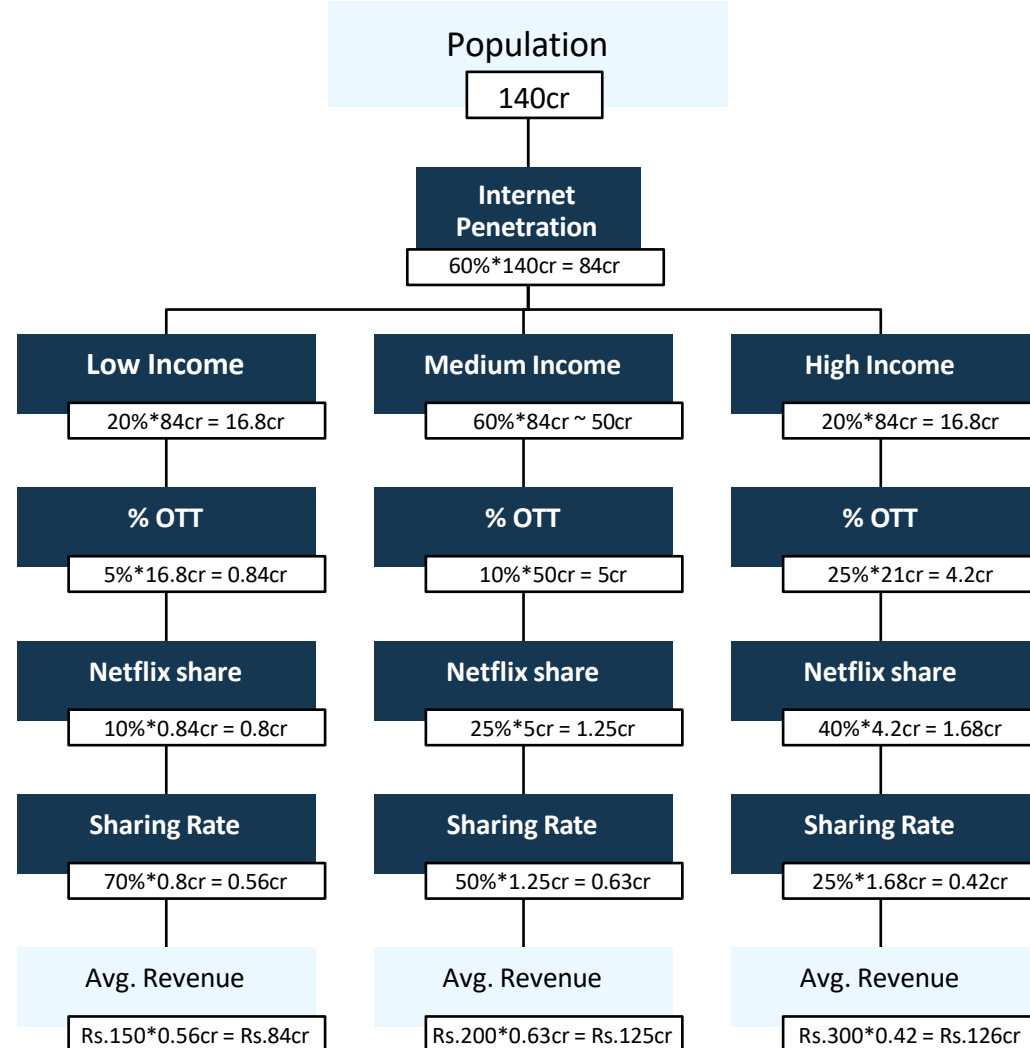
The Showrunner's Worth

Bain / Difficulty - Medium

Assumptions

1. It is a common phenomenon that people buy Netflix accounts in groups
2. It is more likely that higher income groups would consume Netflix due to higher price point
3. Sharing would be less in higher income groups
4. More expensive plans would be bought in high income groups

Framework / Approach



Monthly Revenue of Netflix

84cr+125cr+126cr = **Rs. 335cr**

Transcript

Estimate the revenue of Starbucks in Cyber-hub in Delhi

Starbucks is an established brand in Delhi. Coming to the question, are we considering the revenues from the restaurant only or the delivery orders and what is the time period under consideration?

For simplicity, consider only the revenues from the restaurant only. The time period under consideration is a day.

Got it. I would use the supply side approach to move forward. Further I would divide the total operational hours in a day of Starbucks into peak and non-peak hours. Now I would want to calculate the maximum number of customers that can be catered to by the store in one hour. Does that sound like a decent approach?

Sounds good. Go Ahead.

To calculate the maximum number of people that can be catered to in one hour.

$$\text{Number of people} = \text{No. of Counters} * 1 \text{ hour} / \text{Ordering time per person}$$

Therefore, to arrive at the number of people that can place an order in one hour, we will multiply the number of orders that can be placed per counter into the total number of counters. For calculating the number of orders that can be placed in an hour, we will divide an hour period by the ordering time per person

Sounds Reasonable

Now to calculate the maximum revenues that can be earned in an hour, the number of orders placed in an hour will be multiplied by the average order value. Further we can divide the orders into three categories, Food, Beverage and Merchandise. We can assume the average price of Food to be Rs 300, Beverage to be Rs 250 and Merchandise to be Rs 350.

$$\text{Average Order Value} = (3 * \text{Average Price of Food}) + (5 * \text{Average Price of Beverage}) + (1 * \text{Average Price of Merchandise}) / 8$$

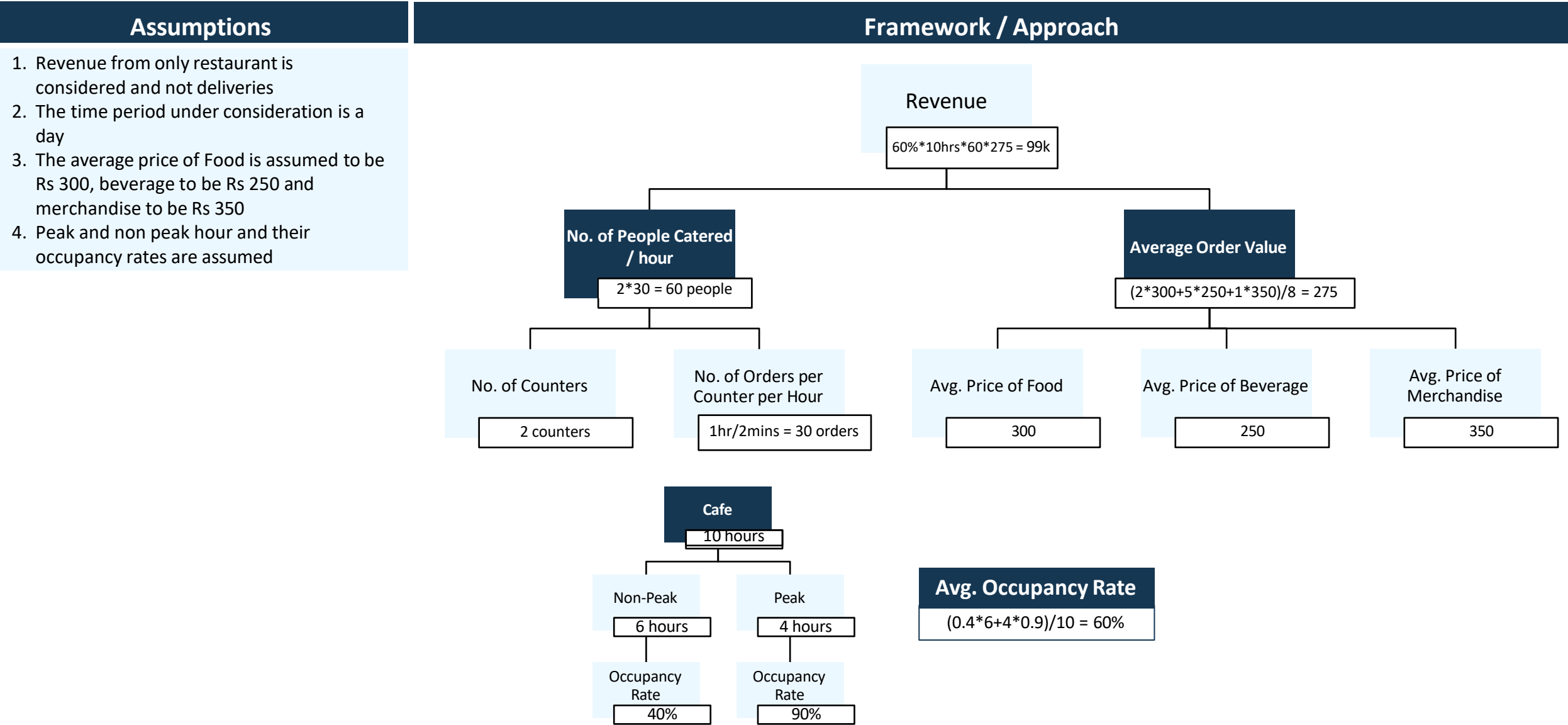
For calculating the Average order value, we will take the weighted average of the average price of food, beverage and merchandise. For calculation of the total revenues in a day, we divide the restaurant hours into peak and non-peak hours. In the peak hours, which last about 4 hours, the occupancy is 90% and in the non-peak hours the occupancy 40%. Hence, the weighted average of all occupancy rates is 60%. These number of hours will then be multiplied by average value of orders in an hour.

After making all the calculations, the average revenue of Starbucks in Cyber -hub comes to be around 12,000.

Sounds okay, we can end the guesstimate here.

Brew Master's Revenue

Bain / Difficulty - Hard



Framework / Approach

Delhi is quite famous for its food. If you were told to estimate the number of restaurants in Delhi, how would you go about solving the problem ?

Delhi sure is famous for its food. Coming to the question, what kind of places be considered as restaurants for the sake of the problem ?

Any place where you can sit and eat indoors can be considered as a restaurant.

Got it. So, first of all I'll estimate the number of people visiting any restaurant in a week. We use the timeline as weekly because the frequency is easiest to gauge during this timeline. Then, I'll estimate the average visits a restaurant has in a week. These can be used to calculate the number of the restaurants in Delhi.

$$\text{Number of restaurants in Delhi} = (\text{Number of people visiting restaurants in a week}) / (\text{Average number of visits to restaurants in a week})$$

Sounds good. Go Ahead.

To calculate the number of people visiting restaurants in a week.

$$\text{Number of visits} = \text{Percentage of Delhi population visiting} * \text{frequency} / \text{Average Group size}$$

we divide the population into 2 levels i.e., the lower income and the others. We do this because people from the lower income group can hardly afford to go to the restaurants and the rest do go to some kind of restaurant once a while, say 30% of people belong to the lower income group. Let's say the frequency of such visits, on average, is 1.5 visits per week.

Now, to calculate the visits to a restaurant in a week.

$$\text{Visits in a restaurant in a week} = 7(\text{No. Of tables} * \text{Working hours} * \text{Occupancy rate}) / \text{Average visiting length}$$

Let's assume the average number of tables in a restaurant is around 10 tables. Also, the number of working hours of a restaurant is about 10 hours and the average visiting duration is about 2 hours. For calculation of occupancy, we divide the restaurant hours into peak and non-peak hours. In the peak hours, which last about 4 hours, the occupancy is 90% and in the non-peak hours the occupancy 40%. Hence, the weighted average of all occupancy rates is 70%.

After making all the calculations, the number of restaurants in Delhi comes to be around 21,500.

Sounds okay, we can end the guesstimate here.

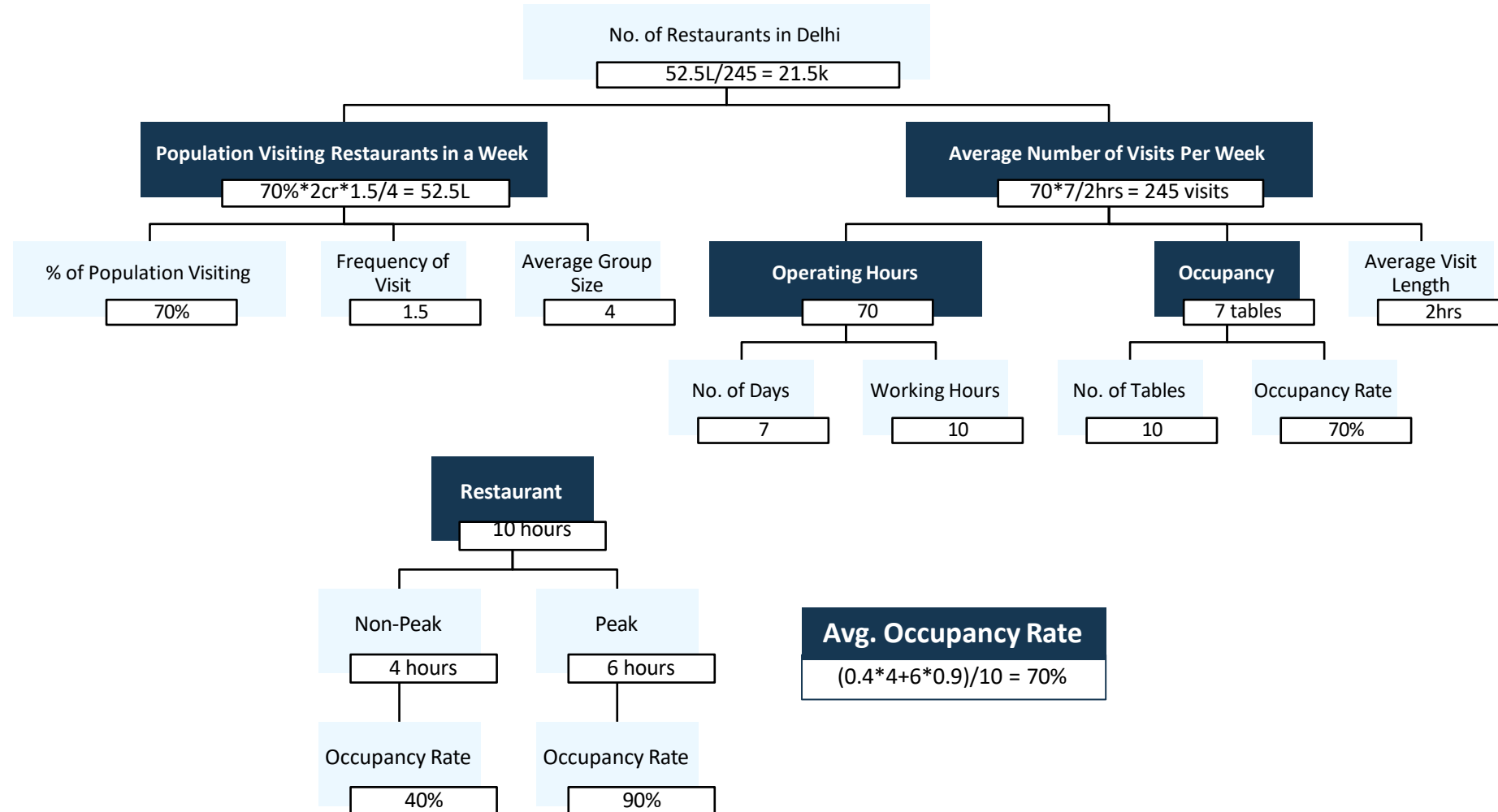
Falling for food

Dalberg / Difficulty - Hard

Assumptions

1. Timeline is taken as weekly
2. Lower income people are not taken into account as they can't afford to eat out
3. Average number of tables in a restaurant is assumed to be ten
4. Frequency of visits is assumed to be 1.5 times per week
5. Occupancy rates during peak and non peak hours are assumed

Framework / Approach



Transcript

Let's begin with a guesstimate. Can you estimate the market size of the healthy biscuit industry in India?

Sure! Before I proceed, I'd like to ask a few clarifying questions. Are we considering only urban areas, or should rural areas be included as well?

Good questions. Let's focus on urban areas since healthy biscuits are primarily consumed there.

Great, I will approach this problem from the demand side. My goal is to estimate the total demand for healthy biscuits in India. To do this, I will follow a structured approach:

- Estimate the number of people who are likely to consume healthy biscuits in India.
- Determine the frequency of healthy biscuit consumption per person per year.
- Multiply the total number of healthy biscuit consumers by their annual consumption to get the total quantity demanded.
- Multiply the total quantity demanded by the price per biscuit to arrive at the total market size.

The overall formula for this approach is:

Market Size = (Total Healthy Biscuit Consumers) × (Average Biscuits Consumed Per Year Per Person) × (Price Per Biscuit)

Does this approach sound reasonable?

That sounds fair. Proceed.

First, I will identify the target population. Since India has a total population of 1.4 billion, about 35% live in urban areas, which is roughly 490 million people. Since healthy biscuits are a premium product, I will segment by income level and focus on the upper-middle and high-income groups, which account for around 30% of the urban population, giving us approximately 150 million potential consumers. Does this segmentation sound reasonable?

Yes, continue.

Transcript

Now, I will narrow it down by age group. Healthy biscuits appeal more to health-conscious individuals, particularly young and middle-aged people. I will categorize consumers into three age brackets: 18-35 years (40%), 36-55 years (40%), and 56+ years (20%). Older individuals are less likely to shift to healthy biscuits, so I will assume a lower adoption rate for them. Does this division look appropriate?

Yes, that makes sense. Keep going.

Next, I will estimate biscuit consumption per person. Not everyone in the target population eats biscuits regularly, so I will estimate the percentage of regular consumers. Let's assume that 50% of eligible consumers eat biscuits frequently, and among them, 30% would specifically consume healthy biscuits. That gives us ~22 million healthy biscuit consumers. Would you agree with this assumption?

Sounds good. Go ahead.

Now, I will estimate the number of biscuits consumed annually. Since healthy biscuits are often consumed for health benefits rather than as a daily snack, consumption patterns may differ from regular biscuits. I assume that individuals who consume healthy biscuits do so as a replacement for traditional biscuits or as a supplementary health snack. Considering that these biscuits are more filling and expensive, consumption may be moderate. I estimate that a regular consumer eats 2 biscuits per sitting, approximately 4 times a week. This results in around 416 biscuits per year per person (4 sittings per week $\times$ 52 weeks). Additionally, some highly health-conscious individuals might consume them more frequently, while others might purchase them occasionally. Accounting for variations, an adjusted average of 420 biscuits per person per year would be a reasonable assumption. Does this assumption seem logical?

Yes the assumption seems logical, continue.

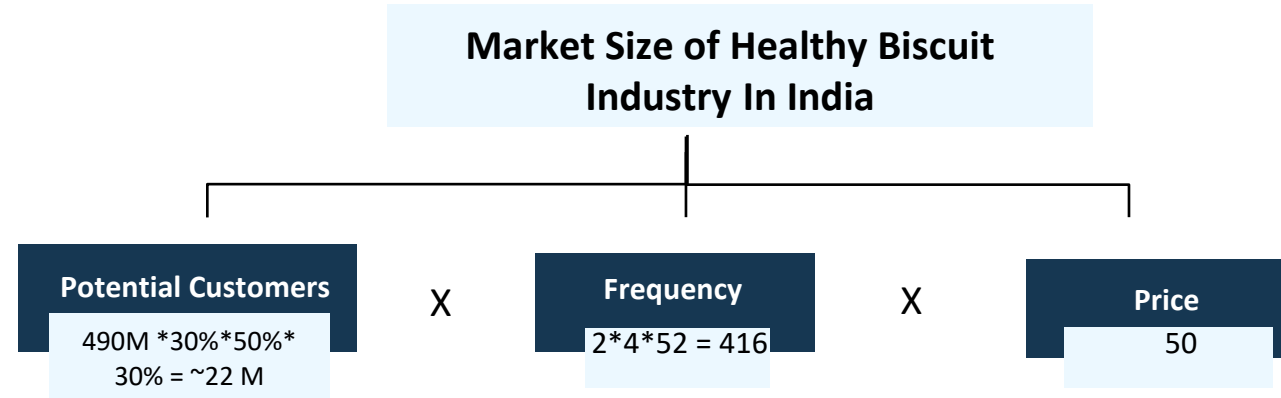
Finally, I will estimate the market size in revenue. Assuming the price of one healthy biscuit is ₹50, the annual expenditure per person is ₹21,000. Multiplying this by the total consumer base of 22 million, the estimated market size for the healthy biscuit industry in India would be ₹462 billion (~\$5.27 billion USD).

Sounds good, we can end the guesstimate here.

Assumptions

1. Taking into consideration only Urban Population of India
2. Average no. of biscuits consumed/person/week
3. Price of each unit of Biscuits

Framework / Approach



Lipstick on your Collar

Bain / Difficulty - Hard



Transcript

Estimate the number of lipsticks sold in India in a year. Further, calculate the number of lipsticks sold through Nykaa online.

Starting off with the number of lipsticks sold in India, I think it is safe to assume that regardless of income level, all women on an average feel the need to own a lipstick. However, it is necessary to omit the women population lying below poverty line. Further, I would like to assume that girls between the age of 0-15 and women above the age of 60 will not be using lipsticks frequently enough.

These are fair assumptions. Continue.

Sure. So, first of all I'll divide the Indian population into men and women which is roughly 70 Cr. each. I think it's safe to omit the population of men. Then, I'll divide the women population into urban and rural in the ratio of 30:70, the main point of difference being that there is a higher percentage of women using lipsticks in urban areas than in rural areas. This can be further divided into age groups with 20% of the population lying below the age of 15, 60% between the ages 15-60 and the remaining 20% above the age of 60. Upon this division, the different shades of lipsticks can be divided into Frequently Used shades and Non-Frequently Used shades with an approximate division of 35% and 65% respectively. The Frequently Used shades will have a lower replacement time of around 4 months whereas the Non-Frequently used shades will have a higher replacement time of around 2 years due to lower usage and drying up. Adding the number of lipsticks sold in Rural and Urban areas will help us to arrive at a final number of lipsticks in a year.

Sounds like a fair approach. You can go ahead with estimating the number of lipsticks sold through Nykaa online. In this part of the guesstimate, you can leave out the numbers. Just lead us through the approach.

Sure. I would like to assume that lipsticks are sold online only in India in Urban parts of the country. Is it fair to assume that Rural areas will not have access to platforms in order to shop lipsticks online?

Yes, go ahead.

Sure. I would further divide the urban population into income groups i.e. High, Medium and Low. Here, I would assume that people in the high income group would buy less lipsticks online due to the unavailability of luxury brands and due to their preference of trying lipsticks before purchasing. Therefore, the share of Nykaa in this income group would be lower. People in the medium income group would prefer buying online more due to offers and the share of Nykaa in this group would therefore be the greatest. People lying in the low income group could be omitted due to lower technology and smartphone penetration among this group. These income groups can be further divided into the percentage of lipstick sales done online and offline. This will help us arrive at a final number.

Sounds reasonable. We can end the guesstimate here.



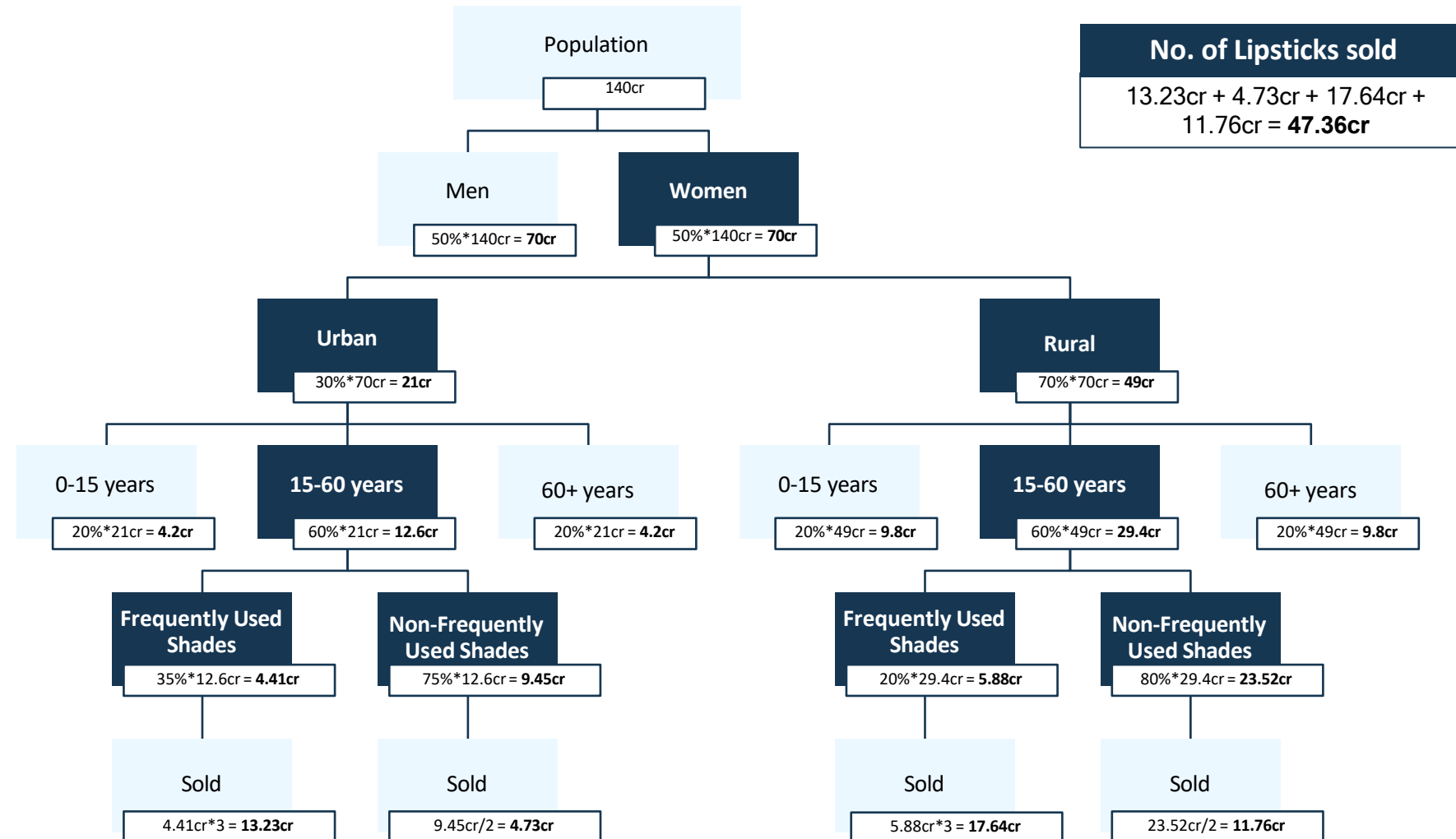
Lipstick on your Collar

Bain / Difficulty - Hard

Assumptions

1. Regardless of income level, all women on an average feel the need to own a lipstick
2. Below poverty line women won't buy a lipstick
3. Girls between the age of 0-15 and women above the age of 60 will not be using lipsticks frequently enough
4. Frequently used lipsticks will have a lower replacement time whereas non frequently used lipsticks will have a longer replacement time
5. Lipsticks are sold online only in urban areas
6. People in the high income group would buy less lipsticks online due to the unavailability of luxury brands

Framework / Approach



CASES



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How to Use your Paper

Proposed way to use the Blank sheet while solving cases and guesstimates



You can divide the paper along the dotted lines into segments which you can use for various purposes as mentioned below

1 PROBLEM STATEMENT		
2 PRELIMINARY QUESTIONS	4 ISSUE TREE	5 INTRIGUING THOUGHTS
3 ANSWERS		6 CASE NUMBERS



How to Summarize a Case effectively



Template to summarize a case effectively at the end of the interview when asked to do so

At the end of case interviews, interviewers often ask candidates to summarize the case and give recommendations

The questions may look like this:

- Can you please summarize the case for me
- Please highlight the important aspects of the case
- Imagine you met the CEO of the firm in the lift, and they ask you how's the project going?, what will you tell them?

Summary Framework

ROOT CAUSE/RECOMMENDATION

- Support statement 1
- Support statement 2
- Support statement 3 (If needed)

Explain what the root causes of the problem are or what solutions are the team pondering upon. This will give the CEO an idea of **what the team is up to** and how far the case has progressed.

RISKS

- Risk 1
- Risk 2
- Risk 3 (If needed)

Things always don't pan out as expected. So, as consultants you need to make sure that you **set the expectations right** by giving out potential risks. This will help you as consultant in front of the client or the CEO in case things go wrong.

NEXT STEPS

- Strategy 1
- Strategy 2
- Strategy 3 (If needed)

In this segment you should tell the CEO what your next steps are going to be so that the CEO knows what you will be working on next. It also gives the CEO confidence that you as consultant have a **plan of action** ready.

PROFITABILITY



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Profitability Framework

Proposed way of solving a profitability case problem



In a profitability case, the case problem generally looks like - —Profits of Company ABC are down by X%, analyze the reasons for the same||

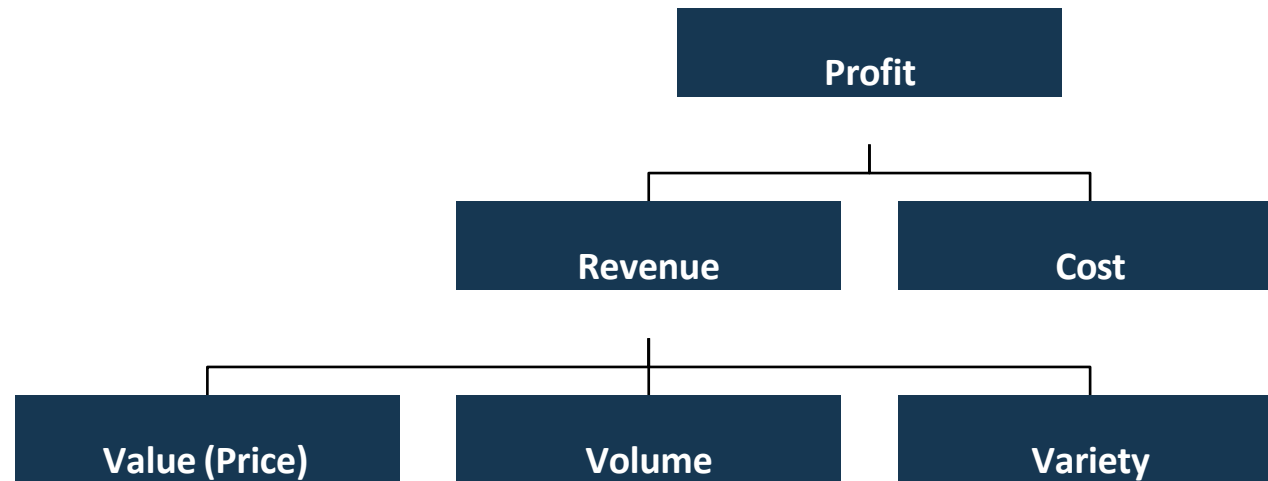
As goes the thumb rule while solving cases - before any analysis, it's best to break down the situation at hand into its basic components. For a profitability case, the first step is to write down the components of profit i.e., revenue and cost and discuss it with the interviewer to narrow down the focus areas.

Clarifying Questions

- Why does the company do/sell?
(Understanding the Company and its product/services)
- What Geographies does the Company operate in?(Helps to understand the regional problems/context)
- Is it an Industry-wide issue or Company-specific problem?
- What is the Time period, and the extent of Profit/Loss company is witnessing?

Framework

- Profit = Revenue - Cost
- Revenue = Price * Units
- Cost = Variable Cost + Fixed Cost



Post the segmentation of profits – it is easier to identify and choose which component to start from. In most cases, the interviewer themselves will ask you to focus on just one of the components and analyze it in detail. In other cases where the interviewer is indifferent – it is still important to prioritize one of the components with proper reasoning (you can use the **Pareto's 80/20 Principle** here, in case specific information about the decline is given and prioritize the component which has a greater magnitude of decline).

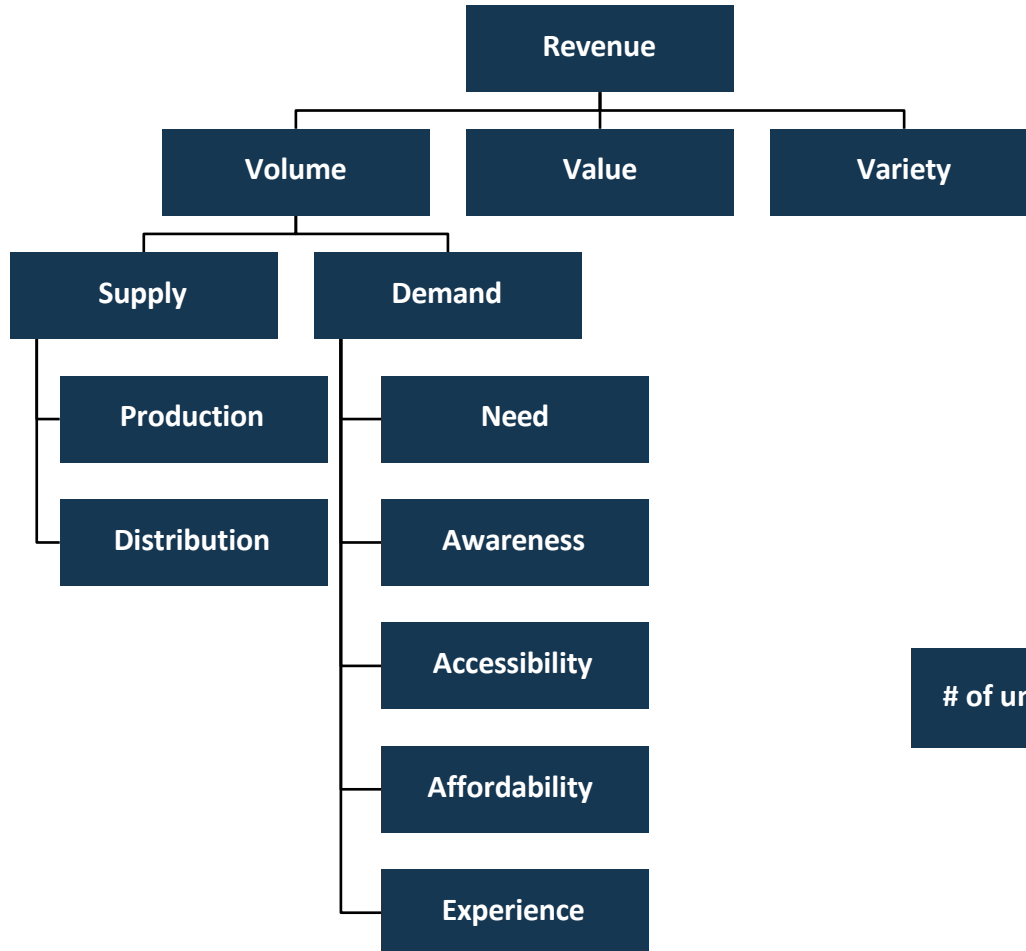


Profitability Framework

Proposed way of solving a profitability case problem



Now let's break down individual components and see what are the common factors which can be a cause of concern in case problems:

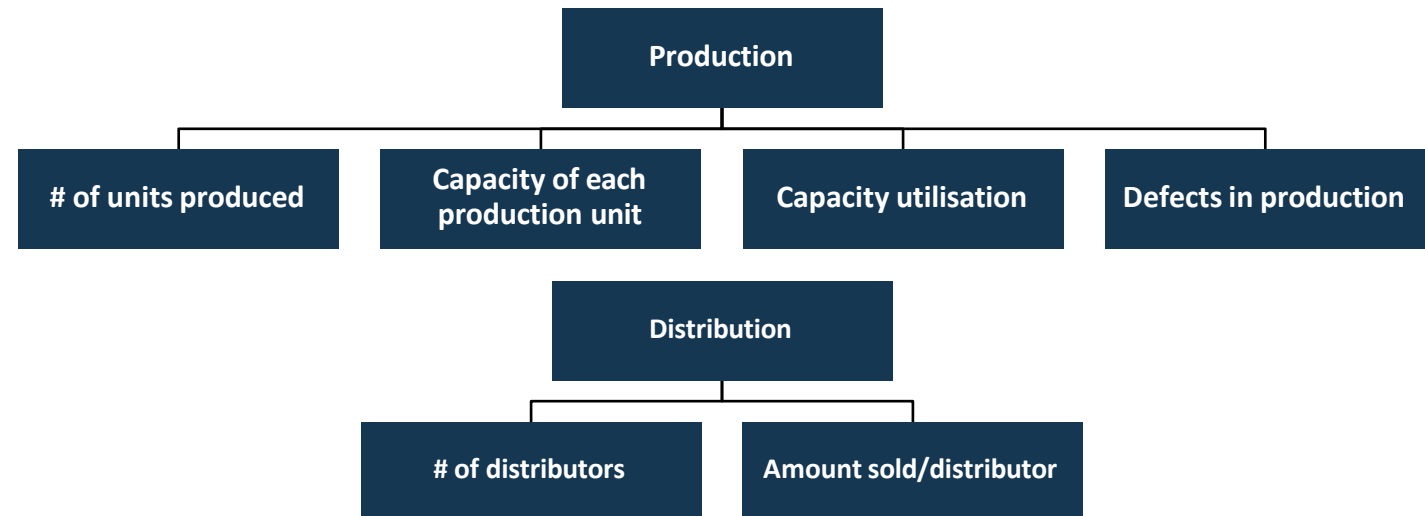


The decline in revenue can be due to any of the following factors:

- (i) Volume: Decline in the # of units of sold
- (ii) Value: Reduction in the price charged from customers
- (iii) Variety: Discontinuation of a specific type of product

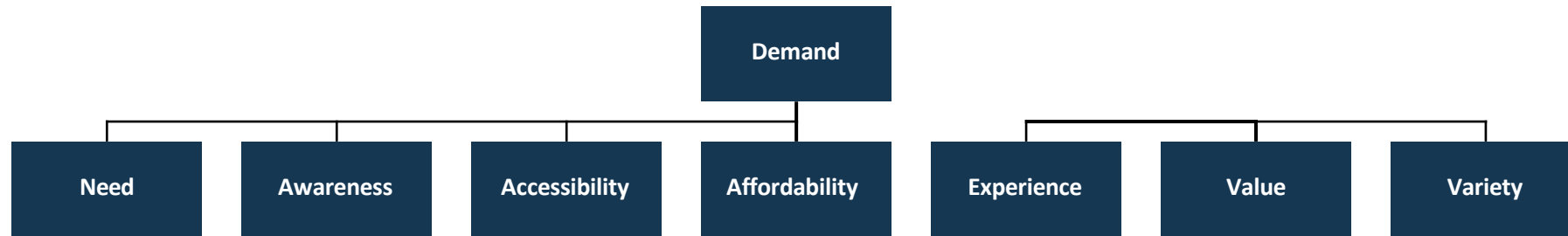
Under volume, we can further look at the supply and demand factors.

Supply is affected by the Production and Distribution. The Idea is to list all the possible issues under these two to isolate the problem



Profitability Framework

Proposed way of solving a profitability case problem



Under demand, the following factors can be looked at

1. **Need**- Explore the utility and use cases of the product/service
2. **Awareness**- See if the audience is aware about the product/service
3. **Accessibility**- Explore if the audience can access the product
4. **Affordability**- If the products/services fit in the budget of users
5. **Experience**- it is best to lay out a customer journey to identify the root cause of the problem
6. **Value**- Explore if Consumers are deriving enough value for the money spent
7. **Variety**- Consumers seek variety and options and inability to offer can be a problem

Finally, keep in mind that these frameworks are just general proposed ways of solving a profitability case – but don't restrict yourself with the factors discussed. In profitability cases, it's best to break down headers into components and try to make formulae.

Brownie Points

- Knowledge about the Industry and Sector comes very handy while solving Demand and Supply Side problems
- It is also helpful to ask questions about the product mix and if the decline has been specific to any product line
- Wherever possible, it is extremely helpful to convert the factor in consideration into a mathematical formula (example: Ticket Sales = Footfall * Avg Ticket Price)



Profitability Framework

Proposed way of solving a profitability case problem



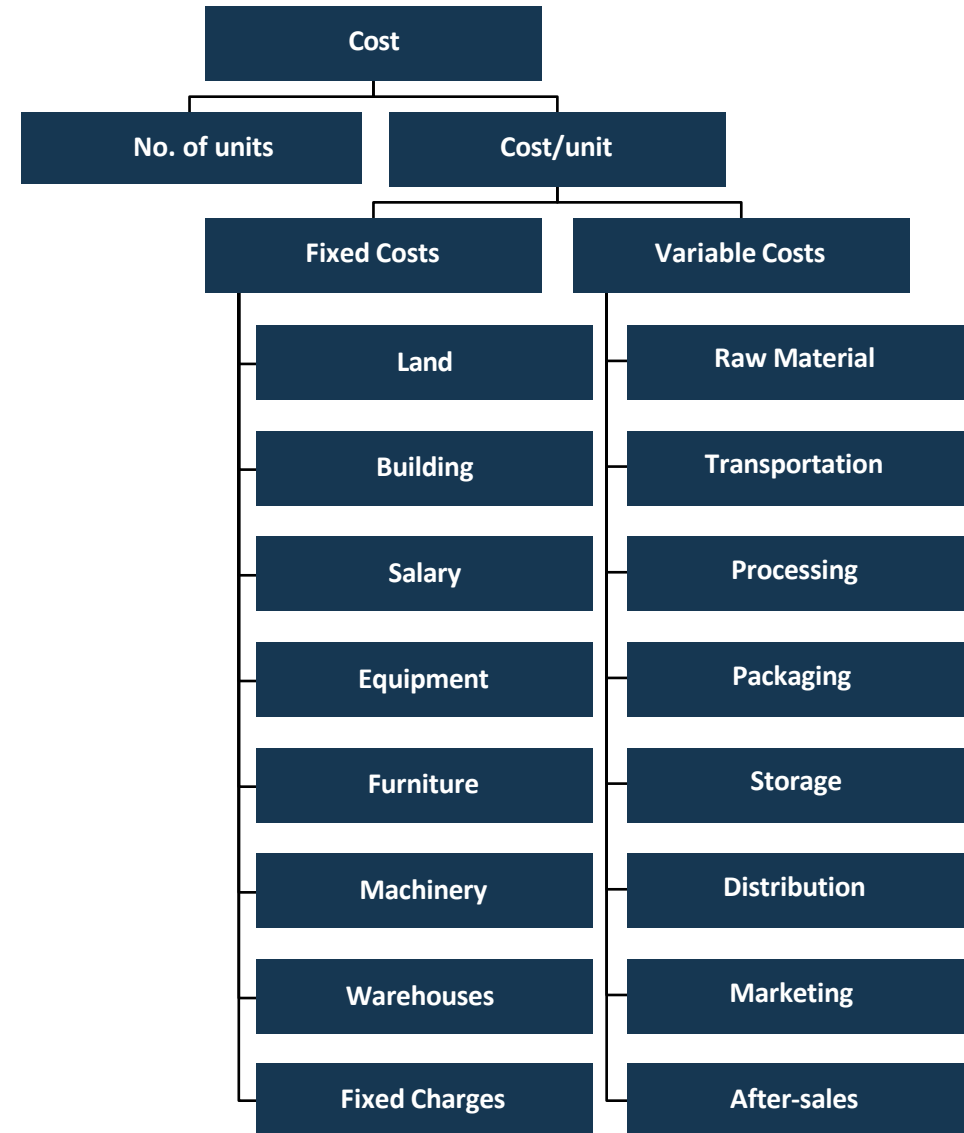
Coming to Cost, for a profitability case, the most basic way to breakdown is to divide it into **Cost/unit * No. of units**.

There are primarily two kinds of costs which can make our structure MECE:

1. Fixed Costs – These costs remain constant over a specific period of time, regardless of the number of units produced or sold. Some examples of the same are: Land, Building, Salary, Equipment, Furniture, Machinery, Warehouses, Fixed Charges, etc.
2. Variable Costs – These type of business expense vary with changes in the level of production or sales volume. Some examples of these are: Raw Material, Transportation, Processing, Packaging, Distribution, Marketing, After-sales services, etc.

Points to remember

- Often, the categorization of costs depend upon the sector provided in the case problem. Thus, the breakdown should be modified accordingly.
- Fixed costs for one sector may be variable cost for another. For example, the cost of renting a warehouse space may be a fixed cost for a manufacturing company, but it could be a variable cost for a retail business that leases space on a short-term basis



Transcript

There is a florist shop whose profits are declining.

Is there only one shop in the area or are there other players?

There is only one store and there is no direct competitor.

Since when and how much is the decline?

The shop is seeing this decline since the past 2 months and there's a 30% decline.

Who are the customers and what is the distribution channel?

They cater to premium and high-end customers and the distribution channel is offline.

In which type of flowers is the decline?

It is in the sale of white roses.

So, the profit decline can be due to fall in revenue or increase in costs.

So, we know that costs have remained constant.

Ok, so we can break down the revenue into No. of Units Sold*Price

Here the price is constant, there is a decline in sales volume.

So, we can further breakdown sales volume into supply and demand decline.

There has been no hindrances in supply.

We can breakdown demand into Need, Accessibility, Awareness, Affordability and Experience. Under need, we'll analyze whether people need flowers anymore or not, this may be due to use of artificial flowers. Since they have only 1 store in Mumbai, people may not be able to access this store. Under awareness, any change in marketing strategy or investment in awareness may lead to decline. Under affordability, price has remained constant however, the purchasing power may have declined.

So here, the problem has been – customer's experience with our flowers.

Customer experience can be divided into - Decision to buy, Travel, Availability of white roses, Buying and Post Buying Experience. Decision cannot be broken down further. Travel can be broken down into mode of travel, travel time, cost and location of the store. For availability, we can check if the roses are readily available or do you have to pre order. For buying, check payment methods. For post buying, life of the flower and fragrance of the flower can be seen.

Analyze the post buying experience. There is a problem in the quality of the flowers. People aren't picking up flowers from the shelf.

Quality can be divided into look, smell and feel.

There is a problem in the feel of flowers.

This could have 2 reasons - source or the shop environment. For source, there could be internal and external reasons why we are being supplied bad flowers. These can be whether we are on bad terms with the supplier or we have missed payments. External reasons can be that there is a problem in the transport of flowers.

There is no problem from the suppliers-side. There is a problem with our storage.

Reasons for spoilage during storage could be temperature, maintenance, pests and packaging.

Transcript

There is a problem with the temperature.

Number of thermostats and the quality of thermostats could be the reason for improper temp.

In the white roses ware-house there is a person in charge of switching on and off the thermostat. However, he has not been performing his job.

We can divide this into ability and want of this person. Ability relates to the physical and mental capability and want relates to the financial and non-financial incentives offered to him

There was a death in this person's family due to which he was taking a lot of leaves and was unable to do his job. We can conclude the case here.

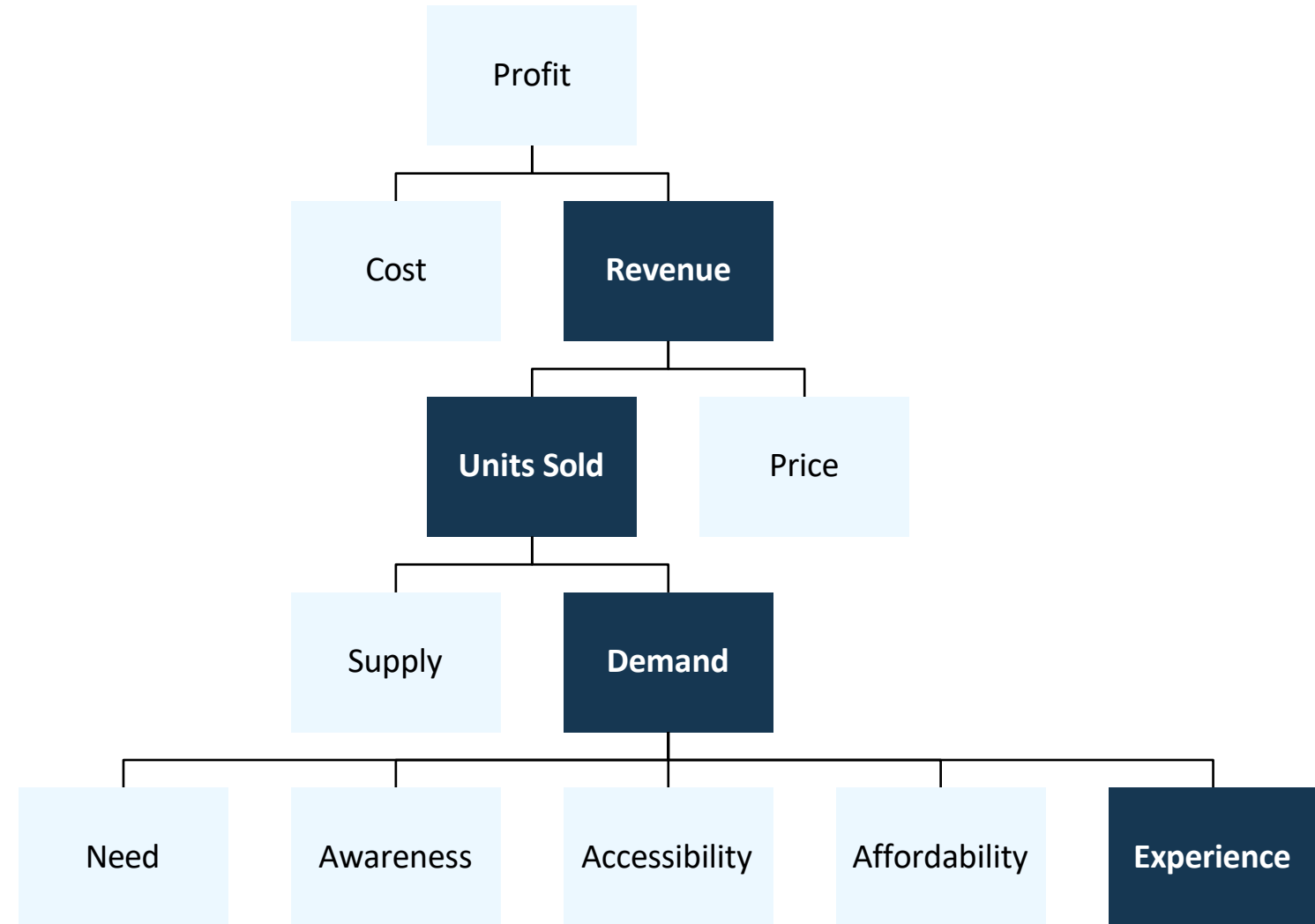
Clarifying Questions

- What is the extent of the decline in profits?
- Since when have we been facing the issue?
- What flowers have seen the decline?
- Who are the customers and what is the distribution channel?

Brownie Points

- Dividing the Customer experience into phases
- Finding innovative ways to structure the problem
- Isolating the problem by further dividing each factor

Framework / Approach



Cementing Market Share

BCG / Difficulty - Easy



Transcript

Your client is a Cement company based out of Sri Lanka. They are concerned about a decline in their market share over the past two years. You have been hired to identify the source of the problem.

Sure. Where does the company lie in the value chain?

The company is a cement manufacturer and had a 50% market share for the last five years, but it has dropped down to 30%.

Interesting, is the decline in market share Industry-wide or Company specific. Additionally, is it affected by the geography? Do we have data on the same?

Yes. There has been a decline in market share of our company only. However, the decline is uniform across geographies.

Yes, before I proceed with my analysis, how has the profitability been affected due to decline in market share?

There has been a similar decline in profits as well.

Right. Profits are affected by revenues and costs. How have these factors changed?

There has been no increase in costs, I would like you to move forward with analysing the revenue aspect.

Alright, revenues are further affected by quantity sold and price. Has there been any change in the price of our cement?

No.

Okay. I would like to assume that there has been a fall in the demand for cement rather than supply. Is that a fair assumption to make?

Yes that has been the case.

Fine. Since we are a manufacturer in Sri Lanka, our value chain is most likely to include importing of raw materials, production in our plants and distribution of the cement domestically by distributors who sell it in the retail market.

Good, you can focus on the distribution part of it.

Is there segmentation among the distributors on the basis of volume of operations or are they equally competitive?

Absolutely, we have both large and small scale distributors. Due to wider access to markets, low prices of large distributors, the demand for cement from small distributors has plummeted . Do you have any suggestions to rectify the situation?

The company can try onboarding more Large distributors and clearing the accounts of small distributors to regain market share in Sri Lanka.

Perfect. Let's end the case here.

Thank you.



Cementing Market Share

BCG / Difficulty - Easy



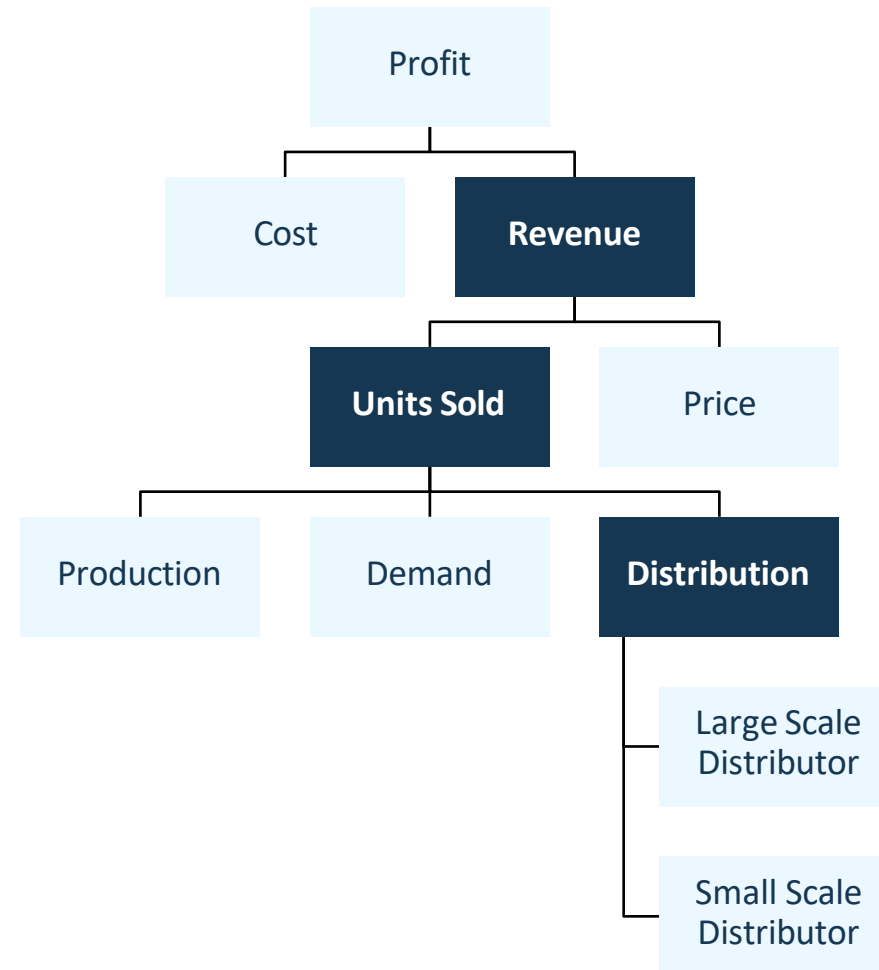
Clarifying Questions

- Position of client in the value chain
- Since when have we been facing the decline?
- Has profitability been impacted by the decline in market share?
- Is this an industry wide issue or company specific?

Brownie Points

- What is the objective behind this?
- Finding innovative ways to structure the problem like low, medium, high
- Why are increasing cost of “onboarding and training” a problem?

Framework / Approach



Transcript

A company has been experiencing a decline in profits even after seeing an increase in sales. Find out why.

Which industry does the company function in? What is the business model?

The client is a global beverage company having a variety of products. However, focus on the Indian market only.

Is the decline seen in all product categories or any particular?

The decline is uniform across all products.

Is the decline seen to be faced by all the competitors or just our client?

The competitors are irrelevant, you should focus on our company only.

Okay, so since the profits are declining, I would like to break it into declining revenues or costs. Since the sales are increasing, I assume it is a cost-side issue.

Yes, you may proceed.

To study the cost of the product, I would like to elaborate on the value chain of the product. Various costs that can be associated with it are R&D, Production, Distribution and Marketing.

Can you give me a breakdown of all these cost segments?

Okay, so under R&D, we have set up costs, research cost, market analysis cost. Under production cost, we have raw material procurement cost, labour cost and overhead costs. Under distribution cost, we have packaging cost, storage cost, outbound logistics like transport and distributors' margin. Under marketing cost, we have selling cost, advertising cost and other fixed costs if any.

There has been no hindrances in R&D, Production and Selling.

So, the problem must be in the distribution cost, right?

Yes. You may identify the problem now.

Okay, so under distribution, there could be issues like the packaging of the beverage, storage and warehousing, transportation and distributors' costs.

You may analyze how Pepsi Co. earns money and then come to a solution.

Okay, so we pay the retailers who in turn pay the distributors, who have a certain margin set for themselves, after which the money goes to Pepsi Co. If we take a look at it from this angle, it might be the case that the distributors have increased their margins.

That's right. We can end the case now.

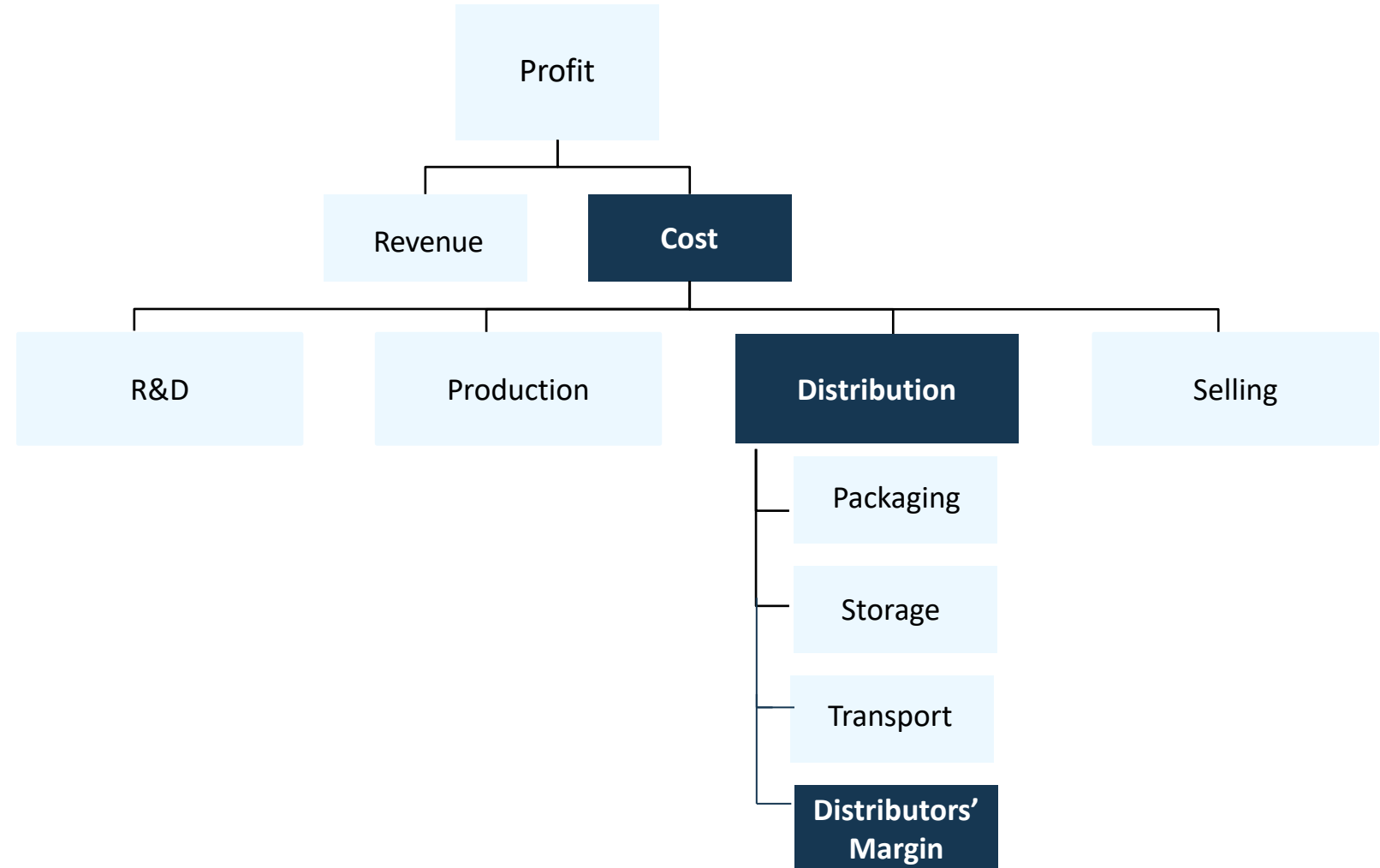
Clarifying Questions

- What is the company's business model?
- Is the profit decline uniform across all products or for a particular one?
- Are the competitors also facing a decline?

Brownie Points

- Dividing the cost into value chain
- Isolating the problem by further dividing each factor
- Addressing the problem by taking inspiration from the business of a similar company

Framework / Approach



Transcript

Your client is DMart, a popular retail chain with pan-India presence. They have been facing a decline in profitability and you have been hired to identify the root cause of the problem.

Okay, I'd like to understand the problem better first. Have all stores in the retail industry seen a decline in profits or is it just our client?

The decline is specific to our client.

Alright. What is the magnitude of the decline and since when has it been happening?

A 7-8% decline in profits has been seen after the pandemic.

Have DMart branches across all geographical regions seen a similar decline or is it a particular region or store?

All DMart stores across India have recorded a decline in profitability.

Okay, I understand. I will begin by dividing the profits into revenue and cost components. A decline can be attributed to either a decrease in revenue, increase in cost or both. Do we have information on whether costs are affected or revenue?

The costs have remained the same.

Alright, so the revenues could have declined due to a fall in the number of units sold or an increase in the price per unit.

The client has been observing a weakening sales of products.

Okay, I'd like to build a value chain here for the number of units by diving the process into three phases: procurement, distribution and demand.

You can focus on the demand side of it.

We can further break down demand into a number of aspects:

1. Need: The utility of the products offered and their USP over the competitors' offerings.
2. Awareness: Considers negative publicity of our chain or aggressive marketing by the competitors.
3. Accessibility: Focus on store accessibility and product arrangement for customer convenience.
4. Affordability: Assess if products align with the spending capacity of the target customers.
5. Experience: Gauge the overall customer experience, from entry to exit.

The need factor has some problem.

Need can be classified into essentials, consumable goods and luxury items on the basis of nature of products. Is it possible that the client is still keeping the same product mix of these items as at the time of the pandemic?

Spot on! The issue is that the client is still keeping high-margin products such as hand sanitizers, masks, gloves in huge quantities. However, their demand fell steeply after the pandemic restrictions were eased. What would you recommend the client?

The client can tackle this by diversifying their product offerings as per the current demand. Additionally, premium-range products can be introduced to improve profit margins.

That sounds good. We can end the case here.

DMart Dilemma

Alvarez and Marsal / Difficulty - Easy



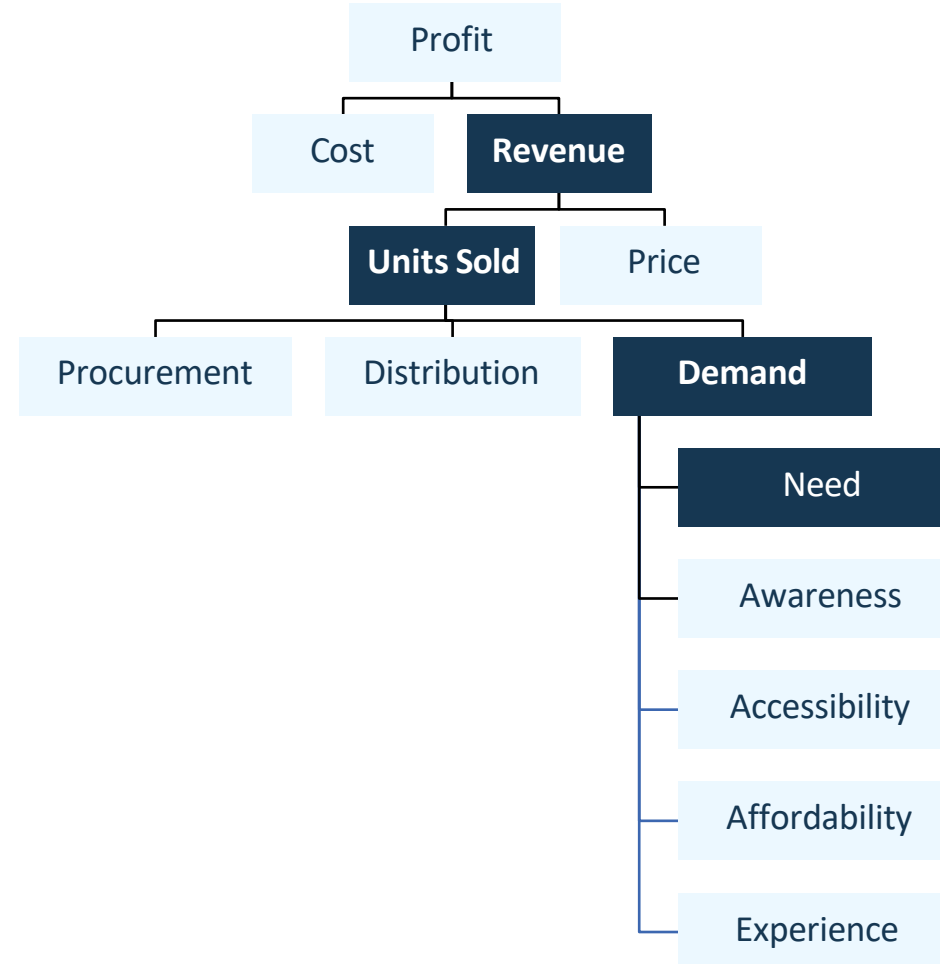
Clarifying Questions

- Is this an industry-wide issue or company-specific?
- What is the extent of decline and how long has it been happening?
- Is the decline geography-specific or store-specific?

Brownie Points

- Classification of products into essential, consumable and luxury items
- Introducing premium segment products for increasing revenue

Framework / Approach



Transcript

BigBazaar has been experiencing a decline in profits in their biscuit segment over the last three quarters. Find out the reasons for this and provide recommendations.

Is this specific to the industry or to the company?

The overall market is experiencing a significant decline, particularly within specific industries.

What is the extent of the decline?

The industry is facing a margin decline of 10%, but BigBazaar is experiencing a more significant drop of 30%.

Is the decline seen at a particular zone/location (North/South) or it is across India?

It is prevalent throughout the Indian market.

Since profits are declining, I would like to analyze whether it's due to declining revenues or increasing costs. Could you please clarify where the problem lies?

The issue at hand is related to revenue

I'd like to further break down the revenue based on the number of units sold and the price per unit. Could you clarify which aspect is causing the issue?

There has been a decrease in the number of units sold.

The demand for the product influences the number of units sold. Several factors affect this demand, including the need for the product, consumer awareness, accessibility, affordability, and overall experience.

We are currently encountering challenges with accessibility that need to be addressed.

Got it. Before jumping to conclusions, I'd like to break this down systematically. When we talk about accessibility issues, they can arise from different aspects of distribution. Would you say the problem is more online or offline, or is it affecting both channels?

Let's consider both for now.

Possible distribution issues could include limited market reach, where the product isn't available in key stores or online platforms, supply chain inefficiencies causing stockouts or delays, or retailer challenges, where low margins reduce push. It could also be consumer accessibility issues, making it hard to find or order, competitor advantage through exclusive deals, or poor brand visibility, leading to weak in-store presence. Are online sales dropping more than offline?

Yes, that's a key concern.

That's interesting. If online sales are suffering more than offline, then I'd look at issues like platform availability, ease of purchase, and delivery inefficiencies. Have we seen a shift in consumer behavior towards quick commerce platforms like Blinkit, Zepto, or Instamart, and are we listed there?

That's exactly the problem. BigBazaar's products aren't listed on any quick commerce platforms, making them harder to access.

That makes sense. Given the rise of instant delivery services, if a brand isn't present there, consumers might switch to competitor products that are readily available. So, the next step for us should be to analyze how quickly we can onboard these platforms, to negotiate placement, and improve accessibility

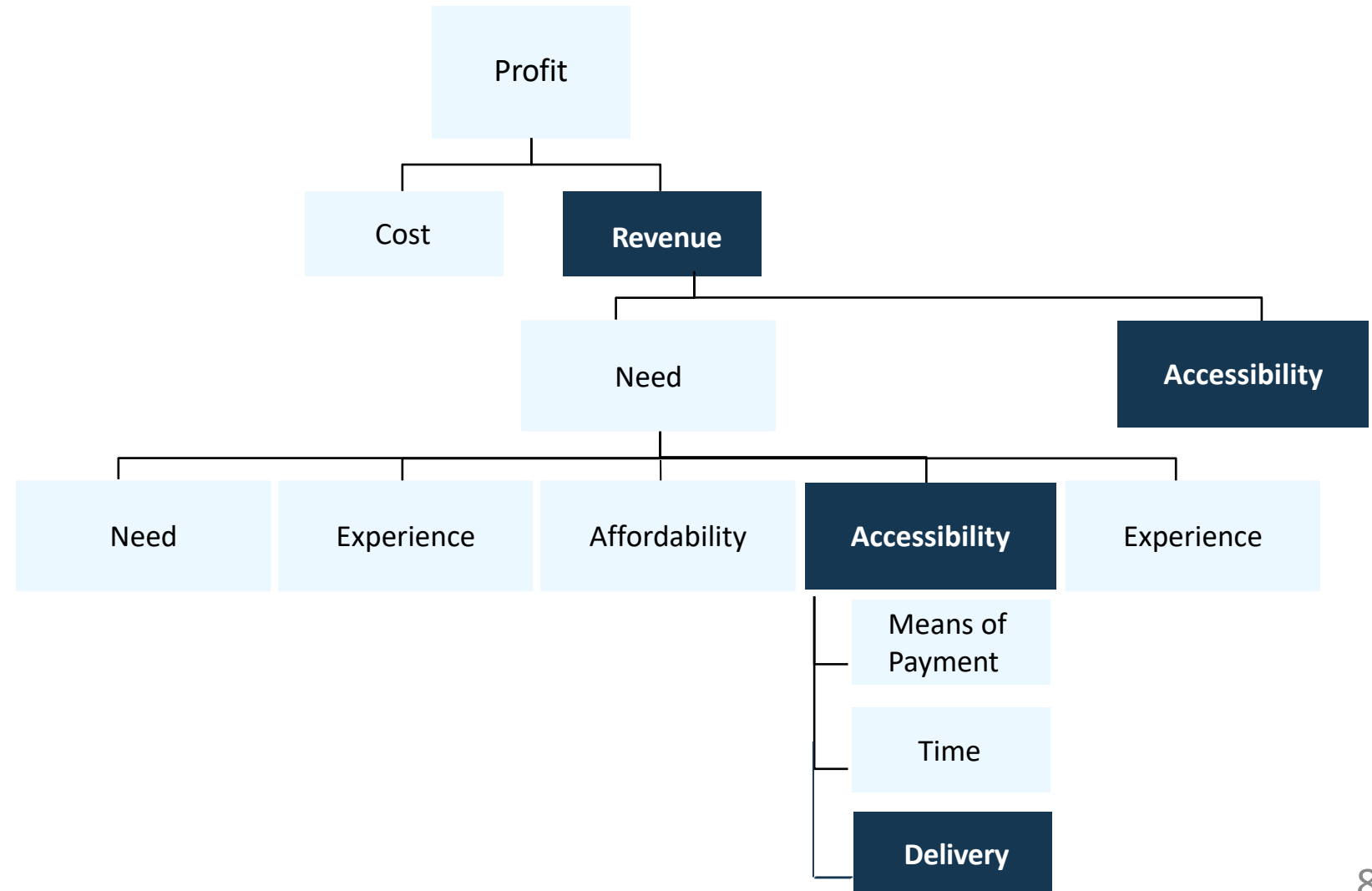
Clarifying Questions

- Is the decline in profit an issue specific to the industry or the company?
- What is the extent of the decline?
- Is the situation occurring throughout India or concentrated in a specific location?

Brownie Points

- Isolate the problem by breaking down each factor further.
- Address the factors using specific reasoning.

Framework / Approach



Profit Pulse Drop

BCN / Difficulty - Medium



Transcript

The client is an established hospital chain in India. They have been facing an issue of declining profits. You have been hired to assess why and recommend solutions.

Where are the operations of the client located in India?

Operations are located pan India.

Is the problem being faced uniformly across all hospitals or at a particular hospital?

The issue was particularly being faced at the hospital in Delhi.

Are other similar hospitals in Delhi also facing the same problem?

No, this is a company-specific problem, not an industry-wide problem.

Since when the company has been facing the decline and what is the magnitude of decline?

The company has been facing a 5-10% of decline since the past two months.

The profit decline could be due to a fall in revenue or an increase in costs. Do we have any information related to this?

So, we know that revenues have remained constant.

Since revenues are stable, the profit decline likely stems from rising costs. Hospital costs can be split into fixed costs—such as rent, machinery, infrastructure, and software systems like billing or patient records—and variable costs like salaries, maintenance, and medical supplies. Do we know which of these has seen a recent increase?

Yes, fixed costs — particularly software costs, have gone up.

Understood. Just to clarify — by software, are we referring to things like hospital information systems, electronic health records, or billing & scheduling software?

Yes, absolutely. They have been higher than usual.

Understood. Can you tell me on what basis do we pay our software providers?

We pay them on the basis of the time for which the software is being used.

If the software costs are increased, there can be two reasons: either we are using the software for doing more work, or we doing the same work, but the time to do the same work has increased. But, since we already know that the revenues are stable, the amount of work being done on the software has not increased. The problem lies with the time taken to do the same work. If the time taken to do the same amount of work has increased, this can be further broken down into: The software itself has started taking more time, or our staff or doctors who are using the software have started consuming more time, maybe due to incompetency or due to some other reason. Do we know which is it?

The staff and doctors are fairly competent and their skill set hasn't changed, and from their part they operate the software as they used to before.

This means that the software itself has started to consume more time.

Great, you have identified the problem. Do you have any recommendations?

We can divide the recommendations into Short-term and Long-term. Short-term recommendations include revising the terms of the contract to avoid excess paying, and training the staff to fully utilize the software. Long-term recommendations would involve either investing in advanced software solutions or look for a new software provider. Also, establishing a dedicated cost-management team to regularly monitor and optimize expenses would help the business.

Perfect, we can close the case here.



Profit Pulse Drop

BCN / Difficulty - Medium



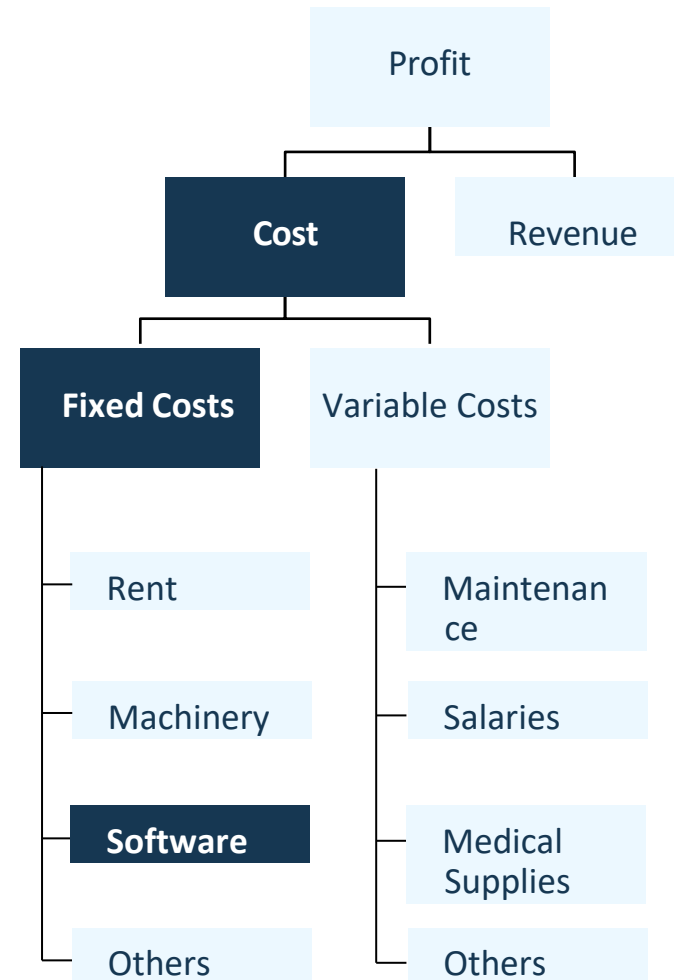
Clarifying Questions

- Location of the client
- Since when have we been facing the decline, and magnitude of the decline?
- Is this an industry-wide issue or company-specific?

Brownie Points

- Identify cost drivers, divide them into fixed and variable costs.
- Offer short-term and long-term recommendations

Framework / Approach



Transcript

You have been approached by Spotify. They are facing a decline in profitability. They want you to analyse why?

Alright. Before we start, I have a few preliminary questions. Since when has this problem been in existence and how much is the decline in profitability ?

All right. So, the company has been facing a 10% percent decline in profitability and this is a company specific issue.

Okay, got it. I would like to delve deeper into the issue to identify the source of the problem. Spotify's profitability is driven by 2 aspects – The artists and the listeners. I'll start from the artist journey to better understand the problem.

Sounds good. Go ahead.

So, the artist on journey can be divided into 2 parts – pre release and post release.

Pre Release	Post Release
• Signing contracts with Spotify • Song Released on Spotify, which is further affected by a) Ability to release - b)Willingness to release	• Promotion by Spotify • Song discovery by Audience • Number of songs played

So, let's start with pre release first. Has there been a decrease in the number of contracts or the number of songs released by Spotify ?

Yes, you're right. The number of songs released by Spotify has decreased.

Okay. I don't think the ability to release songs has changed. The willingness might change because of the decrease in the reach of the listeners or because of higher commission charged by Spotify. Can you tell me if both these factors have changed ?

The commission has not changed from Spotify's part, but the number of listeners have gone down.

All right. Have similar trends been seen in the post release phase with song discovery and the number of songs played ?

Yes, the total number of songs played have decreased.

Makes sense. Have these trends seen with a specific genre of music ?

Yes, this trend is specific to Punjabi Music only.

Got it. So, essentially the number of Punjabi songs played have decreased and this has caused the artists to release lesser number of songs for the audience.

Perfect. You summarised the case well. The Punjabi artists have released lesser number of songs because the number of Punjabi songs played have gone down. What would your recommendations be ?

For the short term, giving Punjabi songs a feature and promoting Punjabi playlists would help gain traction. For the long term, however, there needs to be a change in the algorithm to promote Punjabi music, because there is a sizeable market in India for that genre.

That sounds good. We can end the case here.

SPOT-IF-You can

Boston Consulting Group / Difficulty – Medium



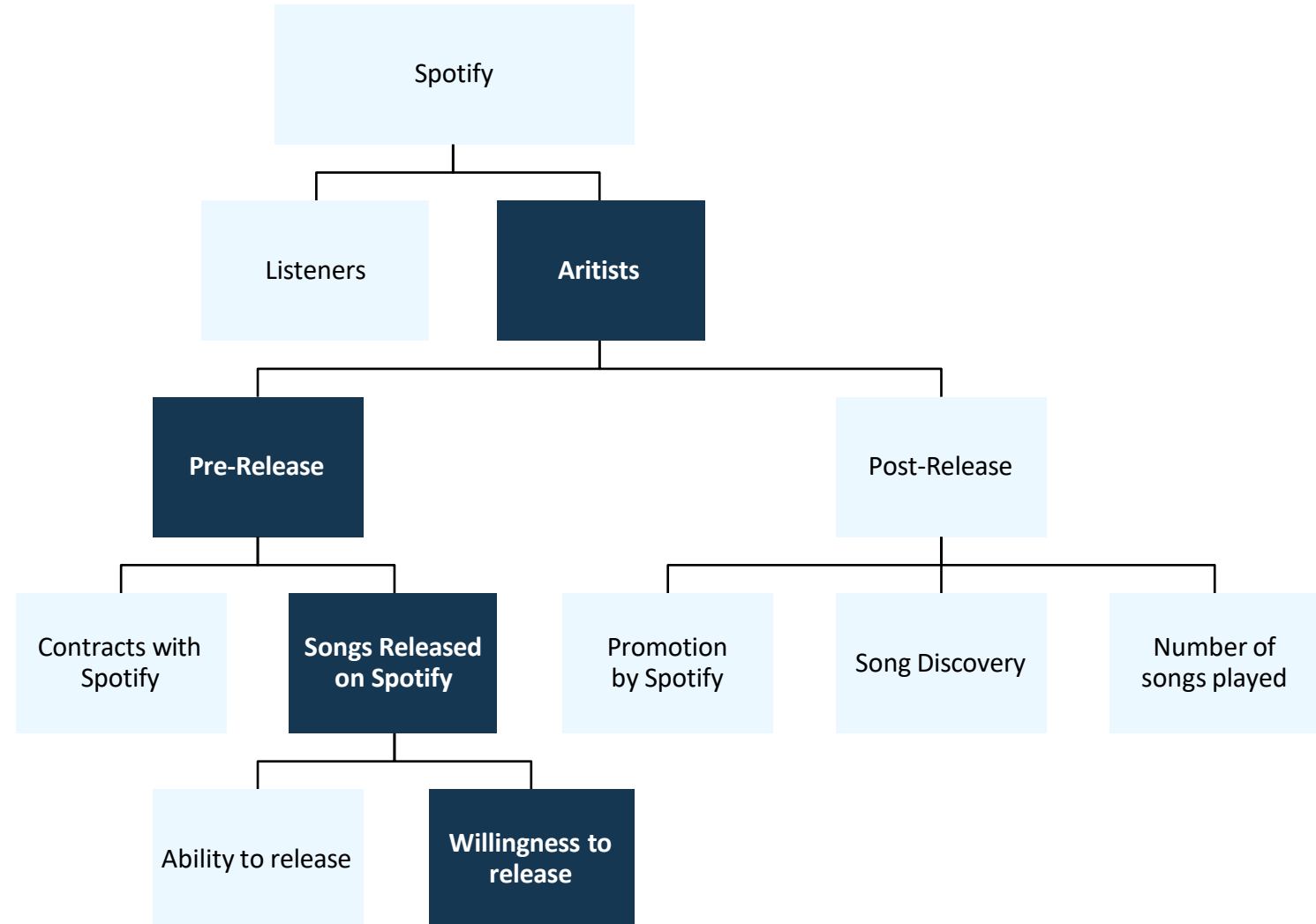
Clarifying Questions

- What is the extent of decrease in profitability?
- How long has the issue been there for?
- Is it specific to geography, genre or artist?

Brownie Points

- Dividing the artist journey into pre and post release to structure better.
- Giving long term and short-term recommendations.

Framework / Approach



Transcript

Your client is a zoo in Chennai which has been facing a decline in profits. It has asked you to identify the issue and solve it.

Okay, since when has the client been facing this decline and what is the magnitude of the same?

The client has been facing a 20% decline in revenue for the past 6 months.

What type of offering does the zoo offer its visitors?

The zoo has both animals and birds including exotic animals such as the white tiger as well. Apart from this it has standard offerings such as food, Cart service and a gift shop

Is there any information on a new zoo opening in the city?

No there isn't any new zoo in the city.

Ok. So, the decline in revenue can either be a revenue or a cost side problem, do we have information on change in revenues or costs?

The revenues of the zoo have gone down even though the ticket prices and costs have remained the same over the past 6 months.

Revenue of Zoo = Number of visitors * Avg. ticket price + revenue from other sources, these can be further bifurcated as

Number of Visitors

- Number of Tickets sold online
- % of People turning up
- Number of Walk-in ticket sales

Sources of Revenue, is affected by

- Child to Adult Ratio of Visitors as the price of children's tickets might be cheaper
- Food & Beverages sold, revenue of gift shop
- Special Services such as a golf carts and binoculars.
- Advertisement Revenue . Has there been any change in the number of visitors or the other sources of revenue?

The number of visitors has remained the same, there has been a decrease in revenue from advertisements without any change in the area available.

Revenue from Advertisements = Area Available(sq. ft.)*%Area utilized*Price/sq feet

% of Area Utilized

- Number of Advertisers that reach out to get their advertisements published
- Number of Ads booked by a single advertiser
- Area taken by each advertisement

Price/Sq. feet depends on

- Visibility of the Advertisement i.e., how many people are likely to see an advertisement in the zoo
- Quality of the Advertisement i.e., the kind of paper used to publish advertisements

Transcript

They are facing an issue with the visibility of advertisements.

Visibility includes the number of people viewing an advertisement and the time for which each individual views an advertisement. Which one of these has been affected

Okay. So, both these factors have gone down in number as there are trees blocking some advertisement boards, hence the zoo has been forced to reduce the price/sq feet for them. What recommendations would you give to rectify the situation?

Okay, to improve visibility, we can either keep the billboards in the same location or shift them to another location. The following solutions can be implemented accordingly

Same Location

- Remove the trees altogether
- Regular trimming in areas
- Convert Trees into advertisement space

Different Location

- Popular Viewpoints in the zoo, Entrance
- New spaces, brochures of the zoo etc.

Great, I think we can wrap the case here.

The Animal Kingdom

Accenture / Difficulty - Medium



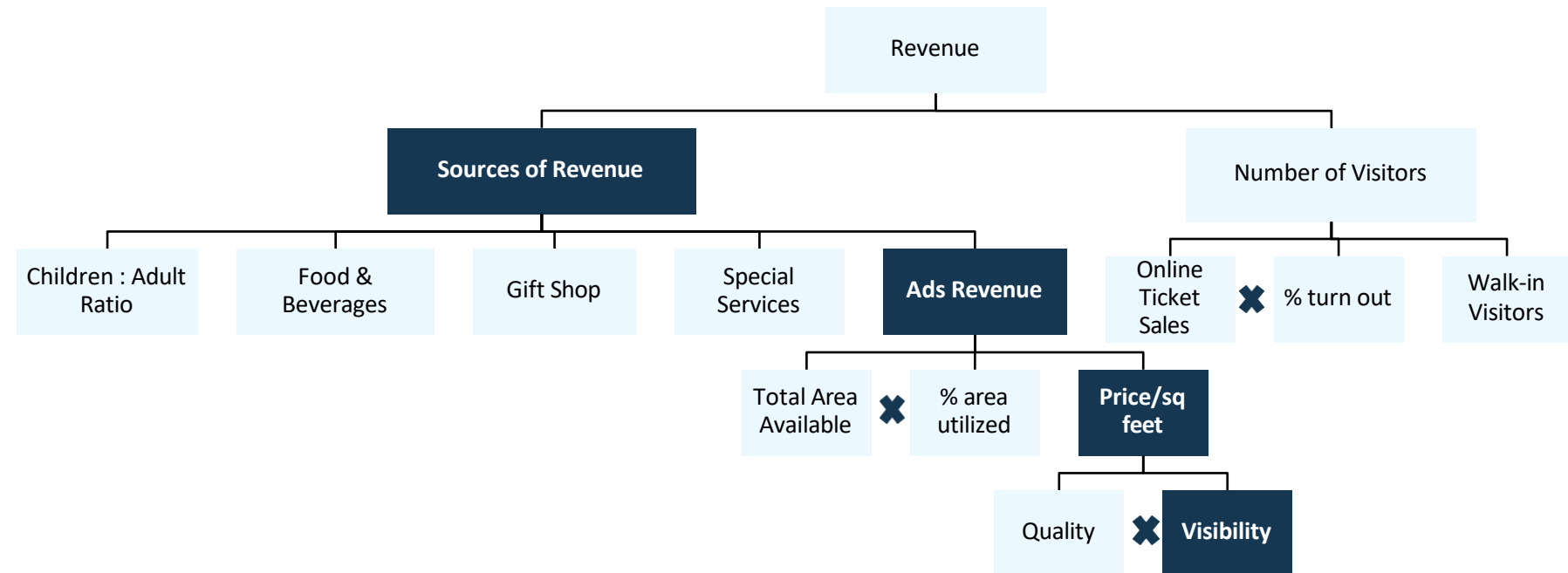
Clarifying Questions

- What is the extent of fall in profits and time frame? (5% & 6 months)
- Offerings of the Zoo?
- Are there any new competitors in Chennai? (No)

Brownie Points

- Bifurcation into offline and online ticket sales
- Identifying Advertisements as a source of revenue for the zoo.

Framework / Approach



The Microwave Meltdown: A Distribution Dilemma

Everest / Difficulty - Medium



Transcript

Our client is one of the top three players in India. It has been experiencing a fall in revenue of approximately 50 percent in the past 1 year. Find out the reasons for this and provide recommendations.

What distribution channels did the company have?

The company has different distribution channels, namely, online, multi-brand retail outlets like Reliance, regular retail shops and distributors, along with their own retail store.

Does the company produce anything else?

No, it only sells microwaves.

We mostly target urban cities and tier 1 cities and their multi-brand outlets. In tier 2 cities, we target our remaining partners.

Is the revenue decline driven by a drop in the number of units sold, a shift in product mix, or a decrease in average selling price

Yes, the issue arises from the decrease in the number of products sold, the other two remain unchanged.

Let us go about the value chain analysis. The issue may arise as a result of a problem in either of the manufacturing or logistics segment. If it were a manufacturing issue, we'd expect defects or capacity constraints, but since product quality and production capacity haven't changed, that's unlikely. Similarly, logistics issues would typically cause delays or increased costs, but there's no indication of that either. That leaves distribution. Have there been any changes in your distribution channels recently?

Yes, actually. We recently ended a contract with one of our long-time distributors.

That could be the key issue. If this distributor was responsible for a significant portion of your sales, especially through multi-brand stores, their departure would directly impact your revenue.

We earn 25 percent through multi branded stores and this distributor was selling to a multi branded store.

Given that 25% of your revenue comes from multi-brand stores, losing this distributor would explain the 50% drop in revenue.



The Microwave Meltdown: A Distribution Dilemma

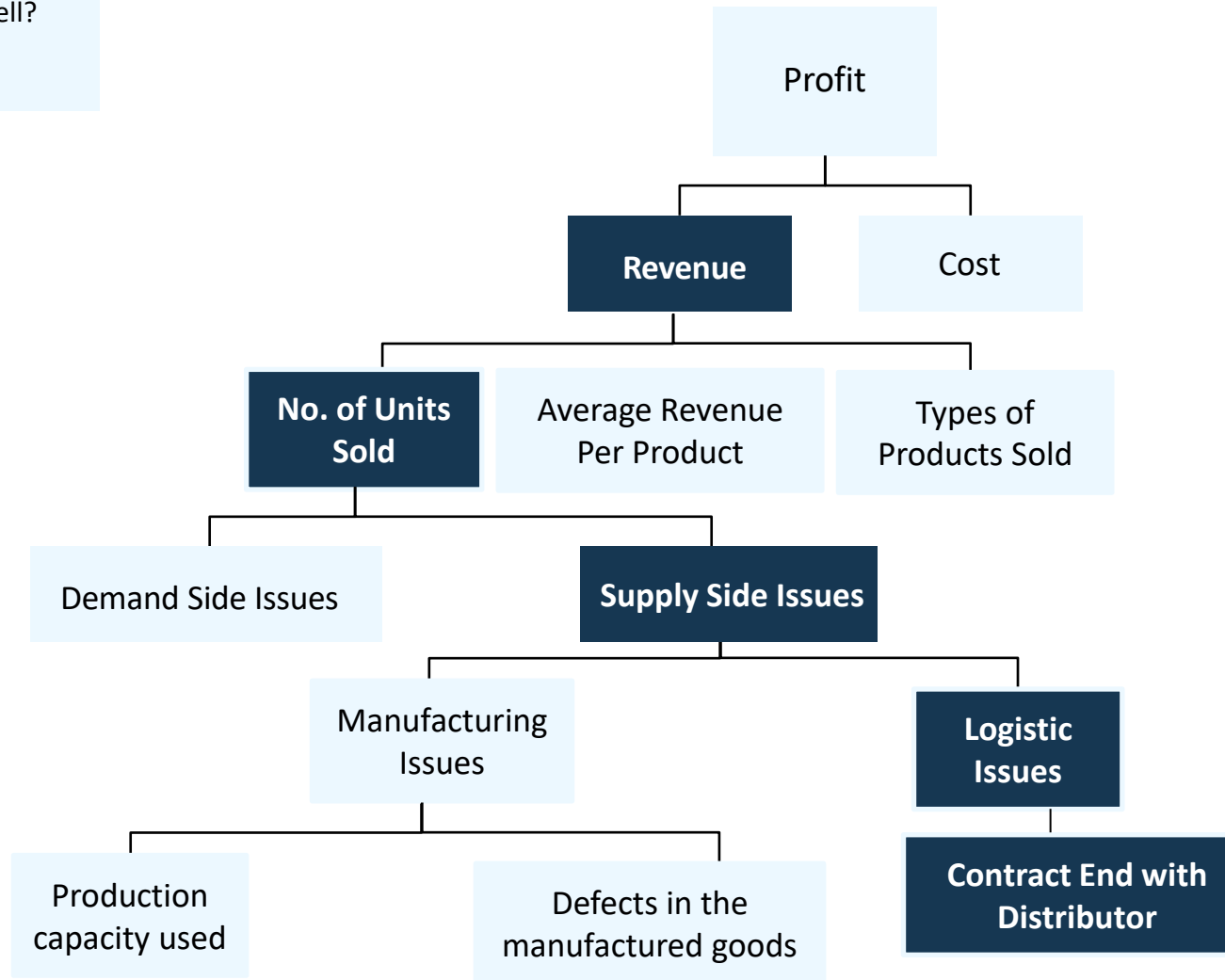
Everest / Difficulty - Medium



Clarifying Questions

- What does your client exactly sell? Only microwaves or other products as well?

Framework / Approach



Transcript

Your Client is a watch manufacturing company facing a decline in revenues, you've been asked to assess the situation and give suggestions.

Okay, since when has the client been facing this decline and what is the magnitude of the same?

The client has been facing a 25% decline in revenue for the past couple of years.

Where is our client located and is it an industry-wide problem?

The manufacturer is located, Pan-India and this is not an industry-wide problem, it is client specific.

Is there any information on the range of products and the distribution channel of our client?

You can assume that there is only 1 type of analog watch that our client manufactures. The distribution channel includes our own retail stores and online retail as well.

Ok. So, the decline in revenue can either be a demand or a supply side problem. The supply aspect can be bifurcated into two factors – Production & Distribution. The demand side has five factors – Need, Awareness, Accessibility, Affordability & Experience.

Now, Production can further be divided into – Variable & Fixed costs. Variable factors include Efficiency, Waste & Cost of Raw Material, fixed factors are poor and obsolete machinery

Distribution channel has three components, warehousing, transport & retail outlets

You've analyzed the supply side factors really well ! However, the supply of our manufacturer remains unaffected, can you elaborate on the experience part.

The customer experience can be evaluated at each step, starting from the decision to buy the watch and then moving on to other steps, the distribution channel whether it is online or at a store, placing the order, making the payment & aftersales services such as warranties & repairs. Is there information on which part of the customer journey are we facing an issue

You've slightly touched upon it. The client has noticed an issue on the decision-making step as a lot of people aren't deciding to purchase their watch

The Decision can be affected by factors such as Budget of customers, features of the watch & the brand reputation of our client itself.

Yes, the clients are facing an issue with the features of our watch. There has been a general shift among the consumers towards smart watches. Can you recommend steps to averse the situation

I would like to divide my suggestions in 3 buckets

- 1. Geographical Expansion** – It is possible that the market for analog watches is saturated in India, but the client can explore other parts of the world, if they're open to international expansion
- 2. Exploring New Revenue Streams** – This can be done by introducing smart-watches which maybe a long-term alternative. For the short term, our client can introduce high-end Analog watches as a status symbol
- 3. New Customers** – The overall watch market is really fragmented and there isn't a general distinction between preferences of different age groups. However, smart watches aren't preferred by kids and senior citizens, so it is possible that we can divert our focus on these new customers by introducing designs targeted at them

Okay, I think we can wrap up the case here, you've comprehensively identified the issue and suggested remedies.

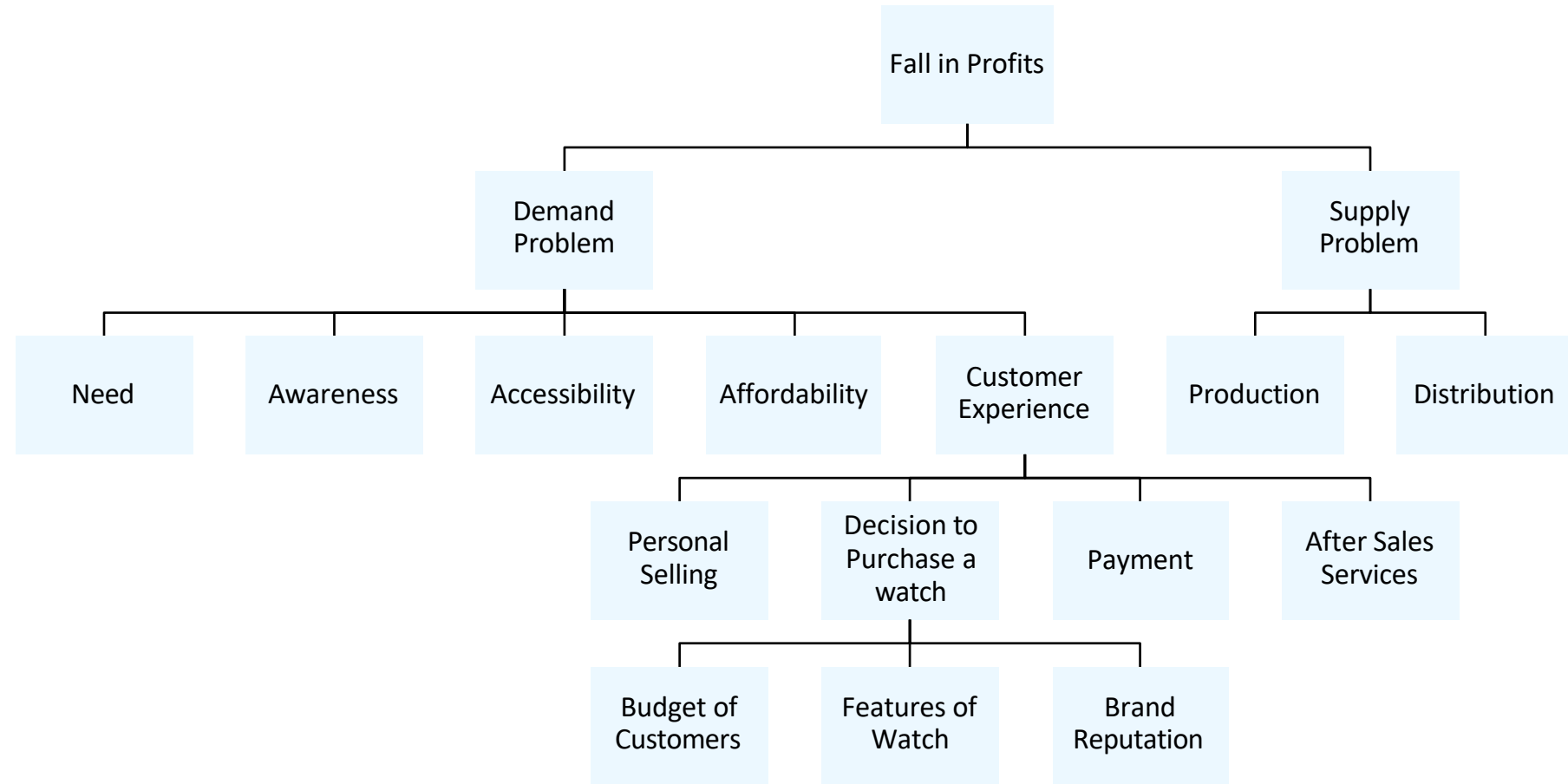
Clarifying Questions

- What is the extent of fall in profits and time frame? (25% & 2 years)
- Is it a company-specific or an industry-wide issue? (Company- specific)
- What are the product Offerings of the client? (Analog Watch)

Brownie Points

- Analyzing the customer experience journey
- Structuring recommendations

Framework / Approach



Trouble in Barce(loan)a

By the Authors / Difficulty - Medium



Transcript

Your client is a football club in Barcelona that is facing a decline in profits. You have been hired to identify the source of the problem.

Okay, I'd like to know more about the club. What is the size of the club or scale at which it operates? What kind of players are associated with the club and what league do they play in?

For the sake of this case, you can assume the club to be FC Barcelona, one of the most popular football club in the world.

Alright. Is the problem specific to our client ? Or are the others clubs facing similar decline in profits?

The other clubs in La Liga (which is the league they play in) haven't faced such issues. So, we can say that this problem is limited to our client.

Got it. Since when they have been facing this problem? What is the magnitude of the decrease in profits?

The magnitude of decline is 15% and it has been since the last quarter.

I will begin by dividing the profits into revenue and cost components. A decline can be attributed to either a decrease in revenue, increase in cost or both. Do we have information on whether costs are affected or revenue?

The costs have remained the same.

Noted. There are several revenue streams for a football club. They can be classified as off season revenue and revenue earned during the season. Do we have any information about which of these segments is experiencing a decline in revenue?

Okay, that is useful information. As per my understanding, off season revenue can be further classified football related revenue and non football related revenue.

- Football related revenue would include things like academies they run, sale and purchase of players, contracts and sponsorships.
- Non football related revenue would include the events they hold on their own, rent out other organizations to hold events on their facilities, merchandise sale.

What has been the state of these two segments?

The football revenue has gone up. But the non football revenue has gone down.

Alright, it seems like there is something I am missing. Has football revenue been unexpectedly high in the off season?

Yes, we have had new sponsors coming in and they have put a lot of money and therefore we have high football related revenue.

We can see that non football revenue has gone down by much more than the increase in football revenue. We have talked about events and merchandise sales in this segment. Which one of the components of non football revenue has been affected?

All the components are affected under non football revenue.

This could be due to new sponsors as they might have imposed certain conditions on the organizations our client could rent their facilities to or restrictions on brand sponsorships for their own events or on merchandise partnerships. This could have adversely affected the revenue.



Trouble in Barce(loan)a

By the Authors / Difficulty - Medium



Transcript

Brilliant! You're spot on. We have a new sponsor Spotify. They have put in a lot of money, but we have not been able to rent out our major facility at Camp Nou. We have not been able to rent out stadiums for concerts in the off season and that has notably affected our revenues.

Trouble in Barce(loan)a

By the Authors / Difficulty - Medium



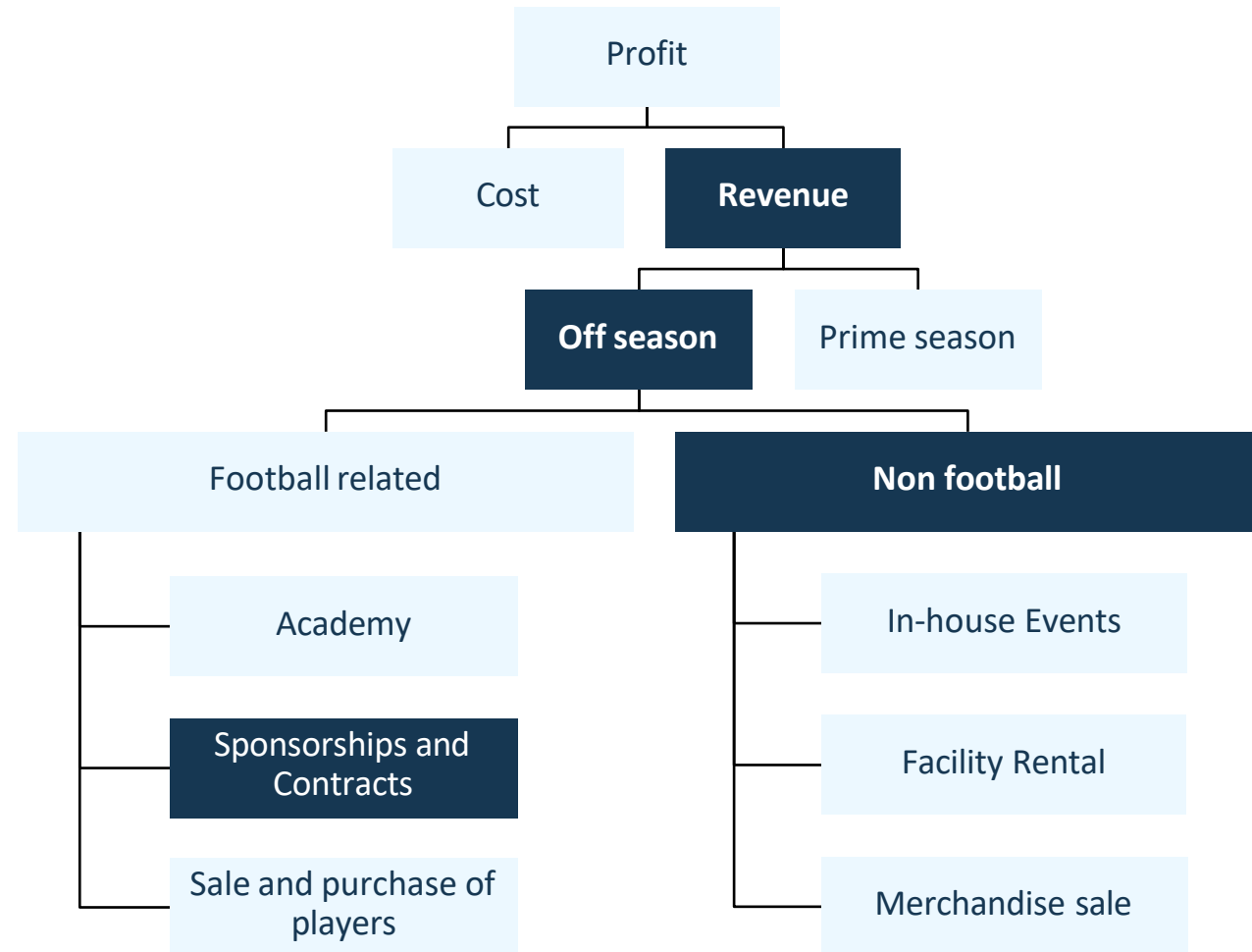
Clarifying Questions

- Is this a league-wide issue or club specific?
- What is the extent of decline and how long has it been happening?

Brownie Points

- Classification of revenue streams into off season and revenue earned during the season
- Establishing link between what could have induced increase in football related revenue and reduced non football related revenue

Framework / Approach



Transcript

You have been approached by EIL Ltd., a telecom equipment manufacturer and service provider. Costs of EIL Ltd. are rising. How do you propose to cut their costs?

To start with, I would like to have clarity on some part. Since when are the costs increasing and what is the extent of increase? Also is this an industry wide issue or company specific?

All right. So, the company has been facing a 5% increase in costs over the past 1 year. And this is a company specific issue.

OK. Got it. Since our client is engaged in two kinds of activities, I would like to list down the costs involved in those two kinds of businesses.

OK. Go ahead

Service Provider Business:

- Equipment Manufacturing:
 - 1. Procurement
 - 2. Processing
 - 3. Packaging
 - 4. Distribution & Logistics
- 1. Fixed Cost
 - a) Spectrum License Charges
- 2. Variable Cost
 - a) Selling
 - b) General & Administration Charge
 - c) Salary & Wages
 - d) After Sales Service

Yes. That sounds reasonable

So, now I would like to know which business segment is facing increase in costs?

The service providing business of the company has been seeing increase in costs.

OK. First of all, I would like to drill down into the Fixed Costs. Can I assume that there's no increase in the Spectrum License Charges, since this issue is company specific? If yes, then which part in the Variable Cost is facing a rise?

Your assumption makes sense. The company has been facing issue due to rise in Salaries & Wages.

All right. Further Salaries & Wages can be divided into 2 factors: No. of Employees & CTC per Employees. So, has the company seen increase in no. of employees over the past year?

No. The company has not seen a major increase in the no. of employees over the past year. However, the CTC per Employee has seen an increase.

OK. As per my knowledge, CTC has three main segments namely: On-boarding & Training, Basic Salary and Benefits. Which one of these is the pain point?

Well done. The company has been facing increase the On-boarding & Training costs. Reason being the time spent on training the employee has increased. The 1- year employee turnover has increased resulting in the non-utilisation of trained manpower. How do plan to solve this ?

So, for this we need to alter the onboarding process or reduce the onboarding the time.

I can think of three recommendations for the same:

1. Conduct training in stages over a period of a few months instead of providing the same in the beginning.
2. Conduct bulk training using online channels
3. Improving employees' experience in the company, encouraging initiatives, providing opportunities for growth and addressing grievances

That sounds good. We can end the case here.

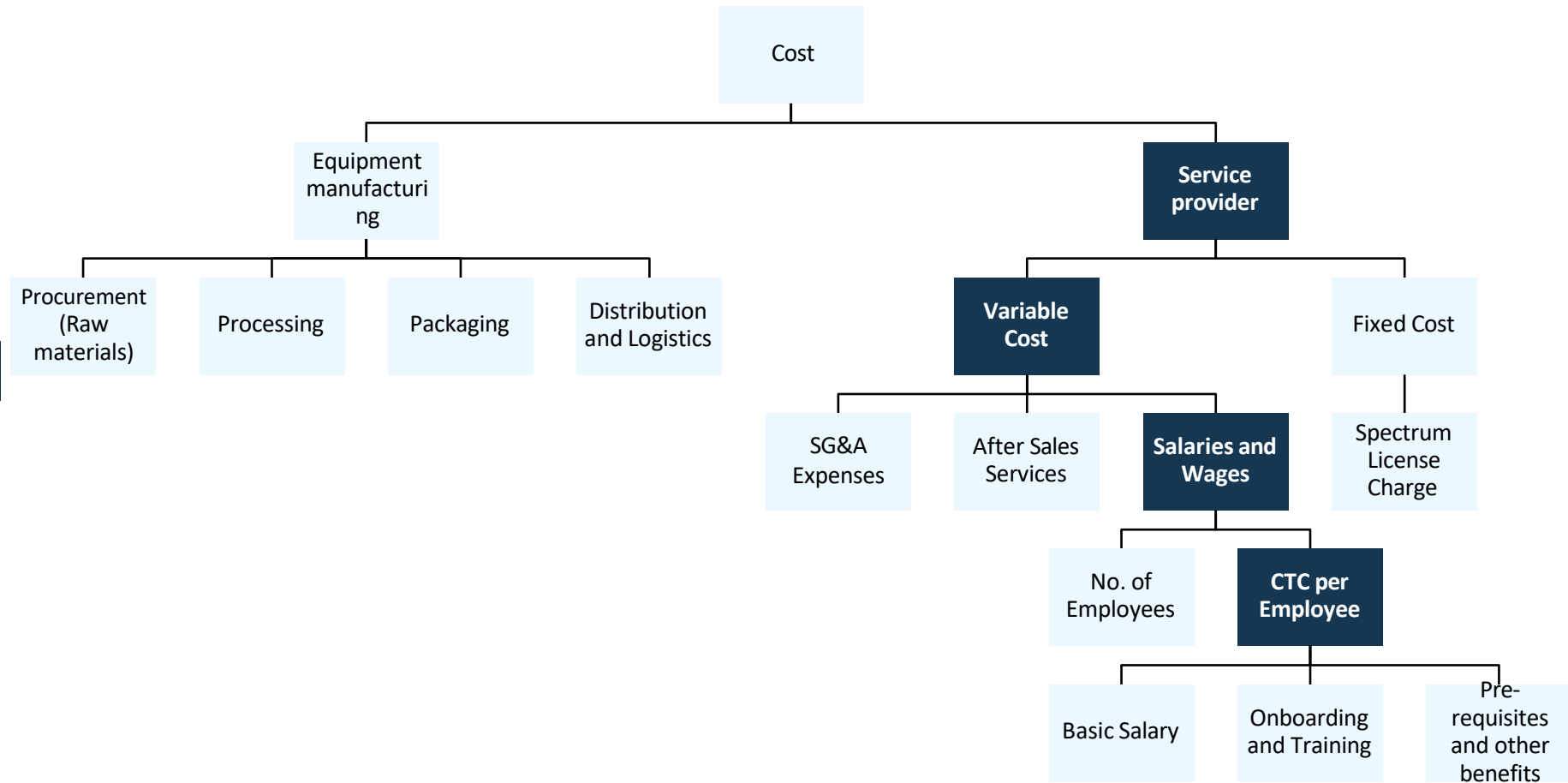
Clarifying Questions

- What is the extent of increase in costs? (5%)
- Since when have we been facing increase in such cost? (1 year)
- Is this an industry wide issue or company specific? (Company Specific)

Brownie Points

- What is the objective behind this?
- Finding innovative ways to structure the problem like low, medium, high

Framework/Approach



Transcript

Good morning! Let's dive into a case. An electronic gadget company is looking to optimize its pricing strategy. They are considering three different pricing models and want to determine which would be the best strategy in terms of profitability and breakeven analysis. Does that sound good?

Yes, that sounds great. Could you provide me with the key details?

Sure. Here's the information:

- Fixed Costs: ₹12,00,000
- Variable Cost per Unit: ₹150
- Strategy 1: Selling price = ₹300, Units sold = 10,000, Additional marketing cost = ₹2,00,000
- Strategy 2: Selling price = ₹280, Units sold = 12,000, No additional marketing cost
- Strategy 3: Selling price = ₹260, Units sold = 15,000, Additional transportation cost = ₹2,50,000

Based on this data, I'd like you to analyze which pricing strategy is the most profitable and also determine the breakeven point for the company.

Understood. I'll start by calculating the contribution margin per unit for each strategy.

Step 1: Contribution Margin Calculation

Contribution per unit = Selling Price - Variable Cost

- Strategy 1: ₹300 - ₹150 = ₹150
- Strategy 2: ₹280 - ₹150 = ₹130

- Strategy 3: ₹260 - ₹150 = ₹110

Step 2: Total Contribution Calculation

Total Contribution = Contribution per unit × Total Units Sold

- Strategy 1: ₹150 × 10,000 = ₹15,00,000
- Strategy 2: ₹130 × 12,000 = ₹15,60,000
- Strategy 3: ₹110 × 15,000 = ₹16,50,000

Step 3: Profit Calculation

Profit = Total Contribution - Fixed Costs - Additional Costs

- Strategy 1: ₹15,00,000 - ₹12,00,000 - ₹2,00,000 = ₹1,00,000
- Strategy 2: ₹15,60,000 - ₹12,00,000 - ₹0 = ₹3,60,000
- Strategy 3: ₹16,50,000 - ₹12,00,000 - ₹2,50,000 = ₹2,00,000

Interviewee: Based on this analysis, Strategy 2 is the most profitable, with a profit of ₹3,60,000.

That's a solid approach. Now, can you determine the breakeven point for each strategy?

Absolutely. The breakeven point is calculated as:

Breakeven Units = (Fixed Costs + Additional Costs) / Contribution Margin Per Unit

- Strategy 1: (12,00,000 + 2,00,000) / 150 = 9,333 units
- Strategy 2: 12,00,000 / 130 = 9,231 units

Transcript

- Strategy 3: $(12,00,000 + 2,50,000) / 110 = 13,182$ units.

This means the company needs to sell at least 9,231 units in Strategy 2 to break even, making it the most feasible breakeven strategy compared to others.

That's a thorough and structured analysis. Well done! Any final thoughts?

Yes! Strategy 2 is the best choice because it yields the highest profit while having the lowest breakeven point. This minimizes risk while maximizing profitability.

Great! That concludes the case. Thanks for your time.

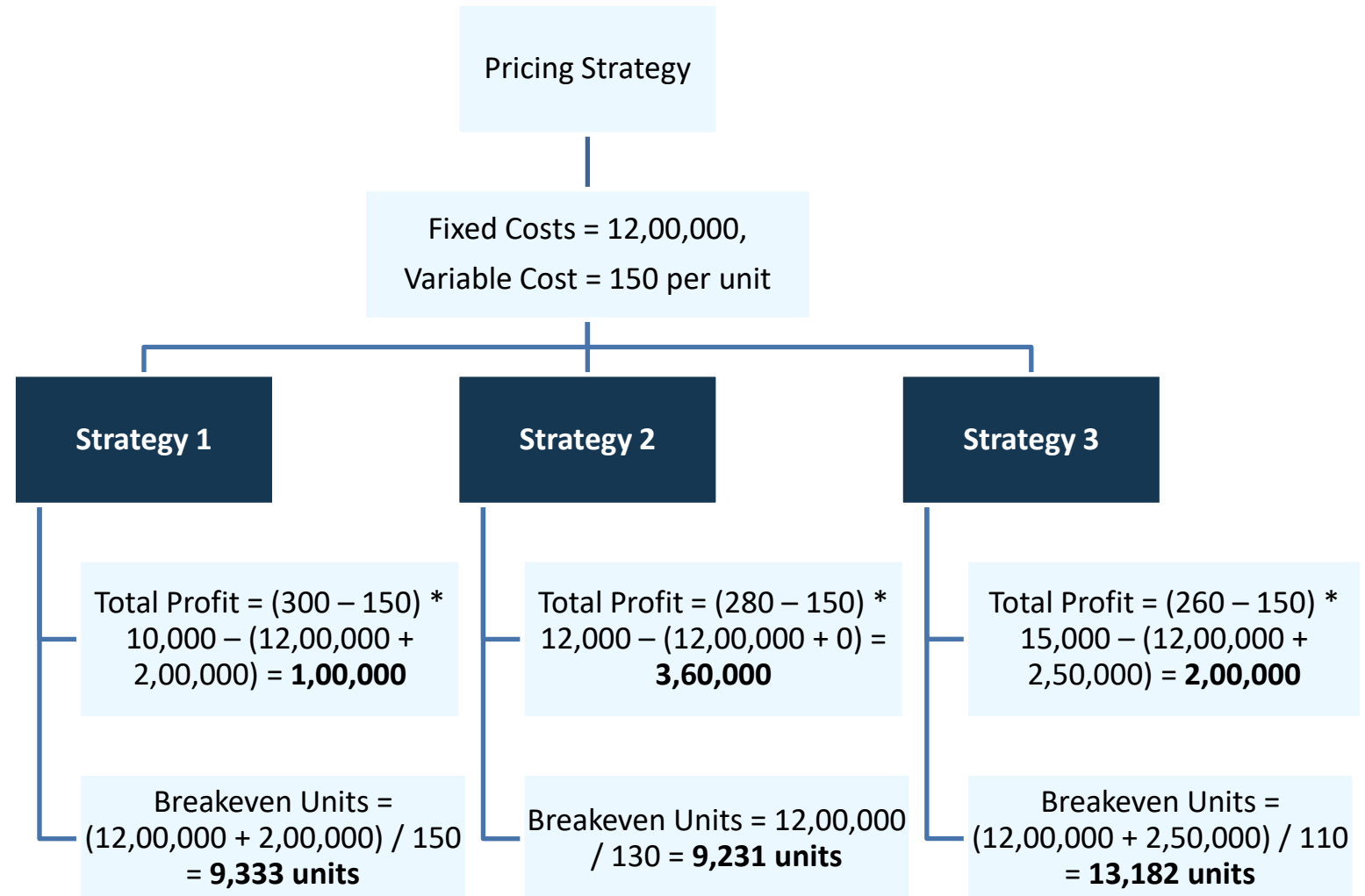
Clarifying Questions

- Are there any market constraints affecting demand (e.g., competition, trends, seasonality)?
- Do marketing and transportation costs scale with sales?
- Is production capacity limited?

Brownie Points

- Dividing the Customer experience into phases
- Finding innovative ways to structure the problem
- Isolating the problem by further dividing each factor

Framework / Approach



Transcript

Your client is a pan-India bicycle manufacturer that has been experiencing decline in profits over the past 3-4 years. Find out why.

Okay. I'd like to ask a few questions before proceeding with the case. What is the quantum of the decline and since when has the client been facing so?

The client has been seeing a decline of 15%, from the past 3-4 years.

Okay. Can you specify the product mix of the company and the sales channels?

The company sells three types of bicycles – Standard, Hybrid and Sports. Further, it sells bicycles via its own stores and third party retailers.

Okay. Is the decline in its own store sales or sales via third party retailers?

You may focus on third party retail segment and identify the possible problem segments for the client.

Okay. I think the possible problem segments could be divided into three parts – Revenue Trends, Cost Structure and Sales Channels. I would like to analyse the revenues of the 3 products first. Do we have any data related to it?

The following data is known to us.

Type	Price	2020 Units	2021 Units	Margin %
Sports	10,000	10,000	5,000	40%
Hybrid	7,000	15,000	12,000	35%
Standard	4,000	1,00,000	1,10,00	30%

Okay. So I would like to calculate the revenue decline in each of the following segment.

Yes. You may proceed.

So, total revenue decreased by x% i.e. x M and total Margin dropped by 3.83% i.e. ₹15.65M.

Interestingly, revenue of the Standard bicycle have increased over this period, and the entire drop is coming from the sports and hybrid segment, majorly from the sports segment.

That's right. What could be the potential reasons for the decline in this sector and what would you recommend to the client?

I would further like to probe the reason for the decline in sales of sports category. This decline can be a supply or demand-side drop. Does the client have any information on the same?

There is no issue with the supply from the client side.

Okay. So, the reason for the demand decline can be clubbed into the following 2 buckets - attracting new customers & retaining existing customers.

Attracting new customers can done by marketing campaigns and promotional offers. We can also provide incentives to distributors to drive our product sales further. Retention of customers can be attributed to the after-sales services & product quality.

Good. I think we can end the case here.

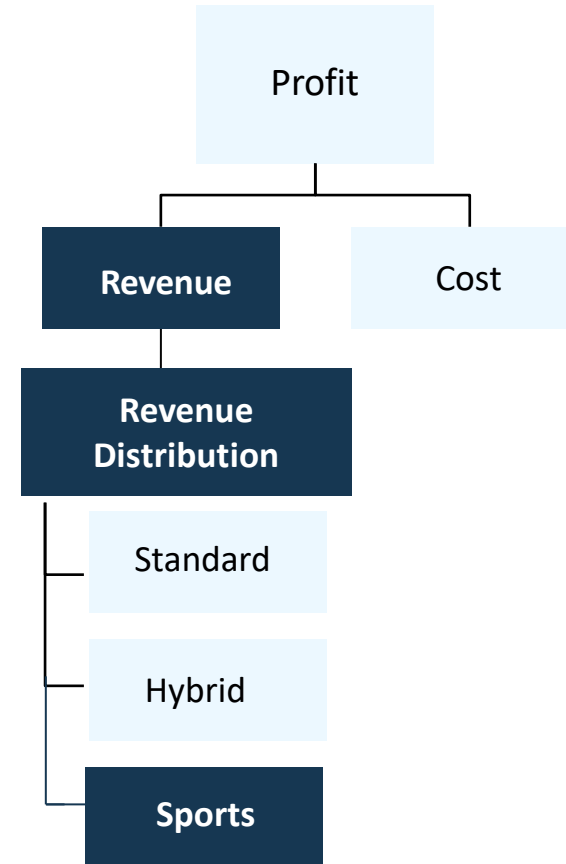
Clarifying Questions

- What is the quantum and term of decline of revenues?
- What are the sales channels and the product mix?
- Is the decline uniform across all products?

Brownie Points

- Calculating the exact figures for decline in revenues
- Dividing the problems into revenues, costs and sales channels
- Dividing recommendations into long term and short term

Framework / Approach



Transcript

A (retail) bank is facing issues with its bottom line declining. What could be the reasons for the same?

Got it. Where is our client located? What is the magnitude of decline we are facing and since when?

The client is present nationwide with a significant presence in all Metro cities. The bank has seen a decline of 15% in profit and has been facing this problem for 1 year now.

Interesting. Have other retail banks been facing a similar decline?

Several banks are facing a similar issue

Understood. It seems like an industry wide problem.

$$\text{Profit} = \text{Revenue} - \text{costs}$$

Do we have any information on which revenue stream has been the most affected? As per my knowledge, the major revenue sources are a) interest on loans, b) fee-based income, c) gains on capital investment, d) Commission on third party products.

You can look at interest on loans.

Sure.

Interest on loan = (# of customers) * (% interest charged) * (average principle of loan disbursed)

Yes, we have observed that the average loan amount disbursed has been declining

The Average principle of loan disbursed depends on both demand and supply side. On the demand side, there could be 2 reasons for this.

- 1) Decline in demand for loan
- 2) Diversion of demand to other sources like neo banks

Good. You can stop here and look at the cost side now.

The major areas where we will be incurring cost would be the interest on demand deposits, along with selling, general, operational and administration expenses.

Yes, we are incurring heavy costs on administration expenses. You have rightly identified the problem. Do you have any suggestions to turn things around for the bank.

Yes, let's look at what we can do:

- 1) Provide competitive interest rates
- 2) Employee training programs
- 3) Financial literacy programs

Great suggestions. We can close the case now.

The Bombay Bank

Mckinsey / Difficulty- Hard



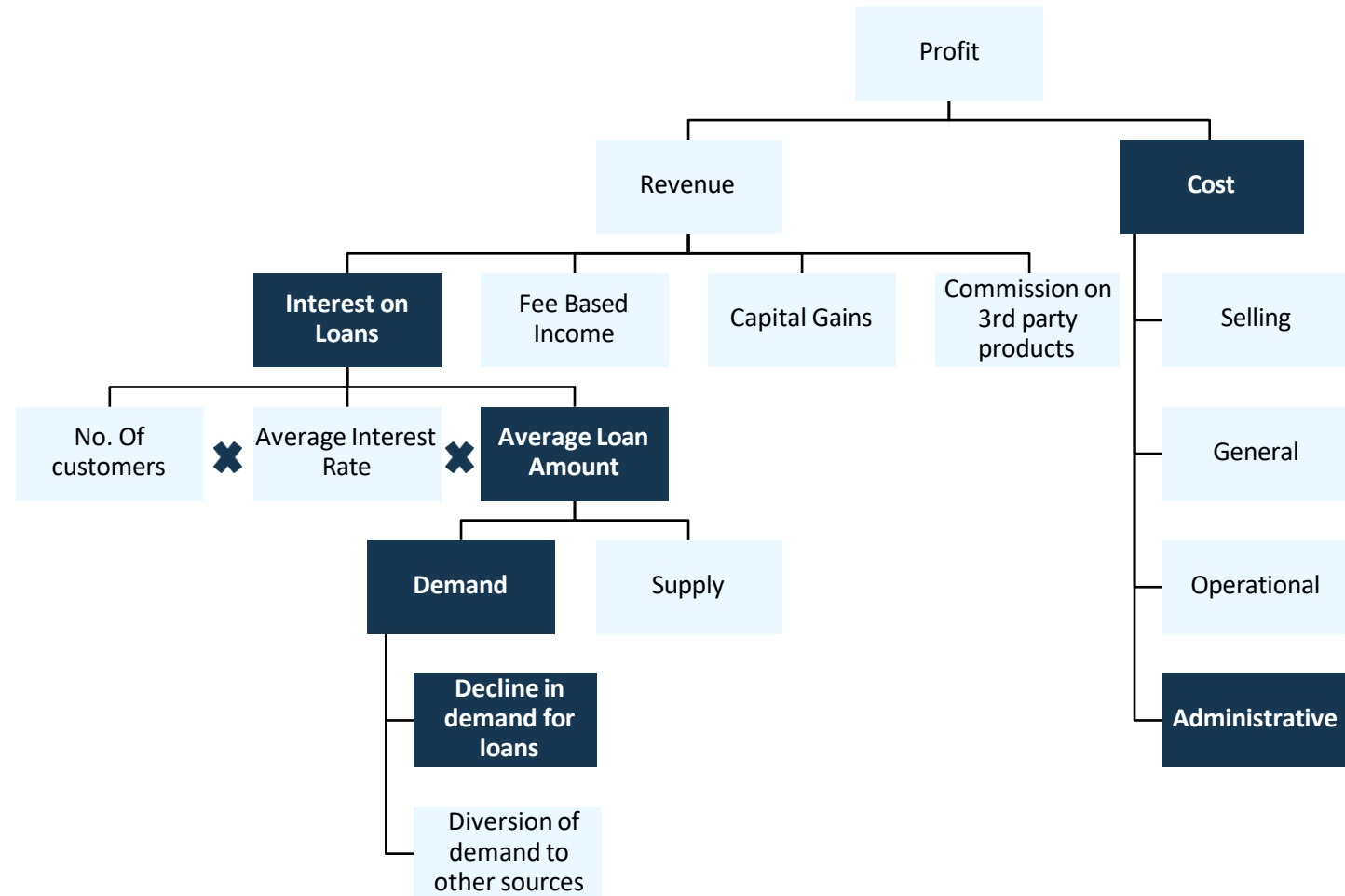
Clarifying Questions

- Where is the client located? (nationwide)
- What is the magnitude of decline? (15%)
- Since when have we faced this decline? (1 year)
- Is it an industry wide problem or specific to our client? (industry wide)

Brownie Points

- Diversion of demand to other sources like neo banks

Framework / Approach



MARKET ENTRY



BRIDGES
FOR
ENTERPRISE

Market Entry- How to go about it

Description / Preliminary questions / Framework

In a market entry case, you are generally asked to assess the situation in which a firm might expand into new markets in terms of products, geographies, customer segments, etc.

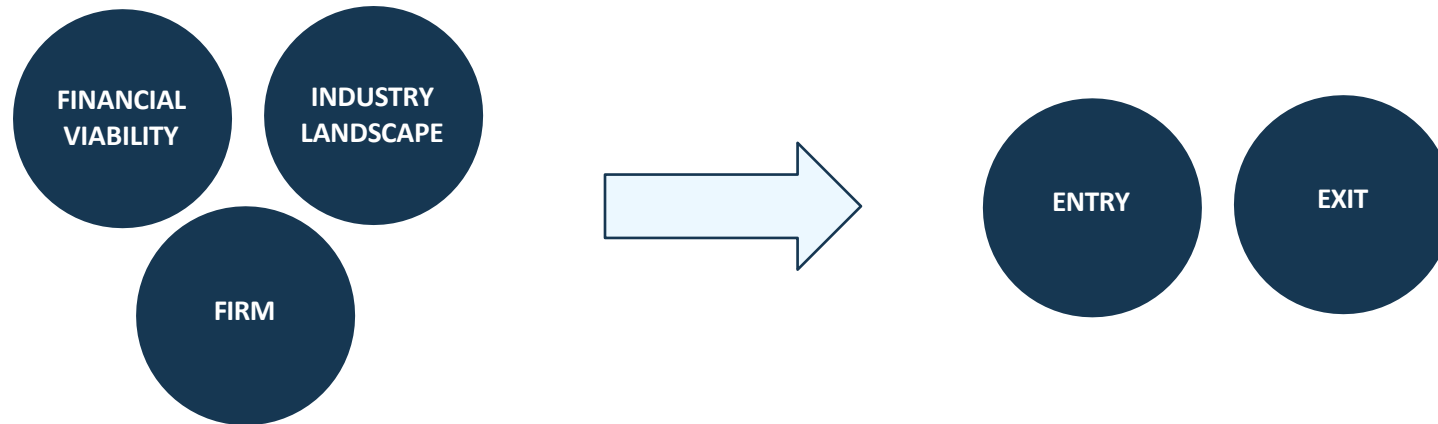
Market entry cases are highly dependent on the way of presentation and using a framework that you're familiar with can be a helpful way to structure your analysis and ensure you don't miss any key points! Back your case up with good reasoning and business judgment.

You may also be frequently asked to perform market sizing guesstimates inside market entry cases. Do remember to perform them quicker than you would do in standard guesstimates.

Preliminary questions are of utmost importance during market entry cases as you are asked to assess cases from just a qualitative perspective more frequently. Given below are few such preliminary questions.

- 1) In-depth clarity of the firm's business model
- 2) Firm's objective to enter the new market
- 3) Are they looking to enter certain geographies only

In a Market Entry Case, we can start by analyzing the situation from 3 stand points and then move on to the modes of entry and exit in case the firm chooses to enter the market



Market Entry

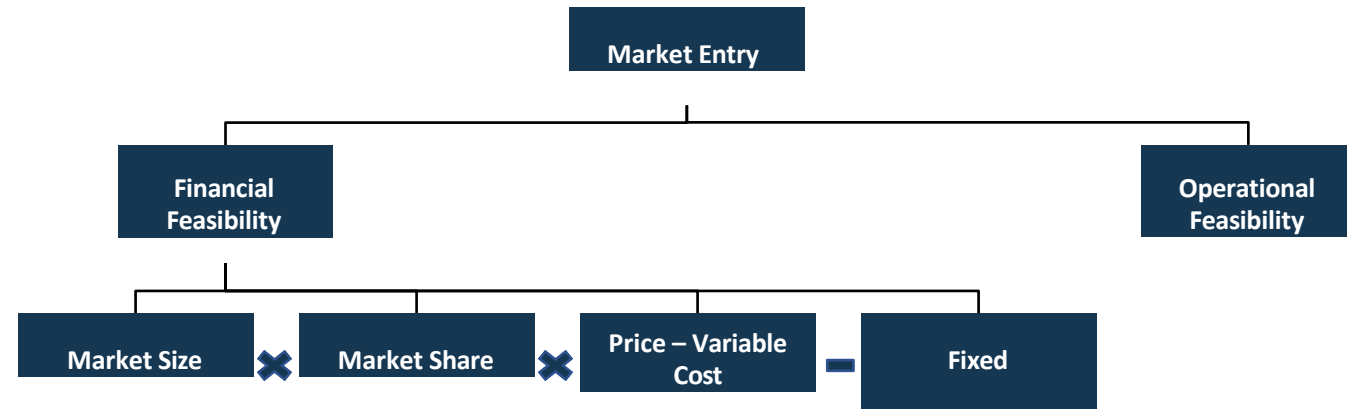
Framework



A market entry case is generally associated with a firm's foray into a new segment whether in terms of launching a new product, entering a new geographical territory, targeting a new customer segment etc. The candidate, first of all, needs to determine whether its feasible to foray into the new market and if it's feasible, what should be the company's strategy in doing so.

Clarifying Questions

- Why does the company wish to enter the new market? (Essentially asking about the company's objective behind the entry)
- Before initiating the case, try getting apprised of the company's basic information. This could include questions regarding the company's operations and the products it offers. The interviewer may also be asked about previous market expansions that the company has undertaken.
- In case of entering a new geographical territory, the interviewee may ask about the features of the new territory (if in particular). It may also be enquired if the firm is looking to enter only certain geographies.



Market size = Figure out to solve from demand vs supply side

Market Share = Use 4P analysis to figure out interviewer expectations and compare it to similar market entry by same company in different geographies & other companies in same geographies.

- The main analysis of the case can be divided into two buckets: Economic analysis and Operational Feasibility.
- The economic analysis would deal with the company's market share in the total market landscape considering the variable and fixed costs.
- As for the operational feasibility, the interviewee should convey the value chain of the focused industry to the interviewer.



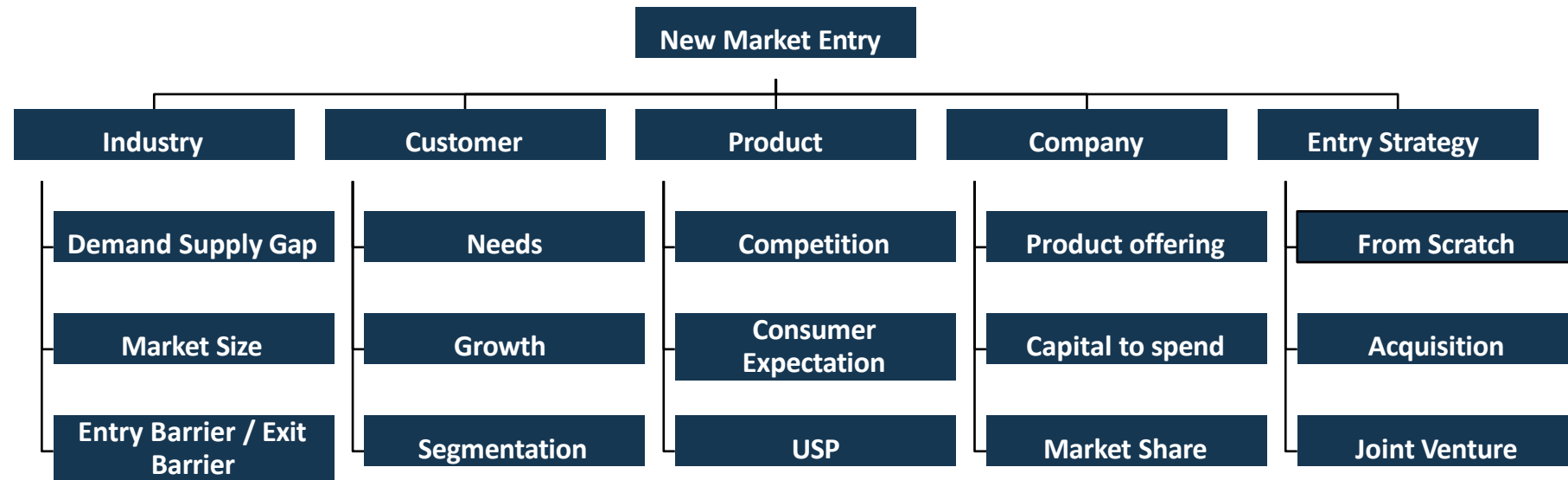
New Market Entry

Framework



A case pertaining to market entry, which could involve launching a new product or entering a new geographical region or both, is dependent on two fundamental inquiries

- Is it financially and strategically advantageous to enter the market?
- And if the answer is yes, what would be the optimal approach to enter the market?



In brief, the framework entails understanding the company's objectives and assessing whether market entry aligns with the overall firm strategy. To evaluate feasibility, the framework considers four categories, and based on the analysis, it recommends whether the company should enter the market or not, and if yes, how to do it.

It is important to note that not all aspects of the framework may apply to every case, but covering as much as possible provides a good understanding of the industry and the client's status. Moreover, it is essential to identify the client's position in the market and develop measures to mitigate the competition's edge. Generally, analyzing and recommending whether to enter the market satisfies the interviewer, but going the extra mile to suggest a high-level plan to capture the market is always beneficial.

New Product Launch

Framework

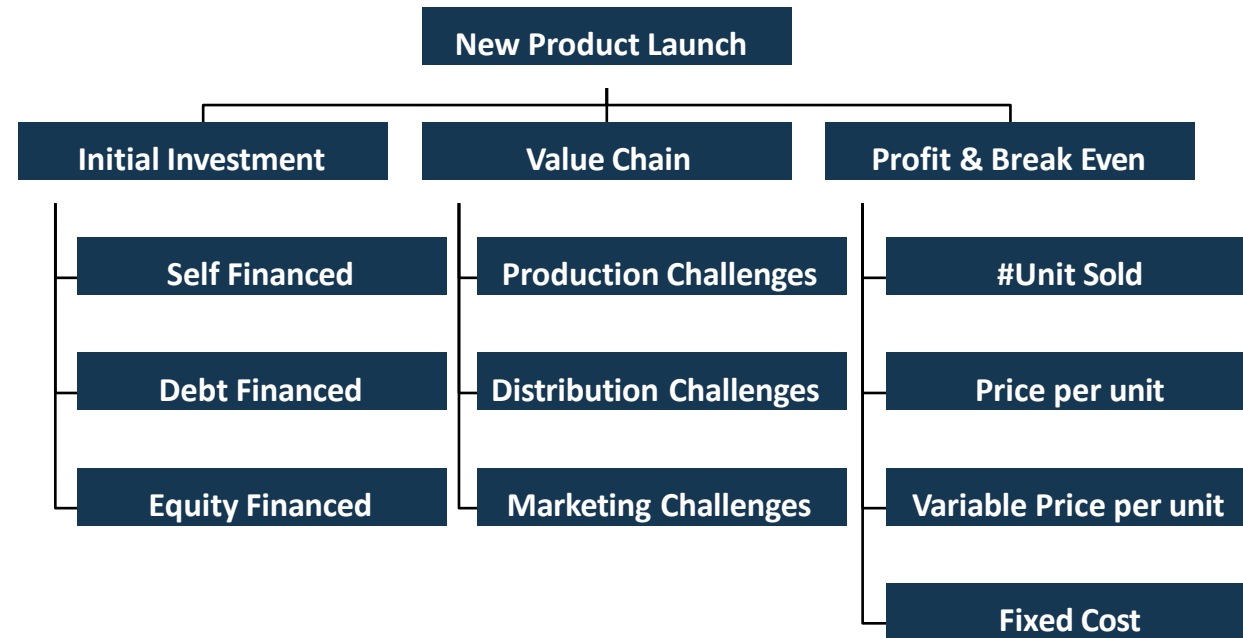


To enter a new market with a new product, a company may choose to introduce a completely new product or expand the reach of an existing product in a new geographic region. When analyzing such a case, the interviewer expects the candidate to first evaluate the feasibility of the product's success in the market. This is followed by identifying the appropriate price point and target market, and finally recommending strategies that can drive the product's success in the market.

Framework

Companies can launch a new product in a new market or expand their product line in an existing market.

Launching a product in a new market requires examining operational challenges and the product's viability. Expanding a product line in an existing market may require examining the feasibility of the product in the market, as well as leveraging the current value chain to make the product available to customers



The main inquiries to consider are:

- What is the objective of the product launch? Is it to expand market share, venture into a new business area, generate profits, or enhance brand image?
- What is the size of the market for the product? Are there any obstacles to entering the market? How does the competition appear?
- Which segments of the population are being targeted?
- What is the initial investment required? What is the projected payback period?
- What would be the appropriate price for introducing the product?

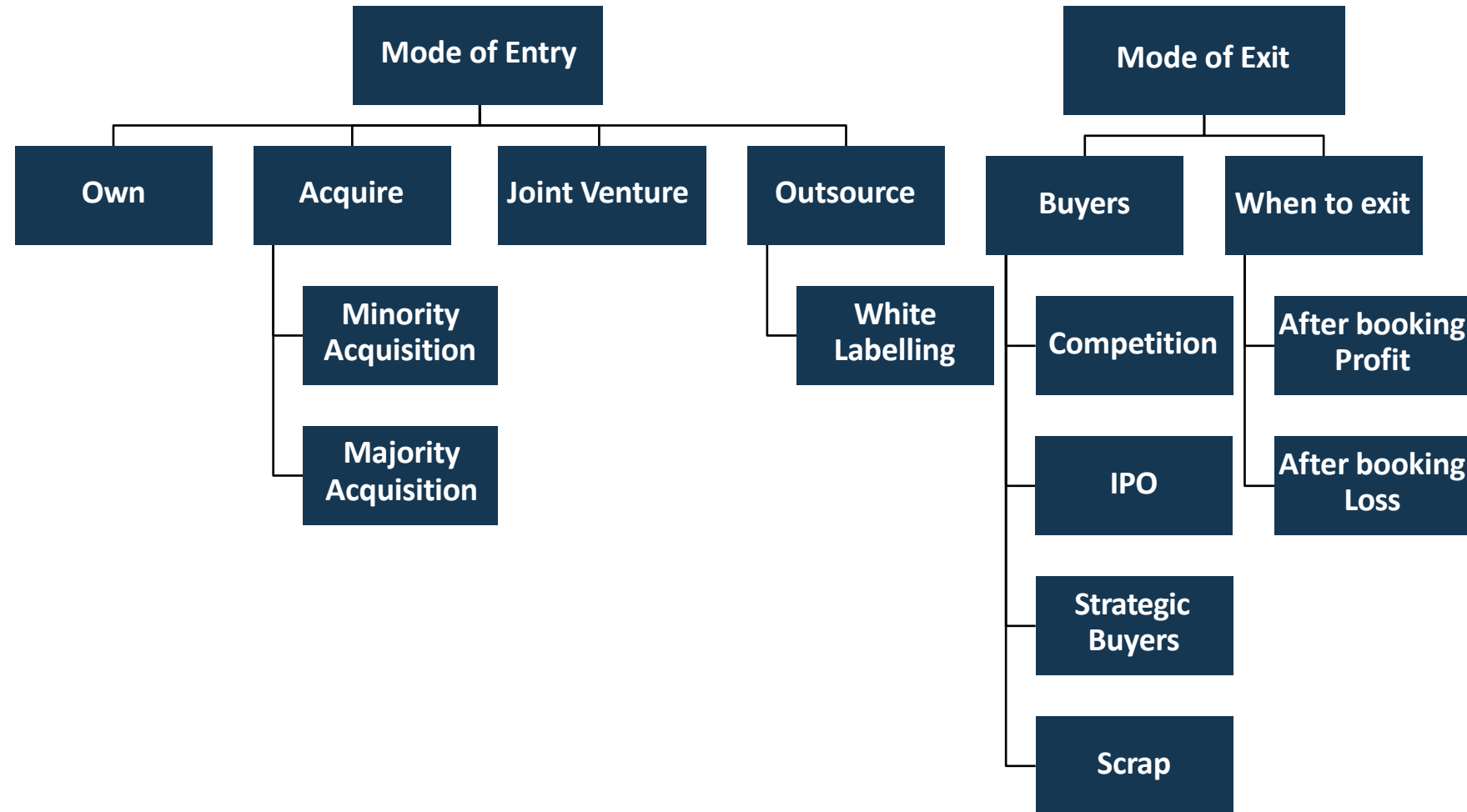


Market Entry Framework

Mode of Entry & Exit

Mode of Entry refers to how a particular company enters a new market which may take various forms. It may come on in its own i.e. directly or may even acquire an existing business in the target market. Joint Ventures with local companies to share resources and outsourcing (KPO/BPO/ White Labelling) are other popular means of entry in the new market

Market Exits can occur through share divestiture to competitors, public offering (IPO), strategic sale or scraping. The timing of the exit depends on the payback on investment, company's risk appetite or the quantum of losses that the company can bear.

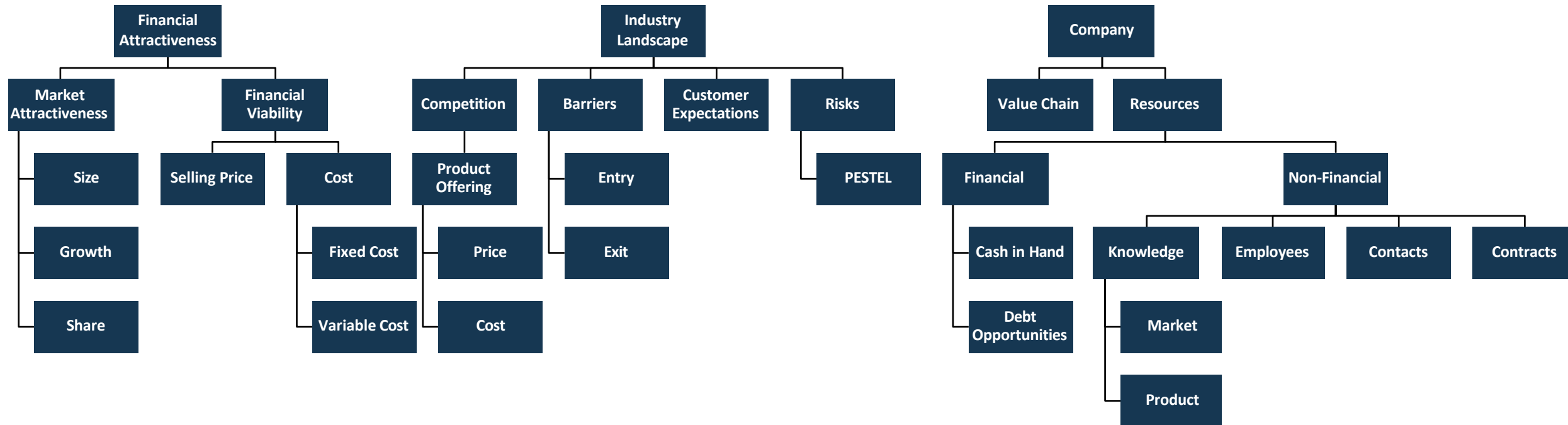


Market Entry- Alternate Approach

Description / Preliminary questions / Framework



Transcript



Transcript

PepsiCo believes that their existing market has saturated and now wants to enter into the RTD juice section in India. They have hired you to judge the market attractiveness and help them with market entry.

Sure. What is the motive for entering the market?

The main objective behind entry is profitability. PepsiCo has been a dominant player in soft drinks and wants to do so in the fruit juice market

Are there any regulations or barriers to entry that need to be kept in mind while trying to understand market entry? Where does the company lie in the value chain?

Regulations include FDA regulations that state that the product is safe for use. About the value chain, PepsiCo aims to Manufacture and distribute their products to various wholesalers and retailers throughout the country.

Thank you! Now can I take a minute to draw out my overall approach?

Sure!

First let's divide the market entry strategy into 4 sections to check financial feasibility, barriers to entry and mode of entry. First, I have tried to calculate the market size PepsiCo could capture in India in the RTD juice section. For that, I have considered the population of India and divided it on the basis of urban/ rural, income, and age to estimate the consumption of the commodity and thus calculate the market size.

Fair enough, now I want you to focus on certain other factors instrumental in making the market entry decision.

We can consider the setting up costs for PepsiCo. Plants and infrastructure already existing can be used up for new product in some capacity.

They may also set up new factories or partner with existing local players to gain cheap inputs and easy production as they have an already established supply chain.

Any other factor you can think of?

PepsiCo already has an existing brand value with a good brand image and existing high market share and it should be able to easily capture the market by advertising their product well. Also, during expansion, people already available and working in a similar capacity can be easily diversified into the new product.

Alright, since most of the points have been covered, we can now close the case.

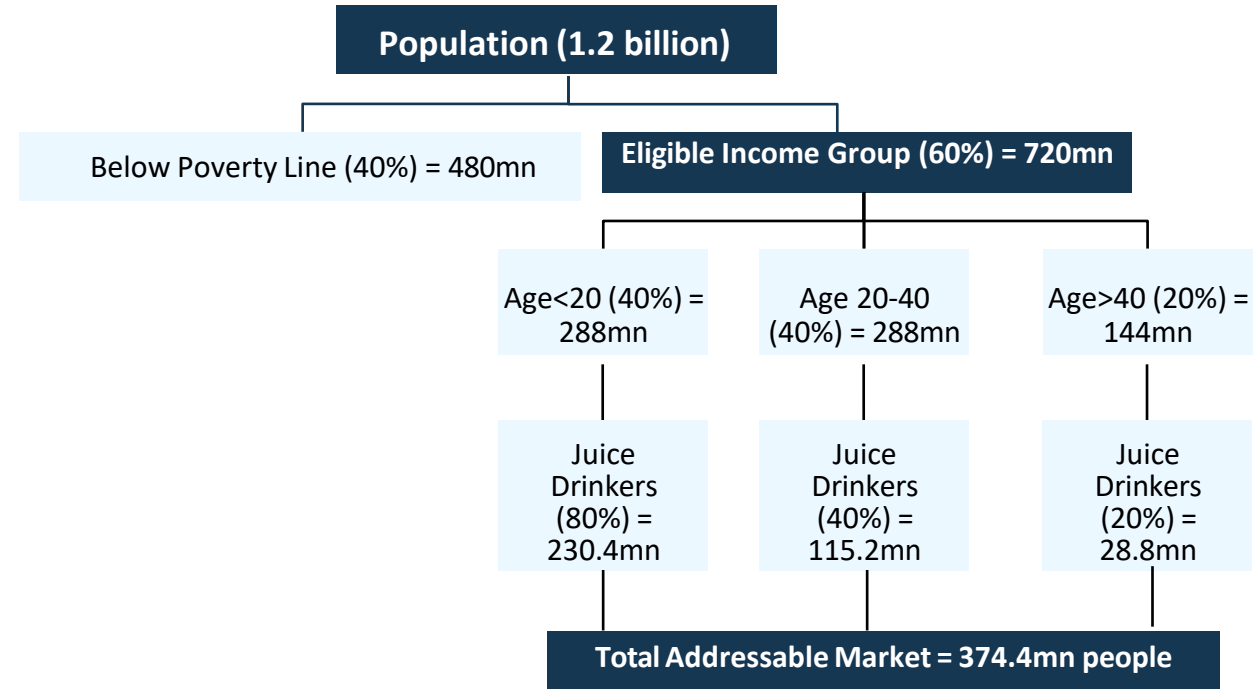
Clarifying Questions

- What is the main objective behind entering the market? (Profitability)
- Regulatory issues in entering the market? (No)
- Where does PepsiCo lie in the value-chain? (Manufacturer)

Brownie Points

- Identifying whether they'll be producing regular or sugar-free drinks?
- Identifying the market size

Framework / Approach



Coffee, Coffee, Coffee

Bain & Company / Difficulty – Medium



Transcript

Thank you for joining today. Your friend is considering opening a coffee shop in South Delhi Campus. Advise him whether he should open it or not.

I appreciate the opportunity. To start off, I have a couple of questions. What type of coffee shop is being envisioned, is it a kiosk, brick and mortar model or just a stall? Are there any specific product offerings?

It will be a brick-and-mortar model with indoor seating and takeaway options. Initially, we plan to offer various hand-grind coffee options, but no snacks for now.

Got it. Can you also share a bit about the competitive landscape and who we're targeting with this coffee shop?

The market is fragmented with a few local coffee shops that are quite popular among the students on campus. The primary target audience is college students, not local residents.

Thanks for clarifying. I would like to break this problem down into four key areas to assess feasibility: Financial Feasibility, Operational Feasibility, Barriers to Entry and Risks. Would you prefer if I address them step by step, or is there a particular area you want me to start with?

Step by step sounds good. Let's begin with financial feasibility.

Alright, let's start by estimating the market size. South Delhi Campus has roughly 10 colleges, each with 50 courses and an average of 60 students per course, which brings the total student population to around 30,000. We can segment the students based on their coffee consumption frequency:

- **High (Daily drinkers, 20%):** 6,000 students, consuming ~300 cups per year → 1.8 million cups annually

- **Medium (Occasional drinkers, 50%):** 15,000 students, consuming ~100 cups per year → 1.5 million cups annually
- **Low (Rare drinkers, 30%):** 9,000 students, consuming ~30 cups per year → 270,000 cups annually

This brings us to a total annual consumption of approximately 3.57 million cups. If we aim for a 10% market share in the first year, we're looking at selling 357,000 cups annually.

That sounds reasonable. How would you estimate the price per cup?

I'd use a competitor-based approach. Most local coffee shops are charging between ₹80-120 per cup. Since we're offering hand-grind coffee, which is a premium product, I'd estimate a price of ₹100 per cup. This puts us in line with the higher-end local competitors but still affordable for students. At ₹100 per cup, we're looking at a total revenue of ₹3.57 crore.

That works. How about the cost structure? How would you determine that?

Let's break it into fixed and variable costs.

Variable Costs:

- Raw materials (coffee beans, milk, sugar) → ₹30 per cup
- Packaging → ₹5 per cup
- Other consumables → ₹5 per cup

So, total variable cost per cup is ₹40.

Fixed Costs include:

- Rent → ₹1,50,000 per month
- Salaries (4 employees) → ₹1,00,000 per month
- Utilities → ₹50,000 per month
- Equipment (espresso machines, grinders, furniture) → ₹15 lakh one-time

So, total monthly fixed cost is ₹3 lakh (~₹36 lakh per year).



Coffee, Coffee, Coffee

Bain & Company / Difficulty – Medium



Transcript

This results in a profit of ₹1.78 crore. Based on this, it seems financially feasible.

Great. How would you assess the operational feasibility of this coffee shop?

Operationally, we can look at the value chain for producing the product to assess the feasibility:

- **Raw Material Sourcing:** Sourcing high-quality coffee beans directly from producers and establishing supplier agreements for milk and packaging materials.
- **Equipment Procurement:** We'd need to invest in hand-grind coffee machines and espresso makers, which would be a one-time cost of about ₹15 lakh.
- **Processes:** Ensuring high-quality coffee and fast service through proper training for baristas. Additionally, creating an inviting atmosphere will be essential for drawing in students.

Understood. What about the barriers to entry for this business?

The barriers to entry are pretty low since it's a small area, so they aren't a major concern for now and can be set aside. As for the risks, A few key risks include:

- **Regulatory Risks:** Ensuring compliance with food safety regulations (e.g., FSSAI) and obtaining the necessary licenses.
- **Consumer Preference Risk:** Students may not be willing to pay a premium for hand-grind coffee, so it's crucial to gauge their interest first.
- **Market Competition:** Existing coffee shops may react by lowering prices or offering loyalty programs, making it harder to compete.

Great analysis. Based on all that, what would be your final recommendation?

Given the financial viability, operational feasibility, and low barriers to entry, I'd recommend proceeding with the coffee shop. However, to minimize risks, I'd advise:

- **Pilot Test:** Start with a smaller format (pop-up or kiosk) to test the waters before a full-scale launch.
- **Loyalty Program:** Offer a discount or a free cup after a set number of purchases to encourage repeat business.
- **Marketing Strategy:** Use social media to engage with student influencers and collaborate with campus events for visibility.

That sounds good. We can end the case here.

Coffee, Coffee, Coffee

Bain & Company / Difficulty – Medium



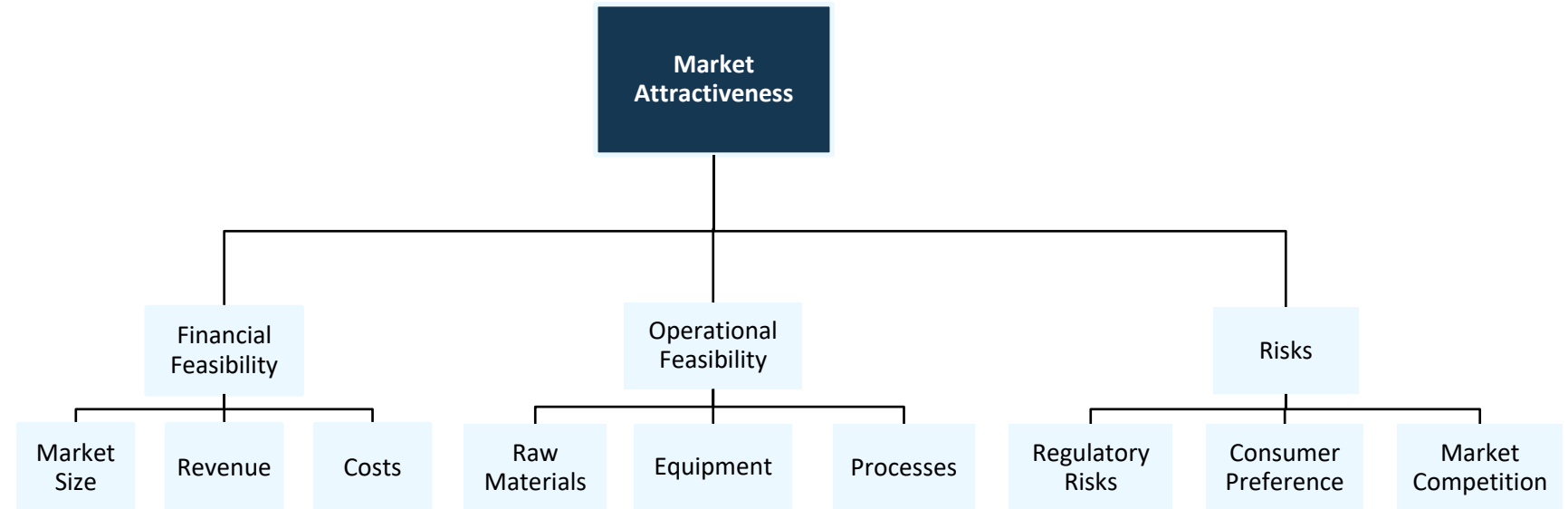
Clarifying Questions

- What kind of business model is being envisioned
- Knowing more about the product line
- Understanding the target customer

Brownie Points

- Setting the price by analyzing competitors' rates while incorporating a premium for the hand grind quality of the coffee.

Framework / Approach



Transcript

Your client is a gaming manufacturer and retailer based out of India that is looking to enter the market in Brazil. How should they go about it? What are the factors they should consider to judge this expansion?

Sure. Could you give me more information about the client, their products and the segment they operate in?

The company operates pan India and has some global presence. They have been doing substantially well in global markets as well. They make consoles (comparable to PlayStations and Xbox).

Got it. What is the main objective behind entering Brazil markets ?

The objective is expansion and the client is okay just breaking even in the initial years and wanted to turn profitable eventually.

Yes, before I proceed with my analysis, I wanted to know if there are any budget or time constraints?

There are no time or budget constraints.

Alright, We can analyze the situation in three parts:

- 1) Financial feasibility** - I want to look at the total profits we can make which would be equal to $(\text{Market size} \times \text{Market share} \times \text{Profit/unit}) - (\text{Fixed costs})$. This number shall then be evaluated to see if it is lucrative enough.
- 2) Operational feasibility** - I'd like to evaluate the various steps of the value chain and analyze it through a two-step approach: Method and Manner. In the method we shall evaluate whether we want to set up the operation on our own or merge, acquire or opt for a joint venture with someone. Under mode, we shall determine how to achieve the method.

3) Risks Involved and Implementation- PESTEL Analysis

The structure looks comprehensive. Can you calculate the market size for console gaming in Brazil?

Sure,

Total population of Brazil = 200 million Urban Population = 60 million (30%)

Middle class and high class = 24 million (approx. 40% can afford)

The above Population can be split into Age brackets:

5-18: 30%

18-40: 40%

Above 40: 30%

Assuming population in the age group of 40+ buying a console would be negligible and considering 50% in 5-18 and 30% in 18-40 would be inclined to buy a console.

Bringing the market size to be roughly about 7 million people.

Great, it is around 7.5 million. We can move ahead now. Client has two options that they can manufacture their consoles either in China or in Brazil. The retail price is \$50 per unit. It costs \$14 per unit to import after manufacturing in China and \$21 per unit to manufacture in Brazil.

The costs which are uniform across both the countries:

Distribution = \$6 per unit

Labour = \$8 per unit

Overhead = \$6 per unit

Miscellaneous = \$10.4 per unit

Brazilian government imposes 50% production tariff on manufacturing cost of goods imported from China. This tax reduces by 5% every year till it gets reduced to 15%.

Transcript

Is there any growth in number of units sold each year?

You can assume the growth rate to be constant.

After evaluating the costs, we see that it does not make sense to venture into Brazil on the basis of just first year as they'll be losing \$1.4 per unit on every product sold (irrespective of place of manufacture) .However, they'll break even in year 3 and they'll be profitable in year 4 and would recover the amount lost in initial 2 years by the end of 5th year.

Great, This does check out. We can end the case here.

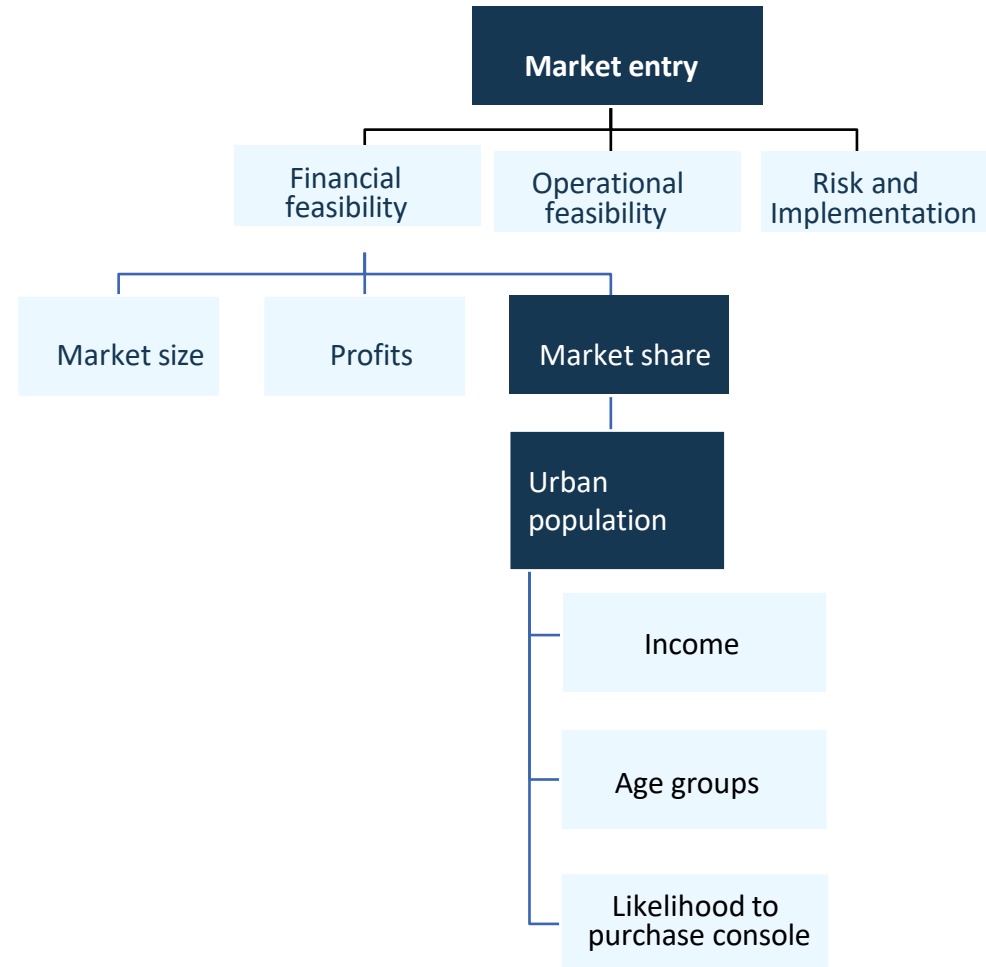
Clarifying Questions

- Segment in which they are operating
- Knowing more about the product
- Objective of expansion
- Budget or time constraints

Brownie Points

- Taking Brazil's demographics similar to India
- Considering affordability and likelihood to buy while calculating market share of consoles
- Asking for growth rate while calculating breakeven and profitability period

Framework / Approach



Premium Yoga Mats

Bain / Difficulty - Medium



Transcript

Your client is a US-based premium yoga mat manufacturer looking to expand into India. They want you to design a comprehensive market entry strategy. Are you ready to begin?

Sure, I would like to begin by understanding where the client currently serves, what is their market share, and what is their pricing strategy?

The client currently serves in US with a small presence in Europe and has significant market share meanwhile operating at higher end in pricing.

Alright, so my overall approach would like calculating the market size of premium mats in India and then consider other factors like growth trends in this industry and also the nature of target market.

You are correct and your framework sounds feasible. You may go ahead with your reasoning.

Sure, sounds good. Now based on the preliminary knowledge gained, I will draft my approach for estimating the market size of such mats in India

Sure, you may go ahead.

Let me start by estimating the market size for premium yoga mats in India.

Total Population: Assume India's population is around 1,500 million.

1. Rural: 1,000 million
2. Urban: 500 million

Since the product is premium, I'll focus on urban consumers. Does that sound right?

Yes, you are going correctly.

Income Segmentation in urban areas would like this:

Lower Income: 30%

Upper Income: 70%

Our likely target is the upper-income urban segment. Agree?

Fair observation, Go ahead.

We can segment the population by Age Segmentation (within upper-income urban population):

0–18: 20%

18–35: 40%

35–60: 30%

60+: 10%

I'll focus on 18+ because they're more likely to practice yoga seriously. Does that make sense?

Yes, that is making sense to me. Please go ahead

Now, the percentage of people interested in yoga in different age brackets would look like :

Among 18–35: 60% interested

Among 35–60: 40% interested

Among 60+: 20% interested

These are assumptions based on lifestyle trends. Is that acceptable?

That seems like a good number. We can work with those estimates

Now we would divide each category into yoga enthusiast and people pursuing yoga as hobby. In the 18–35 segment, assume 40% are enthusiasts (the rest hobbyists). In the 35–60 segment, assume 20% are enthusiasts. Hobbyists make up the remainder in each age bracket. Enthusiasts likely purchase 2 mats; hobbyists purchase 1 mat. How does that sound?



Premium Yoga Mats

Bain / Difficulty - Medium



Transcript

That's a fair assumption.

We take the replacement cycle of a premium yoga mat for an enthusiast to be 2 years and for people pursuing as a hobby to be 4 years. Accordingly, we will divide.

You may proceed with that.

Now we consider the price of each yoga mat to be ₹15000 and 1\$=₹80 and accordingly tell the market sizing in dollars for it.

Great, this number definitely seems attractive enough for our client. What is your final suggestion?

This would be the market sizing but we will also consider other factor like growth rate in this industry which would be upwards due to increasing consciousness of people toward health and wellness and also the nature of our target market

That sounds good. We can end the case here.



Premium Yoga Mats

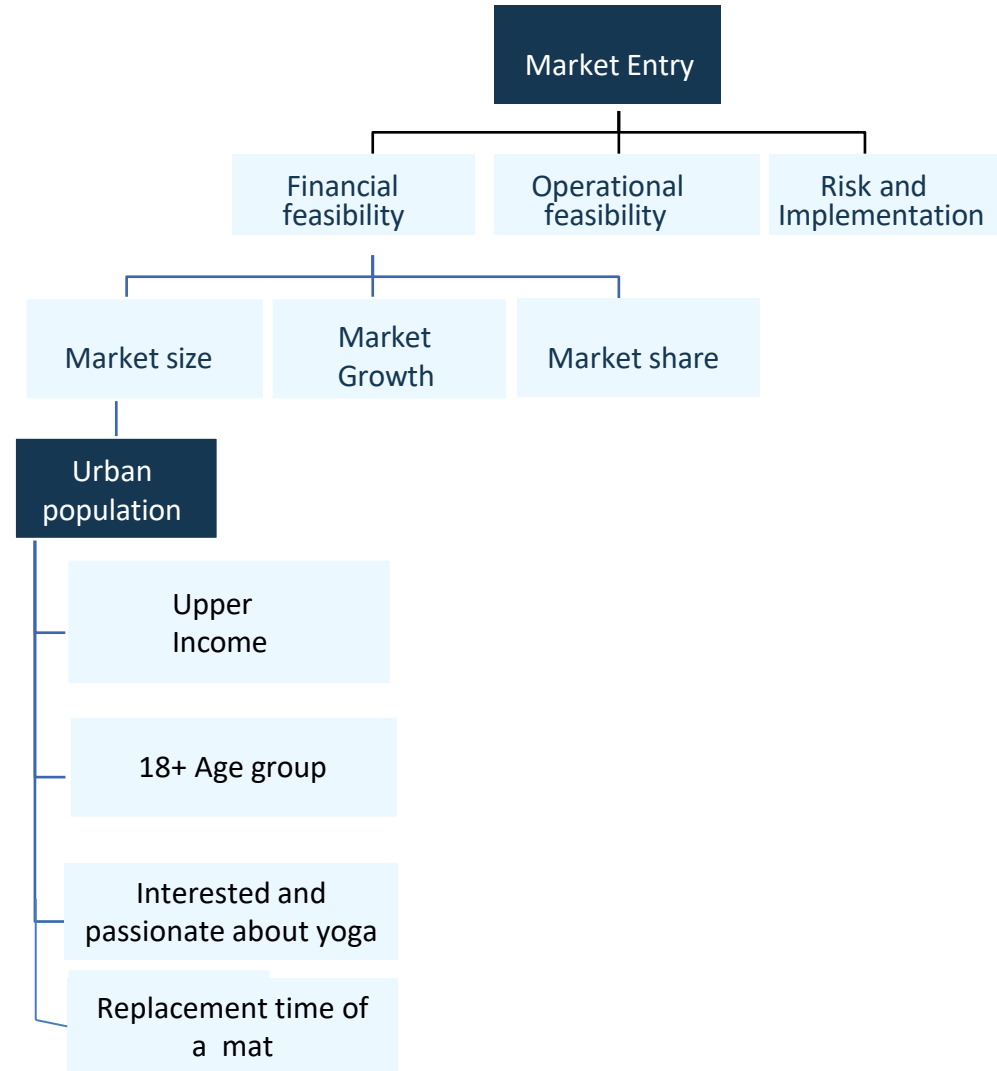
Bain / Difficulty - Medium



Clarifying Questions

- Geography where the client currently sells its product
- Knowing more about the product
- Objective of the client
- Existing market share of the client

Framework / Approach



Transcript

Your client is a fitness company that has an application similar to that of Cult Fitness. It tracks your daily physical activity and provides insights into the same. The company wants to launch a CSR initiative and has approached Dalberg for help with the same.

Alright! What is the time frame we are trying to implement this in and in what geography?

Yes, so the time horizon is one-year and the geography is India.

Are they looking to target any specific demography and are there any budgetary constraints?

There is no specific target demography, and the budget is 1 Rupee per every kilometer run on the application.

So, I would like to begin by considering the factors that they can use to decide which CSR initiatives to implement can be an analysis of the Opportunities, Operational Feasibility, Financial Feasibility and Risks associated.

So, under the Opportunity analysis (need assessment), we will consider:

- 1) Number of people the app can reach/impact
- 2) Time taken in implementation
- 3) Ease-value evaluation
- 4) Potential for growth
- 5) Urgency of issue

The structure looks comprehensive, Elaborate on each

Sure, so under Operational feasibility, we will consider

- a. Logistical feasibility
- b. Distribution ease
- c. Social acceptance

- d. Ease of implementation
- e. Reconciling with overall company strategy

Under Financial feasibility, we will consider

- a. Return on investment
- b. Costs associated: fixed and variable
- c. Economic viability
- d. Alignment with financial targets

And under Risks associated, we will consider

- a. Risk from competition
- b. Possible effects on brand name and loyalty - organizations are subject to inspection, criticism and public opinion
- c. Political/legal risk - Compliance with regulations
- d. Increased accountability and responsibility

This looks quite comprehensive! Can you tell us the approach for estimating the budget we may have

Sure!

Population of India= 140 Crore

Dividing it into Rural= 70% AND Urban =30%

We can assume the app. users to be negligible in rural areas and go forward with the urban users. Next, we divide the Urban population into Income groups i.e. Upper class(20%), Upper-middle class(30%), Lower-middle class(30%), and Below poverty line(20%).

Out of these we can eliminate the lower middle class and below poverty line.

We further divide the upper class and upper middle class in age bracket of 10-20 years(20%), 20-40 years(40%), 40-60 years(20%), and 60+ years(10%). Out of these we can eliminate 60+years of age group.

Transcript

In the age group of 10-20 years(60% will use a fitness app), 20-40 years(40% will use), 40-60 years(25% will use).

Market share= 20%

We get the total number of our app users.

Can we assume the avg. number of kilometers run in one go by a user to be 5km for 5 times a week?

You may proceed with that assumption

Alright! So, the estimated budget for the CSR initiatives will be = number of app users*Avg Km run by one user * 1Rupee * number of weeks in a year.

Fair approach! Can you mention some of the CSR initiatives that the company might undertake?

Yes, sure! Some of the possible CSR initiatives that the company can undertake:
Food security initiatives (Tackling Malnutrition, Promoting consumption of healthy food, Spreading awareness about diet and nutrition), Health and wellness initiatives (Vaccination camps, Free health check-ups, Immunization campaigns, Mental health and well-being initiatives), Fitness initiatives (Organizing marathons, Promoting activity and sports, Awareness against diseases due to inactivity like obesity, Subsidizing gym memberships).

Good Suggestions, I think we can end the case here.

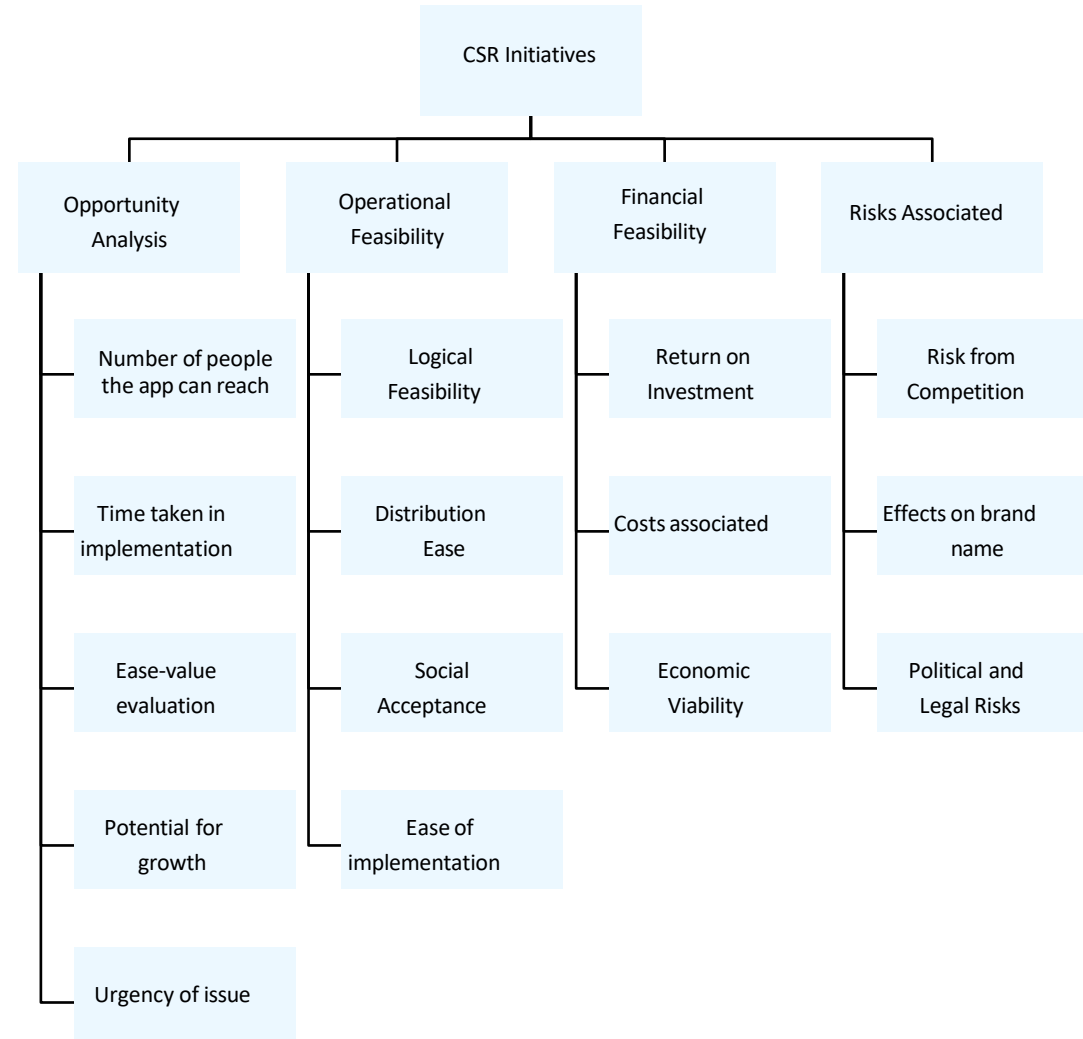
Clarifying Questions

- Do we have any cause in mind?
- Information on the time frame and the geography in which our client wants to launch this
- Is the client looking to target any specific demography and are there any budgetary constraints?

Brownie Points

- Assuming the app users to be negligible in rural areas and go forward with the urban users.

Framework / Approach



Transcript

Your client is a US-based pharmaceutical company, a leader in the field of diabetes management. You have been hired to help them formulate a launch strategy for a new therapy called „SugarZee“, which targets to restore pancreatic function and insulin production in a sustainable manner.

Sure. In what stage is the product as of now? Are there any similar products in the market?

It is currently being studied in clinical trials for the pharmacological treatment of Type 2 diabetes and is expected to launch in late 2025. A drug by another competitor, „Product A“ is widely used for the treatment of Type 2 diabetes, however, a subset of eligible patients face difficulties with its oral administration due to nausea.

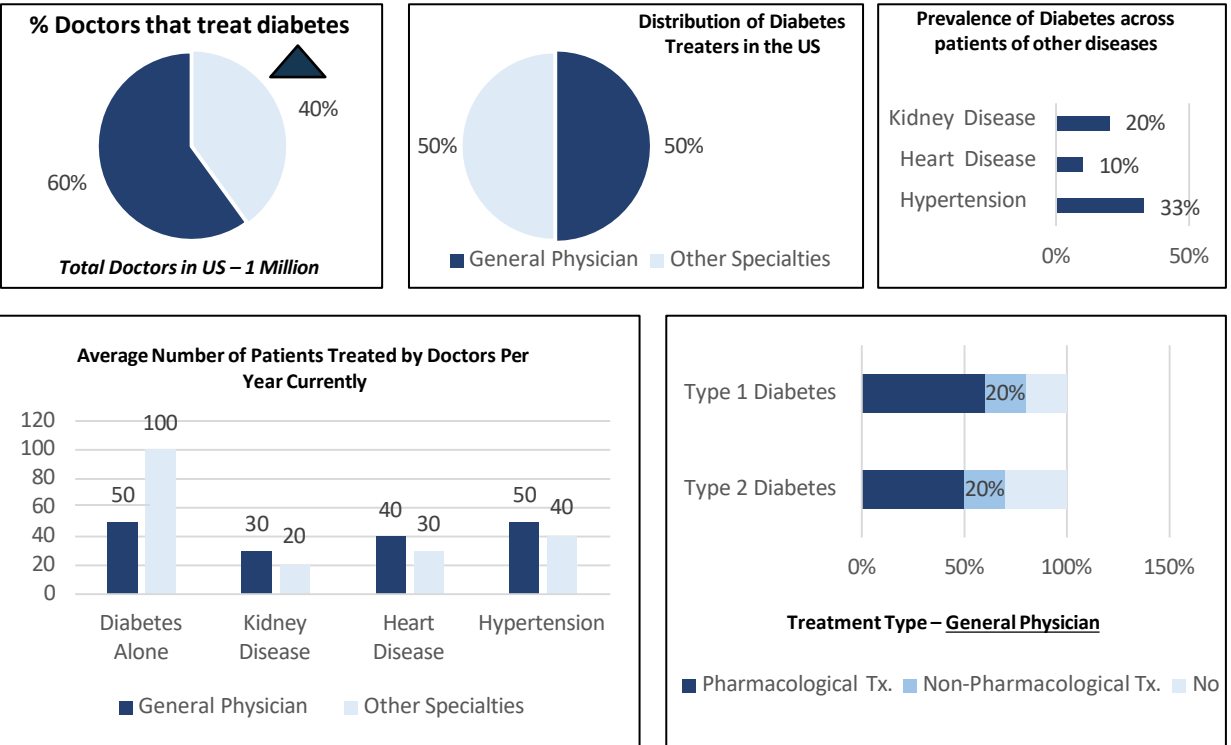
Okay. How is our product different from what the market has to offer?

Sure, please note the following information

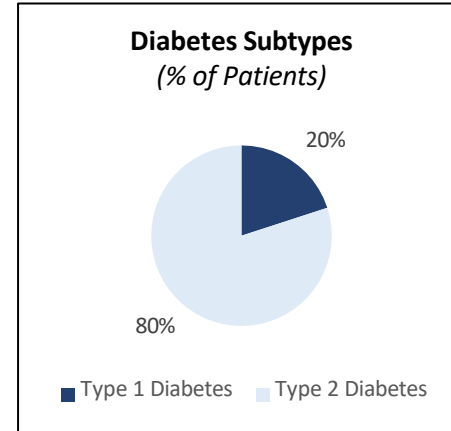
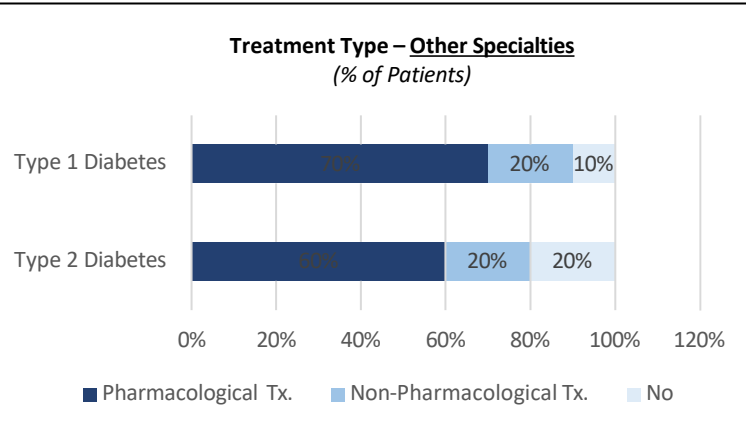
Product Characteristics	Product SugarZee (expected launch in 2025)	Product A (market leader & most used)
Type of Treatment	Type 2 diabetes	Type 1 and Type 2 diabetes
Contraindications ²	Patients with kidney disease	Patients with hypertension
Mode of Administration	• Intravenous (physician- administered) • Twice a month	• Oral • Once/day
Treatment Type	Pharmacological treatment	Pharmacological treatment
Safety & Side Effects	• Sleep disorders • Bloating	• Weight gain • Nausea
Efficacy	• >1.0% reduction in HbA1c ³ over a six-month period • 75% patients achieve insulin independence in 1.5 years	• >1.5% reduction in HbA1c ³ over a six-month period • 50% patients achieve insulin independence in 1.5 years

- So, while preparing the launch strategy, we would keep in mind 4 major buckets:
1. Market size: contraindications, target demographics, market trends, competition
 2. Financial Feasibility: cost, revenue, return
 3. Operational Feasibility: manufacturing, distribution channel, regulatory compliance
 4. Risks Associated: financial risk, operating, clinical

Good, you can first focus on market sizing for now. Based on the information given below, please determine the market size



Transcript



No, we can wrap up the case here.

Thank you

Right.

Market size = Number of patients per doctor * Number of doctors

We have a total of 1 Million doctors, of which 40% treat diabetes (4,00,000). Of these 50% are general doctors and 50% specialists (2,00,000 each)

For general physicians, number of patients will be 50 (diabetes alone) + 40*10% (heart disease) + 50*33% (hypertension) = 70.5.

For specialists, 100 + 30*10% + 40*33% = 116.2

We will not include patients with kidney problems because it's a contraindication. Hence, total number of treatments = 14,100,000 + 23,240,000

Of these, Type 2 diabetes = 80% = 29872000.

Nice!

Should I look at the costs that might be involved to check financial feasibility?

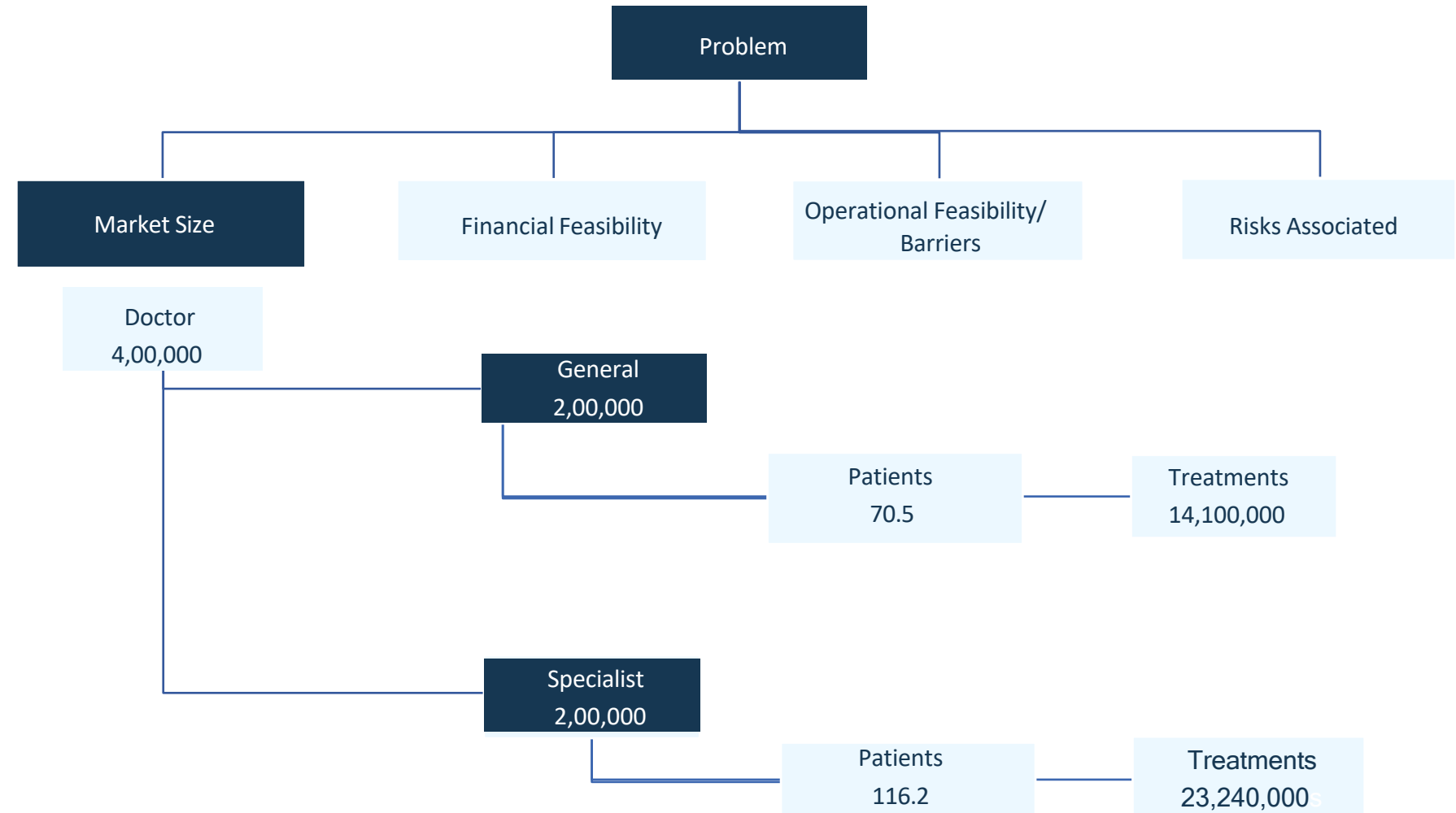
Clarifying Questions

- In what stage is the product as of now?
- Are there any similar products in the market?

Brownie Points

- Took contraindications into account
- Trinity asks data-intensive cases, the candidate did not get overwhelmed, solving the case calmly

Framework / Approach



UNCONVENTIONAL



SHAHEED SUKHDEV
COLLEGE OF BUSINESS STUDIES
(UNIVERSITY OF DELHI)



BRIDGES
FOR
ENTERPRISE

Transcript

Let's start with the case. There is a hotel in Delhi, whose revenue has been declining. You have to determine the extent of decline in revenues in the past year.

Sure. I want to clarify the situation. Is it a standalone hotel or a chain of hotels? And is it a hotel specific issue or industry wide?

This is a standalone hotel, and this issue is faced by all hotels in Delhi.

All right. That's interesting. What is the rating of the hotel and its location in Delhi?

You can assume it to be a 5-star hotel which is situated in Central Delhi.

Perfect. Since it is an industry wide problem, we can write revenues as:
 $\text{Revenue generated} = \text{No. of hotels} \times \text{No. of customers} \times \text{Avg. revenue/customer}$.
It is unlikely that no. of hotels will decrease. So, do we have any knowledge about decrease in any of the other factors?

Yes. Decline in no. of customers has been seen.

OK. There are primarily two types of customers: Tourists and Businessmen. Do we know which category has seen a decline?

Hotels have seen a decline in tourists.

Further tourists can be segmented into domestic and international. Do we have any information about either?

You can assume that both categories have seen a decline.

That is an interesting situation. If both categories are declining, there might be an issue related to Delhi only.

Yes. That's correct.

So, the problems that can affect tourism can primarily be divided into two categories: 1) Damage to nature 2) Damage to man-made structures or monuments.

The problem is somewhat related to damage to nature.

I think as far as Delhi is concerned, there are issues related to extreme temperatures during summers and winters, air pollution & water pollution.

Perfect. The number of tourists has been declining due to increasing air pollution in Delhi. You can now proceed with calculating the decline in revenues for the hotel.

Sure. Revenue sources of a hotel are primarily: Rooms, Banquet halls, Shops, Restaurants & Recreational Activities.

Since, we have diagnosed that the number of customers walking in have been declining, the major impact would be on rooms' revenue. Do we have data regarding no. of rooms and fare of each room?

Yes, we do have that data. There are 50 rooms in the hotel and average fare can be assumed to be Rs.7000.

Transcript

Great. According to my knowledge, at a given point of time, a premium hotel in Central Delhi would have 40% of its customers as businessmen and the rest as tourists. And assuming the average occupancy ratio without the effect of air pollution to be 60%, we have 12 rooms occupied by businessmen and 18 rooms occupied by tourists. Since, air pollution is a seasonal phenomenon in Delhi which lasts about 5 months, we can assume rooms occupied by tourists during those months to be 5. To calculate the extent of decline, the formula would be:

Decline in revenues = Revenue from tourists (without air pollution effect) - Revenue from tourists (with air pollution effect)

Decline = $(18 * 7000 * 30 * 5) - (5 * 7000 * 30 * 5) = \text{Rs. } 1,36,50,000$

Very well done. That's correct. Can you suggest some solutions for the same?

As short-term measures, the hotel management can:

1. Install air purifiers in the hotel.
2. Compensate for seasonal loss during the rest of the year by introducing new packages to increase average revenue/customer.

That sounds good. You attempted the case very well. We can wrap it up now.

A 5-Star House

BCN / Difficulty - Easy



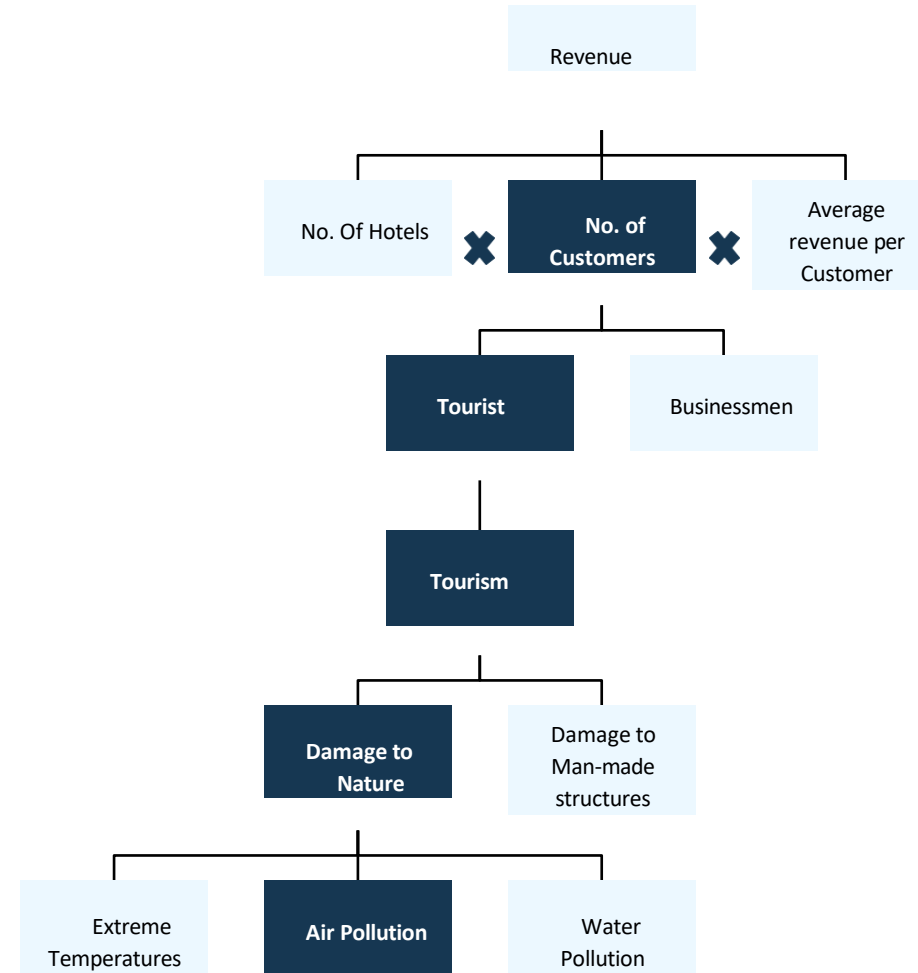
Clarifying Questions

- Is it a standalone hotel or a hotel chain? (standalone)
- Is this an industry wide issue or company specific? (Company Specific)
- What is the rating of the hotel? (5 star)
- What is its location? (central Delhi)

Brownie Points

- Bifurcation of customers into tourists and businessmen
- Assuming a time period for pollution

Framework / Approach



Transcript

You are a U.S. citizen and your best friend owns a family-run coffee shop in a Tier 3 U.S. city. The shop has been in operation for 50 years, and your friend, who is getting married and relocating outside the U.S., offers to sell it to you for \$1 million. Would you proceed with the purchase?

I would structure my decision into two key aspects: non-financial and financial considerations. To evaluate the non-financial aspect, I need to understand the fundamentals of the business:

- **Company Overview:** How has the business been performing, and what is its market reputation?
- **Product Offering:** What does the shop sell, and how differentiated are its offerings?
- **Competitive Landscape:** Are there branded chains or local competitors in the area?
- **Customer Base:** Who are the core customers, and what drives their loyalty?

The coffee shop is fairly priced, has been running successfully for 50 years, and is the only coffee shop in the area with no direct competition. The product range is typical of an average coffee shop, and the target market consists of local residents.

Given this information, I would assess the value chain to ensure the sustainability of the business post-acquisition:

- **Supply Chain:** Can I maintain supplier relationships to ensure consistent quality?
- **Operations & Production:** Will I retain the same recipes and operational setup, or will modifications be necessary?
- **Employee Retention:** Are employees loyal to the brand or the current owner? Will they stay post-transition?
- **Customer Loyalty & Community Aspect:** Can I preserve the community-driven nature of the business?

Additionally, I would evaluate the acquirer fit—whether I possess the necessary skills and interest to run the coffee shop efficiently.

Assume you can maintain the current business model and retain the community appeal.

Fair, now, I would determine whether the \$1 million valuation is justified using the Net Present Value (NPV) method, given the absence of comparable listed businesses.

- **Discount Rate & Beta:** Since the business is private, I would estimate its beta by identifying publicly traded coffee shops or small food service businesses with similar characteristics.
- **Cash Flow Projections:** This can serve as a proxy to assess whether the business has experienced similar growth trends as comparable coffee shops in other Tier 3 cities.
- **Valuation:** Using an appropriate discount rate and assuming a steady cash flow trajectory, I would calculate NPV to assess if the acquisition price aligns with future expected returns.

Assume you are comfortable with the risk profile, and the coffee shop generates \$1.2 million at the end of the year. Would you proceed with the purchase?

Given that the business is generating \$1.2 million in its first year, the investment appears undervalued relative to the \$1 million acquisition cost. Assuming steady or growing future cash flows and a reasonable discount rate, the positive NPV suggests a strong financial case for the purchase.

Moreover, from a non-financial perspective, I have assessed my ability to manage the operational and community aspects of the business effectively.

Considering both the financial viability and my ability to handle the non-financial aspects, I would proceed with the acquisition, recognizing it as a **strategic investment**.

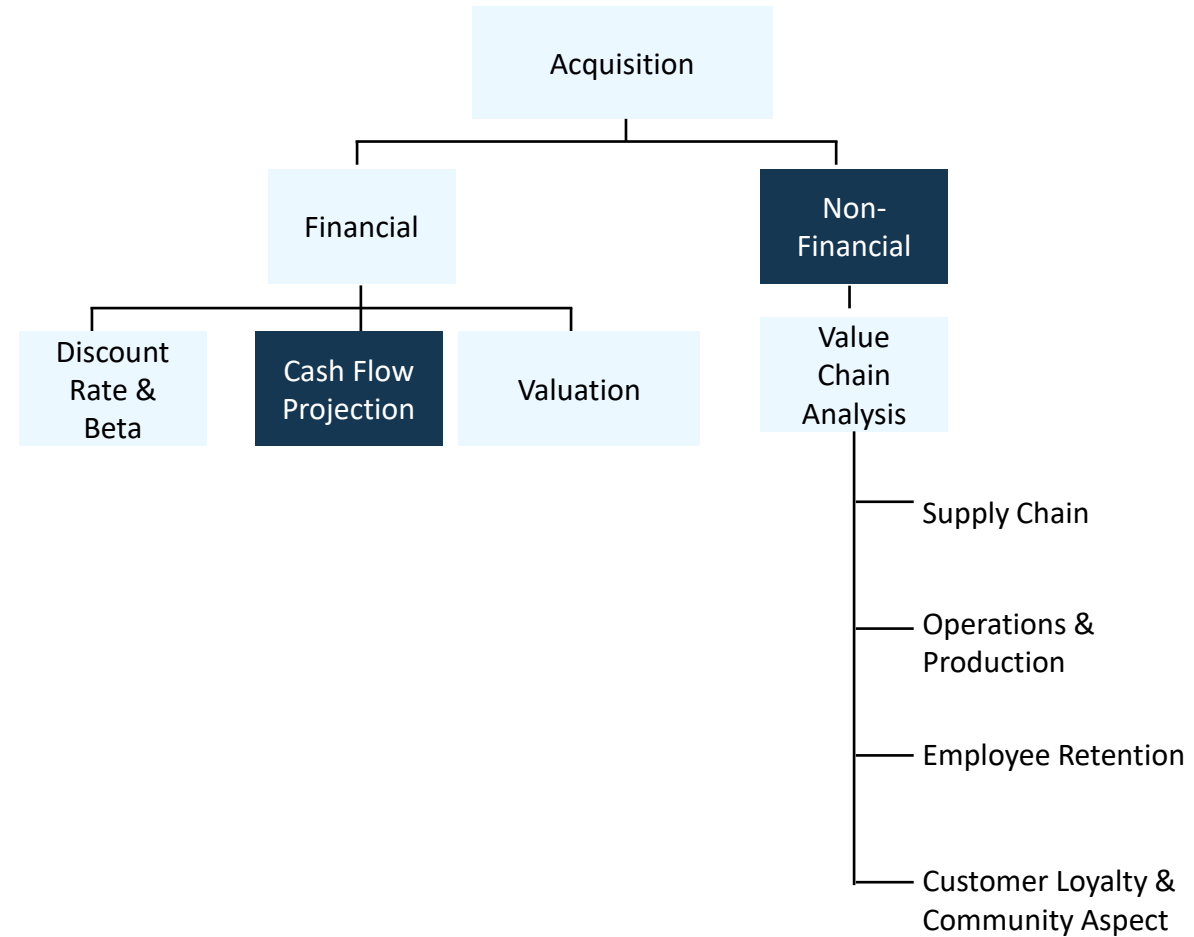
Clarifying Questions

- Understand the fundamentals of the business: Company Overview, Product Offering, Competitive Landscape, Customer Base

Brownie Points

- Evaluated both financial and non-financial aspects, ensuring a strategic and well-rounded approach.
- Used NPV, proxy betas, and discount rates to justify the acquisition, showcasing strong financial acumen.

Framework / Approach



Transcript

Let's say you're advising SSCBS that wants to increase its overall profitability. They have two main goals: increasing the number of students and maximizing profit per student. How would you approach this?

I'd start with the fundamental equation:

Profit = Profit per student × Number of Students

To improve profitability, we can either increase the number of students or maximize the revenue generated per student while managing costs efficiently.

These seem like fair breakdown. Why don't you start with student enrollment?

To increase student enrollment, we can focus on three areas:

- 1.Course Expansion:** Introducing new programs or online courses to attract a broader audience.
- 2.Faculty Growth:** Hiring more permanent professors and support staff to maintain quality education.
- 3.Infrastructure Development:** Expanding hostel facilities to make enrollment more accessible for students from different regions.

These all seem like good alternatives. Why don't you move to increasing profit per student now?

On the revenue side, beyond standard tuition fees, the university can introduce variable fees for value-added services like seminar halls, an indoor gym, AC classrooms, or society memberships.

For **cost optimization**, key strategies include:

- Leveraging technology to reduce paper use and administrative overhead.
- Optimizing classroom utilization to avoid unnecessary expansion costs.
- Ensuring regular maintenance of hostel appliances to reduce electricity and repair expenses.
- Maintaining a balanced faculty salary structure to prevent over- or underpayment.

Would you like me to explore a specific area further?

That sounds good. You attempted the case very well. We can wrap it up now.

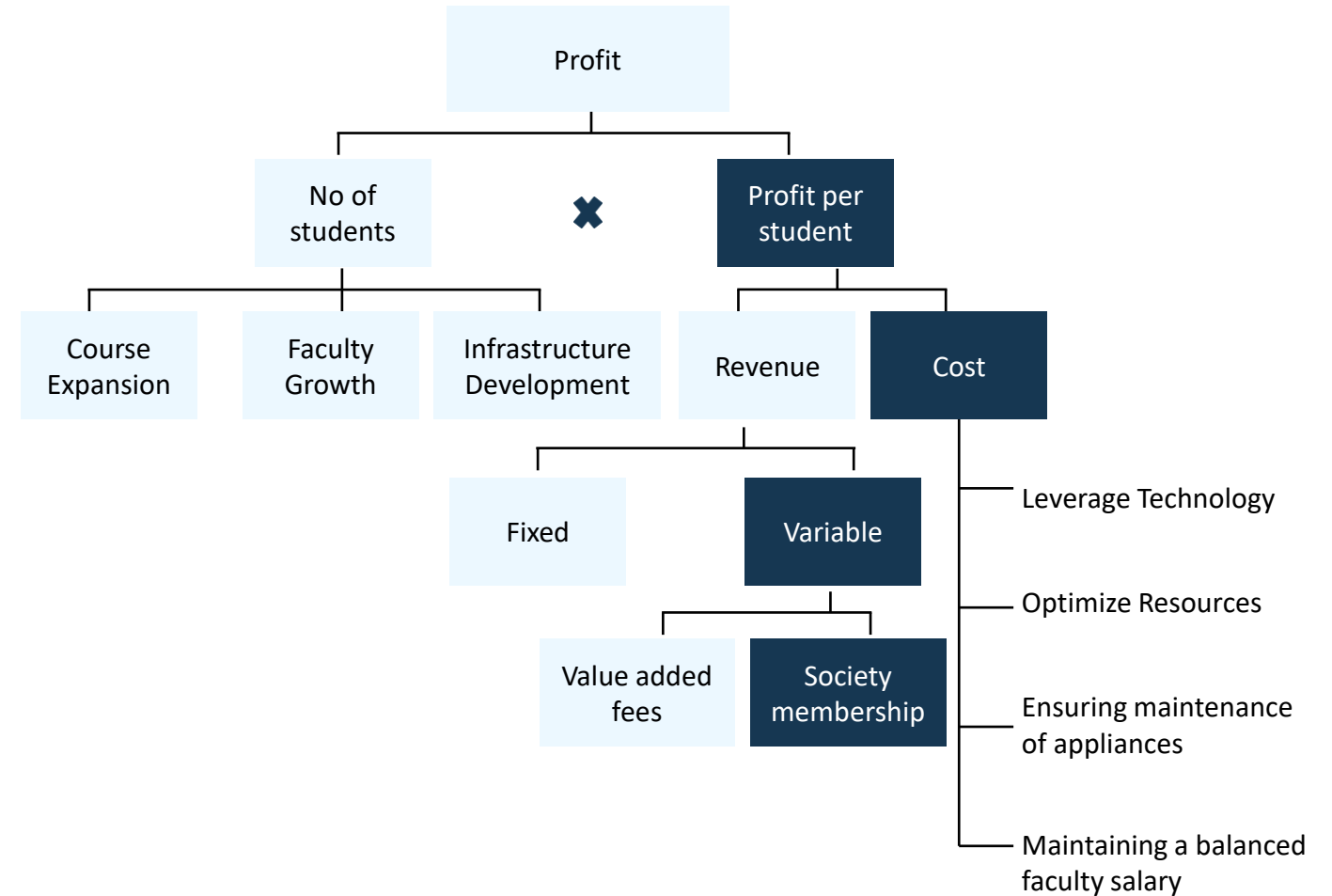
Clarifying Questions

- What is the university's current student capacity and enrollment rate? (incase of any hypothetical institute)

Brownie Points

- Clear profit formula with multiple revenue streams like tuition, hostel fees, and premium services.
- Scalable growth through course expansion, faculty hiring, and cost optimization via tech and resource efficiency.

Framework / Approach



Transcript

Your Client is based in Indonesia, operating in the extraction sector for mining oil & gas. The company has scouted a remote island for extraction. However, they have been facing a lot of regulatory scrutiny for obvious reasons. Under their CSR mission they have a long-term objective of creating economic opportunities for locals on the island. After their preliminary analysis they have narrowed it down to a single industry, the tourism sector and they wish to invest in the same. How should they go about it?

Okay, I think there are certain pre-requisites for tourism to thrive in any location, I would like to start by analyzing those.

Okay, Go ahead.

There are 5 building blocks for the tourism sector to thrive in any place – Infrastructure, Human Capital, Brand Value of the place, Recreational Activities & the External Enabling Environment

So, now that you've listed down the broad areas where our client can focus on, I'd like you to identify more specific instruments, vital to tourism on the island.

- Areas of interest under infrastructure can be further categorized into - Man-Made & Natural Infrastructure. Man-Made Infrastructure would include:

1. Transport i.e., roads, airports and other means of travel on the island
2. Hospitality Industry on the Island i.e., Hotels, Resorts, restaurants etc.

Natural Infrastructure would include the greenery and beauty of the island itself

- The Human Capital, tour guides, tour agencies and other skilled people that run the tourism industry. People can be trained in these fields to ensure adequate skillsets
- The Brand Value of the island can be worked upon by collaborations with the Ministry of Tourism and other such organizations to make sure there is enough advertisements of the island.
- Recreational Activities include —things to do on the island, it maybe adventure activities such as snorkeling, para-sailing etc. or experiencing local culture and heritage
- External Enabling factors include PESTLE Factors & the robustness of the foreign exchange system. Our client can also work on working with authorities to approve visa application requests to the island as well

Ok great! After analysis and research, our client has decided to invest in the development of an airport on the island. You are required to estimate the capacity of such an airport based on the annual number of passengers both domestic as well as international

Is there any demographic or geographic data related to the island available to us, which can be used to make an assessment of the visitors on the island

No, we do not have the requisite data.

Since, there isn't any data available, I'd like to take a proxy destination that receives a lot of visitors. Can I take the airport of Goa as the proxy ?

Yes, that is a fair assumption

Transcript

- Okay, since the number of flights that land each hour is inconsistent, taking that the Goa airport is operational for 18 hours a day, will compensate for peak hours and non-peak hours in general.
- Taking that 10 flights land each hour at the Goa Airport on average. We get 180 flights per day.
- The standard seating pattern in these flights is 2-3-2, hence 7 seats in a row and, on an average each flight will have 35 rows, therefore 245 seats/flight.
- Taking seasonality as a factor, there are 4 months of peak time and 8 months of off-season at the airport. Taking 90% occupancy during the 4 months and 60% during the off season. We get 47,62,800 passengers during peak season and 63,50,400 during the off season
- Of these 90% of the people during the peak season can be termed as tourists, while the same factor can be 50% during off season. Others maybe residents returning home.
- After calculating, the number of tourists visiting Goa turn out to be 74,61,720. So, roughly 7.5 million tourists visit Goa every year.

So, what would your final suggestion to our client be?

Our client should invest in the airport keeping in mind an annual footfall of 7.5 million tourists visiting the island!

Good! I think we can end the case here.

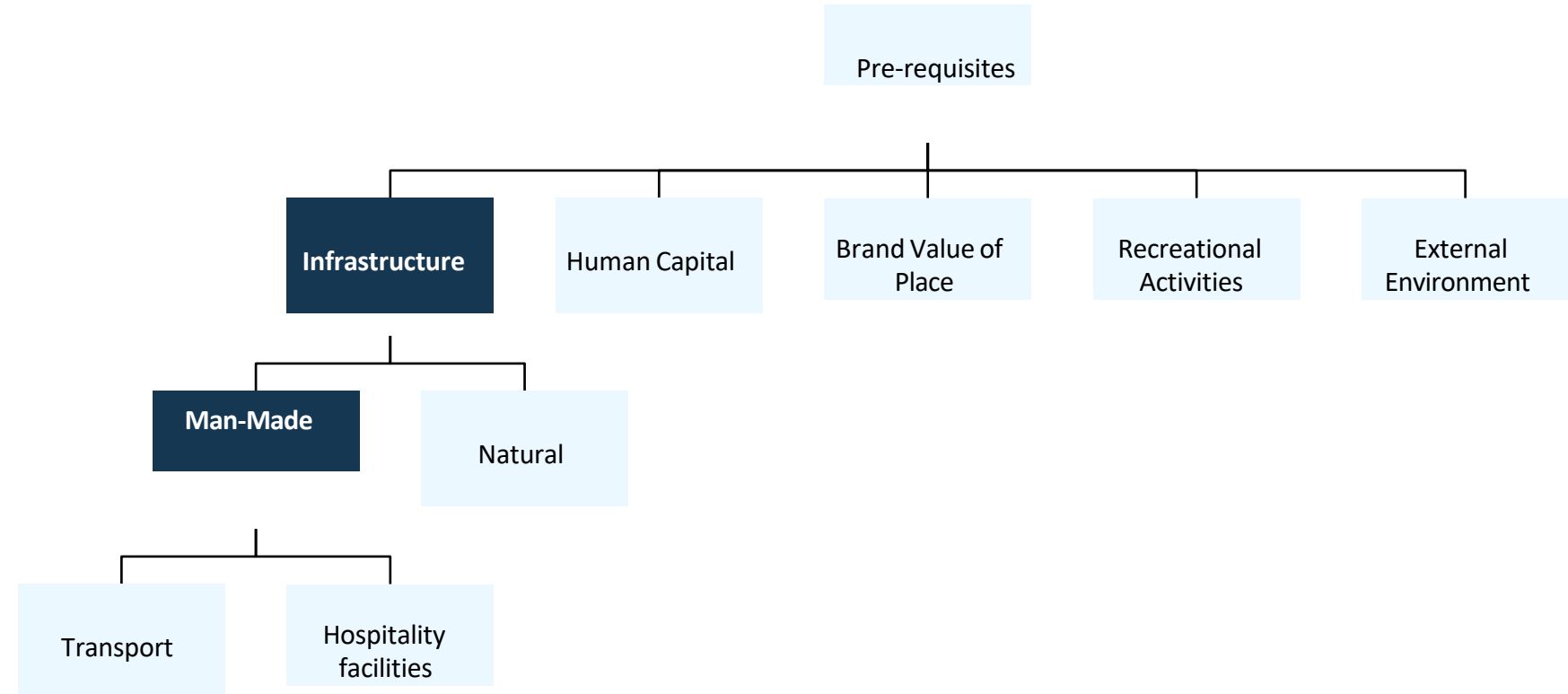
Clarifying Questions

- Available data for guestimate?

Brownie Points

- A comprehensive take on each sub-part will fetch you brownie points
- Always take a suitable proxy for hypothetical examples by matching the characteristics to the best of your ability

Framework / Approach



Transcript

Your case is that my PS4 has broken. Tell me what to do.

Is it broken such that it cannot be used?

Yes, it cannot be used anymore.

What exactly is my objective in this case?

I just want you to explore all alternative options available to me.

Ok, so there are 3 alternative ways to approach this problem We can either buy a new PS4, repair the old one or not own a PS4.

These seem like fair choices. Why don't you explore each option further

Under the first option buying a new PS4 will be influenced by whether we have enough money to buy a PS4. If we have enough money, we can either buy the same model again, wait for the new model or buy an alternative such as Xbox. If we don't have enough money, we can either steal, borrow money or avail EMI a scheme.

These all seem like good options. Why don't you move to the next option.

The next option is to repair our PS4. Here, we can either get it fixed from an official Sony store or from an unofficial place. If we get it repaired from the Sony store, we get an expensive but authentic repair. We can repair either the full unit or just the broken part. If we go for an unofficial repair, we can either get a cheap repair from a local shop or get it fixed from a Sony store through bribery or personal contact.

Interesting insights in this segment. Why don't you explore the last option as well.

The last option is not to own a PS4. Here, we can either borrow, play outside or not play at all. If we wish to borrow, we can do so from friends or rent one. If we play outside, we can go to a gaming parlor, play at a friend's house or play at a store. The last option is to not play at all, this could be due to time constraints or out of volition since we may be bored of gaming.

Great attempt. I really like some points you put forward. This concludes your case.

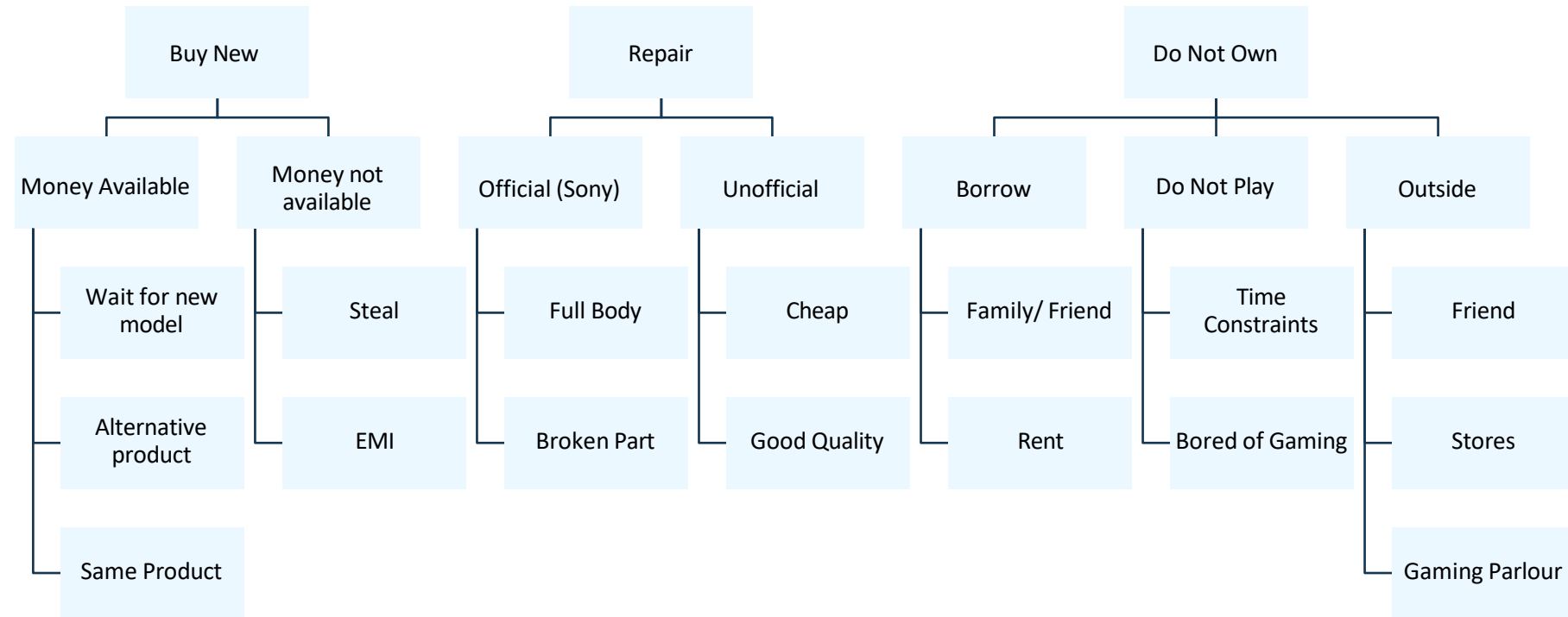
Clarifying Questions

- Is the PS4 broken such that it cannot be used again?
- Objective for the case

Brownie Points

- What is the objective behind this?
- Suggesting not owning a PS4 as an alternative solution

Framework / Approach



Transcript

Your client is a company where people are getting hired, but they don't have necessary skills to accomplish the job. They can just do away with the clerical tasks. Therefore, the client wants to explore an apprenticeship programme, to analyze whether the benefits being accrued from it are enough to continue the programme. So, you need to list down the potential benefits of an apprenticeship programme to a firm.

What does apprenticeship mean in this case? Is this something where the person will have to pay to get trained or will the company pay the trainee?

Here apprenticeship means a period of training before the company extends an offer letter to the employee. Also, assume that the company is not paying the trainee.

Is there any specific period for which the trainee will have to stick with the company post programme?

You can assume that the trainee has to stick with the company for at least 2 years.

And is there any other peer firm which is running such an apprenticeship programme? (this could have an impact of incremental revenue generated)

No. There is no other firm which runs such a programme.

All right. So, according to my approach, the benefits can be divided into 2 segments: 1. Economic Benefits & 2. Social Benefits
Do you think this is a fair division?

I think this seems to be a good division. Can you explain each of them further?

Sure.

1. Economic benefits entails the monetary benefits that'll be generated by the employee for the company. It can further be divided into 2 segments:

- Short-term, and
- Long term benefits.

Short-term benefits: These are the benefits which the firm will generate in terms of increase in efficiency of the employees, which means increase in output/unit of time.

Long-term benefits: These are the indirect benefits that the company will be able to generate indirectly, such as an increase in the number of clients.

2. Social benefits sort of includes the benefits that the trained employees will be able to generate for making the working culture of the company better. They can also be divided into short-term and long-term.

Short-term: This includes increasing the positive and appreciative atmosphere within the company. The managers will not have to doubt the working capacity of employees.

Long-term: This includes benefits generated due to the trained employees propagating the culture of training and efficiency in the company.

OK. Let's look more into the part of Economic Benefits. Can you calculate the quantum of benefits that are estimated to arise from the programme?

Transcript

Sure. The benefits can be calculated as a function of incremental revenue generated due to the apprenticeship program and the cost incurred to organize it.

The costs incurred will include:

1. Course material
2. Fees of the trainer
3. Equipment/tools used during the course
4. Stipend/ compensation of any sorts to the trainees (optional)

And the revenue can be calculated as the incremental revenue generated by the trained employee in comparison to the situation if he/she hadn't been trained.

Do we have information about the costs incurred and revenue generated by the company?

Yes, we do have the information. It is known that the company incurs a cost of Rs.1000/person and an untrained employee generates _____, being 25% more efficient when trained.

All right. Let's assume the number of people in the apprenticeship program to be 10 and absorption rate to be 60%.

Cost turns out to be Rs. 10,000, of which Rs.4000 would be sunk cost owing to the absorption rate.

Since we assume that a trained employee would be 25% more efficient than an untrained one in the short term, incremental revenue will be $6 \times 25\%$ of Rs._____.

In this way the quantum of benefits turns out to be Rs._____.

That sounds good. Also, can you mention the challenges that might arise during the program?

The challenges might arise out of 2 avenues:

1. Interest: People might not be interested in opting for such a program, since no other company organizes such a program.
2. Awareness: Another major factor could be lack of awareness, since it seems to be a new trend in the industry.

That's great. I think you have covered all the aspects of the case. Let's end the case here. Well done.

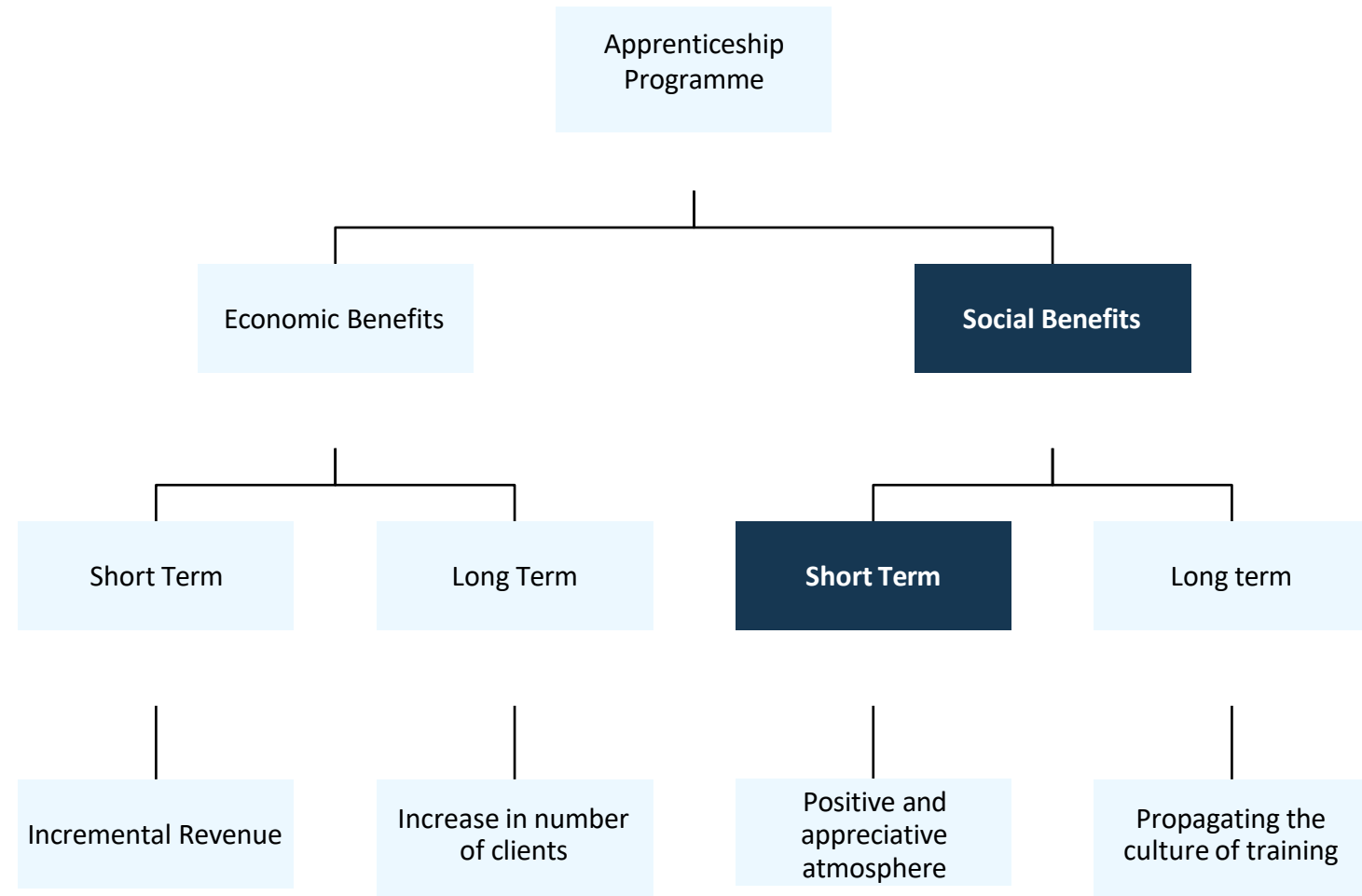
Clarifying Questions

- What does apprenticeship mean in this case?
- Period for which the trainee will have to stick with the company post program
- And is there any other peer firm which is running such a program?

Brownie Points

- Period for which the trainee will have to stick with the company post program

Framework / Approach



A for Accident

Dalberg / Difficulty - Medium



Transcript

Your Client is the management of IIM Ahmedabad. They've been seeing a rise in the number of accidents on the campus. You need to identify the reason for the same.

Okay, since when have they been seeing a rise in the number of accidents?

The rise in accidents has been observed over the last 6 months, since the campus reopened post pandemic.

Where have the accidents increased, is it in a particular area or campus-wide issue?

The accidents have risen in the entire campus; they aren't able to identify any particular area. However, most of these accidents have been road accidents

Okay, has there been a particular type of vehicle involved in the accidents more frequently than others?

Yes, most of these accidents involve two wheelers entering the campus

Okay, since the number of road accidents have increased, I'd like to start by calculating the accident rate i.e., number of vehicles entering the campus * % of two wheelers * % getting in an accident. Which one of these variables has changed?

The number of two wheelers entering the campus have increased.

The two wheelers can be categorized as frequent and rare visitors. Frequent visitors would include Professors and other faculty, staff, delivery vehicles (food and other stuff).

Rare visitors would include Guests at the campus, families of students and audience in events. Which one of these types of visitors have been involved in the accidents?

The delivery vehicles have been involved in most of the accidents. Could you find out the reason for it?

The factors that can lead to accidents can be categorized as vehicle related and non – vehicle related. Vehicle related factors would include the condition and performance of the vehicles. Non-vehicle related can be Route/Navigation issues faced, Failure to follow norms at the campus, quality of roads and other infrastructure, awareness of the driver.

You've correctly identified the problem, there is an issue in the infrastructure, as the college opened recently, construction has been going on in a few areas. Hence, the canteen is also not functional properly, leading to students ordering food more frequently from outside the campus. Could you give recommendations to correct the same?

Since, we've identified two problems, to solve the issue of a greater number of delivery vehicles entering the campus, students can be told to pool orders or deliveries shall be allowed only on the entry gate of the campus

Great, what about the construction?

The college can restrict areas where construction takes place and also focus on speeding up the process.

Great, I think we can end the case here.



A for Accident

Dalberg / Difficulty - Medium



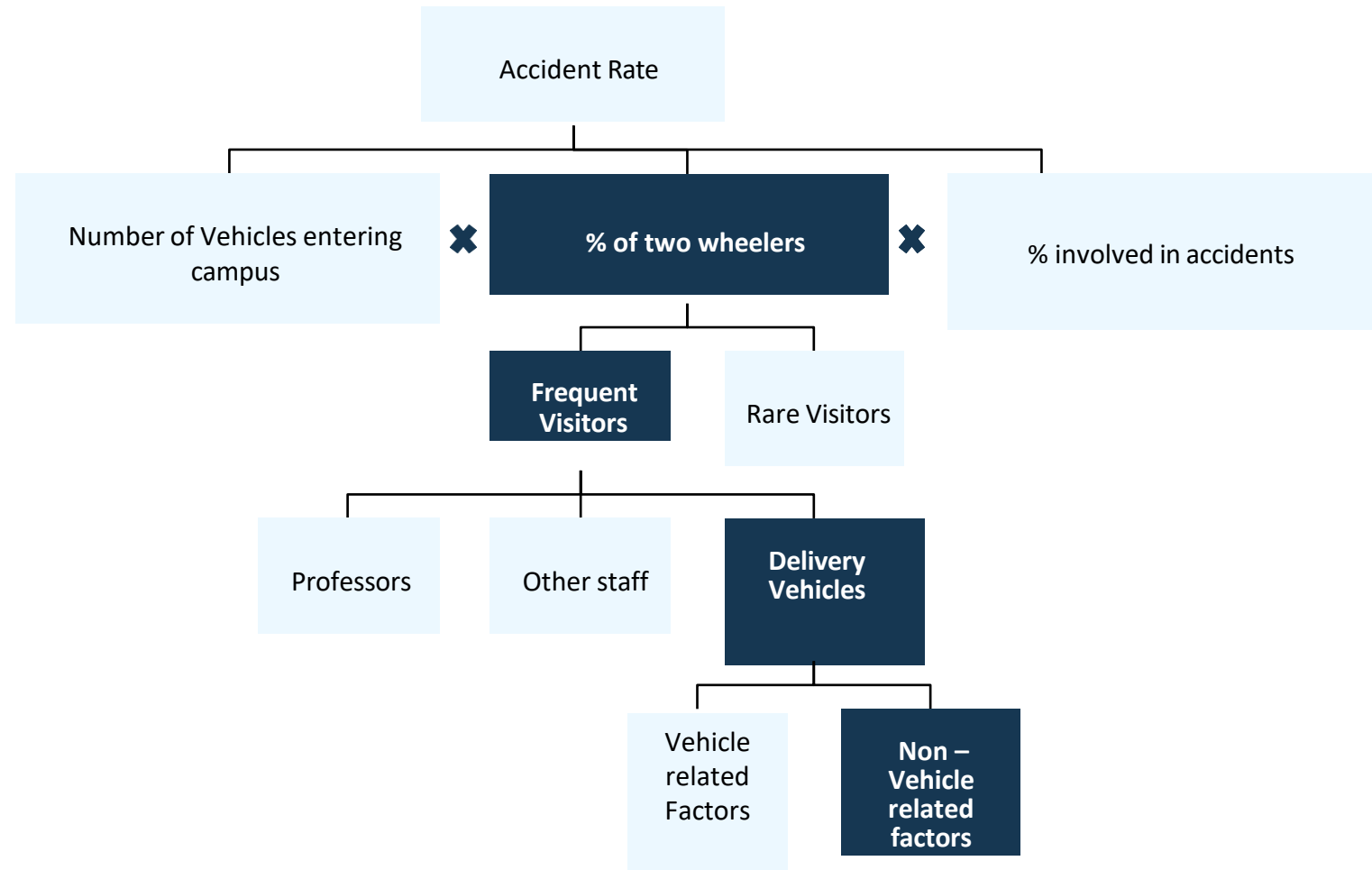
Clarifying Questions

- For how long has the rise in accidents been noticed? (6 months)
- Has the rise been noticed in a specific area? (no)
- Any particular type of Vehicle involved? (2-wheelers)

Brownie Points

- Structuring the recommendations to tackle individual problems

Framework / Approach



Transcript

You are a consultant to an outsourcing agency who advises the government of Argentina and you have been tasked to increase the revenue share of global service providers as compared to the local service providers for the Argentinian outsourcing market.

Alright, I would like to understand what do you mean by global service providers and local service providers here.

Global service providers are firms such as Accenture, TCS, Vipro and other global companies like these who provide business process outsourcing, IT and automation services to big companies. Local service providers are the local companies that provide outsourcing services in Argentina.

Right. Could you also tell me a bit more about our client?

Our client is an outsourcing agency that advises the government of Argentina. The recommendations will ultimately impact the government of Argentina.

Okay. What has been the past trend of global service providers' market share?

There has been a decline in their share lately.

Alright. There are two ways to increase the share of global service providers, either we can increase the share of the global services providers' revenue or we could decrease the share of the local service providers' revenue. However, the latter wouldn't be advisable as that would have a lot of negative repercussions for the country so I would like to work on the first approach of increasing the global service providers revenue.

That sounds logical.

Now the revenue of the global service providers can be stated as a function of revenue per global service provider and the number of global service providers in Argentina.

You can focus on the number of global service providers.

The number of global service providers will depend on certain factors that they would consider before setting up a base or office in Argentina. From the perspective of the global service providers, the challenges they would face can be divided into two categories: onset challenges and operational challenges. By onset challenges I mean the challenges that these firms would face before setting up a base and operational challenges refer to the challenges that these firms would face after setting up a base. Would you like me to focus on one particular category?

Good, you can look into factors under both of these heads..

Onset challenges:

- regulatory hurdles
- administrative hurdles
- cost effectiveness of setting up
- availability of land and other utilities required before setting up
- infrastructural requirement

Operational challenges:

- cost effectiveness upon starting up the business
- availability of workforce
- business coming from the local companies
- supply chain efficiency
- technological set-up

Okay, you can now proceed to give recommendations to the client to tackle these challenges.

I would like to divide my suggestion into 3 buckets.

- 1. Regulatory and Administrative Ease:** Streamline regulatory processes and invest in e-governance and digital platforms for administrative efficiency.

Transcript

2. **Incentives through Special Economic Zones:** Tax incentives and set-up incentives by creating special economic zones. The government can endow subsidized land to these providers for setting up their headquarters and security investments with respect to the surveillance in these regions. They can further reduce regulatory compliances or give special tax subsidy for individuals working in these sectors so as to increase the workforce that would be interested in working for these firms.
3. **Investment in Infrastructure and Technology:** The government can incentivize technology adoption and innovation to ensure the latest technological availability for the service providers. Further, they must ensure a robust and secure digital infrastructure.

Thank you.

Perfect. Let's end the case here.

Anchor in Argentina

Everest Group / Difficulty - Medium



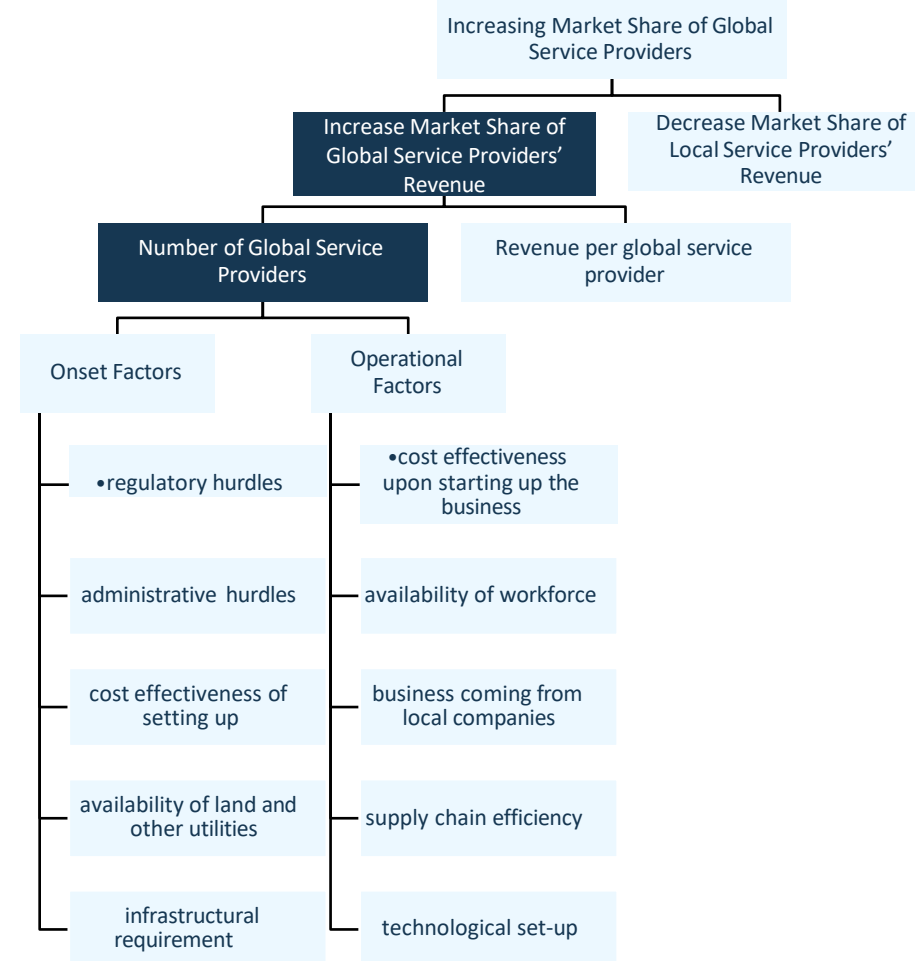
Clarifying Questions

- Clarification regarding global and local service providers
- Market share of global service providers in the past

Brownie Points

- Eliminating decreasing the share of local providers by thinking about the negative repercussions
- Categorization into onset and operational challenges

Framework / Approach



Transcript

Your Client is a state government, the capital city of the state has been facing higher than usual amounts of traffic due to an increase in the private vehicles. Given the conditions, the state government wants you to evaluate the current urban mobility systems and come up with sustainable urban mobility solutions that need to be climate forward, people oriented, cost effective & growth oriented.

Okay, got it. Can you tell me a little more about the capital city and its demographics.

Overall, it is a progressive city with rising per capital income and lower rates of unemployment. The terrain of this particular city is mostly hilly.

What are the existing methods of transport available to the residents of the city that need to be evaluated ? Also, what is the current breakdown of these methods ?

Okay, so there are 4 ways available for commuting, Private cars which are used by 60% of the people, 30% of the population prefers public transport i.e., Buses whereas walking and cycling are preferred by 5% each.

So, I would like to list down all the metrics to evaluate the urban mobility solutions.

- *Cost* – This includes the cost of the running and setting up the transport system.
- *Efficiency* – Evaluating whether the system is efficient and quick enough for the population of the city
- *Awareness* – Evaluating whether the population is aware about a certain mode of transport available to them.
- *Affordability* – Is the mode of transport expensive for the population or not?
- *Accessibility* – To specify whether, the mode of transport is accessible to the population or not i.e., if people find it easy to access and if it takes them where they wish to go.

Okay, let's move on to the next part of the case. The state government now wishes to reduce the dependence and use of private vehicles and want people to use public transport. How can they do that?

This can be achieved in two ways.

- The Government can either promote use of other means of transport OR
- Dissuade people from using private vehicles altogether.

To dissuade people, it can either dissuade the ownership of private vehicles or the usage of private vehicles.

Ownership

- Altering ownership norms
- Introduction of new scrappage policy
- Limiting the number of cars per household

Usage

- Parking – Making public parking more expensive and less accessible from city centers
- Riding – Making way for pedestrians

To promote other methods of transport, it can either promote public transport methods or walking

Public Transport

- Installation of a new system for public transport compatible for hilly areas like a tram
- Capacity expansion of the existing system
- Restoration of buses
- Increasing Accessibility with enhanced and quicker routes

Walking & Cycling

Having designated areas on roads for walkways and cyclists

Great, your recommendations are valid, I think we can end the case here

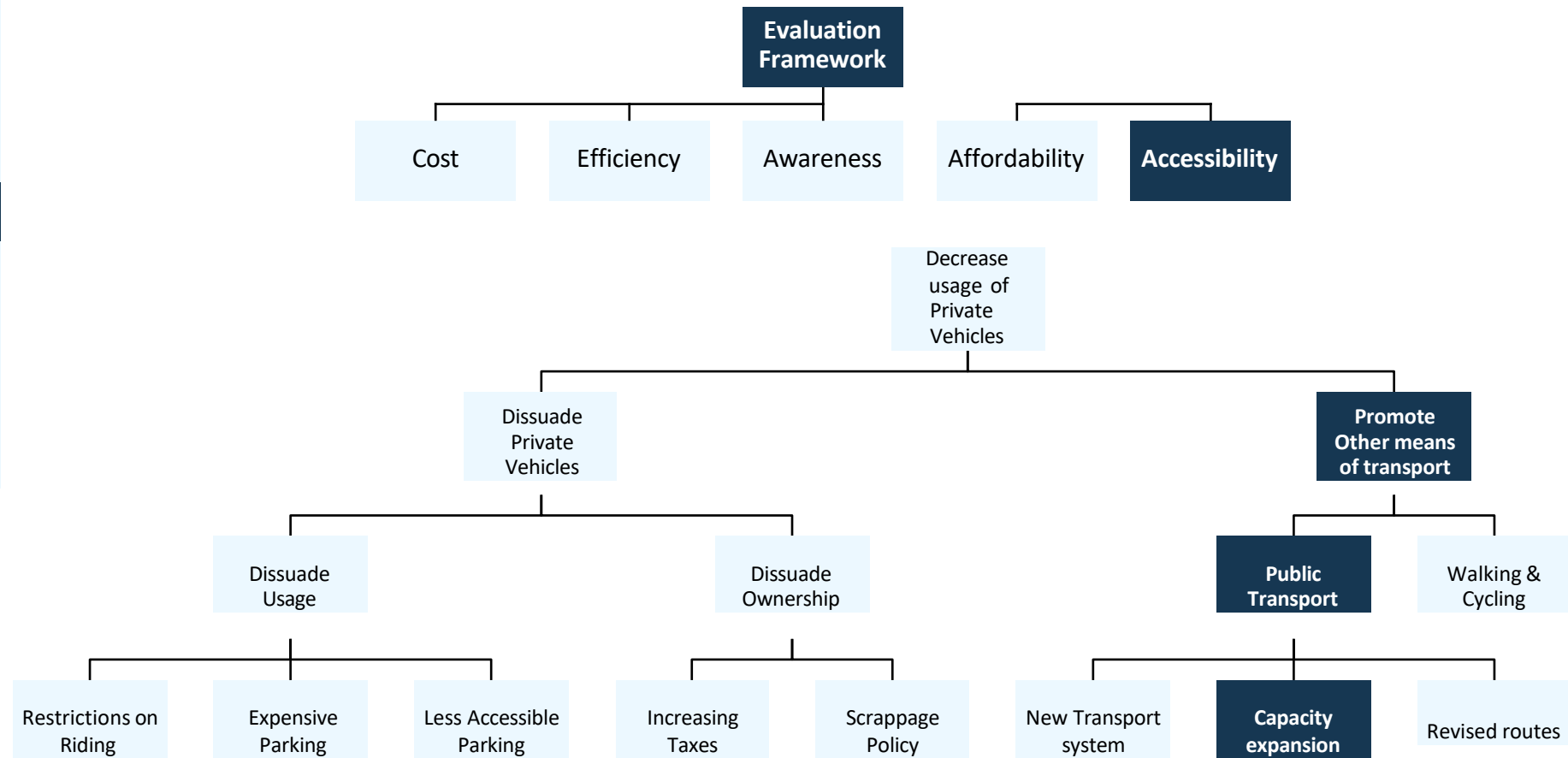
Clarifying Questions

- Asking for more information on the city and its demographics?
- What are the existing modes of transport available in the city?
- Is there a specific section of our gang that is being targeted? (No)

Brownie Points

- Inclusivity as a factor to evaluate means of transport available in the city
- Structuring the dissuasion of private vehicles to give recommendations

Framework / Approach



Transcript

Your client is an NGO, based out of Uttar Pradesh, which focuses on increasing the enrolment of students in primary education. They are concerned about not being able to meet their targets. You have been hired to identify the source of the problem.

Sure. How exactly does the NGO contribute? In which area rural/urban do they operate?

The NGO assists in paying 50% of the primary education school fees of students enrolled with them in both rural and urban areas.

Are there any financial constraints or a certain period within which targets have to be met?

Yes. They do have financial constraints for which you would have to estimate the budget. However, there are no time constraints.

Okay. What exactly do you mean by targets here?

Their target was to fund 1% of the total number primary school going children in UP.

Right. Moving forward with the budget estimation first.

Budget = (Cost per student * Number of students) + Other costs

Please focus only on student costs. Ignore the other costs involved.

Sure. For estimating the number of students, I would like to divide UP's population in rural (70%) and urban (30%) population, further dividing each category on the basis of income as low income group (30%), medium income group (50%) and high income group (20%). Now only focusing on the first two groups, I divide them as per age into 5-18 years (30%) and 18 above. Since the case is centric to UP, I would like to divide the population as per gender (70% boys, 50% girls) as often people prefer not to educate girls. Adding the final numbers for both rural and urban areas would give us the total primary school going population in UP. For our target criteria, we would take 1% of this number.

Per person cost = 50% of average of total fees for primary education.
Multiplying the two would give us the budget.

Right. You can move on to the source of the problem now.

We can divide the problem source into two parts, internal and external sources. In case of internal problem, it can further be divided into two: Either the program was not well developed or there was a problem in the implementation.

Good, you can first focus on why could the program not be implemented successfully.

We can divide this problem into 5 buckets: Need, Accessibility, Affordability, Awareness, Experience

- Miss identification of need
- The NGO is not very approachable, has a haphazard enrollment process
- The NGO itself is unable to gather enough funds to pay the fees
- People are not aware of the NGO or its services
- People who enrolled with the NGO earlier did not have a satisfactory experience

Could you highlight some external problems.

Yes.

- Even after the NGO pays 50% of the fees, people are unable to afford education
- People do not want to send their children to school
- People are unable to trust an external organization

Perfect. Let's end the case here.

Thank you.

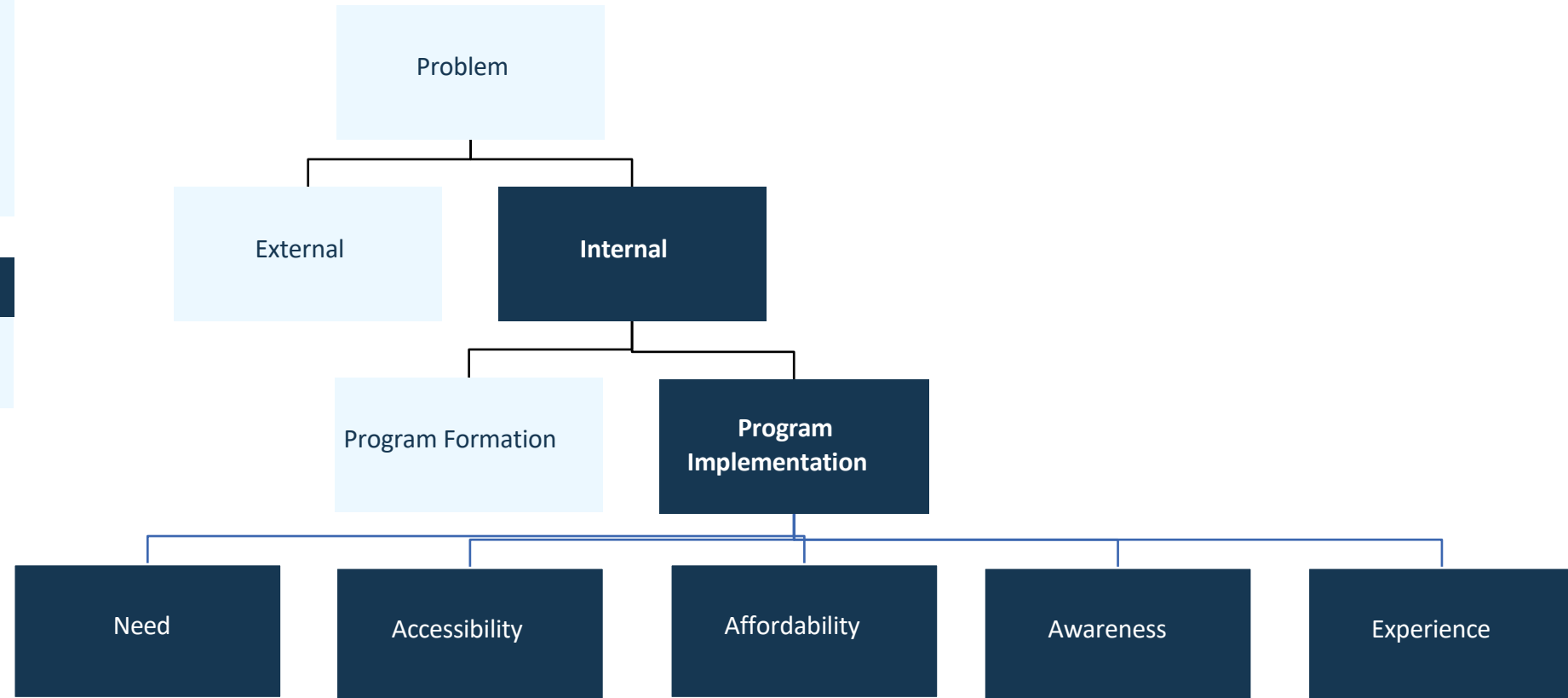
Clarifying Questions

- How exactly does the NGO contribute?
- In which area rural/urban do they operate?
- Do they have any particular time or financial constraint?
- What exactly do you mean by targets here?

Brownie Points

- How exactly does the NGO contribute?
- Did not include 0-5 years population.

Framework / Approach



Organic Turf War

LEK Consulting / Difficulty – Medium



Transcript

Your client is a fast-food chain focused on organic, healthy products with freshly and locally sourced ingredients. They have a large share of the organic food market, and it's a lucrative market. However, they are concerned about the threat of new entrants, specifically cafes that might operate in the same space. They've asked us to assess this threat and suggest strategies to maintain their market share.

Okay, to start, I want to understand the client's current situation. Where are their existing locations, and what is their operational model?

They are based in the USA, with 20+ outlets, mainly on the West Coast. They source all the raw materials, prepare the food, and operate like a cafe – no franchise model.

Got it. And what are their primary concerns regarding competitors? Are they worried about specific types of competitors, or a general increase in competition?

They fear both newer and already existing famous names entering the market.

Alright. To understand the customer base, could you describe the typical customer? I'd expect an age of 30+ and perhaps a slightly above-average income due to the cost of organic materials, but I'd like to confirm that. Also, what is the range of their product line?

The age is mainly 30+, but they also have customers in their 20s who are health-conscious. Income isn't really a major metric. The prices are not overly expensive. Customers are very loyal and focus on three things: taste, quality, and hygiene. Yes, their product line ranges from snacks to proper meals.

Great. And to clarify, what exactly do we need to do for the client? Are we focusing solely on assessing the threat, or are we also expected to provide specific strategies?

Both. We need to analyze the level of threat, define metrics for assessment, and suggest differentiation strategies.

Understood. To assess the threat of new entrants, I'll start with Market Sizing to understand the total opportunity, then use Porter's Five Forces to analyze competitive pressure, and finally, we can explore differentiation strategies. Does that sound like a good approach?

That makes sense. Let's start with Market Sizing.

Let's begin by segmenting the total US population into urban and rural areas since our client operates in an urban setting. That gives us a primary focus on the urban population of roughly 264 million. We segment the urban population by income levels, as affordability influences organic food consumption. The key groups are middle-income and upper-income consumers, who are more likely to prioritize health-conscious choices. We categorize potential customers into three segments based on ordering frequency: frequent customers who order multiple times a week, occasional customers who order a few times a month, rare customers who order occasionally.

Got it. How does this translate to the market size?

The average price per order depends on whether customers buy meals or snacks, with a weighted average used for revenue estimation. Multiplying the number of customers, their order frequency, and the average order value gives us the total US organic fast-food market size.

Right. Now, how would you assess the competitive threat?

We can use Porter's Five Forces to systematically evaluate the level of threat from new entrants:

1. Threat of New Entrants

- Barriers to Entry:** The client has strong supplier relationships for locally sourced organic food, which could be a barrier for new entrants. However, if supply chains for organic food are expanding, barriers might be lowering.
- Brand Loyalty:** The client's strong focus on taste, quality, and hygiene has built customer loyalty, which could deter new entrants.



Transcript

- 2. Bargaining Power of Suppliers:** Organic food sourcing could become more competitive if demand rises, increasing supplier power. However, the client's established relationships may mitigate this risk.
- 3. Bargaining Power of Buyers:** Customers value quality and are loyal, but if new entrants offer comparable taste and hygiene at lower prices, some might switch.
- 4. Threat of Substitutes:** Health-conscious customers might opt for meal-prep services or grocery store organic options instead of fast food.
- 5. Industry Rivalry:** The client's main concern—big brands or niche organic cafes entering—would intensify competition. Established brands with marketing budgets could pose a real challenge.

That makes sense. Based on this, how should they defend their market share?

There are a few strategic approaches they can take:

- 1.Customer Experience & Brand Loyalty:** Implement a membership or subscription model where loyal customers get exclusive discounts or priority access and focus on community engagement—partnering with local gyms, yoga studios, or wellness influencers.
- 2.Operational Efficiency:** Consider vertical integration—sourcing directly from farms or owning part of the supply chain.
- 3.Pricing & Accessibility:** Offer meal bundles or dynamic pricing strategies to stay competitive without compromising margins.

That sounds good. We can end the case here.

Organic Turf War

LEK Consulting / Difficulty – Medium



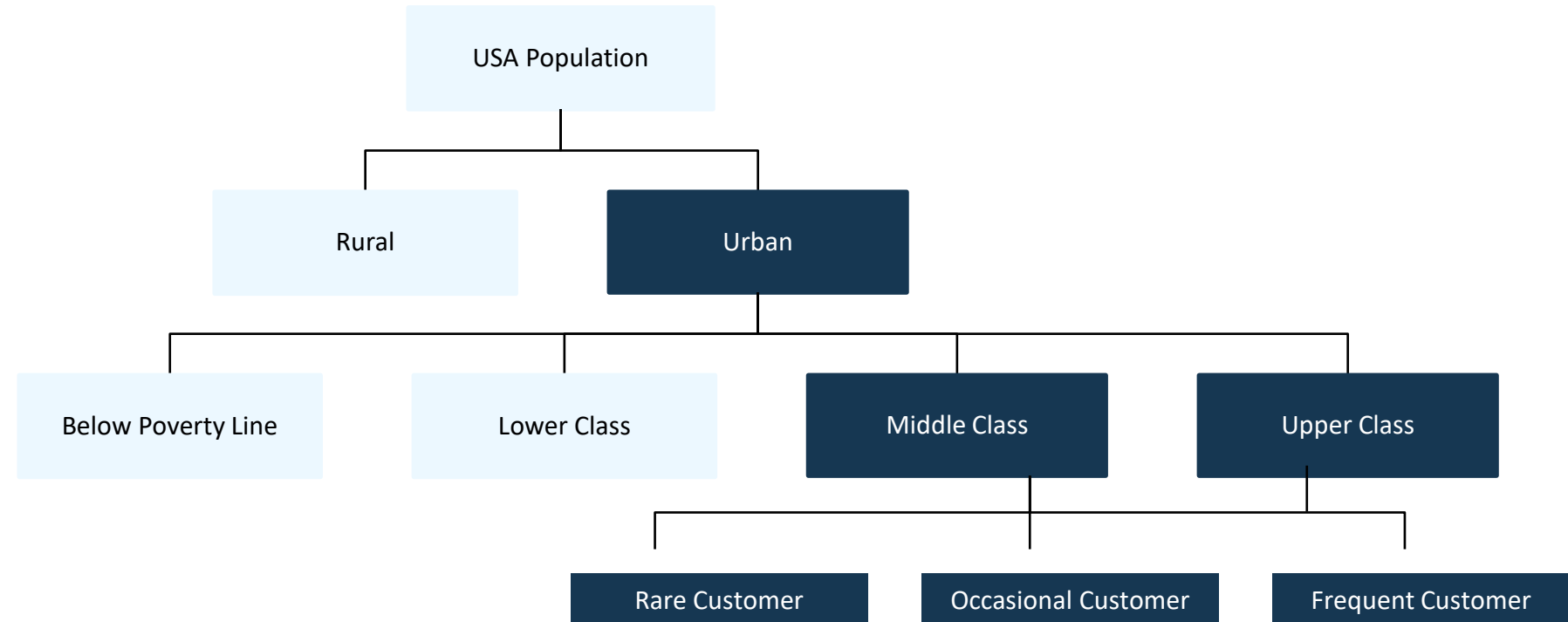
Clarifying Questions

- Geography where the client is located and how do they operate
- Knowing more about the product line
- Understanding the typical customer
- Clarifying the scope of analysis

Brownie Points

- Instead of treating all potential customers equally, categorizing them as frequent, occasional, and rare buyers, assigning realistic purchase frequencies.

Framework / Approach



Transcript

Let's start with a case, the problem at hand is of open defecation in slums – faced by about 80% of the population. How do you change people's minds about the same?

Sure. Do we have a target to achieve in a stipulated time along with budgetary constraints?

You need to reduce open defecation as much as possible, time and budget are not a concern.

Okay sir, Firstly I would like to start with identifying the reasons behind open defecation. The reasons can be broadly categorized into 2 buckets

1. Social norm
 - Unhabitual (fairly new)
 - Hygiene Concerns
 - Religious and Cultural Belief
2. Infrastructural problems
 - Lack of enough toilets
 - No proper maintenance
 - Drainage and Septic tank problems

Great! You have rightly identified all the major causes. Now can you suggest some measures to tackle these?

I would like to divide my solution into 3 parts

1. Tackling infrastructural and maintenance problems
2. Spreading awareness
3. Introduction of strict rules against open defecation

Very well! Can you elaborate on each of these measures?

Sure,

1. Coming to infrastructural and maintenance problems - sufficient number of public toilets need to be constructed in every slum separately for males and females. For the maintenance local unemployed people can be hired to regularly clean and maintain the hygiene which can also be incorporated under existing employment policies like MGNREGA.
2. To spread awareness - several campaigns should be undertaken targeting different age groups emphasizing upon the harmful effects of open defecation. This can be supplemented with the use of billboards and banners.
3. Penalties should be imposed on people for open defecation, especially where public toilets are available.

Good job, I think that sums it all up. We can end this case here.

Thank you!

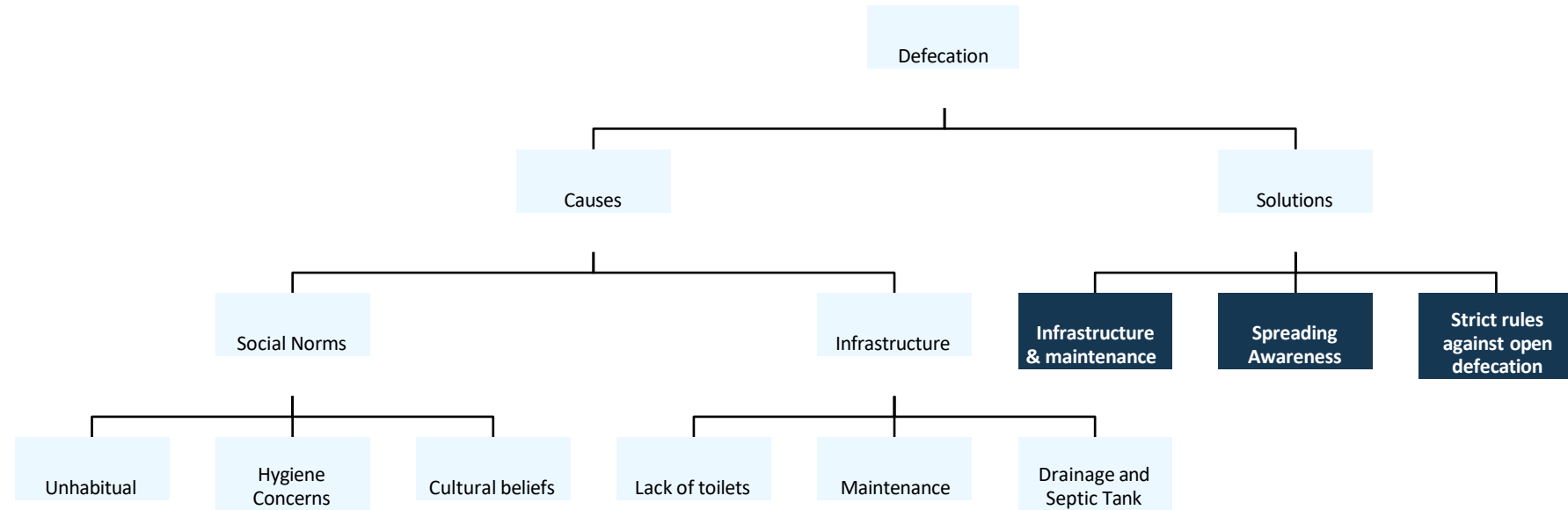
Clarifying Questions

- What is the extent of increase in costs? (5%)
- Since when have we been facing increase in such cost? (1 year)
- Is this an industry wide issue or company specific? (Company Specific)

Brownie Points

- What is the objective behind this?
- Finding innovative ways to structure the problem like low, medium, high
- Why are increasing cost of —onboarding and training a problem?

Framework / Approach



Transcript

Your client is Quora and they have witnessed a decline in their writers. They have hired you to find the cause and solution for the same.

Alright. Since when have the writers fallen and by how much?

The decline has been seen since 1 year and we have lost 15% of our users.

Okay. Has this decline been witnessed by other players in the market as well or just Quora?

Only our company has seen this decline.

Interesting. Is the decline concentrated in any geography catered to by Quora, or maybe in a specific subject on the platform?

The decline is evenly witnessed across the market.

Alright, then can we segment the writers based on their experience on the platform? Is there a decline in a specific type of writers?

Yes, we have noticed the decline to be among our top writers. They have stopped responding.

Alright. I would now like to go deeper into the platform journey of writers. We can see 5 stages, 1. Decide to answer the question, 2. Use the platform, 3. Navigate to subject specific questions, 4. Write and post an answer, 5. Engage with the community in the comments section. Does this seem like a fair breakdown?

Yes, it seems fair, carry on.

Great, so to come to the first stage, the possible problem we can encounter is lack of time to answer. However, since this is a company specific issue, we can rule out this problem. Moving on to the next stage, a writer can choose either the app or the website to answer. Here, there is a possibility of glitches on the platform, that may discourage our writers. Are the app and website functioning well?

Yes, they are both running perfectly.

Okay, then we can move on to the third stage. We have 2 aspects, the subject of interest and the questions received. The questions received should be enough and of good quality, for the writers to answer them. How many questions are received and are they good and new questions?

The platform receives ample questions; however, we have noticed many repeated questions.

Alright, from this we can conclude that the fall in top level writers on Quora was due to the increased repetitive questions.

Yes, that's correct. Can you give some recommendations regarding the same?

Sure. In the short term, Quora can feature top writers to keep them engaged. In the long term, they can disallow sites with trends of repetitive questions such as Career Launcher etc., and they can separate Questions for writers and organizations.

Alright seems fair. Let's end the case here.

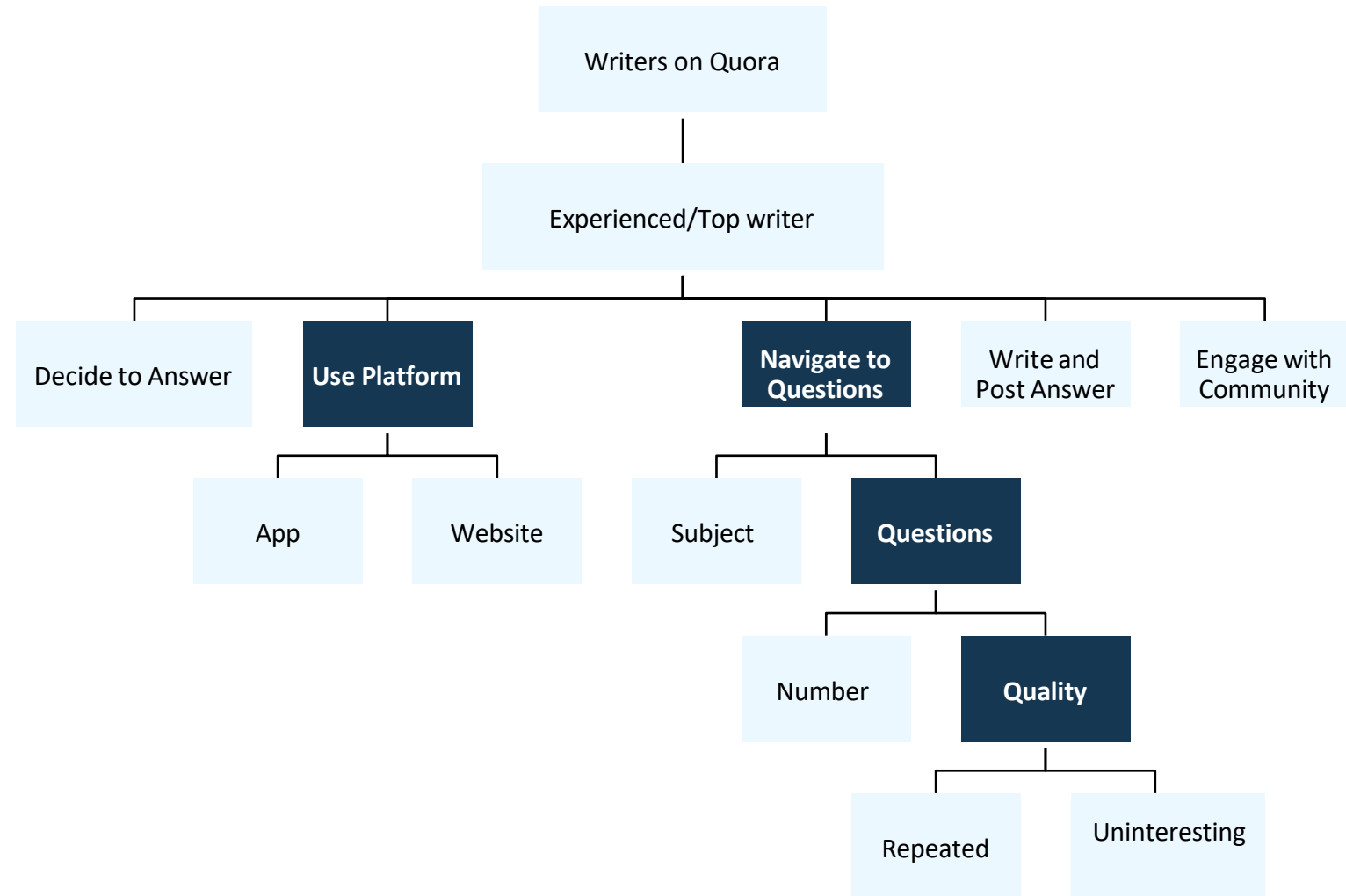
Clarifying Questions

- What is the extent of fall in writers? (15%)
- Since when have we been facing decline in writers? (1 year)
- Is this an industry wide issue or company specific? (Company Specific)

Brownie Points

- Possible glitches in app or website.

Framework / Approach



Transactions in Turmoil

Everest Group / Difficulty - Medium



Transcript

There is a Payment Wallet App company whose number of transactions are declining.

Sure. Since when the company is facing the decline and by what magnitude? Also is it a company specific or an industry wide issue?

The company has been facing this issue since the past 6 months and there is a decline of 15-20%. The competitors are performing well, therefore it is a company specific issue.

Interesting, I want to know more about the company's operations. Where it is based out of? Are there any additional services provided by company?

Sure, the company operates in India and its business model is similar to that of Paytm. It came into existence 2 and a half years back. The app allows its customers to recharge phone bills, metro cards and buy tickets for coming up matches of different sports..

Okay understood, so we can go ahead and break down the number of transactions into No. of customers*Average number of transactions made per customer.

Perfect. We have seen a decline in both of the aspects.

Right. Are we providing any inconvenience to the customers from the from the supply side because of which the customers are facing difficulty in making transactions?

No, there are no hindrances from the supply side.

We can analyze the decline from the demand side by breaking it down into Need, Accessibility, Affordability, Awareness and Experience.

Sounds good, carry on.

- **Need:** Under this category, we can assess whether the app is fulfilling the existing and emerging needs of the merchants and customers or not.
- **Accessibility:** This implies whether the customers are able to access the services without hindrances or not. QR codes plays an important role here.
- **Affordability:** Affordability can be further broken down into onboarding and transaction charges. An increase in any or both them can help us in reaching to the problem.
- **Awareness:** Any decline in the marketing initiatives taken by the company can also pose an issue.
- **Experience:** Any changes in the journey of the customer from being onboarded on the app to post transaction services can imply further analysis.

Perfect. Why don't you go ahead and analyse the awareness part of the demand side?

Sure, Awareness can be further broken down into Weak Marketing Efforts and Negative Public Relations. Do we have any data for the same?

Yes, there are no changes in the existing marketing initiatives but the company is currently managing negative public relations.

Okay understood. Negative PR activities can arise from mismanagement, scandals/controversies and Service Failures.

Right, so there did occur a case of mismanagement where the company failed to adhere to relevant regulations and compliance standards of the payment industry. Great, we can end the case here.

Thank you.

Transactions in Turmoil

Everest Group / Difficulty - Medium



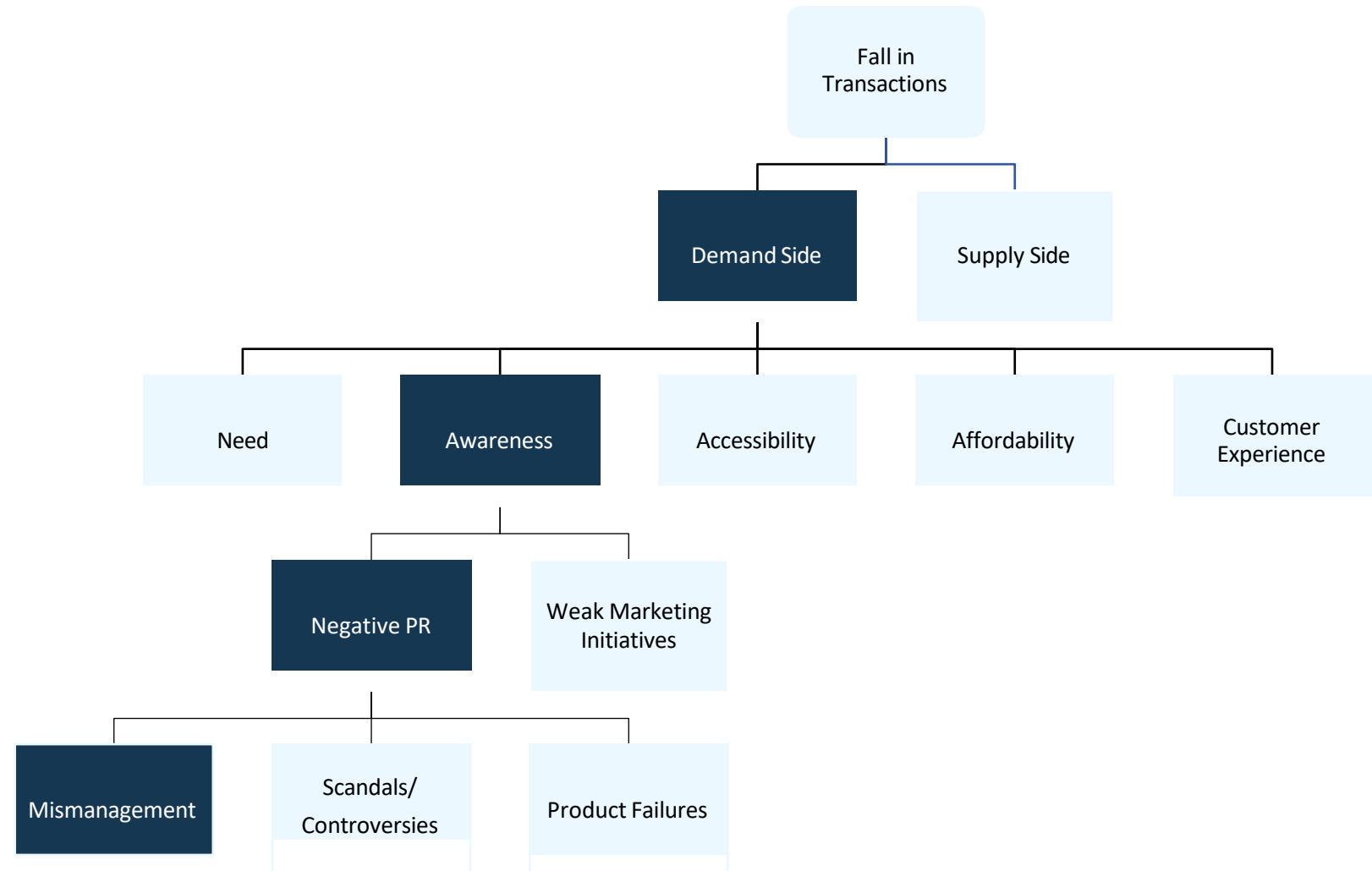
Clarifying Questions

- Any additional services offered by the company?
- Since when have we been facing the decline?
- Any change in the internal management?
- Is this an industry wide issue or company specific?

Brownie Points

- Breaking down the number of transactions
- Analyzing Awareness

Framework / Approach



A Couple of Oyo's

Parv Jindal / Difficulty – Hard



Transcript

Your client is Oyo rooms. They have seen a decline in revenue. They have approached you to solve the problem.

Alright, what is the magnitude of this decline and since when have they been facing it?

There has been a 20% decline in profits since the last 6 months.

Is there any particular geography, or a segment of the business in which the decline is faced?

The decline is faced pan-India in the room business of Oyo.

Alright. I would like to start my approach by breaking down profits into revenue and cost (i.e Profits = Revenue - cost). Further, I would like to start by exploring the revenue side, do we have any information about any decline in revenue?

Yes, the decline in the profits is due to a decline in revenues. Can you break down the revenues for me?

Sure. The revenue for Oyo is a function of the product of number of customers, average nights per customer and the average price per room. Has the price per room changed?

No, the prices have remained the same, but there is a decline in the demand of Oyo rooms by the customers.

Okay, the number of customers depends on either the supply or the demand of the customers. The demand can further be broken down into 5 factors i.e, need, accessibility, affordability, awareness, experience.

That seems comprehensive enough, could you elaborate more on the need of customers?

Sure. To evaluate the need of customers, we need to assess the types of customers expected. These are

- Religious tourists
- Couples
- Students
- Low-income families

Is there any particular segment out of these which is facing a decline?

Yes, we are receiving less demand from the couples.

Okay. So, the decline in the demand from couples can be because of possible alternative accommodations, including luxury hotels, hour-based pricing hotels, hostels and PGs. Is there any new alternative gaining more popularity amongst couples?

Yes, you found the reason. In recent times there has been an increasing trend of hour-based hotels, because of which we experienced a decline in the demand for Oyo rooms. Can you recommend some suggestions for this?

Some of the possible suggestions could be,

- Introducing a flexible price model
- Provision of complementary services to develop popularity and loyalty
- Increasing availability and accessibility near railways and airports

Great we can close the case now.



A Couple of Oyo's

Parv Jindal / Difficulty – Hard



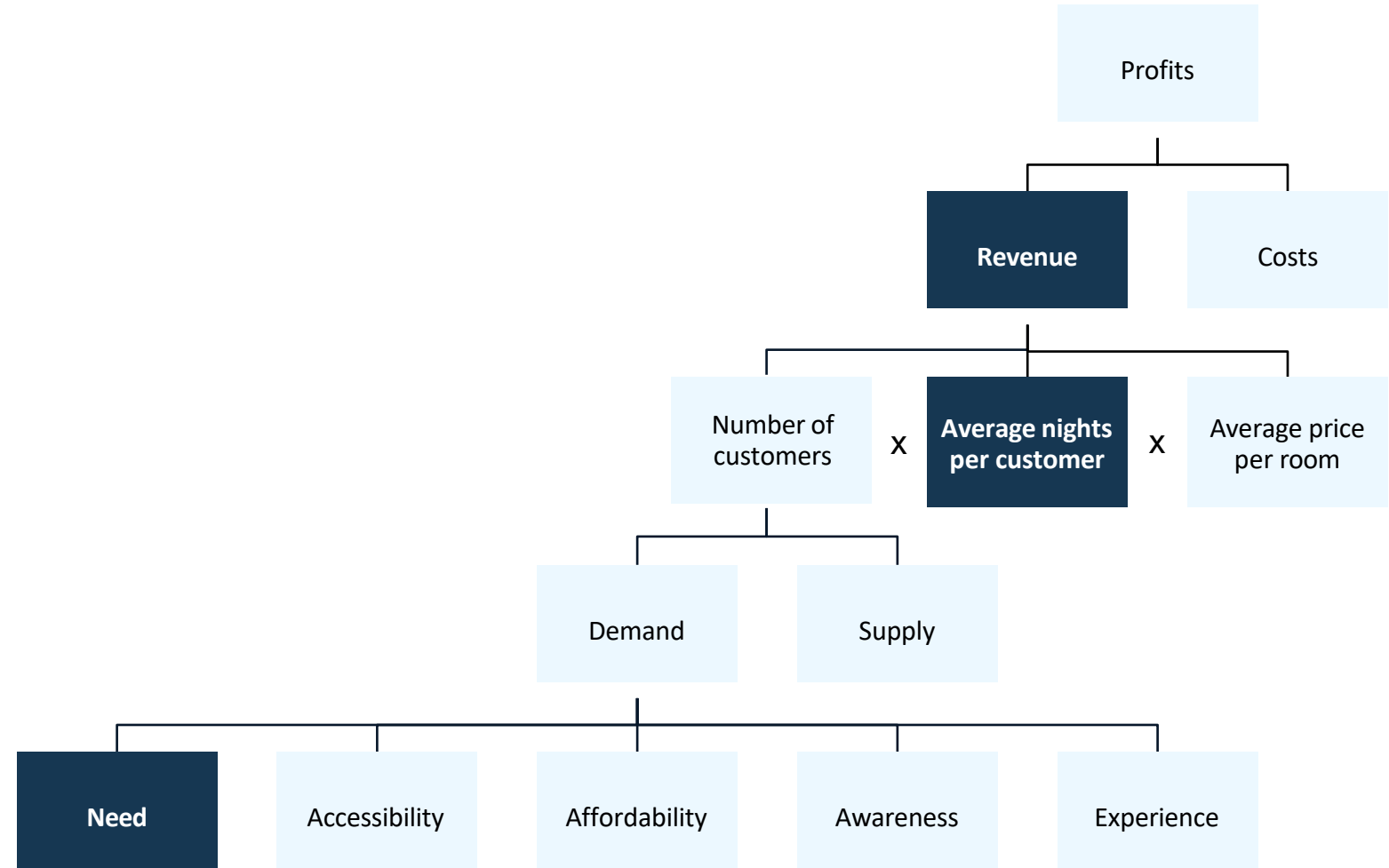
Clarifying Questions

- What is the extent of decline? (20%)
- Since when have we been facing increase in such cost? (6 Months)
- Is there a particular geography facing this issue? (Pan-India)

Brownie Points

- Demographic segregation of demand of rooms.

Framework / Approach



Transcript

Your client is an NGO in Mumbai. They take infrastructure and land from the government and run schools there. Operational costs are borne by the NGO. They have been providing free education since 20 years and their per child cost is 70-80k. They have 7 types of setups in Mumbai within 10 km radius. The client wants to influence the ecosystem. How do you go about this?

Alright, can you please explain what do you mean by influencing the ecosystem?

Yes, so ecosystem comprises of all the actors involved in the education system and influencing means that the NGO wants to educate them about student learning opportunities and how important education is for the poor

Okay. Are there any budgetary or time constraints?

No, you can assume that there are no financial or time constraints.

Do they want to influence only in India or are they targeting abroad also?

Presently they want to focus on India only.

Okay, so I have gotten all the information that I needed. I would structure my approach into 3 steps- 1. Awareness 2. Affordability and Accessibility
3. Experience and Influencing the stakeholders. May I explain these factors now?

You may go on and explain your process.

Sure. Under awareness we can use digital modes like social media and crowdfunding or physical campaigns. In affordability we can work on subsidized school fees and supplies. Accessibility can be increased by building schools near the poor people or providing conveyance. Experience can be enhanced with the quality and quantity of teachers.

That makes sense, but I want you to find an approach which showcases the way in which the influencing takes place.

Alright, so for that we can look at various stakeholders in the education sector and analyse the incentives they have. The NGO can influence the incentives of these stakeholders

Sounds fair. Can you list down the stakeholders and their incentives?

1. Central and State Government- They have social and economic incentives. Social incentive is being fulfilled because they are telling them to educate the poor. Economic incentive would entail a greater working population due to higher number of educated people.
2. Private Institutions- If they give out scholarships and take underprivileged students in, their reputation will go up and add to their wealth in the long run
3. Other NGOs- They have a social incentive only so their goals will align with our NGO and they will be easily influenced.

Alright seems fair. Let's end the case here

Thank you.

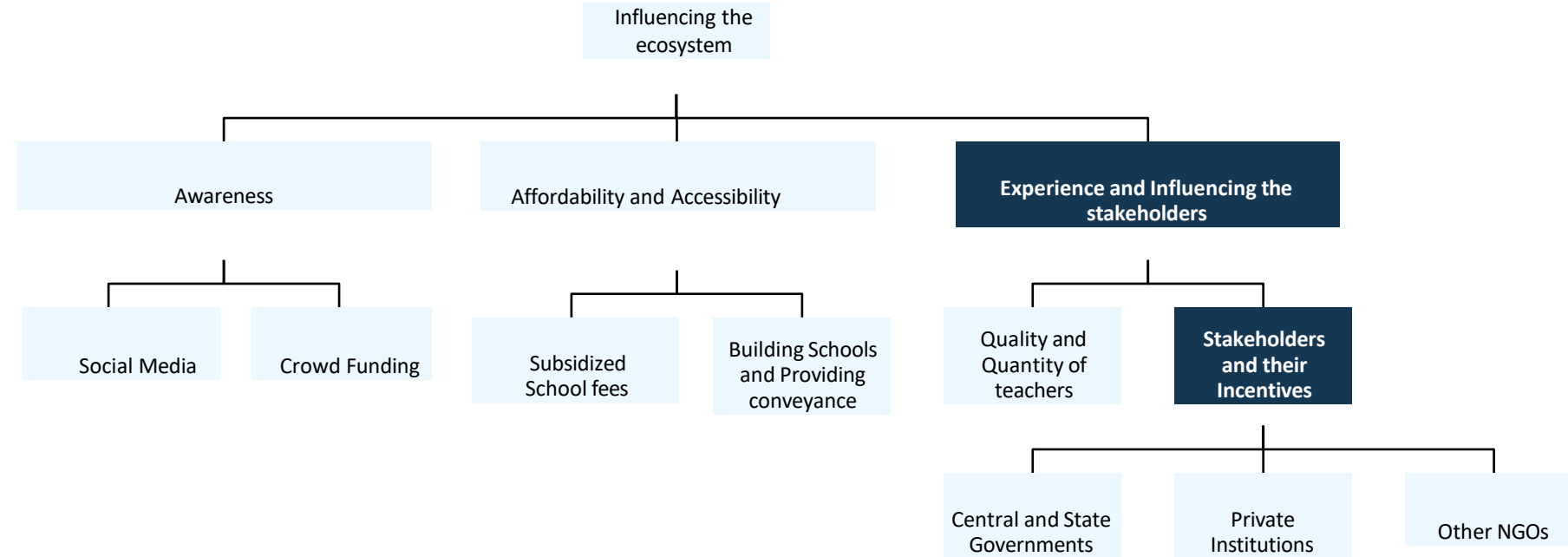
Clarifying Questions

- Alright, can you please explain what do you mean by influencing the ecosystem?
- Are there any budgetary or time constraints?
- Do they want to influence only in India or are they targeting abroad also?

Brownie Points

- Do they want to influence only in India or are they targeting abroad also?

Framework / Approach



Transcript

India is facing an employment crisis and it has become more real in the past couple decades. Off late it has exacerbated due to COVID-19 and economic slow-down. The ministry of labor and employment has hired you to analyze this problem and think of long-term solutions.

Okay to understand this problem a little better, can you tell me if unemployment has risen in some specific regions, in a specific demography, or in specific sectors?

I would like you to analyse this problem in the entirety of India, we have no specific data on sectors or demography.

Alright, first I'd like to analyse as to why this crisis has occurred. For this I would like to bifurcate employment into the demand and supply for labour. Unemployment can rise because of low demand for labour and high supply. The low demand can be due to limited job opportunities, low affordability and poor quality of applicants in terms of education and skills. The skills possessed can be broken down into vocational and technical skills.

Okay, good enough. The government has identified that the lack of skills is one of the major reasons behind unemployment. Which job category, basis the skill level, do you think has good scope for growth?

I believe there are 3 categories of jobs, blue, grey and white collar. I think blue collar jobs has the greatest scope for growth given that they include unskilled and semi-skilled jobs. This is because this type of jobs need minimal training, mostly in vocational skills, making growth more achievable.

Right. So, the government is planning to introduce a free course with 1-2 months of training for vocational skill development. They need to identify the correct target audience for the same. What metrics would you suggest?

To come up with the correct target audience, I would suggest considering three metrics that determine their need of the program. These are i) Age: it would make sense to target younger people first as they are more coachable, ii) Financial Background: the motive behind a free course is to target those who can't afford the course; hence we must factor this in, iii) Educational Background: skills must be taught basis the educational background, in order to prioritize those with a relatively weaker background.

Great, keeping these metrics in mind the government has decided to go ahead with school dropouts between standards 1-12 as their target audience. Can you estimate their target audience in the entirety of India?

Sure, are we to account for private and public schools both?

Yes, I just want to know how to go about it.

Okay. To get the total number of school dropouts between class 1-12, we'll need the number of school students from 1-12 multiplied by the rate of

Transcript

students dropping out. To get the number of students, we can take the population of India and divide it into Urban and rural region. Further we can divide each region into respective income groups. We can then allot percentages to each group as per understanding, to determine what percent of that group would go to school. Next, we can divide our figures into age-groups and move forward with the 5-18 age group to arrive at the number of school students.

Alright. Can you know think of some factors that would cause students to dropout?

Sure. There can be economical factors, such as financial constraints, social factors such as gender, because it is observed that girls are more highly likely to dropout especially in rural areas. Some other factors can be health issue and discipline issues. A major factor is recurring failing of a student which can cause him/her to dropout.

Alright fair enough. Can you know outline how a chosen candidate's journey might look like once they are selected for the course.

Sure. Once the candidate applies and is chosen, they should be able to choose a field of interest or a skill they would like to learn. Next, they can begin the course (which may be held online or offline). Practice assignments and tests can be conducted to ensure performance and post a final examination the candidate can graduate from the course and receive a certificate of completion. Throughout the course duration, the candidate can use the support services available (for example doubt clearing forum).

Alright makes sense. We can end the case here, Thank You.

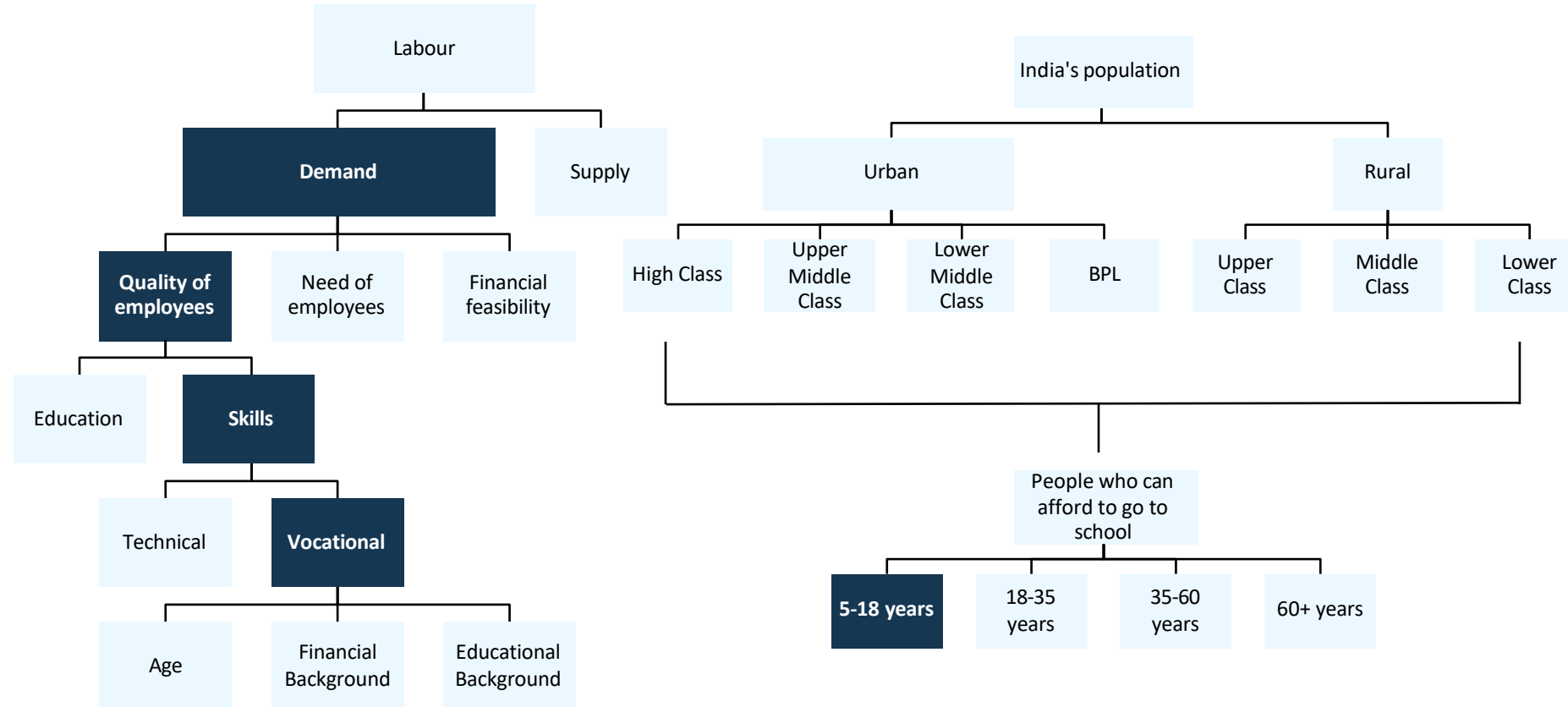
Clarifying Questions

- Occurred in any specific job sector? (Nothing specific)
- Any specific geography of India in which jobs were affected? (No)
- Any particular section of people that remains unemployed? (No)

Brownie Points

- Division of jobs into blue, grey and white collar.
- Gender as a reason of dropout.
- Suggesting offline and online modes for the course.

Framework / Approach



Transcript

Your client is a development financing bank which was trying to help the MSMEs in major African countries and India that were operationally and financially hit during covid.

You've to find out: 1. The reasons why MSMEs particularly would be most affected due to covid 2. What factors would you use to choose or prioritize industries to aid financially in a particular country 3. Propose some probable solutions that the development financing bank could provide.

Sure, how long has the development financing bank been operating and what is the size of the bank?

The bank has been providing its services for about 2-3 years and it is a relatively new bank trying to make a case for itself in a highly competitive market

Great! Talking about the reasons why MSMEs have been hit hard due to COVID, first I would want to throw light on the financial issues faced by MSMEs.

Okay, go ahead

First of all, the MSMEs will be having low cash balances as MSMEs generally have a small company size and limited working capital. Moreover, due to tight liquidity in the market and cash crunch during COVID, they will have longer credit cycles and, in some cases, it may lead to a default on payments by

debtors. Secondly, they will suffer due to lack of access to finance. The MSMEs will be having poor credit scores. It can thus lead to unwillingness of financial institutions to extend credit because of the high-risk perceptions and uncertain environment.

Great, now I would want you to focus a little on the operational bottlenecks.

With Covid, there will be supply chain disruptions mainly because of labour unavailability in case of labour-intensive industries. This will result in manufacturing halts. Moreover, raw material shortages and transport restrictions will also result in supply chain disruptions. Other than the supply chain disruptions, Covid might also lead to inefficiency in operations and lack of productivity. This is mainly because of the inability of MSMEs to adapt to covid-induced trends, inability to digitalise/sell online and Low tech and managerial expertise.

Excellent, you have covered all the major reasons. Now I want you to point out the factors you use to choose or prioritize industries to aid financially in a particular country.

Firstly, the impact generated by the industry, employment generation, share in GDP and return on investment. Secondly, ease of revival of industry, capital required & time required for revival. Thirdly, the urgency of the industry, they may be essential items and number of people employed



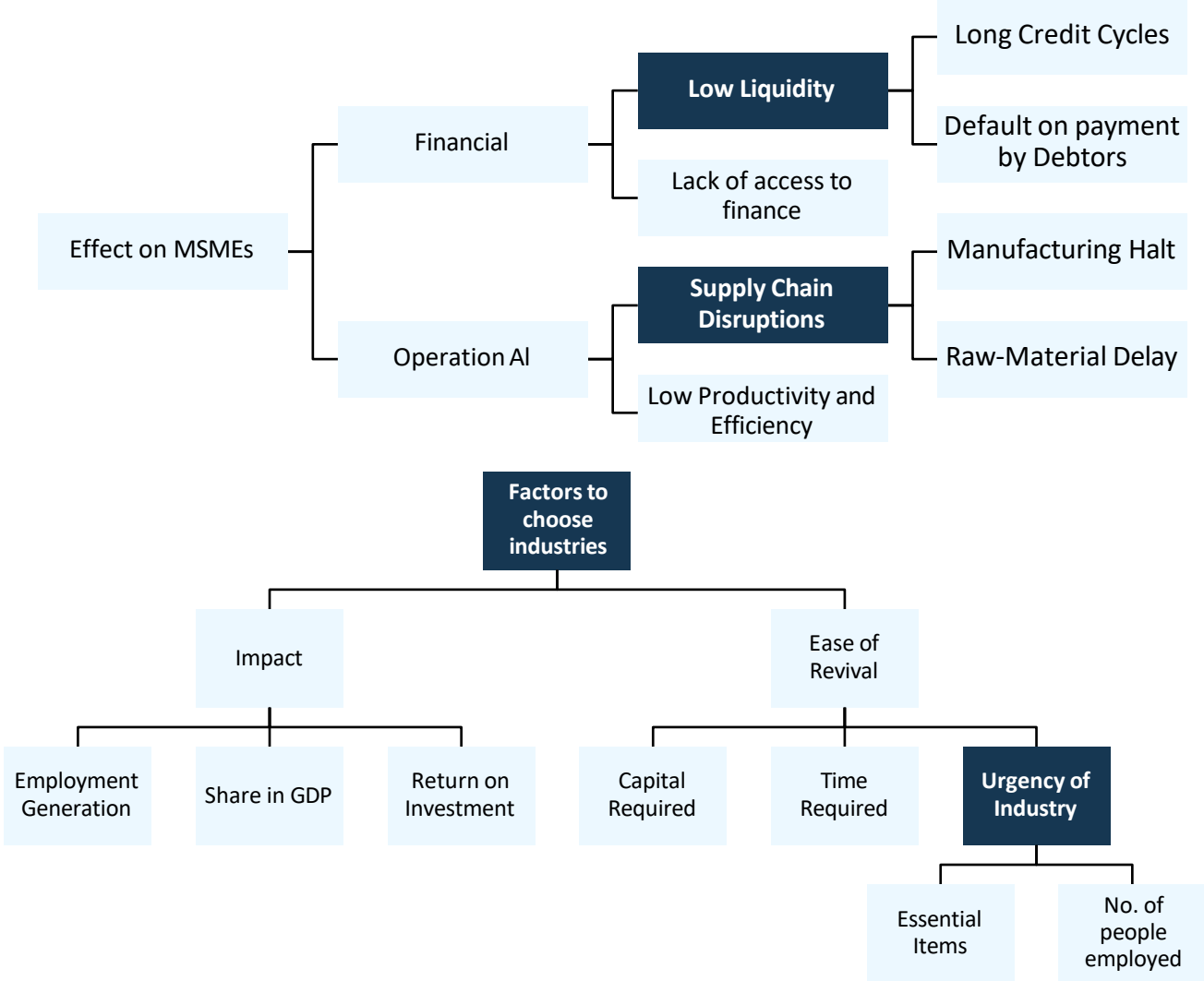
Clarifying Questions

- How long has the development bank been operating?
- What is the size of the bank?

Brownie Points

- Poor credit scores cause lack of access to finance
- Inability of MSMEs to adapt to COVID trends

Framework / Approach



Transcript

Your client is a Cancer Speciality Hospital based in Mumbai. They are facing a problem wherein there is a large number of patients who are living on the road in front of the hospital. You have been hired to solve this problem.

Sure. May I know why patients are lining up specifically at this hospital?

The hospital is a pro-bono treatment provider and has the best doctors and provides great care in the area.

Interesting, could you tell me more about the patients, as well as the availability of resources with the hospital?

Yes. Since the hospital provides the best treatment, people come from all over the country in hope of recovery. The hospital has a limited number of doctors and beds, hence is unable to cater to the needs of all its patients.

Okay. Can I get some insight into the diagnosis and treatments provided to a Cancer patient?

Before providing treatment, diagnosis is made through clinical testing. Treatments include initial medication, chemotherapy and surgery. Where do you think the problem lies?

So far, I can infer that it is a problem of optimizing the entire value chain and maybe scheduling appointments in a better manner.

Good. How do you think we can work on it?

Sure. We can have tie ups with aggregators who could do the initial filtering for us, to avoid a patient travelling for testing. Furthermore, we can establish partially specialized centers across different states. Lastly, we can compliment it with tele-consultation and consequently redistribute the high influx of patients.

Makes sense. Can you estimate the ideal number of doctors required for surgery at this hospital?

Sure. In my opinion, we can arrive at number of doctors by deriving the total number of cancer patients requiring surgery and dividing that by the average annual surgery rate of one doctor and multiplying this figure by the hospital's share of patients. Can you tell me the cancer incidence rate?

On an annual basis, 443 people out of 100,000 get cancer. You can take the Indian population as 1,200,000,000 .

Okay, so that gives us 5,316,000 cancer patients, multiplying that with a surgery rate of 55%, we get 2,923,800 patients requiring surgery. Let's assume that one doctor performs 7 surgeries in a month, which gives us an average annual surgery rate per doctor of 84. Considering that one surgery takes 3 doctors, this rate becomes 252. Dividing the patients by this rate, we get 11,602 oncologists in India. **(Ask the interviewer for the market share)**

Alright seems fair. Let's end the case here.

Thank you.

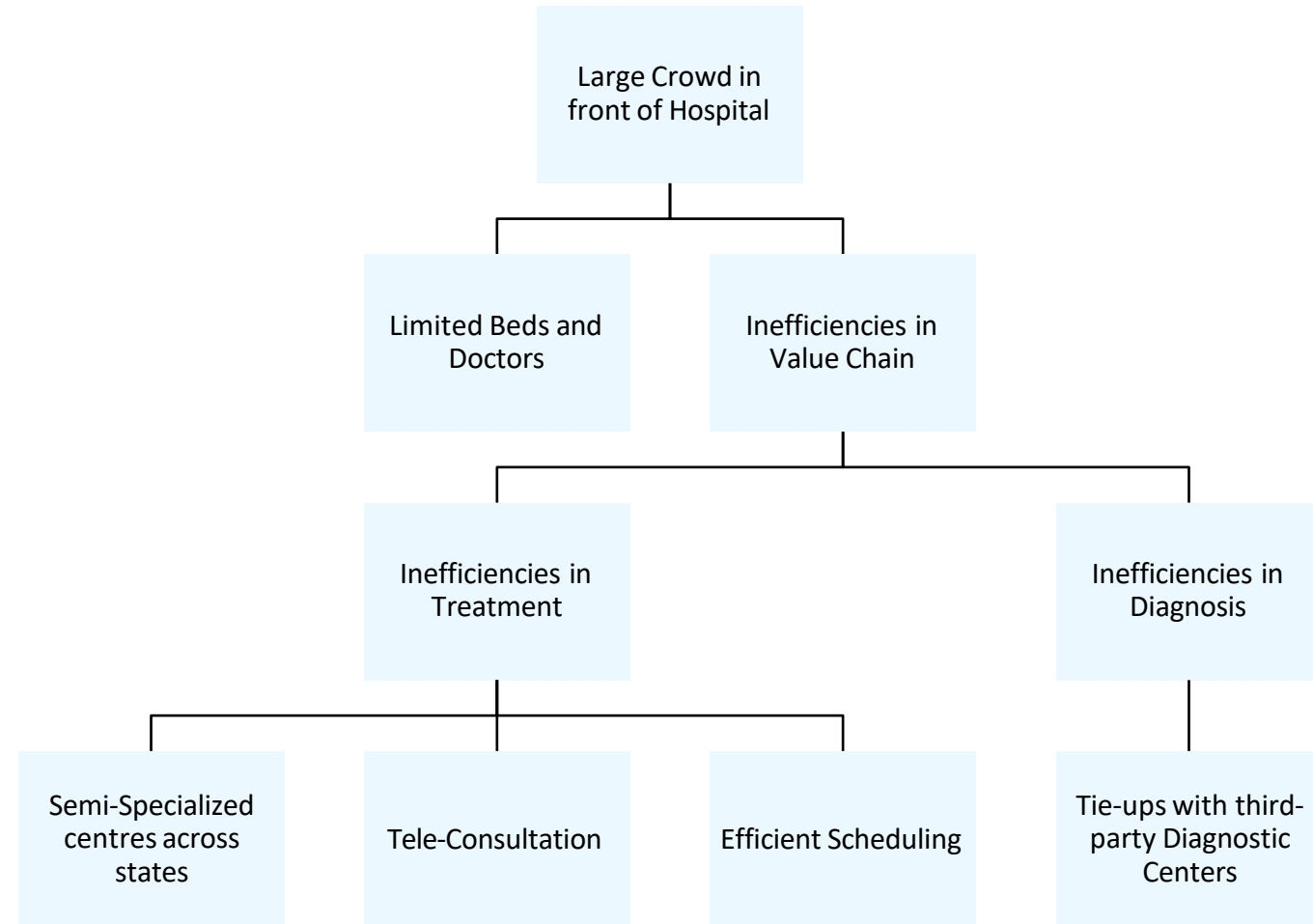
Clarifying Questions

- Why is the crowd there?
- What is the capacity of the hospital?
- What kind of diagnosis and treatment is offered?
- Asking about the cancer incidence rate

Brownie Points

- What is the objective behind the visit?
- Finding innovative ways to structure the problem based on inefficiencies in diagnosis and treatment

Framework / Approach



Transcript

Your client is an giant ed tech company based out of India. They have a freemium model of educating people on their digital platform. The company wants to provide it's services to lower income households as a CSR initiative and has approached Dalberg for the same.

Alright! I would like to know more about the company and its target market. Also, I want to clarify the objective and timeline for implementing the initiative?

This Indian company offers a freemium model for teaching subjects like Maths and Science in English language on their app. Their target market primarily includes medium to high income households. The main objective is to reach 5 million users in 5 years along with improvement in learning outcome. Guesstimate the number of students that the edtech can target in the lower income household.

Okay, understood. Are there any budget constraints for the same?

No, the company has no budget constraints in implementing the initiative.

Okay, I'll do a top down approach for the guesstimate, if that's okay.

Sounds good. Go Ahead.

So, I'll start with India's population i.e. 140 Cr. Then I'll divide the population into rural and urban split assuming 7:3 ratio. After this we can further divide into lower, middle, and high-income classes. For rural areas it can be taken as 40,50,10 and for urban areas 30,50,20. After this we'll further divide lower income households into 0-18, 18-35 and 30+ age bracket. For rural areas it can be taken as 30,50,20 and for urban areas it can be taken as 20,50,30. At this point, I'll get an approximate figure of number of children in the lower income households. Does this approach sounds fair?

Sounds good till now, please continue.

Further to arrive at a more approximate figure, I will use the internet penetration and the English speaking population percentages being 40% and 20% respectively.

Sounds fair, you can follow this approach to get the final number.

Rural population = $0.7 \times 140\text{Cr} \sim 100\text{Cr}$, Urban population $\sim 40\text{Cr}$
Lower Income Households Rural = $0.4 \times 100\text{Cr} = 40\text{Cr}$: Urban = $0.3 \times 40\text{Cr} = 12\text{Cr}$
5-18 Age Bracket: Rural = $0.2 \times 40\text{Cr} = 8\text{Cr}$: Urban = $0.3 \times 12\text{Cr} \sim 4\text{Cr}$
Total Lower Income 5-18 Age Bracket Children = 12 Cr
Assume 40% Internet Penetration rate exists in India, therefore the figure will boil down to approximately 5Cr.
Since the edtech only teaches in English which is prevalent mostly in north India, we can to further reduce the number to 20% of the arrived internet users to find out the eligible English speaking children in the lower income households. That gives us 1Cr users. Does this seem okay?

Sounds good. Do you think there is enough potential for this CSR initiative to benefit 5Cr users? If yes how do you plan to evaluate the performance of the same?

I believe that there is potential for the CSR initiative to reach at least 20lacs (20%) children of poor households of rural and urban population within the 2 years of its launch by keeping the following things in mind:

- Already existing **brand name** of the company,
- **Improving** internet penetration and literacy rate of the country,
- **Compounding effect** of the improved learning outcome

The approach seems fair. Now you can carry on with the evaluation metrics.

Transcript

Yes Sure. Since our objective is two-fold, we can divide the performance evaluation into broad categories i.e. Reach and Improved Learning. Can I carry on with them?

Sure, please continue.

Alright! Under the Reach bucket, we can include three metrics naming as follows:

- **Revenue Per Customer:** Since the Edtech firm is offering freemium model, we can analyse the conversion rates of the poor households opting for the continued use of the initiative under concessional rates.
- **State Burden:** States like Delhi and UP have different number of people below poverty line, therefore we can assess percentage of users contributing to the app from the states having high burden.
- **Number of Users:** This metric helps us in forming the base of the evaluating the performance achieved post initiative.

They seem like fair metrics. Please continue.

Okay, the other category being improved learning can be evaluated using the following two- fold areas:

- **Hours Spent:** This factor will tell us in the number of hours a child is spending on the app.
- **Results of Quizzes & Growth:** Assuming the app has various tests and quizzes attached post lectures, we can analyse a child's growth on the basis of number of attempts and correct answers of the tests.

Using these parameters along with Reach, we evaluate the performance of the CSR initiative and take respective measures to meet any discrepancies if required.

Sounds good. We can end the case here.



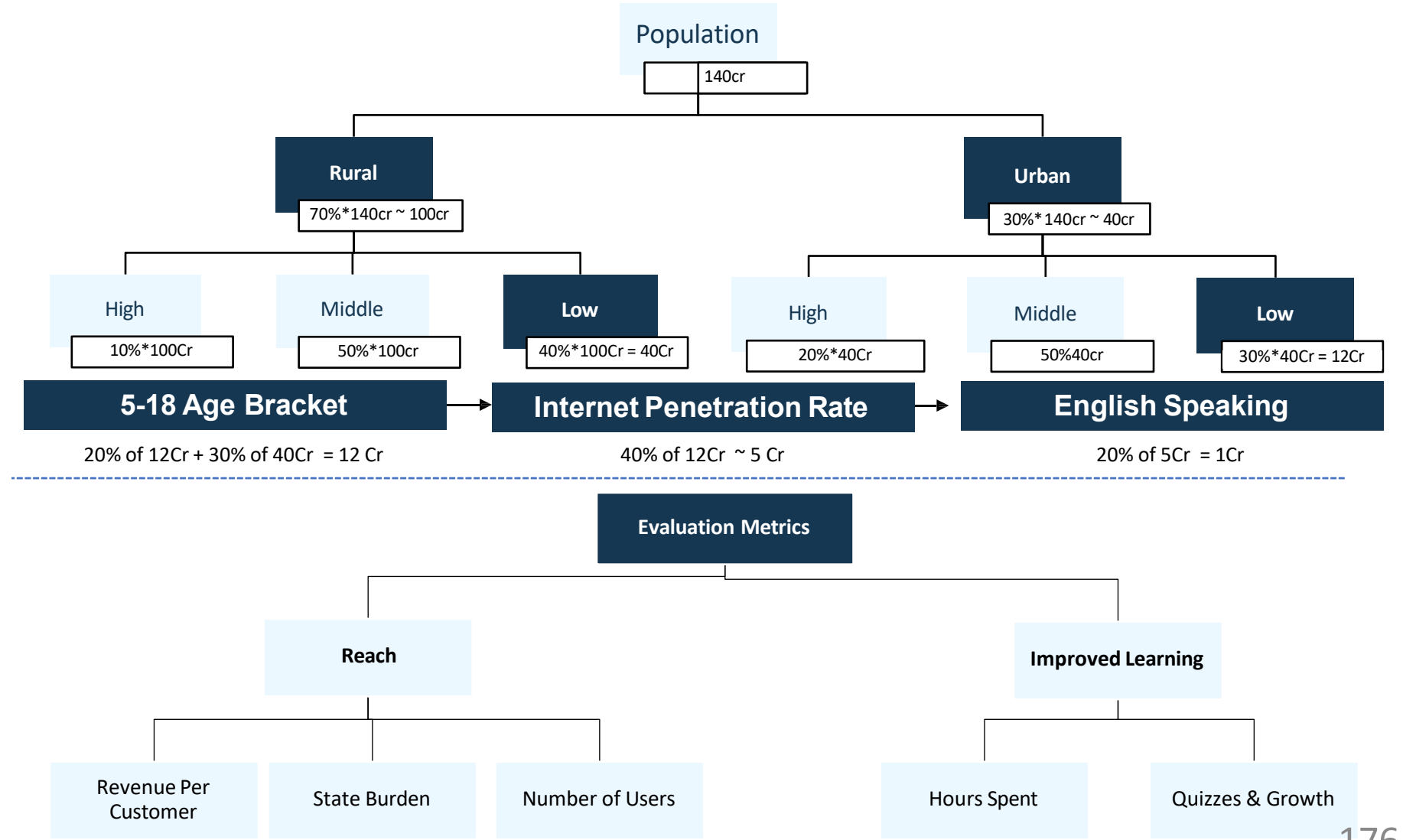
Clarifying Questions

- How does the company provide their product offering?
- What is the timeline of the CSR initiative?

Brownie Points

- What is the objective behind this?
- Are there any budgetary constraints?
- Finding innovative ways to structure evaluation metrics with objectives in mind.
- ‘State Burden’ as an evaluating criteria under Reach.

Framework / Approach



Transcript

Your client is the leader of a Cartel in Mexico, his name is Mr. Guzman. The number of killings in his cartel has increased and he has kidnapped you to solve this problem. If you are unable to solve this problem, he will kill you.

Okay, how was I kidnapped, and can I have more information about the cartel with respect to the size and business?

Yes, you were on a vacation to Puerto Vallarta, Mexico when you were kidnapped. The cartel has multiple businesses such as Drugs, Arms trafficking & Kidnapping.

Interesting, since when has this been happening, are other cartels also facing similar issues, and is there a specific section of our cartel that is being targeted?

This has been observed over the past 4 months. While other cartels have also witnessed deaths but the number of deaths in our cartel is significantly higher and the deaths are also consistent throughout the cartel, no particular section is being targeted.

Okay, so let's say that there is a member X working in either Drugs business, Arms business or Kidnapping. There will be a supplier and a customer that complete the value chain. By killing our members, someone is likely benefitting too.

Yes, there has been an ongoing conflict with a rival cartel that will benefit from such killings, most of these killings have happened during deals carried out by the cartel.

Okay, assuming our rivals have been killing our members, the reasons can be identified by either analyzing the functioning of the cartel. Can you tell me more about the functioning of the cartel as to how deals are carried out?

There is a main leader let's say X and the top members of the cartel in a meeting. The meet is held in a secluded place in a villa or a farmhouse and then the transactions are carried out.

Okay, so there can be 4 reasons as to why the killings are taking place during the dealings.

Leak of Information

Either a member or the customer is leaking information to the rival cartel.

Secluded Place

The place for meetings is the same for both cartels and hence they are able to kill our members

Economic Incentive

The rival cartel is looking to get a higher market share

Political Advantage

They might have political motives for killing our members

Great points, the killers are always present at the meeting beforehand hence it is clear that these have been happening because of information leaks, can you identify how?

Okay, so there can be the following sources for Leaks –

1. Members and Top Members have been leaking the information
2. Disloyal Customers leaking information to the rival cartel
3. Tapping of Phones and Cameras
4. The rival cartel uses disguises to gain information

Transcript

Okay, so the rival cartel has a man on the inside that has been providing information to them. How will you identify him/her?

Okay, so I'd like to start by listing the stakeholders involved

- Top Members including Mr. Tannenbaum
- Family Members of Mr. Tannenbaum
- Cartel Members
- Staff of top members (waiters, drivers etc.)

The information is either leaked by the Top members unknowingly or by the other stakeholders.

Great, so the information was being leaked by a family member unknowingly, the daughter of Mr. Guzman made a new friend 5 months ago that has been using her to gain information about these meetings. Let's end the case here.

It's Dangerous

BCG / Difficulty – Hard

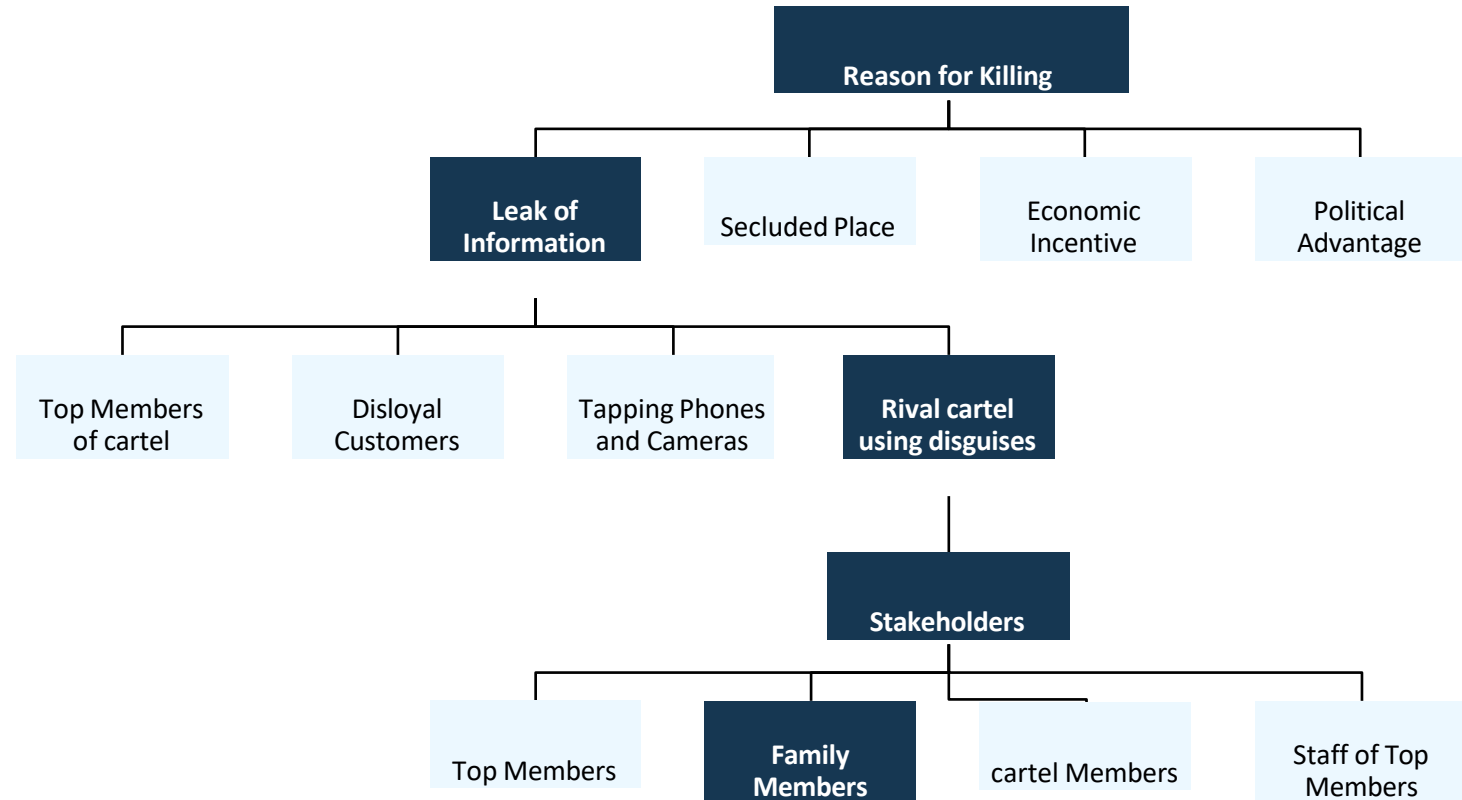
Clarifying Questions

- Size of the cartel and businesses?
- Have the killings been noticed in other cartels too?
- Are there any new competitors in Chennai? (No)

Brownie Points

- Understanding the functioning of the cartel and identifying various stakeholders

Framework / Approach



Transcript

Let's start with the case. Your client is the NaMo government. Post the onset of the pandemic, many firms who would previously have manufacturing facilities in China are now looking for an alternative. NaMo govt. wants to pitch India as a manufacturing hub to such firms. How do you think they can do that?

There are two broad categories which can be considered: Looking at the Financial sides of things and Ease of doing business. Does that sound fine?

Yes. You can proceed.

Let's categories both of them.

1. Financials include considering the cost factors and India as a sales market.
2. Ease of doing business includes facilities such as Warehousing, Transportation, Legal system, Socio-political structure, Technology and miscellaneous services.

Let's look at the Financials first.

Right. If we dig into costs, we can further categorize them into 1) Fixed Costs and 2) Variable Costs. Fixed Costs include 1) Land Rent (lower comparatively) 2) Interest (Low-interest capital widely available) 3) Employee Benefits (Minimum wage and strict labour laws). Variable Costs include: 1) Labor (High youth population and cost-effective labour) 2) Taxes (Import, Export and Corporate Tax exemptions) 3) Utilities (Consistent & cheap supply of power and water) 4) Raw Material (Good quantities of plant-based, animal-based & mineral-based raw materials). Additionally, we must recognize the ease selling of the product, given the growing middle class of India.

I think that's quite a comprehensive division. Let's dig deeper into Ease of doing business, now.

Sure. 1) Warehousing (wide availability of cold storage and normal storage facilities) 2) Transportation (dense network of roads, oldest and one of the largest rail networks, construction of new airports, presence of large ports along a long coastline) 3) Legal framework (online tax filing, easy to obtain regulatory approvals, not strict environmental laws) 4) Socio-political structure (democracy, strong & stable govt.) 5) Technology (Innovation via grants & scientific institutes) & 6) Miscellaneous Services (the hub of call centres, cost-effective labour, etc.)

That is pretty well put. Can you tell apart from this what are some competitive edges that India has?

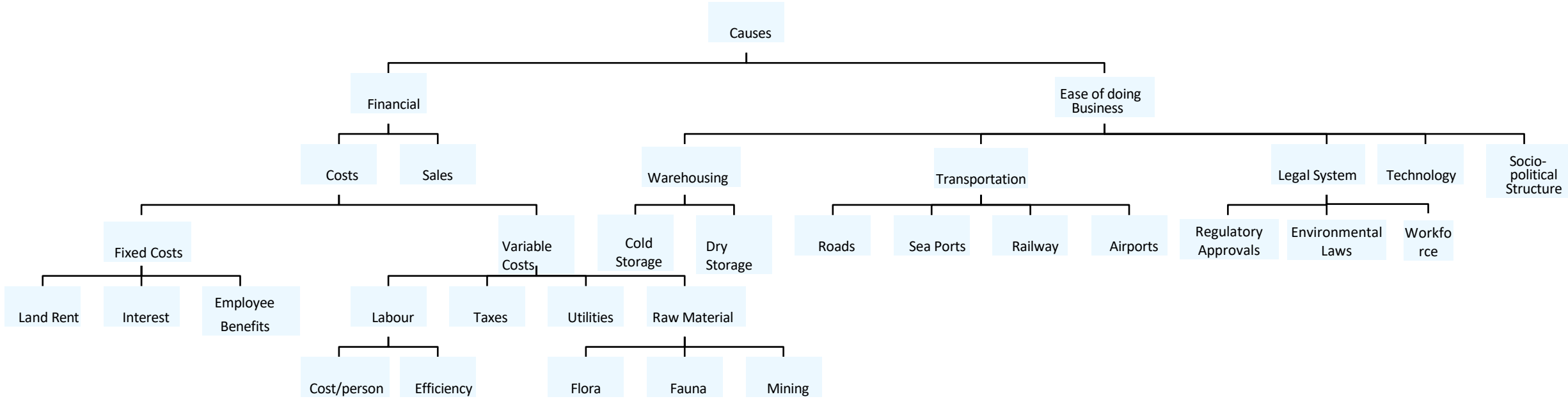
I think India being a strong democracy is definitely a competitive advantage as compared to our neighboring countries. Apart from that establishment of Special Economic Zones is another key factor which will attract foreign manufacturing facilities.

Alright seems fair. Let's end the case here.

Brownie Points

- Dividing the categories into financial and ease of doing business

Framework / Approach



Transcript

Your client is the Government of Rajasthan and they have been observing unsatisfactory results for their “Malnutrition Eradication Program”. They have approached you to provide assistance.

Sure. May I know since when have they been experiencing such results?

Since the advent of the program, that is since 2 years. This has been a constant response from all locations.

Interesting, could you tell me how is the impact measured?

Sure, it is done by measuring the malnutrition levels in the state.

Okay. Can I get some insights into the workings of this program.

The objective of the program is to promote women and child health by providing medicines to pregnant women and new-born children through state run anganwadis.

So just to be clear, the government provides aganwadis with medicines which they further distribute to patients.

Yes, that’s correct. However, the footfall at these anganwadis has been low.

Okay. First, we can try and outline a value chain for the anganwadis into 3 broad points, planning, resources and implementation. First, they receive medicines from the government, based on the government’s assessment of prospective demand for each anganwadi. Next, they distribute these medicines to the patients based on their requirements

Yes that is essentially how it works.

So, one of the reasons of the low footfall could be unavailability of medicines due to inefficient planning.

No there are ample medicines available.

Okay, then there must be an issue on the distribution side. Are these anganwadis easily accessible to rural patients?

Yes they are fairly distributed within the state.

Interesting. Is there any reluctance exhibited by patients towards anganwadis?

Yes it is a taboo. These families do not have faith in such practices.

Alright. So, to summarize, the problem lies in the distribution segment, specifically because of unacceptance of medical help provided. In order to fix this, the government can implement a three-pronged approach. Firstly, awareness campaigns need to be taken up, to make people aware about the existence and benefits of such services. Secondly, the sarpanch can act as an agent, to further reinforce the benefits of the service. Thirdly, organization of doctor visits to random houses, in order to prove by example, the need for such services.

Alright seems fair. Let’s end the case here.

Thank you.

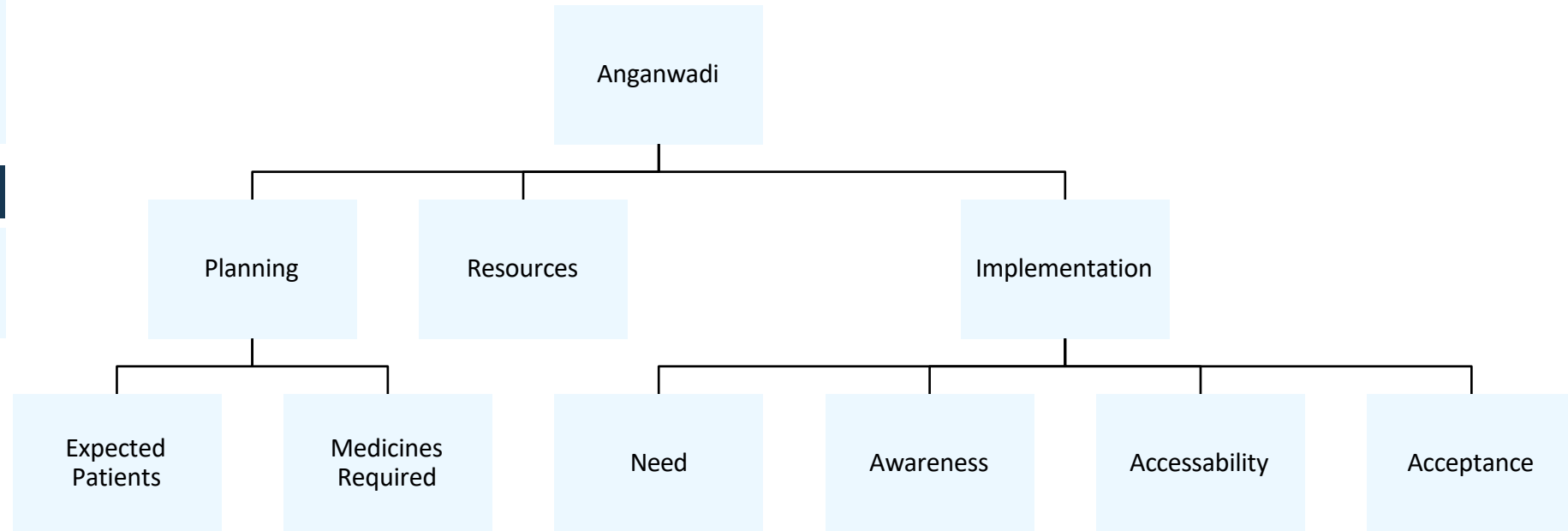
Clarifying Questions

- Since when have they been experiencing such results? (2 years)
- How is impact measured? (through malnutrition levels)
- How does the program work?

Brownie Points

- Using the Sarpanch as a point of connection to establish trust and spread awareness

Framework / Approach





THANK YOU



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