The ICON Consulting Handbook
Volume I

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FOREWORD

This document has been prepared by ICON - the Consulting Club of IIM Bangalore.

The purpose of this document is to assist the students of IIM Bangalore in their preparation for case interviews conducted by consulting firms during placements.

This case book documents the interview experiences of students across various consulting firms. The aim of sharing these experiences is to inform students about the case-interview experiences of past batches, and to accordingly help them prepare for their placements. The experiences listed below are not necessarily the best way in to handle case interviews. They only serve to give students an idea as to what to expect when they walk into a case interview. Every individual could have his / her own unique way of tackling consulting interviews, each of which could be correct.

All contributions to this document are by students of the class of 2012 who appeared for interviews of consulting firms on campus during their summer placements. The interview experiences are sorted firm-wise.

Special thanks to all the contributors and all the very best for summer placements!
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INTRODUCTION

Consulting industry remains one of the most sought out options to start, and forge out, a management career across the globe. It presents the unique combination of solving complex business problems and an opportunity to work across diverse set of industries. A host of consulting firms visit IIM Bangalore campus every year for the campus recruitment process. In recent years, focus has shifted from the final placements to summers. This shift offers a dual advantage to students

1. Helps students get a flavor of the consulting industry, thus giving an opportunity to gauge one’s aptitude for consulting and aids informed decision-making during the final placements
2. Presents an opportunity to get a PPO (Pre Placement Offer) which effectively does away with the need for final placements for students focused on consulting as a career choice

There are over 20 consulting firms participating in the recruitment process at IIM Bangalore across various domains such as strategy consulting, operations consulting, IT consulting, and analytics. Though the summer selection processes of these firms might differ slightly in the specifics, it has several common aspects, thus making it possible to generalize the preparation process for the same.

ICON, the consulting club of IIM Bangalore, in its constant endeavor to provide IIMB students with valuable insights into the fascinating world of consulting, has undertaken to develop an exhaustive preparation process specifically aimed at summer selection for consulting firms. This guide, a part of this initiative, explores major consulting firms namely McKinsey & Co., BCG, A T Kearney, Bain & Co., Booz & Co., Alvarez and Marshal

The objectives of this guide are:
1. To lay down the recommended preparation process for consulting summers selection
2. To capture interview experiences of consulting summer interns from the previous year, along with typical questions asked in the interview and model solutions for select cases
3. To obtain summers experience feedback from consulting summer interns to help students get first hand information on the kind of work they can expect during their summers

Selection process for consulting firms has several distinct features of its own, and as such, the preparation for the same demands a differential flavor to it as well. The selection procedure for the four major consulting firms explored in this guide is almost completely based on resume based short-listing and a subsequent elaborate interview process. Only one of these four firms, McKinsey, conducted an analytical ability test after the resume short-listing process; the role it played in the final selection process remains unclear. Hence, interviews remain the focal point for the preparation process. Below are
guidelines for the same, evolved after combining together interview preparation recommendations from all
the summer interns from these consulting firms.

WHAT TO PREPARE

A typical interview for a consulting firm is a mix of “case” and “fit”.

a. Case Preparation – Cases are arguably the most important aspect of any consulting interview. A
good performance in a case puts you in a very favorable position with the firm; an excellent one
virtually guarantees an offer.

A typical case is a business situation, requiring strategy formulation in order to fix a problem or
enhance efficiency (optimization). It can vary from a detailed problem statement, supported by
several facts to a one-liner conceptual statement with a very broad problem description along
with few, if any, facts available.

Case interviews are designed to help the interviewer assess the candidate on the following
parameters
i. Thinking process – The interviewer constantly evaluates the candidate as the latter thinks
through the problem
ii. Structuring – This involves breaking down the problem into simple, logical components and
structuring a broad approach framework.
iii. Analytical and Quantitative skills – A typical case problem requires application of basic
quantitative concepts, achieved through an analytical approach to the problem in hand
iv. Demeanor – In addition to the above, interviewer also judges the candidate on his poise
and maturity

Finally, cases also provide the candidate a flavor of the consulting world in terms of kind of work
they can expect in the industry.

b. Fit Questions – The objective of these questions is to determine the degree of fit between the
candidate and the firm.

This part of the interview serves the following purposes
i. Helps interviewer know more about the candidate, his life-story and ambitions
ii. Explore candidate’s interests, and how they “fit” with those of firms
iii. Assess how coherently the candidate can present himself in a conversation

In parallel to the above aspects, the candidate is continuously assessed on his communications
skills as well.

Typically, a very good performance in both parts, i.e. case and fit, is essential for a final offer.

Very strong performance in one section can compensate for average performance in the other to
a certain extent; but a minimum decent show in both aspects of the interview is mandatory to be
considered for the next round/final offer.

**HOW TO PREPARE**

*a. Case Preparation*

i. Resources
- Wharton’s and Kellogg’s case books available on ICON website
- Case examples provided on McKinsey, BCG websites

ii. Case Study group
- Typically, a group of 3 – 4 PGP-I students to discuss cases and conduct case interviews among themselves.
- A thorough preparation of 10-15 cases is recommended through this mode.
- Ideally, all members should be focused on consulting as the career option. It ensures consistent, enthusiastic participation from all members throughout the preparation period.
- Diversity / uniformity in academic background and work experience within a team do not matter
- What indeed matters is *group dynamics*, the amount of trust members have in each other, so as to pass honest feedback to others and accept the same in a constructive manner. The purpose is lost if members do not believe in other members’ sense of judgment and ability to pass on accurate feedback
- A couple of cases can be prepared with some other case study groups to break the monotony and, in the process, obtain varied feedback

iii. Miscellaneous
- Mock interviews and case workshops are also conducted by PGP-II students, typically the summer interns from consulting firms
- Self-study of solved cases, when group activity is not possible, is beneficial
- Knowledge of basic statistics, such as population counts, can prove to be enormously helpful
- One should not quit until he or she becomes 100% confident in case analysis
- Sector research, especially those in which interviewers specialize, can come in handy.
- Equally important is to gain basic understanding of the sectors in which the candidate has undertaken any academic projects in the past

*b. Fit Questions*

i. Typical questions preparation
- A list of ~40 questions is generally circulated by the Placement committee towards the end of Term-I
- Interview questions from summer interview process of previous year should also be prepared.
  Available in the next section of this guide

ii. Company Research
- It’s recommended to obtain a basic knowledge of the company operations, its history, culture and vision. It helps in aligning one’s responses on appropriate lines as well as asking relevant questions during the interview
- Vault guides and other consulting gyaan available on ICON website
- Limited help from mentors appointed by consulting firms (for shortlisted candidates only)
- Company’s websites (and neutral sources as Wikipedia!)

WHEN TO PREPARE

a. Case preparation
- Case study groups kick in at the start of Term-II, translating into 15 – 20 days of preparation before commencement of summers’ selection process
- Forming the group early on saves time and energy spent unnecessarily in search of appropriate team members later on

b. Fit questions
- Preparation of fit questions requires several iterations. Hence, it is advisable to have the first draft ready as soon as possible
- It is recommended to start preparations from the beginning of Term-II

INTERVIEW EXPERIENCE

The selection process has following stages:

1. Resume short listing

  • All heads are looked at, and the base criteria need to be passed in each of the heads. The base criterion depends on the batch strength and is not an absolute cut-off. After crossing the base cut-off, 1-2 spikes looked at. A Spike is defined as a unique attribute in a resume - something that is not shared by anyone else in the batch

2. Interviews

  • Number of interviews varies across candidates and companies
• The interviews for all consulting firms are mostly case based
• These are not stress interviews. The interviewer directs the candidate through the cases, providing leads and hints

As discussed in the last section, a typical consulting interview has two parts – “fit” and “case”. Generally, a consulting interview lasts for ~40-45 minutes, with following being the breakup

• Fit Interview: 15 – 20 minutes
• Case Interview: 20 – 30 minutes

FIT INTERVIEW

• Fit Interview involves personal questions – Typically of the kind “About yourself”, “Why do you want to join a consulting firm?” etc
• A typical consulting interview starts with a few personal questions, lasting for 5 – 10 minutes
• This initial phase is used to establish rapport. These questions are used to gauge whether the candidate fits the company culture
• Personal questions can also be asked during and after the case, hence be prepared for a question when you are least expecting it
• The interviewer forms an impression of the candidate after going through the resume and tries to verify it during the interview based on the candidate’s responses to these questions
• The fit questions are not directly addressed, but are asked through a chat session, where the interviewer will try to understand the kind of person one is. You are less likely to be asked direct questions like “How will you fit in the company culture?” Instead, if a certain consulting firm stresses on a team culture, you will be judged on how good a team player you are

DOS AND DON'TS OF A FIT INTERVIEW

DOs:
• Adopt a calm and composed manner throughout the interview – Consultants spend a lot of time in a direct contact with the client where this aspect of the personality is very essential
• Be yourself – projecting a false image of being someone else does not work. The person on the other side of the table is a seasoned player and would easily spot pretence
• Present a coherent picture of yourself in an articulate manner
• Be confident – Nothing would compensate for shaky responses and a fumbling tone
• Display a good knowledge of the firm, and how it fits in your career goals
• Be honest – Admit if you don’t have knowledge of the topic interviewer wants to discuss
• Express your own expectations and interests with respect to the firm

DON'Ts:
• Get defensive when the interviewer present a counter argument
• Feign interest in subjects just to impress the interviewer – artificial poses don’t carry weight
• Appear confused about joining a consulting firm – your career aims should be clearly outlined
• Narrate stories that present contradictory images of who you are
• Appear ignorant about the position or the firm for which you are interviewing

CASE INTERVIEWS:

CASE
- The case is given as a 3-5 statement caselet
- The caselet is either number based or strategy based. (Guesstimates may be given either as a part of number based or strategy based case)
- The caselet gives the objective of the case

APPROACH
- Take 1-3 minutes to structure your thoughts. You are not judged on the final solution that you recommend; but on your approach to solve the problem
- Make sure that you have touched upon all the areas concerned to the problem
- Make the session interactive by asking questions, instead of taking it as a test. The interviewer would guide you to the solution by giving hints if you approach is wrong
- Industry knowledge is not required - ask them questions about the industry, which are relevant to the case
- Making assumptions is a necessity - always confirm their validity
- Try to have your own approach to the problem. The standard frameworks can act as a guideline. They would not like rehearsed problem solving approaches
- Have your own style of how you are going to approach cases (top-down, bottom-up etc.)
- During the course of your interview if interviewer introduces extra information, you can take time to restructure your approach.
- Industry knowledge on few important sectors as telecom, IT will be helpful.
- Take your mistakes easily. Be calm and try to address the problem based on the hints provided to rectify any error made.

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PRACTICE CASES

- A Mobile Handset Manufacturing Company, which has 60% market share want to strengthen their position and understand where the growth will come from in the next 5 years
- A foreign bank wants to start credit card business in India. What options would you suggest?
- An upcoming BPO wants to understand the manpower crunch (Supply is less than demand) in the next five years
- An Indian youth channel wants to start a new music magazine. Is it a good venture?
- A VC firm needs market size for institutions for music and creative skills (on similar lines of NIIT for computer skills)
- Increasing efficiency and reducing costs for a call centre setup
- Selling strategy for condensed milk and packaged milk products in India
- Infosys is starting BPO services, how would you control the attrition rate?
- Estimate the market for platinum and diamond jewellery in India for a European company.
- Feasibility of a corrugated cardboard carton manufacturer going into the paper business (profitability analysis)
- A Telecom call-center BPO couldn’t cope up with the amount of calls it was getting. Figure out the multiple problems ailing the company and generate methods to solve all of them
- There is a coffee shop on the ground floor of a 40 floor building. Guess its monthly revenue
- A call centre wants to cut costs by 10 percent. What are the measures?
- Entertainment company in music, planning to launch a magazine. Data given such as expected readership of other magazines, industry growth, competitor prices
- New heart hospital in New Delhi. It would cost X to set it up. What would be the break-even time for it?
- Call centre – cut costs per employee by 0.65$
- Tractor company losing sales. 2 minute case. Write 5 possible reasons
- Chain of stores was losing business, identify the problem
- Petrol pumps, set up on highways. Suddenly, revenues were going down. What might be possible reasons?
- How would you make quizzing a national pastime? You are a consultant to the government
- Movie producer has come to you with four scripts. You need to choose one. Which one and why? What are the parameters you will use to evaluate?
- Confectionary major is planning to get into India. Should he buy a factory that is on offer, or should he enter on his own?
- TEM of mobile phones. Sales of your handsets have gone down. Your dealer says that this is because competitors’ prices are better. What do you do?
- How much investment is required in infrastructure in India in the next 5-6 years
• An Indian private bank wants to go global. Which countries should it focus on and what should be its strategy?
• How much time would it take a 100 bed heart care hospital to break even and how many customers would they require to do so?
• A box manufacturing company which made a better quality cardboard box (at a higher cost) as compared to local manufacturers. Analyze ways in which they could cut costs and communicate the value proposition of their product.
• Various options that could be explored for a potential market entry (acquisitions, tie-ups, green-field etc) of an international chocolate and confectionery manufacturer in India.
• A mobile handset manufacturer which had a leading position in the market but its retailers were threatening to shift to other brands because they weren’t making as much money on the sale of this brand. Examine possible reasons for this and suggest ways to overcome the problem.
• Market Entry Strategy Case in Retail. Develop a 2 by 2 framework to evaluate the prospects of 3 lines of retail business – Baby Care Products, Soft Clothing like screens, bed spreads etc and Leather Accessories.
• Guesstimate – demand for a Mosquito repellent band that can be worn on the hand in India.

SAMPLE CASE

Caselet: A Mobile Handset Manufacturing Company, that has 60% market share want to strengthen their position and understand where the growth will come from in the next 5 years.

Candidate (C): The market can be broadly classified on two parameters:
  • GSM/CDMA
  • Organised/Unorganised
Out of these, in India, a large part of the market is captured by the organised GSM segment.

Interviewer (I): Your assumption is correct. The client manufactures only GSM handsets. So let’s consider only the organised GSM market.

C: Within GSM, we can segment the market according to
  • the price of the handsets (Low end to high end)
  • the technology of the handsets
But the technology of the handsets is parallel to its cost.

I: Fair assumption. Use the price parameter.
C: Looking at the price parameter, the handsets can be divided into:
   • Advanced Handsets: typical high priced handsets with PDA, e-mail etc.
   • Middle Level: Handsets with good features like colour display, camera etc.
   • Entry Level: These are basic low priced handsets (B/W display, no additional features)
which a customer would buy initially when he starts using a mobile phone
The urban market is currently saturated; people are currently in the middle level segment and will move on to the advanced handset segment.
The growth can come from the entry level market, if the rural market is targeted for the entry level handsets.

I: The rural market is huge in India. How will you identify the potential customers?

C: We could evaluate the rural areas on three parameters:
   1. Purchase power
      a. These could be the rural areas which either have a rich agricultural base or have industrial areas.
   2. Need for mobile phones
      a. The need for mobile phones already exists in most regions. It will also occur in similar places. So a right target will be a place which has the need and also the money to afford it.
      b. Places like Punjab, where farmers are prosperous; or Surat, where they have industrial areas, can be the targets, as people will have the need as well as the money to afford the mobile phones
   3. Network Coverage by service provider
      a. Currently there is good network coverage from service providers at all urban joints. So if we target the rural areas adjoining the urban areas, even these will have coverage, which means it will be easier to get coverage for these handsets

I: Are there any other rural areas apart from the ones in proximity of urban points which can be targeted?

C: We could also include the rural areas adjoining the highways and railway networks which have complete connectivity. These areas will automatically have good connectivity too.

I: That should be fine.
# CASE INTERVIEW EXPERIENCES - SUMMERS 2010

## CONTRIBUTORS' PROFILE

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<tr>
<th>Name</th>
<th>Company</th>
<th>Graduation</th>
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<td>Chemical</td>
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**Caselet:** Estimate the market size for an automobile repair chain in India

**Candidate:** Automobiles include commercial and personal vehicles. Personal could be further split into 2 wheelers and 4 wheelers. What is our client’s focus?

**Interviewer:** Four Wheelers

**Candidate:** Is the client focusing on all the markets or the metro markets alone?

**Interviewer:** Our client is interested in metro markets

**Candidate:** I would like to start the estimation of market size with Delhi as the start case and extend it to other metros

**Interviewer:** That would be fine

**Candidate:** (I took a minute off the pen down my approach, which was pretty much like this)

We could broadly classify the revenue stream as shown (using the paper), we may also include insurance also.

**Interviewer** (interrupted): Why not
Candidate: Of these revenue streams, I would safely assume 80% of the revenue would be through service stream and would want to focus on this stream. Is the approach & assumption fine or would you want me to consider other areas as well

Interviewer: This would be fine, go ahead

Candidate: (ran through the following calculations with the interviewer on paper with commentary) Delhi’s population is around 10Mn, 20% would be SEC A and another 30% in SEC B (Socio-economic class). It would be safe to assume Sec A will have two cars per household and sec B will have one car per house-hold.
Assuming 4 people form a household
No of cars in Delhi would be 10 x 0.2 /4 + 10 x 0.3/4 = 1.25 Mn cars in Delhi
Each car is services every quarter on an average
No of services in an year = 5 Mn
Cost per service would closely be around Rs 2000

Interviewer (interrupts): I get your approach, I know how you will proceed .. Good work!

Interviewer: Tell me about you work experience

Candidate: Talked a bit on my work-ex ...

Interviewer: Any questions for me

Candidate: I don’t think I have any questions

Interviewer: Great, Thanks, That brings us to the end of the interview!

My two cents:
1. Make use of the paper to your advantage, they took my workings for later reference
2. Validate your assumptions with the interviewer as you solve the case. You will need to make many assumptions especially in a guesstimate case.

Shovik Banerjee

Caselet: A private equity firm is considering buying a stake in the BPO unit of a financial services company. The firm is employed on a 4-5 week project to evaluate the proposal. Do you think it is a good idea to buy out a stake in the unit?
Candidate: The evaluation would require us to look into multiple facets and parameters. Would you like me to list the out for you?

Interviewer: Fair enough (clearly he is looking for a comprehensive set to see if all options would be considered by me)

C: Let me list out various factor grouped together under five primary categories – market attractiveness, company attractiveness, competitors, exit options and external factors. (I list out 5-6 factors under each category)

I: (Appears satisfied with the listing) Ok let’s leave that aside. Let us assume you have considered all the alternatives. If I asked you to pick one hot button, which would it be?

C: I would want to look at the profitability of the unit in terms of its revenue and costs (fixed and variable)

I: Great. Let’s go ahead with the revenues aspect.

C: I would assume that BPOs primarily have voice and non-voice services. However, these could be rendered to multiple clients. Which sectors does the unit specialize in?

I: The BPO specializes in financial services as it was set up by a bank. The market is fairly large, about a $100 bn globally. (Randomly throws numbers regarding the industry in general to distract my attention)

C: Do we have information regarding the revenue split between voice and non voice services?

I: For every $8 dollars it earns for non-voice services, the BPO earns $4 for its voice services. Billing is done on a per contact basis.

C: Non voice services seem to be generating more revenues than voice on a per contact basis. I’m curious about the volumes for each that the unit handles.

I: Good you asked. About 75% of it’s per contact volumes come from voice services.

C: (After a quick summary of the case facts) The revenues seem quite steady, however, I would like to know where the cash flows come in from i.e. who are its clients for its voice services.
I: Almost 80-90% of its volumes stem from the holding bank itself.

C: Prima facie, it looks like the BPO won’t have enough business once the bank sells it, it might not be a good idea for a PE firm to invest in it unless it has a larger portfolio of clients in the pipeline.

I: That’s what we told them as well.

C: (Looking back at the list I had initially drawn out) Are you sure you don’t want me to go through the remaining items listed down?

I: (Smiles) It’s fine, you are good to go for the next round. We don’t believe in complicated frameworks anyways!

ALVAREZ & MARSHAL

Deepak Nanwani

Caselet 1: A cement company is facing a problem of reduced margins and their performance is last 3 years has been very poor. You are hired as a consultant to identify the possible reasons and solve the problem

After asking questions to develop basic understanding of their operations and the geography they operate in, candidate approached the case as below:

Candidate: Is there a major change in competition, is there any new product launched?

Interviewer: No change

C: Are other companies also facing the problem of reduced margins?

I: No, their margins are the same

C: Is there any rise in material costs or other regulatory changes which have increased the costs?

I: No, had it been the overall change, other companies would have faced the same problem.
C: So, this cost increase is definite to their firm. I will start with identifying different cost buckets. These specific costs can be advertisement cost, transportation cost, distribution cost.

I: consider transportation and distribution under one bucket and go in detail

Conclusion:
After going in the details of their distribution and warehouse strategy, candidate identified that the company was basically a south India based Cement Company which was trying to expand in North India. But the warehouses they were going for were not leased and they were on lease basis. This was one of the factors responsible for increasing their costs.
Second issue was their distribution. They were trying to expand without a comprehensive hub and spoke model and without identifying key target regions.

Suggestions to improve the situation:
1. Regional Warehouses, Hub and spoke model for distribution
2. Go for regions with high demand density, identify target regions and stop supply to regions which are not concentrated
3. Tie Up with Construction companies
4.

Caselet 2: There is a US based confectionary brand trying to launch a new breakfast cereal. Explain the product strategy they should go for

C: I will start with identifying cost buckets.

I: Is there a product already available? You should not assume that product is already available.
Candidate listed 5 areas of focus: Target Segment Identification, product development, Branding Strategy, Distribution Strategy, and Pricing Strategy and explained each of them in detail
Interviewer gave numbers on product development costs, advertisement budget etc. and candidate was asked to find out the break even volume.
Overall, most of time candidate was asked to explain without much guidance.

Suggestions for Preparation:
1. Be very careful in calculations. Even a small mistake will be noticed and pointed out.
2. Think out loud. Candidate suggested that they should go for a new brand which was appreciated by the interviewer.
**Aditya Mukherjee**

**Main tips:** The Bain cases I encountered were comparatively longer, with more direct analytical questions asked, including graph and accounting interpretation for data shown on laptops. Interviewers were very relaxed and friendly and gave guidance when necessary.

**Case:** A hospital chain is looking to expand and wants to start a new hospital. Tell me the key things that affect profitability that they should look at.

**Candidate:** The analysis can be broken up into cost and revenue drivers. On the cost side, factors to consider would be:

- Usage of reusable equipment such as gloves, thermometers, hospital gowns etc benchmarked against peer hospitals, sourcing discounts possible
- Costs in different specialties, equipment required for them and the break-even period, doctor/surgeon costs in different domains and geographical areas
- Nursing and maintenance staff costs per bed benchmarked against peer hospitals, staff attrition costs

**Interviewer:** That's good, and on the revenue side?

**C:** The market for different specialties in different geographies, and the price points at which different medical services will be accessible. This will depend on price-points offered by competitors in the locality. There will have to be deep analysis of which specialties to open in the hospital depending on estimated market since it will tie back to break-even period and amortization of equipment.

**I:** Alright, any other revenue drivers?

**C:** Sale of medicines will be another large contributor to revenue. Sale of medicines prescribed by different specialties can go into deciding which departments to open. Moreover, (luckily remembering snippets and terms from case done in strategy class) it is important to be able to convert IPD to OPD since OPD margins are typically higher than IPD.

**I:** Ok. What about prices? You mentioned competitor’s price-points. What else will determine the prices you can charge?
C: *(Completely blank)* Let me just take a minute to go over the main drivers and see what I’ve missed.
*(Repeating some of the key drivers for prices)* The specialties, competitors, internal cost and amortization needs, paying capability of customers.

I: Which depends on?

C: Location (with a happy sigh)!

I: Exactly

C: *(Digging in)* In fact, location will be a major factor of success for a hospital. Channel dominance in a service like hospital or hotel depends on taking up the limited number of good properties in major cities.

I: Exactly. Alright so let us take the general issue of expansion of a hospital chain. Suppose you met Malvinder Singh in an elevator, what will the things be that you tell him for revolutionary growth? If you only have 60 seconds to talk to him..

C: I would tell him to focus on bulk sourcing, attrition..

I: *(Interrupts)* No, I don’t want cost-tweaking. I want revolutionary ideas. For 10x growth

C: *(Wondering if case preparations were any use at all)* I’ll just take a (another) minute.

I: Take your time. Give me something radical.

C: *(After a lot of thinking)* They can tie-up with high-end realty. All these construction projects aimed at high-end homes that are happening – they can tie up to build in hospitals. Takes care of channel dominance.

I: Ok. Anything else?

C: They can also use their scale to go into the fiend of medical testing.

I: Ok great. *(Opens laptop and shows their Balance Sheet and P&L)* So here are the accounts of a typical hospital. How many days will it take them to break-even *(He used a different term but clarified it upon asking)*
I went through the calculation with him, clarifying different items in the sheet to make sure I’m not making any wrong assumptions. He was very helpful and prompted generously.

I: Ok that’s great. Any questions for us?

I asked something.

**Mansi Baranwal**

**Introduction**: Interviewer who is a partner introduces himself. Reads resume and asks about two-three points mentioned there – details, future plans, etc. Then asks the question.

**Caselet**: A construction equipment manufacturer is showing no growth in profits for the past 3 years. This quarter, the profits actually declined. What are the things that I should look at to determine the problem?

**Candidate**: The way I understand the case is… (Repeats problem in own words). Then asked a few questions about the company's product portfolio, if the trend is industry wide or company specific, etc (Picks up paper and pen)… If you could give me a moment to structure my thoughts…

**Interviewer**: No that’s ok. I don’t want you to draw the framework on paper and all that. Just tell me, what are the areas that could be problematic and why?

C: (Don’t remember exact details) Started by using the classic revenue and cost framework. Went on to describe the possible constituents of costs and revenue and problems that might be there.

Used the following framework: -

**Revenue ->**

1. Revenue streams (prices, niche, differentiation)
2. Product demand (market size, growth, segmentation)
3. Competition and substitutes (market share, price, promotions, growth)
4. Environment (technology, regulation, economic)

**Cost ->**

1. Fixed (depreciation/rent, salaries, marketing, maintenance, interest, etc)
2. Variable (materials, manufacturing, labor, freight, inventory)
The important thing here is to say only the things that are relevant to a construction company and also say them in terms of a construction company e.g. depreciation on the equipment and manufacturing units; Differentiation in terms of use of equipment, scale of operation, longevity, material used, weight bearing capacity; Segmentation could be big infrastructure companies, builders, individuals). Say as many relevant things that come to your mind. They don’t expect you to know anything about the construction industry as such. Also list some of the related problems that might be happening with each of the component. Be brief and crisp.

I: Very well. Can you tell me some other ways of looking at where the problem might lie?

C: Then I elaborated using components from other frameworks such as

1. Industry analysis (size, growth, segmentation, lifecycle, players, shares, strengths, differentiation, pricing, external factors, buyers, suppliers, substitutes, etc).
2. Product analysis (past sales trend, volume, price, USP, portfolio, strengths, weaknesses, service, warranty, bundling, patents, substitutes, seasonality)
3. Market strategy (distribution, advertisement, value proposition, suppliers, promotions, competitors response, etc)
4. Customers (need, value, segmentation, growth)
5. Growth strategies (market penetration, new product development, new markets)

Again keep making it relevant to a construction company and how this component could be posing a threat to the profitability. Be brief and crisp.

I: All right, now consider that you fixed the profitability problem and the company has asked you for some recommendations to improve their business. I don’t expect you to know much about the construction industry. Just tell me some generic improvements that they could look at.

C: This is an open-ended question and you could answer anything. They will look at how well you think on your feet.

I don’t remember most of the things I recommended. I do remember saying something about financing deals, differentiating product portfolio with smaller equipments for small building projects in cities and heavier machines targeted at infrastructure companies, developing a renting agency for individuals and small companies, mobile equipment mounted on trucks, etc.

Don’t remember the rest of the interview. However, I do remember the fact that the interview was more like a conversation especially because I wasn’t expected to write anything down. My second interview was a written one though – Estimate the market size for a new MBA school opening in India.
(guesstimate) and suggest appropriate location and target audience (open-ended). This time the interviewer asked me about my life plans and questioned me on my interests after the interview.

**Shivani Pal**

**Caselet:** A San Francisco based credit card company wants to enter India. What should be the key considerations for this market entry venture?

**Candidate:** There are two aspects to deciding the viability of the market entry:

a. External: Market size, Industry growth, Competitors, Regulation (if any)

b. Internal: Financing the entry, Sources of Revenue, Cost of Operations

To assess the market attractiveness, I’d like to first understand the external factors starting from estimating the market size, industry growth and competitive scenario in that order. Then I’ll move onto discussing the internal factors with revenue streams, the cost of operations and finally the finances for entry such as debt/equity/leveraged buyout.

**Interviewer:** Ok. How do you propose to estimate the market size of the credit card users in India?

**C:** We can look at the demographics of India in the form of a pyramid:

![Demographics Pyramid](image)

- Total Population = 1.2 billion
- BPL = 30% of population
- Urban Upper Middle Class and Upper Class ~5% of population = 60 million
- Number of households, assuming average of 4 family members per household = 15 million
- Assuming average of 1 credit card per household = 15 million credit card users

**I:** Let’s now move to the internal factors. What do you think are the sources of revenue for the firm?
C: The primary sources of revenue for the credit card company would be interest on the outstanding credit owed by the consumers, late fee if user fails to pay minimum amount by the due date, annual membership premium (if any), commission from the merchants and advertising charges from vendors issuing promotional deals with the credit card company.

I: And what would be the internal costs to the card issuers?

C: Besides their borrowing costs on capital from larger banks, the credit card issuer’s major costs would come from their “uncollectable” or “write-offs”. Many of the users could be declared delinquent after a certain credit period. Other costs would be Rewards such as Frequent Flier program, free dining and hotel stays etc.

I: Great. Thanks a lot.

C: Thank you.

BCG

Rachit Chandra

Caselet: A steel products company is diversifying into new products. Should the distribution network of the company change?

Candidate: What is the current product mix of the company? What is/are the new product(s) that would be launched?

Interviewer: Currently, the company only manufactures boiler-plates for very large boilers and hulls for ships. The new product to be launched is TMT bars targeting the entire country.

C: What is the plant network of the company currently? Is it expected to change with the launch of TMT bars?

I: Currently, the company has one plant near a port city, as the port is a hub for shipbuilding. The plant has spare capacity and hence the decision to produce TMT bars.
C: One final question, is the company planning to distribute the TMT bars to a nationally distributed set of retailers/whole sellers? Or is the company looking to distribute the bars in bulk to a national distributor?

I: The plan is to own the distribution at a national level. What do you suggest?

C: I would assume that the market for TMT bars would be spread all over the country as they are used in construction. In such a case, the plant located at a port city, would be servicing far-flung markets. Till now, the client has been distributing high value-low volume products to concentrated markets in and around the plant. To set-up a distribution network to distribute the bars nationally doesn’t seem like a good idea. I do not think that they would have the in-house capability to set such a distribution network.

I: Interesting that the first reason you give is based on organization capability and not analytical reasoning. Can you give me one more reason why the client should not own the distribution?

C: Am I right to assume that margins in this product would not be huge? (Interviewer nods) In such a scenario, owning inventory in a national distribution network doesn’t make sense. Price fluctuations can have severe consequences on the profitability. The risk should not be borne by the company.

I: Are you sure you don’t want to apply a framework? (Smiles)

C: I can if you want me to…

I: No I think we are done. Best of luck for the next round!

Ritesh Ritolia

Caselet: A conglomerate which missed the IT revolution is now trying to open an IT company. Tell me what are the things the conglomerate should give to this company and what are the things it should not give?

Candidate: Can you give me a brief idea about the conglomerate?

Interviewer: You can assume it to be among top 10 business houses in the country. They have a diversified portfolio and are growing rapidly.

C: What is the motive behind this diversification?
I: Mainly profits. The conglomerate believes that the sector would be profitable in future. I don’t want you to get into deep numbers. You may just give me a qualitative idea.

C: The primary resource will be finance or the startup capital. To identify other key resources, I would want to go ahead by taking P&L statement of an IT company and see how the conglomerate can help with each item of the statement. Does this seem ok to you?

I: Fair enough, go ahead.

C: Starting with the Revenues, the conglomerate can help the subsidiary in two ways:
   - Internal Projects: Since the conglomerate is among the top 10 business houses in India, it is fair to assume that it will have huge IT expenditure. The routine work can be outsourced to the subsidiary. However, the critical-most jobs should be status-quo for now.
   - Branding and relationships: The conglomerate can introduce the subsidiary to its key business contacts, who can be potential customers.

I: Ok.

C: Now moving to the costs side, I see two major cost heads for an IT firm – employees and real estate. Is it a safe assumption to make?

I: Yes, you may consider these are the biggest cost heads and ignore the others.

C: Coming to real estate first, the conglomerate can lease out space in its existing offices and buildings to the new firm. This way it can save on startup costs and lead time.

Now talking about employees, the conglomerate’s branding may help the firm in getting talent at entry and middle levels. A big conglomerate will give them a sense of security not Associated generally with a new firm.

I believe that the top management should be mix of people from the IT industry and conglomerate’s existing resources. Especially functions like finance and control should be from the existing setup.

I: Is there anything else which can be important in terms of employees that the conglomerate can offer?

C (had to think hard, a minute break): The conglomerate can offer functional expertise in forms of employees from the existing companies who can act as functional consultants. This can also be a core competency for the IT firm and help them get a foothold in the market.

I: Great. I think we have discussed the major heads. Anything that you want to ask?
C: No, nothing as of now. Thanks.

I: Thanks Ritesh.

Anurag Oak

Case Interview

Caselet: An automotive distributor wants to enter India. What should be its market strategy?

Candidate: Can you give me a brief idea about the automotive distributor?

Interviewer: Please be more specific.

C: Where is the distributor based and what cars does it want to sell?

I: The firm is Japanese and it is a subsidiary of an automobile manufacturer. The distributor exclusively sells cars of its parent company.

C: Is the automotive manufacturer already selling in India?

I: Yes. They are a global major and had entered India 3 years ago. They had been selling the cars through collaboration with a cohort of local distributors.

C: Can you give me more information on the type of cars sold by this firm and where it wants to sell through this distributor?

I: The auto firm sells premium cars and has a set of popular brands. It wants to sell specific premium cars. Their focus is on metro cities and that is its target market.

C: How does the distributor make money? I believe there will be sales margins and revenue through car service. Am I right?

I: Yes. The distributor gets 10% margins on sales. The total market for premium cars is given as Rs. 100 Cr. Based on the information, following details about a city and give me a market strategy.

a. The city divided into 4 zones
b. Two zones have lots of existing cars and rich people. Other zones less car less people

c. Services contribute more than sales to revenue.

d. Two client bases corporate and individual

C:

a. Services is actually greater sales in revenue

b. Land rentals in areas with more cars is very high

c. For corporates relationship selling.

d. For individuals test drive

e. For sales have sales force targeted at these segments which visits clients

f. For services again have service force which goes to client

g. Put up showroom in cheaper areas

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**Arpit Nanda**

**Caselet:** A telecom company wants to enter the rural sector. What would be the key things they should focus on for this venture?

**Candidate:** The major differences between the urban and rural sectors are:

1. Population Density
2. Purchasing power

Taking population density first, the sparse population of the rural areas makes it more difficult to cover them, since efforts to tap them would need to increase. This would increase the costs to cover this area.

**Interviewer:** What costs are we talking about here?

C: I can think of two major cost heads that would increase if the client moves into the rural areas.

- **Infrastructure costs:** A lot more towers would need to be established to cover the same number of consumers as in a city.

- **Sales and Distribution costs:** Since the shops would be further apart, the costs of distribution to these remote areas would increase.

- **Publicity costs:** Similar to infrastructure, the number of hoardings/banners etc to capture the same number of eyeballs would be much higher in rural areas due to sparse population density in comparison to urban areas. Although costs for such promotion would be cheaper in the rural areas, the tradeoff is something the company must be aware of.
I: That is correct. Considering sales and distribution, apart from the increase in costs because of moving into remote areas, what other issues can you think about?

C: Another issue could be of inventory management. Since these are remote areas, it would be very costly to service them regularly. But another limiting factor here would be the retailer’s working capital. Since SIM cards and recharge coupons are not very fast moving items, they would be in the retailer’s inventory for a longer period of time. Most retailers in rural areas stock all kinds of household items together, and they would not want to lock up their working capital into a slow moving product if they can buy FMCG goods which give them much higher inventory turnover. This might lead to supply outages in the rural areas, and limit our sales.

I: Good. As a matter of fact, these costs do increase, but they have become essential, since the urban markets are saturated, and thus some of these investments need to be incurred. ARPU (Avg revenue per User) is an important metric used in the telecom industry to account for revenues. Could you tell me the relationship between ARPU and reach for a telecom operator who is just breaking even?

C: In case of break even,

\[
\text{ARPU} \times \text{No of customers} = \text{Costs}
\]

No of customers = Reach * Mkt Size
So, for break even,

\[
\text{ARPU} \times \text{Reach} = \text{const.}
\]

Hence they have an inverse relationship, and the graph is parabolic.

I: If one was over the graph, one would be in profit, and if one is below the graph, one would be in a loss. If our client is in a loss, what are the ways to move up to a profit?

C: There are 3 ways to do that:

- Move up the Y axis: This would mean increasing ARPU. This cannot be done by increasing prices, as purchasing power of the rural customers is lower. So, the ways to increase ARPU in
the rural areas should be through Value added services such as information about weather, crop prices etc available through SMS and phone.

- Move along the X axis: This would mean increasing reach. This is through coming up with increasingly popular products which address the rural needs, thus helping in expanding the base of users.
- Pull the curve down: One can also move into profits by reducing the fixed cost investment by investing into newer and cheaper technology, or taking advantage of scale to reduce infrastructure and other costs. This would also help the company make profits.

I: Great. I think that more or less completes the case. Any questions for us?

C: No, nothing as of now. Thanks.

I: Thanks, all the best.

BOOZ and Company

Subhodeep Ghosh

Case: You happen to meet the CEO of the Wall Street Journal at the JFK airport and he is contemplating entry into the Indian market. With one billion dollar revenue per year and a 50% market share in the US, it is the largest newspaper in the US, by circulation. The CEO wants to know if India would be a good market considering the entire buzz about emerging economy in India and its impressive year-on-year GDP growth. He says he has two months to go for the annual meeting where he would ideally want to make this proposal about entering India. He wants you to first tell him if it is a good idea to enter India and if yes, then how and in what capacity.

Candidate: As far as I understand, WSJ falls into the category of business newspapers which primarily covers American economics and international business articles. So is that a right assumption to make that WSJ, if it enters India would be covering Indian economics and the news would be more catered to the Indian audience?

Interviewer: Of course, Yes. WSJ is looking to enter India with local content, however they would ideally want to leverage their international stature and have a strong international section.
C: Considering this in mind, may I know the business daily market size in India, or rather how it compares to the US market

I: So I don't have the exact numbers, but I can give you some relative numbers. The US market size, in terms of circulation, is almost 10 times the Indian market size. BTW, can you name some of the Business dailies of India?

C: The popular ones are Economic Times with the largest market share, then Business Standard, Mint etc.

I: Okay, keep going.

C: So is it safe to assume that the US market size is 10 times that of India even in revenue streams or is there is a huge difference in the price points in the two markets.

I: Well, they are priced at the same level based on the buying power in the two markets. Is there something you should be looking at?

C: Yes, the first thing would be the currency conversion factor and how that accounts to determine the different market sizes

I: Exactly, taking into account the currency conversion, the US market is about 50 times the Indian market size.

C: So to summarize this, the US market is 50x of the Indian market. And as WSJ has a 50% share of the US market, WSJ’s business itself is about 25x the entire Indian market available. This makes India look like not such a tempting market to enter.

However I have an opinion on this extremely small market size for business daily in India in spite of having one of the largest newspaper markets in the world. And that is probably due to the fact that the share of English newspapers is small as such compared to the local languages and then within English newspapers, the share of business dailies would be further smaller due to relatively smaller share of corporates in the country.

However, this being the case, it presents a huge opportunity for growth in this segment, since as more of India develops, more and more readers would migrate to English newspapers and more so to English
business newspapers. Keeping this in mind, do we have any numbers on the potential growth in US and India?

I: Good analysis. Let us assume that the growth in US is about 1% and that in India is about 15%.

C: If this is indeed the case, then the actual calculations would show that even with the 15x growth, it would take a much longer time for India to catch up with US, mostly because the base for growth in India is much smaller (about 50 times smaller) than that of US. But, even then, the US market with this slow growth shows that the market is almost saturated and if WSJ is looking to expand, then what are the potential options apart from India and what are the market size/growth estimates for those markets.

I: Let us concentrate only on India for now.

C: Okay. So given the high growth rate, India does seem to be a good market to enter, however there is a lot of analysis that remains to be done in terms of competition, distribution etc.

I: Okay, now it’s been one month since you met the WSJ CEO and now you happen to meet him again at the London airport. He asks you what the current status of the analysis is. What would you tell him?

C: The brief summary would be that the current market size in India is about 25 times smaller than the business that WSJ does in the US itself. However, with the on-going economic boom in the country, the market is expected to grow at a rate of 15% that is 15x that of the US market. This presents a huge opportunity for WSJ to enter since the market is very ripe and expects a lot of readers to shift to business dailies in the near future.

However, analysis with respect to competition is pending, especially with Economic Times which comes right after WSJ in terms of circulation globally. The other analysis would be on how to position WSJ in India and figure out how it could differentiate itself from the other business dailies, by leveraging its huge parent in the US. For example, a very strong international section with articles from all across the globe is something where WSJ can really differentiate itself.

Also, pricing is a key feature in this industry. But then again, business dailies exercise the maximum margins as the target is not that price sensitive. So it would be interesting to see how much of the margins can WSJ get based on its international brand image.

The last aspect would be that of distribution since that is a huge aspect in terms of dailies. This would highly depend on how WSJ segments its target market and its promotion strategy.
I: Okay, good. I was about to ask where do you think WSJ can bring in some value on the table but you covered it well when you spoke about the ‘International section’. So I would wait for analysis to complete and let’s fix up a meeting in our HQ in a month’s time. Thanks for the good work and looking forward to the interesting results.

C: Okay thanks.

I: Coming back to the ‘Interviewer’ mode, I would say good job in the analysis. It was a fairly open-ended case and I wanted to see how widely you can think of the issue. Do you have any question for me?

C: <I asked some generic question about ‘career in consulting’>

I: <Answered the Q very diligently>

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Aritra Das

**Caselet:** Your client is a major player in the Indian coal tar business, located in eastern India. Their primary product is Coal Tar Pitch (CTP) which is used as a binder in the Aluminium industry. With the demand for Aluminium growing strongly, the market for CTP is looking quite attractive, and as a result, foreign players are planning to enter the market. On the other hand, the supply has become tight with the rise in prices of coal tar in India. In addition to this, a recent controversy involving the mining major Sterlite has also affected the client’s business. You have been hired as a consultant to evaluate the strategic options available to your client and identify options that it can avail in order to sustain its leadership position.

**Candidate:** Can you kindly give me a brief idea about the coal tar business, CTP and the source and uses of CTP?

**Interviewer:** Coal tar is a by-product generated while processing coking coal into low ash metallurgical coke in a recovery-type coke oven plant (e.g. a steel plant). Coal tar accounts for around 3.5-4% of coke produced. Coal Tar Pitch, which is manufactured from this Coal Tar, is used as a binder in the Aluminium industry – as a coating on the anodes used for electrolysis in Aluminium extraction process.

C: Ok. And the controversy regarding Sterlite, which you were mentioning – was it the recent Nyamgiri Hills controversy with the Sterlite bauxite mines?
I: Exactly. That is the one I mentioned. Sterlite is a major customer for our client.

C: Then that would mean, due to halting of bauxite mining, the associated Aluminium plant is also not functioning and hence there has been a demand side shock for our client.

I: Yes, that is correct.

C: Ok, coming back to the case, let me first summarize it: The client, a major Indian coal tar player, is currently facing the following threats:

- With the Indian market looking attractive, the international players are trying to enter the market and set up facilities in India. Alternatively, they may also be trying to export CTP to the customers in India
- Coal tar feed stock has become tight and their prices have increased
- Following the Nyamgiri Hills controversy, Sterlite has halted / reduced production in its Aluminium manufacturing unit in Orissa, which was a major buyer of CTP from your client

I: Perfect. Please go ahead.

C: I would like to look at the case from the following aspects: the company, its competitors, the product, the buyers, the suppliers, barriers to new entry, pricing & promotion and also other factors such as substitutes, regulatory constraints if any etc.

I: Looks fine to me. Let me also mention here, that there are no presently available substitutes to CTP and hence the pricing and promotion are simple. And as such, there are no regulatory constraints in this business.

C: Fine. Now looking at the company, as you mentioned, it is a market leader in the coal tar business in India. Can you give me an idea about the market share of the company in India? Is it present only in India or is present elsewhere? Also, if possible, can you give me an idea about the turnover and margin enjoyed by the company?

I: Ok. The company is present only in India. Let us for now focus only on the CTP product. It has a 60-65% market share in India. The annual revenue of the company amounts to Rs. 500 crore and it enjoys an EBITDA margin of 30%. Bain Capital holds a 25% in the company.
C: A 65% market share and a 500 crore revenue would indicate that it dominates the market and would enjoy sufficient economies of scale. Can I make an assumption that there are no other major players in the market?

I: Yes, that is true. The next 10 players account for up to a mere 5-7% market share.

C: Is there any differentiating factor that puts the client ahead of its competitors?

I: Most other competitors are European and US players, who export their CTP as a dried powder. Our client on the other hand enjoys benefits around logistics, using which it can deliver liquid pitch to the customers.

C: In that case, I would assume that this benefit can only be enjoyed when the customer locations are located nearby to the CTP manufacturing plants. This can again imply that most of its buyers / customers are located in eastern India.

I: Yes, that is correct.

C: Ok, now coming to the suppliers – since coal tar accounts for a very small fraction of the coke produced, the revenue contribution of coal tar sale to the suppliers would not be very large. Also, there would be multiple other uses of coal tar other than CTP manufacturing, which would further reduce the bargaining power of our client.

I: Exactly. In fact, coal tar contributes to hardly 1-2% of the total revenue of a steel plant.

MCKINSEY

Arijit Sarkar

Main tips: I only had one case, which was more of a free flowing discussion than directed to any particular solutions. The interviewer was willing to let me take it anywhere as long as I put forth some structure.

Case: A medical devices is looking to expand 3X in the next 5 years. If you were in the company, what are the questions you would ask?
**Interviewer:** I am not going to provide any answers. Kindly tell me your thought process.

**Candidate:** In order to achieve a 3X growth, I would like to look primarily at topline growth, as my assumption is cost reduction would not be the primary driver. Is that fair?

**Interviewer:** All right, let’s proceed with that assumption.

**C:** In that case, I would like to figure out what are the kind of products that this company makes.

**I:** Alright, let’s say they are largely into higher end medical devices used for critical life saving applications, such as pacemakers and cardiac stents.

**C:** Great, so in order to understand the potential sources of breakthrough growth, we would have to look into the characteristics of primary customers in order to determine current and future market size.

**I:** Ok. What characteristics would be of interest?

**C:** I believe that even though the patient pays for these devices, the consulting doctor would have a big role to play in determining which particular device is appropriate. Given that some consolidation is happening, hospitals might be important as well, though in India, most surgeries requiring devices that you mentioned would have doctors as stronger determinants than hospitals, as patients follow specialist doctor advice more than hospitals.

**I:** That is partially correct but changing.

**C:** All right, so I would probably segment the market according to urban centres, as Tier I, II, III cities. Smaller cities would be unlikely to have a major hospital industry able to support volumes of critical devices like stents and pacemakers. In larger cities, my primary customer group would be hospitals, and I would focus my sales force and market research to understand the key factors which determine purchase.

**I:** What are some factors you could think of?

**C:** Quality and reliability should be major, with cost as a secondary driver.

**I:** Anything else.
C: *(Clueless)* Perhaps the vendors ability to source inventory rapidly would let hospitals maintain lower inventory and reduce their costs?

I: *(Interrupts)* Good. Now any other macro questions that you think would affect their strategy?

C: *(Realizing I’m not even halfway done with my questions and this is a sign to speed up)* I believe the increasing consolidation of hospitals would be important in defining the strategy. *(Buying time while I think of something)*. Now since we have primarily looked at market sizing elements, I would also like to know about market share. What is the competitive landscape like?

I: Well there are 3-4 other major players, but devices are a small component of their portfolio, and they’re unlikely to have focused strategies. What else?

C: *(After a lot of thinking)* Perhaps the client can look into optimizing pricing as a lever. What are margins like?

I: Margins are healthy, and all players price similarly. It is difficult to differentiate quality and hence pricing between the 5 major players. Though the market is price-inelastic on the whole, the choice between the device brands would have price as an important decision variable, and we cannot increase or decrease prices substantially without hurting ourselves and possibly our competitors.

C: Perhaps the rise of organized insurance can be an important factor, as they would influence which device to buy, as these are expensive devices?

I: That’s a great point. Thanks for discussing the case. Now tell me, which element of this case strikes you as remarkable?

C: Umm, err….

I: Did you have Kotler as your marketing book?

C: We actually do, but in this term.

I: *(Noticeably warming up)* Oh, is that so? In my campus it was a first term course. Very well, then you might not be aware, but through your questions you might have realized that influencers are very important in this industry.
C: (AHA!) Yes, that’s probably true.

I: Great, any questions for me?

I asked something.

I: Thanks, Best of Luck.

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Ayesha Jaggi

Caselet: An Emergency Response Force (ERP) needs to be set up as a PPP. What is the magnitude of the problem in terms of the emergencies in India? *(The question focused largely on estimating the number of emergencies in India)*

Candidate: To begin with estimating the emergencies in India it would be best to first define and lay out the scope of an emergency:

1. Broadly, and emergency would be an event that would require immediate attention and a typical response time would be within 2-4 hours.
2. The scope can be narrowed to include emergencies of the kind of road accidents, trauma and heart attacks etc. or broadened to include natural calamities, terrorist attacks etc.

Interviewer: In specific, our client will be setting up an ERF for road accidents. Would it be possible to estimate that number?

C: We could look at estimating that number by dividing road traffic in the following manner:

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Traffic City ~ High Probability of Accidents</td>
<td>Moderate Traffic Cities ~ Moderate Probability of Accidents</td>
<td>Low Traffic Cities ~ Low Probability of Accidents</td>
<td>Highways ~ High Probability of Accidents</td>
</tr>
</tbody>
</table>

Each of the types described above would have a different frequency and probability of accidents occurring.

Let us say that the total number of cities are in the ballpark range of 5000 and the split between high, moderate and low traffic cities is 500, 1500 and 3000 cities. If this assumption is accurate could I proceed with calculating the number of accidents in a city in a day?
I: Sure, let's proceed, for the moment though let's only concentrate only on the urban or more developed cities.

C: Sure, if we take the total population of India to be roughly a billion, roughly 25% of the population will be concentrated in a developed or urban city, which comes to about 250mn people.

I: Let's take the accident rate to be 0.15% for this group.

C: So, on an average about 0.15% of this population will be involved in a road accident in a day which translates to 0.375mn?

I: Fair, and suppose our ERP is to be set two years from now?

C: In that case we could assume a growth rate over the calculated number and project a 2 year forward estimated number.

I: Let's assume a growth rate of 10% a year

C: Sure, then 2 years hence we the estimated number would be 0.45mn

I: Great. If the accidents reported at each call centre are 1% of the total accidents and each accident will make 5 calls, how many calls would we receive?

C: At a rate of 1%, each unit would roughly get calls for 4500 accidents and at the rate of 5 per accident that would be 22500 calls

I: And if each ER unit can handle 15 accidents what would be the requirement of the number of ER units?

C: At 4500 accidents, we would require 300 ER units.

I: Great, with that we can wrap up this case. Do you have any questions?

C: Sure, No questions, Thanks!
**Jitesh Khanna**

**Caselet:** The government of Bhutan wishes to revive its tourism industry which is currently facing the problem of high seasonality and highly variable returns even in peak seasons. What would be your strategy to help them solve these issues?

**Candidate:** Asked for the split of various types of tourists that visit Bhutan, and developed it with some inputs from the interviewer as:

1. Nature lovers
2. Therapeutic tourists
3. Geographical researchers
4. Religion based tourists

**Interviewer:** *What should be your strategies for each of these sections?*

**C:** Develop a framework to analyze the possible issues with various sections and what should be the target advertising media to penetrate each section.

**I:** *So elaborate more on how we can increase our reach to these sections of tourists?*

**C:** Trade consortiums and fairs, govt. tie-ups, advertising in public media etc.

**I:** *These are okay, but they require a lot of cash, and the govt right now is cash strapped, can you suggest some economical yet effective mechanism to boost tourism?*

**C:** Agency models and tie-ups with travel agents based on a revenue sharing principle. They bear some parts of the cost and get a share of the revenues in return.

**I:** *So tell me which country should we ideally target if we wish to boost religious tourism, and why?*

**C:** I think Western European countries like Germany would be a good potential base due to a high concentration of religious scholars and researchers in these countries coupled with higher spending capacities.

**I:** *Great. I think we will stop here as you seem to have touched upon the major key-points. Will let you know about the rest of the process pretty soon. Do you have any questions for us?*

**C:** No, nothing as of now.
I: *Fine then, all the best.*

C: Thanks a lot.

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**INTERNSHIP PROJECTS AND EXPERIENCES**

**Siddharth Parthasarathy - AT Kearney**

**Project:** Cost re-alignment in the procurement function of a major Indian FMCG player.

**Key highlight:** Client facing, high pressure project with deliverables reviewed by the CEO of the company on weekly basis. Running the cost saving initiatives & identifying new cost saving initiatives were my key deliverables on the project. Involved independent interactions across the width of the client team – junior management to top management and application of strategic sourcing principles. Analytical & People skills were the skills under test on this project

**Shovik Banerjee - AT Kearney**

**Project:** Supply chain strategy and design for a Greenfield refinery of a major steel and power player, which was making its foray into the oil and gas sector.

**Key highlight:** I was given individual responsibility for two major work-streams which were extensively used by the client team for high level strategic decision making.

**Aditya Mukherjee - Bain**

**Project:** Worked in two due-diligences for PE funds for investments of about $50 million each. Owned work-streams in both involving primary calls with target’s customers, industry experts, Bain partners, as well as accounting analysis to find profit pooling, margin benchmarking, profitability drivers.

**Key highlight:** Hired as Senior Associate based on work experience. Mid-term review in Bangkok with a lot of face-time with senior partners and MD

**Mansi Baranwal - Bain**

**Project:** Sales and distribution strategy across six countries for a beverage multinational. The case was based out of the Singapore office. I did field visits, client visits and leveraged knowledge from across Bain
teams as well. The work involved excel modeling, making presentations, interviewing clients (including commercial heads from several countries), interviewing customers and data analysis.

**Key highlight:** The Bain system of managing interns was helpful in easing me into the project. I had a buddy, a mentor and a supervisor, all of whom were supportive. All the interns were flown down to Thailand for a mid-term experience sharing session that was fun and helped to alleviate concerns. The overall experience was very exciting.

**Shivani Pal - Bain**

**Project:** Financial health-check and fund raising strategy for a leading Indian conglomerate. The objectives were (i) To reduce working capital requirements of major business units (BUs) (ii) Based on the estimates for growth funding required by the smaller BUs and the existing debt structure, devise an appropriate funding strategy for the group(iii) Assist client in strategic analysis of new business opportunities

**Key highlight:** As the group had adopted a formal corporate structure recently, I had the opportunity to design the corporate centre’s new finance and strategy handbooks.

**Piyush Bhartiya - BCG**

**Project:** Conceptualize, design and implement a risk management system for a construction company undertaking projects in the Indian power sector. The goal was to create a metric to decide what project tenders to bid for and how to manage and mitigate risks during project execution.

**Key highlight:** As part of system implementation I had to coach over 20 senior executives at the client site during multiple training sessions.

**Rachit Chandra - BCG**

**Project:** Prepare an implementation plan for the ramp-up of a global delivery center for an international telco.

**Key highlight:** The new case team is extensively using the implementation plan prepared by me to roll out the project across all geographies is.

**Ritesh Ritolia - BCG**

**Project:** Operational excellence project for a cement major. My modules were i) Devise slag procurement strategy for 5 plants ii) Improve packing house efficiency and reduce overall demurrage costs iii) Identify levers for reduction of third party costs
**Key highlight:** I worked with the client’s regional procurement director for the first module (a strategy piece) while worked with the plant team for the latter modules (more implementation focused). Thus was exposed to various facets of consulting.

**Anurag Oak - BCG**

**Project:** Identifying operational improvement opportunities for cycle time reduction and quality improvement

**Key highlight:** The project was being by a new COO who had joined the organization. Hewas told by his team that performance on both these parameters was better in past. He wanted to understand what is the anecdotal evidence about performance was and what were actually points where performance had slipped. Project involved lot of time spent traveling across India to various units

**Arpit Nanda - BCG**

**Project:** Conceptualize, design and implement a customer pull program for cement major in a new market. The goal was to define the activities that needed to be conducted for increasing customer pull, and to put in place a system to monitor its impact. In addition, a roadmap to develop such programs for other regions was part of the key deliverables.

**Key highlight:** I was the only person on the case stationed at the client location, and singlehandedly managed the relationship with the regional head of the company.

**Subhodeep Ghosh - Booz**

**Project:** Introduction of the first-ever powerline communication product in the company to revolutionize LED lighting worldwide – completed a full business cycle of ideation, validation, product development, marketing, launch and first revenue.

**Key highlight:** Co-authored business plan (worth USD 5mn+) which was approved by CEO and Executive Board, single-handedly designed and presented proof-of-concept prototype to CEO, solely engaged with 20+ customers across America, Europe and APAC to get business worth USD 1mn+, appointed as Project Manager during the development phase

**Arijit Sarkar - McKinsey**

**Project:** Worked to determine strategy for increasing the growth of the SME lending business for a large Indian retail bank
**Key highlight:** Exposure to top level management of one of the biggest Indian companies, an insider understanding of the politics involved in management reshuffles.

**Jitesh Khanna - McKinsey**

**Project:** Transform and streamline the operations of an Indian steel major by de-bottlenecking process lines. It involved interacting with a highly experienced client team and introducing them to various tools for enhancing operational effectiveness.

**Key highlight:** End to end transformation of manufacturing operations of a 30 year old plant working alongside a highly experience client team. It was a high impact study with a bottom-line impact greater than INR 500 Cr.
ALL THE BEST FOR YOUR PREPARATIONS

-Team ICON