

CASEBOOK 2024-25

3rd Edition

RAMJAS CONSULTING SOCIETY



Ramjas College
University of Delhi

www.ramjasconsultingsociety.org

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Ramjas College stands as a beacon of progress and equal opportunity, championing academic excellence and liberal democratic traditions. We're committed to providing a well-rounded education that addresses both academic and societal needs, shaping individuals into valuable citizens.

Our philosophy at Ramjas revolves around nurturing today's youth, equipping them to tackle future challenges with innovation, creativity, and leadership. The Ramjas Consulting Society has been pivotal in advancing this mission, leading to the publication of the second edition of the Ramjas Consulting Society's Casebook and Guesstimate Book. These publications not only provide students with valuable insights into the consulting field but also enhance their communication skills.

Members of the Ramjas Consulting Society have demonstrated a remarkable flair for creating intellectual and enduring resources, influencing the future direction of learning and teaching. This initiative promises to be a crucial platform, fostering an engaging teaching-learning experience and cultivating a more vibrant, virtuous, and inspiring academic environment.

With Best Wishes

Prof. Ajay Kumar Arora
Principal
Ramjas College
University of Delhi

At Ramjas, our commitment to holistic education surpasses conventional notions of academic excellence and vocational training. The collaborative endeavours of our entire team have yielded the much-anticipated second edition of Ramjas Consulting Society's Casebook and Guesstimate Book. Witnessing the persistent efforts of our students in harnessing their abilities brings me immense pleasure and pride.

This latest casebook stands as a remarkable achievement, skilfully compiling a diverse array of consulting aspects and shedding light on complementary skills crucial for holistic student growth. Beyond its role in preparing students for consulting interviews, this casebook serves as a tool to broaden their logical horizons and navigate problem-solving in our dynamic world.

My heartfelt best wishes go out to this promising team, with hopes that they continue to bring honour and remain connected as proud alumni of this esteemed institution.

With Regards

Dr. Amita Sethi
Convenor
Ramjas Consulting Society Convenor
Ramjas College, University of Delhi

Manreen Kaur Mahon

Building on the success of last year's edition, our team set out with a vision to surpass our previous efforts and make this resource even more impactful. From ideation to execution and multiple refinements, every stage of crafting this casebook has been an enriching journey.

This process has deepened my understanding of the endless possibilities that case-solving offers, reinforcing how diverse and creative solutions can be. None of this would have been possible without the dedication and perseverance of our team, who embraced every challenge with a never-give-up attitude.

I sincerely hope this casebook serves as a valuable resource and helps you seize the best opportunities in the corporate world!

Yajur Mahajan

Building on the success of the first two editions of the Ramjas Casebook, this year's edition aims to equip readers with the real-world problem-solving skills that are now central to consulting interviews. As interviewers increasingly draw prompts from their own experiences, we broadened our focus to include a wider range of sectors, case types, and frameworks.

Contributing to this edition has been a truly meaningful experience—deepening my understanding of structured problem-solving and the value of collaboration. I'm also grateful to all the contributors to this year's publication, whose hard work and insights introduced me to a variety of new business themes.

Best of luck on the journey ahead!

At every stage of the consulting recruitment process, one thing remains constant: the emphasis on structured thinking and analytical problem-solving. What better way to build those skills than through hands-on practice with cases, guesstimates, and challenging business scenarios? After the resounding success of the second edition, we set out to raise the bar for the third edition of the Ramjas Consulting Society Casebook—bringing in more realism, rigor, and relevance.

Over the course of several months and more than 1,000 hours of collective effort, we worked to create a resource that is both comprehensive and practical. From day one, our vision was to craft a one-stop reference for anyone preparing for consulting interviews—whether starting from scratch or sharpening their edge. This edition includes detailed preparation guides, key frameworks, casing math, business models, industry-specific insights, and 30 original, fully-solved cases—each built from the ground up to simulate real interview experiences.

True to RCS’s unique approach, we’ve also woven financial reasoning and intuitive guesstimates into several advanced cases, offering a more complete picture of how structured problem-solving plays out in real time. With clear explanations, detailed solutions, and a glossary to reinforce key concepts, we hope this casebook not only strengthens your fundamentals but also builds confidence in your ability to tackle any problem thrown your way.

While the solutions and transcripts reflect our team’s structured thought process, they are by no means the only way to approach each prompt. This book is the result of countless hours of collaboration, feedback, and iteration— and we’re incredibly proud to share it with you. No matter where you are in your consulting journey, we hope this resource helps you take the next step forward with clarity and confidence.

— Core Team | Ramjas Consulting Society | 2024–25 Edition

We’d like to express our heartfelt gratitude to our Honorable Principal Prof. Ajay Kumar Arora and the college faculty for providing us with an opportunity to build and release this casebook. We are also thankful to the faculty advisor of Ramjas Consulting Society Mrs. Amita Sethi for being constant pillars of support through our many endeavors.

We would like to thank our mentors for sharing their interview insights and experiences that have enabled us to put together a comprehensive case preparation resource for consulting enthusiasts.

We are also grateful to various go-to resources such as several B-School casebooks that served as inspirations to undertake this initiative and helped us understand this field better and grasp certain essential case-solving skills. Lastly, we would like to thank all members of the Ramjas Consulting Society whose immeasurable contributions and hard work is the reason we could build this edition of the RCS Casebook

We have tried our level best to ensure that the book is free of errors and conceptual ambiguities. However, if there are any mistakes, please do reach out to us at ramjasconsultingsociety@gmail.com and let us know. We’d love to hear your feedback and review of the casebook and how we can make it more user friendly for the next edition.

Batch of 2024

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Shagun Jain
Yajur Mahajan

Batch of 2025

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			Vantika Bharuka

Shagun Jain, Chief Coordinator

Across these years, I came across multiple case books from India and abroad. The disparity between the comprehensiveness, I witnessed, became the sole motivator to ideate for a third edition. With an approach to build our cases interesting by context instead of pretext, we dived deep into upcoming industries and mapped the entire AI bandwagon. This case book is a culmination of all those insights, articles, analysis, reports, newsletters and first hand interactions with industry professionals that led each one of our case. The problem statements are contemporarily relevant and will be the prima facie bridge to the temporal division gap in knowledge process. With overviews of new age industries, that are revolutionising our perception of tomorrow, and cases that reeks of the new dawn, this case book is not solely meant for interview prep. This book is a curious companion for all those who wish to navigate the intertwined capabilities of technology and innovation.

Hersh Shandilya, Associate

From never having heard of consulting to leading the creation of this casebook containing 30 thoughtfully crafted and complex cases, the journey has been nothing short of exhilarating though at times, undeniably exhausting. Yet, it was those late nights, filled with whiteboard scribbles and endless revisions, that gradually turned discomfort with intricate cases and PowerPoint slides into confidence and clarity.

This casebook explores a wide range of themes from unique business ideas like the PRS scoring system in "The User Scorecard" to globally relevant trends such as Morocco eclipsing Egypt in tourism in "Riding the Moroccan Wave." We've intentionally designed it to be accessible to a first-year college student while remaining insightful for seasoned consulting professionals. The goal with this book was simple: to equip readers so well that the nervous churn in the stomach before a consulting interview is replaced by a quiet confidence.

Rohit Raj, Associate

Consulting is all about solving messy, open-ended problems, and case interviews are a great way to build that muscle. When you can break things down, ask the right questions, and think on your feet, you're already ahead.

That's why we built this casebook. It's packed with 30 cases across different industries, each one designed to stretch your thinking. From launching a new product to fixing an operations issue.

Our hope is that this book doesn't just prepare you for interviews but helps you enjoy the whole journey of becoming a better problem-solver.

Here's to growing into the thoughtful, sharp consultant you're meant to be.

Pearl Bang, Associate

When I joined RCS, case interviews honestly felt overwhelming. But with every case I solved, profitability, M&A, operations. I began to enjoy the challenge. It became like a puzzle, blending logic with creativity.

Working on this book as a Research and Publications Associate has been such a rewarding experience. Creating and reviewing these cases pushed me to think more clearly, more structurally, and definitely more deeply.

I hope this book helps you enjoy the process the same way. Take your time with the cases, have fun solving them, and let your thinking evolve naturally.

Happy casing!

Ritik Sinha, Associate

In today's world, being able to break down complex problems with structure and logic is a real asset. That's exactly what case interviews train you to do. They're not just interview prep, they're practice for real-life problem-solving.

This book isn't just a collection of cases. It's something we've carefully put together to help you build clarity, sharpen your structure, and boost your confidence. Having used these same skills in competitions, projects, and finance roles, I've seen, firsthand, how powerful they are.

So, dive in, be curious. Don't worry about getting it perfect, focus on how you think. That's where the real growth happens.

The Ramjas Consulting Society was founded in 2019 with the intention of developing a consulting-oriented environment at the college and striving to establish a student-led organization that is distinguished by tenacity and creativity.

Completely run by students, RCS is committed to providing corporate clients with the best consulting services available. It has played a significant role in preparing future experts in financial advice and strategy formulation from college onwards. In the past years, RCS has worked on **twenty projects** that have been successfully completed and is currently working on **three more**. These projects include business transformation, social impact, go-to-market strategies, expansion plans, and startup funding analysis. The society has also published industry reports on several industries, including the street-wear, sneaker, and fantasy league industries.

The society has achieved significant milestones, with its members clinching **70+ national and international** podium positions and securing **more than 100 finalist spots** in finance, business strategy case, and analytics competitions organized by esteemed institutions like IIM Ranchi, IIM Kashipur, FMS, SRCC, Hindu College, BITS Pilani and Shaheed Sukhdev College of Business Studies. As a constant endeavor to up-skill society, we **trained 200+ individuals** across the domains of consulting, strategy and finance under the aegis of our fellowship program.

Maintaining an active presence on various social media platforms, RCS endeavors to offer valuable insights through its classified series focusing on different aspects of consulting and finance. For further information, please visit our social media handles.



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HOW TO USE THIS BOOK



This casebook was created with the vision that a case should contain **3 important aspects** that are tested in a consulting interview: **framework, guesstimate & financials**. The book comprises of 30 cases with **24 comprehensive cases** that include the above 3 aspects and **6 shorter cases**. The cases cover different domains namely: **profitability, go-to-market, growth, pricing, private equity and venture capital, mergers and acquisitions & unconventional cases**. While the longer cases might not resemble the ones asked in actual interviews, the aim is to familiarize the user with all three aspects as any one or two can be tested in an interview setting.

The 3 parts of the case were created in a way so that they can be **independently solved**. The transcript of a mock interview is like any other case that you solve which tests your basic ability of **problem solving**. For the financials, we have tried to incorporate problems that involve **basic concepts** to help understand terms that are commonly used in this field. The guesstimates included are made in excel and thus an interviewee is not expected to attain that level of numerical accuracy, however, what is tested in interviews is the **structure more than the numbers**.

A basic structure is provided in the transcript that can be referred to while solving the same, depending on the **time limit**, the interviewee can delve into the **level of detailing**. The financials and guesstimates can be solved **without the help** of a case partner, however, the **basic case structure** would require you to solve the case **with someone** so as to gain feedback on your structuring and problem-solving skills.

Before diving into any case, it's necessary to understand its **classification**. For this, we've made a list of basic frameworks that can be used while solving a case of that particular domain. These frameworks will help you make **mental notes** of the aspects that you have to cover while solving a case. We have tried our level best to make them **exhaustive**, however, it should be kept in mind that **every case is unique** and these frameworks can only be applied to a certain extent and used as a **quick trick** in case of a **mental block or time crunch**. It's crucial that one starts developing their **own frameworks with time and practice**.

We've also included a **glossary** at the end of the casebook to cover some of the **difficult terms** that might confuse a reader. Please refer to it in case of queries, however, if you feel that there are any more unclear phrases, please do let us know so we keep that in mind for the next time. Apart from this the casebook also includes multiple other aspects which are explained better in the upcoming pages that will help you prepare for a role in this field.

Guides: Case Interviews & Case Competitions

The case interview guide will help you understand how to approach a case along with tips related to common mistakes made. Since case interviews have a certain format that needs to be followed, it's essential that one learns and gets accustomed to the basic flow before sitting in an actual one. The guide also consists of interview processes of top consulting firms so that you are familiar with all the aspects that you need to practice other than case solving.

Case Competitions are an important factor that helps you understand an industry better and hone your research skills. However, there is a certain methodology that you need to follow so that your solution does not lack in any area. We have tried to add aspects that many students don't pay proper attention to that usually affect their chances to perform well.

Business Analysis Models

There are certain frameworks that are commonly used and applied to the majority of the cases. Even though they seem easy to understand, their practical application can be quite tricky at times. We have included **8 basic models** along with a real-life example to explain them better. It's necessary that you know these frameworks before sitting in an interview as even though you **shouldn't directly apply them** while solving a case, you should mentally take note that you've covered all aspects.

Brain Teasers

Since consultants are expected to give solutions that are **out-of-the-box**, interviewers usually grill you by giving you tricky brain teasers. The questions may seem intimidating initially, however, you later realize that they are quite simple and just require a different approach. This is why we have tried to include a variety of brain teasers to help you experience a distinct set of questions to help you get familiar with the same.

Casing Math

Casing Math becomes an essential part of a consulting interview. Often familiarity with casing math concepts such as **NPV, IRR, Break-even Period, Free Cash Flow, Cash Burn Rate and Churn Rate** proves useful as these concepts become a part of the case interview or a consulting interview in general.

Guesstimate Cheat Sheet

Most consulting interviews involve solving guesstimates, for this, we've created a cheat sheet that has basic data for the majority of the guesstimates. It's necessary to know basic information eg: the **population of India**, the **rural-urban divide**, etc., before sitting in an interview.

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2

1 **Difficulty Level**

Every case has been denoted it's level of difficulty so as to ensure that you pick a case according to your level of practice

4

2 **Transcript**

It shows a mock conversation between the interviewer and interviewee and covers a basic flow of events of how the interview would unfold in a professional setting

5

3 **Case Facts**

To help simplify and break down the case, this section seeks to provide you with the key points that you need to keep in mind while solving the case

7

4 **Recommendations**

This comprises a very crucial component of case solving, it indicates how well you've understood the problem and how efficiently you help counter that problem

6 Framework

Since structuring thoughts is an essential component of consulting every case has a flowchart to summarize it for easy understanding

7 QR Code

Every long case has QR code linked in the guesstimate slide which will direct you to the detailed version of the solution

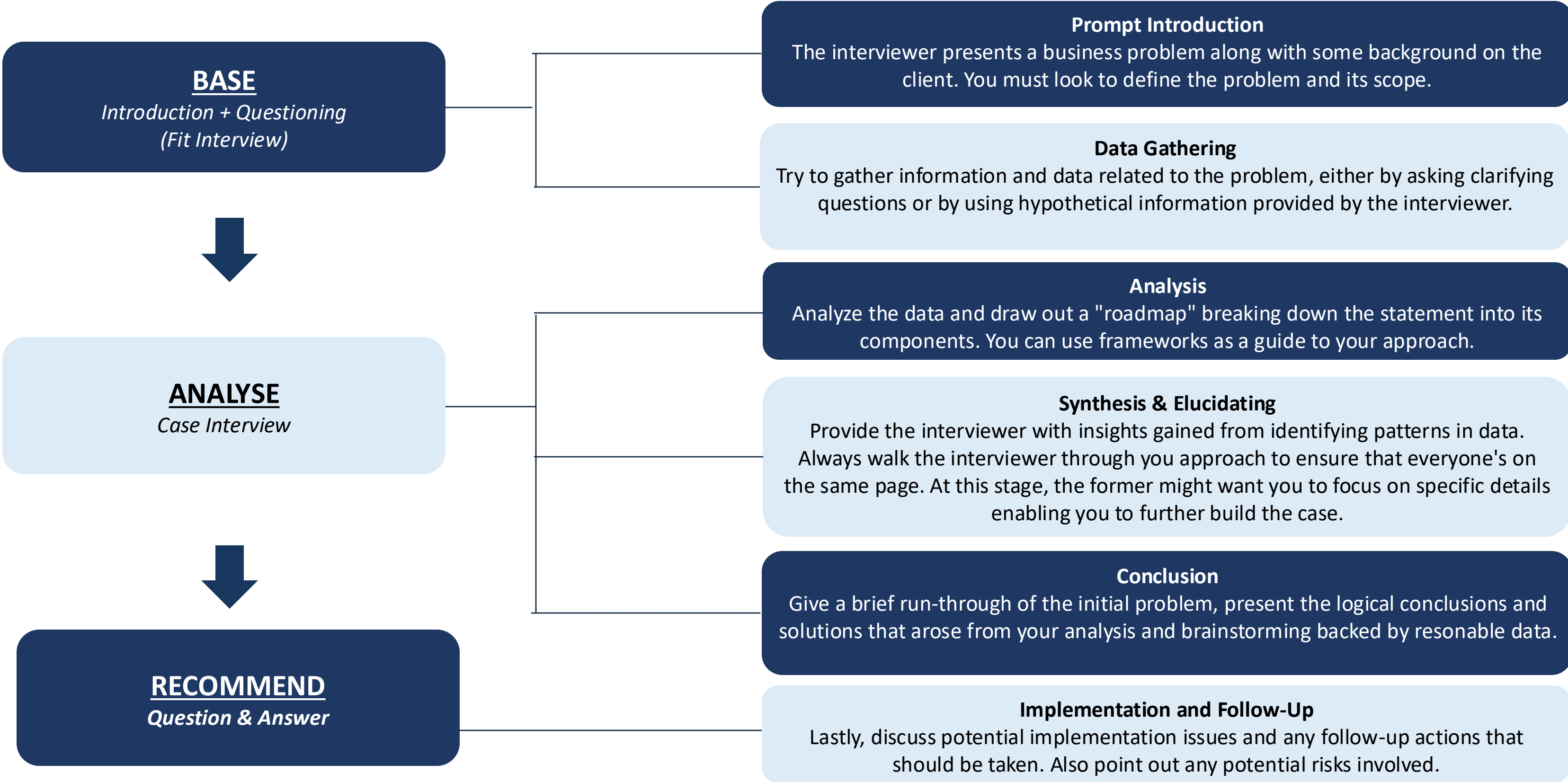
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CASE INTERVIEW GUIDE



Structure

It's important to note that the structure of case interviews can vary depending on the company, interviewer, and type of case, but the basic phases remain similar.



Tips for cracking a consulting interview

- Keep in mind that the case interview is also an interview of interpersonal skills. The interviewer will be looking at your poise, confidence, communication skills, enthusiasm, energy, persuasiveness, listening ability, etc.
- When the case is presented, make sure you fully understand the problem statement and write it down, capturing all of the relevant details. Before you start the analysis, ask questions to clear up any ambiguity and restate the scenario to the interviewer.
- Take a minute to capture and structure your thoughts on paper. As much as you might have the urge to, do not start talking about the analysis right away. Politely ask if you can take a few moments to think. (Remember, do not try to force the case into a specific framework or use a framework verbatim like the 4Cs or Porter's Five Forces. Incorporate your own various concepts as necessary)
- Briefly walk your interviewer through your framework and approach. Explain the path you have taken, outlining your rationale for choosing it.
- Ask relevant questions to gain further insight. Remember, asking the right questions is key. You are only given information to the questions that you ask, and if you make assumptions, state them clearly.
- Do not rush to get to "a solution." You are being evaluated, most importantly, on your logic and the process of your analysis. You are being judged at every step so it is preferred to break down the process into smaller steps. The recommendation you give at the end is only as sound as the thought process you used. So think out loud!
- Even though there might not be "a right answer," there certainly are better approaches than others. Stay focused on the problem at hand. Refrain from digging into detail that may not shed light on the issue just to sound impressive.
- Use nice and easy numbers whenever you are estimating market size, price, costs, etc. to avoid factoring decimals.
- Develop clear and decisive recommendations. Provide options and a recommendation based on your analysis as to which solution is most suitable to achieve the objective at hand.
- Practice. Practice. Practice. Cracking the Case is mostly a developed skill. Understand the reasoning behind each case. The more cases you practice, the more you will be exposed to the different problems and the more you will be prepared. Leave nothing to chance. Good Luck!!!

Tips for Brainstorming Ideas

The key to brainstorming is structure. The candidate should first devise two or more "buckets" or categories to organize his/her thoughts. These constraints make it easier to be creative and provide a more vivid mental model to pull from.

Example for Brainstorming Frameworks:

1. Internal vs External

The internal bucket represents any aspect internal to the client, (e.g. products, brand, financials, leadership, etc.)

The external bucket represents factors external to the client, (e.g. market trends, geopolitical dynamics, competition, etc.)

2. Financial vs Non Financial

The financial bucket includes costs, hurdle rates, cash flow, etc.

The Non-financial bucket would include all the other factors.

3. Long-term vs. Short-term

Useful for devising strategies and making decisions.

Examining potential consequences of a decision.

4. The Supply Chain

Each step in the supply chain is a category: raw materials, manufacturing, warehouse, transport, retail, customer, etc.

Useful for exploring causes or solutions to cost problems.

5. Stakeholders

It includes clients, employees, investors, suppliers, regulators, etc.

You should deliberate upon how are they affected, or what are they looking for.

6. Customer Journey

Breaking down the journey into 4 steps- AIDA- Attention, Interest, Desire and Action.

WHAT IS CONSULTING?



Meaning

- The practice of helping firms improve their performance by analyzing their current business operations and identifying existing problems for the development of future courses of action.
- Involves a variety of processes, such as conducting research, interviewing people within the organization, collecting data from clients or third-party market research reports, and more.
- Aims to improve performance by correcting organizational structures, strategies, marketing, and other aspects.
- Involves solving complex business problems such as increasing revenues, cutting costs, entering a new market, mergers, acquisitions, etc.

History

- 19th century: World's first modern consulting firms were founded.
- 1930s: Consulting firms started to grow their size beyond a few founding partners and small teams.
- In the next decades, rapid expansion with today's well-known US firms such as Arthur D. Little, A.T. Kearney, Booz Allen Hamilton, and McKinsey & Company playing frontrunner roles.
- In the next thirty years, a phase of unprecedented growth across western markets, far outpacing the growth of the world economy during the same period.
- At present, one of the most mature sectors in the professional services industry, generating between \$100 billion to \$300 billion in revenues.

Roles & Processes

- Acquiring accurate and up-to-date information by conducting market surveys, cost studies, financial studies and gathering primary data.
- Defining the real issue for better understanding of the problem and responding to the client's implicit needs.
- Use their expertise and experience to analyze the situation, develop solutions, and help implement them. This can involve anything from improving operational efficiency to launching a new product to navigating complex regulations.
- Consultants act as knowledge repositories, drawing on their accumulated expertise in specific fields like business strategy, technology, healthcare, or marketing. They share this knowledge with their clients and help them make informed choices.

Global Trends

Digitalization and Technology:

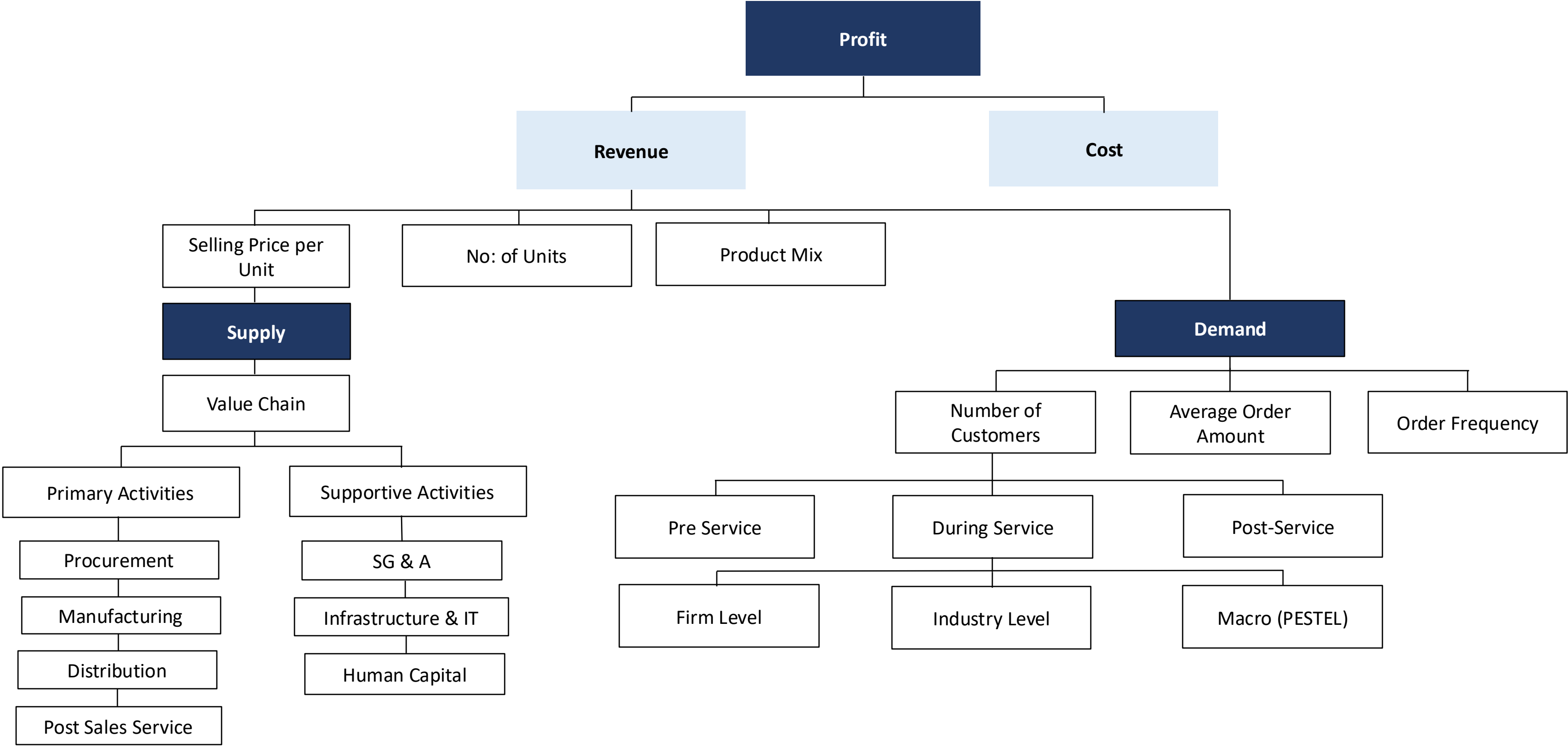
- Generative AI tools are revolutionizing how consultants gather data, analyze trends, and provide insights. Expect to see AI-powered platforms assisting with everything from project scoping to performance optimization.
- With businesses heavily invested in digital initiatives, consultants adept in cloud computing, cybersecurity, and digital strategy are highly sought-after.

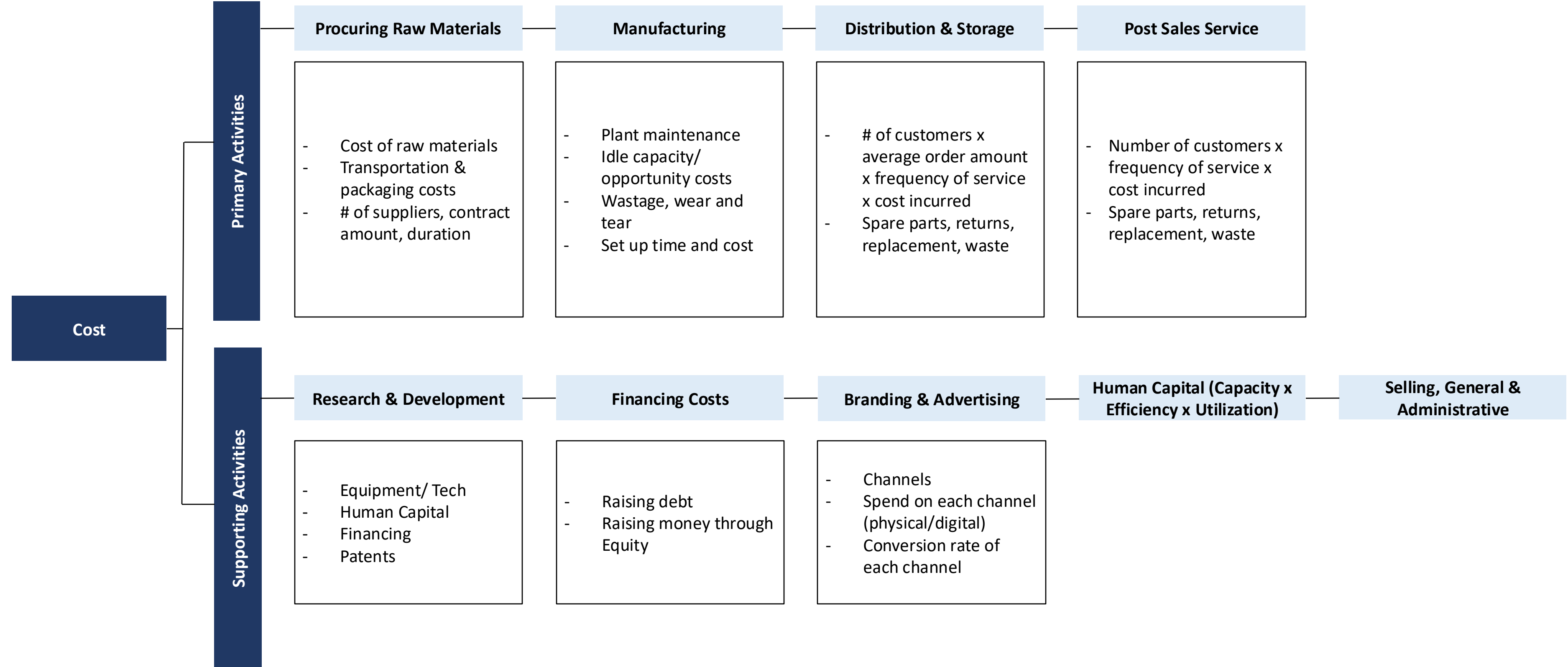
Shifting Priorities:

- ESG (Environmental, Social, and Governance): Corporate sustainability, ethics, and ESG are rising in importance. Consultants specializing in ESG integration, reporting, and stakeholder engagement are in high demand.
- Purpose-Driven Consulting: Clients are increasingly seeking consultants who align with their values and purpose. Social impact and sustainability initiatives are becoming integral parts of consulting engagements.

FRAMEWORKS

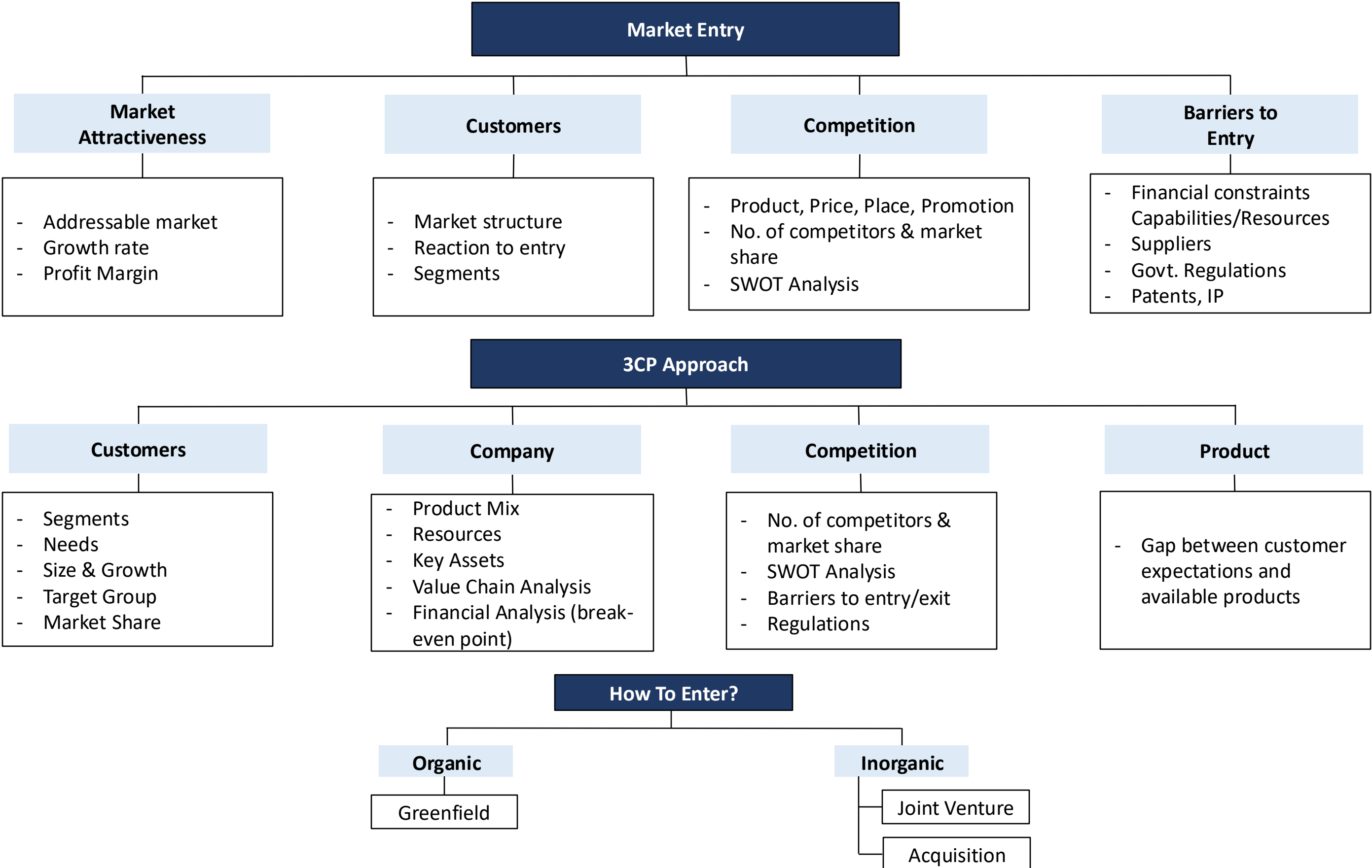






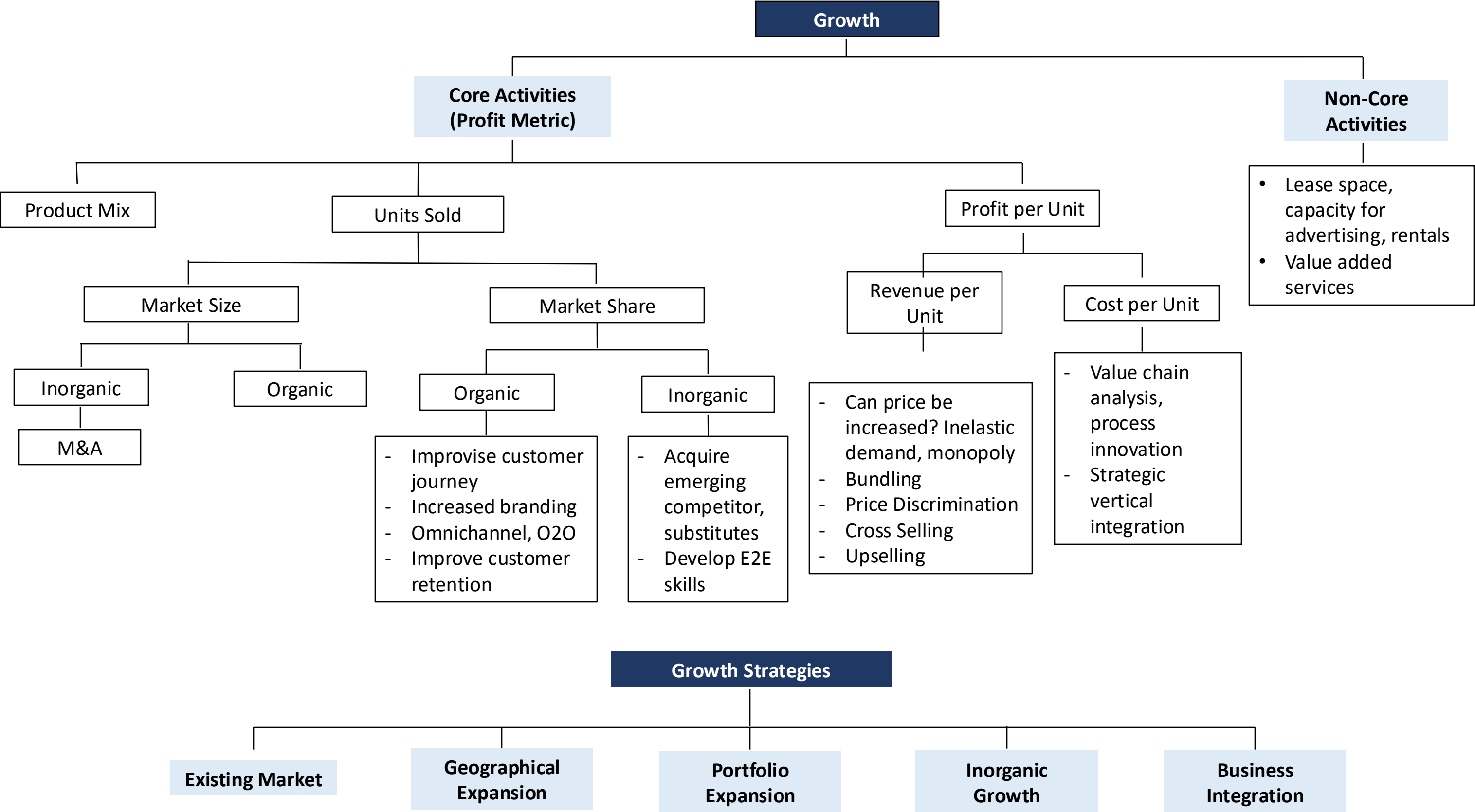
Preliminary
Questions:

- Ques. 1:** Always ask about the company’s objective (also growth quantum and targeted timeline).
- Ques. 2:** Get a comprehensive understanding of the company: what it does? What product to launch?
- Ques. 3:** Record of previous launches, their performance & why this particular geography/product launch?
- Ques. 4:** Who are the customers? Market size and price sensitivity?
- Ques. 5:** What part of value chain does it want to set-up?
- Ques. 6:** What are the risks & market barriers and if any competition exists.
- NOTE:** Ask if the data is credible and accurate. Please mention if there is any margin of error.



Preliminary
Questions:

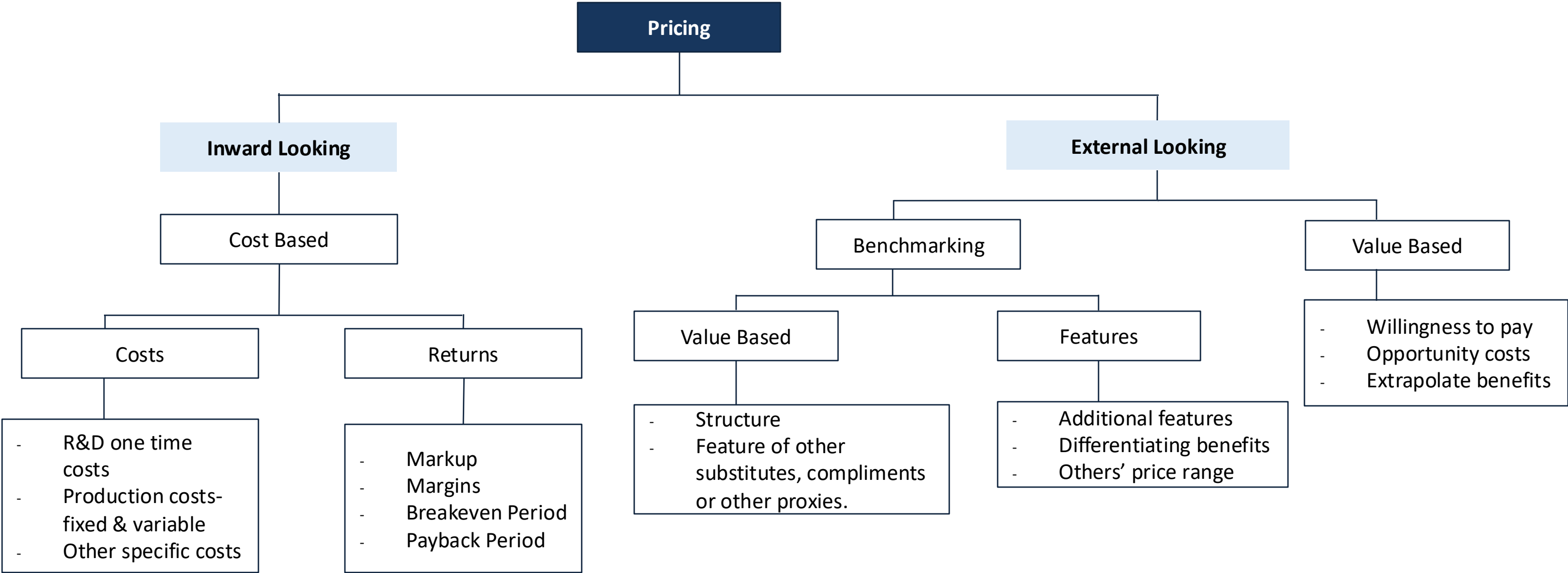
- Ques. 1:** Clarify objective, quantum of growth and timeline
- Ques. 2:** Business Model – Where does the firm lie in the value chain? What are its revenue streams and distribution channels?
- Ques. 3:** Understand customer segments
- Ques. 4:** What is the product mix? Any differentiating/ new features in products?
- Ques. 5:** What is the competitive landscape?



Step 1: Understand the requirements of the client (for example: whether it is a mass market firm or catering only to upper class, etc.).

Step 2: Apply the framework for deciding which type of pricing to go with, cost based, competition based or value based.

Step 3: Determine an optimal price and recommend a price range.



Types of Pricing		
Cost Based Pricing	Competitive Pricing	Value Based Pricing
• Cost of Goods Sold (COGS) - fixed costs and variable costs • Expected break-even point • Profit Margin over break-even • R&D Expense- Does the company plan to recover it or is it a sunk cost? • Price = COGS + Profit Margin	• Availability of substitutes • Competitor’s price points • Company’s positioning – premium or economy • Company’s vision- profit margins vs. market share • Price = Competitor’s Price (in line with organization goals)	• Value proposition of the product • How much does the customer spend on a similar utility? • How much is the customer willing to pay for such a product? • Can a higher value be appropriated through product and marketing investments? • Price = Value appropriate to the product

Questions to be asked:

1. Understand client's company

Questions can be asked to learn about client's company, its current state, value chain, revenue streams, industry in which it operates, growth strategy and aspirations.

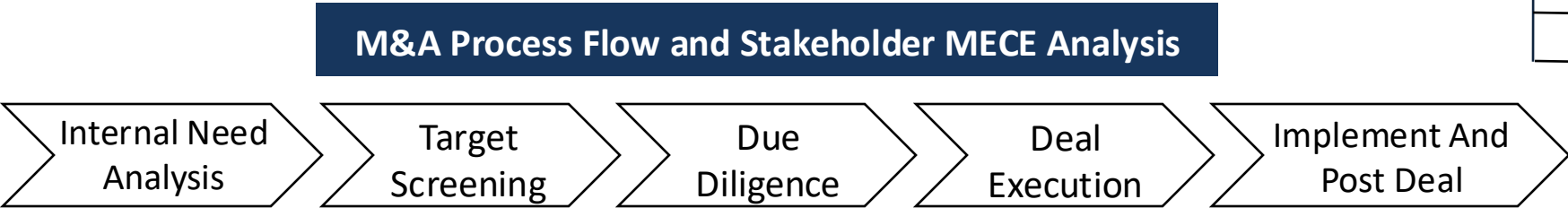
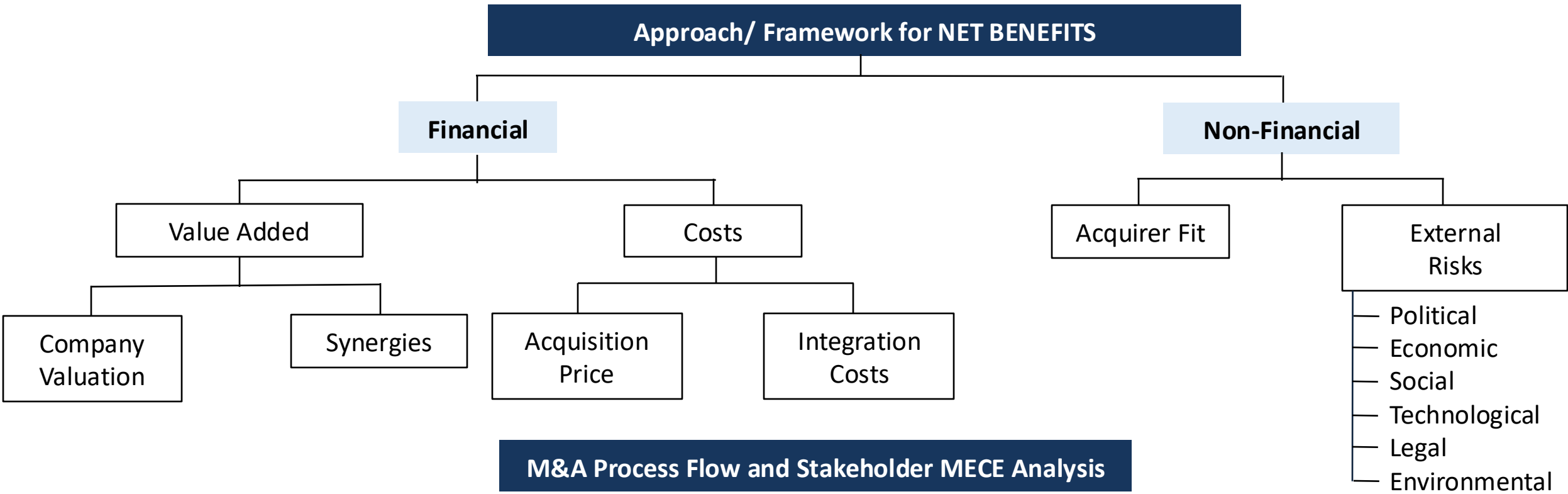
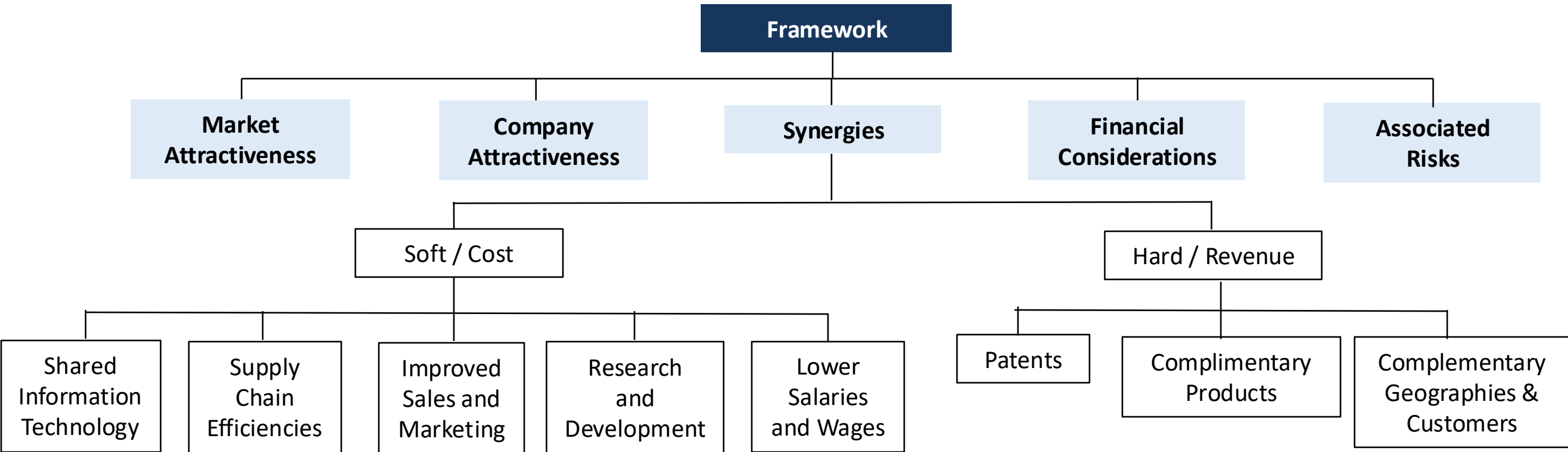
2. Understand target company

Questions can be asked to understand the target's market, market share, operating geography, revenue streams, profitability, and its competitors.

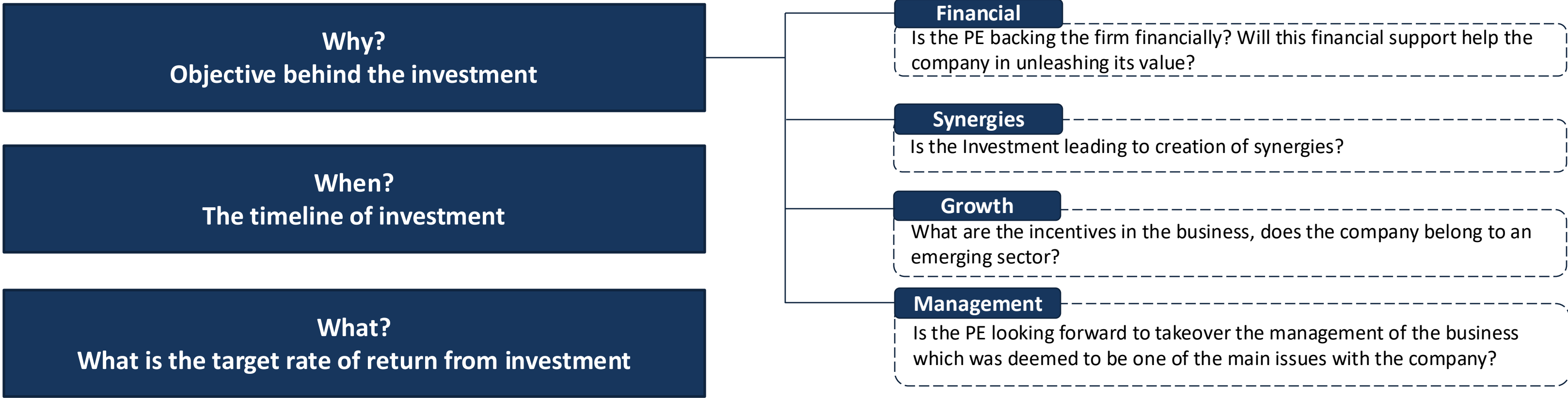
3. Client Objective

Any particular reason to choose that particular company over other players, when is the client planning to enter into the transaction, budgetary constraints, expectation from acquisition.

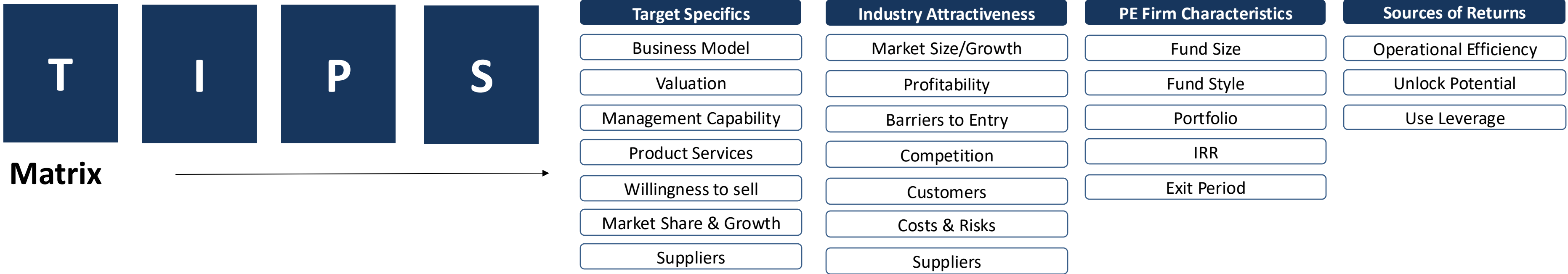
Clarifying the objective of the Deal	
Deal Rationale	Business Objective
1. Budget constraint	1. Business Synergies
2. Cost Reductions	2. Competition Elimination
3. New Market/Product	3. Portfolio Expansion
4. Investment	



It is essential to understand the objective behind the investment, for which the following questions shall be asked:-



Once the investment expectations are set, evaluation can be done on the following metrics and basis:-



INDUSTRY OVERVIEWS



Overview	Market Growth	Industry Segments	Growth Drivers	Inflection points	Challenges																						
- BioEconomy accounted for 4.3% of India's nominal GDP of ~\$3.5 trillion in 2023 - Expected to double to ~\$300 billion by 2030, implying a CAGR of ~12.3%	<table><tr><th>Year</th><th>Value</th></tr><tr><td>2022</td><td>100</td></tr><tr><td>2023</td><td>150</td></tr><tr><td>2024</td><td>162</td></tr><tr><td>2025</td><td>181</td></tr><tr><td>2030</td><td>300</td></tr></table>	Year	Value	2022	100	2023	150	2024	162	2025	181	2030	300	<table><tr><th>Segment</th><th>Percentage</th></tr><tr><td>BioPharma</td><td>62%</td></tr><tr><td>BioAgri</td><td>16%</td></tr><tr><td>BioServices</td><td>15%</td></tr><tr><td>BioIndustry</td><td>7%</td></tr></table>	Segment	Percentage	BioPharma	62%	BioAgri	16%	BioServices	15%	BioIndustry	7%	- Implementation of the transformative BioE3 Policy catalyzing biomanufacturing and innovation - Integration of Bio-AI Hubs to harness biological data for precision medicine	India is positioned among the top 5 global BioEconomies \$151 billion milestone achieved in 2023—two years ahead of the previous target date	- Varying regulatory frameworks (FDA, EMA, CDSCO) delay approvals and increase compliance costs - Drug discovery, require high-throughput screening (HTS) and multi-phase trials
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BioIndustry	7%																										

Value Chain Analysis

RESEARCH & INNOVATION	PRODUCTION & MANUFACTURING	DISTRIBUTION
CRISPR-Cas9 and base-editing technologies are accelerating gene therapy and trait improvement in bio-agriculture. Nano-lipid carriers (NLCs) and polymeric nanoparticles enhance drug bioavailability in biopharmaceutical formulations	- Advanced single-use bioreactors (SUBs) enable flexible, contamination-free production of monoclonal antibodies (mAbs) - Transition from batch to continuous bioprocessing (CBP) enhances cost efficiency in biosimilars production	Good Automated Manufacturing Practice (GAMP 5) compliance in bioinformatics-driven diagnostics - Expansion of personalized medicine & precision therapeutics leveraging polygenic risk scoring

Revenue Drivers	Cost Drivers	Competitive Scenario	Recent Highlights	Consultant Outlook
High-margin outputs from vaccines, biosimilars, and advanced diagnostics Contract research services and IT-enabled bioinformatics fueling recurring revenue streams.	GMP-Compliant Bio-manufacturing Infrastructure Regulatory Compliance & Quality Assurance - High-Throughput R&D & Bioinformatics	(In \$ millions) Neumora Market Cap-252.04 Odyssey Therapeutics Market Cap-709.24 G1 Therapeutics Market Cap-377.20	- The BioEconomy nearly doubled from \$86 billion (2020) to \$151 billion (2023), highlighting exponential growth. Epigenome editing (using dCas9 fusion proteins) is being explored for non-permanent gene regulation in neurodegenerative diseases.	- Expansion in biosimilars, monoclonal antibodies, AI-driven drug discovery, and next-gen vaccines will make India a global powerhouse. Continuous Bioprocessing would enhance India's Footprint in bio-agriculture and Single use bioreactors fueling growth and innovation in the sector.



Overview	Market Growth	Industry Segments	Growth Drivers	Inflection points	Challenges
• A rapidly growing economic sector. • Allows people to create & share content, products and services. • Also known as Creator marketing.	(in \$BN) 128156192235287 20232024202520262027 +22% CAGR	25%30%11%19%15% Video streaming Podcasting E-commerce Blogging Live Streaming	• Growing penetration of smartphones. 84% of global population use phones. • Popularity of VR, AR & MR. • Rising utilization of the internet.	• Platform Evaluation. • Monetization Innovation • Emerging technological advancements. • Shift in Consumer Preference.	• Platform dependence and income variations. • Challenge in discoverability. • Limitation on Copyright and monetization.

Value Chain Analysis

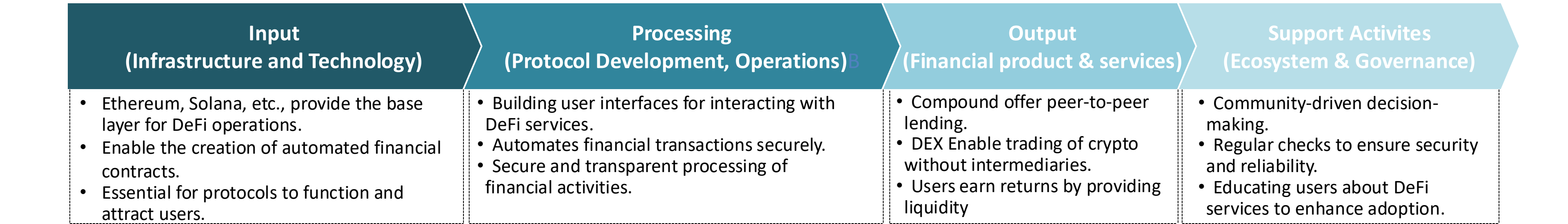
1. Content Ideation & Creation	2. Content Distribution & Engagement	3. Monetization and Revenue Generation	4. Ecosystem Support and Optimization
Creators: Individuals or teams producing digital content. Content Types: Videos, blogs, podcasts, social media posts. Tools: Canva, Adobe Creative Suite, Descript.	Platforms: Instagram, TikTok, YouTube, Substack. Data Management: Google Analytics, Social Blade insights. Community Building: Fostering audience interaction and loyalty.	Advertising Revenue: Platforms share ad revenues with creators. Brand Sponsorships: Collaborations for marketing campaigns. Subscriptions: Patreon, Substack for exclusive content.	Agencies: Assist with brand partnerships, negotiations. E-commerce: Shopify, Gumroad for direct sales. AI Tools: Enhance content creation, engagement.

Revenue Drivers	Cost Drivers	Competitive Scenario	Recent Highlights	Consultant Outlook
• Advertisement. • Brand Partnerships & sponsorships. • Merchandise Sale. • Subscription based model. • Direct Audience support by donations.	• Platform Fee. • Content Creation Expenses. • Marketing Cost. • Legal Fees For Intellectual Property Rights.	 45.2%  38.8% Alphabet 14.89%  0.70%  2-5% NETFLIX 1-2%	• Rise in niche and micro influencers. • Increased Focus on Creator owned platforms. • Rise in influencers from 0.9M in 2020 to 4.06M in 2024. • Creator Focused Funding Model like DAO.	• Creator Economy will show a rapid growth. • Creator Economy has a very dynamic landscape. • Content Creators Need to develop strategic approach to stand out. • Creator Economy will help in employment.

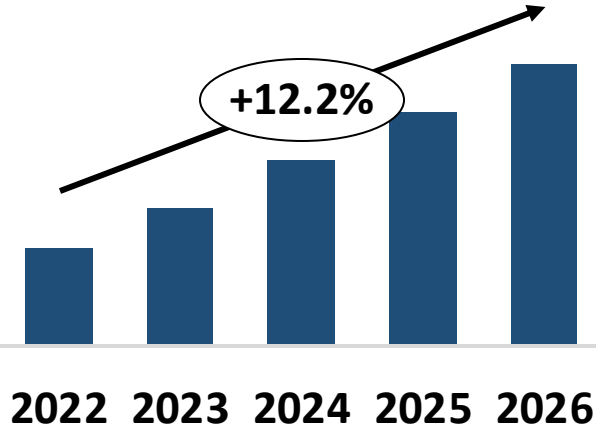
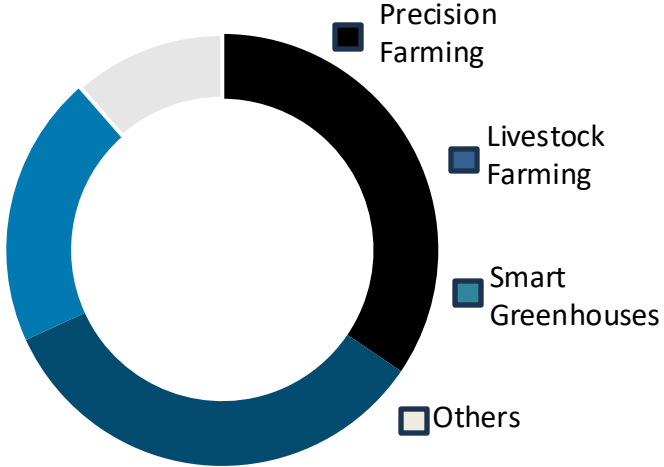
Blockchain & Decentralized Finance (DeFi)



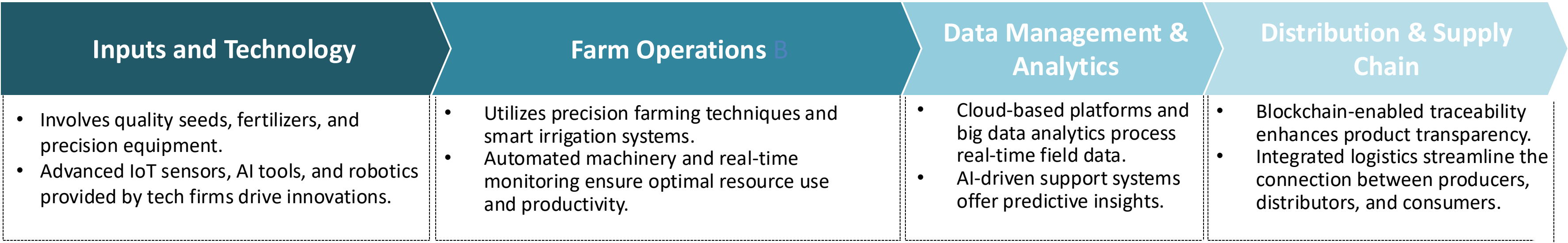
Overview	Market Growth	Industry Segments	Growth Drivers	Inflection points	Challenges																								
• The Blockchain Industry is valued at \$17.5 Billion. • Major players include Ethereum holds 65% share of DeFi, Solana and Binance smart • DeFi enables peer to peer transactions without intermediaries like banks.	<table><caption>Market Growth (in \$Billion)</caption><tr><th>Year</th><th>Value</th></tr><tr><td>2024</td><td>20.5</td></tr><tr><td>2025</td><td>31.5</td></tr><tr><td>2026</td><td>48.5</td></tr><tr><td>2027</td><td>74.4</td></tr><tr><td>2028</td><td>114.3</td></tr><tr><td>2029</td><td>175.7</td></tr></table>	Year	Value	2024	20.5	2025	31.5	2026	48.5	2027	74.4	2028	114.3	2029	175.7	<table><caption>Industry Segments</caption><tr><th>Segment</th><th>Percentage</th></tr><tr><td>dApps</td><td>40%</td></tr><tr><td>Blockchain Technology</td><td>30%</td></tr><tr><td>Tokenization</td><td>15%</td></tr><tr><td>Smart Contracts</td><td>15%</td></tr></table>	Segment	Percentage	dApps	40%	Blockchain Technology	30%	Tokenization	15%	Smart Contracts	15%	• More financial institutions joining eg BlackRock, JP Morgan testing blockchain. • Predictive trading and Automated portfolios • Improve scalability, interoperability and user interface.	• Seamless transactions across different blockchain network • Digitizing traditionally liquid assets. • Integrating CBDCs with decentralized cryptocurrencies.	• Unclear global regulations create compliance risks. • Smart contract bugs and hacks remain significant risks. • Capital spread across blockchains reduces efficiency, even with cross-chain solutions.
Year	Value																												
2024	20.5																												
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Revenue Drivers	Cost Drivers	Competitive Scenario	Recent Highlights	Consultant Outlook
- Ethereum earns \$2.7 billion in annual fees. - PoS chains offer 4-10% APY. Token Issuance – ICOs, IDOs raise billions annually. Aave handles \$8B in loans. - NFT Royalties	- Gas Fees – fees range \$5–\$100 per transaction. - Security Audits – audits cost \$50K–\$500K. - Development Costs – Building a DeFi app costs \$200K–\$500K.	Ethereum remains the dominant blockchain in DeFi (60% TVL), NFTs (80% market share), and smart contract adoption (75%).	- The global DeFi market was valued at approximately \$20.48 billion in 2024 - Total Value Locked (TVL): As of 2024, the DeFi TVL exceeded \$190 billion. - Ethereum dominates the DeFi space, with a 71% increase in its TVL. - Average revenue per user in DeFi market amounts to \$1,378 in 2024.	- In 2025, Traditional institutions drive DeFi adoption with better yields and efficient products. - The integration of AI with DeFi will enhance trading strategies, risk management, and user experience. - DeFi's growth requires strong security and compliance; consulting services will help manage risks.

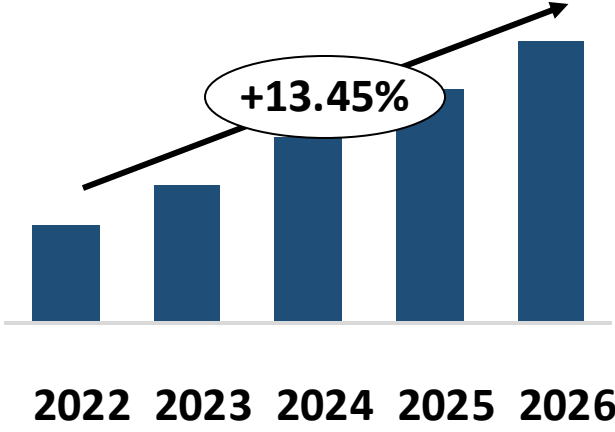
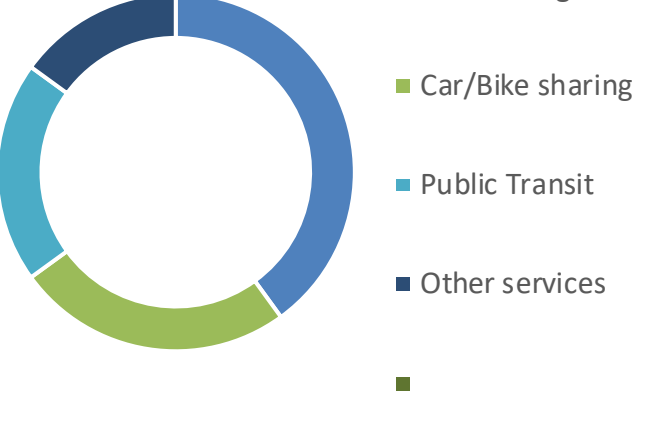
Overview	Market Growth	Industry Segments	Growth Drivers	Inflection points	Challenges
- Global AgriTech leverages AI, IoT, and robotics to revolutionize farming, enhancing yields and resource management. - In 2023, the market was valued at approximately \$22B.	 2022 2023 2024 2025 2026	 Precision Farming Livestock Farming Smart Greenhouses Others	- Rising global food demand coupled with rapid tech advancements. - Increased government and private investments spurring innovation. - Emphasis on sustainable agriculture and efficient resource management.	- Increasing global food demand and sustainability imperatives are pushing farmers toward technology-driven practices - Robust government policies and venture capital investments are accelerating digital agriculture initiatives.	- High capital expenditure and ongoing R&D needs. - Diverse, fragmented farming practices limit scalability. - Limited digital literacy and rural infrastructure gaps. - Regulatory uncertainties and data privacy concerns.

Value Chain Analysis



Revenue Drivers	Cost Drivers	Competitive Scenario	Recent Highlights	Consultant Outlook
- Subscription fees from farm management software. - Commissions from digital AgriTech marketplaces. - Licensing fees for AI and IoT solutions.	- High R&D expenses for AI and IoT development. - Infrastructure costs for connectivity and sensors. - Ongoing expenses for training and maintenance.	 JOHN DEERE 11.3%  CNH INDUSTRIAL 5.4%  Trimble 7.9%  AGCO Your Agriculture Company 23%	- Australia is integrating AI, robotics, and sensors to enhance agriculture - ThriveAgric is introducing agroforestry and carbon credit programs for 30,000 farmers in Nigeria. - India is launching a National Food Technology Institute and a Makhana board to boost agriculture.	- AgriTech will enhance farming with AI and IoT. - Affordable solutions will boost farmer adoption. - Collaboration will drive innovation and efficiency. - Training is key to maximizing AgriTech benefits.



Overview	Market Growth	Industry Segments	Growth Drivers	Inflection points	Challenges
Mobility-as-a-Service (MaaS) integrates public transit, ride-hailing, car-sharing, and micro-mobility into unified digital platforms for seamless travel planning/booking.	 2022 2023 2024 2025 2026	 Ride hailing Car/Bike sharing Public Transit Other services	- Urbanization & Congestion - Smartphone & Digital Adoption - Government Policies & Investments – Smart city initiatives, PPP. - Falling vehicle ownership	- Digital & AI Integration - EV & Autonomous Vehicles - Government & Policy Push - Consumer Shift to On-Demand Mobility - Corporate & B2B Adoption	- Infrastructure Limitations - Regulatory & Policy Hurdles - Long-term financial viability issue - Customer behavior shift-preference & trust. - Interoperability & Integration Issues

Value Chain Analysis

1. Infrastructure & Technology Development	2. Service Aggregation & Platform ManagamentB	3. Mobility Services & Operations	4. Customer Experience & Monetization
- Investment in transport infrastructure (EV charging stations, smart traffic systems) - Development of AI, IoT & blockchain-based platforms	- Development of user-friendly apps for seamless bookings & payments - Dynamic pricing & demand forecasting using data analytics	- Fleet management & vehicle dispatching - Customer support & PPP-integration with government transport networks	- Subscription models, pay-per-use pricing & corporate partnerships. - Data monetization & targeted advertising

Revenue Drivers	Cost Drivers	Competitive Scenario	Recent Highlights	Consultant Outlook
- Subscription & Membership Plans - Pay-Per-Use & Dynamic Pricing - Commission & Service Fees - Advertisements & Partnerships - Data Monetization & Analytics	- Infra & Maintenance - Tech & Platform Development - Fleet acquisition & maintenance - Licensing & Regulatory Compliance - Marketing & customer service	Uber: 30% (High) Lyft : 18% (High) Moovit : 12% (Moderate) Whim : 10% (Moderate)	- Uber & Lyft's Robotaxi- integrating autonomous vehicles into their services. - Alphabet's Waymo plans to launch its robotaxi service in Miami by 2026 - Yulu partnered with Magna International to launch Yuma Energy, a battery-as-a-service business - Toyota Connected North America- unveiled Cabin Awareness technology	- MaaS is at a critical turning point with its success dependent on regulatory clarity, infra inv. & tech integration. - AI, IoT & blockchain will enhance efficiency- real-time optimization & secure transactions. - MaaS- transform urban mobility but seamless collab among policymakers, tech providers & transport operators essential.



Overview	Market Growth	Industry Segments	Growth Drivers	Inflection points	Challenges																				
- The satellite industry is booming with advances in communication, Earth observation, and navigation. Small satellites and reusable rockets cut costs and widen access.	In Billion USD (\$) <table><tr><th>Year</th><th>Market Size (Billion USD)</th></tr><tr><td>2022</td><td>388</td></tr><tr><td>2023</td><td>415</td></tr><tr><td>2024</td><td>445</td></tr><tr><td>2025</td><td>480</td></tr><tr><td>2026</td><td>540</td></tr></table>	Year	Market Size (Billion USD)	2022	388	2023	415	2024	445	2025	480	2026	540	<table><tr><th>Segment</th><th>Percentage</th></tr><tr><td>Satellite Manufacturing Services</td><td>30%</td></tr><tr><td>Space-Based Services</td><td>35%</td></tr><tr><td>Space Exploration</td><td>39%</td></tr></table>	Segment	Percentage	Satellite Manufacturing Services	30%	Space-Based Services	35%	Space Exploration	39%	Tech advancements boost satellite communication, earth observation, and space exploration. Private investments cut costs, drive commercialization, and expand space access.	Reusable rockets and mini satellites are revolutionizing cost and scalability. Space-based internet is expanding global connectivity.	High costs and regulatory hurdles slow industry growth. Space debris risks satellite operations and long-term sustainability.
Year	Market Size (Billion USD)																								
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Segment	Percentage																								
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Value Chain Analysis			
Raw Materials & Manufacturing	Launch & Deployment	Operations & Services	End User Applications
Development of satellites , sensors , propulsion systems , and launch vehicle components .	Integration of payloads , launch vehicle operations , and orbital positioning for satellites.	Satellite control , data processing , network management, and maintenance.	Utilization in telecommunications , defense, navigation , remote sensing, and commercial space ventures .

Revenue Drivers	Cost Drivers	Competitive Scenario	Recent Highlights	Consultant Outlook
• Growing Demand: Increased adoption of satellite-based services across industries. • Government Investments: Strong funding for defense, space exploration, and connectivity	• R&D & Innovation: High costs in satellite tech, AI, and reusable launch systems. • Regulatory Compliance: Licensing, safety standards, and environmental considerations.	Market Share 50% 14% 12% 24%	• Mega-Constellations: Expansion of satellite networks for global connectivity. • Reusable Rockets: Lower launch costs through advancements in reusability. • Strategic Partnerships : Collaborations between private firms and space agencies	• Sustained Growth: Market expansion fueled by innovation and commercialization. • Cost Optimization: Advances in reusability and miniaturization to improve margins. • Increased Competition: New entrants driving technological disruption and affordability.

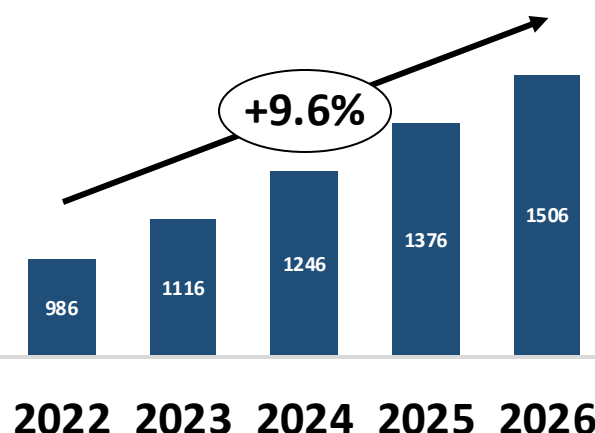
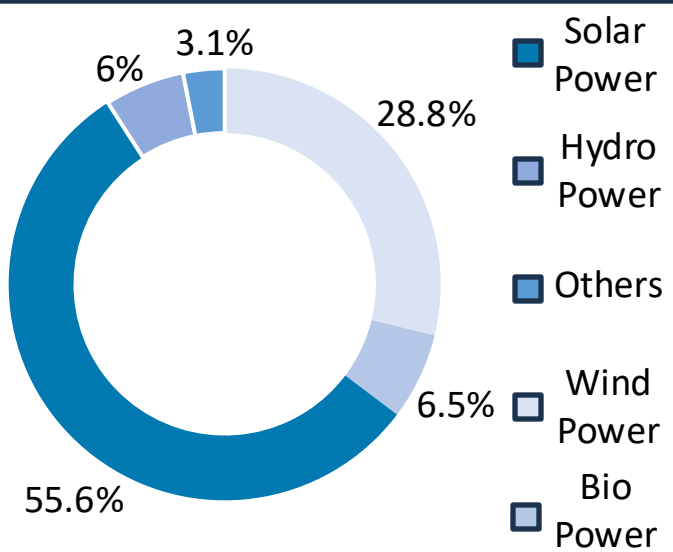
Overview	Market Growth	Industry Segments	Growth Drivers	Inflection points	Challenges												
• Pet care industry tops \$250B, driven by premium, tech-based products and rising pet ownership. • Growth faces hurdles like inflation and supply chain disruptions.	Annual CAGR of 5-6% <table><thead><tr><th>Year</th><th>2024</th><th>2025</th><th>2026</th><th>2027</th><th>2028</th></tr></thead><tbody><tr><td>Growth</td><td>2.7</td><td>2.8</td><td>3.0</td><td>3.1</td><td>3.3</td></tr></tbody></table>	Year	2024	2025	2026	2027	2028	Growth	2.7	2.8	3.0	3.1	3.3	■ Pet Food ■ Vet Care ■ Supplies and Accessories ■ Pet Services ■ Pet Tech & Insurance	• Humanization of pets drives demand for premium products and personalized services. • Rising pet ownership and disposable incomes results in global industry expansion.	• Pet humanization pushes people in premium food and luxury segments. • Tech innovations reshapes pet care industry dynamics. (eg: smart feeders)	• Regulatory hurdles complicate compliance for pet food and pharmaceuticals. • Pet tech devices raise concerns over data security and usage. • High costs and environmental impact
Year	2024	2025	2026	2027	2028												
Growth	2.7	2.8	3.0	3.1	3.3												

Value Chain Analysis

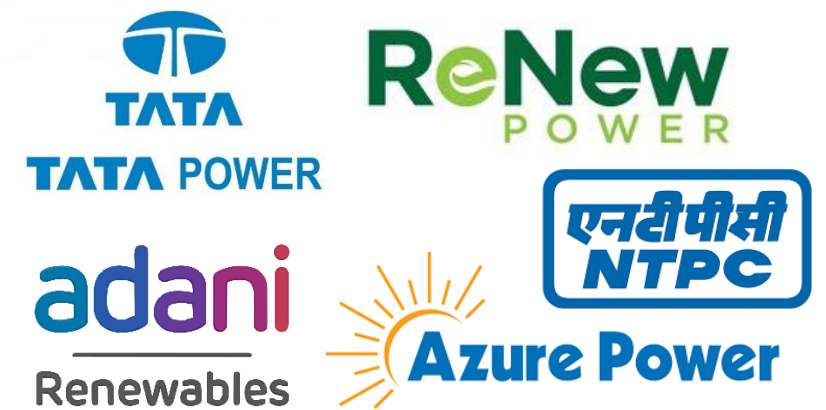
Inbound Logistics	Operations	Outbound Logistics	Marketing and Sales	Service
• Sourcing raw materials and components for supplies • Raw material suppliers, and third-party logistics providers. • Ensuring high-quality, sustainable, and cost-effective inputs. • Supply chain disruptions, rising raw material costs, and sustainability.	• Manufacturing pet food and pet tech devices. • Efficient production processes, and innovation. • Sustainable manufacturing, and customization.	• Distributing finished products to retailers, e-commerce platforms, and veterinary clinics. • Timely delivery, reducing costs, and ensuring product availability. • Growth of D2C models and e-commerce.	• Branding, advertising, and selling through different channels. • Build brand loyalty, educating consumers, and drive sales through targeted campaigns. • Digital marketing, influencer partnerships, and subscription models.	• Providing veterinary care and customer support for products. • Enhancing customer satisfaction, ensuring pet health, and fostering long-term relationships. • Telemedicine, AI-driven health monitoring.

Revenue Drivers	Cost Drivers	Competitive Scenario	Recent Highlights	Consultant Outlook
• High-margin products like organic food and luxury accessories. • Smart devices, health monitors, and AI-driven solutions. • Eco-friendly products meeting demand for environmentally conscious pet care.	• Innovation in pet tech, premium products, and advanced veterinary care. • Costs of meeting safety, and pharmaceutical standards. • Investments in eco-friendly packaging and production processes.	~20% market share (dominant in pet food and veterinary care) ~18% market share (leader in pet food and treats)	• Mars acquires Heska: Expanded veterinary diagnostics and tech capabilities globally. • Chewy's telehealth launch: Introduced online vet consultations, boosting pet care accessibility. • Plant-based pet food growth: Brands like Wild Earth gain traction amid sustainability trends.	• Leverage e-commerce, telehealth, and AI tools to improve customer engagement and accessibility. • Target Asia-Pacific and Latin America with affordable, localized products and services. • Develop innovative, sustainable, and tech-driven pet care solutions to meet evolving demands. • Adopt eco-friendly practices and products to align with consumer preferences & regulations.

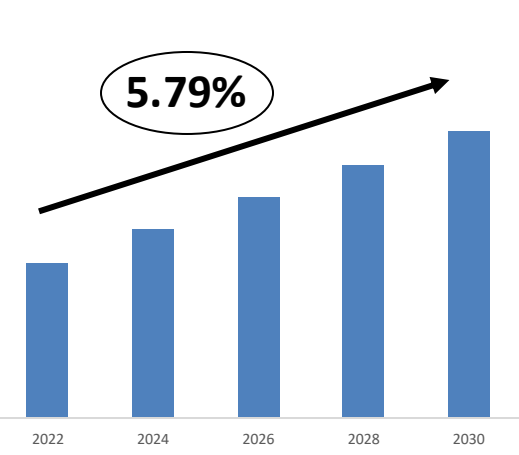
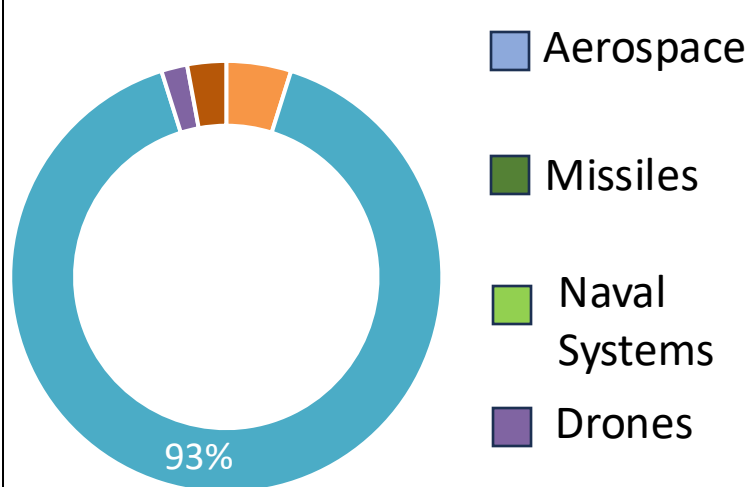


Overview	Market Growth	Industry Segments	Growth Drivers	Inflection points	Challenges																								
The renewable energy industry encompasses deployment of technologies that harness renewable energy source. The industry is experiencing rapid growth and significant investment worldwide.	 <table><tr><th>Year</th><th>Value</th></tr><tr><td>2022</td><td>986</td></tr><tr><td>2023</td><td>1116</td></tr><tr><td>2024</td><td>1246</td></tr><tr><td>2025</td><td>1376</td></tr><tr><td>2026</td><td>1506</td></tr></table>	Year	Value	2022	986	2023	1116	2024	1246	2025	1376	2026	1506	 <table><tr><th>Segment</th><th>Percentage</th></tr><tr><td>Solar Power</td><td>55.6%</td></tr><tr><td>Wind Power</td><td>28.8%</td></tr><tr><td>Hydro Power</td><td>6.5%</td></tr><tr><td>Bio Power</td><td>6%</td></tr><tr><td>Others</td><td>3.1%</td></tr></table>	Segment	Percentage	Solar Power	55.6%	Wind Power	28.8%	Hydro Power	6.5%	Bio Power	6%	Others	3.1%	• Support through grants, tax credits, and rebates • Policies that make fossil fuels less competitive, favouring clean energy. • Increased transparency driving demand for renewable investments.	• Surge in green bonds unlocks capital for clean energy projects. • Smart tech enables real-time monitoring and boosts energy efficiency. • Subsidies and tax credits make renewable projects attractive	• High upfront costs despite long-term savings from renewable systems. • Supply chain vulnerabilities affect availability of lithium, rare earths, and solar components. • Inconsistent policies and delayed permitting slow project execution.
Year	Value																												
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Value Chain Analysis				
Resource Acquisition	Component Manufacturing	Research and Development	Project Development	Operation and Maintenance
This stage involves obtaining the natural resources and raw materials needed to produce renewable energy technologies.	Production of solar panels, wind turbine blades, inverters, and energy storage systems.	Continuous improvements in efficiency, durability, and cost-effectiveness through innovation	This phase transforms technology and resources into operational renewable energy installations.	Once built, renewable energy facilities require ongoing operations and maintenance to ensure optimal performance and longevity.

Revenue Drivers	Cost Drivers	Competitive Scenario	Recent Highlights	Consultant Outlook
Selling surplus energy in wholesale markets boosts revenue potential. Licensing patented tech generates steady royalty income	Upfront costs include feasibility studies, site checks, and permits. Manufacturing components adds to initial capital expenses. - Ongoing costs stem from regular maintenance and repairs.		- Advancement in wind energy technologies like baseless turbines. - India has ambitious commitment to achieve 500GW of non fossil fuel capacity by 2030	Consultants are optimistic about Industry's robust growth, driven by declining costs and strong Governmental and financial support. Despite the challenges, the sector's dynamic landscape is prompting Companies to remain agile and invest in R&D.



Overview	Market Growth	Industry Segments	Growth Drivers	Inflection points	Challenges
The Indian defense tech ecosystem is driving innovation shaping how wars are fought, borders are protected and crooks are caught on the back of emerging technologies like AI.			- Drone Technology - Cybersecurity - Artificial Intelligence - Space Technology	- There has been a significant reduction in imports worth 715 crores in FY23 in order to achieve self reliance - There has been an increase in FDI limit from 49% to 74% to attract foreign investors.	- Difficulty in scaling - More focus on commercial offering rather than bespoke solutions. - Aligning revenue timelines with investor expectations.

Value Chain Analysis				
Research and Development	Design and Engineering	Procurement and supply chain	Production and manufacturing	Testing and Quality Assurance
This phase involves understanding of specific missions through reliable certification mechanisms and creation of Indian Intellectual Property.	This involves establishing cloud architecture and engineering principles that align with overall digital infrastructure.	It includes acquiring and distributing military equipment, materials and services prioritizing security within a highly regulated environment.	The industry includes manufacturing of aircraft, space vehicles, engines and other defence equipment. It also includes MRO services.	Involves rigorous evaluation of military systems to ensure products and services meet specified regulations and standards.

Revenue Drivers	Cost Drivers	Competitive Scenario	Recent Highlights	Consultant Outlook
- Increasing Exports - Foreign direct investment - Increased use of commercial technologies	- Spending on high risk R&D - MRO expenses - Aircraft acquisition - Prototyping and Testing - Cybersecurity measures	 5-6%  9-11%  9-10%  7-9%  15-17%  5-7%	- As per the Ministry of Defence, 4.81 lakh crores of budget is allocated to defence production for FY24-25. - The govt. is creating 'Adaptive Defence' in India – a strategic approach where a nation's mi defence mechanisms continuously evolve to counter emerging threats effectively.	- As the world becomes rapidly digital, defence entities need to step up their efforts to digitally transform their own operations to gain competitive advantage. - They should build both a digital and data driven organisation that operates at the highest level possible- both in the office and the battlefield.



Overview	Market Growth	Industry Segments	Growth Drivers	Inflection points	Challenges																						
Industry Definition: Comprises a comprehensive ecosystem of robotic and automation technologies designed to enhance operational efficiency. Core Applications: Utilized across sectors such as manufacturing, logistics, healthcare, and services through AI integration, advanced technologies, and mechanized systems.	In Billions USD <table><tr><th>Year</th><th>2022</th><th>2023</th><th>2024</th><th>2025</th><th>2026</th></tr><tr><td>Value</td><td>13.35</td><td>14.68</td><td>16.15</td><td>17.76</td><td>19.54</td></tr></table>	Year	2022	2023	2024	2025	2026	Value	13.35	14.68	16.15	17.76	19.54	<table><tr><th>Segment</th><th>Percentage</th></tr><tr><td>Industrial Automation</td><td>97%</td></tr><tr><td>AI Industrial Robotics</td><td>1.5%</td></tr><tr><td>Industrial Robotics</td><td>1%</td></tr><tr><td>Robotic Process Automation (RPA)</td><td>0.5%</td></tr></table>	Segment	Percentage	Industrial Automation	97%	AI Industrial Robotics	1.5%	Industrial Robotics	1%	Robotic Process Automation (RPA)	0.5%	• Industry 4.0 & IIoT Adoption • Expansion Beyond Automotive • Government Support & FDI • Labor Shortages & Cost Efficiency	• Implementation of Production-Linked Incentive Schemes • Surge in E-commerce and Warehouse Automation • Significant Foreign Direct Investments	• Technological Limitations • Resistance to Change • Cybersecurity Concerns • Skilled Workforce Gap
Year	2022	2023	2024	2025	2026																						
Value	13.35	14.68	16.15	17.76	19.54																						
Segment	Percentage																										
Industrial Automation	97%																										
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Industrial Robotics	1%																										
Robotic Process Automation (RPA)	0.5%																										

Value Chain Analysis			
Sourcing & Compliance	Manufacturing & Quality	Distribution & Logistics	Market & Customer Engagement
Precision Component Sourcing: Procuring AI chips, sensors, and industrial-grade materials. Regulatory Adherence: Ensuring ISO, BIS, and global safety compliance.	Automation-Driven Production: Using AI, IoT, and precision engineering. Quality Assurance: Rigorous testing, real-world simulations, and defect minimization.	Optimized Supply Chain: Real-time tracking and predictive inventory management. Market Expansion: Leveraging B2B channels, dealerships, and direct sales.	Targeted Industry Growth: Focusing on healthcare, logistics, and manufacturing. After-Sales Support: AI-driven diagnostics, predictive maintenance, and 24/7 service.

Revenue Drivers	Cost Drivers	Competitive Scenario	Recent Highlights	Consultant Outlook
• Beyond Automotive, Expanding into New Sectors • Rapid Growth in Industrial Robot Installations • Government Push Accelerating Industrial Automation Growth	• Labor Costs and Workforce Dynamics • High Upfront Costs and Import Tariffs • Ongoing Maintenance, Licensing, and Compliance Costs	 \$5.33 B (30%)  \$4.44 B (25%)  \$1.78 B (10%)  \$0.89 B (5%) Revenue (2025, USD)	• India installed 8,510 industrial robots, 59% growth. • Industrial automation market to reach \$39.65B by 2033. • NVIDIA tech boots robotics, warehouse automation advances. • Jabil invests \$238M in Tamil Nadu manufacturing expansion.	• Strong growth trajectory, with healthcare, e-commerce, and logistics leading. • Workforce gap boosts AI, accelerating autonomous solutions. • Warehouse automation surges, led by e-commerce growth. • Tata Elxsi expands, strengthening India’s automation sector.



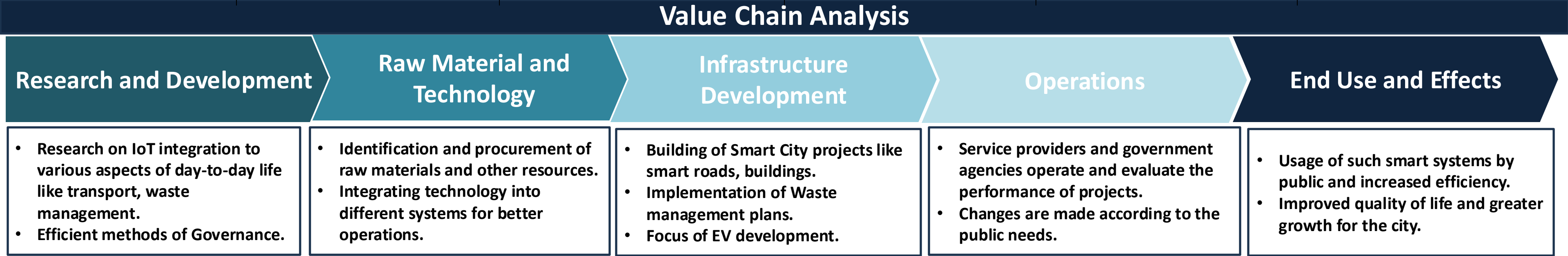
Overview	Market Growth	Industry Segments	Growth Drivers	Inflection points	Challenges																										
- Logistics is concerned with Transporting, Storing, and Delivering goods Third Party Logistics refers to the outsourcing of logistics to a third-party	<table><tr><th>Year</th><th>2022</th><th>2023</th><th>2024</th><th>2025</th><th>2026</th></tr><tr><td>Value</td><td>24</td><td>27</td><td>31</td><td>35</td><td>39</td></tr></table>	Year	2022	2023	2024	2025	2026	Value	24	27	31	35	39	<table><tr><th>Segment</th><th>Percentage</th></tr><tr><td>Transport</td><td>26%</td></tr><tr><td>Warehousing</td><td>18%</td></tr><tr><td>Sourcing & Procurement</td><td>14%</td></tr><tr><td>Other</td><td>10%</td></tr><tr><td>Inventory</td><td>8%</td></tr><tr><td>Manufacturing</td><td>24%</td></tr></table>	Segment	Percentage	Transport	26%	Warehousing	18%	Sourcing & Procurement	14%	Other	10%	Inventory	8%	Manufacturing	24%	E-Commerce Boom and age of Online Shopping - Increase in Global Supply Chain Complexity Emerging Markets in the Asia-Pacific Region	- Volatility due COVID-19 Pandemic and ensuing Lockdown - Rise of E-Commerce and Quick Commerce - Increased Geopolitical Tensions affecting flow of resources	- Increasing amount of Supply Chain Disruptions - Historically High Logistic Costs affecting low margins. Infrastructure Gaps, prohibitive Regulations
Year	2022	2023	2024	2025	2026																										
Value	24	27	31	35	39																										
Segment	Percentage																														
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Manufacturing	24%																														

Value Chain Analysis			
Forecasting & Procurement	Inbound Warehousing	Distribution	Retailer
- The Initial stage is concerned with the inbound procurement of raw material and goods. Data Analytics and previous experience help forecast supply quantities.	- Concerned with the storage of goods and raw material. - Alteration of raw material into consumer goods; Packaging, Manufacturing, Sorting, Grading	- The stage concerned with Transportation of goods to retailers. Dropshipping and Temporary Warehouse.	- Further transportation of goods depend on the retailer. E-Commerce led to direct shipment to consumers.

Revenue Drivers	Cost Drivers	Competitive Scenario	Recent Highlights	Consultant Outlook
- The primary source of revenue are Freight Charges 3PL Companies act on long-term contracts managing logistics for other businesses Logistics Marketplaces such as Uber Freight and Flexport	Fuel Costs and Warehousing accounts for the lions share of cost Customs Duties and Regulatory Cost - Increased importance of Environmentally Friendly Practices	Market Leader 6% Market Share	Post Pandemic boom in online shopping and E-Commerce. Large scale data models and AI can improve supply forecasting. Urban Logistic Innovations such as black stores. - Increasing focus on sustainability and eco-consciousness has affected shipping and storage preferences.	- The market is highly competitive without a single dominant entity. Product differentiation is difficult and relies on emerging technologies such as AI and renewables. - Emerging markets in Asia-Pacific, Latin America and Africa. - Shift towards Green Initiatives and Sustainable Alternatives.

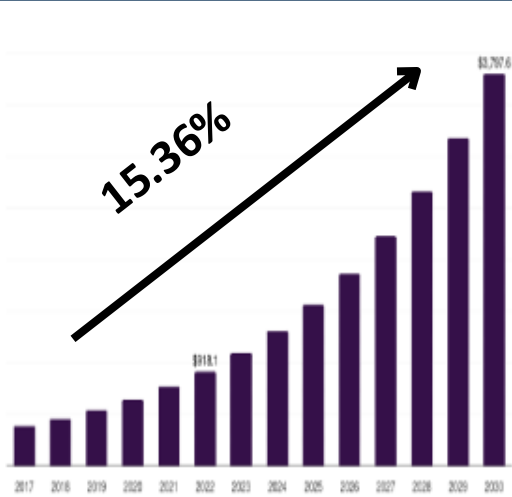
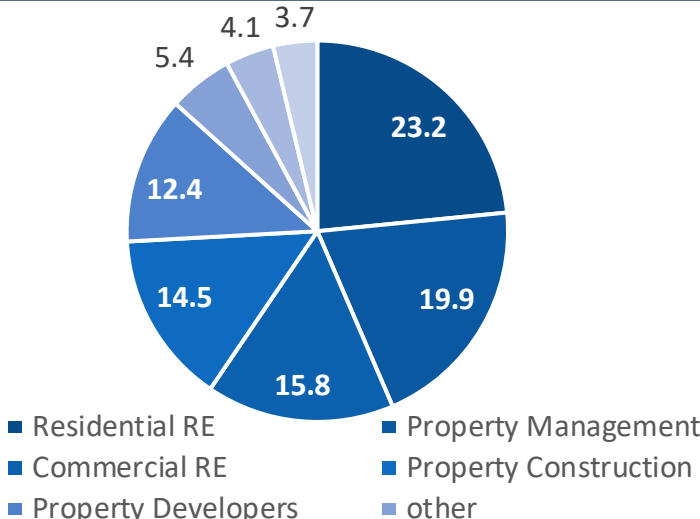


Overview	Market Growth	Industry Segments	Growth Drivers	Inflection points	Challenges																				
- Driven by urbanization, IoT, AI, and sustainability initiatives. - Key focus areas include smart infrastructure, mobility, energy management, and digital governance.	<table><tr><th>Year</th><th>Value</th></tr><tr><td>2024</td><td>3.2</td></tr><tr><td>2025</td><td>3.6</td></tr><tr><td>2026</td><td>4.2</td></tr><tr><td>2027</td><td>4.8</td></tr><tr><td>2028</td><td>5.5</td></tr></table>	Year	Value	2024	3.2	2025	3.6	2026	4.2	2027	4.8	2028	5.5	<table><tr><th>Segment</th><th>Percentage</th></tr><tr><td>Smart Infrastructure</td><td>24%</td></tr><tr><td>Connected Mobility</td><td>39%</td></tr><tr><td>IoT and AI Integration</td><td>36%</td></tr></table>	Segment	Percentage	Smart Infrastructure	24%	Connected Mobility	39%	IoT and AI Integration	36%	- Technology Advancement - Growing Population - Government Backing - Positive Consumer response - Sustainability	2015- Launch of Smart City mission and AMRUT by the Government. 2016-19- IoT development and Foreign investments. 2020- 21- Need of AI-backed smart management and 5G rollout.	- Economic Feasibility - Cybersecurity Risks - Full-Scale Implementation Challenges - Red Tapism
Year	Value																								
2024	3.2																								
2025	3.6																								
2026	4.2																								
2027	4.8																								
2028	5.5																								
Segment	Percentage																								
Smart Infrastructure	24%																								
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Revenue Drivers	Cost Drivers	Competitive Scenario	Recent Highlights	Consultant Outlook
- Government Contracts, Licenses - Infrastructure monetization Like tolls, charges for transportation etc. - Digital Payments, Subscriptions	- Technology and Innovation - Infrastructure Development - Regulatory Compliance - Data Management - Real Estate	TCS, Siemens, Tech Mahindra, Cisco, Honeywell	- Development of 12 new smart cities - Integration of AI and IoT at Maha Kumbh in Prayagraj. - Development of plans to tackle issues of pollution and water scarcity in metropolitan cities. - Rapid transformation to EV.	- Growth potential-The scope for AI integration in day-to-day life is still vast. - Market Expansion- The market is not highly concentrated and thus gives a lot of room for new entries. - Opportunities- Sustainable living projects, Transportation etc.



Overview	Market Growth	Industry Segments	Growth Drivers	Inflection points	Challenges
• PropTech refers to the use of digital tools, software, and innovative solutions to enhance the way people buy, sell, rent, and manage real estate. • It aims to improve efficiency, transparency, and user experience in the property industry.			• CAGR: 15.36% (2024-2029) -- GLOBAL • Driving Factors: Rise in digital transactions, smart property management, and government initiatives like Smart Cities Mission. • Key Growth Drivers: AI, Big Data, IoT, Blockchain, and increased digitalization in real estate.	• Growing adoption of online property listings and virtual property tours. • Government-backed initiatives accelerating PropTech adoption. • Rise of digital mortgages, real estate crowdfunding, and online payments. • Blockchain & Tokenization	• Lack of standardization across PropTech solutions. • Fluctuating real estate markets impact funding and growth. • Resistance from traditional real estate firms.

Value Chain Analysis

1. Property Discovery & Listing	2. Transaction & Financing	3. Property Development & Management	4. Secondary Services
• Data-driven price comparisons and property valuation tools. • Virtual tours • Reduces search costs for buyers and enhances transparency	• Digital mortgage and loan processing. • AI-powered risk assessment and credit scoring • Speeds up real estate transactions by reducing paperwork	• AI-powered predictive maintenance for commercial and residential properties • Optimizes property operations, reducing maintenance costs	• AI-powered property management software and Online home renovation and interior design marketplaces • Improves long-term property management efficiency

Revenue Drivers	Cost Drivers	Competitive Scenario	Recent Highlights	Consultant Outlook
• Recurring revenue from AI-powered property management, real estate analytics, and smart home platforms. • Monetization through VR property tours, digital staging, and AI-assisted architectural visualization. • Selling real estate market insights.	• Building and updating apps • Running ads, SEO, and influencer campaigns • Maintaining 24/7 helplines, chat support, and on-ground assistance for property buyers, renters, and agents.	 29.57%  7.60%  1%  Others  	• Cities like San Francisco and Philadelphia are introducing laws to curb algorithmic rent pricing, aiming to prevent unfair rent hikes. • In India the sector is set to grow to \$3.8 billion by 2030, expanding at an impressive 19.4% CAGR as digital adoption accelerates. • A new generation of real estate professionals is embracing PropTech, using innovation to enhance efficiency and customer experience.	• Companies need to work with regulators to help shape clear, tech-friendly laws. • The winners in this space will be those who seamlessly integrate financing and property transactions into a single, smooth experience. • Platforms focus on helping people find or sell properties, but real success lies in what happens after like support buyers and landlords with property management, home services, and investment advice.

Second Hand Cars Industry																											
Overview	Market Growth	Industry Segments	Growth Drivers	Inflection points	Challenges																						
As a significant part of the Automobile Industry, The Second-hand car industry refers to a market where used or pre-owned vehicles are bought and sold.	<table><caption>Market Growth (2021-2025)</caption><tr><th>Year</th><th>Growth</th></tr><tr><td>2021</td><td>1.1</td></tr><tr><td>2022</td><td>1.2</td></tr><tr><td>2023</td><td>1.3</td></tr><tr><td>2024</td><td>1.7</td></tr><tr><td>2025</td><td>1.9</td></tr></table>	Year	Growth	2021	1.1	2022	1.2	2023	1.3	2024	1.7	2025	1.9	<table><caption>Industry Segments</caption><tr><th>Segment</th><th>Percentage</th></tr><tr><td>C2C</td><td>34%</td></tr><tr><td>Semi Organized</td><td>27%</td></tr><tr><td>Organized</td><td>21%</td></tr><tr><td>Un-organized</td><td>18%</td></tr></table>	Segment	Percentage	C2C	34%	Semi Organized	27%	Organized	21%	Un-organized	18%	- Integration of data analytics and digital platforms. - Large Market size and stable growth patterns - Emergence of New Retail Models & Consumer preferences.	- Break through of EV - Improved operational efficiencies with integration of AI and ML in vehicle valuation - Affected new car production due to semiconductors shortage.	Trust and Transparency Issues - Economic downturns and inflationary pressures. Increased pollution on export of old cars. - Rapid depreciation of Evs, losing upto 50% yearly.
Year	Growth																										
2021	1.1																										
2022	1.2																										
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Un-organized	18%																										
Value Chain Analysis																											
1. Supply & Inspection		2. Pricing & Valuation		3. Marketing & Sales																							
- Used car supply comes from private sellers, trade-ins, fleets. A Diverse base ensures steady vehicle flow. Rigorous inspections ensure vehicle quality, transparency, and buyer trust.		Advanced analytics set prices based on demand, condition, and comparable sales data ensuring competitive prices. - Pricing adapts to market shifts, supply disruptions, and economic fluctuations.		- Online marketplaces revolutionizes sales with accessibility. Combination of offline & online service.																							
				4. After sales & Logistics																							
				- Warranties, maintenance, and financing boost dealer revenue. - Organized logistics ensure timely transportation																							
Revenue Drivers	Cost Drivers	Competitive Scenario	Recent Highlights	Consultant Outlook																							
Rising new car prices and economic uncertainty - Demand for high-quality, young used cars (3-5 years old) - High-margin services like warranties, maintenance, enhance revenue streams.	- High distribution & logistics costs. - Rigorous inspections add to operational expenses. - Cost of maintaining a strong online presence. - Rising financing increases costs, risks.	Lithia Motors -1.9% Penske Automotive – 0.9% Auto Nation – 1.5 %	- USS Tokyo, the world's largest car auction site located in Japan, exemplifies the scale of the used car industry. - Used car prices are expected to stabilize in 2025 after years of volatility, with a forecasted increase of 1% in used vehicle sales to 37.8 million units globally.	Digital disruption is fueling market efficiency, with platforms like Cars24, Carvana, etc. - Many electric vehicles experience rapid depreciation, posing a challenge for resale values. Asia-Pacific and Latin America are emerging as high-growth markets due to affordability constraints in new car ownership.																							
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2024-25				35																							

CASE INTERVIEWS





PROFITABILITY



Interview Transcript

Your client is an online medicine delivery company, that delivers all kinds of Allopathic medicines on a written prescription within 2 hours. It is undergoing negative growth in India. You have to examine the problem and plan on how to increase the growth. But before beginning, I want you to estimate the market size of Online Medicine Delivery Applications in India.

I would like to ask a few clarifying questions before estimating the market size. Can I go ahead with taking only urban areas into account, considering people in rural areas are currently not open to ordering medicines online?

Yes, you may go ahead with urban areas for this estimation right now.

Alright, so considering that people having an income above 2.5 lakhs will be able to afford and order medicines online. Of these people, any one family member would be placing the order, so avg. Indian family size can be taken as 4 which gives us a number of 9 crores. Based on assumptions taken, as to what kind of medicines urban population prefers between allopathy, homeopathy, and ayurveda. Taking into account that our client delivers only allopathy which can further be divided into serviceable and unserviceable, finally reducing the number to 6 crores orders. The orders can further be divided into two divisions- subscription-based orders and non-subscription. Considering the average amount and frequency of these two divisions, we can come up with the market size, which is approximately Rs. 25,000 crores.

Great, now you may go ahead with the case-solving aspect of the problem statement.

I would like to ask a few clarification questions before I analyze the problem. Since how long has the client been operating in India and in which cities?

The client has been operating since 2015 in India and they are operating in 5 Top tier 1 cities.

Is the Company facing the problem in all the operational cities and what is the growth rate in the last 5 years?

Yes, the company is facing problems in all the cities and the average growth rate for the last 5 years is -2% and has reached 8% from a previous growth rate of 18-20%.

Alright, As the problem statement states that there has been negative growth i.e. profits had declined. It could be due to an increase in costs or decrease in revenue or a combination of the two. Do we have an idea on which side the problem lies?

The revenue has declined.

Okay, I would like to further segment revenue into - Number of customers x Average Order. Do we know which one has seen a decline?

No. of customers has declined in the past few years.

The decline in the number of customers can be due to external and internal factors. Which one do you want me to focus on?

Let's go ahead with the external factors first.

Okay, Considering the external factors through the 3CP framework there could be a change in government policies or consumer preference which could be due to licensing of a medicinal firm. There could be negative publicity for the company due to any rumors in the market. Apart from this, there could be a new competitor in the market or a new product launched in the market due to which our customers have shifted to their brand.

Yes, there has been a new competitor in the market last year but there has been no change in the government policies nor any negative publicity.

Alright, I would like to know more about the competitor. What are the product offerings by the competitor and are they offering any features other than ours?

The competitors offer online Medical Consultation which has proved to be efficient in them garnering a larger amount of subscriptions and customers. You can now move to the internal factors.

Alright, Since we are not a manufacturing firm. It could be due to any problem in the distribution channel or a change in consumer behavior. Do we know which one has changed?

The distribution channel has been through a single warehouse in each city we operate but we are not able to deliver the orders within 2 hrs. Rest all factors remains constant.

Is the company using any marketing techniques to acquire customers?

No, not since the last 2 years. I think you now have enough information and can now start with the recommendations.

Alright, I would divide my recommendations into three parts. One would be a change in the distribution channel by opening dark stores to reduce the delivery time and setting up a Medical Consultation service on our website with features like instant appointments, to further gain traction on the website and retain the customers and lastly to use marketing techniques for attracting new customers and retain previous ones.

Great, I would like you to now calculate the cost of doing the same and the expected growth rate after the execution.



Interview Transcript

Yes sure, so let us first look at the average cost of setting up 1 dark store, we will incur expenditure on some fixed assets such as furniture (Racks, fridges, tables, packing equipment, etc.), and we can roughly take these costs to be 30 Lakhs. We will also need to set up a robust computer system so that there are no delays in receiving the orders or tracking the delivery executive, for which we can incur 2.5 Lakhs of expenditure. We can consider 2. The expenditure on recurring expenses would include the rent of the store, salaries of employees, utility bills, insurance premiums, and other miscellaneous expenses. I have assumed that for a 2,000 sq feet store, the annual rent will be around 18 lakhs, the salaries will amount to rupees 24 lakhs considering the average monthly salary for an employee to be 20k, the average consumption of utility services will incur an expense of 10 lakhs per annum along with an Insurance premium of 1 lakh and miscellaneous expenses of around a lakh, reaching out to 58 lakhs per annum. 5 Lac of expenditure for miscellaneous expenses. Our total cost of setting up one dark store would be 93 lakhs.

Ok, and how many dark stores would you recommend, and on what basis?

Sir I would recommend doing an analysis of the 5 cities and identifying densely populated areas (for the complete capacity utilization & maximum revenue from dark stores). We should place at least 4 dark stores per city, so a total of 20 stores.

Ok, what could be the estimated cost of setting up the teleconsultation vertical?

For that, we would be required to set up an application, a comprehensive one can be built in around 50 Lakh rupees as the average cost of setting up an AI is 10 lakhs and would require a maintenance of around 3 lakhs per month , and I believe teleconsultation doctors draw a fixed salary, so the salary for 15-20 doctors could be around 1.5 to 2 crores.

Having incurred these costs, what do you think will be the impact on revenue?

Sir our expenditure on dark stores will not make the delivery process efficient, but will be able to strengthen the company's position in their areas through constant marketing and instant supplies. Teleconsulting is an add-on feature, which will not only help us in increasing our user base but also retain it. I believe these services could help the company grow by at least 8-10% more each year, upon successful implementation.

Impressive, thank you for sharing your approach

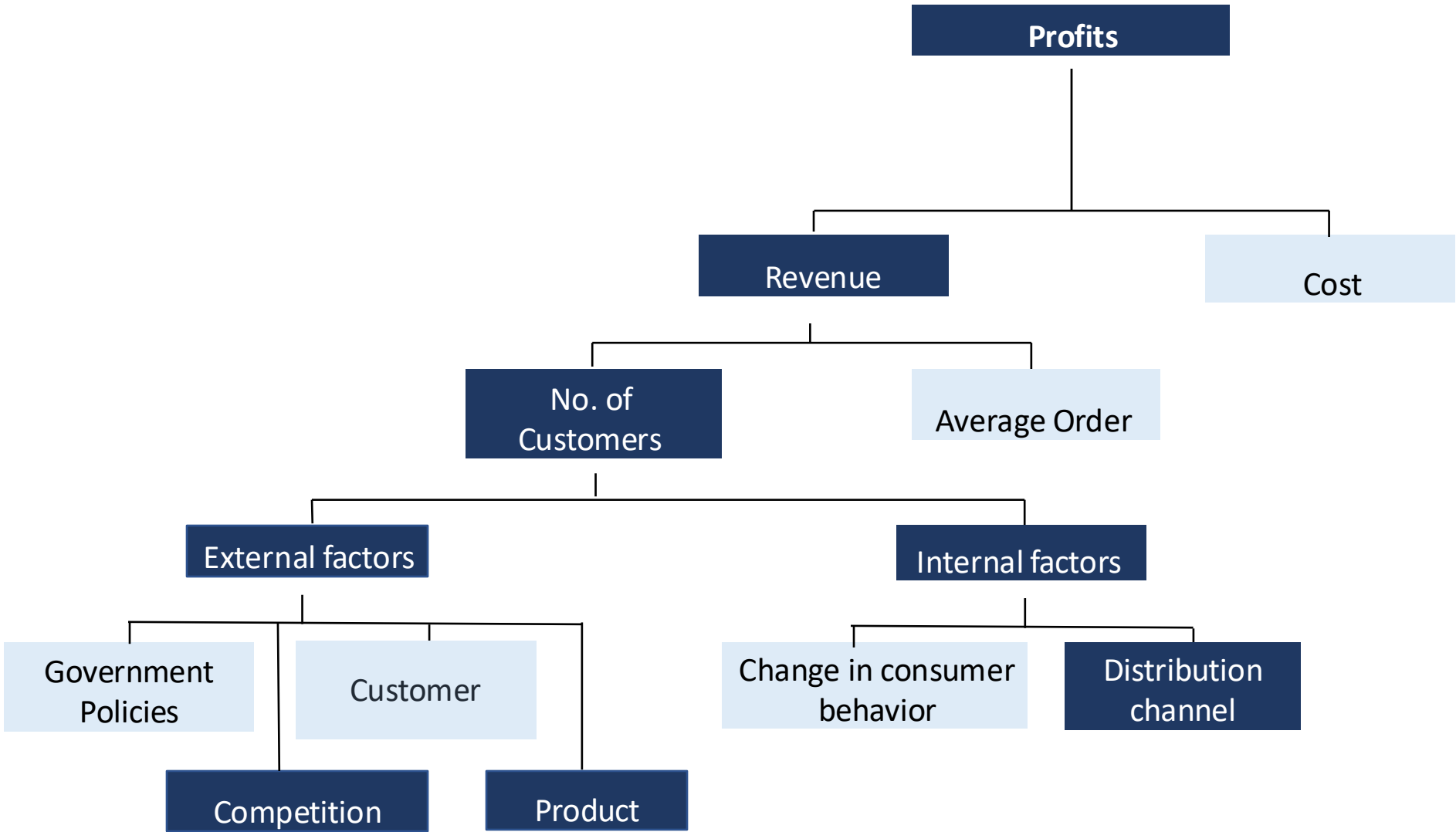
Thank you sir, thanks for the opportunity!

Your client is an online medicine delivery company, that delivers all kinds of Allopathic medicines on a written prescription within 2 hours. It is undergoing negative growth in India. You have to examine the problem and plan on how to increase the growth

Case Facts

- **Overview** - online medicine delivery company delivering only allopathic medicines.
- **Industry Scenario** – Problem specific to the company
- **Operational geography** – Top 5 tier-1 cities
- **Problem**- Experiencing negative growth

Approach/Framework



Recommendations

- Revamping distribution channel by opening dark stores.
- Setting up online medical consultations on the website.
- Use of marketing techniques.

Brownie Points

- Serviceable and unserviceable medicines
- 3CP framework
- Supply-chain Management



Guesstimate

Market size of Online Medicine Delivery App

Urban-Rural
Population Division

Urban	Rural
40%	60%
52 crore	78 crore
130 crore	

Income Wise
Distribution- Urban

0-2.5 Lacs	2.5-10 lacs	10 Above
30%	50%	20%
15.6	26	10.4
15.6 crore	36 crore	

Avg Family Size

4
9 crore

Type of
Medicines

Allopathy	Homeopathy	Ayurveda
70%	20%	10 %
6 crore	2 crore	

Allopathy
Medicine
Division

Serviceable	Non-Serviceable
90%	10%
5.7 crore	0.6 crore

Assumptions

- Earning above 2.5 lac would be able to afford, as they have access to doctors who prescribe medicines and can afford to go to private doctor
- Estimated major orders to come from the avg bill of Rs750



Average
amount

% of people ordering

(in cr.)

Total (in cr.)

Frequency of orders
in 1 year

Total Subscription (in cr.)

<500	500-1000	1000-2000	2000<
250	750	1500	2000
1%	2%	2%	3%
14.3325	85.995	171.99	343.98
616.2975			
3	6	9	12
10%	30%	20%	40%
184.8892	1109.335	1109.335	2958.228

Non-Subscription

<500	500-1000	1000-2000	2000<
250	750	1500	2000
25%	40%	25%	10%
358.3125	1719.9	2149.875	1146.6
5374.6875			
6	4	3	2
20%	30%	30%	20%
6449.625	6449.625	4837.21875	2149.875

25248.132

TOTAL (in cr.)



Exhibits

EXHIBIT 1: Financials					
Particulars	2020P	2021P	2022A	2023E	2024E
CAGR	12%	10%	8% ~~12%~~	16%	22%
Cost (% of Revenue)	10%	15%	20% ~~17%~~	12%	10%

EXHIBIT 2: Cost of opening a Dark Store (in lacs)				
Particulars	Proposed value		Particulars	Proposed value
Expenses			Assets	
Annual Rent	18	(For 2,000sq ft)	Furniture	30
Annual Salaries	24	(For 10 employees)	Other Assets	5
Annual Insurance	1	(20k per employee)		35
Utility bills	10			
Other Misc. expenses	5			
	58			
Total Cost of 1 dark store	93			
Total no. of dark stores	20	4 dark store in each city		
Total Cost	1860			

EXHIBIT 3: Cost of starting teleconsultation (in lacs)				
Particulars	Proposed value		Particulars	Proposed value
Maintenance cost of AI (Customer care included)	3 per month		Setting up AI	10
Salaries for Doctor	220	For 15-20 doctors		
Total Cost	266			
Overall Cost (in lacs)			2126	



Interview Transcript

Your client is Tomato, an Indian multinational restaurant aggregator and food delivery company. It provides information, menus and user-reviews of restaurants as well as food delivery options from partner restaurants in select cities. It's currently facing a decline in its profitability. You have been hired to solve this conundrum.

Is there a decline in profitability throughout the industry or is it specific to our client. For how long have they been facing such a decline?

The decline is specific to Tomato. The client has been facing the problem since the past 6 months.

Has there been any major technological upgrades?

No, there haven't been any changes.

Have any new competitors entered the market in the past 6 months?

No, there has been no change in substantial competitors.

To analyze the problem further, I would now like to look at the revenues and costs of the business. We know that, Profit = Revenue – Costs. I'd like to start by assessing the cost side first. Cost= Fixed Costs + Variable Costs

- Fixed Costs:
- 1. Insurance: General Liability Coverage, Commercial Auto Insurance, Worker's Compensation
 - 2. Employee Benefit Expenses
 - 3. Finance Costs
 - 4. Technology (development, deployment and maintenance)

- Variable Costs:
- 1. Delivery & Related Charges
 - 2. Advertisement & Sales Promotion
 - 3. IT Support Services
 - 4. Outsourced Support Cost
 - 5. Payment Gateway Charges
 - 6. Legal Payments

Have any of these costs been affected?

No, the costs have not been affected.

Alright. I shall look into the revenue side then. What are the revenue streams of our client and which are the major ones?

Our client generates revenue through the following streams:

- Commission on food delivery
- Restaurant listing and Advertising
- Tomato Gold Membership
- Consultancy to restaurants

Great. Do we know which of these streams has/have been affected? Or do you want me to assess any particular stream?

I would like you to assess the revenues generated by way of commission first.

So revenues here would be no. of orders x (average order value x average commission received). Have the no. of orders been affected or our commission rates changed?

Currently our commission rates have remained the same and are competitive. I would like you to estimate the number of orders received by online food apps in a day.

So, I would now come to those numbers through a guesstimate. To analyze the number of food orders received in a day in India, I took the urban and rural population of India and gave them different accessibility ratings given the current coverage of online food delivery services in India. The resulting population can be divided into the working & non working population. Amongst the working population, only people earning over 10000 a month are considered to be consumers factoring in affordability. The non working population can be divided into students & retired folks. Only students over the age of 16 are considered as only they have the resources to place an order(in case a smaller child orders, it will come under the parents working population number). A small percentage is taken in terms of retired people due to cultural practices and trends. After this, the living conditions are considered, dividing them into living in a home, a PG or a flat (with/without cook) which influences the likelihood to order food. These filters give us the number of online food orders received in a day as approximately 10.5 lakhs.

Thank you for running us through your approach. The number is quite close to our projections.

Now, I would like to focus on other factors. I will consider the restaurant listing and advertising. Are there any overall changes in the advertising revenues of the company?

Yes, we are currently facing a decline in the revenue from this source.

Revenues here will be a product of the number of brands opting for advertising and the average charges for advertising. Has the no. of brands opting for advertising gone down or have there been any changes in the prices we charge for this?



Interview Transcript

The no. of brands opting for advertising has gone down

I think the following reasons can be the cause of this problem:

- 1. Low conversion of customers
- 2. Incompatibility between the product and the app.
- 3. Unethical practices or bad public image that causes degradation of brand value.

We have received feedback that we are unable to tap beneficial brands to advertise on our app, major reasons being non- compatibility, lower click through rates & conversions. We have the data of 2 months for 3 clients. The monthly allocation data for client 1 is 30% on Facebook, 20% offline, 10% on Tomato, 40% on promotions, giving a return of 35, 15, 12, 45 in month 1 and 35, 14, 13, 27 in month 2 on each of these allocations respectively.

For client 2 it is 10% on Facebook, 10% offline, 40% on Tomato, 40% on promotion with the revenue being 30, 20, 105, 115 for month 1 and 32, 18, 100, 115 for month 2 respectively.

And for client 3 it is 10% on Facebook, 20% offline, 60% on Tomato, 10% on promotions, giving 65, 120, 280, 55 for month 1 and 66, 125, 250, 55 for month 2 as the revenue. What can you infer from this data?

I can calculate the return on ad spend for each of these clients for the two months, which comes out to be 117%, 75%, 120%, 113% and 117%, 70%, 130%, 118% for month 1 and 2 respectively for client 1. Similarly, it is 120%, 80%, 105%, 115% and 128%, 72%, 100%, 115% for client 2. 130%, 120%, 93%, 110% and 132%, 125%, 83%, 110% for client 3.

MoM ROAS in Tomato grows for Client 1 which has less revenue, and decreases for Client 2 & Client 3. The subsequent effect leads to bigger clients pulling out money from Tomato adverts leading to a net negative effect. Highest ROAS channel for each client moderately grows MoM whereas the lowest ROAS channel for each client moderately decreases MoM.

That is a good analysis. What could be the reasons for this low return according to you?

Reasons for low return can be:

- 1. Shift of target customers to the apps of competitors
- 2. The budget might be too low.
- 3. The cost per click has been enhanced.
- 4. Incompatibility of the brand and the app.
- 5. Change in food ordering preferences of customers
- 6. Unfriendly UI of the app/ bugs and technical difficulties

Incompatibility & Unfriendly UI are the major reasons for this low return.

I'd like to give the following suggestions to improve the compatibility and brand conversion of the app:

- 1. Enabling push notifications based upon the area of the user.
- 2. Brands can be given a dynamic option for advertising, providing different formats including main ads and other small ads.
- 3. Making engaging adverts that persuade the users. Video graphic ads can be used.

Great, you've analyzed the problem quite well and have given some really good suggestions. Thank you!

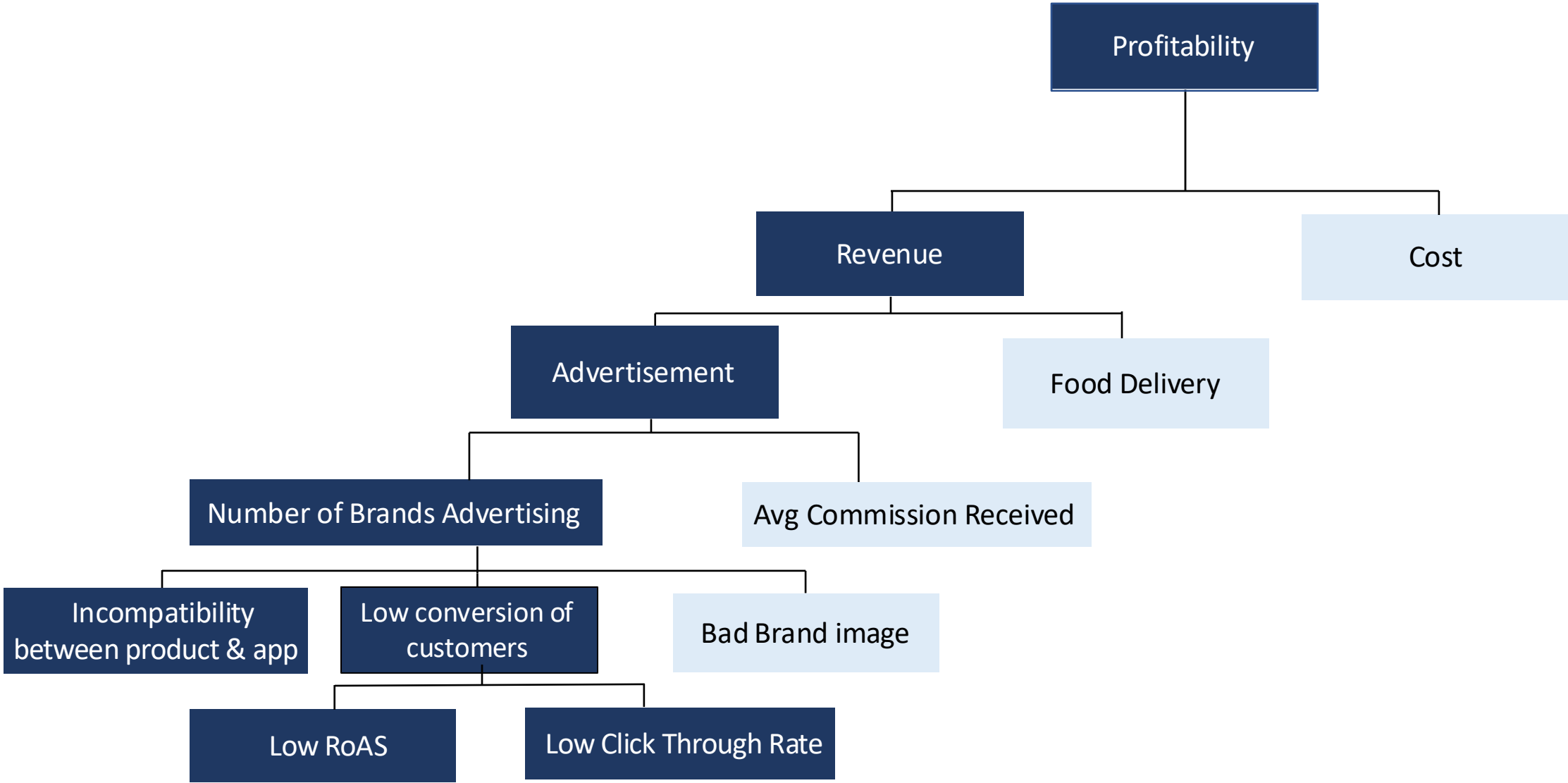


Your client is Tomato, an Indian multinational restaurant aggregator and food delivery company. It provides information, menus and user-reviews of restaurants as well as food delivery options from partner restaurants in select cities. It's currently facing a decline in its profitability.

Case Facts

- **Overview** – Tomato, a food delivery platform facing a decline in revenue.
- **Industry Scenario**– Problem specific to the food delivery platform.
- **Modes of Operation** – Food Delivery & Restaurant listing
- **Change in Regulation** – None

Approach/Framework



Recommendations

- Enabling push notifications to improve RoAS.
- Making engaging adverts that persuade the users.
- Giving dynamic options for brands to advertise.

Brownie Points

- Identification of ROAS as a measure of effectiveness.
- Dynamic advertising option.



Guesstimate

Number of Online Food Orders Placed in a Day				
Living Conditions	Living in a Home	Living in a PG	Living in a Flat	
	55%	15%	30%	
	13,36,97,850	3,64,63,050	7,29,26,100	
% Likely to Order			With Cook	Without Cook
			70%	30%
			20%	80%
% Likely to Order on 1 specific day	20%	40%	1,09,38,915	1,45,85,220
	2,67,39,570	5,34,,79,140		
Number of Online Food Orders Received in a Day	10,57,42,845			
	10%			
	10,57,42,845			

Assumptions

- The day considered is a weekday and does not lie on any festival or extraordinary event.
- Online food orders include orders placed on food-tech companies as well as orders placed directly on the websites/apps of restaurants
- People earning less than 10000 INR a month cannot afford expensive food and the delivery charges, hence they have been excluded
- Students under the age of 16 do not have the adequate resources to order for themselves
- Retired people may order food due to physical inability to cook themselves, tastes & preferences, family get together etc.



Guesstimate

Number of Online Food Orders Placed in a Day						
Population of India	130,00,00,000					
Urban Rural Divide	Urban			Rural		
	30%			70%		
	39,00,00,000			91,00,00,000		
Accessibility Factor	80%			15%		
	31,20,00,000			13,65,00,000		
Working Population (Monthly Income & Type)	Working			Non- Working		
	60%			40%		
	INR 0 - 10000	INR 10000 - 50000	INR 50000+	Students	Retired	
	30%	50%	20%	70%	30%	
	8,07,30,000	13,45,50,00	5,38,20,00	<16 Years	>16 Years	% likely to order
				65%	35%	20%
				8,16,27,000	4,39,53,000	1,07,64,000

Assumptions

- People living at home are less likely to eat outside food as food is already prepared at their homes
- People living in a PG are More likely to eat outside food due to food quality issues and tastes & preferences
- People living in a flat with a cook are Not as likely to eat outside food as food made as per the wishes
- People living in a flat without a cook are most likely to order due to unavailability of any source of food



Scan the QR
Code to access
the
Guesstimate
Spreadsheet



Exhibits

EXHIBIT 1											
Month 1											
Client 1-100				Client 2-250				Client 3-500			
Allocation	Avenues	Revenue	ROAS	Allocation	Avenues	Revenue	ROAS	Allocation	Avenues	Revenue	ROAS
30%	FB	35	117%	10%	FB	30	120%	10%	FB	65	130%
20%	Offline	15	75%	10%	Offline	20	80%	20%	Offline	120	120%
10%	Zomato	12	120%	40%	Zomato	105	105%	60%	Zomato	280	93%
40%	Promotions	45	113%	40%	Promotions	115	115%	10%	Promotions	55	110%
Month 2											
Client 1-100				Client 2-250				Client 3-500			
Allocation	Avenues	Revenue	ROAS	Allocation	Avenues	Revenue	ROAS	Allocation	Avenues	Revenue	ROAS
30%	FB	35	117%	10%	FB	32	128%	10%	FB	66	132%
20%	Offline	14	70%	10%	Offline	18	72%	20%	Offline	125	125%
10%	Zomato	13	130%	40%	Zomato	100	100%	60%	Zomato	250	83%
40%	Promotions	47	118%	40%	Promotions	115	115%	10%	Promotions	55	110%



Interview Transcript

PowerGrid Solutions, a major energy provider, faces a critical juncture. The rise of renewables disrupts traditional revenue streams, volatile energy prices create uncertainty, and mounting regulatory scrutiny demands significant investments in environmental compliance. Your task is to diagnose the root causes of declining profitability for PowerGrid Solutions, analyze market trends, and develop a strategic plan to ensure long-term financial viability in this evolving energy landscape.

That sounds like an interesting case. I'd like to ask a few clarifying questions before diving in. Is PowerGrid primarily a producer or a distributor of electricity? How does the company generate electricity? How many grids does it operate, and where are they located?

PowerGrid is a producer and supplies its electricity exclusively to the government. It generates power using thermal plants, where coal is used to produce steam and eventually electricity. The company operates three grids located in Kozhikode, Kochi, and Mundra.

Understood. Since you mentioned a decline in profitability, I'd like to determine whether this is a company specific issue or an industry-wide trend. Do we have any financial data to analyze?

Yes, take a look at Exhibit 1, which includes the operating profit margin calculation.

I'd like to calculate the Operating Profit Margin, which is given by:
 $\text{Operating Profit Margin} = \frac{\text{Operating Profit}}{\text{Total Revenue}} \times 100$
Operating profit is calculated as: $\text{Revenue} - \text{Operating Expenses}$, for PowerGrid:
 $12000 - (6000 + 1500 + 900 + 220) / 12000 \times 100 = 11.7\%$ The industry average, however, is 20.8%. Since margin is significantly lower than the industry benchmark, this indicates that the profitability issue is company-specific rather than an industry-wide problem.

That sounds perfect.

Now, since $\text{Profit} = \text{Revenue} - \text{Cost}$, I'd like to analyze whether the issue stems from declining revenue or rising costs. Revenue can be broken down into: $\text{Revenue} = \text{Units Generated} \times \text{Price per Unit}$. Do we have any data on revenue trends?

Yes, refer to Exhibit 2.

Based on the graph, I can see that profits have been declining at a faster rate than sales. This suggests that the primary issue lies with costs rather than revenue. I'll break down the cost.

Costs can be classified into two categories: Variable Costs: These fluctuate with production and include fuel procurement, operational expenses, and distribution. Fixed Costs: These remain constant regardless of output and include Power Purchase Agreement (PPA) charges, depreciation, interest payments, and rentals. Which cost category would you like me to focus on?

We have some exhibits related to cost structure. Based on these, can you suggest any measures to improve profitability? Here are the variable cost figures for each plant: Kochi: ₹3.8 per MWh, Kozhikode: ₹3.6 per MWh, Mundra: ₹3.7 per MWh.

Looking at the data, the variable costs do not seem to be a major issue since they are relatively consistent across plants. However, the capacity-to-fixed-cost ratio appears problematic. I'd suggest consolidating operations to reduce fixed costs.

Which plant would you recommend shutting down, and what would be its impact on profits? For your information total revenue is ₹15,000 crore.

I recommend shutting down the Kochi plant due to its higher fixed costs and shifting production to Kozhikode. Here's the profitability impact: Current Profit Calculation: $\text{Profit} = 15,000 - (5,350 + 7,730) = 1,920$. After Consolidation (shutting down Kochi and shifting to Kozhikode): $\text{Profit} = 15,000 - (3,350 + 7,540) = 4,110$. This move would nearly double profitability, improving financial sustainability.

That's a solid recommendation. However, the company is facing another issue, while revenue is increasing annually, the Year-over-Year (YoY) revenue growth rate has been declining. What could be the reason for this trend in a traditional thermal energy provider like us?

Few key factors could be contributing to the decline in revenue growth rate increased competition from renewables as solar and wind energy are becoming more cost-competitive, reducing market share for thermal power. Slower demand growth as economic factors and improved energy efficiency measures have led to a stagnation in electricity demand. Consumer preference for cleaner energy as large industries and DISCOMs are transitioning towards renewable sources to meet sustainability targets. Market overcapacity as excess power generation in the sector is leading to lower utilization rates for thermal plants.



Interview Transcript

That makes sense. What would you suggest for sustained revenue growth?

To ensure long-term growth, PowerGrid should diversify its energy portfolio by investing in renewables. This would align with the market shift towards cleaner energy and mitigate risks associated with coal-based power generation. The company could explore developing solar and wind energy projects to complement thermal generation, hybrid energy solutions that integrate renewable sources with existing grids, participation in energy storage solutions to improve grid reliability and efficiency.

Before we conclude, there's one more concern regarding state dues. Can you explain how delayed payments from state agencies affect our performance? Let's assume that annual revenue is ₹15,000 crore, outstanding dues are approximately 25% of our revenue, or around ₹3,750 crore, is tied up as dues from state agencies. Average Payment Delay is about 90 days

That means that in any given quarter, around ₹937.5 crore is locked up. The implications are significant, 1. Working Capital Strain: The locked-up cash forces us to seek additional funding to cover operational expenses.

2. Increased Financing Costs: Borrowing to cover these gaps at an annual interest rate of 10% would cost approximately, $\text{Interest Cost} = ₹3,750 \text{ crore} \times (90/365) \times 10\% = ₹92 \text{ crore per quarter}$. This extra cost eats into our operating profits.

3. Risk of Bad Debt: If 20% of the delayed dues turn into bad debt, we could see an annual write-off of around ₹750 crore.

4. Operational Impact: Cash flow constraints may force us to delay crucial capital expenditures (e.g., a planned ₹500 crore annual maintenance budget). A delay could lower plant efficiency by 5–10%, potentially causing an additional revenue loss of about ₹250 crore per year. In summary, these delayed dues affect our liquidity, increase financing costs, and may force us to compromise on operational efficiency-all of which contribute to declining profitability.

That's a comprehensive analysis. Thank you, that concludes our case!

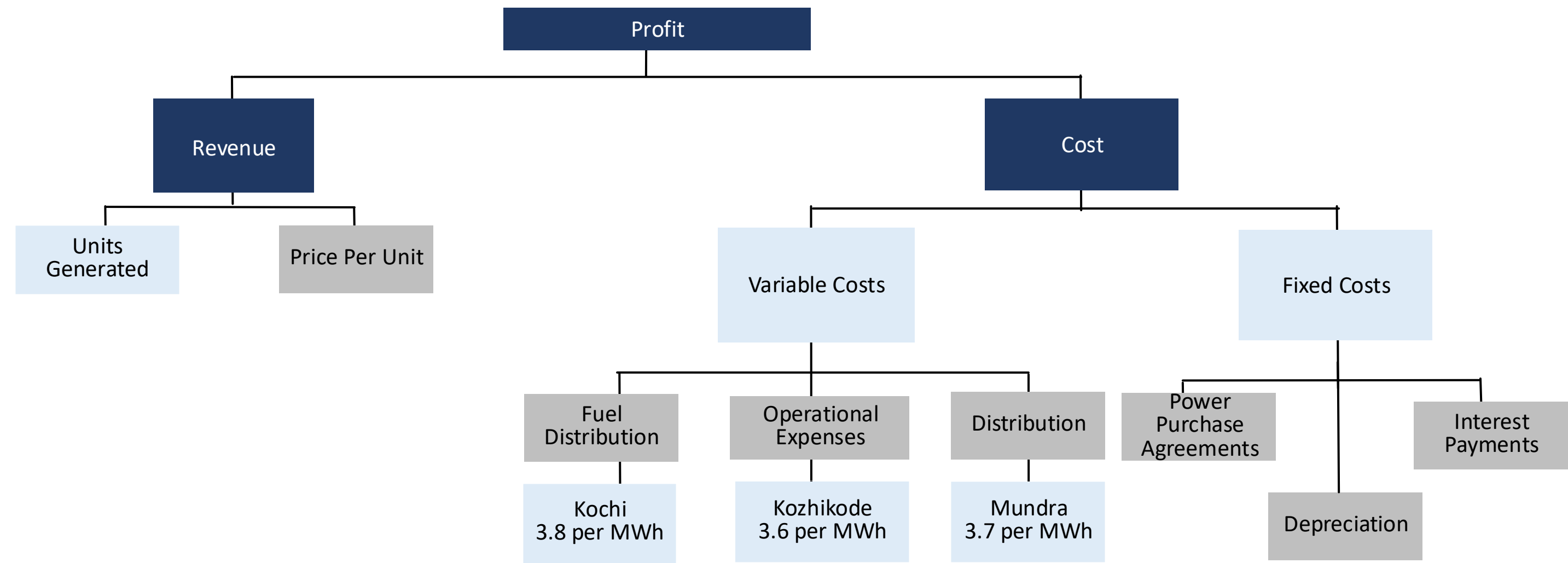


PowerGrid Solutions, a major energy provider, faces a critical juncture. The rise of renewables disrupts traditional revenue streams, volatile energy prices create uncertainty, and mounting regulatory scrutiny demands significant investments in environmental compliance.

Case Facts

- **Profit Margin Deficit:** PowerGrid’s operating profit margin is 11.7%, significantly lower than the industry average of 20.8%, highlighting a company-specific profitability issue.
- **Cost Structure Concerns:** While variable costs are relatively similar across plants, high fixed costs—especially at the Kochi plant—are a major burden, prompting recommendations for operational consolidation.
- **Revenue Growth Slowdown:** Despite rising total revenue, the YoY revenue growth rate is declining due to factors such as increased competition from renewables, slower demand growth, and market overcapacity.
- **Cash Flow Challenges:** Delayed payments from state agencies (about 25% of revenue) are straining working capital, increasing financing costs, and potentially leading to operational inefficiencies and bad debt.

Approach/Framework



Recommendations

- **Consolidate Operations:** Shut down the high fixed cost plant (Kochi) and shift production to a lower-cost facility (Kozhikode) to reduce overall fixed expenses and improve profitability.
- **Diversify Energy Portfolio:** Invest in renewable energy projects (such as solar and wind) to offset the declining revenue growth from traditional thermal power, aligning with market trends toward cleaner energy.
- **Enhance Cash Flow Management:** Implement stricter credit controls and renegotiate payment terms with state agencies to reduce the cash flow constraints, lower financing costs, and minimize the risk of bad debt.

Brownie Points

- Renegotiate fixed cost contracts (e.g., PPA) to trim expenses amid the consolidation plan.
- Pilot a solar/battery integration at Kozhikode to cut coal reliance and earn incentives.



Exhibits

EXHIBIT 1: Operating profits

Particulars	PowerGrid Co	Industry Standard
Revenue	12,000	12,000
Fuel Costs	6,000	6,000
O&M costs	1,500	1,200
Employee Exp	900	800
Other fixed costs	2,200	1,500

EXHIBIT 2:Sales/profit curves

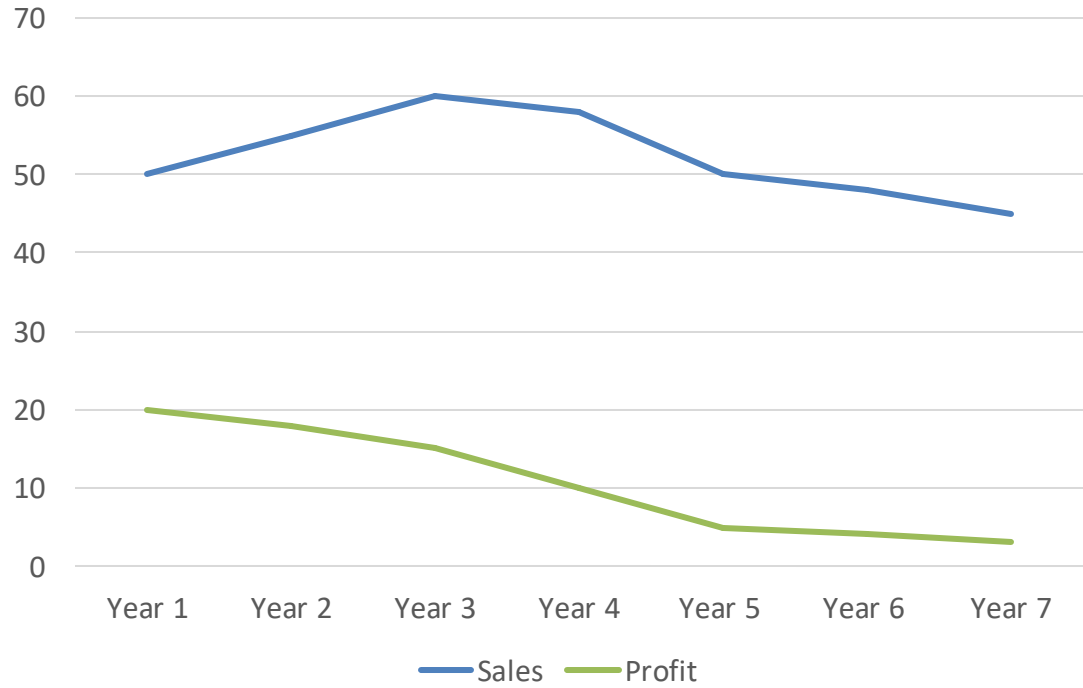


EXHIBIT 3: Total/utilized Capacity

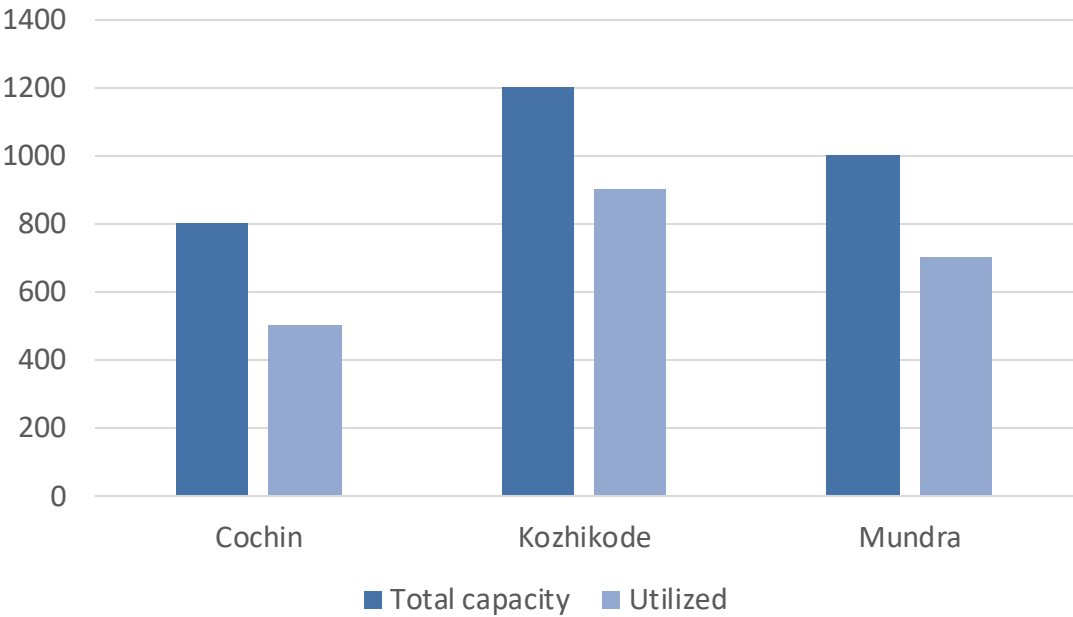
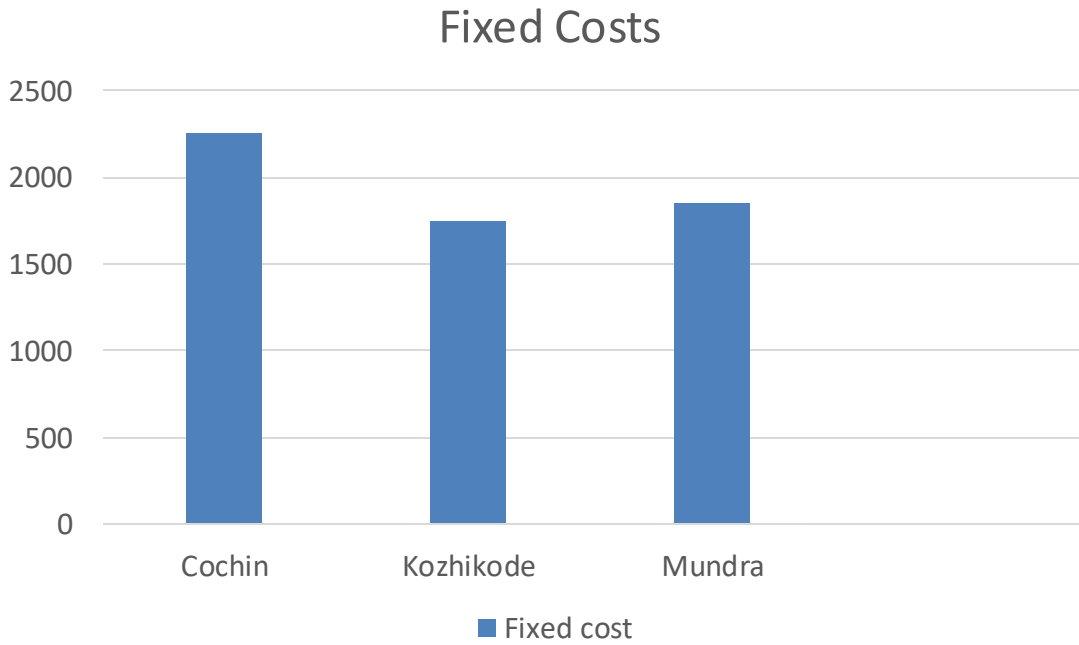


EXHIBIT 4: Fixed Cost of plants





Interview Transcript

Our Client Ramco Airline has seen an unusual increase in profitability. Can you find out the reasons behind the same?

Okay. I would like to start by asking a few preliminary questions.

Sure. Go ahead.

Has this unusual increase happened only to our client or to the competitors as well?

This unusual increase in profitability is limited to our client only. You can go ahead and work out the revenue streams for our client

Okay. I would like to segregate the revenue of the client into ticket revenue, cargo services, in- flight catering services, advertisement, and flight entertainment. Do you want me to go on the cost side as well?

No, let us focus on the revenue side only.

So, first I would like to look at ticket revenue. Ticket Revenue = Price of Ticket * No. of Flights * No of Seats * Occupancy Rate

Do you have information on any of these factors?

No. The revenue from selling tickets is constant. Try looking at other factors

How about cargo services if the client has diversified the business in terms of services offered, number of planes & coverage area

No, the services are the same as before

Great. How about advertisements is there a change in revenue from the same

Actually, it’s the opposite there has been a slight reduction in revenue by advertisement.

What changes have been made in the advertisement services?

Previously we used to have advertisements by a different company in the back seat area. Now it’s replaced by the client’s own in-flight app/website.

Interesting. What services does the client offer in the flight app?

Through this in-flight app passengers can book taxis, and hotels, rent movies and order food on flights, and much more.

Has there been an increase in usage of this service?

Yes, the usage of this app has become 4-fold after placing the advertisement behind the seat.

Interesting. How is the revenue split among different inflight services of Ramco airline

The revenue split is as follows: Taxi Booking- 10%, Hotel Booking-15%, Renting movies: 5%, Ordering Food:30% and inflight shopping: 40%

Inflight shopping is having big share of total revenue. When did Ramco introduce the inflight shopping feature?

We introduced this feature along with our new ad campaign that I mentioned earlier.

So, inflight shopping is the reason behind unusual increase in profitability.

Great. What all recommendation do you want to suggest to sustain the revenue?

The recommendation would be to make the app more engaging by offering various offers, collaborating with other brands to offer there service in the app and constantly pushing the update to make app fluid.

Great, Thank You. We can close the case now.

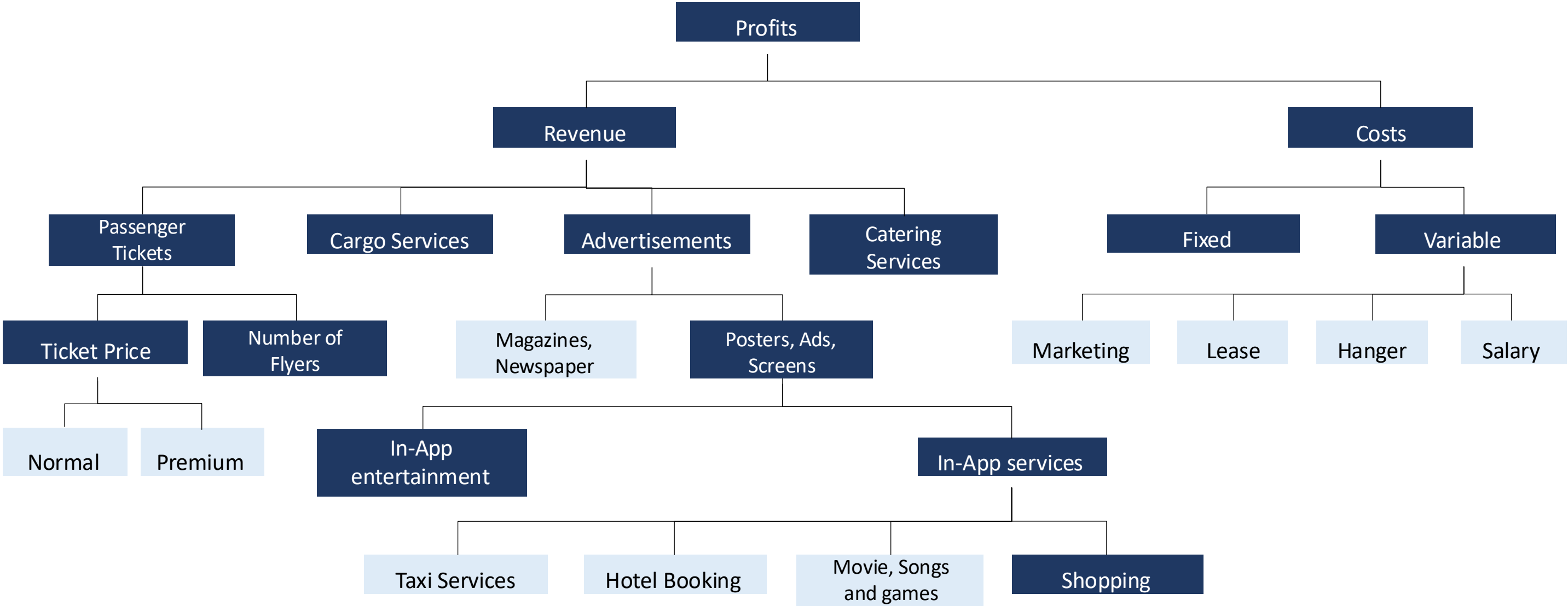


Our Client Ramco Airline has seen an unusual increase in profitability. Can you find out the reasons behind the same?

Case Facts

- Client is an airline company
- Client ha changes its advertisement strategy
- Client had unusual increase in the profitability

Approach/Framework



Recommendations

- Engaging by offering various offers
- Collaborating with other brands to offer there service in the app
- Constantly pushing the update to make app fluid

Brownie Points

- Unusual change in pattern of passenger
- Change in company strategy

Interview Transcript

You're working as a consultant in a leading management consulting firm. The firm is facing a decline in profit margins. How will you approach this problem?

To reiterate, I'm working as a consultant in a leading management consulting firm and it is facing a decline in profit margins. I am required to analyze why and suggest solutions.

That's correct. You can proceed.

Before starting with the case, I would like to know more about the firm. How long has the company been operating and what is the quantum of this year on year (YoY) decline in profitability?

The company has been operational since 2014 and is 10 years old now. The company hasn't been able to achieve its profitability target of 20% for the past 3 years.

May I know the composition of the clientele of the firm and its area of operations?

The clientele of the firm is diverse since it offers 9 different industry verticals. The firm has pan-India operations with its headquarters set up in Gurugram, Delhi.

Is this problem being faced by the entire industry or is it specific to our firm only?

The problem is faced by our firm, the rest of the industry is performing well.

We know that profits are the difference between revenue and costs, so is there any data available regarding the firm's revenues?

No. We do not have financials about the revenue or costs at the moment. I would urge you to present your approach now.

Okay, so there might be internal and external reasons. By internal factors we mean the factors which are present within the vertical while by external factors we mean those factors which are in control of the consulting firm but not in the hands of the vertical individually.

You can divide the factors in this way. Could you enlist some probable factors which might affect our vertical?

- Sure, I believe the following might be some of the external reasons:
1. Organizational Structure: The way our company is structured can make or break our efforts to deliver results. If we don't have clear roles between different verticals, then it might be difficult to get work done.

2. Corporate Strategy: Our company's overall game plan can have a big impact on our work. If corporate strategy isn't a part of our strategic planning, we might find ourselves struggling to make our consulting and compliance efforts effective.
3. Budget Allocation: The amount of cash our company is willing to put towards projects can affect our ability to provide top-notch consulting services.
4. Training and Development: The firm should constantly strive to up-skilling its employees hard and soft skills such that the firm continues serving clients in spite of any industry-wide disruptions.

The external factors are not the reason. You can now focus your approach on internal factors.

Sure, as far as internal factors go I can think of lack of expertise in our team. If our employees don't have enough know-how on matters pertaining to our scope of work, the firm may lose its credibility. Also, inadequate resources can be a reason, since an investment in development of resources to aid our consulting efforts is necessary. Additionally, poor communication in presenting our recommendations in an efficient and constructive fashion is a hurdle to the firm's success. Finally, the internal structure, is the way our verticals are structured can have an impact. An assessment of hierarchy, work division and work load is crucial.

To further delve into the root cause of the problem, I would also like to know if any particular vertical of the firm is facing the profitability issue.

You've accurately pointed out the probable reasons. The issue lies in the internal structure of the sustainability vertical.

Can you share some insights about the sustainability vertical - the scope of work, the ideal case team structure and the other relevant information about the vertical.

The vertical was established 3 years ago when the partners of the firm realized that there was an increasing need for ESG-based consulting and compliance. Hence to cater to that market, they introduced this as a separate vertical in 2021.

So the firm has segmented the sustainability vertical further down or have they kept it as one consolidated vertical?

The firm has segmented the vertical into ESG Consulting and ESG Compliance so that efficient work takes place.

Is there any information regarding the areas where these 2 segments operate and the division of clients between the two segments?

Interview Transcript

This vertical is further segmented into ESG Compliance and ESG Consulting. ESG Compliance consists of the guidelines and standards the client has implemented in internal policies that are mandated by regulatory bodies and ESG Consulting has a primary focus on providing clarity into the risks and opportunities associated with addressing environmental, social and governing issues for our client firm. The workforce division is 7:3 between ESG consulting and ESG compliance respectively.

Okay, so before going forward I will require the current internal structure that is present. Can you please provide insight towards the roles and their responsibilities?

- Sure The structure is
- 1. Partner: Leads strategic direction, makes key decisions, and ensures alignment towards goals.
 - 2. Subject Matter Expert (SME): Provides expert advice and insights in a specific area.
 - 3. Associate: Supports the team to draw insights from primary and secondary research and inform decision-making.
 - 4. Analysts: Conducts day-to-day tasks such as research, report preparation, and client support.
 - 5. Backend Support: Ensures seamless operation of systems and processes.

Thank you for this information. This makes the picture more clear. Is there any data provided for the case arrangement and allocation for the roles in the two segments?

Yes, there's a table showcasing the personnel costs as well as the case allocation for both ESG Consulting & ESG Compliance. (Please refer to Exhibit 1)

Upon inspection, I was able to analyze that the Subject Matter Experts in the two segments share a different workload and in fact there's altogether a different number of SMEs present. The ESG Consulting vertical has 1 SME working on 2 cases at a given time, while the ESG Compliance vertical has 1 SME working on 4 cases at a given point in time. This leads me to believe that there's a significant imbalance in the workload between the SMEs in ESG consulting and those in ESG compliance which is leading to inefficiencies. According to the exhibit, 1 SME is working on 4 cases and is shouldering a heavier burden.

Yes, that's accurate. Apart from this can you identify any potential problems which might occur from this structure?

I would like to assess the Average Case Cycle, Contract Value and Yearly Cases taken up by the ESG verticals. Do we have any data for the same so that I can synthesize effective recommendations?

Following is an exhibit with data on firm's yearly engagements. (Please refer to Exhibit 2)

Thank you for the data, do we have any insights on the variation in the case cycle (time taken for 1 case) for ESG Compliance segment if more SME's are introduced in the vertical and any significant increase in case cycle if SME's are withdrawn from ESG Consulting? Using the above, I would calculate the revised Annual Case Engagement using the formula = $\text{SME's} \times \text{No. of Projects Completed by 1 SME per case cycle} \times \text{Number of periods per year relative to Case Cycle}$. The existing Annual Case Engagement stands at 90 cases per year ($15 \times 2 \times 360 / 120$) for ESG Consulting and 80 cases per year ($5 \times 4 \times 360 / 90$) for ESG Compliance.

Introduction of 1 new SME into the ESG Compliance segment would reduce the Average Case Cycle by 3 days. Simultaneous reduction of the same SME from ESG Consulting will cause an increase in Case Cycle by 3 days. Altering cases per SME to 2 and 3 would be ideal. Please present your solution now.

I would recommend restructuring the firm's sustainability vertical which would help in redistributing the workload from ESG consulting SMEs to ESG compliance SMEs. This would help in balancing the workload and reducing the burden while also ensuring that the costs are lowered. By redistributing some of the workload from the consulting SMEs to the compliance SMEs, we can optimize our operations. My calculation shows that the current revenue of the firm at maximum capacity stands at \$32.9 Million.

If a total of 5 SME's are shifted from the ESG Consulting to ESG Compliance while altering case's per SME to 2 and 3 respectively, the Case Cycle for ESG Consulting would stand at 135 Days and 75 Days for ESG Compliance. The rationale behind shifting only 5 employees relates to the assumption that the company wants both of the ESG segments to be competitive and scaling the ESG Compliance segment is not at the cost of losing out market share to competitors. Further, the ESG Compliance segment's Annual Case Engagement Capacity would grow to 144 cases per year ($10 \times 3 \times 360 / 75$) while it will reduce to 52 cases per year ($10 \times 2 \times 360 / 135$) for ESG Consulting. However, these recommendations would elevate the firm's revenue to \$36.1 Million, a net increase of \$3.2 Million or 9.72%.

That is a very comprehensive analysis. Do you have any other suggestions for the firm?

- 1. Continuous Learning and Development: Encourage continuous learning and development among SMEs. This can help them stay updated with the latest trends and best practices in ESG consulting and compliance.
- 2. Regular Review of Workload: Conduct regular reviews of workload distribution to ensure it remains balanced. This can help identify any imbalances early and take corrective action promptly.

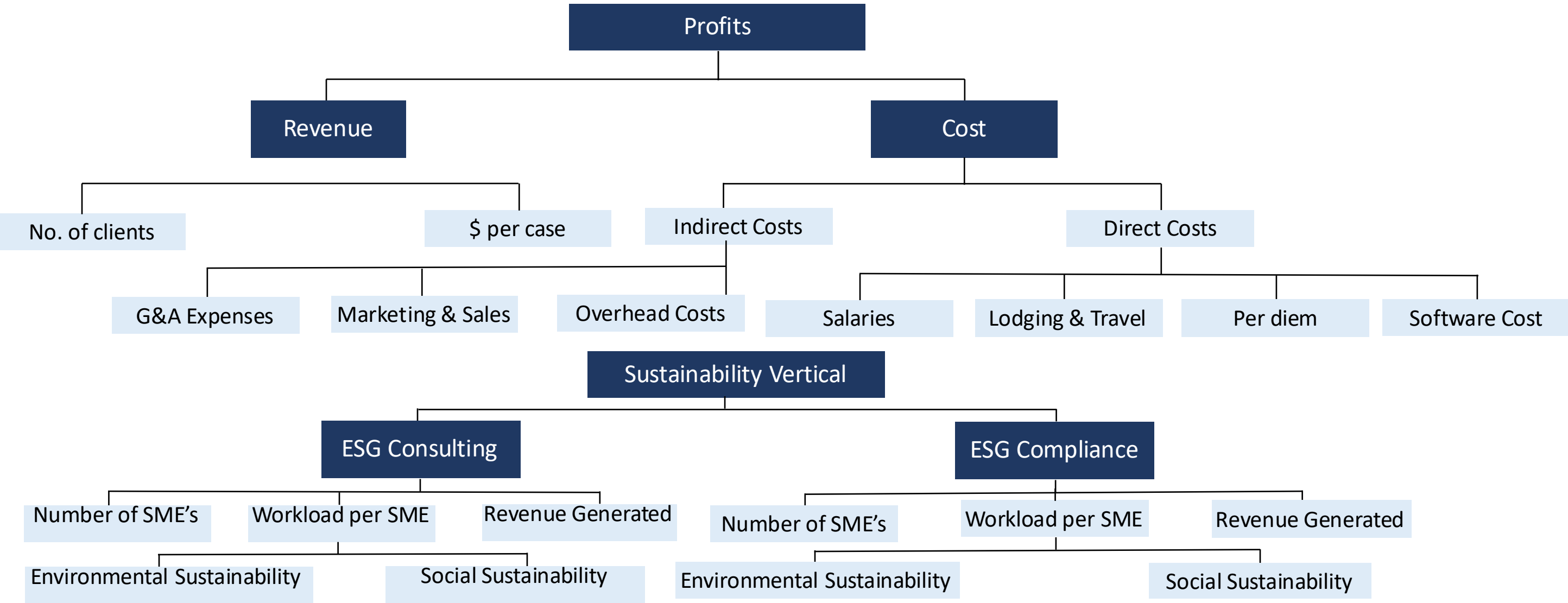
Thank you for the suggestions. We'll wrap the case here.

You are working as a consultant at a top management consulting firm. The firm is facing declining profit margins. How will you approach the problem?

Case Facts

- **Overview:** Consulting firm facing declining profits
- 9 different verticals in the firm
- **Industry Scenario:** Problem specific to the company
- **Period of Decline:** 3 years
- **Change in regulation:** None

Approach/Framework



Recommendations

- Restructure the sustainability vertical
- Reallocate the Subject Matter Experts from ESG compliance to ESG consulting
- Redistribute Backend support to strike a balance between the segments

Brownie Points

- Identification of internal structure to be a probable reason
- Understanding the hierarchy of the vertical

Exhibits

EXHIBIT 1: Personnel Costs and Case Allocation for the vertical					
Position	Compensation (in \$/ Year)	ESG Consulting		ESG Compliance	
		No. of employees per case	No. of Cases per Employee	No. of employees per case	No. of Cases per Employee
Partner	200,000	1	3	1	3
SMEs	120,000	1	2	1	4
Associates	90,000	2	1	2	1
Analysts	70,000	2	1	2	1
Backend Team	50,000	4	4	4	4

EXHIBIT 2: Firm’s Yearly Engagements		
Metrics	ESG Consulting	ESG Compliance
Average Case Cycle	120 Days	90 Days
Annual Demand for Cases	600	800
Number of SMEs Available	15	5
Average Contract Value	\$210,000	\$175,000
Firm’s Annual Case Engagement Capacity	90 (15x2x360/120)	80 (5x4x360/90)
Estimated Revenue (A x B)	\$18.9 Million	\$14 Million
Total Revenue	\$32.9 Million	

Interviewee’s Calculations		
Metrics	ESG Consulting	ESG Compliance
Average Case Cycle	135 Days	75 Days
Number of SMEs Available	10	10
Cases per SME	2	3
Average Contract Value (A)	\$210,000	\$175,000
Firm’s Annual Case Engagement Capacity (B)	52 (10x2x360/135)	144 (10x3x360/75)
Estimated Revenue (A x B)	\$10.92 Million	\$25.2 Million
Total Revenue	\$36.12 Million	

Interview Transcript

Norm, the popular search browser, is under investigation by the Competition Commission of India for allegedly abusing its dominant position in the market. If ordered to divest its browser, how do you think this would impact its overall business and profitability?

Before assessing the impact, I'd like to clarify two key aspects: First, how likely is the Competition Commission of India to mandate divestiture based on precedent and market concentration? Second, what specific revenue streams within Norm are most reliant on browser integration?

There is no clear precedent for such a divestiture in India, but given Norm's dominant position, the Competition Commission of India is seriously considering it. Here's the market concentration data.(Hands over Exhibit 1: Market Cap of Browsers in India)

To assess the likelihood of regulatory intervention, I'll first calculate the Herfindahl-Hirschman Index (HHI) using the market cap data.

Why do you think calculating HHI is useful for gauging divestiture likelihood?

HHI is calculated to assess the level of market concentration, which helps determine the likelihood of regulatory intervention. Competition regulators, including the Competition Commission of India (CCI), use HHI as a key metric to evaluate whether a market is highly concentrated and if a company holds excessive dominance.

Based on the given data, the HHI comes out to 6,849, which is far above the 2,500 threshold. This confirms that the market is highly concentrated, with Norm holding a dominant position. Is that correct?

Yes

With such a high HHI, the Competition Commission of India is likely to take a stricter stance, even without a direct precedent. This suggests that a divestiture order is a serious possibility.

Good. Now, assuming the divestiture is enforced, how would you assess its impact on Norm's profitability?

Given the market concentration, the divestiture would significantly impact Norm's ecosystem. I'd break the impact down into three key areas: financial, strategic, and

competitive implications. Losing the browser means losing revenue from ads, partnerships, and data monetization, plus a potential dip in search engine revenue if users switch to competitors. There would also be one-time restructuring costs tied to the divestiture. Strategically, we'd lose control over the default search experience, shifting bargaining power to browser competitors who could cut deals with rival search engines. We'd also lose valuable data that helps refine our search algorithms. On the competitive front, other browsers could capture market share and redirect traffic, and this move might invite further regulatory scrutiny on other parts of our business.

I see. Let's get more specific. What major revenue segments should we analyze?

Sure. Our revenue is mainly driven by search, partnerships, and user retention. Here's how I'd break it down. (Constructs the framework)

How will you quantify the revenue impact?

For that, I'll need to know some facts about the business. Could you tell me the total revenue and breakdown of Norm's revenue?

Norm generates ₹50,000 crore in annual revenue. The majority—about 70% or ₹35,000 crore—comes from search ads. Another 20%, which is ₹10,000 crore, comes from partnerships and licensing deals. The remaining 10%, or ₹5,000 crore, comes from other revenue sources.

Alright, could you tell me how much of the total traffic in our search engine comes from our browser.

That's about 60%. That gives us a solid starting point for an estimate.

Let's estimate the revenue impact of the divestiture. Norm has a total annual revenue of ₹50,000 crore, with 70% (₹35,000 crore) coming from search ads. Since the browser currently drives 60% of search traffic, losing it could significantly affect ad revenue. If we assume that 50% of this traffic moves to competing search engines, search ad revenue would drop by ₹10,500 crore.

Alright, that's a big impact. What about partnerships and licensing deals?

Next, partnerships and licensing contribute 20% of total revenue, or ₹10,000 crore. Since these deals depend on Norm's browser positioning, losing it could weaken negotiations. If we assume 50% of this segment is at risk, that's another ₹5,000 crore in lost revenue.

Interview Transcript

Understood. And the remaining revenue sources?

Other revenue sources contribute ₹5,000 crore annually. If the divestiture leads to a 20% decline in these earnings, that’s a further ₹1,000 crore loss. Adding it up, the total estimated revenue loss is ₹16,500 crore.

Good, beyond revenue, what operational challenges do you see?

We need to manage user transitions carefully to minimize churn once we lose the browser. On the engineering side, we’ll have to decouple our browser integrations without disrupting core search functions. Meanwhile, compliance and legal teams will need to ensure we meet regulatory deadlines and requirements without causing operational delays.

That’s a lot to tackle. How would you suggest mitigating these risks?

We’d need a multi-pronged approach:
We need to strengthen search partnerships by locking in deals with major browsers to stay the default option. At the same time, we should focus on direct user acquisition, investing in brand-driven traffic so users don’t rely solely on browser defaults. Diversifying revenue streams is also key—expanding into AI-powered search tools or enterprise solutions could help offset losses. Finally, engaging proactively with regulators could help us push for a phased or more flexible divestiture.

Good. If we had to prioritize these actions, how would you go about it?

I’d rank them based on immediate impact and long-term sustainability:
In the short term, we need to secure search partnerships and focus on retaining users directly. Mid-term, diversifying revenue streams will help reduce our dependency. Long-term, investing in AI-driven search and other innovations will keep us competitive.

Alright, that’s a solid plan. Let’s now explore potential implementation hurdles. What challenges do you foresee in executing these mitigation strategies?

There are a few key obstacles such as:
Major browsers might demand higher revenue-sharing terms for search partnerships, cutting into our margins. Direct user acquisition will take time and require heavy.

marketing investment to change user behavior. Revenue diversification efforts may not bring in significant returns right away. And despite regulatory engagement, authorities could still push for a strict divestiture, limiting our ability to negotiate

That makes sense. If we assume that Norm implements these strategies effectively, how much of the lost revenue do you think it can recover

It depends on execution, but let’s estimate recovery across the major revenue segments.
If Norm secures favorable deals with other browsers and increases direct traffic, it could recover around 50% of the ₹10,500 crore loss, or about ₹5,250 crore. Renegotiating partnerships and forming new licensing deals might help recover 40% of the ₹5,000 crore loss, roughly ₹2,000 crore. Diversification and AI-driven offerings could offset about 30% of the ₹1,000 crore loss, adding around ₹300 crore.
That brings total estimated recovery to ₹7,550 crore, reducing the net revenue loss from ₹16,500 crore to ₹8,950 crore.

That’s a significant reduction. If you were to summarize the key takeaways for Norm’s leadership, what would they be?

I’d highlight three points. Firstly, with market concentration being a key concern, the divestiture is highly likely, making proactive planning essential. Secondly, the estimated revenue loss stands at ₹16,500 crore, but strategic actions could help recover nearly 45%, bringing the net impact down to ₹8,950 crore. Lastly, Speed of execution will be critical—securing partnerships, boosting direct traffic, and diversifying revenue will determine how well Norm adapts.

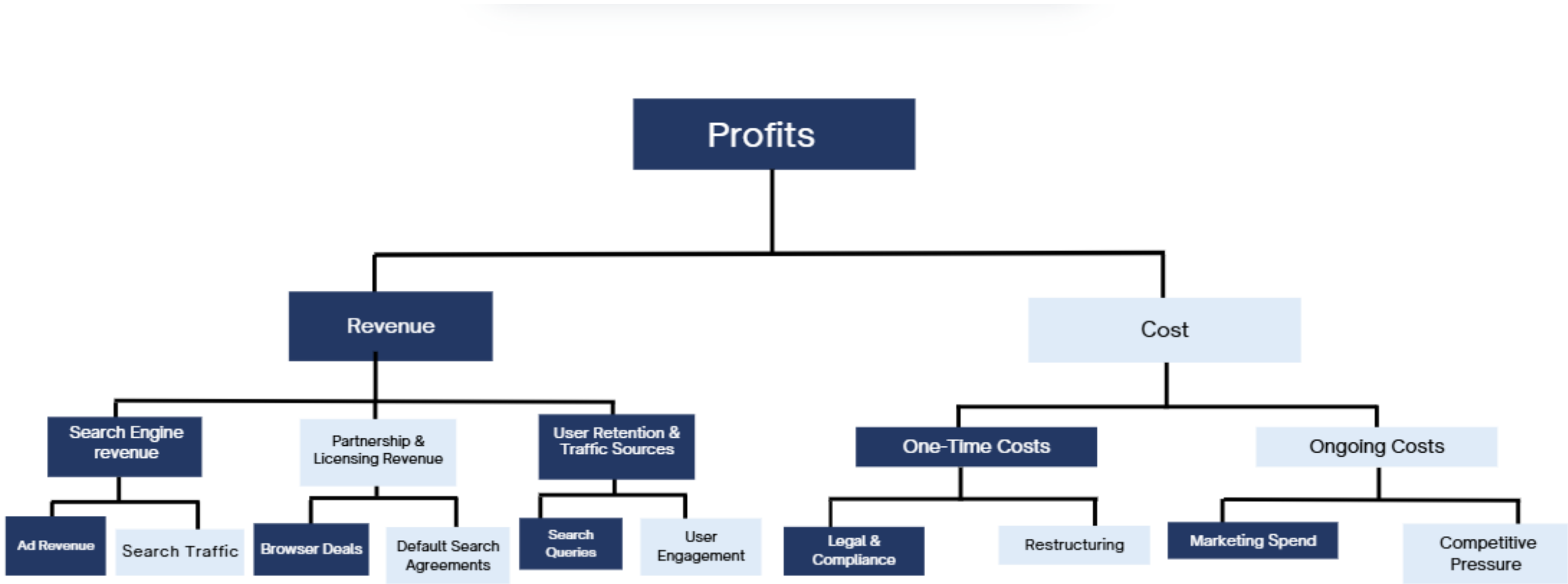
Great analysis. That concludes the case.

Your client, a leading Indian tech company, faces a CCI investigation for alleged search dominance abuse and may be forced to divest its browser. Assess the impact on profitability and recommend mitigation strategies.

Case Facts

- A leading Indian tech company faces a CCI investigation for abusing dominance in the search engine market.
- The divestiture of its browser could severely impact search traffic and revenue streams.
- 60% of search traffic originates from its browser, with 50% expected to shift to competitors post-divestiture.
- Estimated revenue loss: ₹16,500 crore, with an additional ₹3,500 crore in restructuring and marketing costs.
- Net profitability impact: ₹5,000 crore first-year loss due to revenue decline and cost burdens.

Approach/Framework



Recommendations

- Secure search partnerships with major browsers to retain search traffic.
- Invest in direct user acquisition to reduce dependency on browser defaults.
- Diversify revenue streams through AI-driven search and enterprise solutions.

Brownie Points

- Analyzing the impact on user retention and churn rate post-divestiture to estimate long-term customer loss.
- Benchmarking past global antitrust cases (e.g., Google’s EU fines) to predict possible regulatory outcomes and financial penalties.

Guesstimate

Estimating Revenue loss		
Category	Calculation	Revenue Loss (₹ Crore)
Search Ads Impact	30% decline in ₹35,000 crore	10,500
Partnership & Licensing Impact	50% decline in ₹10,000 crore	5,000
Other Revenue Impact	20% decline in ₹5,000 crore	1,000
Total Revenue Loss	-	16,500

Estimating Cost impact	
Category	Cost (₹ Crore)
One-Time Restructuring & Legal Costs	2,000
Ongoing Marketing & Competitive Pressure (First Year)	1,500
Total Cost Impact (First Year)	3,500

Net Profitability Impact	
Metric	Value (₹ Crore)
Pre-Divestiture Profit	15,000
Total Financial Impact (Revenue + Cost Losses)	20,000
Potential Net Loss (First Year)	-5,000

Assumptions

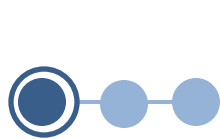
- Search Traffic Loss: 60% of search traffic originates from Norm’s browser; 50% of it is expected to shift to competitors, reducing ad revenue.
- Partnership Risk: Browser integration secures key partnerships—50% of related revenue may be lost post-divestiture.
- Engagement Drop: User activity decline will cut other revenue streams by 20%.
- Cost Burden: One-time restructuring costs ₹2,000 crore; ongoing costs ₹1,500 crore annually.
- Profitability Hit: Pre-divestiture profit at ₹15,000 crore (30% margin on ₹50,000 crore revenue); direct financial impact expected.

Financial Exhibits

EXHIBIT 1: HHI Calculation using Market Cap of Browsers in India			
Browsers	Market Cap(₹ crore)	Market Share(%) (Market Cap/Total Market Cap)	HHI (Market Share)^2
Norm	104,330	82.34%	82.34^2 = 6780
Zing	6,490	5.12%	5.12^2 = 26
Flow	6,220	4.91%	4.91^2 = 24
Sledge	4,370	3.45%	3.45^2 = 12
Torch	2,760	2.18%	2.18^2 = 5
Blink	1,270	1%	1^2 = 1
Others	1,270	1%	1^2 = 1
Total	1,26,667	100%	6849

GO TO MARKET





Interview Transcript

Secondary Activities can be categorized into

- i) Human Resource Management which includes hiring, training and development, compensating, motivating and retaining
- ii) Firm Infrastructure which includes general management, quality management, finance and accounting, legal services
- iii) Procurement including buying connection with various manufacturers, negotiating prices, procedures, supplier qualification rules
- iv) Technology Development, consisting of technology selection.

Thank you, that was well summed up.

Who would you identify as Wholesale Co's main competitors and how can WholesaleCo keep a competitive edge over them?

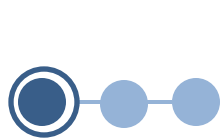
Currently, retail chains such as Reliance Fresh, Best Price, Metro, Pantaloons etc. can be considered as its competitors. However, WholesaleCo can maintain a competitive edge through its membership program through which it can offer special discounts to its members and build customer loyalty. Further, given Wholesale Co's resources and brand value, it can build a network of well connected stores in areas of high footfall to remain a step ahead.

Could you also suggest some potential areas where WholesaleCo stores can be set up in India to maximize footfall?

Areas which are densely populated and not consisting of the upper class would be most preferable because they will mostly prefer ordering online. Further we can look for the areas where there is a rush, well connected with colleges and corporate offices, centrally located, has major metro stations for connectivity, near shopping and commercial hubs or even near airports. The main focus should be on nearby areas with a middle class population.

I believe that is satisfying. We can now summarize the case.

The Indian market is an economically promising one for WholesaleCo to enter into due to its growing customer demand and price sensitivity. The areas of entry such as Joint Venture, M&A or an organic entry can be further explored. It should start by leasing land in densely populated areas, containing rush, well connected with colleges and corporate offices, centrally located, containing major metro stations for connectivity, focusing more on nearby areas with middle class population and put great emphasis on its procurement costs, storage costs (warehousing, cross-docking), pricing and membership services in order to capture a good market share and ensure an efficient network of stores to enter the Indian market with.



Interview Transcript

Your client is WholesaleCo (a big box retail chain) and it wants to enter India. They are considering entering the Indian market, and you have been hired to determine whether they should enter the Indian markets or not.

To clarify, the client is a big box retail chain, currently operating overseas and is currently planning to enter the Indian market and we have to advise them whether it will be favorable for them or not.

Yes, and in case it is favorable, also suggest a strategy to enter the Indian Market.

I would first like to learn more about the client and its overseas capabilities

WholesaleCo is an American multinational corporation which operates a chain of membership-only big-box retail stores. As of 2020, WholesaleCo was the third largest retailer in the world and has been in business for over 45 years.

Prior to estimating the target market WholesaleCo would be able to cater to in India, I would like to know the reason behind picking India by the client.

India has been chosen due to various positive factors including growing middle-income population, increased consumerism, a price driven market and positive macroeconomic trends. You can now continue with your estimation of the Target Market for WholesaleCo.

Considering that the Indian population is price sensitive and that WholesaleCo stores are generally located in urban areas, we can consider the people living in metropolitan and non metropolitan metro cities earning a monthly income of more than 20000 as our main target audience.

As people generally buy in bulk at wholesale shops such as WholesaleCo, people having a larger family size are more likely to go there and would also have a higher average order value.

The penetration rate of such a venture can be considered at 12% given the resources and brand image of WholesaleCo and lack of a consistent wholesale supply network by relatively smaller competitors.

This gives WholesaleCo a target population of 69 lakh people which would be visiting its stores once a month to buy goods every year imputing a target market of Rupees 1421 crores.

Yes, the target market is promising. What are the costs that you can identify which will have to be undertaken by WholesaleCo as it sets up in India?

I can think of some fixed costs that are rental lease payments, salaries, electricity, insurance, advertising; one-time costs such as R&D costs, and some variable costs that include cost of goods sold, wages, transportation and warehousing costs.

We do have some data regarding some of the cost heads you mentioned and the revenue projections for the first year. Based on that I would like you to assess whether a shift to India will be economically viable for WholesaleCo or not.

Based on industry standards, I'd like to assume the revenue growth rate for WholesaleCo at 8%. Does this assumption seem fair to you?

Yes, you can continue with this assumption.

According to my calculations, assuming revenue growth rate at 8%, it shall break even in the third year and the company shall be profitable by the end of year 3. Therefore, it will be economically viable for WholesaleCo. to set up in India.

Thank you for that analysis, I'd further like to ask if WholesaleCo were to set up here, how would you define its value chain?

- The primary activities of WholesaleCo can be categorized into
- i) Inbound Logistics, which includes receiving shipment of products, storing inputs, cross-docking/depot;
 - ii) Operations, including testing, assembling, allocation of goods, packing and shipment to warehouse stores
 - iii) Outbound Logistics, including warehousing, scheduling, order processing, invoicing, transporting and delivery to destination
 - iv) Marketing and Sales, including sales force, advertising, pricing, promotional activities, channel selection, quoting, building relations with channel members
 - v) Services, which include special services for members, warranty services, installation services and post sales maintenance

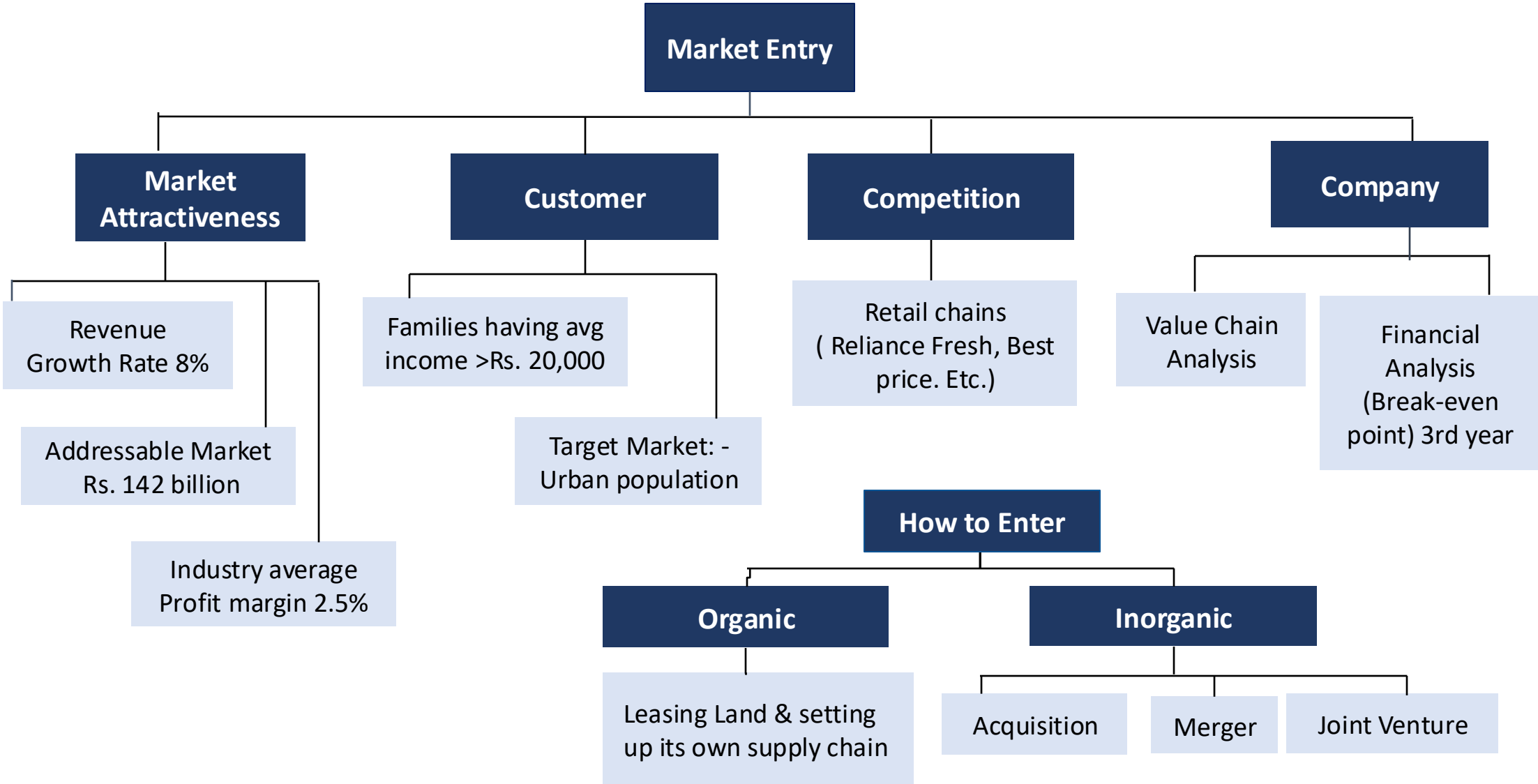


Your client is WholesaleCo (a big box retail chain) and it wants to enter India. They are considering entering the Indian market, and you have been hired to determine whether they should enter the Indian markets or not.

Case Facts

- Overview :** WholesaleCo is a US big box retail chain which wants to enter India
- Geography:** Price sensitive consumer market with a growing urban population and a target market of Rs 1421 crore
- Customers :** Urban Population having a monthly income of more than Rs 20000

Approach/Framework



Case Analysis

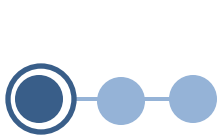
- Analyse client's problem
- Understand target market
- Determine cost feasibility
- Devise a strategy for entering the market

Recommendations

- Introduce membership program to build customer loyalty.
- Build a network of well connected stores in areas of high footfall.
- Emphasis on its procurement costs, storage costs (warehousing, cross-docking) and pricing
- The areas of entry such as Joint Venture, M&A or an organic entry can be further explored.

Brownie Points

- Targeting metropolitan urban population having monthly income of Rs 20000
- Leasing land and acquiring a small wholesale company
- Set up of its own supply chain
- Targeting well connected and centrally located areas



Guesstimate

Estimating the Market Size of WholeSaleCo in India

Population(1300000000)

Urban(30%)

Metropolitan(40%)

Non- Metropolitan(60%)

Monthly Income

High
>80000

Upper Middle
50000-80000

Lower Middle
20000-50000

Low
<20000

High
>80000

Upper Middle
50000-80000

Lower Middle
20000-50000

Low
<20000

15%

45%

30%

10%

10%

40%

35%

15%

Reliability

High

Upper Middle

Lower Middle

High

Upper Middle

Lower Middle

50%

30%

20%

40%

25%

15%

Average Family Size

6 members

4 members

2 members

15%

50%

35%

6 members

4 members

2 members

30%

50%

20%

Likelihood to Purchase

80%

60%

30%

80%

60%

30%

Penetration Rate

12%

Members demographics

15%

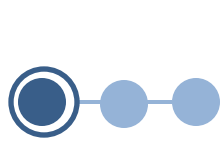
50%

35%

30%

50%

20%



Guesstimate

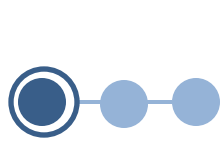
Average order Value	3000	1800	1200		2500	1500	1000
Purchase Frequency (year)	12						
WholesaleCo (Total Market)	Rs 142,145,902,080						

Assumptions

- Since it is a "members only" hence it does not really cater to the low income group.
- Indians don't trust new brands easily and get an annual membership. Hence the reliability filter is included.
- India is a price driven market and frequency of purchase is taken once every month.
- Likelihood to purchase has been added as a filter as WholesaleCo deals in wholesale goods and more population due to increased population density in metropolitan cities



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Guesstimate

Information About WholesaleCo-

- Since the company is just starting out its business in India, it plans on taking land & building, machinery and some equipment's for its warehouse store on lease.
- However, the company will have to make some investment for office set up, etc. which shall amount to Rs. 150000000
- Revenue for the first year is estimated at around Rs. 600 million, but is expected to increase every subsequent year.
- Overhead costs estimated to be Rs. 200000000 per year, direct costs estimated to be 60% of revenue.

EXHIBIT 1: Calculation of revenue growth rate			
	Year 1	Year 2	Year 3
Revenue	600,000,000	648,000,000	699,840,000
Capital Investment	(150,000,000)	0	0
Direct Costs	(360,000,000)	(388,800,000)	(419,904,000)
Overhead Costs	(200,000,000)	(200,000,000)	(200,000,000)
Loss for last year	-	(110,000,000)	(50,800,000)
	(110,000,000)	(50,800,000)	29,136,000
Revenue growth = 8%			



Interview Transcript

You have been hired by (Marriott Bonvoy) to analyse the factors driving revenue growth in Morocco's hospitality sector, they are considering to enter the market and you have to analyse their decision.

Just to clarify, Marriott Bonvoy is considering entering the Moroccan hospitality market, and my role is to analyze the factors driving revenue growth in the sector and assess their decision.

Yes

Okay First I would like to know more about our client, are they operating in other foreign countries? If yes, which all? What is the primary business model they most frequently utilize to enter a new country? And what is their objective to enter the market?

Yes, they are operating in many foreign countries and their most widely used business model follows an asset-light strategy, where they franchise and manage hotels rather than owning them. They are seeking to expand their presence and capitalize on Morocco's growing revenue opportunities in the hospitality sector.

Now, I want you to figure out the reason behind revenue growth in Morocco's hospitality sector.

Ok, for that I would like to know the current market size and growth rate of Morocco's Hospitality sector and since when has the growth rate showing an upward trajectory

Current market size and growth rate are USD 1 billion and 4.28% respectively. The growth rate has been increasing since 2022

Additionally, do we know if this impact is uniform in all the regions across Morocco or the impact has been most prominent in some places?

Furthermore, do we have insights into other industries that are experiencing significant growth?

Yes, Marrakech, Casablanca, Agadir, Fes and Transportation, Food/Beverages are also on an upward trend.

The places mentioned and industries that are on an upward trend leads to the conclusion that the revenue growth in the hospitality sector is due to tourism. However, the fact that the surge has started from 2022 especially in the above-mentioned regions provides an indication of a potential international event.

That is correct, Morocco is set to host the Africa Cup of Nations in 2025 and the FIFA World Cup in 2030. Additionally, these cities are the venues for the matches. Now that the key factors driving revenue growth in Morocco's hospitality sector are established, you need to determine the best market entry approach for Morocco.

Since our client follows a light-asset strategy and given the need for speedy expansion I would like to evaluate this strategy only since Greenfield (Organic Expansion) and Inorganic (Joint Ventures or Acquisitions) will take up a lot of time and will not be able to cover enough areas.

Makes Sense. You can proceed with the analysis. Are there any segments that the client should be targeting?

Given the rising tourism in Morocco, it is reasonable to assume that international visitors, whether traveling for leisure or sporting events, belong primarily to the middle-to-upper income segment. To align with this demographic, the client should position luxury services as a key differentiator while incorporating provisions for business meetings and team accommodations, extended-Stay Guests and Families & Expatriates. Additionally, the client's global presence will serve as a strategic advantage in attracting a diverse customer base. Given the revenue growth market seems attractive. However, we can calculate the service obtainable market in order to be sure.

That makes sense. You may continue with the analysis.

Market Feasibility – Quantifying TAM, SAM, and SOM

- TAM (Total Addressable Market): The overall hospitality sector in Morocco is valued at USD 0.88 billion, growing at 4.28% annually.
- SAM (Serviceable Available Market): Since our client focuses on an asset-light strategy, they will only target the local players which assumingly represent 40% of the total market. Further, given that their target market includes Luxury and Business segments in Marrakech, Casablanca, Agadir, Fes. This makes the SAM approximately USD 78 million.
- SOM (Serviceable Obtainable Market): To estimate this, we will analyze how much market share a recently entered competitor was able to capture. To be on the safe side, let's assume our client will be able to capture 30%, that will result in a SOM of USD 23 million increasing at a rate of 4.28%. Hence, if they enter in 2025, SOM will be USD 35 million by 2030.



Interview Transcript

Comparing this with the revenue of our client from any other country will tell us whether there is ample opportunity for our client to enter the market. Further the client should choose the locations close to heritage sites, beaches or any football grounds.

Very good. Let's assume the market is attractive enough to enter. Next, I would like you to assess the operational feasibility for our client's venture, what are the factors you would be analysing for that?

It is essential to carefully assess the competitive landscape, client's unique selling propositions (USPs), and potential risks. May I know the strong competitors from established international chains and local players in Morocco.

Sure, International Hotel Chains include Accor SA, Hilton, Hyatt Hotels Corporation. Local & Regional Players include Kenzi Hotel Group, Atlas Hospitality Group, Onomo Hotels.

The market appears to be highly competitive, with international players posing a potential risk. Additionally, cultural differences could present challenges. However, we can move forward with our light-asset strategy by collaborating with local players who already have an established presence in their respective regions. This approach will integrate Moroccan architecture, cuisine, and cultural elements into signature luxury style hotels that will enhance appeal. By doing so, we can position ourselves as a brand that offers both the reliability and prestige of an international hotel chain, along with the authenticity and local appeal that attract customers. Additionally, we can introduce a program designed to immerse guests in the local market experience, with local partners playing a key role with their knowledge of the local markets.

Well done! That seems like a strong plan, integrating proven USPs with tailored local strategies. Lastly, I would like you to analyse the financial feasibility of this strategy.

For the financial feasibility, I will be calculating the costs and revenue from 1 property through a light asset strategy and adjust it accordingly for different cities. From this, I will be able to calculate return on invested capital (which should be relatively high for a light asset strategy) and we can compare this ROIC with other countries.

Sounds good. You can proceed.

Let's start with the calculation of cost from 1 property. This will include Pre opening costs (Signage, Brand Integration) of nearly \$1 Million, Training and Marketing costs collectively to be equal to 400,000. Lastly the costs of Tech nology & Reservation, Legal & Contract and ensuring franchises maintain brand standards to be approximately 300,000.

Bringing us to a total of USD 1.7 Million Dollars. Does that make sense?

Yes, that seems fair.

Revenue under the asset light strategy include Franchise Fees of around 50,000-100,000. Let's take the mean value of 75,000. The management fees will include 3% of gross room revenue and Marketing and Loyalty Program Fees (Profit Based) of 5% collectively. Do we have any data that can be benchmarked for revenue or profit from a property or should I calculate that?

We have data on the profit as a percentage of total revenue of the property. You should calculate the total revenue per property. Gross Operating Profit is 30% of the Gross room revenue. Tax rate and depreciation collectively is 50% of Gross Operating Profit.

The revenue per room will vary across depending upon location and facilities. Let's take USD 500, 1000, 1500 across low, mid and high demand areas respectively. Accordingly, each area will have 100, 200, 300 rooms in a hotel. This gives us the potential revenue of USD 50,000, 200,000 and 450,000 respectively. With occupancy rates of 60%, 70%, and 80%, gross room revenue is USD 30,000, USD 140,000, and USD 360,000, averaging USD 176,667. Annually, this totals USD 64,483,455 per property. Additional revenue from spa, pool, and restaurant (20% of gross room revenue) brings total revenue to USD 777,380,147. After accounting for GOP, tax, and depreciation, the Net Operating Profit stands at USD 11,607,022.

Very nice. Now calculate the Payback Period and ROIC.

Subtracting total costs from total revenue gives us the net profit 814,855. After taxes, this becomes 651884 that finally gives us the payback period of 2.6 years and ROIC of 38% which is as we expected it to be (relatively high).

Absolutely, let's conclude the interview with your final suggestions.

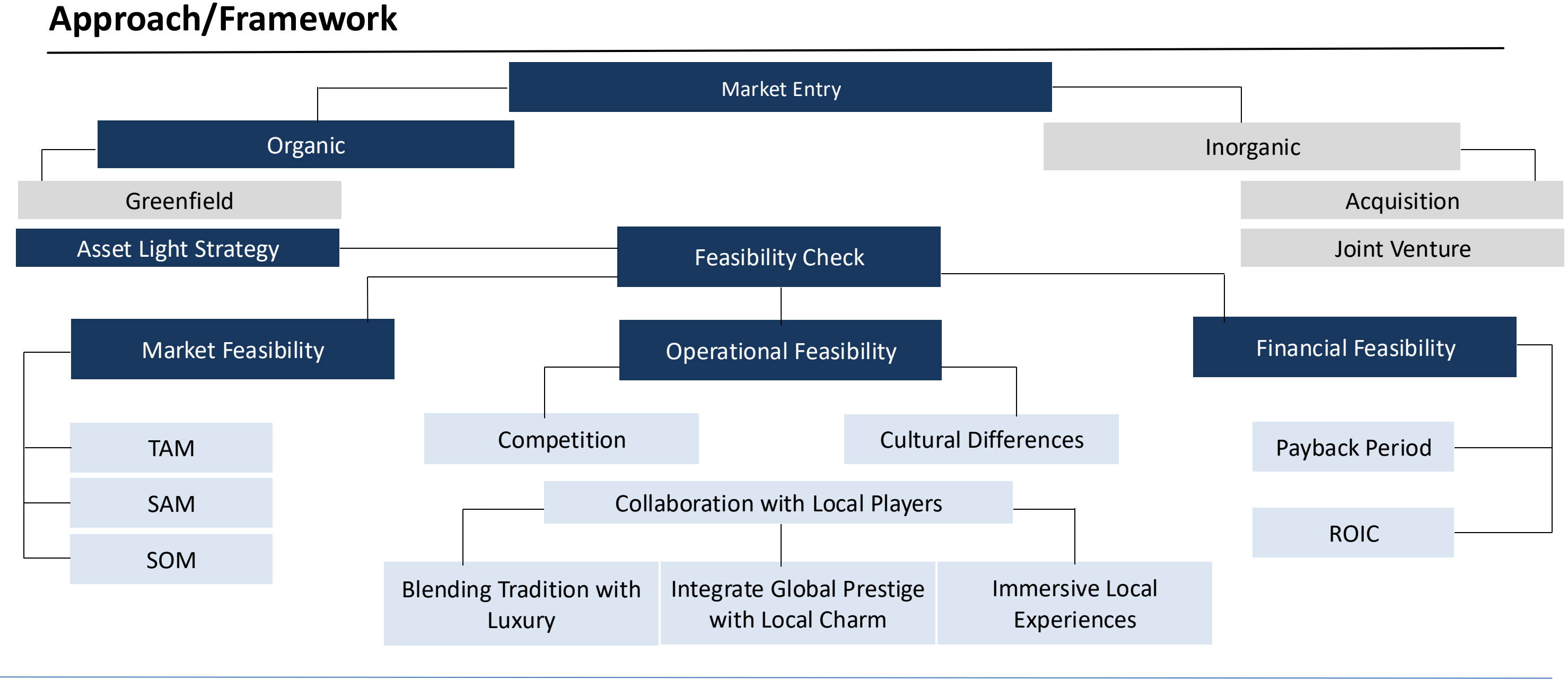
Our client should enter Morocco's hospitality sector through an asset-light strategy, partnering with local players to integrate luxury with culture. Given past success with this model, they can maximize synergies effectively. To drive revenue, they should position luxury services as a key differentiator, catering to business travelers, extended-stay guests, families, and expatriates. Operations should begin in Marrakech, Casablanca, Agadir, and Fes, with expansion based on performance. Other opportunities include extended stays tied to major events like the Africa Cup of Nations and FIFA World Cup, football team sponsorships for brand visibility, and vacation plans or discounts to attract

Great, that was truly insightful. Thankyou

Your client, Marriott Bonvoy, a leading global hospitality brand, is now planning to expand their presence in Morocco and have engaged you to develop a GTM strategy for their successful entry.

Case Facts

- Marriott Bonvoy is considering entering Morocco’s hospitality market.
- Morocco’s hospitality sector is valued at USD 1 billion, growing at 4.28% annually since 2022.
- Key cities driving hospitality revenue growth include Marrakech, Casablanca, Agadir, and Fes, due to rising tourism.
- Morocco will host the Africa Cup of Nations (2025) and FIFA World Cup (2030), boosting international travel demand.
- Marriott Bonvoy faces competition from Accor, Hilton, and Hyatt, along with strong local players like Kenzi Hotel Group and Atlas Hospitality.



Recommendations

- Adopt an asset-light strategy for rapid expansion and maximizing synergies through franchising and management contracts.
- Position luxury services strategically to cater to middle-to-upper income international travelers, including business guests, teams, extended-stay visitors, and expatriates.
- Collaborate with local players to integrate Moroccan culture into luxury hotels, balancing international prestige with authentic local experiences.

Brownie Points

- Leverage Marriott’s global presence to attract a diverse customer base and strengthen brand appeal in the Moroccan market.
- Introduce immersive local programs by partnering with regional experts to enhance guest engagement and market connectivity.

Exhibits

EXHIBIT 1				
TAM-SAM-SOM				
TAM	813			
Owner	International Chain Managment		Local Players	
	60%		40%	
	325.2			
Target Market	Luxury	Business	Budget	Resorts
	40%	20%	30%	10%
	130.08	65.04		
	195.12			
Area	Hotspots		All other cities	
	40%		60%	
SAM	78.048			
SOM	30%			
	23.4144			

Year	1	2	3	4	5
SOM	23.4144	24.41653632	26.55131902	30.10850338	35.60354631

EXHIBIT 2	
Costs for the client from 1 property under asset light strategy	
Pre-Opening Costs	1000000
Training Costs	200000
Marketing Costs	200000
Technology & Reservation	100000
Legal & Contract	100000
Quality Control Standards	100000
Total	1700000
1.7 Million	

EXHIBIT 3			
Revenue of the client from 1 property under asset light strategy			
Franchise Fees	75000	(50,000-1,00,000) per hotel	
Management Fees	3%	Gross room revenue	64483455
	1934504		
Marketing Fees	3%	Profit Based	11607022
	348211		
Loyalty Program Fees	2%	Profit Based	11607022
	232140		
Total revenue for the client		2514855	



Exhibits

EXHIBIT 3 (Continued)			
Net Operating Profit per Property			
Revenue Per Available Room	Low Demand Areas	Mid Demand Areas	High Demand Areas
	500	1000	1500
Rooms per property	100	200	300
Potential Revenue from each property	50000	200000	450000
Occupancy Rate	60%	70%	80%
	30000	140000	360000
Average revenue per property	176667		
Average revenue per property in a year	64483455		
Total Revenue	Spa	Swimming Pool	Restaurant
	5%	5%	10%
	3224173	3224173	6448346
	77380147		
Gross Operating Profit	30%		
	23214044		
Net Operating Profit	50%		
	11607022		

Exhibits

EXHIBIT 4	
ROIC AND Payback Period	
Total Costs	1700000
Total Revenue	2514855
Net Operating Profit	814855
Taxes	20%
Net Cash Inflow	651884
ROIC	0.3834611765
	38%
Payback Period	2.607825932
	2.6 Years

EXHIBIT 5				
Hotel Chain	Headquarters	Key Brands	Presence in Morocco	Competitive Edge
Accor SA	France	Sofitel, Novotel, Ibis	Strong presence	Established brand, diverse pricing
Hilton Hotels	USA	Waldorf Astoria, Conrad, Hilton	Expanding	Premium service, global loyalty program
Hyatt Hotels	USA	Park Hyatt, Grand Hyatt	Limited but growing	High-end luxury, exclusive clientele

EXHIBIT 6			
Hotel Chain	Headquarters	Key Brands	Market Strength
Kenzi Hotel Group	Morocco	Kenzi Tower, Kenzi Club	Strong local brand, business & leisure
Atlas Hospitality	Morocco	Zalagh Kasbah, Atlas Essaouira	Luxury & resort focus
Onomo Hotels	Africa	Onomo Casablanca, Onomo Rabat	Budget-friendly, business hotels

Interview Transcript

Your client is a bulge bracket investment bank looking to set up a mutual fund in India. You have been hired to analyze the viability and route of entry for the client.

To reiterate, our client is a bulge bracket investment bank that wants to enter the Indian market by setting up a mutual fund and we are required to analyze whether it is viable or not, and if viable, suggest entry routes.

That's correct. You can proceed.

Before starting the case, I would like to know more about the client. Where does the client currently operate? Do they have any prior experience in the Indian market? What are the client's objectives behind setting up a mutual fund in India?

Our client is a US-based investment bank operating in multiple markets and this will be their first experience in the Indian market. The reasons behind setting up a mutual fund in India include various favorable factors such as positive macroeconomic trends, a growing middle-income population and the need for global diversification.

Which group of the Indian population does the client aim to target and what is the existing level of competition in the market?

The client does not aim to target any specific segment of the population. Moreover, the Indian mutual funds market is moderately competitive.

Also, is the mutual fund targeted towards any securities?

No, the client will not be targeting any specific securities, it will be a diverse portfolio holding. You can start with assessing the viability of entering the market.

To assess the viability, I would like to calculate the market size of the Indian Mutual Funds Market.

Okay, you can continue.

First, I would calculate the number of potential investors of mutual funds in India by focusing on the age bracket of 24-60+ years and above in urban areas, which is usually the age bracket that invests and only 24-60 years in rural areas, excluding the 60+ age bracket since they are risk-averse and more inclined towards fixed income options with less market interactions. Further, I would classify the population on the basis of income-divide. In urban population, the middle and high income category would be considered assuming percentages of 40% and 10% respectively, whereas in the case of the rural population, I would consider the high income category with a percentage of 5%.

The population would then be further filtered by being divided into those who have financial knowledge and those who don't. This is based on the assumption that, as a result of marketing campaigns and word-of-mouth, a sizable portion of the former group will become potential investors, and a smaller portion of the latter group will also become potential investors.

Taking rational percentages for the same, we boil down to a number of approximately 8 Crore potential mutual fund investors. Shall I continue and calculate the amount invested in mutual funds?

Yes, you may proceed.

In continuation, to calculate the amount invested in mutual funds, an estimation can be made of the average amount invested by people. For this, I assume that 30% of the potential investors have less than 2.5 lakh in their savings, another 30% have 2.5-5 lakh, 15% of them have 5-10 lakh and that the remaining 25% have more than 10 lakh.

Furthermore, on an average, I assume that based on the amount in their savings account, they invest 1 lakh, 2.5 lakh, 5 lakh, and 7.5 lakh in mutual funds respectively. Thus, as per my calculations, an amount of 30 lakh crore is invested in mutual funds by retail investors. Adding 15% for HNIs and Institutional Investors, we can conclude that approximately 35 lakh crore is invested in mutual funds.

Sounds good. What would you consider next?

Coming back to the competitors, what can be our potential penetration rate?

Taking the current competition into consideration, if we enter the market we will be able to penetrate 5% of the market.

So, at a rate of 5%, we would be able to penetrate the market equivalent to 1.75 lakh crores.

Great, the target market seems promising! Now that it is concluded that it is viable to enter the market, what probable entry routes do you suggest that the client can opt for?

The probable entry routes that the client can opt, can either be setting up an own Asset Management Company, acquiring an existing mutual fund, opting for a joint venture with a well-known bank, or opening a subsidiary.

Keeping those in mind, what are the possible barriers to entry that the client could face?

Considering industry wise barriers, the Indian mutual fund market is strictly regulated. Moreover, being a foreign bank, there are a lot of compliances from various authorities like SEBI, RBI, AMFI & MCA that needs to be fulfilled. Being a legal process, it can be very time-consuming and hectic.

Additionally, opening a subsidiary or acquisition will require more compliance issues and hefty funds requirements.

Interview Transcript

We are not willing to invest a huge amount so, suggest whether the client should enter the market by setting up an own Asset Management Company or they should enter in a joint venture with a well-established Bank.

To analyze both the options, I would consider:

Cost of setting up: Setting up a mutual fund has a cost relating to registering the firm with different authority, tie ups with banks, tie ups with underwriters and issue houses. Apart from it, setting on own will also cost a higher advertising cost. However, if we enter through a joint venture, we will be sharing this cost.

Regulatory issues: There can be a lot of regulatory issues of setting up an own AMC which can be reduced by opting for a joint venture.

Goodwill: Entering a joint venture with an established bank will provide us a face, common and trusted amongst the general public and also a face for the fund towards regulatory bodies.

Based on this analysis, it can be concluded that the option of joint venture does have more pros but the client should keep in mind the drawbacks of entering through a joint venture like profit sharing and ownership dilution. However, I believe in this case, the pros of opting for a joint venture outweigh its cons.

Yes, that is a reasonable conclusion. Let's analyze these options quantitatively as well. I will be providing you with a few facts and figures and you will have to analyze which option is more profitable for the client. In order to establish a mutual fund in the Indian market we will have to register with SEBI which requires 30 lakhs as one-time fees. Additionally, there is a minimum annual fee with SEBI which is 2.5 lakhs which can go up to 10 lakhs. Additionally, there will be scheme running expenses which can be bifurcated as: Marketing cost at 83 crores, Employee costs at 83.5 crores, portfolio managers fees and commission at 27 crores and other operational costs will stand at 100 cr. Calculate the total cost for me to establish our own asset management company.

So our one-time fee is 30 lakhs, and on an average, we will be required to pay a sum of 6.25 lakhs to SEBI as fixed annual fees. Additionally considering 293.5 crores of scheme expense the total cost required will be 293.8625 crores before tax.

Great, Now we are expecting to get a return of 8% on total cost including taxes. Calculate the revenue and profit we will be generating keeping in mind 30% taxes.

Since our total cost is 293.8625 crores, an additional tax @ 30% will be charged on profit, that can be computed by deducting cost from revenues. So our tax will be 7.25 crores and our total cost (including tax) will be 301.1125 crores. And our profit will be 0.8×301.1125 which will be approximately 24 crores.

Great, so now let's assume we will be entering in a joint venture with 75% of profit share since the venture bank will lend its name for regulatory compliance and goodwill and the operations would primarily be carried out by the foreign bank. Can you compute our return in this scenario?

Sure, I would start by assessing the changes in our variable cost drivers. Would there be any impact on our marketing and employee benefit expenses due to the enhanced goodwill of the existing bank and its knowledge of the country's regulatory compliances?

Yes, the marketing cost will be saved by 20% and employee cost by 5%. Additionally, entering into a joint venture will bring in additional 15% Assets Under Management. Will it impact any of our other costs?

Yes, Since the portfolio management fees and operations cost are charged as a percentage of Assets under management, any change in Assets under management will lead to a proportionate increase in these costs. Both of the costs will increase by 15%.

Great, both of these costs will be rising by 15%. Now, you are required to compute the revenue for the joint venture. Assess and evaluate both the situations keeping the taxes @30%.

Since we were having a return of 325.2 crores, and now due to additional goodwill of the venture, our total assets under management will rise by 15%, bringing the cost of the venture at 304.93 crores which can be bifurcated as marketing cost at 66.4 crores as we are saving 20% due to goodwill of joint venture, employee cost at 79.32 crores due to a decrease of 5%, operational cost 115 crores and portfolio management fees at 31.05 crores, with an increase of 15% due to proportionate increase of 15% in assets under management. Our net return will be 32.01 crores after deducting taxes at 30%, that is 12.8 crores and considering our 75% cut.

Comparing both the results, the net profit of a joint venture is approximately 33.33% higher than that of entering organically, again concluding that joint venture would be a better option.

Yes, that would be correct. Would you like to give any recommendations regarding the same?

As concluded before, in the given scenario, the client should enter through a joint venture. As a recommendation, they should choose a well-established bank with strong goodwill as their co-venture. However, the client should keep in mind all the statutory requirements. Moreover, they should focus on marketing strategies & enhancing the investor experience to successfully penetrate the competitive market. Some ways to advertise can be digital marketing through emails and social media, uploading timely content on websites & newspapers having financial advisors and investors as their audience.

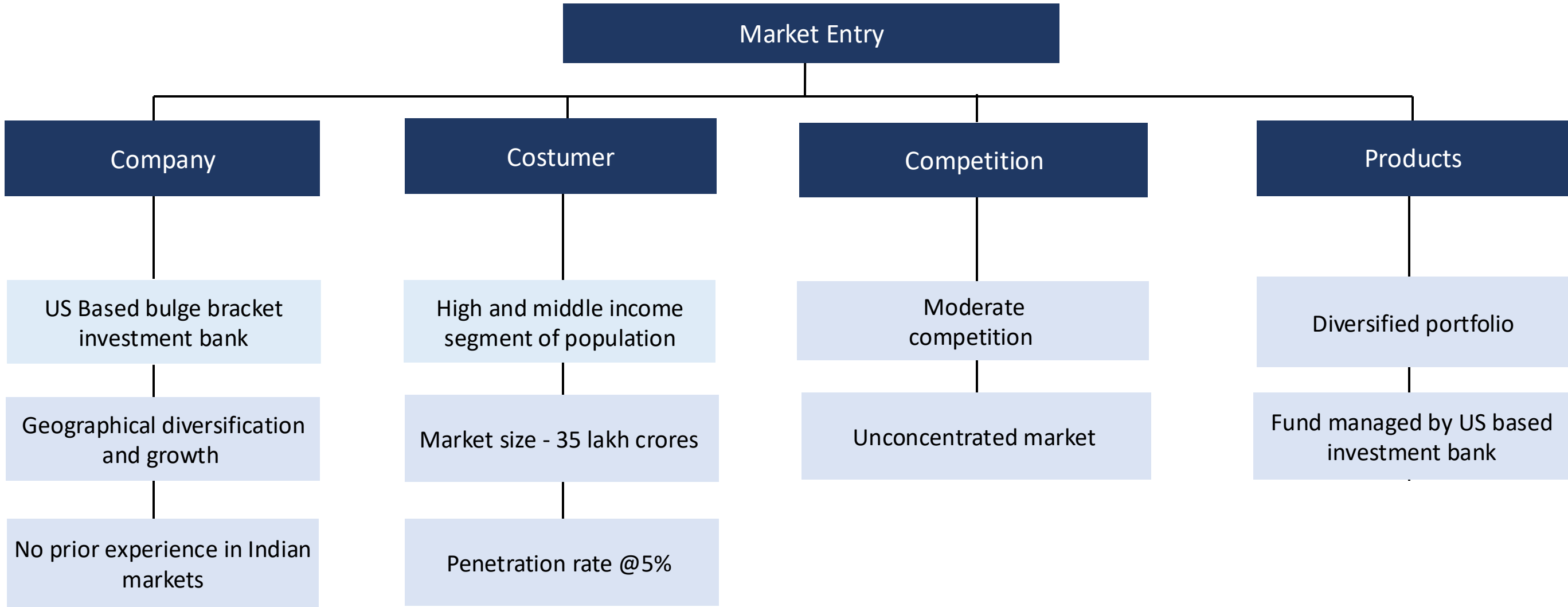
Thank you, we can end the interview here.

Your client is a Bulge Bracket Investment Bank looking to set up a mutual fund in India. You have been hired to analyse the viability and route of entry for the client.

Case Facts

- **Company Overview:** A US-based Bulge Bracket Investment Bank operating in multiple markets with no prior experience in the Indian market.
- **Objective:** Geographical diversification and growth.
- **Market Overview:** 5% Market penetration rate in case of setting up own asset management company and an additional 15% over it in case of joint venture.
- Manages diversified portfolio holding.

Approach/Framework



Recommendations

- The client should enter the market through a joint venture with a well-established bank.
- They should focus on marketing efforts and enhancing investor experience.
- Some ways to advertise can be digital marketing through emails and social media, uploading timely content on websites & newspapers who have financial advisors and investors as their audience.

Brownie Points

- In the guesstimate, an additional 15% can be taken into account for the amount invested by institutional investors in the mutual fund market.
- Providing recommendations to increase the potential customer base and channelizing the household savings into mutual funds.

Guesstimate

Estimating the Market Size of Mutual Funds Market in India

Step-1 Calculating the number of potential investors in India

Population	1,40,00,00,000									
Urban/Rural Divide	40%							60%		
	56,00,00,000							84,00,00,000		
Age Divide	24-60			60+			24-60			
	50%			10%			50%			
	28,00,00,000			5,60,00,000			42,00,00,000			
Income Divide	Middle		High		Middle		High		High	
	40%		10%		40%		10%		5%	
	11,20,00,000		2,80,00,000		2,24,00,000		56,00,000		2,10,00,000	
Factors for determining potential investors										
Financial Knowledge	Have	Not Have	Have	Not Have	Have	Not Have	Have	Not Have	Have	Not Have
	40%	60%	60%	40%	20%	80%	50%	50%	1%	99%
	4,48,00,000	6,72,00,000	1,68,00,000	1,12,00,000	44,80,000	1,79,20,000	28,00,000	28,00,000	2,10,000	2,07,90,000
Word of Mouth & Advertising Efforts	90%	20%	95%	30%	80%	10%	85%	30%	60%	0%
	4,03,20,000	1,34,40,000	1,59,60,000	33,60,000	35,84,000	17,92,000	23,80,000	8,40,000	1,26,000	-
Total Potential Investors	8,18,02,000									

Guesstimate

Step –2 Estimating the average amount invested in Mutual Funds

Total Potential Investors	8,18,02,000			
Number of people with given amount in Savings	<2.5 lakh	2.5-5 lakh	5-10 lakh	10+ Lakhs
	30%	30%	15%	25%
	2,45,40,600	2,45,40,600	1,22,70,300	2,04,50,500
Average Amount Invested	₹ 1,00,000	₹ 2,50,000	₹ 5,00,000	₹ 7,50,000
	₹ 24,54,06,00,00,000	₹ 61,35,15,00,00,000	₹ 61,35,15,00,00,000	₹ 1,53,37,87,50,00,000
Total Amount Invested in Mutual Funds by Retail Investors	₹ 3,00,62,23,50,00,000			
Margin for HNIs and IIs	15%			
Total amount invested in Mutual Funds	₹ 3,50,00,00,00,00,000 (approx)			
Market Share as per 5% penetration rate	₹ 17,50,00,00,00,000			

Assumptions

- 60+ age group in rural areas excluded considering they are risk-averse and more inclined towards fixed income options
- Having financial knowledge and impact of word of mouth and advertising determine number of potential investors



Scan the QR Code to access the Guesstimate Spreadsheet

Financial Exhibits

EXHIBIT 1: Breakup of Cost, Return and Profit-Cut			
Particulars	Amount (in Rs. In Lakhs)		
Cost associated with setting up a mutual fund	Amt if Independent unit	Amt if JV	% increase in cost in case of JV
Non-Refundable deposit for Registration with SEBI(One time fees)	₹ 5.00	₹ 5.00	-
Registration fees with SEBI(One time fees)	₹ 25.00	₹ 25.00	-
Average Annual fees(Fixed annual cost)	₹ 6.25	₹ 6.25	-
Max annual fees	₹ 2.50	₹ 2.50	
Min annual fees	₹ 10.00	₹ 10.00	
Scheme Expenses	₹ 30,075.00	₹ 30,457.00	1.27%
Marketing, Advertising, Publicity, Legal and IT Expenses	₹ 8,300.00	₹ 6,640.00	(20%)
Employee Cost	₹ 8,350.00	₹ 7,932.00	(5%)
Portfolio Management commission and fees (% of AUM)	₹ 2,700.00	₹ 3,105.00	15%
Cost of operations and managing the business(Annual)	₹ 10,000.00	₹ 11,500.00	15%
Taxes (@ 30%)	₹ 725.00	₹ 1,280.00	
Total Cost Associated	₹ 30,111.25	₹ 30,493.25	
Expected Return (as a % of cost)	108%	114%	
Expected Return (in Rs in Lakhs)	₹ 32,520.15	₹ 34,762.31	
Share in profit	100%	75%	

EXHIBIT 2: Comparative financial evaluation of entering the Indian mutual funds market through Independent Unit or Joint Venture		
Comparative solution	Amount (in Rs. In Lakhs)	
Particulars	Amt if Independent Unit	Amt if JV
Total Return	₹ 32,520.15	₹ 34,762.31
Cost	₹ 30,111.25	₹ 30,493.25
Profit	₹ 2,408.90	₹ 4,269.06
Cut	100%	75%
Net Return	₹ 2,408.90	₹ 3,201.79



Interview Transcript

Your client, Pawfect, is a pioneer in the US pet care space, known for leveraging technology to enhance pet health and wellness. Now, they are looking to expand into the Indian market and have hired you to develop a GTM strategy for their entry.

Before diving into the GTM strategy, I'd like to get a clarity on the objective of Pawfect's expansion. What are they aiming to achieve with this move into the Indian market? Are they looking for market share, revenue growth, or something else? What products and services does Pawfect currently offer in the US, and which of these are they planning to introduce in India?

Pawfect aims to establish a strong foothold in the growing Indian pet care market by leveraging its tech-driven offerings. Their key objectives include both market penetration and financial sustainability over the next 1-2 years.

When you say 1-2 years, are we looking at a phased rollout strategy, or is the goal to establish a strong presence across all offerings simultaneously?

Pawfect operates in two key areas: pet products and tech-driven pet services. Its product line includes premium pet food, treats, supplements, and essentials like bedding, collars, and grooming tools, available online and in retail stores. On the tech side, Pawfect offers DNA testing for breed analysis and health risks, AI-powered personalized nutrition plans, and a 24/7 pet telehealth service with an AI symptom checker and virtual vet consultations. They plan to introduce all these services in India.

Who is the primary target audience for Pawfect in India? Are we focusing on individual pet owners, breeders, veterinarians, or pet businesses? What sales channel does the client plan to use?

Pawfect's primary target audience in India includes:

Pet Owners in Tier 1 & Tier 2 Cities - Focused on those willing to spend on premium pet care products and services, especially for in-store purchases and personalized nutrition plans.

Breeders - A key segment for DNA testing & genetic health screening, as they need to ensure healthy lineage and responsible breeding practices.

Nationwide Pet Owners - Since pet telehealth is virtual, it can scale across all locations, making vet consultations more accessible and affordable.

The sales channels include a combination of physical stores, the company's website for DTC sales and digital platforms for telehealth services.

To better understand Pawfect's market opportunity, do we have an estimate of the total number of pet owners in India?

That's something I'd like you to estimate for me. Additionally, I want you to break it down into premium vs. mass market pet owners based on income levels. Also, let's estimate the potential website reach- how many of these pet owners are likely to engage with Pawfect's online services.

Got it! I'll structure my approach by first estimating the total number of households in India, then narrowing it down to income levels, and finally segmenting based on pet ownership rates. Does that sound good?

That works. Go ahead and walk me through your thought process.

To estimate pet ownership in Tier 1 and Tier 2 cities, I'll first segment India's 1.4 billion population, with 15 percent in Tier 1 and 50 percent in Tier 2. Households are classified as nuclear, mid-sized, or joint, leading to 42 million households in Tier 1 and 140 million in Tier 2. I'll categorize households by income—upper class earning over 50 lakh, upper middle 20 to 50 lakh, lower middle below 20 lakh, and lower class.

Fair, now how many households out of these own pets?

Pet ownership is highest among upper-income groups, with 60 percent of upper-class, 40 percent of upper middle, and 20 percent of lower middle households owning pets, while lower-income groups do not. Applying these rates, I estimate 8.4 million pet-owning households in Tier 1 and 23.1 million in Tier 2, adjusting for a slight decline in Tier 2 due to fewer pet-friendly facilities.

Okay, this seems fine. What about the market segmentation?

For market segmentation, premium products appeal more to higher-income groups. In Tier 1, 30 percent of pet owners fall into the premium segment and 70 percent into the mass market, while in Tier 2, the split is 20 and 80 percent. This results in 7.14 million premium and 24.36 million mass-market pet-owning households.



Interview Transcript

Great, now walk me through the potential website users among the pet owners.

To estimate potential website users for the pet care company entering India, I begin with the total pet-owning households, calculated earlier as 31.5 million. These are segmented into 7.14 million premium and 24.36 million mass-market owners. The business operates in three key segments: D2C pet care products, pet telehealth services & DNA testing.

Consider only D2C pet care products and telehealth services as of now.

Okay, got it. For these two segments, willingness to adopt these services is influenced by high import-driven pricing, making affordability a key factor. For D2C products, 50 percent of premium and 30 percent of mass-market owners are expected to purchase, leading to 3.57 million and 7.38 million users, respectively. Telehealth services, given their niche and higher costs, are expected to attract only premium users, with a 10 percent adoption rate, yielding 714,000 users.

Summing up both categories, the company can expect a potential user base of approximately 11.59 million, highlighting a significant opportunity in India’s evolving pet care market.

That seems fair. Moving on, setting up physical stores poses a big challenge that will require significant investment, especially when competing against mass-market brands with lower price points. Given this, how would you think about store expansion and differentiation?

Do we have any investment budget prepared?

(Exhibit 1) Given these financials for our first store Chicago which was inaugurated last year, estimate the breakeven point for a Pawfect store in South Delhi. Consider factors such as real estate costs, labor costs, pricing strategies, and potential revenue adjustments for the Indian market. I’d like you to walk me through each component, justify your changes, and explain the assumptions behind them.

For a 2,000 sq. ft. store in South Delhi, commercial rental rates in prime locations like Saket, GK, and South Ex range from ₹250-300 per sq. ft. (~\$3.50). Assuming an average of \$3.50 per sq. ft., the monthly rent would be ~\$7,000, making the six-month deposit ~\$42,000. Store interior and renovation should be cheaper in India, but given Pawfect’s premium positioning I estimate \$35,000.

Could you please elaborate on your assumptions behind this?

You will need quality branding, aesthetic displays, and additionally cold storage for specialized pet food to get a premium looking store in a location in South Delhi. Further, the demand for premium pet products in India is growing, but we need to consider pricing sensitivity. Initial stocking was \$80,000 in Chicago. In India, costs are lower, but we might need more localized SKUs, especially for Indian pet dietary needs. I’d estimate around \$50,000.

What are your estimates for licensing costs?

Licensing and permits are cheaper in India, so I estimate \$5,000. Marketing will also focus more on digital awareness campaigns (social media, vet partnerships), lowering costs to \$15,000. And other costs accounting to \$5,000. Therefore, the overall capex will amount to \$152,000.

That seems fine for now. What about the operating expenses?

For operating expenses, rent in South Delhi for a premium pet store will be \$7,000. Staff salaries will be a major adjustment. In Chicago, we paid \$1,500 per employee. In India, retail salaries are much lower. A store manager might earn \$400-\$500, while staff could be in the range of \$150-\$200. I’d estimate a total monthly salary cost of around \$1,200 for a similar-sized team. For inventory restocking, the challenge is the supply chain for imported pet food. Many premium brands are imported, and fluctuating import duties can affect costs. Instead of directly mirroring the \$30,000 in Chicago, I estimate \$20,000, assuming a mix of locally produced and imported products.

That’s too low since import duties will be higher. Assume it to be \$27,000.

Yes right, so \$27,000 for inventory. Utilities and maintenance costs will be slightly lower, around \$3,000. Marketing will be \$5,000, focusing on targeted influencer marketing, Instagram ads, and partnerships with breeders and vet clinics. Miscellaneous expenses will amount to \$5,000. Therefore, operating expenses will amount to \$48,200.

That sounds reasonable, what about the top line and bottom line?

Revenue in India must account for price sensitivity and awareness. Chicago’s \$150,000 retail figure won’t directly translate, but premium pet owners in Tier 1 cities spend on quality food. Assuming an average order of \$36 and 2,000 transactions/month, retail revenue would be \$72,000.



Interview Transcript

DNA Testing, mainstream in the US, is niche in India. Partnering with breeders and vets could drive adoption, starting at \$5,000. AI-powered nutrition plans, a premium add-on, may generate \$3,500.

Total revenue: \$80,500.

Profit: \$80,500 - \$48,200 = \$32,300.

Breakeven: \$152,000/\$32,300 ≈ 5 months, possibly 6 with slower tech adoption.

Great job estimating the breakeven for the store. Now, let’s determine the optimal pricing for Pet Telehealth in India. I have some data for you– Exhibit 2 contains telehealth pricing for various services in the US, while Exhibit 3 is competitor benchmarking and 4th is the consumer willingness to pay, which was determined through a survey we recently conducted.

Sure, is there any additional market insight that you might be able to provide me with?

In India, in-person vet visits cost \$6–\$15, while telehealth services range from \$4–\$12 per consultation or \$10–\$15 per month for subscriptions. Lower vet salaries reduce per-consultation costs, and AI-driven triage minimizes live consults. However, tech development and marketing require upfront investment, so pricing must balance affordability and profitability. Based on these, I’d like you to recommend a pricing structure that balances affordability with sustainability.

The Indian pet telehealth market demands a careful balance between affordability and profitability. Traditional vet visits cost just \$6–\$15, while direct competitors price video consults at \$10–\$20. Given this, a one-time virtual consultation should be priced at \$4–\$6 to maximize adoption.

A subscription model at \$8–\$10/month aligns with consumer expectations and undercuts competitors’ \$15/month offering, making it a strong long-term play. AI-driven symptom checkers, priced at \$3–\$5/month, can act as a low-cost entry point, driving upsells to full consultations.

Instead of mirroring the US model, a tiered approach—free AI assessments with paid consults—can boost adoption. Building trust through vet partnerships and professional endorsements will be key to shifting consumers from traditional in-person visits to virtual care.

Great, that is a fair analysis. Before we wrap up, what are the top three recommendations Pawfect should keep in mind while entering India?

Pawfect should start by building trust through local partnerships—working closely with vets, breeders, and pet influencers will help them gain credibility and encourage adoption. Next, they need to get their pricing right—a mix of affordable entry points and premium add-ons will attract users while ensuring long-term profitability. Lastly, a digital-first approach is key—focusing on e-commerce, social media, and AI-driven engagement will help them scale efficiently without heavy upfront costs.

Got it, we will close the case now.

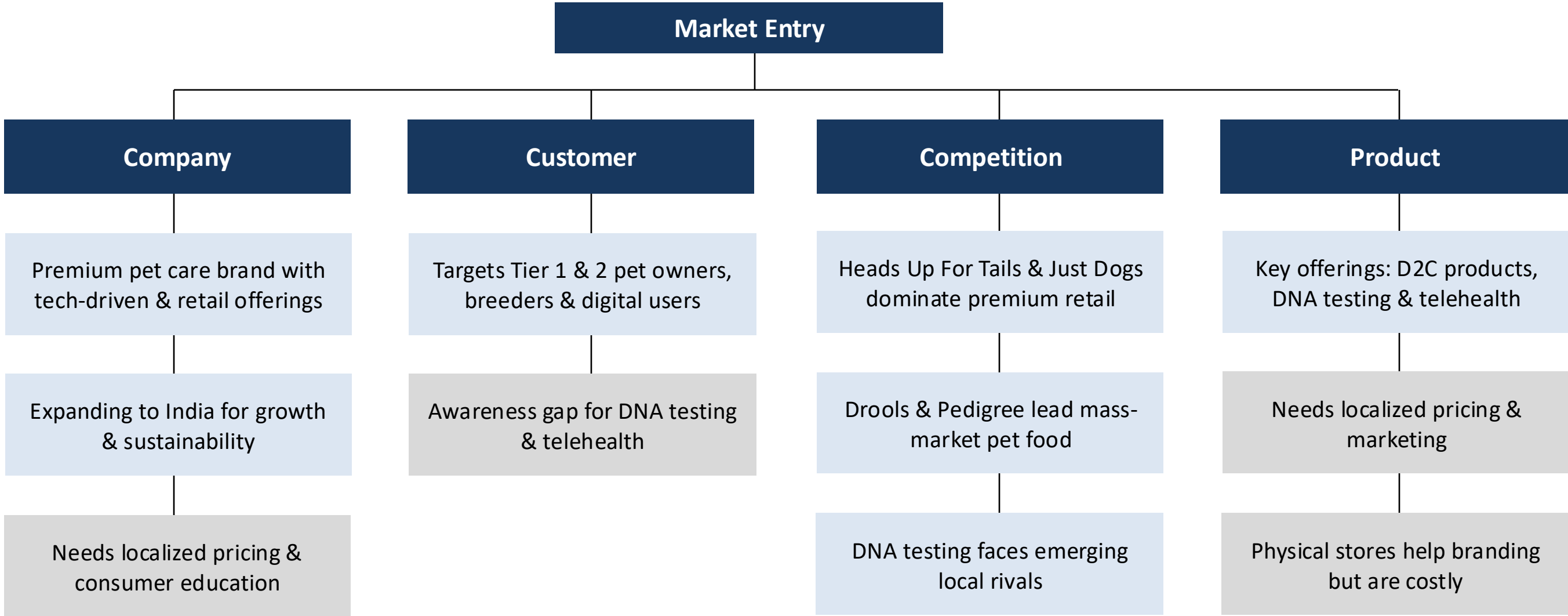


Your client, Pawfect, is a pioneer in the US pet care space, known for leveraging technology to enhance pet health and wellness. Now, they are looking to expand into the Indian market and have hired you to develop a GTM strategy for their entry.

Case Facts

- A US-based pet care company combining products with tech-driven services like DNA testing and telehealth.
- Their goal is to establish a strong presence in India within 1-2 years via physical stores plus online channels, focusing on Tier 1 & 2 cities.
- The target is Tier 1 & 2 pet owners, breeders (DNA testing), and nationwide pet owners (telehealth).
- Limited direct rivals in DNA testing & AI health services; retail competitors include Heads Up For Tails & Just Dogs; indirect competition from vets and breeders.

Approach/Framework



Recommendations

- Pawfect should target high-footfall Tier 1 locations with a 5–6 months breakeven period.
- Price telehealth at \$4–\$6 per consult or \$8–\$10/month for competitiveness. Partnering with breeders and vets will boost awareness and growth.
- Focus on digital acquisition via social media, SEO, and influencers, prioritizing AI-powered pet care.

Brownie Points

- Pawfect can creatively market by outfitting local street dogs in branded collars and clothes with QR codes linking to its website.
- Additionally, Tier 3 city users, attracted via social media, should be factored into the potential online audience.



Guesstimate

Segmentation of pet owners in tier 1 & 2 cities

Step 1: No. of households in tier 1 & 2 cities

Total Population	1400000000					
Tier Division	Tier 1			Tier 2		
	15%			50%		
	210000000			700000000		
Family-wise Split	Nuclear Family	Mid-sized Family	Joint Family	Nuclear Family	Mid-sized Family	Joint Family
	50%	30%	20%	50%	30%	20%
	105000000	63000000	42000000	350000000	210000000	140000000
Average no. of People	4	6	8	4	6	8
	26250000	10500000	5250000	87500000	35000000	17500000
Total Households	42000000			140000000		

Step 2: No. of Pet Owners

Tier Division	Tier 1				Tier 2		
No. of Households	42000000				140000000		
Income Group	Upper Class	Upper Middle Class	Lower Middle Class	Lower Class	Upper Class	Middle Class	Lower Class
	10%	20%	30%	40%	10%	50%	40%
	4200000	8400000	12600000	16800000	14000000	70000000	56000000
Estimated Pet Owners	60%	40%	20%	0	40%	25%	0
	2520000	3360000	2520000	0	5600000	17500000	0



Guesstimate

No. of Pet Owners	8400000		23100000	
Market Segmentation	Premium	Mass Market	Premium	Mass Market
	30%	70%	20%	80%
	210000000	210000000	210000000	210000000

Assumptions

Nuclear family consists of 3-4 people, mid sized 5-7, joint 8+. Upper class are people with more than 50 LPA+, upper middle 20-50, lower middle <20. Every 6 in 10 upper class household own pets, 4 in 10 upper mid own pets and 2 in 10 lower mid own pets. Lower income group people don't have pets. A marginal decline of pet owners in tier 2 cities has been considered.

	Potential Website Customers		
Pet Owners	31500000		
	Premium		Mass Market
Business Segments	7140000		24360000
	D2C		Pet Telehealth Service
Owners Willingness	50%	30%	10%
	3570000	7308000	714000
Total Estimate	11592000		

Assumptions

Two business segments: Pet care products and Telehealth Services has been taken into consideration. Willingness has been made keeping in mind the prices of the products which will be higher due to import duties. Only premium users will be able to avail yhe telehealth services as of now.



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code to access the
Guesstimate
Spreadsheet



Exhibits

EXHIBIT 1: Financials of Chicago Store	
Capital Expenditure	Amt. (USD)
Store Lease Deposit (6 Months @ \$10/sq. ft. for 2,000 sq. ft.)	120,000
Store Interior & Renovation	50,000
Initial Inventory Stocking	80,000
Licenses & Permits	10,000
Launch Marketing Campaigns	30,000
Other (Staff Training, Miscellaneous, etc.)	20,000
Total Capex	310,000
Operating Expenditure	Amt. (USD)
Rent	20,000
Staff Salaries (5 employees @ avg. \$1,500/month)	7,500
Marketing & Promotions	10,000
Inventory Restocking	30,000
Maintenance & Other Expenses	10,000
Total Opex	77,500
Revenue	Amt. (USD)
Retail Sales (Pet Food & Essentials)	150,000
DNA Testing & Genetic Screening & Nutrition Plans	45,000
Total Revenue	195,000
Monthly Profit	117,500
Breakeven Period (months)	3

EXHIBIT 2: US Telehealth Pricing (Benchmark)		
Service	Avg Price (USD)	Additional Info
One Time Vet Consultation	50-75	15-20 min video call with a licensed vet
AI-driven Symptom Checker	10/month	Unlimited AI based assessments
Monthly Subscription	40-60/month	Covers all consultations & basic advice
Emergency Consultation	100-1500	Urgent Cases with Senior Vets

EXHIBIT 3: Competitor pricing in India			
Service	Consultation Prices	Subscription Model?	Additional Info
Traditional Vets	\$6 - \$15	No	In-person consults only
Direct Competitors	\$10 - \$20	Yes (\$15/month)	Video Consults

EXHIBIT 4: Consumer Willingness to Pay (Survey – India, 2025)		
Service Type	% of Pet Owners Willing to Pay	Avg Price Expectation (USD)
One Time Vet Consultation	35%	4 – 6
AI-driven Symptom Checker	50%	3 – 5/month
Monthly Subscription	20%	8 – 10/month
Emergency Consultation	10%	10 – 12

GROWTH





Interview Transcript

A famous football stadium is currently experiencing stagnation. As a consultant, your role is to provide strategic recommendations for the same.

So just to clarify the objective, a famous football stadium is experiencing no growth and ways need to be figured out to increase its growth rate?

Yes, you are right.

Is the stadium targeting short-term growth or long-term growth? Additionally, When was the stadium established, and is it home to a legacy club?

The objective is to develop a strategy that would help in increased returns over a longer period. Yes, it is a legacy club operating on a large scale for the past 20 years.

Alright. Could you tell me about the maximum seating capacity and occupancy?

The maximum seating capacity is 100000 and the occupancy rate during a high-stakes match is about 95% and in general, it is about 85%.

Are there any expansion plans on the horizon for the stadium or any changes in the operational frequency?

No, as per the current regulations and league commitments, we cannot do that as of now. Try to navigate through a general football cycle.

Considering a general football cycle, about 3-4 months are utilized for intra-league practice matches or intra-league sessions. The remaining 5-6 months are peak match seasons wherein the stadium is being used for different tournaments. That leaves us with 3 months when there is uncertainty about stadium utility.

Yes, in the 3 off-season months, utility is approximately 20-30% only, owing to only tourist visits.

To ensure maximum utility, could we repurpose the stadium during these months?

Yes, please go ahead and explore options for alternative utility in these months.

For repurposing, we could separate the stadium’s identity from the club. Various avenues could be explored, a few of them being:

1. Concerts can be a major revenue source for a football stadium with the right sponsors and ticket pricing.
2. Iconic bars can be set up in and near the stadium to generate user traction & increase the LTV of the attendees.

3. Since it is a legacy club, exhibitions will be a very suitable option to increase footfall & utility in the off-season phase.

4. Pre-season events are a great way to increase the interest and anticipation of matches as well as to generate some additional income in the off-season phase.

Out of these, two of the ideas: concerts and pre-season events could be incorporated. Throw some light on the concert element. Explore if this avenue is financially feasible and economically viable.

I would like to begin by enlisting the various costs involved in conducting a concert. These would include stage construction costs, backstage set-up costs, sound systems costs, seats, and acoustic improvements. Additionally, there would be some logistical costs like security and crowd control, electricity and utility, ticketing systems, vendors, maintenance & marketing. Do we have any information about these expenses?

Yes, refer to exhibit 1 for the expenses.

So to check this idea’s financial viability, we would need to do a guesstimate to estimate revenue per concert. Shall I proceed?

Yes, you can proceed with the guesstimate.

So for the total revenue earned by a concert, I will be adding up the 5 major sources of revenue for a concert-hosting stadium. They are:

Ticketing revenue, revenue from stalls, revenue from brand sponsorships, revenue from parking, and revenue from the artist. Does this approach work?

Yes, continue with this approach.

So for ticketing revenue, we will take a 10-30-60 divide for the proportion of high, medium, and low-priced tickets, with their respective prices being 500\$,300\$, and 150\$. We will be taking the occupancy for a concert to be 80,000 i.e. 80%. Are these numbers fair?

Yes, you can go ahead with these numbers.

Okay, so the ticketing revenue comes up to be \$4 million from high-priced tickets, and \$7.2 million each from medium and low-priced tickets. Total ticketing revenue comes out to be approximately \$18.4 million. Now we will be paying a major share of the ticketing revenue to the artist. Assuming the industry average which is about 30%, revenue left for us comes out to be \$5.52 million.



Interview Transcript

Fine, you can explore the other sources now.

Coming to stalls, there can be 2 types of stalls, food and games. Assuming that 40% people grab something to eat and that the average ticket size is 15\$, and 20% people pay for games at an average ticket size of 10\$, revenue from stalls comes out to be \$640 K. If the stadium charges them 25% of revenue, revenue for us remains \$160 K.

Now for revenue from brand sponsors, assuming a 30% revenue of ticketing sales to be received from brand deals, the number comes out to be \$5.5 million.

Are these assumptions fine?

Yes, these assumptions are valid, you may proceed.

Now, for parking, assuming 20% of people come by their vehicles and that the parking ticket is 5\$, revenue from parking comes out to be \$80 K.

For revenue from artists, since the stadium is of a legacy club with high occupancy, I believe charging artists \$10 million for renting the stadium for a concert is a fair ask.

That is a fair assumption. So what is the final annual revenue the stadium can expect?

Adding all these up, the stadium can expect a revenue of \$21.28 million per concert. How many concerts per year can we expect to have, to come up to a yearly revenue figure?

We can have these concerts once every two months, so 6.

So the projected annual revenue from these concerts comes up to be approximately \$127.68 million. Coming to costs, our per concert cost stands at \$9 million, which comes up to be an annual cost of \$54 million.

Return on investment for hosting such concerts comes out to be $\frac{\$127.68 \text{ million}}{\$54 \text{ million}} \times 100 = 236.44\%$, giving the stadium an annual profit of \$73.68 million.

Therefore, in conclusion, hosting concerts would be an economically viable and financially lucrative idea for utilizing the stadium for the three off-season months.

Good job on the financial aspect! You are now required to provide a few more suggestions for marketing purposes.

For marketing, the stadium can inculcate these activities:

- 1) Fan meet-ups: People who come to the concerts get a chance to meet with their favorite players of the club.
- 2) Guest appearance: The special appearance of some prominent football players in between the concerts would boost its popularity.
- 3) Direct marketing: Since the tickets for football games are almost always sold out, directly marketing the concerts to them would be a good idea.
- 4) Social media: Leveraging the large following of a legacy club, we can create hype and teasers about an exciting project.
- 5) TV advertisements: Running the concert advertisements while a home game is being aired would directly aim at our target audience

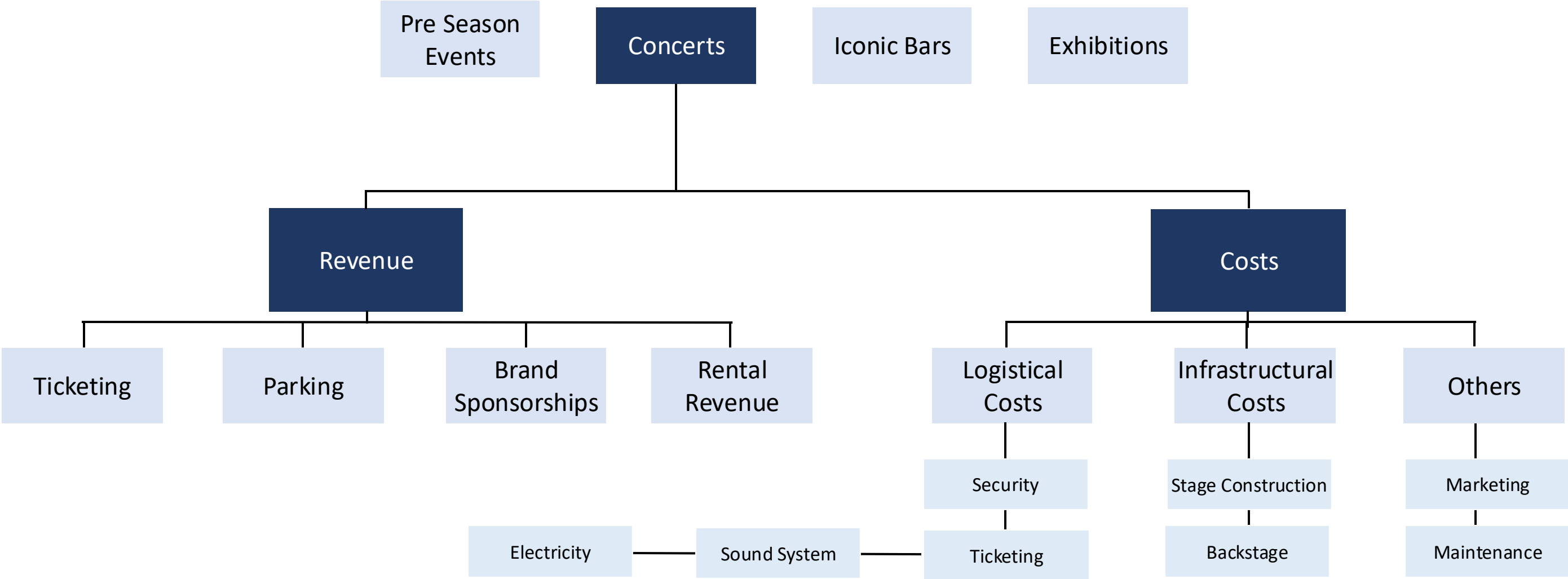
Great, thank you for your time.

A famous football stadium is currently experiencing constant growth. As a consultant, your role is to provide strategic recommendations for the same.

Case Facts

- 1. Famous football stadium experiencing constant growth.
- 2. Football stadium belongs to a legacy club.
- 3. The occupancy rate is 80%.
- 4. The number of matches or seats cannot be increased.
- 5. Stadium faces utility issues in the off-season (only 20-30%).

Approach/Framework



Recommendations

- 1. Repurposing of the stadium to utilize it in the off-season.
- 2. Hosting concerts throughout the year to generate additional revenue.
- 3. Some other ideas for repurposing are Exhibitions, Iconic bars, and trade fairs.
- 4. Engage in fan meet-ups and guest appearances to market these concerts.

Brownie Points

- 1. Providing the interviewer with multiple repurposing alternatives to narrow down to the lucrative ones.
- 2. Division of the expenses into varied categories: stage construction costs, backstage set-up costs, sound systems costs etc, including the logistical costs and maintenance & marketing.



Guesstimate

Revenue from tickets			
Occupancy = 80,000			
Ticket price divide	High	Medium	Low
%	10%	30%	60%
Total	8,000	24,000	48,000
Ticket price	500\$	300\$	150\$
Revenue	4000000	7200000	7200000
	18400000		
Stadium's share (40%)	5520000		

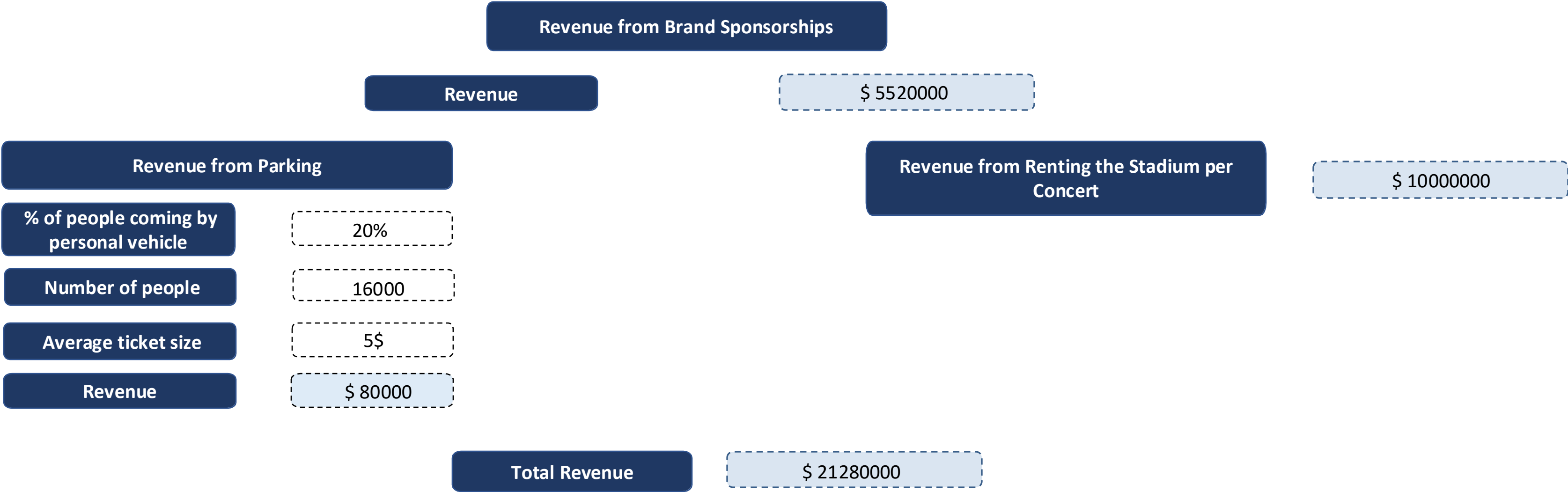
Revenue from stalls		
Attendees = 80,000		
Type of stall	Food	Games
% of people that engage	40%	20%
Average ticket size	15\$	10\$
Revenue from stalls	480000	160000
Stadium's share (25%)	640000	
	160000	

Assumptions

- 1) Tickets are of 3 categories, high, medium and low priced as 500\$, 300\$ and 150\$.
- 2) A 60-40 split of ticketing revenue is being done with the artist.
- 3) 40% of attendees buy food and 20% engage in game stalls.
- 4) Stadium charges 25% of revenue from stalls.



Guesstimate



Assumptions

- 1) Assuming a 30% of ticketing revenue to be the revenue from brand sponsorships (industry average).
- 2) 20% attendees come by their own vehicle.



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Guesstimate
Spreadsheet



Financial Exhibits

EXHIBIT 1: Total cost to hold one concert	
Type of cost	Estimated cost
Stage construction	\$4 million
Backstage Set up	\$500 K
Sound Systems	\$500 K
Seats & Acoustic improvements	\$1 million
Security & Crowd control	\$1 million
Electricity & utility	\$500 K
Ticketing systems	\$500 K
Maintenance & Marketing	\$1 million
Total	\$9 million



Interview Transcript

Your consulting firm has been engaged by StreamWave, a leading traditional streaming service, seeking to adapt to the burgeoning popularity of short-form video content. The goal is to develop a comprehensive growth strategy that integrates short-form content into their existing platform to attract and retain viewers, particularly younger demographics.

Alright, before diving into the analysis, I would like to understand more about the company, its USP and the customer segment it wants to focus on?

StreamWave is a well-established streaming service that has been operating for over 18 years. The company primarily offers a vast library of long-form content such as movies, TV shows, documentaries and exclusive original series. It’s widely known for its high-quality, ad-free viewing experience and caters to a broad audience. However, in recent years, there’s been a shift in viewing habits, especially among younger demographics, who are consuming shorter, more dynamic content on social media platforms like TikTok and YouTube Shorts.

That makes sense. And, how does StreamWave approach its product offerings? Do they outsource production or rely on in-house capabilities for content creation?

StreamWave predominantly relies on in-house production for much of its original content, which has been one of its key differentiators in the market. They have a strong content team that works closely with directors, writers, and other creatives to develop high-quality, exclusive shows and movies. However, they also license a significant portion of their content from external studios and networks to build a diverse library. For short-form content, I think StreamWave may look at hybrid model producing some content internally while also leveraging user-generated content or licensing content from established short-form video creators. Now, walk me through your approach

To solve this, we need to create a hybrid model that seamlessly integrates short-form content with Streamwave’s existing long-form offerings. This means we should cater to the preferences of younger viewers who are typically mobile-first and prefer bite-sized, viral content while still maintaining the company's strength in original, high-quality long-form programming.

Okay. What next?

Having explored all the case facts, my approach would center around a few key areas that are mobile optimization for short-form content, content integration, social and interactive engagement, data-driven personalization and partnerships and collaborations.

Please break it down. How do you see mobile optimization playing a role in this strategy?

Mobile optimization is crucial because the younger demographic consumes short-form content almost exclusively on mobile devices. Streamwave must ensure that its platform is fully optimized for vertical video formats, just like TikTok or Instagram. A smooth, responsive experience on mobile will be key. Additionally, we could consider creating a short-form video player that allows users to swipe through content easily, similar to what users experience on social media platforms. This means endless scrolling and seamless transitions from one video to the next.

Got it. And regarding content integration, how would you blend short-form content with Streamwave's traditional long-form content?

Short-form content can serve as a gateway to Streamwave's premium offerings. Trailers, behind-the-scenes clips, and highlights can grab attention and drive users to full-length content. For example, a 30-second highlight or funny moment could entice viewers to watch a full episode. Streamwave can also use short videos to promote upcoming shows, featuring actors or influencers in 15-30 second segments. Quick recaps of key episodes can encourage binge-watching.

Interesting! So short-form becomes a way to hook users into the long-form content. Now, what about social and interactive engagement?

Streamwave should embrace interactive, shareable content to boost engagement. Users can create and share short-form videos like reactions, memes, and fan theories tied to original programming. Fan-made challenges—such as dance trends or scene re-enactments—could go viral, fostering community and participation. Streamwave should also enable easy sharing to platforms like TikTok and Instagram to amplify reach.

Those interactive elements could create a real buzz around Streamwave content. Let’s talk about data-driven personalization, how do you envision this working with short-form content?

Short-form content can be personalized using user behavior data. Viewing habits can guide recommendations—action fans, for example, might get clips or trailers from that genre. Engagement patterns like sharing, commenting, or swiping can further refine suggestions, creating a dynamic, adaptive experience.



Interview Transcript

Personalization would definitely make the experience more engaging for each user. Finally, what about partnerships and collaborations, how do they fit into this strategy?

Collaborating with influencers and viral content creators can drive engagement. They can produce exclusive short-form videos or promote series through their own content. Cross-promotion with platforms like TikTok and Instagram—such as sharing 15-second teasers—can attract viewers. Licensing popular short-form content from TikTok or YouTube Shorts could also enhance the platform’s appeal.

Alright, let's dive into this guesstimate. How would you approach estimating the potential revenue from this strategy?

Sure! I'll break down the revenue estimation into five steps: Market Context & Audience Definition, Ad Revenue Estimation, Subscription Revenue Impact, Retention Impact and Cannibalization Effect.

Sounds good. Let's start with the market context.

The streaming platform currently has 20 million subscribers. We are targeting younger demographics, primarily the 18-34 age group, which I’ll assume makes up around 75% of the total subscribers. That gives us a target audience of 15 million users. Now, let’s assume around 50% of these users actively engage with short-form content daily, resulting in a Daily Active User (DAU) base of 7.5 million.

Great! Now, let’s talk about ad revenue.

Sure! The primary revenue source for short-form content is ad revenue. Here's how I would estimate it, on average, let’s assume each user watches around 5 ads per day. So, the total daily ad impressions would be 7.5 million users×5 ads=37.5 million ads per day. Now, assuming a CPM (Cost Per Mille) of \$5, the daily ad revenue would be daily revenue=37.5 million/1,000×5=\$187,500. Therefore, the annual ad revenue would be 187,500×365=\$68.4 million.

That makes sense. What about subscription revenue impact?

The idea is that introducing short-form content will attract new subscribers. Let’s assume a 10% increase in subscribers due to this new content format. That would add about 2 million new subscribers. With an Average Revenue Per User (ARPU) of \$8 per month, the annual subscription revenue calculation would be: Annual Revenue= 2 million×8×12=\$192 million.

Good. What about the impact on retention?

Sure! If short-form content helps reduce churn, that would be valuable. The current churn rate is about 5% per month. Let’s assume introducing short-form content improves retention by 0.5% per month. So, out of 20 million subscribers, 0.5% improvement means about 100,000 subscribers retained per month. Calculating the revenue from these retained users:
Annual Retention Revenue=100,000×8×12=\$9.6 million.

What about potential revenue loss due to cannibalization?

Great point. There’s always a risk that attention on short-form content could reduce time spent on long-form content. I’ll assume a 5% revenue loss from long-form content. The annual revenue from long-form content is 20 million×8×12=\$1.92 billion So, 5% of this amount would be revenue loss=0.05×1.92 billion=\$96 million.

Now, how would you put all of this together?

The net incremental revenue amounts to \$174 million, factoring in multiple revenue streams. Short-form content ad revenue contributes \$68.4 million, while new subscriber subscriptions add \$192 million. Additionally, the retention impact generates \$9.6 million. However, the cannibalization effect results in a negative impact of \$96 million, bringing the final net revenue calculation to \$174 million.

That’s a well-structured approach! As StreamWave integrates short-form content, how is the company planning its budget allocation for this initiative, given that \$25 million is the budget?

We are strategically allocating our budget across content production, marketing, distribution and platform integration to maximize impact.

Let’s break it down. How much is StreamWave investing in content production?

Marketing and promotion will take up around 30% of the budget, roughly \$7.5 million. This includes paid advertising, social media campaigns and collaborations with influencers and content creators who can help amplify our reach on platforms like TikTok and Instagram.

That’s a significant investment. How about marketing and promotion?

We’re dedicating approximately 40% of our budget, around \$10 million, to producing high-quality short-form content, including trailers, highlight reels and exclusive behind-the-scenes footage. This will ensure our content stands out in a competitive space.

Interview Transcript

That makes sense. What about technology and platform integration?

We are allocating 20% of the budget, approximately \$5 million toward enhancing our platform’s user experience. This includes developing new in-app features for short-form content discovery, optimizing recommendations, and ensuring seamless integration with external platforms.

And what about monetization strategies? Are you investing in revenue-generating initiatives?

Absolutely. We are setting aside 10%, about \$2.5 million for ad infrastructure and brand partnerships. This will allow us to monetize short-form content through targeted ads, sponsorships, and premium content offerings.

That’s a well-balanced allocation. How will StreamWave track the return on investment?

We will closely monitor key performance indicators, such as user engagement, conversion rates to full-length content, ad revenue, and subscriber growth. A/B testing will help us refine our strategy and optimize spending.

Could you please walk us through how you would create a financial forecast for the income statement based on historical data and how would you project future growth from here? Based on the given data, the most recent Net Income for the year ending December 31, 2024, is \$9million.

The most effective approach is to apply a Compound Annual Growth Rate (CAGR) which provides a smooth annual growth rate over a specified period. For this forecast, I have used a CAGR of 10%, which is aligned with industry standards for companies operating in the short-video app segment. The industry is expected to grow significantly over the next few years, driven by increasing user engagement, monetization opportunities and the expanding digital advertising ecosystem.

That makes sense. Could you walk me through the calculations?

Sure. Here's how the forecasted Net Income was calculated using the 10% CAGR:

For 2025: Net Income = $87,11,631 \times (1 + 0.10) = 95,94,758$

For 2026: Net Income = $95,94,758 \times (1 + 0.10) = 1,05,68,535$

For 2027: Net Income = $1,05,68,535 \times (1 + 0.10) = 1,16,33,229$

The consistent growth rate applied here is based on the CAGR of 10%, which is a reasonable estimate considering industry trends and projected growth in the market.

Great! Could you also mention how this CAGR was derived or justified?

Certainly. The CAGR of 10% was chosen after reviewing industry reports and analyzing the growth trajectories of similar companies in the short-video app segment. As the market continues to expand and digital content consumption rises, especially with the increasing adoption of short-form content platforms, this growth rate is a conservative yet realistic estimate for the upcoming years.

Very thorough explanation. Thank you!

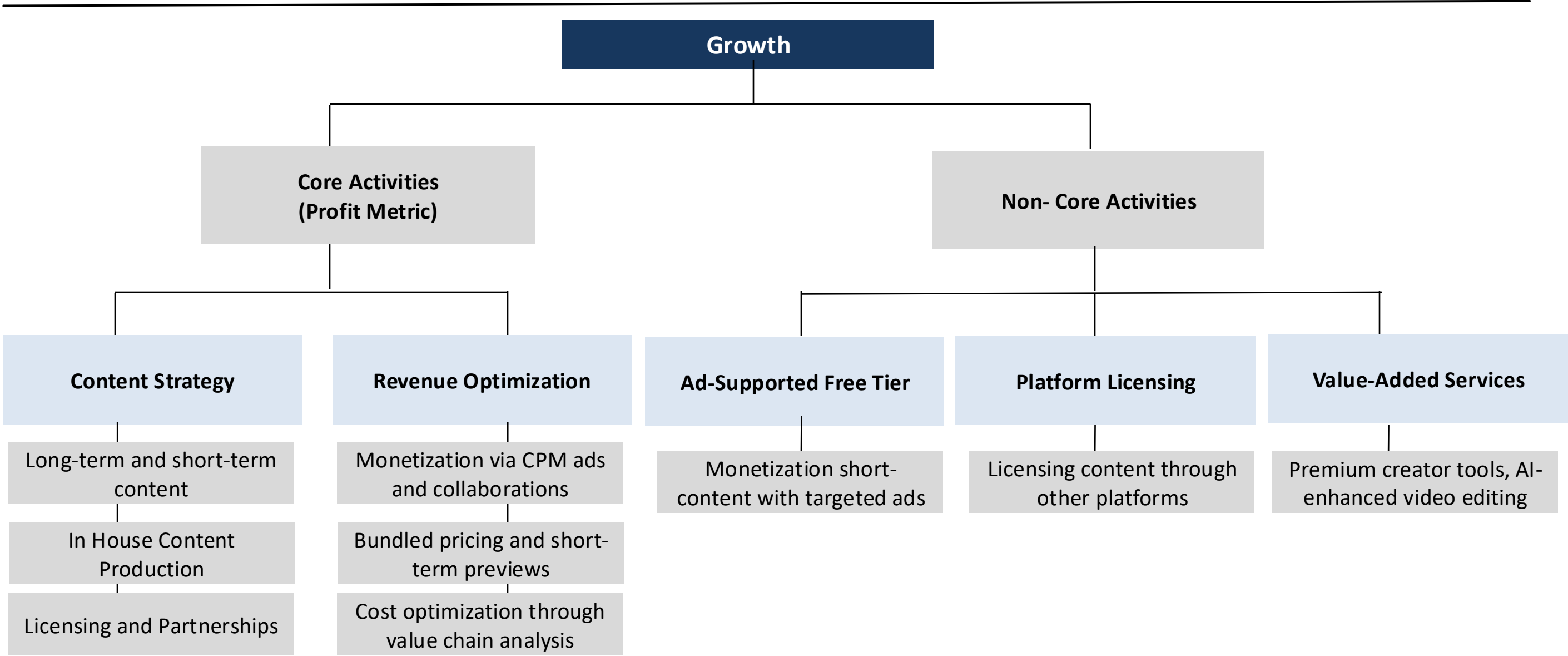


Your consulting firm has been engaged by StreamWave, a leading traditional streaming service, seeking to adapt to the burgeoning popularity of short-form video content. The goal is to develop a comprehensive growth strategy that integrates short-form content into their existing platform to attract and retain viewers, particularly younger demographics.

Case Facts

- Stream Wave is a well-established streaming service that has been in operation for over 18 years. The company primarily offers long-form content, including movies, TV shows, documentaries, and exclusive original series. It has built a strong reputation for delivering high-quality, ad-free viewing experiences, catering to a broad audience.
- Stream Wave has traditionally relied on in-house production for much of its original content, a key differentiator that has allowed it to maintain control over quality and exclusivity.

Approach/Framework



Recommendations

- StreamWave should ensure the platform is fully optimized for mobile-first, vertical video formats like TikTok and Instagram.
- Short-form videos should be used as teasers to promote long-form content, such as trailers, behind-the-scenes clips or highlight reels, to encourage viewers to explore full-length shows and movies.

Brownie Points

- Enabling easy sharing of short-form content on platforms like Instagram, TikTok, and Facebook can boost StreamWave's visibility and virality.
- Introducing fan-driven challenges and interactive features like memes, fan theories, and reaction videos can foster a loyal, engaged community.



Guesstimate

Estimating the Annual Revenue from short-form content

Market Context

Current Subscriber Base – 20 million

Age Group	18-35
%	75%
Total	15 million
	50%
Total Daily User Base	7.5 million

Ad Revenue Estimation

Total daily impressions	37.5 million ads per day
Daily Add Revenue	\$187500
Annual Revenue	\$68.4 million

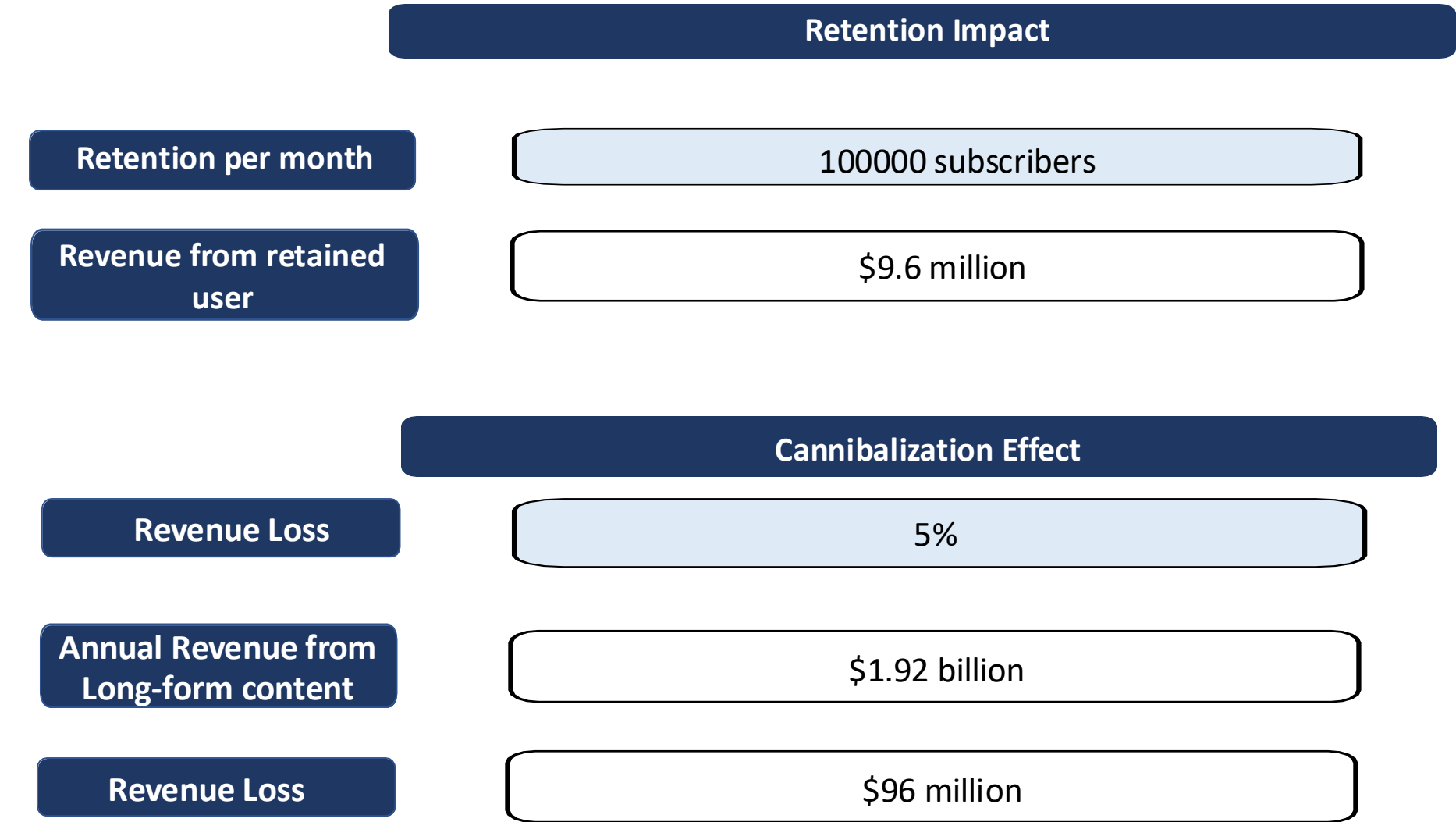
Subscription Revenue Impact

New Subscribers	2 million
Average Revenue per user	\$8
Annual Subscription Revenue	192 million

- Assumptions
- Assuming 5 ads per day for daily ad impressions.
 - Assuming 5\$ per ad for calculating ad revenue.
 - Assuming 0.5% retention per month



Guesstimate



Exhibits

EXHIBIT 1: Income Forecasting			
Particulars	2025	2026	2027
Revenue (\$)	42.9 Bn	47.19 Bn	51.91 Bn
Operating Income (\$)	11.46 Bn	12.61 Bn	13.87 Bn

EXHIBIT 2				
Particulars	Technology and platform integration	Revenue Generating Activities	Content Production	Marketing Promotion
Share	20%	10%	40%	30%

Assumptions

- Assuming the population of US to be 35 Crores
- Not targeting the population in the age group below 18 and assuming they form 25% of the total population of US
- By compatible devices we mean smartphones, PCs, laptops, tablets in a working condition for the social media to run



Click/Scan the QR code to access the Guesstimate Spreadsheet



Interview Transcript

Your client is a leading traditional meat production conglomerate with a strong legacy built on quality and heritage. The company is now at a strategic crossroads: should it defend its traditional model, pivot entirely toward lab-grown meat, or develop a hybrid model that leverages both streams? Your task is to develop a comprehensive growth strategy that positions the company as a leader in the "new protein" revolution while preserving its core brand values.

To begin with, I'd like to clarify some doubts.

Certainly, please proceed.

What are the geographical regions in which our company currently operates?

We primarily operate in India, focusing on coastal regions and the northern states.

Understood. What types of meat does our company specialize in?

We offer a diverse range, including chicken, mutton, goat meat, pork, and seafood.

Noted. Now, before analyzing strategic options, I'd like to estimate the market size for lab-grown meat in India.

Sounds good. How would you approach this?

I'll break it down step by step, focusing on population segmentation, adoption rates, consumption patterns, and pricing. India's total population is approximately 1.4 billion. Around 60% of Indians are non-vegetarian, which gives us 840 million non-vegetarians. To narrow it down, Lab-grown meat is likely to appeal more to urban consumers due to higher awareness and disposable income. Urban dwellers constitute about 25% of the total population, amounting to 210 million people.

Not everyone will have access to lab-grown meat initially. How do you account for that?

Accessibility will be limited in the early phase due to distribution constraints and pricing. Assuming only 10% of urban non-vegetarians will have access initially, we arrive at 21 million people. If we further assume an early adoption rate of 5%, we get approximately 1.05 million early adopters.

That's reasonable. How would you estimate their consumption?

I'll segment them based on their meat consumption frequency. Frequent eaters, about

15% of the early adopters consume 6 kg per year each. Moderate eaters, about 40%, consume 3 kg per year each. Occasional eaters, nearly 30%, consume 1.5 kg per year each. The remaining 15% may adopt but not purchase regularly. Adding these up, the total estimated consumption comes to around 2.677 million kg per year. For Pricing, I'll use average price points based on global figures. Considering chicken, which makes up 40% of non-vegetarian consumption, at Rs. 700/kg, we get a total of Rs. 74.97 crore. Seafood, at 15% of consumption, priced at Rs. 1,000/kg, contributes Rs. 40.16 crore. Red meat, also at 15%, priced at Rs. 1,400/kg, accounts for Rs. 56.23 crore. The remaining 30%, assumed to be other types of meat priced at Rs. 750/kg, adds up to Rs. 60.24 crore. Thus, the total market size is approximately Rs. 231 crore (USD 28.16 million).

That's a fair estimate. Let's evaluate the strategic alternatives available to our client. How would you approach this?

We have three alternatives. For each, I'll assess market demand, production time, costs, consumer perception, health effects, environmental impact, and competitive positioning.

Sounds good. Let's start with the first option—defending the traditional model.

This approach leverages our established supply chain, brand trust, and stable demand in high-consumption states like West Bengal, Punjab, and Kerala etc where traditional meat remains a strong market segment and also in Tier-2 and Tier-3 cities where fresh, natural meat is preferred. With no additional R&D or infrastructure costs, the investment risk is lower, and opportunities exist for premiumization through organic or antibiotic-free meat. However, sustainability challenges, health concerns, rising feed costs, and potential regulatory changes pose long-term risks, making diversification into alternatives essential for future growth.

That makes sense. Let's explore the second option—pivoting entirely to lab-grown meat.

Transitioning to cultured meat requires significant investment in R&D, biotechnology, and production facilities, but it offers major sustainability and health benefits, using 90% less land and water while eliminating antibiotics and disease risks. Faster production cycles (6-8 weeks) and customized nutrition present strong advantages, and early market entry could secure a first-mover edge in India. However, high costs, regulatory uncertainty (FSSAI approval pending), consumer skepticism, and complex scaling make an immediate full pivot impractical despite long-term potential.



Interview Transcript

Understood. Let’s move to the hybrid model.

The hybrid model allows the company to sustain traditional meat sales while gradually introducing lab-grown meat as a premium, sustainable alternative, leveraging brand trust and an existing customer base. Phased R&D investment reduces upfront costs, and hybrid products may ease regulatory approvals. However, managing dual supply chains and marketing strategies is complex, and poor positioning could cause brand confusion. While traditional meat lacks long-term growth and a full pivot is too risky, the hybrid approach balances stability with strategic expansion into cultured meat.

Based on this analysis, which alternative would you recommend?

The traditional model lacks long-term growth potential, while a full pivot to lab-grown meat is too risky due to high costs and regulatory hurdles. The hybrid model offers the best balance, allowing the company to retain its traditional business while strategically expanding into cultured meat.

That’s a well-reasoned conclusion. Now, let’s evaluate financial feasibility.

(SHOWS EXHIBIT 1)

This provides a clear comparison of the cost structures. The traditional model has the lowest production cost of Rs. 300/kg and sells for Rs. 400/kg, giving a profit margin of 25%. The lab-grown meat model incurs a high production cost of Rs. 800/kg but sells at Rs. 1200/kg, resulting in a 33% margin. The hybrid model has a cost of Rs. 500/kg and a selling price of Rs. 750/kg, offering a 30% margin.

That said, a pricing comparison alone doesn’t give a complete picture. To make a financially sound recommendation, I’d evaluate break-even points and payback periods for each alternative.

That makes sense. How would you approach that?

I’ll start with the break-even point. We know that, $\text{Break-even volume} = (\text{Fixed Costs} / \text{Profit per Kg})$. So, for the traditional model and the cultured meat model, it comes to around 50 Lakh Kg, while for the Hybrid Model, it comes to around 40 Lakh kg, making it a more feasible option for profitability in the early years.

But break-even alone doesn’t account for cash flow over time. What’s your next step?

I’ll now estimate the payback period using the formula, $\text{Payback Period} = \text{Years before full recovery} + (\text{Unrecovered cost at the start of the year} / \text{Cash flow during the year})$. The traditional model remains highly profitable, with revenues growing from ₹800 Cr and a payback period of just 4 months. The lab-grown model, capturing 10% of the TAM, sees rapid growth (30% YoY) but remains unprofitable

within five years. The hybrid model, balancing both markets, grows steadily, reaching ₹35.4 Cr in Y5, with a payback period of 4 years and 8 months. While the traditional model offers immediate returns, the hybrid approach ensures long-term growth, whereas the lab-grown model requires significant time to break even.

That paints a clear picture. What conclusions can we draw from this?

The numbers suggest that while the traditional meat model is stable, it lacks long-term growth. It breaks even quickly but faces rising costs and sustainability concerns. Lab-grown meat has high profitability potential, but the extended payback period required to recover the Rs. 200 Cr investment makes it a high-risk strategy. The hybrid model strikes the best balance between risk and return—it breaks even in about 4.6 years, has scalable revenue, and leverages existing infrastructure, making it the most financially viable option.

Now after assessing financial feasibility, let’s analyze the competitive landscape. Have a look at this.

(SHOWS EXHIBIT 2)

We can see that Beyond Meat and Eat Just are already commercialized but not focused on India, meaning competition is minimal in our market. Memphis Meats is still in R&D, indicating that even global leaders have not fully scaled yet. The only Indian players— GoodDot and Clear Meat—lack mass production and strong brand positioning. Thus, our client has a strong opportunity to enter early and establish itself as the dominant lab-grown meat player in India before global brands arrive.

Now, shall we move on to the growth strategy for our client?

Given the emerging nature of lab-grown meat in India, the growth strategy must be phased to ensure market penetration, scalability, and long-term leadership. I’d structure it into a five-year roadmap.

How would you structure this five-year rollout?

The first phase, covering Y1 and Y2, should focus on testing product-market fit and establishing credibility. The client should begin with a pilot launch in Tier-1 cities like Delhi, Mumbai, Bangalore, Hyderabad, and Kolkata, where early adopters are more open to premium, sustainable alternatives. To build trust, they should partner with high-end restaurants, hotels, and cloud kitchens, allowing consumers to experience lab-grown meat through trusted brands before rolling out in retail. Additionally, targeted consumer awareness campaigns emphasizing sustainability, health benefits, and ethical production should be launched to address hesitation. Meanwhile, the FSSAI approval process should be initiated.

Interview Transcript

That’s a strong start. What’s next?

In Y3 and Y4, the focus will be on scaling and cost optimization by expanding into high meat-consumption states like Punjab, Maharashtra, Kerala, and West Bengal. Direct-to-consumer (D2C) sales will be launched via online platforms with cold-chain logistics to ensure seamless delivery. Hybrid meat products, blending traditional and lab-grown meat, will be introduced to offer a more affordable and familiar option. Additionally, investing in in-house production facilities will help lower costs per kg and improve profit margins. To further expand market reach, export opportunities will be explored in Singapore and the UAE, where alternative proteins have higher acceptance

And how do we achieve mass adoption?

By Y5 and beyond, the focus will be on mainstream availability and profitability through expansion into Tier-2 and Tier-3 cities like Jaipur, Lucknow, Indore, and Chandigarh. Lowering production costs will drive affordability, making lab-grown meat more accessible to a broader audience. Retail distribution will be expanded into supermarkets and QSRs to strengthen market penetration. At this stage, the company should achieve profitability, establish a strong market presence, and shape industry standards. Additionally, global expansion will be explored, leveraging India’s cost advantage to enter other alternative protein markets.

How does this strategy ensure leadership in the new protein segment?

By entering early, we build consumer trust before global competitors. The hybrid model balances traditional and future consumer needs, preventing market loss. Scaling production reduces costs, making lab-grown meat accessible. Additionally, proactive regulatory engagement positions us as a policy leader in India’s lab-grown meat space.

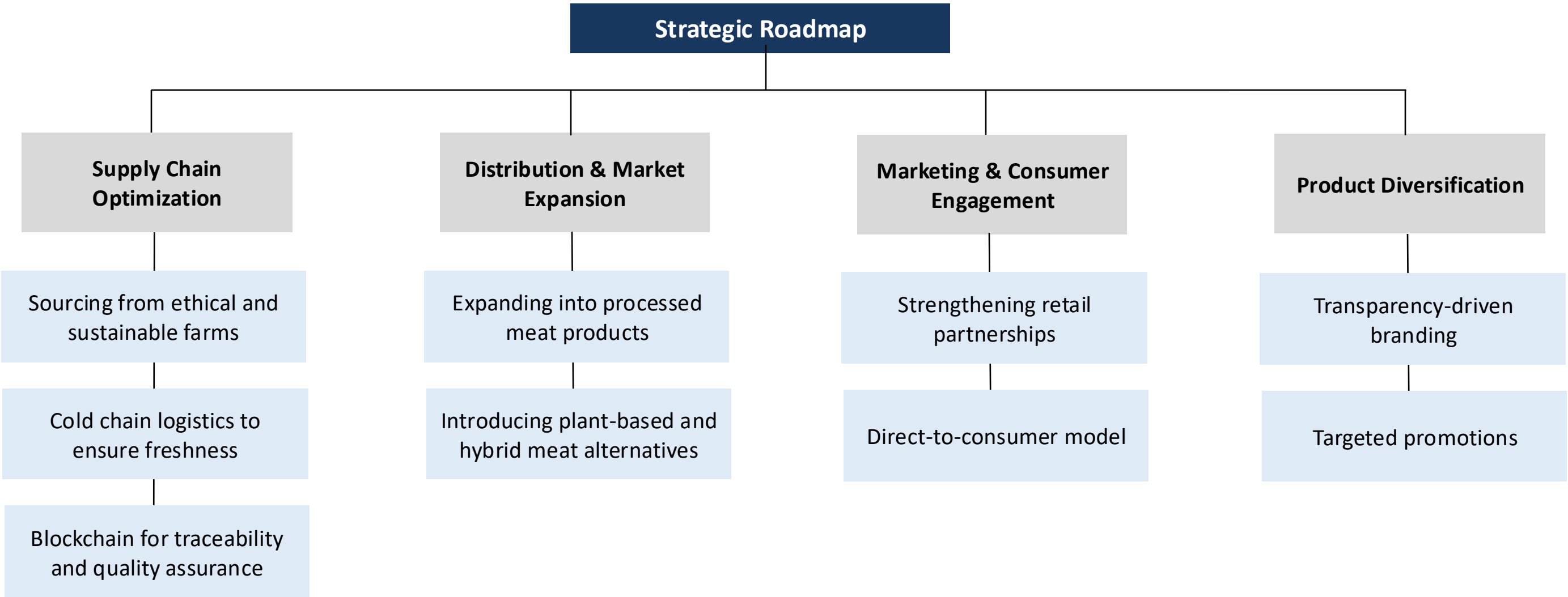
That’s a well-structured roadmap. I think we’ve covered all aspects—we can wrap up the case now.

Your client is a leading traditional meat production conglomerate with a strong legacy built on quality and heritage. The company is now at a strategic crossroads: should it defend its traditional model, pivot entirely toward lab-grown meat, or develop a hybrid model that leverages both streams? Your task is to develop a comprehensive growth strategy that positions the company as a leader in the "new protein" revolution while preserving its core brand values.

Case Facts

- The client a leading traditional meat production conglomerate with a strong legacy built on quality and heritage.
- The company is well-established in the traditional meat market, offering chicken, mutton, goat meat, pork, and seafood, and focusing primarily on coastal regions and northern states of India.

Approach/Framework



Recommendations

- The client should lab-grown meat alongside traditional products in Tier-1 cities, starting with pilot programs in premium restaurants and expanding into D2C sales and regional markets.
- The sustainability and health benefits of lab-grown meat should be highlighted in marketing campaigns to appeal to environmentally conscious and health-focused consumers.

Brownie Points

- Implement loyalty programs to reward early adopters of lab-grown meat, encouraging repeat purchases and fostering brand loyalty.
- Develop hybrid products that cater specifically to health-conscious consumers, such as low-fat or high-protein variants of lab-grown meat, to further differentiate from competitors.

Guesstimate

Estimating Market size of Cultured meat market in India

Estimating early adopters of cultured meat

	Total Population = 140,00,00,000
Food Preference	Non Vegetarian
%	60%
Geography	Urban
%	25%
% with Access	10%
Total	1050000

Calculation of total annual consumption

Consumption Frequency	Frequent	Moderate	Rare	Never
	15%	30%	40%	15%
Annual per capita meat consumption (in Kgs)	6	3	1.5	0
Annual Consumption	945000	1260000	472500	0
Total	2677500			

Calculation of total annual consumption

Meat Preference	Chicken	Red Meat	Sea Food	Others
	40%	15%	15%	30%
Average Cost per Kg (in Rupees)	700	1000	1400	750
Total Revenue	749700000	401625000	562275000	602437500
Market Size (in Rupees)	2316037500			



Guesstimate

Assumptions

- 25% of urban residents are non vegetarians
- Frequent eaters consume 6kgs of meat per annum
- Moderate eaters consume 3kgs of meat per annum
- Occasional eaters consume 1.5kgs of meat per annum
- 10% of Urban non vegetarians have access to cultured meat
- 5% of urban non vegetarians initially adopt cultured meat
- Packaging material required is measured in terms of units
- Only Urban population is able to access cultured meat

Financial Exhibits

EXHIBIT 1: Cost vs Selling price per Kg		
Alternatives	Avg Production Cost (Rs/Kg)	Avg Selling Price (Rs/Kg)
Traditional Model	300	400
Lab Grown Model	800	1200
Hybrid Model	500	750

EXHIBIT 2: Competitive landscape : Lab Grown Meat Industry		
Competitor	Product Stage	Market Presence
Clear Meat	R&D	India
GoodDot	Commercial	India
Memphis Meats	R&D	Global
Eat Just	Commercial	Global
Beyond Meat	Commercial	Global



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Interview Transcript

Your client is a Tech-based logistics startup on Series-B funding, currently operating in 2 Indian states, looking to grow into 3 more states. You are required to devise a go-to-market strategy, along with the factors that should be considered for state selection.

I would like to ask a few clarifying questions as I'd like to understand more about our client before I begin to analyze the case.

- 1. In what geography is the client currently operating?
- 2. What type of logistics services does the company provide?
- 3. What is the market share of the company in the industry?
- 4. Are the services B2B or B2C?

The client is working in 2 south Indian states, Kerala and Tamil Nadu. The client currently provides truck-based logistics services. I would like you to calculate the truck-based logistics market size in India and then we can get back to this question. The client provides logistic services to the businesses, for example, transportation of raw materials, machinery, etc.

Ok so I will start by calculating the total truck-based tech logistics services in India. My approach will be to calculate the total number of units in different sectors of the country. After that, we will calculate the units using any kind of transport for logistics. (refer to guesstimate)

Yes, that's a good number.

What information do we have on the dominant players in the market as well as the market share of our company

The market is very fragmented; thus, no player holds a dominant market share as of now. Right now, we have an annual revenue of 50 crores with 20% EBITDA margin

Ok sure. Before that can you please elaborate on the features of the application through which a customer can book a truck? What is the pricing model adopted by the company?

The application has basic features, the customer can open the app and choose the type of truck as per convenience. Once the truck is booked the driver approaches the location and delivers the goods. The company has fixed charges as well as charges per km based on the truck category.

Further I would like to know:

- 1.What type of companies are the major competitors?

- 2. Is the client thinking of expanding to B2C?

Direct competitors are Truckky, Wheelseye and Porter. Also, there are some unorganized players in the market. No, the client wants to be in B2B only.

Can I take 30 seconds to make a structure?

Sure

So for the growth aspect I would like to suggest some changes in the pricing model as it will help with flexible pricing and increase the attractiveness towards the company which leads to growth of the company as well as the transit time. Then some ways for organic and inorganic ways to grow.

Ok start with the suggestions for the pricing model.

Since live pricing turns out to be the prominent USP, the customers would be able to find the real time price update on the app now they search for a specific itinerary. This provides an estimate to the customers about the fair price which is updated on regular intervals and is calculated based on the model of the truck, its features, weight of the freight, the distance that must be covered etc. Another important feature to consider is the Rate index for the truck drivers which is calculated as the total of the rate that is coated on the load, fuel surcharge pricing as well as an additional fee for detention, multi-stop charges, driver unload, lump sum fees etc. Such a rate index should be easily visible and accessible to the customer through the app.

Alright, what additions can the company make to enhance the existing USP?

There are some main points for the customers while initiating the request, following factors could be considered to update the application and to enhance the existing USP:

- Customer feedback
- Hassle-free booking feature
- Reducing transit time as compared to typical operators. The reason why one would choose a tech-based logistics firm is if it offers perks over other operators and therefore transit time is a big factor considered by companies while doing so.
- Providing a live tracking system - The introduction of such a system where customers can track the vehicle and get live support through chat in case of any modification and assistance would help to bring in more ease and transparency in the processes of route planning, real-time tracking and reliable documentation and control, among others.

Alright, what strategies do you suggest that the company should employ to expand/grow?



Interview Transcript

The company should enter the market by acquiring local and unorganized logistics providers. The client can do it in two ways:

1. By providing a platform for unorganized players to tap new clients.
2. By taking over the local players and providing services to their clients

Other Techniques I'd like to suggest would be:

1. Offline
2. Advertising the company on all the trucks owned by the company
3. Advertisement hoardings

Fair enough. How do you plan on selecting the three states for expansion?

3 potential states to be considered for expansion can be selected by keeping in mind the following criterion:

State Selection Criteria:

- 1.The state which has a high number of manufacturing units.
- 2.States which are near to Ports as the logistics are used to transport products from units to the ports.
- 3.The state with operational SEZs.

Alright, How would you go about that?

Since we're already operating in two south Indian states, we have a pre-established inventory, equipment and customer base. To take full advantage of potential operational synergies, I suggest that we expand into the states that lie in the vicinity of our current operations. So, we can narrow down the major states according to the above criterion:

1. Karnataka
2. Andhra Pradesh
3. Telangana

Please state specific reasons for each state, beginning with Karnataka.

Karnataka has a vibrant automobile, agro, aerospace, textile and garment, biotech, and heavy engineering industries, also it houses an attractive mining sector.

It is home to many operational SEZs as well. The prevalence of the manufacturing sector and the existence of SEZs illustrates a need for truck-based logistics services here.

And what about Andhra Pradesh?

The proximity of ports in Andhra Pradesh provides a window for a logistic company to set up its operations here. Most Coal-based power plants in the country are located which as well would require a logistics infrastructure as well. Key industrial segments including Biotechnology, Bulk drugs, Pharmaceuticals, textile and automotive industries all comprising the target market of the company are also present here.

Okay, Go for Telangana next.

Telangana is a hub of the pharmaceutical and IT industries while also being a major producer of fruits and vegetables. It is a mineral-rich state. Two important rivers of India, the Godavari and Krishna, flow through the state; its agriculture sector is booming as well.

The prominence of food crop production and transport coupled with mining activities justifies the requirement for logistics services in the state.

I hope this analysis adequately demonstrates the need for logistics services in the mentioned states.

Sounds about right. Thank you for this comprehensive approach. Also, as we are going for series B funding, could you suggest to us the best valuation method and valuation of our company?

Valuation in the Series A funding round should be multiplied by the times the revenue has increased. Whereas the company is still in its initial phase the best valuation approach is the market multiple approach

Could you elaborate on why the market multiple approach is feasible?

The multiples approach seeks to capture many of a firm's operating and financial characteristics in a single number that can be multiplied by a specific financial metric like EBITDA to yield an enterprise or equity value. It'd be the most credible approach as it relies on actual market transactions and involves minimal assumptions. Basically, indicating what the market is willing to pay for a company.

Could you elaborate on why the market multiple approach is feasible?

So for valuing the company I need some data regarding the recent acquisitions in the Logistics industry.

Ok, Go ahead with the valuation.

From the given information, company B is not a comparable company so it should be excluded from the analysis. Whereas, from the remaining 2 acquisitions we can identify that we can value the company by 5X EBITDA multiple. (Refer to financials)

Interview Transcript

Ok. Can you give me the exact number?

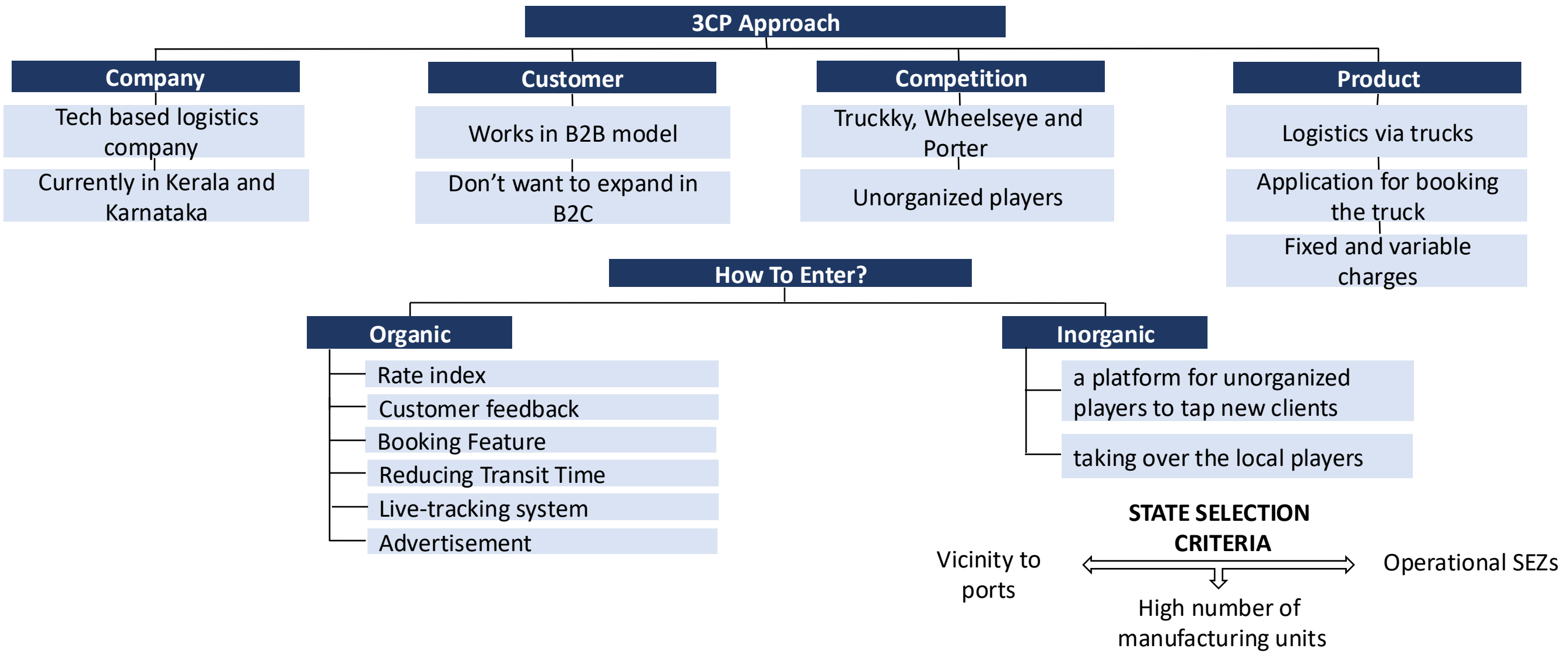
Since our client is making a revenue of 50 crores annually with EBITDA margin of 20%. Which gives us the EBITDA of 10 Crores. EBITDA multiple is 5X, so we raise round B funding at around 50 Crores.

Your client is a Tech-based logistics startup on Series-B funding, currently operating in 2 Indian states, looking to grow into 3 more states. You are required to devise a GTM strategy, along with the factors that should be considered for state selection.

Case Facts

- Tech-Based Logistics Startup
- On Series B Funding Round
- Current Operations: Kerala & Tamil Nadu

Approach/Framework



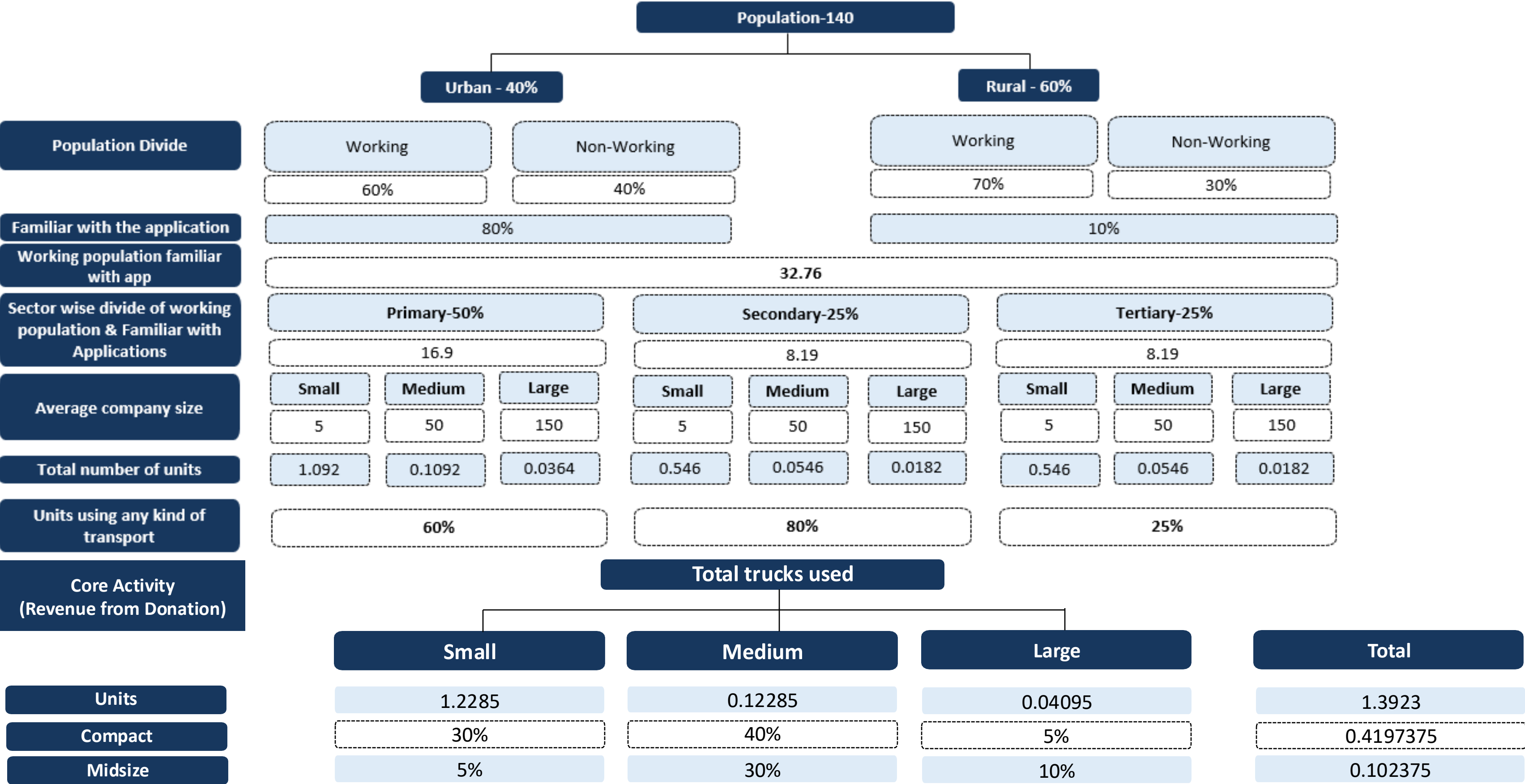
Recommendations

- Aim of reducing transit time.
- Providing a live tracking system.
- Efficiently progressing with the live pricing technique.

Brownie Points

- Analyzing more valuation methods.
- Interviewee should have suggested to go B2C as it will have a high growth probability.

Guesstimate



Guesstimate

Full size	0%	5%	30%	0.0184275
Heavy duty	0%	5%	30%	0.0184275
Other transport	65%	20%	25%	0.8333325
Total trucks used				0.5589675

PRICING				
Types of trucks	Compact	Midsize	Full size	Heavy duty
Fixed charges	500	2000	5000	10000
Variable charges	25	30	35	40
Average distance covered	100	300	600	1000
Number of trucks	0.4197375	0.102375	0.0184275	0.0184275
Market size	1259.2125	1126.125	479.115	921.375
Total market				3785.8275

Assumptions

- People above the age of 50 don't drive trucks
- Two wheelers and three wheelers are not considered
- Pts on who is driving has a driving license
- Business is B2B
- Trucks are used for logistics, House shifting, Tow trucks, firefighting trucks
- Unit is crore



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Financial Exhibits

EXHIBIT 1: Firm value for 3 rd funding round			
Name	Description	EBITDA	Selling Price
Company A	A Logistics company operating in B2C market by small vehicles like, 2 & 3 wheelers	250 Crores	1250 Crores
Company B	A fintech company providing payment gateway for B2B payments	125 Crores	300 Crores
Company C	A logistics company in B2B and B2C market	100 Crores	500 Crores

EXHIBIT 2				
Client	Revenue	EBITDA Margin	EBITDA Multiple	Valuation
Tech Based logistics company	50 Crore	20%	5 X	50 Crores

Interview Transcript

Your client, FlyFast, an e-commerce drone delivery logistics company, is looking to expand while balancing competition. As a consultant, we'd like you to explore potential growth opportunities.

Before diving into the details, I'd like to clarify the objective of this expansion. Is FlyFast looking to grow its market share, improve profitability, or venture into new service offerings?

The primary objective is market expansion while maintaining a competitive edge. FlyFast aims to scale its operations in a sustainable manner.

Understood. Could you provide some background on their current operations? Specifically, where do they operate, and how long have they been in the market?

Currently, FlyFast operates in Tier 1 regions of India. They have been in the market for two years, positioning themselves as a tech-driven logistics company.

Got it. To better frame my approach, do we have data on the total number of e-commerce drone deliveries made in India annually?

That's something I'd like you to estimate for me.

I'll start by considering the working-age population (15-60 years) and focus on the urban Tier 1 areas. Then, I'll filter by smartphone ownership, internet penetration, and income levels to estimate e-commerce adoption. Next, I'll segment deliveries by logistics type, delivery mode, and finally, within aerial deliveries, determine the share handled by drones. My final estimate is 10.22 lakh deliveries.

That's a sound number. Now, based on this, can you estimate Flyfast's top line and bottom line.

Absolutely. However, before proceeding, I'd like to understand FlyFast's revenue channels. Do they operate solely in B2C, or do they have existing contracts with businesses or government entities?

Good question. FlyFast operates as a third-party logistics (3PL) provider, handling both B2C deliveries and B2B contracts. They currently have delivery agreements with four corporates and six government organizations & schemes, including AIIMS and PM Krishi Yojana.

That helps. I'll estimate the top-line as the sum of revenue from B2C deliveries, B2B contracts, and additional revenue sources like advertising on drones.

Yes, that's the correct approach. Please proceed.

To estimate FlyFast's revenue I have assumed that FlyFast holds a 10% share of India's e-commerce drone delivery market, that translates to around 1 lakh B2C and 50,000 B2B deliveries annually. Assuming an average revenue of ₹30 per km for B2C and ₹25 per km for B2B, and with each delivery covering about 15 km, the delivery income works out to around ₹4.7 crore annually. Based on each drone doing 20 deliveries a day, the firm would need around 21 drones. With ad revenue of ₹10,000 per drone per month, that adds another ₹25 lakhs a year. So, the total estimated revenue comes to roughly ₹4.9 to ₹5 crore.

That makes sense. Now, let's move forward—can you break down FlyFast's cost structure and estimate its bottom line?

Alright, so I will start by looking at FlyFast's cost structure, which I will split into two main buckets: fixed and variable costs. On the fixed side, R&D is assumed to be 5% of revenue, infrastructure is 10%, and maintenance is spread across the fleet over a 15-year lifespan. All of that adds up to roughly ₹1 crore. Then for variable costs, it's about ₹6 per km for energy, ₹2 for software, and ₹1 for other expenses—so ₹9 per km in total. With each delivery averaging around 15 km, that brings the variable cost to about ₹2 crore annually. Put together, total costs come out to roughly ₹3 crore, and after accounting for revenue, FlyFast is looking at an annual profit of around ₹2 crore.

That makes sense. Now that we've established FlyFast's current financial position, let's discuss how the company can expand.

Given FlyFast's tech advantage, one strong option is AI-driven optimization. Improving routing algorithms would reduce delivery times, lower energy costs, and enhance overall efficiency, directly boosting profitability.

Don't you think, like its competitors, FlyFast should also consider tapping into the rural market?

That's a fair point. Rural expansion could bring in new customers, but setting up operations there would require significant infrastructure investment, which may not be ideal at this stage. Additionally FlyFast could focus on disaster relief deliveries, securing government contracts for emergency logistics. This would help build credibility while adding a steady revenue stream.

As the company is in its early years, it would be best to focus on 1 thing. Which would you suggest ?

For a young company in a fast-moving industry, profitability should be the priority. The best expansion strategy would be the one that strengthens the bottom line while improving operational efficiency.

Interview Transcript

That’s fair. Let’s evaluate the financial impact of each option

Starting with AI-driven optimization: By improving routing algorithms, deliveries per drone increase by 15 %. Also Optimized routes reduce energy costs & automation leads to labor savings & reduction in variable cost by 30 % per delivery. Net profit increases by 22.79 %

Alright. What about rural expansion ?

Rural expansion would require setting up new warehouses, leading to high capex and pushing infrastructure costs from the current level 10% of revenue to 20%. While rural deliveries would bring in new revenue, the overall market size remains limited. Since the increase in cost outweighs the revenue gains, this option would be better suited for the future, maybe 4-5 years down the line.

Understood. Now, let’s consider disaster relief contracts.

Disaster relief deliveries would function on a contract basis with the government. FlyFast could secure three major contracts, each requiring 10,000 deliveries annually. This could help build a strong relationship with the government over time, opening doors for future contracts. But since this doesn’t really optimize variable costs, the net profit increase would be lower compared to something like AI-driven improvements.

So, based on this, what’s your final recommendation?

Given FlyFast’s current financial standing and technological strength, investing in AI-driven optimization is the best approach. It boosts operational efficiency and maximizes profitability. Once FlyFast achieves a stable financial position, the company can look at rural expansion as the next step. Disaster relief contracts, while beneficial, should be pursued as a supplementary revenue stream rather than the primary focus.

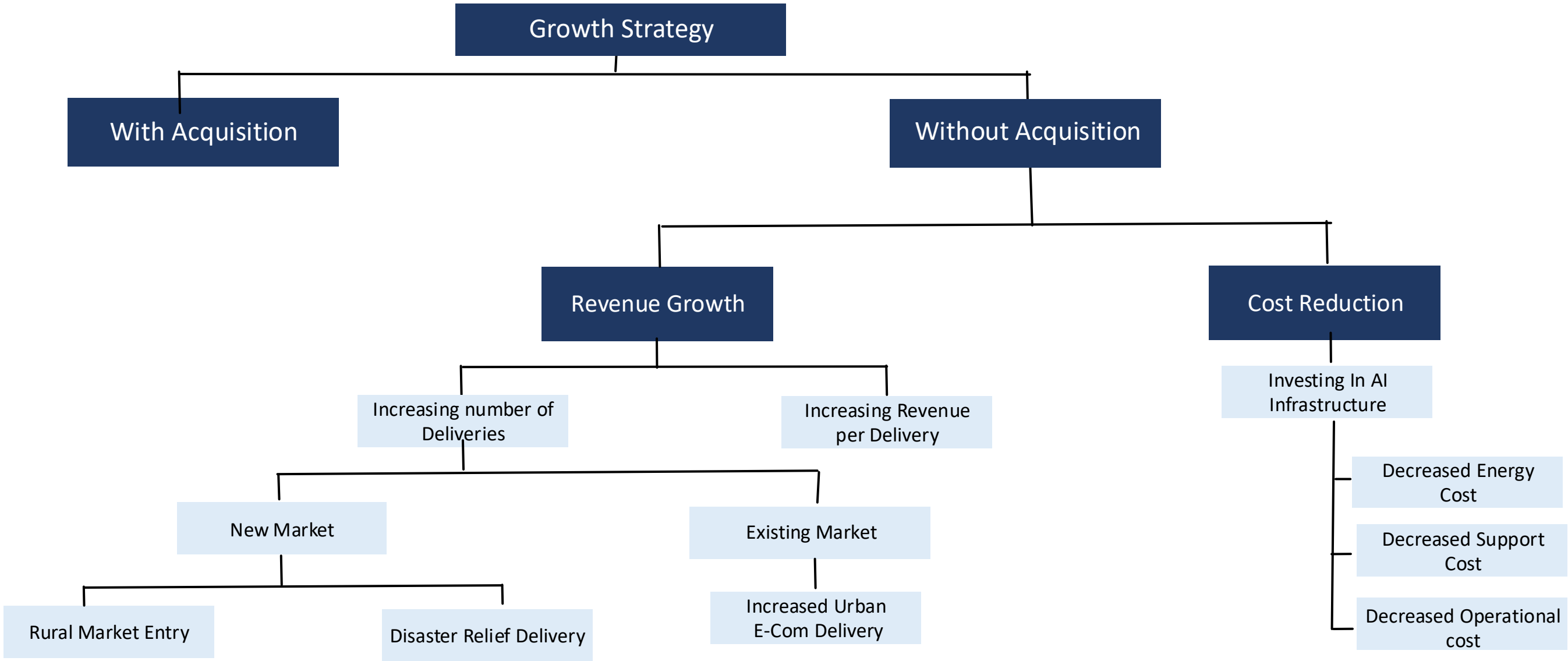
That’s a rationale recommendation with a well-structured approach. Good work.

Your client, FlyFast, an e-commerce drone delivery logistics company, is looking to expand while balancing competition. As a consultant, we'd like you to explore potential growth opportunities.

Case Facts

- FlyFast Delivery is an Indian drone-based logistics startup operating in both B2B and B2C segments, partnering with firms while also fulfilling direct-to-consumer deliveries.
- FlyFast holds a technological edge in the drone delivery market with its AI-driven routing system,
- Launched two years ago in Tier-1 cities like Bangalore and Delhi, the company has positioned itself as a disruptor in India's \$4.2 billion e-commerce logistics market.
- Competition in the drone logistics space is intensifying, with rival AeroLogix deploying drone swarms to gain dominance in high-volume deliveries

Approach/Framework



Recommendations

- Invest in further AI advancements to refine real-time route optimization, reducing battery consumption and operational costs.
- After achieving stable financial position in 3-4 years Set up regional fulfillment hubs for Rural deliveries.

Brownie Points

- Selling aerial and logistics data to urban planners and e-commerce firms can unlock new revenue.
- FlyFast can position itself as an ESG leader by leveraging its drones for disaster relief attracting government incentives and impact-focused investors.

Guesstimate

Number of B2C e-commerce drone deliveries made in tier 1 centers in India

	Total Population = 1400000000			
Age Group	0-15	15-30	30-60	60+
	25%	20%	45%	10%
	350000000	280000000	630000000	140000000
Target Group(15-60)	910000000			
Rural/Urban	Rural		Urban	
	65%		35%	
	318500000		591500000	
	591500000			
Urban Tier Cities	Tier 1	Tier 2	Tier 3	
	15%	40%	45%	
	47775000	127400000	143325000	
	47775000			
Device Ownership	95%			
	45386250			
	Internet Penetration	90%		
40847625				
Income		High	Middle	Low
	20%	45%	35%	
	8169525	18381431	14296668	
E-com Adoption	80%	40%	20%	
	6535620	7352572.5	2859333.75	

Avg. Monthly Orders	12	6	3
	78427440	44115435	8578001
Total Annual Orders	1573450515		
Delivery Channel	In House		3 rd Party
	35%		65%
	550707680.3		1022742835
	1022742835		
Delivery Type	Same Day		Standard
	20%		80%
	204548567		818194267
	204548567		
Delivery Mode	Road/Rail & Sea		Aerial
	95%		5%
	194321138		10227428
	10227428.35		
Aerial Delivery	Air Cargo		Drone
	90%		10%
	9204685		1022742
	1022743		

- Assumptions
- Generally People aged between 15-60 usually place e com orders Via Drones.
 - 95% of tier 1 population have at least 1 smart device ownership and 90% of them have Internet access
 - 65% of total E-Com deliveries are handled by 3PL(3rd party logistics providers)
 - Only 1/5th of the E-Com Deliveries are delivered on the same day on which the order is placed.
 - Only 10% of the aerial deliveries are done Via Drones

Click/Scan the QR
code to access the
Guesstimate
Spreadsheet

Financial Exhibits

EXHIBIT 1				
Top Line Estimation (in Rs.)				
B2C Delivery Revenue				
Base Fair/Km	20			
Distance Surcharge/km	8			
Demand Surge/Urgency Charge	2			
Average revenue Per Km	30			
Avg. km travelled for per delivery	15			
Annual B2C Deliveries (10% of market)	102274			
B2C Revenue	46023427			
Delivery Contracts Revenue				
Type	Partners	Avg. Delivery	Price/Delivery	Revenue
Commercial	4	5000	25	500000
Government	6	5000	20	600000
Total Annual B2B	50000			1100000
Ad Revenue (Drone Body)				
Total Drones (Assuming 20 delivery/day by each drone)	21			
Avg. Ad Revenue per drone/Month	10000			
Net Ad Revenue (Yearly)	2503138			
Total Revenue				49626566

EXHIBIT 1 (continued)	
Cost Structure and Bottom Line	
Fixed Cost (Annual)	
R&D (5% of revenue)	2481328
Maintenance Cost (Done's Total cost/15)	2085949
Infra & Warehouse Cost (10% of revenue)	4962656
Total Fixed Cost	9529934
Variable cost	
Energy Cost/Km	6
Software support cost/Km	2
Other Costs/Km	1
Average V.C per Km	9
Avg. km travelled for per delivery	15
Total Variable cost	20557028
Total Cost	30086962
Profit	19539604

Financial Exhibits

EXHIBIT 2				
Impact of AI Investment on Top Line (in Rs.)				
B2C Delivery Revenue				
Base Fair/Km	20			
Distance Surcharge/km	8			
Demand Surge/Urgency Charge	2			
Average revenue Per Km	30			
Avg. km travelled for per delivery	15			
Annual B2C Deliveries (15% growth)	117615			
B2C Revenue	52926941			
Delivery Contracts Revenue				
Type	Partners (1.5x)	Avg. Delivery(1.15X)	Price/Delivery	Revenue
Commercial	6	5750	25	862500
Government	9	5750	20	1035000
Total Annual B2B	86250			1897500
Ad Revenue (Drone Body)				
Total Drones (Assuming 20 delivery/day by each drone)	21			
Avg. Ad Revenue per drone/Month	10000			
Net Ad Revenue	2503138			
Total Revenue	57327580			

EXHIBIT 2 (continued)	
Cost Structure and Bottom Line	
Fixed Cost (Annual)	
R&D (7.5% of revenue)	4299568
Maintenance Cost (Done’s Total cost/15)	2085949
Infra & Warehouse Cost (15% of revenue)	8599137
Total Fixed Cost	14984654
Variable cost	
Energy Cost/Km (40 % Drop)	3.5
Software support cost/Km (25 % Drop)	1.5
Other Costs/Km	1
Average V.C per Km (33 % Drop)	6
Avg. km travelled for per delivery	15
Total Variable cost	18347888
Total Cost	33332543
Profit	23995037

Financial Exhibits

EXHIBIT 3				
Impact of Rural Market Expansion on Top Line (in Rs.)				
B2C Delivery Revenue				
Base Fair/Km	20			
Distance Surcharge/km	8			
Demand Surge/Urgency Charge	2			
Average revenue Per Km	30			
Avg. km travelled for per delivery	15			
B2C Deliveries (+) (10% of 1.4 L rural drone delivery market)	117174			
B2C Revenue	52728354			
Delivery Contracts Revenue				
Type	Partners	Avg. Delivery	Price/Delivery	Revenue
Commercial	4	5000	25	500000
Government	6	5000	20	600000
Total Annual B2B	50000			1100000
Ad Revenue (Drone Body)				
Total Drones (Assuming 20 delivery/day by each drone)	21			
Avg. Ad Revenue per drone/Month	10000			
Net Ad Revenue	2503138			
Total Revenue				56331493

EXHIBIT 3 (continued)	
Cost Structure and Bottom Line	
Fixed Cost (Annual)	
R&D (5% of revenue)	2816574
Maintenance Cost (Done's Total cost/15)	2085949
Infra & Warehouse Cost (20% of revenue)	11266298
Total Fixed Cost	16168822
Variable cost	
Energy Cost/Km	6
Software support cost/Km	2
Other Costs/Km	1
Average V.C per Km	9
Avg. km travelled for per delivery	15
Total Variable cost	22568506
Total Cost	38737328
Profit	17594164

Financial Exhibits

EXHIBIT 4				
Impact of Disaster Relief Delivery Contracts on Top Line (in Rs.)				
B2C Delivery Revenue				
Base Fair/Km	20			
Distance Surcharge/km	8			
Demand Surge/Urgency Charge	2			
Average revenue Per Km	30			
Avg. km travelled for per delivery	15			
Annual B2C Deliveries	102274			
B2C Revenue	46023427			
Delivery Contracts Revenue				
Type	Partners	Avg. Delivery	Price/Delivery	Revenue
Commercial	4	5000	25	500000
Government – General Delivery	9	5000	20	900000
Government – Disaster Response	3	10000	35	1050000
Total Annual B2B	95000			2450000
Ad Revenue (Drone Body)				
Total Drones (Assuming 20 delivery/day by each drone)	21			
Avg. Ad Revenue per drone/Month	10000			
Net Ad Revenue	2503138			
Total Revenue	51125179			

EXHIBIT 4 (continued)	
Cost Structure and Bottom Line	
Fixed Cost (Annual)	
R&D (5% of revenue)	2548828
Maintenance Cost (Done’s Total cost/15)	2085949
Infra & Warehouse Cost (15% of revenue)	7646484
Total Fixed Cost	12281262
Variable cost	
Energy Cost/Km	6
Software support cost/Km	2
Other Costs/Km	1
Average V.C per Km	9
Avg. km travelled for per delivery	15
Total Variable cost	26632028
Total Cost	38913290
Profit	12063275

PRICING





Interview Transcript

Your client is a popular OTT broadcasting company wishing to broadcast F1 in India on an exclusive platform, determine the maximum amount they can bid to gain the broadcasting rights.

Alright sir. Can I know more about the client? How many years have they been operating for and what are the goals that they are planning to achieve from the deal?

The client is streaming all kinds of live events and sports from around the world. They have been operating in the market for 6 years. Seeing the growing popularity of F1, they wish to enter the markets that are largely untapped and showcasing great viewership potential. They have identified the Indian market and want you to analyze if an investment would be fruitful.

The company is looking to generate a profit of 25% from streaming F1 after taking into account all costs including the investment made.

How is the client looking to stream the races. Will it be through their already existing platform?

They are currently planning to launch a platform specifically for F1. There are reports that a competitor might bid close to 2 billion dollars (1662963 lakhs) for the global broadcasting rights of F1.

Alright sir, I've noted the essentials regarding the case problem, please allow me to have some time to gather my thoughts and frame a solution. Since the company wants to maximize the profits, I'd like to explore the revenue and costs attached to it, separately.

Looks good, go ahead

Beginning with the revenue side, there are primarily 2 major streams of revenue — advertisements and subscriptions. Advertisement revenue can further be shown as a multiple of total races in a year, duration of ads in a normal race and the cost of an ad. Do we have any data relating to this?

Yes. 20 races per year of 120 mins on an average are expected. Advertisements are shown via split screen during the match and other ads before and after the race. A ten seconds ad generates close to 6.5 lacs in revenue.

Alright. So the duration of ad per match can be estimated as 1260 seconds or 21 mins. This number has been taken by assuming that a fifteen seconds ad is shown via split screen after every 5 minutes on an average.

A total of 15 minutes ad is run right before and after the match which is attributed to the revenue from the race.

These figures yield Ad revenue of about 20160 lacs.

$$[15 \text{ seconds} * (120 \text{ mins} / 5 \text{ mins})] + [15 * 60]$$

$$= [360 \text{ seconds} + 900 \text{ seconds}]$$

$$= 1260 \text{ seconds}$$

Next I would like to approach the subscription angle. This majorly includes the number of races, average viewership, and cost to stream a race. Is there any information available about the last 2 factors ?

The industry trend suggests the cost of one race for a viewer is Rs. 50. As for the viewership, I'd like you to do an estimation for that number.

Well I will begin with assuming the total population of the country to roughly be about 150 crores. Establishing an urban-rural divide with 40% and 60% respectively. Moving forward I'll segregate the population based on the income categories they fall under since a subscription model has to be followed. We will also take in account the Internet and OTT penetration assigning logically assumed percentages, a large proportion of which would be taken up by the middle-to-high income groups. Furthermore, we will proceed with estimating the total F1 OTT enthusiasts in India which come out at around 83 lakhs.

Considering the likeliness of unpaid and paid subscriptions, we assume a rough percentage of about 50% paid subscribers. Giving a consideration of 80% to the new subscriptions to OTT against the already existing ones, gives us approximately 33 lakh subscribers.

Taking that into account we can say that the revenue from subscriptions is 33000 Lakhs.

$$[(\text{Viewers/race} * \text{Number of Races}) * \text{Cost per Race}]$$

$$[(33 \text{ Lakhs} * 20) * 50]$$

$$[33000 \text{ Lakhs}]$$

So, our total revenue is 53160 Lakhs.

$$[\text{Ad Revenue} + \text{Subscription Revenue}]$$

$$[20160 \text{ Lakhs} + 33000 \text{ Lakhs}]$$

$$[53160 \text{ Lakhs}]$$

Great. Please analyze the costs which will be incurred.

Sure. There are two major costs apart from the bidding cost, the coverage costs and the opportunity costs. Do we have any data about these?



Interview Transcript

The coverage costs are 26980 Lakhs. The opportunity cost can be assumed to be 30 Lakhs/min.

Alright. So the total opportunity cost will be around 12600 Lakhs ($20 \times 21 \times 30$), considering the cost per hour multiplied by the total ad duration in a year. Total ad duration has been calculated by multiplying total races in a year i.e. 20 and ad duration per match i.e. 1260 seconds or 21 minutes. With the coverage costs being 26980 Lakhs, The total costs associated with the broadcasting will be 39580 Lakhs.

Therefore, the profit for one year can be estimated at around 13580 Lakhs.

Do we have any information about the duration of the agreement and when exactly is the bid made?

Good Question. The bid is made one year in advance. And the deal is for 3 years post which the contract may or may not be renewed.

So the profits calculated above need to be discounted to the present value and also the future value of the profit needs to be calculated. What is the cost of capital prevalent in the industry?

Take cost of capital as 10%

Based on this, the profits for the 3 years can be estimated as follows — 12345 lakhs, 13580 lakhs and 14938 lakhs respectively. The total profit for the 3 years is 40863 lakhs.

Were any assumptions taken when considering the 3 years?

So, it can be said that the opportunity cost remains constant for the 3 years and is in comparison with an investment in the broadcasting rights of any other sport for a similar time frame.

Okay. Is there anything left?

Oh yes! Lastly the company was looking to retain 25% of the profits. So the total bid amount should be 75% of 40863 lakhs, which comes out to be 30648 lakhs.

Offer your final recommendation to the company.

So based on my approach and the above estimates the company can bid anything equal to or lower than 30648 lakhs in order to meet its objectives. A bid above that price may require the company to reduce its expected rate of return from the broadcasting.

Great Job. It was a nice case. Thank you

Thank you!

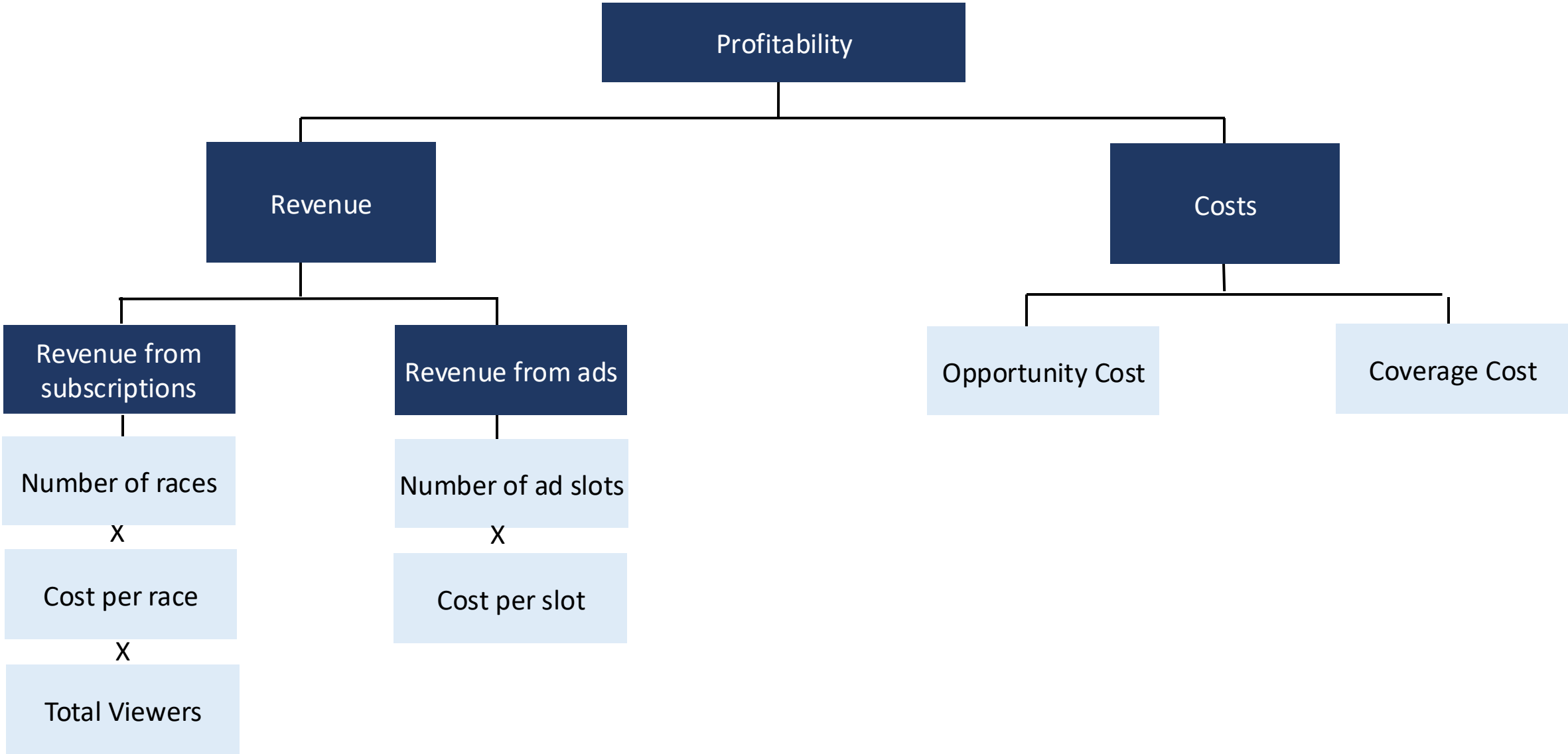


The client is a fairly popular OTT broadcasting company wishing to broadcast F1 in India on an exclusive platform, determine the maximum amount they can bid to gain the broadcasting rights.

Case Facts

- Client is a sports broadcasting company.
- Want to bid for the broadcasting rights of F1 in India.
- Planning to generate a profit of 25% from such a bid over an agreement period of 3 years.

Approach/Framework



Recommendations

- The company should bid lower than 30648 crores to broadcast F1.

Brownie Points

- Question regarding the time of the bid and the duration of the agreement.
- Guesstimate for the estimation of F1 viewership in India.

Guesstimate

Total Population = 150 crores			
Urban- rural	Urban		Rural
%	40%		60%
Total (in cr.)	60,00,00,000		90,00,00,000
Income Divide	Less than 2l	2l- 10l	More than 10l
%	30%	50%	20%
Total	18,00,00,000	30,00,00,000	12,00,00,000
Number of families	4,50,00,000	7,50,00,000	3,00,00,000
% of families with internet in different income groups	70%	90%	100%
Total (in cr.)	3,15,00,000	6,75,00,000	3,00,00,000
OTT Penetration	30%	70%	90%
Total	94,50,000	4,72,50,000	2,70,00,000

Estimating F1 enthusiasts in India		
Total OTT using families	8,37,00,000	
OTT sports enthusiasts of the total families	50%	
Total (in cr.)	4,18,50,000	
F1 OTT enthusiasts	20%	
Total (in cr.)	83,70,000	
Estimating new F1 subscribers		
F1 paid and unpaid	Paid Subscriptions	Unpaid Subscriptions
%	50%	50%
Total	41,85,000	41,85,000
Old vs new subscriptions	Old subscribers	New subscribers
% of Paid subscribers	20%	80%
Total (in lacs)	8,37,000	33,48,000
New subscribers	33,48,000	

Assumptions

- Assuming one family consists of 4 members and will have one subscription
- There are 50% paid subscribers of F1



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Spreadsheet

Interview Transcript

AeroFly is planning to launch a revolutionary air taxi service in a metro city, utilizing vertical takeoff and landing (VTOL) aircraft. Given that this industry is in its early stages, how would you approach pricing for this service?

I would like to ask some primary questions. Which metro city are we planning to operate in? Is there a competitor? What will be our target market?

We are operating in Mumbai. The industry is very niche so there are no major competitors. Majority of our customers are expected to be business executives, high-net-worth individuals, and other time-sensitive travelers.

I would evaluate three primary pricing strategies: cost-based pricing, competitive benchmarking, and value-based pricing. Since the industry is nascent with few direct competitors, I would focus primarily on cost-based and value-based approaches.

Let’s start with cost-based pricing.

The key costs include fixed costs, which encompass aircraft procurement, maintenance, infrastructure, and regulatory compliance. Variable costs include fuel, electricity (if hybrid/electric), pilot salaries, air traffic control fees, and maintenance per flight.

Assuming AeroFly operates each VTOL aircraft for 16 hours per day, with each flight averaging 20 minutes, how many trips can one aircraft make annually?

AeroFly operates each VTOL aircraft for 16 hours per day, with each flight averaging 20 minutes. This allows for approximately three trips per hour, leading to a total of 48 trips per day. Operating for 300 days per year, each aircraft can complete around **14,400** trips annually.

How would you determine the cost-based price per trip?

For this I will need information about the fixed and variable costs..

The fixed costs per aircraft amount to ₹2 crore annually, while the variable costs per trip, covering expenses such as fuel, maintenance, and pilot wages, stand at ₹10,000.

To determine the cost per trip, the fixed cost is distributed across 14,400 trips per year, resulting in a fixed cost per trip of ₹1,400. Adding this to the variable cost, the total cost-based price per trip comes to **₹11,400**. This would be our lower pricing bound to ensure cost recovery.

Since this is a premium and time-saving service, we should consider value-based pricing. How would you approach this?

To establish a value-based pricing model, I would first assess the time saved by the service. A conventional car ride from the city center to the airport can take anywhere between 60–90 minutes, while AeroFly’s VTOL service can reduce this to 10–15 minutes, leading to a net time saving of 50–75 minutes per trip. The economic value of this saved time is significant, particularly for high-net-worth individuals and senior executives who earn several crores annually. By estimating their hourly earnings, we can quantify the financial benefit of the time saved. For such individuals, saving an hour could be worth tens of thousands of rupees based on lost productivity, missed opportunities, and convenience. Given that high-value customers prioritize efficiency, I would propose a tiered pricing strategy that caters to different segments.

Can you elaborate on the proposed strategy?

We can keep the **Standard Fare at ₹18,000 per trip**, making it a premium yet accessible option for business travelers who want to save time. For those looking for added convenience, we could introduce a **Business Package at ₹22,000**, which includes priority booking and lounge access—perfect for executives who value efficiency.

And for a more exclusive experience, we can have an **Executive Plan at ₹28,000**, offering white-glove service, concierge support, and personalized scheduling, catering to VIPs. To retain frequent travelers and ensure steady revenue, we could also introduce a **Subscription Model in the ₹3–5 lakh per month** range, allowing unlimited or heavily discounted rides. This would be a great way to build customer loyalty while maintaining a predictable revenue stream.

How does this pricing model ensure profitability?

I would need the price fare and number of trips being made to calculate that.

You can refer to Exhibit 1.

Given these inputs, we can calculate revenue. The **Standard Fare would generate ₹216 crore annually** (12,000 trips × ₹18,000). The **Business Package would contribute ₹66 crore** (3,000 trips × ₹22,000). The **Executive Plan would add ₹28 crore** (1,000 trips × ₹28,000). Finally, the **Subscription Model would generate ₹60 crore annually** (100 subscribers × ₹5 lakh × 12 months). This results in a **total annual revenue per aircraft of approximately ₹370 crore**.

Interview Transcript

Now, considering costs, the fixed costs per aircraft are ₹2 crore annually, covering procurement, infrastructure, and compliance. Variable costs, including fuel, pilot wages, maintenance, and air traffic control fees, are estimated at ₹10,000 per trip. With 14,400 trips per year, total variable costs amount to ₹144 crore per aircraft annually.

Adding both fixed and variable costs, the total annual cost per aircraft stands at ₹146 crore. Comparing this to the projected ₹370 crore revenue per aircraft, the annual profit per aircraft is ₹224 crore. The break-even point occurs at approximately 8,100 trips per year, ensuring profitability even with conservative estimates.

Given this model, how would you ensure profitability while scaling the service?

A dynamic pricing model can be implemented to adjust fares based on demand, peak hours, and flight availability. Corporate partnerships can also be established to offer bulk pricing for businesses that frequently transport executives. Additionally, a loyalty program can be introduced to reward frequent customers with discounts and exclusive benefits, enhancing customer retention and engagement.

What are the next steps for launching this pricing strategy?

The next steps involve conducting market testing through pilot runs to assess demand and fine-tune dynamic pricing. Financial projections will be developed to analyze various pricing scenarios, ensuring profitability and building investor confidence. Strategic partnerships will be forged with luxury travel agencies, corporate clients, and airport authorities to facilitate seamless integration. Simultaneously, a strong marketing and branding strategy will position AeroFly as the future of urban mobility, emphasizing exclusivity, speed, and convenience.

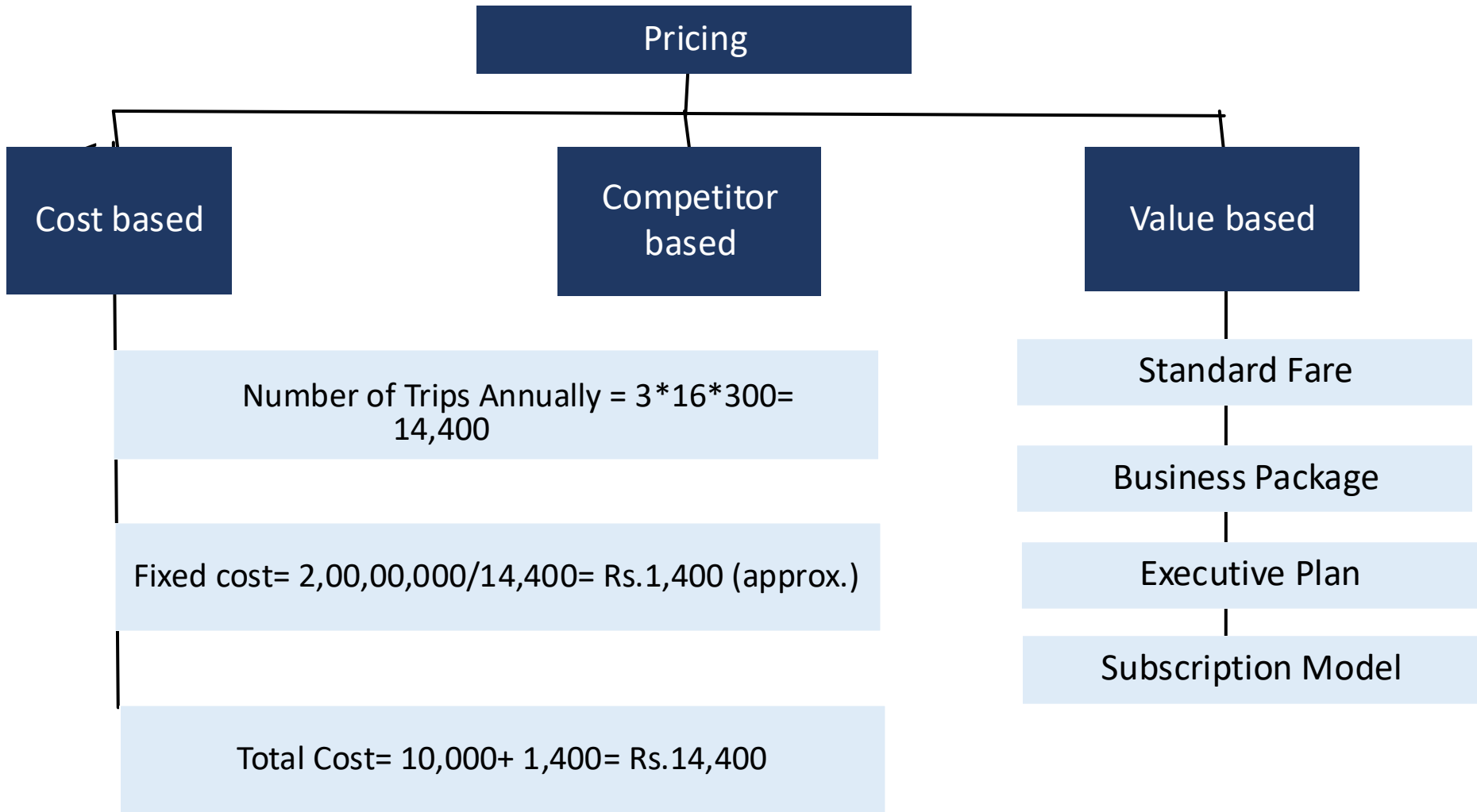
Great Job. It was a nice case. Thank you.

A new electric air taxi service, AeroFly, plans to launch in a metro city, offering on-demand vertical takeoff and landing (VTOL) flights. This industry is in its infancy, with startups like Joby Aviation and Archer Aviation pioneering the space. AeroFly must determine a pricing model that balances affordability, exclusivity, and scalability.

Case Facts

- Customers: High-profile businessmen, executives, and HNIs.
- Objective: To maximize profitability while ensuring affordability, exclusivity, and scalability.
- Product: On-demand, fast, and efficient VTOL air taxi with minimal setup time.

Approach/Framework



Recommendations

- Tiered Pricing Structure:** Develop a tiered pricing structure to cater to different customer segments.
- Profitability and Exclusivity:** Ensure that the pricing strategy supports profitability while maintaining an exclusive appeal.
- Scalability:** Focus on scalability in the emerging urban air mobility market to accommodate growth and increased demand.

Brownie Points

- AI-Powered Predictive Demand Forecasting
- Carbon Credits and ESG Alignment

Financial Exhibits

Exhibit 1: Fare and Number of Trips		
Particulars	No. of Trips	Fare
Standard Fare	12,000	Rs.18,000
Business Package	3,000	Rs.22,000
Executive Plan	1,000	Rs.28,000
Subscription Model	100	Rs.5,00,000 per month



Interview Transcript

Your client has developed “HabitShifter”, an AI-driven wearable that uses mild electrical impulses to deter habits that the user wants to change. They need your help in deciding the optimal price for this product.

I want to start by understanding the client and the product in more detail. What is the objective of rolling out this product? What are the products that the client currently sells?

The objective is to initially maximise market penetration and then ensure profitability. This is their first venture and they don’t have any other product they currently sell.

I would like to gather more information about the product and its features. What is the frequency of use? What are there any side effects associated with the product and is it safe for all adults? Does the device come in the form of a wristband, ring etc.?

The device comes in the form of a wristband and is meant for daily use. Duration depends on the individual’s progress. The electrical impulses may cause skin irritation and it may not be recommended for pregnant women, people with heart conditions or with internal medicine devices like a pacemaker.

Where are they planning to launch the product? Are there any other geographies the client is planning to operate in?

The rollout will take place pan-India.

Is there any comparable device in the Indian market currently? Are there any regulations that could affect the sale of this device in India?

There are some companies that are using similar technology to address this behaviour in the US market but none are currently present in India. We have to ensure compliance with customer safety regulations.

Okay so we can consider three types of pricing for this product, cost-based, value-based and competitive- based pricing. I don’t recommend competitive-based pricing as there are no initial competitors. Are we targeting a specific market share?

No. You can proceed with cost-based pricing first. What do you think would be the major costs involved?

The costs can be divided into fixed and variable costs. The major fixed costs would include R&D costs, salaries of the employees, factory/equipment costs. The major variable costs would include raw materials, logistics and shipping and marketing. Do we have any details regarding these costs?

What are the margins they are expecting on the product?

It takes about 13,000 Rs to produce one unit, along with 1,000 Rs for amortised development and and 600 Rs for sales and marketing. The fixed costs are about 80 million Rs. The profit margin should allow us to be competitive in the market.

So the cost for producing one unit would be 14,600 Rs which we can take as our base price. For the value-based pricing, we’ll have to look at the value the product creates by helping users break their habits and improve their quality of life. Does this sound alright?

Yes. Go ahead.

I’ll start by analysing the customer base for the product. The customer base can be divided into three major segments: Premium, Mid-Range and Basic. Each segment would have a different willingness to pay for the product. Taking the market size to be about 0.8% of India’s population based on the willingness to purchase such a device across income divisions, we can assume about 43% to be in the mid-segment, 21% to be in the basic segment and 36% to be in the premium segment. Adjusting for users the device isn’t recommended for, we have 1.23 lakh users for basic segment, 2.62 lakh for mid-segment and 2.17 lakh for premium.

So what prices would you suggest for each segment?

For the premium segment we’ll offer more advanced features and exclusive support. So I would recommend a price of 20,000 Rs for the premium segment. This would be competitive in the market and given the current cost structure it will produce profits. The production costs are high so we can revisit the other segments after we reduce this cost. Initially, we won’t sell in these segments.

Alright. What would be the break-even point?

With a fixed cost of up to 80 million Rs and a profit margin of 5,400 Rs, we’d need to sell approximately 14,815 units. Assuming we sell 15,000 units in the first two years, we would have a total profit of 81 million Rs.

How will we then introduce tiered-pricing later on?

Once we have reduced production costs by optimising manufacturing, we can introduce tiered-pricing. If variable costs are reduced to about 8,000 Rs, we can keep a lower base price and price the device at 14,000 Rs for the mid-segment and 12,000 Rs for the basic segment. The features can be adjusted accordingly for each segment. This’ll expand our market penetration and maintain profits.

Okay. This seems like a good plan. We can end the case here.

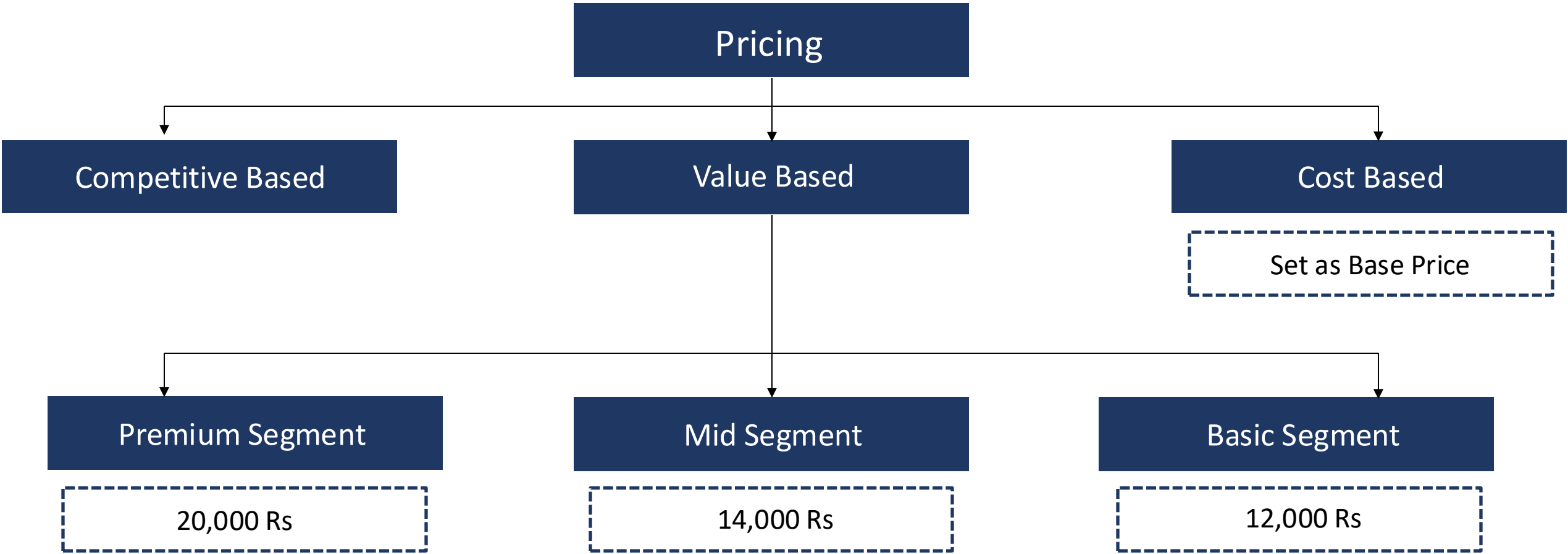


Your client has developed a new AI-driven wearable device called "HabitShifter" that helps users modify habits through aversive conditioning. Determine the optimal pricing strategy for HabitShifter to maximize market penetration while ensuring profitability.

Case Facts

- Client has built an AI driven wearable in the form of a wristband that sends electrical impulses whenever the user engages in a habit they want to change.
- Product is not recommended for pregnant women and people with heart diseases or any internal medicine device.
- Product will be rolled out pan-India only.
- Prototypes were seen to be effective in deterring habits.

Approach/Framework



Recommendations

- Divide customer base into Premium, Mid-Range and Basic based on income and willingness to buy.
- Offer advance features and exclusive support to premium segment at Rs 20,000.
- After breaking even and optimising production, introduce the product at Rs 14,000 in the mid-segment and at Rs 12,000 in the basic segment.

Brownie Points

- Market segmentation based on psychographic elements and introducing regional variations in demand.
- Exploring tiered subscription services in the pricing strategy.



Guesstimate

Estimating the target market by dividing on the basis of income

Total Urban Population = 560,000,000

Income Groups	Low Income	Middle Income	High Income
%	30%	50%	20%
Total	168,000,000	280,000,000	112,000,000

Estimating the people willing to buy HabitShifter

Income Groups	Middle Income	High Income
Willingness to buy smartwatches	30%	70%
Interest in Product	5%	10%
Total	4,200,000	7,840,000

Segmentation by Price Category

Income Groups	Middle Income	High Income
Premium	10% 420,000	50% 3,920,000
Mid	50% 2,100,000	40% 3,136,000
Basic	40% 1,680,000	10% 784,000

Adjustments

Segments	Premium	Mid	Basic
Total	2,464,000	5,236,000	4,340,000
Excl. pregnant women, people with heart disease etc.	5%		
Total	602,000		

Assumptions

- Assuming the population of India to be 1.4 billion and 40% to be urban population.
- Not targeting the population in the low income group.
- Adjusting total users in premium, mid and basic segment by 5% respectively to account for users the product is not recommended for.



Financial Exhibits

Exhibit 1: Break Even Point		
a.	Fixed Cost	80,000,000 Rs
b.	Production Cost (per unit)	13,000 Rs
c.	Amortised Development (per unit)	1,000 Rs
d.	Marketing and Sales (per unit)	600 Rs
e. (b+c+d)	Total Cost (per unit)	14,600 Rs
f.	Premium Price	20,000 Rs
g. (a/f-e)	Break-Even Point	14,814.814 units
	Total Units	14,815 units

Exhibit 2: Revenue Projections						
Tier	Price	Units Sold	Revenue	Variable Cost (per unit)	Profit (per unit)	Total profit
Year 1 and 2						
Premium	20,000	15,000	300,000,000	14,600	5,400	81,000,000
Year 3						
Premium	20,000	15,000	300,000,000	10,000	10,000	150,000,000
Mid-Segment	14,000	20,000	280,000,000	8,000	6,000	120,000,000
Basic	12,000	25,000	300,000,000	7,000	5,000	125,000,000



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Interview Transcript

Your client is a prominent player in the entertainment industry who has developed an inclusive digital platform broadcasting every piece of entertainment including shows and music. Devise an effective pricing strategy for the firm.

Okay, I would like to begin by knowing more about the company and their future offerings. For how long has the company been in the entertainment industry?

The company has been in the entertainment industry for over 10 years, but they are now venturing to enter the digital content space and its objective is to penetrate the market. The client aims to provide an all-inclusive digital platform that has every piece of entertainment like shows and music. The objective of this product is to simplify the user’s experience while providing all types of content under one unified platform.

How is this product different from other streaming and web-based services, i.e. its unique value proposition?

The product provides OTT, audio streaming and news and sports broadcasting through a single platform, which makes the user experience simpler and easier. The product also helps the consumer by decreasing their expenditure on different services by clubbing them under a single multi-faceted platform.

Will the product include all the non-exclusive content like VODs and TV-series that are being offered by the competitors?

Yes, it will include all the non-exclusive content that is being offered by competitors. We are also working on plans to include some exclusive content and set up in house productions the same, Kindly include this while making considerations for the pricing.

Alright. How much profit does the client aim to earn through this? Is there any specific profit margin to be taken in consideration?

The objective of the company is to penetrate the market and not earn profit in the short run.

There are three potential revenue sources – subscriptions, advertisements and partnerships. Is there anything else that I have missed?

No, we can move to the subscription pricing strategy now.

Understanding the value propositions of our platform's primary verticals - the OTT (Over-The-Top) service for video content and the music-cum-podcasts segment - it's evident that these are the primary areas where consumers are likely to demonstrate willingness to pay.

Which pricing option will you consider for estimating the price range?

To price the product effectively and ensure market penetration, we can use a combination of competitor-based strategy along with tier-based pricing. Since we are using competitor-based pricing, is there any data available related to the competitors?

Here are the two exhibits for prominent players in OTT and music broadcasting.

Okay, is there any data on number of total subscribers?

The total no. of paid OTT users are 49 million of which 40% are base plan subscribers and further divide of standard plan and premium plan is 50% and 10% respectively. Consider the same for music broadcasting. Please continue with your estimation.

Yes, sure. The exhibits illustrate major OTT competitors' market shares and price plans in India. With 49 million paid users, we estimate users for each platform by multiplying market share with total paid subscribers. Additionally, we'll calculate users per platform per pricing plan based on the above assumed percentages. Should I go ahead with this approach?

Yes, this seems fine.

By considering the weighted averages across varied plans and OTT users, we derive the average charges per plan in India as charged by competitors: Rs. 90 for basic, Rs. 170 for standard, and Rs. 251 for premium services. This analysis indicates a price range for our OTT platform's services between Rs. 90 and Rs. 250 in the Indian market. In the case of music & podcasts services, we calculated the price range by computing the weighted average of the three distinct plans across all paid users of major competitors in India. The average plans for music services are: Rs. 60 for student, Rs. 140 for individuals and Rs. 200 for family packs. Finally, we’ve taken the weighted averages of OTT and music services according to the plans provided assuming the preferences of Indian customers to pay a premium for these services being 80% and 20% respectively. The bundle price range comes out to be 85-240 for our product.

This looks great! Please move on to recommendations.

I have derived 3 plans which will include the OTT and music services namely - essential access plan – wherein all the content is accessible but with advertisements, a premium plan with advertisements and access to platform exclusive plans and, VIP – all access plan with exclusive content access, prelaunch content access and no advertisement option.

Thank you. We can conclude the case here

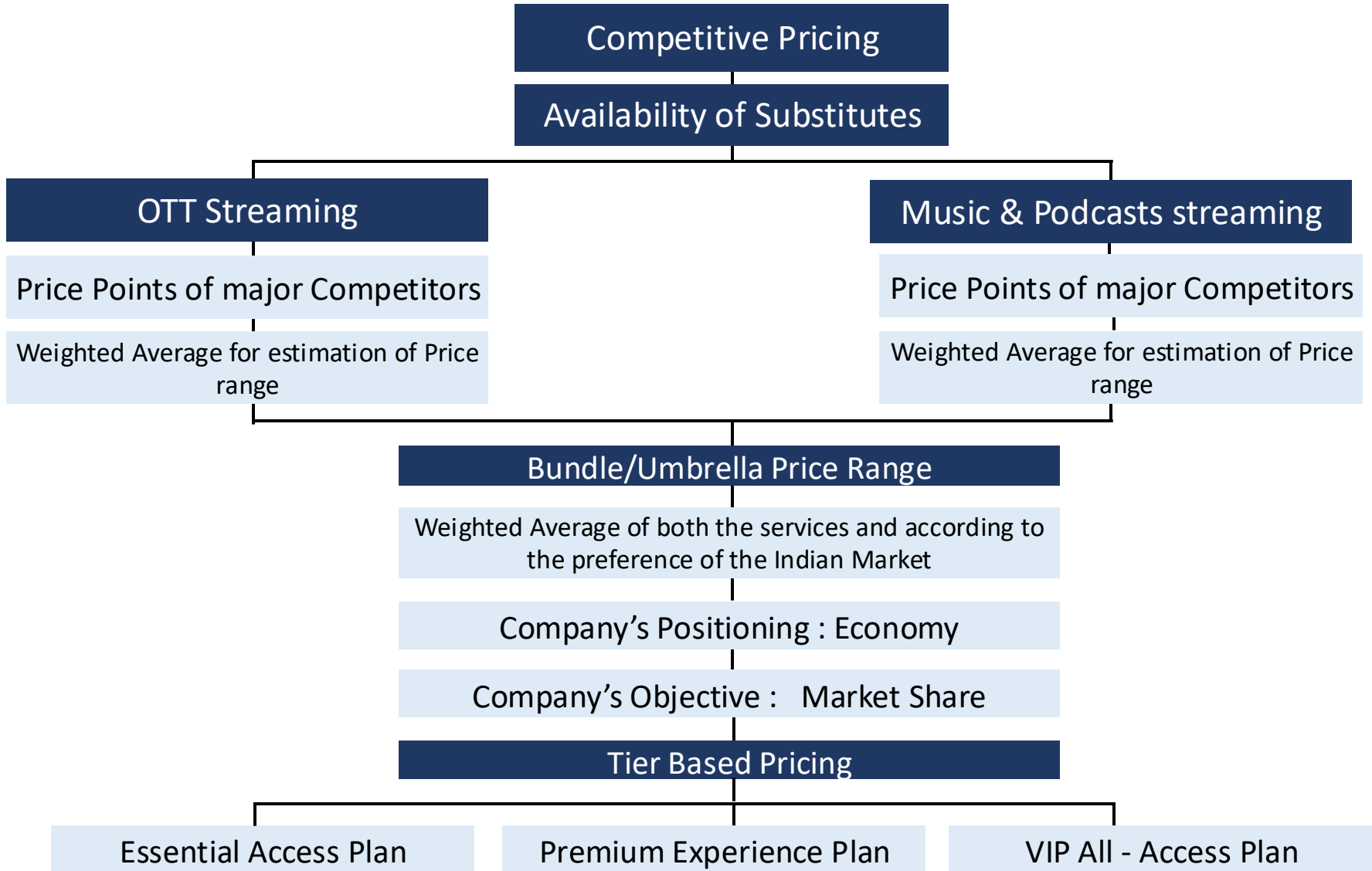


Your client is a prominent player in the entertainment industry who has developed an all-inclusive digital platform broadcasting every piece of entertainment including shows and music. Devise an effective pricing strategy for the firm.

Case Facts

- Pricing for an all-inclusive digital platform that has every piece of entertainment like shows and music.
- The product provides OTT, Audio streaming and news and sports broadcasting.
- The target consumer age will be 16-40 years.
- The product will include all the non-exclusive plus exclusive content that is being offered by competitors.
- Objective is earning profits according to industry standards.

Approach/Framework



Recommendations

- Implementing a tiered pricing structure leveraging the competitive landscape in India.
- Considering 80% inclination towards paid OTT subscriptions and lower interest in paid music services, establish an overall platform price range at Rs. 85 - Rs. 240, amalgamating OTT and Music & Podcasts services for diverse consumer offerings. Diverse service tiers blend affordability and premium features, appealing to varied preferences within the market spectrum.

Brownie Points

- Upper Price ceiling can also be calculated by determining the value addition per customer by providing an exhausting content library under a single subscription
- Super premium package targeted towards upper income groups.

Financial Exhibits

EXHIBIT 1: Market Scenario of OTT platforms					
Competitors	Stream Verse	Cinematiq	Motion Max	Watchify	PlayNext
Market Share	10%	25%	35%	8%	7%
Base Plan(monthly)	200	100	75	50	50
Standard Plan(monthly)	500	200	100	75	75
Premium Plan (monthly)	650	350	125	90	100

EXHIBIT 2: Market Scenario of Music and Podcasts streaming platforms				
Competitors	SoundWave	AudioVibe	PodTunes	StreamBeat
Market Share	30%	15%	25%	10%
Student Pack	60	80	50	60
Individual Pack	120	200	150	100
Family Pack	180	350	250	200

Price Range Estimation

Competitors (OTT)	Market Share	Total Subscribers	Base (Monthly)	Standard (Monthly)	Premium (Monthly)
Stream Verse	10%	4.9	200	500	650
Users (in millions)			2.0	2.5	0.5
Cinematiq	25%	12.25	100	200	350
Users (in millions)			5	6	1.2
Motion Max	35%	17.15	75	100	125
Users (in millions)			7	8.6	1.7
Watchify	8%	3.92	50	75	90
Users (in millions)			1.6	2.0	0.4
Play Next	7%	3.43	50	75	100
Users (in millions)			1.4	1.7	0.3
Weighted Average			90.8	170.6	251.51
Recommended Range			Rs. 90 - 250		

Competitors (Music)	Market Share	Total Subscribers	Student	Individual	Family
SoundWave	30%	3	60	120	180
Users (in millions)			0.6	1.5	0.9
AudioVibe	15%	1.5	80	200	350
Users (in millions)			0.3	0.75	0.45
PodTunes	25%	2.5	50	150	250
Users (in millions)			0.5	1.25	0.75
StreamBeat	10%	1	60	100	200
Users (in millions)			0.2	0.5	0.3
Weighted Average			60.625	141.875	201.875
Recommended Range			Rs. 60 - 200		

Preference		
OTT		Music
80%		20%
Base	Standard	Premium
84.76029412	164.875	241.5857317
Bundle Recommended Range		Rs. 85 - 240



PRIVATE EQUITY



Interview Transcript

Your client is a PE firm looking to acquire an artificial jewelry-making company looking to expand online retail. They come to you to understand the way forward for this objective.

Alright, I would like to understand the client better before I proceed with my approach to devise a strategy.

Our client is Alpha Capital, a PE firm established 50 years ago. Since its inception, the firm has invested in varied industries ranging from EV, e-commerce, q-commerce and lifestyle and apparel brands.

What are the goals that the fund is aiming to achieve through this investment?

The firm is looking forward to maximizing profits and at the same time diversifying its investments to balance the risk proportions. Ideally, the investment option should have a high growth potential and some existing synergies with its existing business.

Fair enough. I would now deep dive into the potential investment. Could you tell me something about the artificial jewelry business?

They have been operating in Delhi and NCR regions of Noida and Gurugram for about 15 years. They have about 20 stores currently. They sell all types of jewelry - sets, necklaces, earrings, bracelets, etc. They specialize in modern Indian wear items.

I would like to begin by analyzing the attractiveness of this jewelry segment first. I will start by segmenting the industry. The jewelry industry in India has two major segments - precious metals and stone jewelry and artificial jewelry. Further, both categories have big-scale local players, small-scale local players, and branded players.

Ok great, further I would like you to estimate the revenue of the artificial jewelry firm from their current operations.

Okay, so I would proceed with assuming that the major difference in sales is considered by the two different phases in the year - the 30% of the complete year is the festive season and the remaining is the non-festive season. Since the jewelry firm is well-established in NCR, would it be fair to suppose that one store is visited by 15 customers and 6 customers every hour in the festive and the non-festive season respectively?

Yeah, that's fair enough.

Great, so the store will be visited by 21000 customers approximately, in a year. Now, if we look at the products offered by the firm. Should I consider all the items sold individually or consider them in sets? I am assuming that they sell two types of jewelry items- jewelry sets and items like earrings, bracelets, and necklaces, may I?

You can consider them in sets - one being jewelry sets and the other being items sold individually as earrings, bracelets and necklaces.

Alright. Considering their average bill values and the number of items purchased by a customer at a particular visit, we can come up with the revenue for one store, which comes to approximately Rs 28,900,000. Since all the stores are located in the same area, it would be reasonable to assume that all the stores are visited by more or less the same number of customers. Hence, the total offline revenue of the firm comes out to be Rs. 579,000,000.

Alright, now this firm is planning to expand its operations in the online space and downsize the offline operations. What are the possible ways in which this can be done, and which method would you suggest?

The company can choose to launch its own website or can collaborate with a fashion e-commerce platform. To get better traction and improve sales, collaboration would be better suited. The cost of listing the brand will comparatively be lower than the cost of setting up its own website alongside delivery logistics costs. With e-commerce, operations will no longer be limited to the Delhi and NCR region, thus multiplying the revenue.

Fair enough, I would like for you to estimate the revenue obtained from the online expansion as well.

Okay, I am assuming we are collaborating with a well-established fashion e-commerce platform, let us say that it is visited by 10,000,000 users in the festive season and 8,000,000 users in the non-festive season, out of which 40% visit the jewelry section and 15% of these visit the artificial jewelry section further. Considering the competition in this market, shall I assume that initially, only 10% of these users will be looking at the products from our brand in the festive season and 5% in the non-festive season?

Yes, these proportions are good to go.

Cool, so considering that 5% of these users will like our products and add them to their carts, and finally 10% of these will buy the item, the number of customers converted in a year becomes 48000, approximately. Now, to estimate the revenue I would like to assume that there will be a 10% decrease in the prices in online retail with respect to offline retail.



Interview Transcript

Again, considering the average bill values and the number of items purchased by a customer at a particular visit to the website, we can come up with revenue which approximately is Rs 65000000.

Great! Now I would like you to evaluate the investment into this business.

I would begin by taking into consideration the key metrics of this industry. The metrics taken into consideration would be the growth rate of the industry and the industry margins.

Considering the niche of the industry and the fact that precious metal jewellery is still the preferred choice of the masses, the CAGR would be nearly 7-8%. Moreover, Considering the low cost of production, the profit margins vary from 30-50% depending upon the type of piece like a necklace, set, earrings, etc. Further, the company is planning to downsize some of its operations and expand into the online space. Considering these factors, there will be cost-cutting - in terms of the workforce employed, reduction in store maintenance costs, etc.

Adding 10-15% to the profit margin. While collaborating with an e-commerce platform, the marketing budget would be more weighted towards social media and digital marketing - implying a ROAS of roughly 150%. Considering the additional revenue of 25-30% that can be generated from the expansion plan, the acquisition of the artificial jewellery chain is the viable option and would justify the deal's value.

Alright, what according to you would be the risks involved in the acquisition of this business, and suggest methods to mitigate them?

The risks involved are mainly business risks and are as follows:

- Considering the expansion into the online space, the bargaining power of the consumers is much more, thus the prices of the products and the discounts offered need to be made competitive to ensure the required sales from the online segment.
- Considering that the e-commerce space is very commonly used by the Gen-Z population, Indian wear jewelry might seem irrelevant to them. Thus, the product line needs to be diversified and made to include western wear jewelry to cater to a wider segment of society.
- Thirdly, durable and costly packaging might be required to ensure that no damage is done to the items in the shipment process and that customers are satisfied

So, these are the jitters that our business will have to face in the short term, but what problems can our company encounter in the long term?

Our business can face the issue of being cyclical. In the future, our business can be pegged to the Indian wedding season, if the consumer base gets very concentrated. We can shift our focus to customizing and personalizing imitation jewelry.

We should try to leverage rising fashion consciousness among teenagers to mitigate this risk. Along with this, we can also focus on the men’s jewelry market which has huge upside potential going forward.

What could be the other possible solutions to this issue?

- We could use the Monthly Unique Transacting customers to analyze the monthly variance in revenue for the e-commerce store. It would help in defining trends pertaining to the cyclical nature of our business.
- We could reduce the overall expenditure on marketing, starting with funnels that have the highest CAC (Custom acquisition cost) and least conversion rates.

In addition to these, to maintain the AOV(Average order value) for the long term, we can start with a scheme of special credit points pertaining to our platform only. Buyers would get 10 points on ₹1000 shopping. This scheme will provide heavy discounts to customers that will facilitate increasing repeat orders. This will help in clearing dead stock, in turn solving the problem of high inventory. These products can be tweaked according to the present trends and designs to ensure product relevancy.

Considering all the facts related to the company in question, do you think this investment is viable for the client?

The investment seems a viable option considering the objectives of the firm. The firm can leverage its connections in the e-commerce and q-commerce fields and contribute to the success of the online expansion. The risk and growth potential are promising enough and in line as per the client’s objectives.

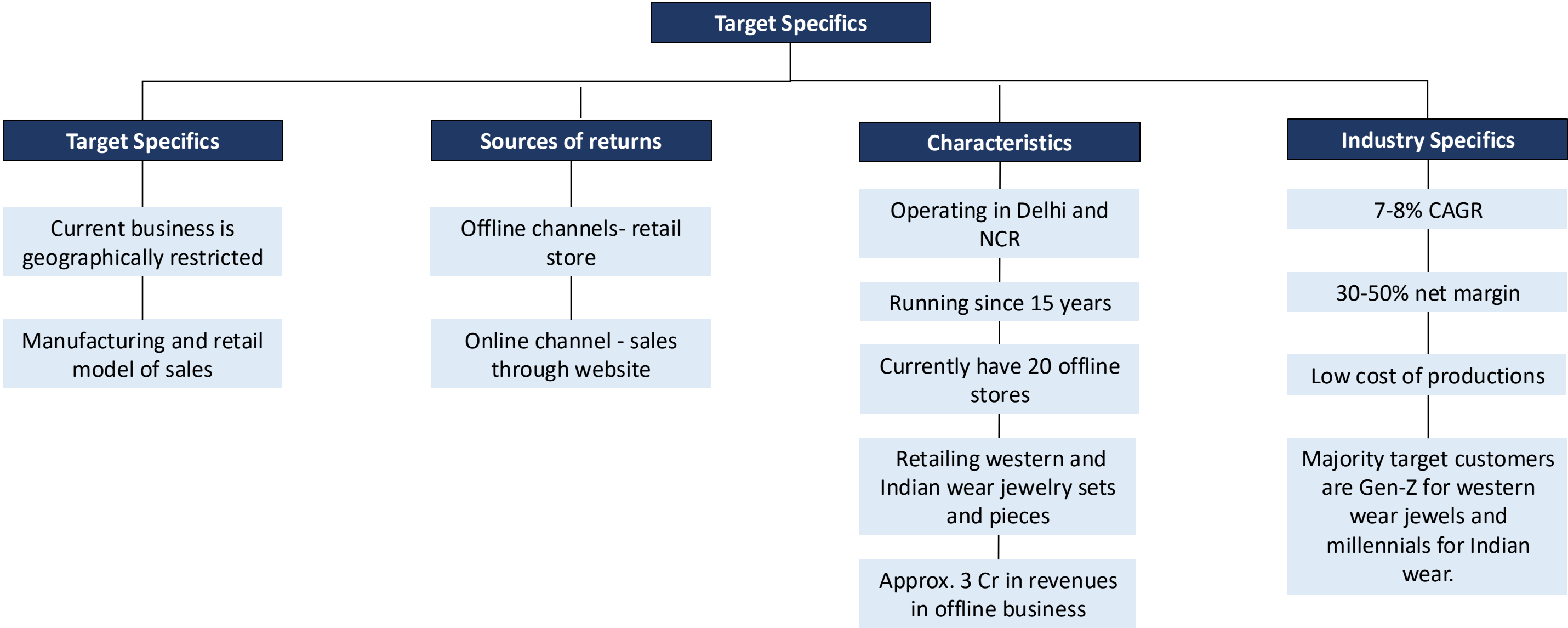


Your client is a PE firm looking to acquire an artificial jewelry-making company looking to expand online retail. They come to you to understand the way forward for this objective.

Case Facts

- **PE firm** - established for 50 years
- **Heavily invested** in e-commerce, q-commerce and lifestyle and apparel business.
- **Investment plan:** In an artificial jewelry firm
- **Objectives of the firm:** Diversification of investment portfolio, risk complexion and profit maximization

Approach/Framework



Recommendations

- The acquisition of the artificial jewelry chain is the **viable option** and would **justify the deal's value**.
- **Diversification** in the product port-folio
- **Customization** of imitation jewelry

Brownie Points

- **Competitive prices** and products can be offered
- **Personalization** of imitation jewelry
- Increasing **fashion awareness** amongst teenagers
- Inclusion of **men’s jewelry** which has a high growth potential



Guesstimate

Total Revenue from offline stores	Avg customers every two hours				Festive season 15		Non-festive season 12			
	Customers in an year				30% (15*12*365)		70% (12*12*365)			
	Customers converted				50%		30%			
	Total Customers				20893					
Jewelry types	Jewellery sets				Others					
	Necklace sets				Earrings		Bracelets		Necklace/chain	
Number of people	50%(20893) = 10446				50%(20893)*90% = 9402		50%(20893)*60% = 6268		50%(20893)*70% = 7312	
Average Bill Value	500	1000	2000	3000	200	500	300	500	500	1000
%age of people	40%	30%	20%	10%	60%	40%	50%	50%	50%	50%
	4178	3134	2089	1045	5641	3761	3134	3134	3656	3656
No. of items per 2 customers	3	2	2	2	4	2	3	2	2	2
Total Sales	3*4178/2	2*3134/2	2*2089/2	2*1045/2	4*5641/2	2*3761/2	3*3134/2	2*3134/2	2*3656/2	2*3656/2
Total Revenue from one store (Average bill value*Total sales)	Rs. 13,579,800				Rs. 12,598,238					
	Rs. 26,178,038									
Revenue from 20 stores	Rs. 523,560,756 (approx. Rs. 52 Crores)									

Assumptions

- 30% of the whole year is counted as festive season and the remaining as non-festive season
- By festive season, we mean the time during festivals and marriages.
- For all the 20 stores, the sales are approximately same
- Only 50% people buy the products in the festive season, and 30% in the non-festive season
- 50% of the people prefer to buy jewelry sets and others prefer to buy every kind of jewelry separately. Among those who buy jewelry separately, not all of them buy all the three products



Guesstimate

Total Revenue from Online Channels	Avg customers visiting the website everyday				Festive season 10,000,000		Non-festive season 8,000,000			
	Customers visiting artificial jewelry section everyday				60%(10,000,000)*15%		40% (8,000,000)*15%			
	Customers visiting the products of our brand				10%		5%			
	Customers adding items to their cart everyday				5%(60,000)		5%(24,000)			
	Customers adding items to their cart everyday				12*365*10%(3000)		12*365*5%(1200)			
	Customers converted every year				20893					
Jewelry types	Jewelry sets				Others					
Number of people	Necklace sets				Earrings		Bracelets		Necklace/chain	
	50%(48180) 24090				50%(48180)*90% 21681		50%(48180)*60% 14454		50%(48180)*70% 16863	
Average Bill Value	450	900	1800	2700	180	450	270	450	450	900
% age of people	40%	30%	20%	10%	60%	40%	50%	50%	50%	50%
	9636	7227	4818	2409	5641	3761	3134	3134	3656	3656
No. of items per 2 customers	4	2	2	2	4	2	3	2	2	2
Total Sales	4*9636/2	2*7227/2	2*4818/2	2*2409/2	4*5641/2	2*3761/2	3*3134/2	2*3134/2	2*3656/2	2*3656/2
Total Revenue from one store (Average bill values*Total sales)	Rs. 30,353,400				Rs. 12,598,238					
Revenue from 20 stores	Rs. 26,147,286									
	Rs. 56,500,686 (Approx. Rs. 5.6 Crores, 10.7% of the offline revenue)									

Assumptions

- Of the total people visiting an online shopping website, 60% visit the jewellery section in the festive season and 40% in the non-festive season. Out of these, 15% visit the artificial jewellery section.
- 10% and 5% of the resulting number visit the products from our brand.
- Only 5% of them add the items to the cart everyday and further 10% of them actually buy on a day in the festive season and 5% in the non-festive season.
- All the prices are taken in accordance with a 10% decrease in the prices of offline retail.



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Interview Transcript

You are a consultant for a private equity firm. Given the rapid growth of the sports industry, our firm is considering an investment in an IPL team franchise. You have been engaged to analyze this opportunity and recommend the most suitable team for investment.

Before proceeding, I would like to gain a deeper understanding of the firm. Could you provide details regarding its operational base, investment portfolio, and any prior experience in the sports or related industries?

Our private equity firm, headquartered in India, has been operational for several decades, managing an asset portfolio exceeding \$5 billion across various sectors, including startups, financial markets, and real estate. However, this would be our first investment in the sports industry. Your role is to determine the most profitable franchise for investment. How do you propose to structure your analysis?

My approach will consist of three key phases. First, I will conduct an industry and market analysis to evaluate the broader investment landscape. Second, I will perform a comparative assessment of IPL franchises based on key financial and operational metrics. Finally, I will conduct an in-depth financial analysis of the most promising team, examining revenue streams, cost structures, and projected returns. This structured methodology will enable us to formulate a well-informed investment strategy. Does this framework align with the firm’s objectives?

Yes, that is a well-structured approach. Let us begin by analyzing the market dynamics. In your opinion, what all factors would you consider and how will these factors influence the profitability of our investment?

The IPL, India’s most-watched sporting event, drives 30% of the sports industry, making it highly sensitive to macroeconomic factors.. YoY growth trajectory, team valuations, and expansion of fan base make the IPL team an attractive investment opportunity. Additionally, consistency in team performance and winning records enhance brand image, unlocking further sponsorship and collaboration opportunities.

You can now analyze the five teams individually, referring to Exhibit A.

Upon reviewing the data:

- SRH has recorded the highest YoY growth at 76%, while CSK holds the highest brand value at 241 million dollars.

- Additionally, CSK has the largest fan base, with 32 million supporters, followed closely by MI and RCB. Both CSK and RCB demonstrate consistent on-field performance, which positively influences sponsorship attractiveness and revenue stability.

Based on these metrics, CSK and RCB appear to be the strongest investment candidates, while SRH presents a high-growth opportunity.

That appears to be a well-founded evaluation. Please refer to Exhibit B, which outlines the teams' cash flow details. Our objective is to achieve a 40% internal rate of return (IRR) over the next three years.

Before evaluating the IRR, I would like to determine the current outflow required to acquire the franchise. Considering the provided data and recent acquisitions, would it be reasonable to assume that the contract value would be 2.5 to 3 times the current valuation, factoring in the league’s high growth potential? Additionally, a booking tender fee of \$1 million should be accounted for.

A 3x multiplier is a valid assumption. You may proceed.

SRH having good growth potential, but seeing its inconsistent cash flows rules it out of the options with KKR. Now, for RCB, CSK, and MI, the estimated acquisition costs are approximately \$715 million, \$730 million, and \$650 million, respectively.

Analyzing projected cash flows, CSK has the highest estimated IRR at 47%, while RCB and MI yield around 30% or lower. With a 40% IRR target in three years, only CSK meets the criterion, making it the recommended choice.

Your calculations appear sound. Please provide recommendations for increasing revenue strategies for CSK while maintaining cost efficiency.

Key revenue strategies include optimizing sponsorship deals, securing long-term partnerships, expanding international broadcasting rights, implementing dynamic ticket pricing, growing global merchandising and brand licensing, and monetizing digital platforms through OTT, social media, and fan engagement. On the cost side, optimization should focus on strategic player retention to balance performance and salary costs, prioritizing high-ROI digital marketing over traditional ads, outsourcing logistics and operations for efficiency, and adopting revenue-sharing models for stadium operations to reduce fixed costs.

While these strategies seem viable, what risks do you foresee, and how can they be mitigated?

Interview Transcript

The primary risk is cost escalation outpacing revenue growth, which could reduce the IRR below the 40% target. Mitigation strategies include:

- Implementing strict financial discipline in player acquisitions and marketing expenditures.
- Closely monitoring regulatory changes, economic downturns, and shifts in audience engagement trends.
- Adopting a data-driven approach to optimize spending and maximize profitability.

With prudent cost controls and strategic revenue scaling, achieving the 40% IRR target by 2027 remains a feasible objective.

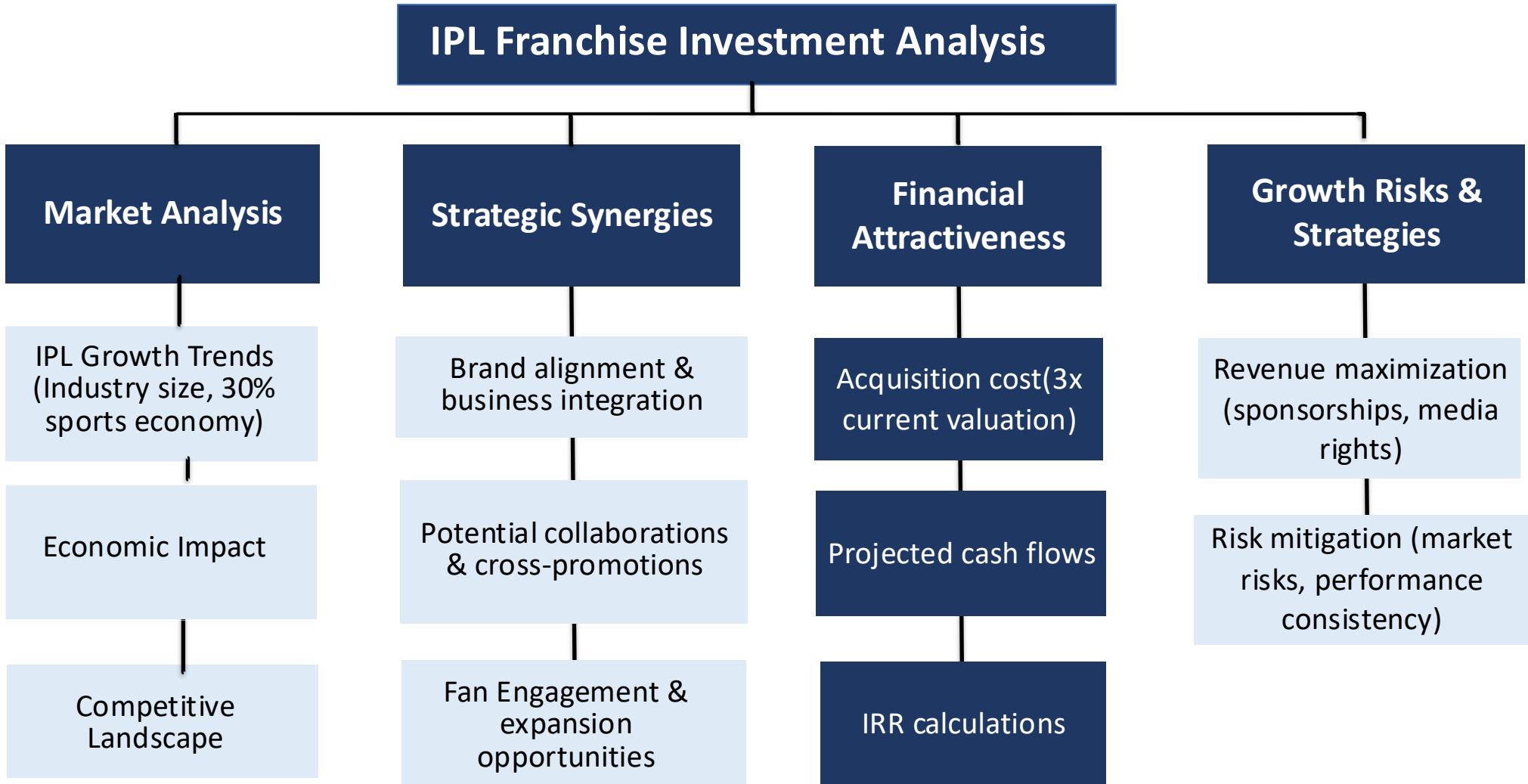
Thank you for your comprehensive analysis. We can conclude the case now.

Your client, a US-based private equity firm, is exploring its first investment in the sports sector by acquiring an IPL Franchise. Analyse and recommend the most suitable team for investment.

Case Facts

- PE firm with \$5AUM, entering the sports sector for the first time.
- IPL: A \$10B+ industry, contributing~30% to India's sports economy.
- Rapid digitalization, global fan engagement, and media rights expansion driving franchise valuations .
- Target investment requires high brand equity, revenue stability, and strong growth potential.
- Key IPL teams for consideration: CSK, RCB, MI, SRH, KKR.

Approach/Framework



Recommendations

- Secure long-term deals and expand international broadcasting.
- Focus on strategic player retention and high-ROI digital marketing.
- Leverage OTT platforms, fan engagement, and merchandising.

Brownie Points

- Data-Driven Decision Making: Investment backed by financial modeling and market analysis.



Financial Exhibits

IRR CALCULATIONS		RCB	CSK	MI
Outflow	Brand Value	237	241	213
	Multiplier	3	3	3
	Contract value	711	723	639
	Tender cost	1	1	1
	Net Outflow	-712	-724	-640
2024		220	300	150
2025		292	442	263
2026		382	542	343
2027		472	657	435
IRR		28%	47%	25%

Assumptions

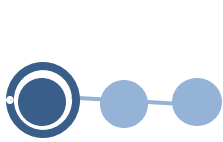
- Assuming that the outflow is cost of purchase, that is taken 3x the valuation provided.
- All the figures are in million dollars.
- A fixed cost of 1 million dollars in tender fee is assumed compulsory while buying any franchise.



Financial Exhibits

EXHIBIT 1: IPL Teams Comparative Stats					
Particulars	RCB	CSK	MI	KKR	SRH
Brand Value	\$237 Mn	\$241 Mn	\$213 Mn	\$226 Mn	\$138 Mn
YoY Growth	67 %	52%	36%	38%	76%
Fan Base	25 Mn	32 Mn	30 Mn	22 Mn	15 Mn
Performance Statistics	2021: 4th	2021: 1st	2021: 5th	2021: 2nd	2021: 8th
	2022: 3rd	2022: 9th	2022: 10th	2022: 7th	2022: 8th
	2023: 6th	2023: 1st	2023: 8th	2023: 7th	2023: 9th
	2024: 3rd	2024: 5th	2024: 7th	2024: 6th	2024: 2nd

EXHIBIT 2: CASH FLOW Details Of 5 Teams (\$Mn)						
Particulars	2022A	2023A	2024A	2025E	2026E	2027E
RCB	40	77	220	292	382	472
CSK	52	229	300	442	542	657
MI	-49	92	150	263	343	435
KKR	257	149	82	-12	-80	-160
SRH	NA	NA	100	150	180	200



Interview Transcript

We are considering purchasing distressed debt from a struggling solar panel manufacturer to evaluate restructuring or liquidation options. How can we analyze this opportunity effectively?

I appreciate this case. I'd like to begin by asking several questions to get a clearer picture of the situation.

Go ahead.

What kind of debt are we looking at? Where does it stand in the capital structure?

The company has \$300M in senior secured debt and \$200M in unsecured notes. We're primarily interested in the senior secured portion, currently trading at 40 cents on the dollar.

Could you provide some information about the company's assets, operations, and financial condition?

They own three manufacturing facilities valued at approximately \$180M in liquidation. Their annual revenue has fallen from \$250M last year to a current run rate of \$150M. EBITDA margins have deteriorated from 15% to -5% in the past year. They possess proprietary high-efficiency panel technology but struggle with production costs.

How does the company position itself competitively? How does it compare to other market players?

They're mid-sized in a fragmented industry. Their high-efficiency panels were once premium products, but Chinese manufacturers have narrowed the technology gap while maintaining a 15-20% cost advantage. They rank 8th domestically in market share with minimal international presence.

Thanks for this context. I'll structure my analysis in four sections: Debt acquisition analysis, Asset valuation and recovery scenarios, Operational turnaround potential, and Investment recommendation with risk assessment. Let's start with the debt acquisition.

Yeah, that's fair. Please Continue.

For the debt acquisition, I'll analyze trading price versus recovery potential, ownership needed for influence, default status, bankruptcy timeline, and relevant covenants. Senior debt trades at 40 cents - \$120M for \$300M face value, with assets valued at \$180M, indicating value in worst-case scenarios. Acquire 33% for blocking, or over 50% for control, requiring \$40-60M. What's their default status? Have they filed for bankruptcy? What key covenants should we know about?

They've missed two quarterly interest payments but haven't filed for bankruptcy. Creditors are under a 60-day standstill agreement expiring in three weeks. Standard covenants apply, including change of control provisions, asset sale limitations, and cross-default clauses with the unsecured notes. They've violated financial covenants for two consecutive quarters.

Are there other significant creditors or interested parties? What's the composition of current debt holders?

The secured debt is primarily held by banks (60%) and institutional investors (40%). Several distressed funds have started accumulating positions, though none exceed 10%. The unsecured notes are widely distributed among institutional investors. There's also \$45M in trade payables.

This suggests an opportunity to acquire a controlling stake before the standstill expires. The current price offers an attractive entry considering asset coverage. I'd like to understand the complete capital structure. Is there other debt or preferred equity? What's the company's market capitalization if publicly traded?

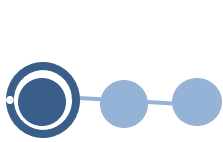
Publicly traded with a market cap of \$25M (reduced from \$300M) and no preferred equity. Capital structure: \$300M in senior secured debt, \$200M in unsecured notes, and common equity. Also, around \$20M in equipment leases held.

For asset valuation, I'll assess manufacturing facilities and equipment values, intellectual property worth, working capital components, other assets, and potential environmental liabilities. You mentioned \$180M liquidation value for facilities. What's the inventory and receivables valuation? Any environmental concerns with the manufacturing sites?

Inventory is valued at \$45M but likely worth \$30M in liquidation due to specialized components. The liquidation cost would be \$28M and the receivables are \$35M with approximately 85% collectability. The facilities are modern with no known environmental issues, though recent environmental assessments haven't been conducted.

I would like to inquire about their high-efficiency panel intellectual property. Has there been a formal assessment of its value by third parties to verify its worth independently? Are there any ongoing patent disputes that we should be aware of?

Preliminary valuation suggests \$40-70M for the patent portfolio, depending on whether it's sold to a strategic buyer or liquidated. No active patent disputes exist, and key technology is protected by patents with 8-12 years remaining.



Interview Transcript

Let me analyze recovery under three scenarios. In liquidation, we'd have facilities at \$180M, inventory at \$30M, receivables at \$30M, IP at \$40M, minus liquidation costs of \$28M as given. This totals about \$252M against \$300M senior debt, suggesting an 84% recovery rate - indicating the current price is potentially undervalued. In a distressed sale scenario, we might see facilities at \$200M, inventory and receivables at \$70M, IP at \$60M, less transaction costs of \$15M, totaling \$315M - potentially covering senior debt entirely. For restructuring valuation, what EBITDA multiples are typical in this sector?

Healthy companies typically trade at 7-9x EBITDA. Market leaders with proprietary technology can command 10-12x multiples.

For turnaround assessment, I need to understand market position details, cost structure issues, management capability, growth opportunities, and potential capital expenditure requirements. Could you elaborate on their cost challenges despite having proprietary technology?

Despite having advanced technology, their manufacturing costs are 15% higher than Chinese competitors. While their panels are 10% more efficient, the price premium has dropped from 25% to approximately 5% in two years. Their cost breakdown includes labor (30%), raw materials (40%), manufacturing overhead (20%), and SG&A (10) %, which hasn't decreased despite lower revenue. Slow cost-cutting efforts as revenue fell led to inefficient fixed cost absorption due to facilities running at 60% capacity.

What's the management situation? Are they capable of executing a turnaround?

The CEO has served 7 years, overseeing both growth and decline. The CFO joined 18 months ago from a larger renewable energy company. Operations personnel are considered solid, but sales and marketing leadership has high turnover

In considering restructuring options, it is important to determine the primary cost areas that could be targeted for improvement. This involves exploring opportunities for consolidation of facilities as well as potential for outsourcing certain functions to optimize efficiency and financial performance. Therefore, what primary cost areas could be addressed in restructuring? Are there facility consolidation or outsourcing opportunities ?

One Michigan facility operates at only 40% capacity and could be closed, saving approximately \$25M annually. Some component manufacturing could be outsourced to Asian suppliers, saving another \$10M. Additional opportunities include renegotiating union contracts (potentially saving \$15M) and reducing SG&A by \$8M.

Recovering EBITDA could reach \$50-55M with \$58M savings. This values operations at \$400-440M based on an 8x multiple, indicating a notable upturn. Are there strategic alternatives like buyers or mergers considered?

Six months ago, an investment bank was engaged, but talks with potential buyers stalled. An Asian manufacturer showed interest in technology licensing, but no formal offers emerged. What about market outlook? Will solar panel price declines continue, or might we see stabilization?

Analysts expect continued pricing pressure for standard panels, but premium high-efficiency panels should maintain price points better. Overall market growth projections are 12-15% annually for five years, driven by renewable energy mandates and falling installation costs. Pending legislation might impose tariffs on imported panels, potentially benefiting domestic manufacturers.

Based on my analysis, I recommend proceeding with debt acquisition for several reasons: Favorable risk-reward profile at 40 cents on the dollar with downside protection. Clear restructuring opportunities for EBITDA improvement of \$58M. Valuable proprietary technology allows strategic options. Industry outlook shows 12-15% growth for a favorable turnaround environment. Acquire controlling position in senior secured debt, pursue dual strategies for potential Chapter 11 filing and out-of-court restructuring. Implementation priorities: facility consolidation, outsourcing, labor negotiation, SG&A reduction, and management changes. Successful turnaround could lead to \$400M enterprise value with equity value of \$260-270M. Key risks include execution challenges, pricing pressure, labor issues, technology changes, and regulation. Mitigation strategies include due diligence, implementation planning, management additions, customer relations, and partnerships.

That's comprehensive. Two additional considerations: First, they have a European joint venture generating about \$15M in annual licensing revenue while requiring \$5M in annual R&D support. Second, pending legislation might significantly increase tax incentives for U.S. solar installations. How would these affect your recommendation?



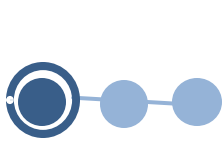
Interview Transcript

The European joint venture boosts asset value significantly, enhancing enterprise worth by around \$80M through a \$10M annual cash flow, with potential for market growth due to new tax laws. This strengthens the case for turnaround over liquidation and bolsters confidence in acquiring debt for operational enhancements. Additionally, the joint venture offers financial flexibility and strategic technology value internationally. Examining the joint venture agreement for bankruptcy survival and monitoring tax law effects are crucial for timely actions in debt management.

One final challenge: The standstill agreement expires in three weeks. The company has approached us about providing \$30M in debtor-in-possession financing during restructuring. Would you recommend providing this alongside our debt acquisition?

Providing DIP financing in combination with debt acquisition offers strategic advantages, such as super-priority status in our capital structure. DIP lenders often gain influence in bankruptcy processes and decisions. By offering liquidity, we become valuable partners to management and stakeholders, aiding negotiations. As DIP lenders, we gain insight during restructuring phases. Before committing, expedited due diligence would be done, ensuring covenants, customer & supplier continuity, and management commitments. It's advisable to provide DIP financing to support our acquisition strategy and strengthen restructuring. The \$30M investment is minor compared to a potential enterprise value of \$400-480M post-successful turnaround.

Excellent. Let's conclude the case. I value your method, which resembled our own investment evaluation process.

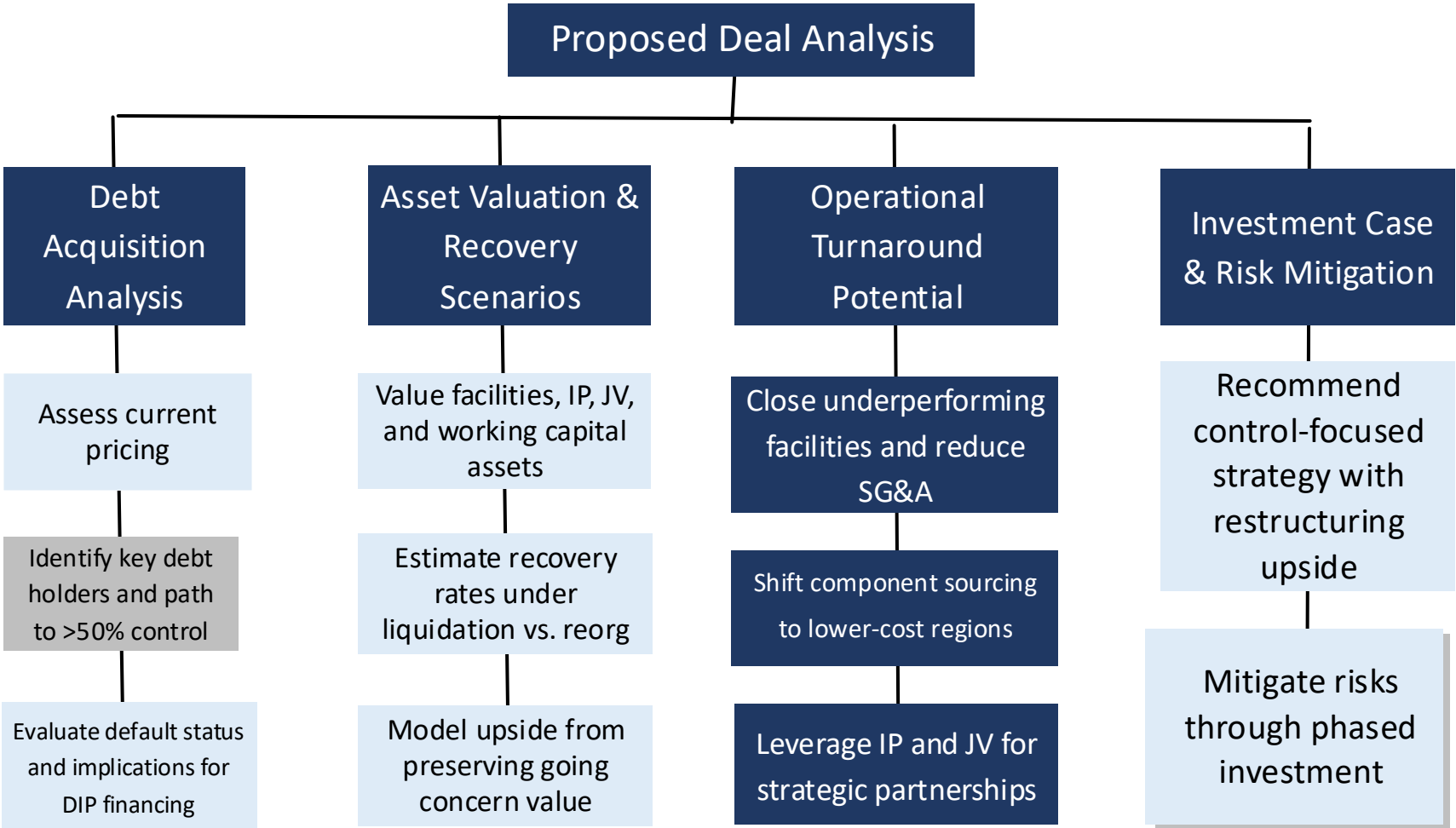


A private equity firm is considering purchasing the debt of a manufacturer of solar panels that has defaulted on its debt payments. your client aims to buy the solar panel manufacturer's debt at a discount and potentially take control to restructure the company or liquidate its assets. Perform financial due diligence to make an informed decision.

Case Facts

- Mid-sized U.S. solar panel maker (8th in market); limited global presence; market cap down from \$300M to \$25M.
- Revenue fell from \$250M to \$150M; EBITDA margin dropped to -5%; \$300M senior debt (trading at 40¢), \$200M unsecured, \$90M other liabilities.
- Assets include \$180M in facilities, \$30M inventory, \$30M receivables, \$40–70M IP, and \$15M/year from a European JV.
- Operations face 15% higher costs than Chinese rivals; facilities at 60% capacity; unionized labor.
- Industry growing 12–15% annually; pricing pressure persists; potential boost from upcoming U.S. tariffs and tax incentives.

Approach/Framework

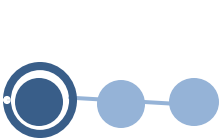


Recommendations

- Acquire control via discounted senior debt and \$30M DIP to lead restructuring.
- Cut costs by closing Michigan plant, outsourcing, and trimming SG&A.
- Monetize IP, keep JV cash flow, and position for policy tailwinds.

Brownie Points

- Estimating the range for the acquisition value using precedents.
- Analysing the potential future synergies with regard to product enhancement.



Guesstimate

Recovery Value Analysis	
Asset (Liquidation Value)	Value (Million)
Manufacturing Facilities	180
Inventory	30
Receivables	30
IP/Patents	40
Subtotal	280
Less Liquidation Cost (10%)	(28)
Total Recovery Value	252

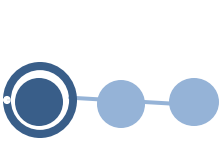
Debt & Recovery Metrics	
Particulars	Value
FV of Senior Debt	300
Recovery Rate	84%
Value per 1 Dollar Senior Debt	0.84
Current Trading Price	0.40

Scenario Overview				
Scenario	Key Assumptions	Total Recovery/EV (Millions)	Debt Recovery Value	Value per 1 Dollar Debt
Worst case	Forced Liquidation	252	252	0.84
Best case	Distressed Sale	330-15=315	315	1.05
Turnaround	Full Operational Turnaround	EV:480-520	Equity:280-320	2.6x-3.0x ROI

Turnaround Scenario-EBITDA Build-up	
Step	Details/Amount (Million)
Current Revenue	150
Previous EBITDA Margin	22.5
Cost-Cutting Measures	
Michigan Facility Closure	+25
Component Outsourcing	+10
union contract Renegotiation	+15
SG&A Reduction	+8
Total Cost Savings	58
Proected EBITDA	50-55
Valuation Inputs	
EBITDA x Industry Multiple	400-440
Add:European jv	80
Total Enterprise Value	480-520

Assumptions

- 10% liquidation costs are assumed in the worst-case asset recovery.
- 5% transaction costs are deducted in the base-case distressed sale.
- EBITDA margin is assumed to return to the historicl 15% level.



Guesstimate

Investment vs Return	
Investment Elements	Amount (Million)
Debt Acquisition	60
DIP Financing	30
Total Investment	90

Post-Restructuring Outcomes	
Particulars	Amount (Million)
Enterprise Value	480-520
Less:Restructuring Costs	(50)
Less:Remaining Debt	(150)
Equity Value	280-320
PE Firm Ownership (85%)	238-272

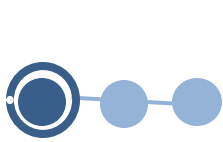
Return Metrics	
Particulars	Value
ROI	2.6x-3.0x
Estimated IRR	25-35%

Probability weighted scenario outcomes			
Scenario	Probability	Value per 1 Dollar Debt	weighted value
worst case	30%	0.84	0.252
Best case	40%	1.05	0.420
Turnaround	30%	1.60-1.70	0.480-0.510

Metrics	
Expected Value per 1 dollar debt	Value
upside vs current price	1.17-1.20

Assumptions

- Full realization of \$58M in identified cost savings is expected.
- An 8x EBITDA multiple is used to estimate enterprise value.
- Controlling debt position is assumed to be acquired at \$0.40 with 85% equity post-reorg.



Exhibits

Exhibit 1: Asset Recovery Value Analysis (Liquidation Scenario)			
Asset	Gross Value	Recovery Estimate	notes
Real Estate (3 Facilities)	\$300M	\$180M	Fire Sale Discount (60%)
Inventory	\$45M	\$30M	Net of Obsolete Stock
Receivables	\$35M	\$30M	85% collection rate
Intellectual Property (IP)	\$80M	\$40M	Conservative 50% write down
European JV	\$80M	\$80M	Based on recent comps
Total Gross Recovery	-	\$360M	-
Less:Liquidation Cost	-	(28M)	Standard Deduction
Net Recovery Value	-	\$332M	-

Exhibit 3:Strategic Turnaround Valuation		
Component	Low case	High Case
Core Business	\$360M	\$400M
JV Stake	\$80M	\$80M
Total EV	\$440M	\$480M
Less:Debt	\$150M	\$150M
Less:Restructuring Cost	\$50M	\$30M
Equity Value	\$240M	\$300M
PE Firm Ownership	\$240M	\$255M

Exhibit 2: Distressed Sale Scenario	
Asset	Recovery Estimate
Real Estate (3 Facilities)	\$200M
Inventory	\$30M
Receivables	\$35M
Intellectual Property (IP)	\$60M
European JV	\$80M
Total Gross Recovery	\$405M
Less:Transaction Cost	(15M)
net Recovery Value	\$390M



Interview Transcript

You are working as an external consultant for a private equity firm that is interested in investing in an Agri-Tech company. The company is raising funds for their business, which involves converting crop residue into repurposed materials. The company claims that their process is environmentally friendly, cost-effective, and has a high demand in the market. The company is seeking a private equity investment from your firm, and you have been hired to analyze the effectiveness of such an investment.

Okay, I have a few questions. First, what is the name of the company and where is it based? Second, what are the repurposed materials that the company produces and who are their customers? Third, how much funding is the company looking for and what is the expected return on investment?

The name of the company is AgriRes, and it is based in India. The repurposed materials that the company produces are mainly biochar and biogas, which are used as soil enhancers and renewable energy sources respectively. The company's customers are mainly farmers, who use biochar to improve their crop yield and soil quality, and manufacturers, who use biogas to power their factories and reduce their carbon footprint. The company is looking for \$50 million in funding and expects a 25% internal rate of return (IRR) on the investment.

Thank you. In order to provide a recommendation on whether to invest or not. I would like to analyze four main aspects of the case: first, the industry and market dynamics of the agritech sector, and the potential growth and profitability of the repurposed materials market. Second, the company and its business model, and how it differentiates itself from its competitors and creates value for its customers and stakeholders. Third, a financial and valuation analysis of the company, and estimate its current and future cash flows, profitability, and valuation. Fourth, a recommendation on whether to invest or not, and identify the main risks and uncertainties associated with the investment.

Does that sound like a reasonable approach?

Yes, that sounds like a good structure. Let's start with the first part, the industry and market analysis. What are some of the factors that you would consider to analyse the industry and market dynamics of the agritech sector and the repurposed materials market?

Some of the considerations includes the size & growth of the agritech sector & the repurposed materials market, both globally & in India. Additionally, the demand and supply drivers and

trends of the repurposed materials market, and the customer segments and needs. Also, the competitive landscape and the key players and their market shares, strengths, and weaknesses followed by the regulatory and environmental factors and the potential opportunities and threats for the agritech sector and the repurposed materials market.

Okay. Estimate the size and growth of the agritech sector and the repurposed materials market? Please refer to Exhibit 1.

- The estimated size of the agritech sector is \$400 billion, and 10% of it is influenced by agritech, then the size of the agritech sector in India would be \$40 billion.
- The agricultural output in India grows at 5% per year, then the agritech sector could grow at 5% or higher, depending on the adoption and innovation of agritech solutions.
- The total amount of crop residue generated in India is 500 million tons per year, and 10% of it is converted into repurposed materials, then the size of the repurposed materials market in India would be 50 million tons per year.
- The crop residue generation in India grows at 3% per year, then the repurposed materials market could grow at 3% or higher, depending on the demand & supply of repurposed materials.

Let's move on to the second part, analyzing the company and its business model. How would you go about assessing AgriRes and its business model in the agritech landscape?

Firstly , investigating the satisfaction level of farmers and manufacturers who are utilizing AgriRes' products. Moreover, I'd explore the company's marketing strategies, distribution channels, and the sustainability of their relationships with customers.

Secondly , I'd examine their growth plans, operational scalability, potential expansion into new markets, & the adaptability of its business model to changing dynamics & regulations.

Thirdly , market positioning, competitors, their strengths, weaknesses, market shares, & any innovations they might have. This would help highlight AgriRes' distinct advantages & potential risks. Lastly , I'd examine AgriRes' methods to convert crop residue into biochar & biogas, emphasizing uniqueness, efficiency, scalability, & technological advantages or intellectual property rights compared to competitors.

That's a comprehensive approach. Moving forward, could you discuss how relationship of AgriRes with customers impact its business model & growth potential?



Interview Transcript

That's a comprehensive approach. Moving forward, could you discuss how relationship of AgriRes with customers impact its business model & growth potential?

Certainly. I aim to collect feedback from their clientele – farmers and manufacturers – to gauge satisfaction levels, understand their needs, and identify areas for improvement. Assessing the reliability of AgriRes' distribution channels, customer support mechanisms, and the extent of repeat business would be crucial indicators of customer satisfaction and potential growth avenues. Moreover, investigating the customer acquisition strategies and their success rates would provide insights into AgriRes' market reach and growth potential within their target segments.

Excellent. How about their market positioning? How would you gather information about AgriRes' standing in the market compared to its competitors?

Understanding AgriRes' market position would involve examining industry reports, market surveys, and possibly conducting interviews or surveys with industry experts. Analyzing market share, customer feedback, and testimonials could provide insights into their reputation and standing within the agritech sector. Additionally, exploring their partnerships or collaborations with key stakeholders in the industry could shed light on their market influence and reputation among industry players.

That sounds great! How would you assess the technological advantage or uniqueness of AgriRes' conversion processes?

To evaluate the uniqueness of AgriRes' technology, I would seek information about their patents, proprietary methods, or any specific technology used in converting crop residue into biochar and biogas. Also, exploring their partnerships or collaborations with research institutions, which might signify technological advancements or exclusive access to innovative processes. Furthermore, assessing the efficiency of their processes compared to industry standards and benchmarks would be crucial. Any data on production costs, conversion rates, or environmental impact metrics would help gauge their efficiency and uniqueness in the market.

Considering the depth of your analysis, how would you approach the financial and valuation analysis of AgriRes in the next phase? Please refer to the exhibits 2 & 3.

Sure, give me some time to analyze the data.

Based of the given data, the Discounted Cash Flow (DCF) value is \$208.509 million and the Internal Rate of Return is calculated to be 32.67%.

Now, let's discuss the potential risks associated with investing in AgriRes. How would you identify and evaluate these risks?

I will categorize risks into different buckets –

Operational Risks: These might include technology failures in their conversion processes, scalability challenges as the company grows, or any logistical issues in their operations.

Market Risks: Fluctuating demand for their products, changes in consumer preferences, or competitive market dynamics could impact AgriRes market share & profitability.

Regulatory Risks: Adverse changes in environmental policies or government regulations could affect their production methods, potentially leading to compliance challenges or increased operational costs.

Financial Risks: Uncertainty in cash flow projections, difficulties in securing funding for expansion, or unexpected cost escalations could pose financial challenges for AgriRes.

Your risk assessment approach seems prudent. So, considering everything we have covered till now, do you support the investment decision?

Based on the analysis of AgriRes' business model and the valuation analysis, the DCF Value is higher than the proposed investment amount of \$50 million. Therefore, the investment is undervalued and has a positive net present value (NPV) of \$158.509 million. Also, the IRR is higher than the required rate of return of 25%. Therefore, it can be concluded that It is a profitable investment for the client.

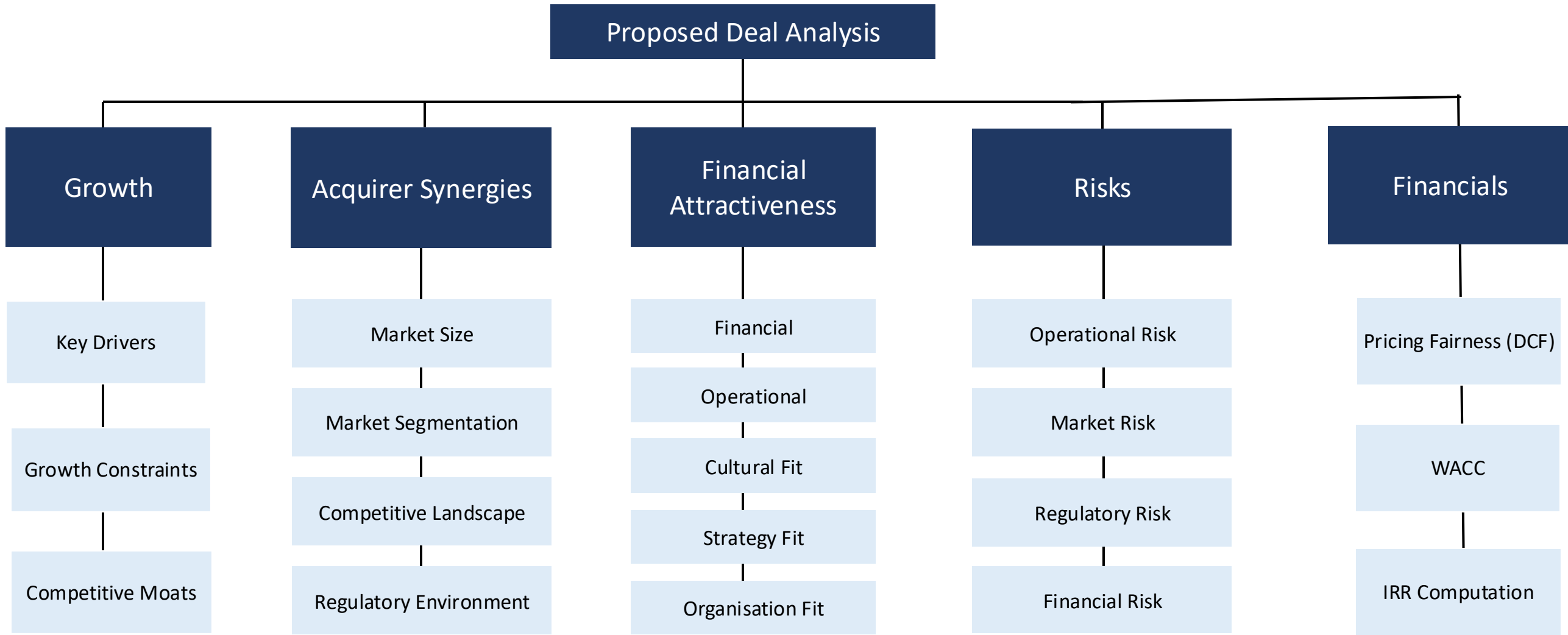
Okay, we can wrap the case now.

Your client is a private equity firm looking to invest in an Agri-Tech company. The company AgriRes is seeking funds for their business which involves conversion of crop residue into repurposed materials through an eco-friendly & cost effective process. Advise the client on this investment.

Case Facts

- The client is a private equity firm interested in investing in an AgriTech company.
- AgriRes is an India based AgriTech company looking to raise \$50 million in funding with an expected IRR of 25% .
- AgriRes’ customers are farmers & manufacturers who use biochar & biogas respectively.
- The company claims that their process is environmentally friendly, cost-effective, and has a high demand in the market.

Approach/Framework



Recommendations

- The investment is acceptable & profitable.
- The IRR is higher than the expected rate of return.
- The investment is undervalued & has a NPV of more than 150 million according to DCF valuation.

Brownie Points

- A comprehensive & structured approach which includes both quantitative & qualitative factors.
- A detailed explanation about the business model of the company & the risks associated with it.

Financial Exhibits

EXHIBIT 1	
Data	Value
Total agricultural output in India	\$400 billion
Percentage of agricultural output influenced by Agritech	10%
Growth rate of agricultural output in India	5%
Growth rate of Agritech sector in India	6%
Total amount of crop residue generated in India	500 million tons
Percentage of crop residue converted into repurposed materials	10%
Growth rate of crop residue generation in India	3%
Growth rate of repurposed materials market in India	4%

EXHIBIT 2: Cash Flows		
Year	FCF (\$ million)	Discount Factor
1	5	.909
2	10	.826
3	15	.751
4	20	.683
5	25	.621
Total Value	250	.621

EXHIBIT 3: Financial Indicators	
Parameter	Value
Risk Free Rate	6%
Beta	1.2
Market Return	12%
Market value of equity	\$40 million
Total Market Value of the company	\$50 million
Cost of Equity	15%
Debt	\$10 million
Cost of Debt	10%
Tax	25%
Perpetual Growth Rate	5%

MERGERS & ACQUISITIONS





Interview Transcript

Your client is a RootNet, is the largest telecom player in the world. The client has identified a particular arm of the business in a specific geographical location which they want to sell. They want us to conduct a due diligence study. How would you approach this and what would your considerations be?

Sure, I would like to begin with breaking down the analysis into 3 sections- Internal Analysis, Sell Options, Deal Execution and Implementation. I would like to know more about the client.

Ok sure, please go ahead

Yeah, so I'd like to start with internal analysis. I would like to understand what is the issue that is causing the client to sell of a business unit- is it based on external or internal factors?

So, the client is looking to sell off their Indian business unit. While the unit has been extremely profitable, recent government regulations are favoring its Indian Competitors, who are able to offer services at comparatively lower prices. Company does not expect the policy to change anytime soon and sees stagnant growth going forward.

So, I understand this decision of theirs is supported by external factors such as government policies and competition's pricing, leading to lower growth. Can I understand the client's capabilities in this region?

The client owns multiple offices across the country, in Pune, Gurgaon & Bangalore. They have all necessary compliances and contracts to run business for the next 3 years, with all standard equipment required in this business.

Now that I have a clear idea of the client's reasoning behind selling and its capabilities, I would like to understand the sell options the client has.

The client has multiple competitors & new entrants bidding on various percentages of majority stake ownership and the client needs to decide the best of options to sell.

Considering that the unit has been profitable before the new regulations, the client should look at the market economics and growth potential to understand what percentage of minority ownership would they like to retain.

Apart from ownership stake, the client needs to consider the capabilities and assets it owns and what would provide the best deal value.

We should further judge the competency and capabilities of our bidders to understand where could we have a synergistic handover with reduced transfer costs..

After deciding on selling a majority stake while still holding 49% of the unit what would be the next step towards completing the sell off?

We would next consider our deal execution and implementation considerations. We need to categorize components of our business into critical and noncritical, setting aside the critical part which cannot be transferred to the buyer.

We the need to consider the needs of the acquirer and what they require in maximizing their business benefit. Finally, the staffing and organization restructuring needs to be implemented. Emphasis needs to be on ensuring transparency for all stakeholders.

Thank you for your approach, I think we can end the discussion here.

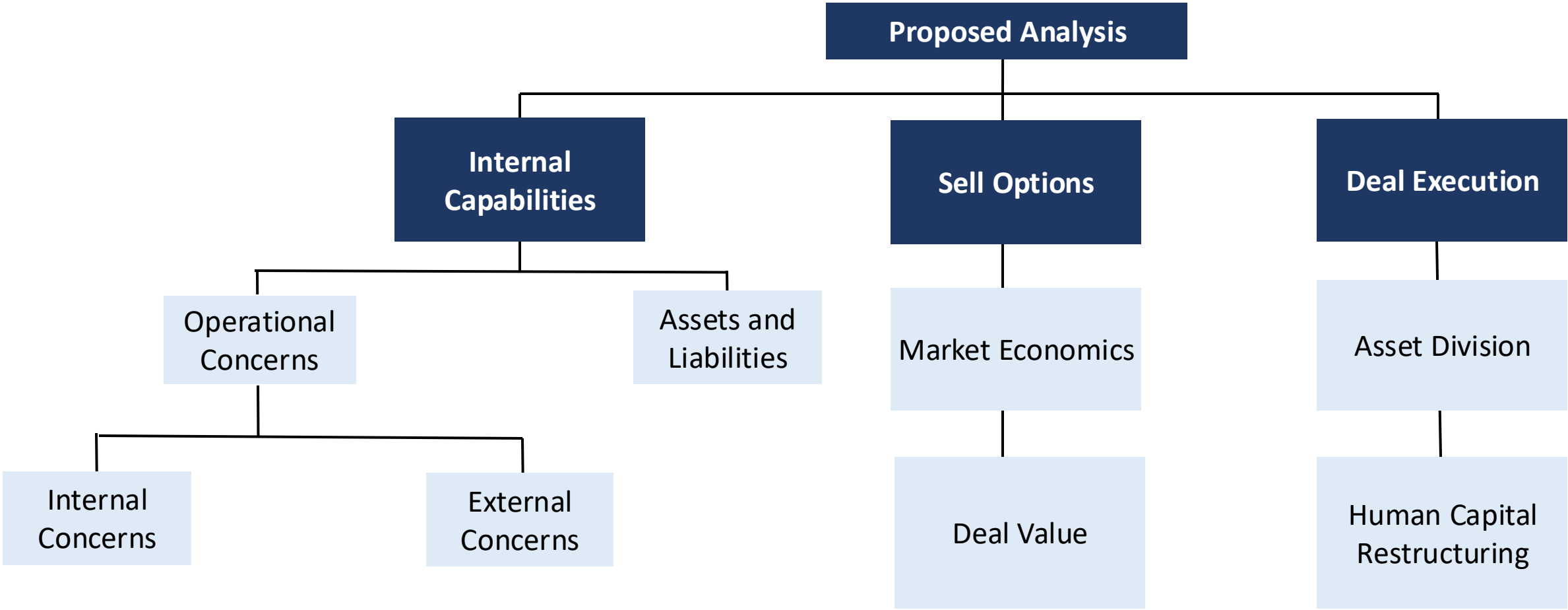


The client has identified a particular arm of the business in a specific geographical location which they want to sell. They want us to conduct a due diligence study. Devise an approach for this and highlight considerations for this?

Case Facts

- Client is the largest telecom player in the world.
- Recent changes in government policies have strengthened the position of the competitors.
- Multiple bids were offered for buying the unit/ stake in the unit, however the company chooses to retain the minority stake of 49%.

Approach/Framework



Recommendations

- Ensuring capability, competency and synergy in business with the new acquirer.
- Ensuring complete transparency with stakeholders during the process.

Brownie Points

- Knowing the sell side due diligence framework
- Suggesting acquisition by an experienced player, to back company’s growth.



Interview Transcript

In 2025, the National Football league and English Premier league are proposing a merger to form "Global Sports United". Recommend whether to proceed and outline key implementation steps.

Sure, Can I know what’s the objective behind this merger?

Yes, to address the declining TV viewership.

Okay, Is this issue faced by all the sports leagues or limited to National football league and English Premier league.

No, there has been a decline in TV viewership by 10% over last year for these 2 leagues only.

Okay, I would like to first identify the reasons for the decline in TV Viewership so that I can start with my analysis.

Yes, you can start

Sure, for external reasons, i think of factors like change in consumer preferences, people prefer short watching short highlights instead of watching a 3hour long game or increasing competition from other sports leagues like Champions league, Esports etc or people moving to OTT platform could be another reason For internal reasons, frequent ads between matches, lack of parity since top. clubs like man city have dominated the league for years and there has been an absence of suspense in the sport or it might be possible that the viewership has reached its saturation levels and is seeing a decline trend. Have any of these reasons impacted the decline in TV viewership?

Yes, the USA markets for NFL have reached their saturation levels and also there has been a shift of viewership towards OTT platforms in the recent years

Alright, now that the reasons for decline in TV viewership have been discovered, Can I start with my analysis.

Before you start, Why do you think Industry giants like the National football league and English premier league which are 2 of the biggest sports leagues in the world would be ideal as merging partners?

Yes sure, as you mentioned that they are 2 of the biggest sports leagues in the world, However as mentioned before that NFL markets in the USA have reached its saturation levels, despite it being an industry giant, it doesn’t have a global presence. The English premier league, on the other hand, is recognized and watched in 90+ nations. Similarly, Even though The EPL has a global presence, it still

hasn't penetrated in the US market. In such a way I believe that both their weaknesses compliment each other and can help each other.

I agree with your assessment—this merger clearly unlocks value by combining the leagues' strengths and weaknesses. Let’s move forward ,Walk me through your proposed next steps.

Sure, I’ll divide my analysis into 3 parts where first I’ll talk about the strategic and financial rationale of this merger and then I’ll state the risks associated with this merger along with risk mitigation strategies and finally I’ll conclude with whether or not this merger should take place.

Yes that sounds good, you can go ahead

First the strategic rationale of this merger, we talked about how their weaknesses compliment each other make them fit for a merger, that being said, a merger would ideally help to tackle the problem of Changing consumer preferences towards OTT platforms and prevent losing fans to shorter forms of entertainment which is the ongoing trend.

Can’t this be achieved through short term partnerships? Why take the huge risk and bear the huge expense of a merger

Temporary partnerships won’t address the structural threats, both leagues are losing fans due to the rise of “attention economy”. A full merger lets them completely rethink about content, it will be like mixing the cultural value of the National football league with the global presence of the English premier league.

Okay, can there be any other external factor involved?

One reason I can think of is that there is an increasing competition in the USA as the NBA, the basketball league goes global whereas the premier league in the UK faces competition from Champions league, club world cup etc, a merger is the only way to pool resources fast enough to compete with rival leagues and growing concerns.

That means if they don’t act fast, their rival leagues like National Basketball Association and Champions league which have already captured some of the emerging markets like Africa and India will lock up Gen Z and other emerging markets first?

Exactly, that is all about the strategic rationale behind this merger

Okay now that you have mentioned about the strategic rationale involved, you can continue with the next part of your analysis.



Interview Transcript

Alright, now talking about the value that this merger would generate, the NFL-EPL merger into "Global Sports United" would create significant value through combined broadcasting rights by commanding premium fees, sponsorship deals by accessing both football audiences. Shared infrastructure and operations would cut costs while blending the NFL's commercial strengths with the EPL's global reach would unlock new growth opportunities. The unified entity would leverage both leagues' expertise to dominate the evolving sports landscape.

Based on your response, could you estimate the post merger revenue?

Sure Sir, Could you provide me with the current revenue of the NFL and EPL separately?

NFL revenue is 18 Billion and EPL is 7.6 Billion.

Please provide me with data on the percentage contribution of each revenue stream revenue breakup of NFL is Media Rights (55%), Sponsorships(10%), Tickets(15%), Merchandise(10%) and Others (10%) and The revenue breakup of EPL is Media Rights(60%), Sponsorships(10%), Tickets(15%), Merchandise (10%) and others (10%).

So, based on these assumptions, the revenue distribution should look something like this For the NFL, media rights should contribute 55% of the total revenue, which would be \$10 billion. Sponsorships should account for 10% (\$1.5 billion), tickets 15% (\$2.7 billion), merchandise 10% (\$1.8 billion), and the remaining 10% (\$1.8 billion) should come from other sources. That would bring the total to \$18 billion.

For the EPL, media rights should be even more significant, making up 60% of the total revenue, which should amount to \$4.5 billion. Sponsorships should contribute 10% (\$600 million), tickets 15% (\$1.1 billion), merchandise 10% (\$760 million), and the last 5% (\$380 million) should fall under "Others." In total, both leagues should generate \$25.6 billion in revenue.

Does that make sense?

Yes, absolutely. You can proceed.

So, assuming all the earlier mentioned synergies are optimized, Media revenue should jump 25% to \$18 billion, New global streaming deals (Apple/Amazon), expanded playoffs, and AI-driven ad tech. Sponsorships should rise 40% to \$3.5 billion, Luxury/fintech brands pay premiums; Saudi/Asian sponsors enter Western sports. Ticket sales should see a 10% boost to \$4.8 billion, Limited by stadium capacity; growth comes from dynamic pricing, not volume. Merchandise should grow 25%. \$2.7 billion, NFT-linked jerseys and emerging markets (India, SEA) drive higher-margin sales and

"Others" should increase 25% to \$2.7 billion, fueled by Fantasy sports, microtransactions, and gambling legalization (U.S./Europe). Total revenue should grow by ~25%, reaching ~\$32 billion from \$25.5 billion post-merger.

That’s impressive. So, the merger didn’t just add up revenues—it actually unlocked synergies across media, sponsorships, and fan engagement?

Exactly! The NFL’s strong U.S. presence and the EPL’s global fanbase created a perfect mix. This allowed for higher broadcasting deals, new sponsorship opportunities, and better monetization of assets.

Now, I want you to assess its financial feasibility

To assess this, I'll determine the payback period and analyze how long it takes to break even. For that, I'll need the costs incurred due to the merger. Do we have data on that, or should I proceed with the calculations?

Let's say the total cost of the merger would be around \$20 billion, out of which Player Salaries account for approximately 60% (\$12 billion), making it the top expense due to elite talent contracts. Stadium Operations make up around 20% (\$4 billion), covering maintenance, leases, and renovations. Marketing & Broadcasting represent about 10% (\$2 billion), including ads, sponsorships, and media deals. Team Travel & Logistics account for 5% (\$1 billion), covering flights, hotels, and game-day operations. Other Costs make up the remaining 5% (\$1 billion), combining legal, tech, administrative, and unforeseen expenses.

So, with an annual revenue growth of \$2.5 billion, the payback period will depend on how much the merger actually costs. In the best-case scenario, if the cost is around \$15 billion, it should break even in about 6 years. A more moderate estimate, say \$20 billion, would push it to 8 years. And in the worst-case scenario, at \$25 billion, it would take 10 years to break even

How do you interpret these results?

The payback period is relatively long but not unreasonable for a merger of this scale. Most corporate mergers aim for 5–10 years, and in sports and media, major investments often stretch beyond that. If the cost is around \$15B, a 6year payback is solid. At \$20B, 10 years is on the higher side—but with additional revenue streams and cost synergies, it could still make sense. also think that a merger would eventually stabilize the football/soccer industry in the upcoming years.



Interview Transcript

You mentioned that this merger would eventually stabilize the market, Could you explain how it will lead to market stabilization?

It would help to stabilize the market in two ways, firstly it would reduce reliance on a single market, so if revenue in one market falls (let's say EPL in UK) then it can be compensated through revenue of NFL in UK. Another thing is the cross-league format could reignite interest and reduce churn among existing fans.

Having said that, the risks associated with the merger can't be ignored. What do you think are the key challenges involved, and how can they be addressed effectively?

The main risk included with such a merger is the traditional and cultural difference of the fans of both the respected leagues, for example soccer fans might not embrace football. Other risks include execution of cross league format which can pose challenges such as over burden on players or tight match schedules and upfront costs of this merger are significantly high which could pose an issue in the short run.

Don't you think this merger would raise concerns in the respective countries?

Yes, the firms would face certain regulatory hurdles since combining two sports industry giants would certainly raise concerns regarding monopolistic practices in both the countries, there may be a need for change in the players contracts and union agreements. Also, media and distribution rights may differ in both the countries.

Yes, changes in player contracts and agreements would be required after the merger

Now in order to deal with these challenges, there are some measures that can be taken by Global Sports United, shall I start with these risk mitigation strateg

Yes, go on

Sure, moving to the next and final step—implementation of the merger. As I mentioned earlier, this should be done in phases to ensure a smooth transition. The first stage involves engaging with regulators, proactively communicating the benefits of the merger to address any concerns. Next, cross-league exhibition matches should be organized, allowing teams and fans to adapt to the new format. Once these matches are successfully completed, the next phase should introduce full-

league matches under the merged structure. Finally, the focus shifts to combining media rights and sponsorships globally, followed by continuous monitoring of fan engagement and making adjustments based on feedback and market trends

You mentioned feedback and adjusting strategies, what metrics could they rely on to take such decisions?

Key metrics to track include TV viewership and streaming numbers to gauge audience interest, fan engagement after the implementation of cross-league formats to assess reception, revenue growth to measure financial impact, and regulatory compliance to ensure smooth operations without legal hurdles.

Okay, Conclude the case with your recommendations.

The merger has strong strategic and financial potential, but it's not without risks. A phased approach allows for testing and learning while minimizing disruption. If executed well, "Global Sports United" could redefine the sports industry and create significant value for both leagues.

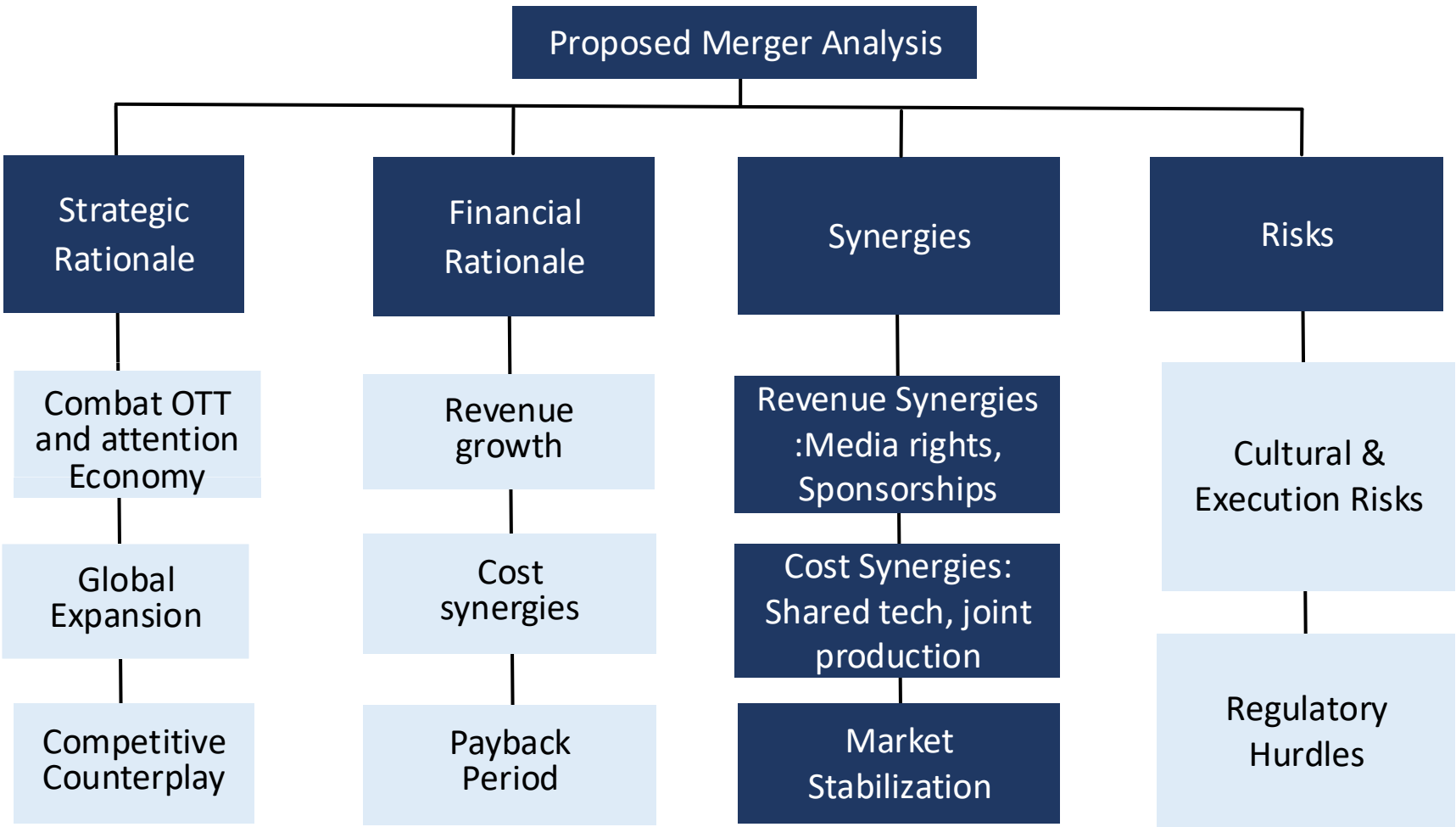
Great analysis, Thankyou

The National Football league and English Premier league are proposing a merger to form "Global Sports United". Recommend whether to proceed and outline key implementation steps.

Case Facts

- Core Issue:**
- NFL & EPL TV viewership declined by 10% in 2024.
 - Revenue at risk: Media rights, sponsorships, advertising.
- Merger Objective:**
- Boost global engagement via cross-league tournaments and shared media rights.
 - Stabilize markets through diversification.
- Key Details:**
- Proposed entity: "Global Sports United."
 - Phased integration to mitigate risks.

Approach/Framework

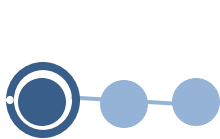


Recommendations

- Phased Implementation:
- Feasibility Study (6-12 months): Stakeholder alignment, regulatory checks.
 - Pilot Programs (12-18 months): Test cross-league events in U.S./UK/India.
 - Full Integration (24-36 months): Unified media rights, global sponsorships.
 - Continuous Evaluation: Monitor metrics (viewership, revenue, fan engagement).
 - Final Decision: Proceed with merger, prioritizing phased execution.

Brownie Points

- Digital Engagement: AR/VR fan experiences, gamified platforms for Gen Z.
- Phased Integration: Minimizes disruption while testing synergies.
- NFTs & Virtual Merchandise: New revenue streams via digital collectibles.



Financial Exhibits

EXHIBIT 1			
	Cost (Billion \$)	Revenue (Billion \$)	Payback Period (Years)
Worst Case Scenario	25.00	2.50	10
Moderate Case Scenario	20.00	2.50	8
Best Case Scenario	15.00	2.50	6

EXHIBIT 2			
	Change %	After	Before
Combined Media	25.00%	\$18,075,000,000.00	\$14,460,000,000.00
Combined Sponsorships	40.00%	\$3,584,000,000.00	\$2,560,000,000.00
Combined Tickets	14.00%	\$4,810,800,000.00	\$4,220,000,000.00
Combined Merchandise	25.00%	\$2,725,000,000.00	\$2,180,000,000.00
Others	25.00%	\$2,725,000,000.00	\$2,180,000,000.00
Total	24.69%	\$31,919,800,000.00	\$25,600,000,000.00

EXHIBIT 3		
Risk Category	Challenge	Mitigation Strategy
Regulatory Considerations	Antitrust scrutiny (U.S./EU)	Proactive engagement with regulators to address monopolistic concerns.
	Labor law conflicts (player contracts, union agreements)	Establish legal advisory boards to oversee union negotiations and contract adjustments.
	Broadcasting/media rights disparities	Phase media rights integration to align with regional regulations.
Cultural Differences	NFL (American football) vs. EPL (soccer) fanbase resistance	Organize cross-league exhibition matches to foster familiarity and acceptance.
Execution Risk	Overburdened players, tight schedules, or poorly designed cross-league formats	Implement phased merger with pilot tournaments; adjust based on feedback.
Financial Risk	High upfront costs (logistics, marketing, operations)	Secure staggered investments and partnerships to distribute financial burden.
Competitive Response	Rival leagues (e.g., NBA, La Liga) forming counter-alliances	Differentiate merged league’s value proposition (e.g., unique tournaments, global reach).



Interview Transcript

Your client is a team of young coders, who are designing a social media as a response to the MetaVerse. The social media giant Famebook is moving towards creating a virtual reality, these coders aspire to promote more physical touch in this generation. Calculate the serviceable and target market size of their product considering the whole social media audience.

Famebook offers 100 million in the beginning of this year for acquiring a 90% controlling stake. Should the founders be comfortable in selling the company and if not, how much should they ask for instead?

I would like to begin by asking some clarifying questions about the client.

Sure, go on.

What is the history of this team of coders and where is this company based out of?

The founders are experienced graduates in CS and AI. The company is currently operating in the US and they started off the venture out of Texas.

What is the capital composition like for the startup? Are any of the founders looking to exit?

The startup is completely bootstrapped and the 3 co-founders have equal stake till now and none of the founders is planning to exit from the company.

What is the vision of the product and services provided by the startup?

In times when virtual reality and technological takeover has made it so easy to communicate and interact, the company envisions to promote and propagate the importance of physical touch. Their motive is to popularize the concept of meeting people in person.

What is the target population for this product? And how does the product function?

The target population is the proportion of people above the age of 18 years having internet and internet compatible devices. The product is an application having two main verticals. The first vertical is a preference based chatting platform, through which people can connect with more people having similar interests, liking and choices - in terms of movies, music, hobbies, art, professions etc - either through group chats or personal messaging. Further post a fixed number of hours of chatting, the app locks the chat and unlocks when you meet one of the people you are chatting with and post a real time picture with them.

Sounds interesting, what is the second vertical of this application?

The other vertical targets the younger population, people around the age of 16+. Under this vertical the company launches new trendy games every two months which can be played by people across genders and ages.

Through this game, different leaderboards will be maintained, at the regional, national, global and community level. The points earned by a player is proportional to the number of people they meet. A certain number of points earned can be converted into cash to be redeemed via in app purchases or other purchases. To provide a holistic experience in the entire process, the company has its own experience centers where players can meet to experience the trending games and have playoffs in AR-VR mode. These experience centers will also act as the meet up hubs for the application users.

Now I'd like you to estimate the target market size of our client's product.

Taking into consideration that the product is launched in the US only, we'll begin by dividing the population of the US on the basis of age. And since the population below 18 years of age is not our target market, dividing the remaining population among the age brackets of 18-30, 30-50 & 50+, gives us the total addressable market as 26 crores. Now we'll divide the population among these respective age brackets on the basis of internet availability and compatible devices.

What do you mean by compatible devices?

By compatible devices we mean smartphones, PCs, laptops, tablets, etc. electronic devices which are in a working condition for any social media app to run. Now assuming that the younger population has smart devices in better proportion as compared to the elder population, we get the Service Addressable Market as 21.9 Cr.

Is that the final target market?

Now, for the final target market, I'd like to further narrow down the service addressable market by taking people who use at least one social media, into consideration. Dividing the respective age brackets further according to this, gives us the Service Obtainable/Target Market as 17.1 Cr.

The target market estimation makes sense. Now how will you judge this deal?

Since the target market is sizable, the market attractiveness of the product is good. I'd like to judge the financial attractiveness of the deal and for that I will have to understand the objectives of the acquirer & whether it is aligned with our client's business objective or not.

Sounds good, but we have no information on the objectives of the acquirer.

In that case, I'll start analyzing the synergies that can exist between the acquirer and our client. From the acquirer's point of view, it will get access to both the online as well as the offline market of our client.



Interview Transcript

Offline famebook stores will be used to make the target population know more about Meta Verse, and in addition it will help in upselling the meta products at these places, which is the acquirer’s objective. From our client’s point of view, the geographies & the customers of our client & the acquirer are complimentary, which will act as a revenue synergy.

Alright, and are there any risks associated with this acquisition?

Yes, the major risk is that the acquirer will be getting a 90% controlling stake in our client’s company. This handcuffs our client from running the company as per their own vision. Also there will be an emotional risk associated with this acquisition.

Is there anything else that you’d like to analyze to judge this offer ?

Lastly, I would like to weigh the deal on its financial attractiveness. This can be further broken down into 2 aspects, the valuation we are currently getting for the deal, and the growth prospects going ahead.

Okay, to be able to analyze the financial attractiveness, please refer to exhibits 1 and 2 and tell me what you are able to judge from the same.

Exhibit 1 shows details of revenue and the valuation at which they were bought by Famebook, in the past 15 years. From quick math, I can judge that Fintagram was given a multiple of 12, Yopipe 14.4, VROculip 12.5, ChatsApp 11.3, and a whopping 16 to Vreels, its most recent acquisition.

Okay, what can you figure out from the second exhibit?

Second exhibit has the details of revenue and valuation at which competitor firms were acquired. Meet & Greet was given a valuation of 3 times its revenue, Let’s meet was given a valuation of 12.5 times its revenue, Off-time was given a valuation of 15 times its revenue, Parkway 12.7 Times and Game-off 13.3 times the revenue.

Okay, now, what would you conclude from this data set?

Referring to Exhibit 3, it is pretty clear that our business model is very close to what Game-Off’s was, hence our valuation multiple’s base should be nothing short of 13.3. On the upper side, given Famebook’s recent acquisition, Vreels, 16 seems to be justified too. Hence, I would like to conclude that the company should be valued anywhere between \$133 Mn on lower side to \$150 Mn on upper side. Historical data of acquisitions made by Famebook and the acquisition deals of similar firms, both point out to the fact that our company is being given an unjust valuation multiple.

Okay, can you give reasons for the same?

From the given information, I can only interpret that the scarcity of options, lack of prior experience and being a Texas-incepted company, away from the hustle-bustle and start-up hot spots such as California, could be a reason why Famebook pegged an unfair multiple to the company. Given the above mentioned synergies, this point of location bias becomes even more stronger.

Okay, can you delve deeper into the second factor while considering financial attractiveness?

Yes sure, the second factor which I’d like to consider is the growth of the company post acquisition, which I believe I have covered through the explanation of synergies earlier in the interview. The synergies are clearly outweighing the risks of the acquisition, and our company’s offline meeting points might as well serve as experience centers for Famebook’s VR gadgets

Okay, why do you think you should be concerned by the growth of the startup after its acquisition?

It is important to consider this aspect, as the founders are still retaining a minority stake of 10% in the company post-acquisition.

Recently a report stated that 50% of the tech-founders aren't able to take their company to IPOs and take a backseat within 3 years of inception. Could you state reasons behind the same, and also why would they want to retain a minority stake in the company?

I believe the M&A activity in this field has increased manifold, and tech startups being boundary-less and innovative, are quick to grow. The point is proven quickly, owing to the seamless reach and the bigger players are keen to fuel the growth, or eliminate their competition through the mergers and acquisition of these companies.

This could be one reason why founders take a back seat and sell their company for a hefty valuation. The others could be more qualitative such as getting too passionate about the project, which might not be economically viable, and hence giving up the power position under duress from investors.

There could be multiple reasons for the same, such as benefiting from the growth of the company, on the backing of acquisition by the largest social media player. While, the giant might want to retain the co-founders, as they seem to be the best fit to run the company, and a minor stake being the best manner to compensate them for the same.

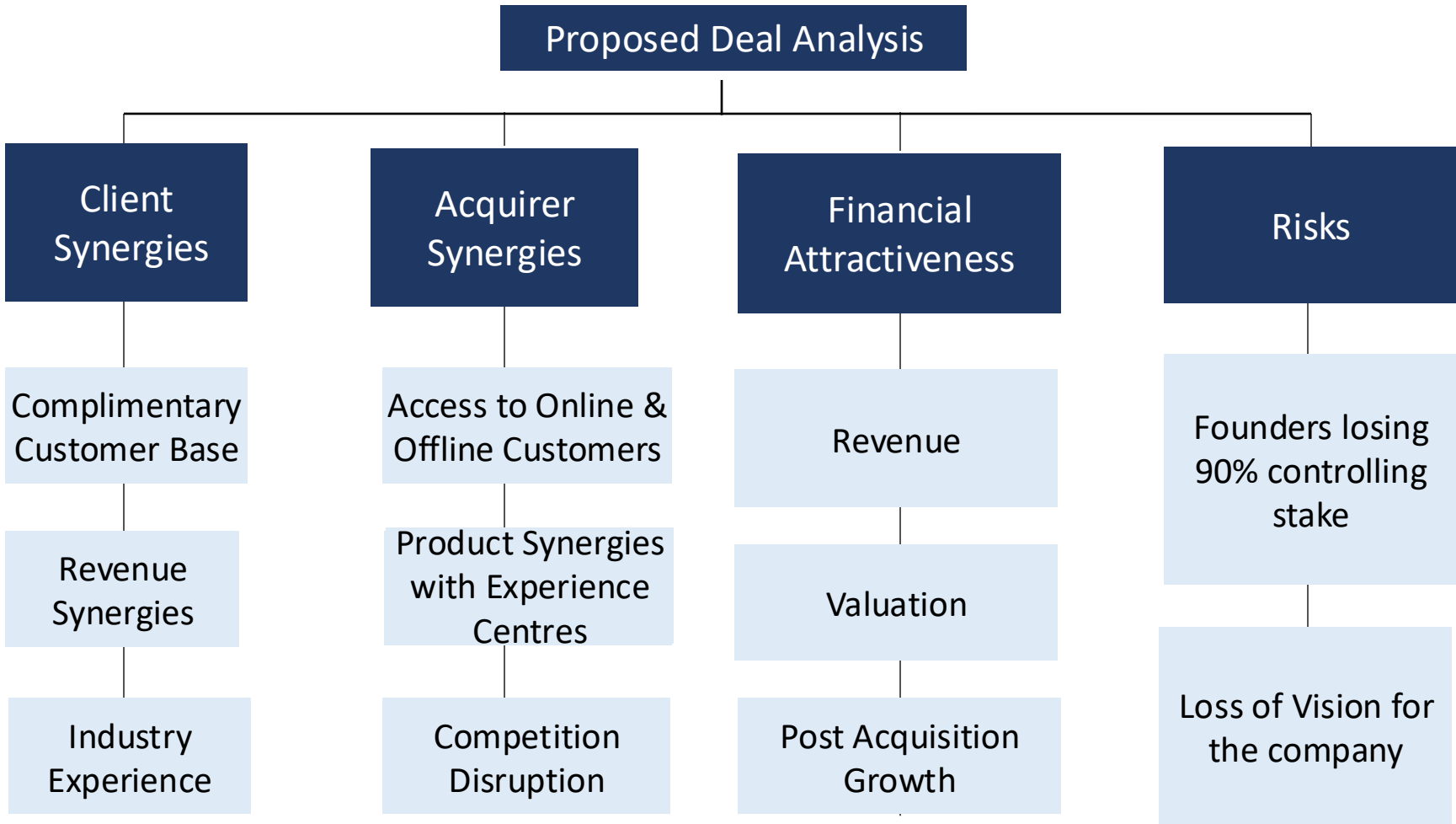
Alright, this seems satisfactory, you may leave now, thank you!

Your client is designing a social media as a response to the Metaverse. Calculate the serviceable and target market size of their product considering the whole social media audience.

Case Facts

- A team of coders based out of Texas has developed an application to popularize the culture of meeting people.
- Famebook offers to acquire the startup at \$100 Mn, for a 90% controlling stake.
- The product has two aspects – one targeting the older population around 30+ and the other targeting the GenZ population which involves engagement through games.
- The company has experience centers where people can meet and experience the games in AR – VR.

Approach/Framework



Recommendations

- Comparing the past acquisitions by Famebook, the multiple offered is significantly lower.
- The deal value should be between \$130Mn to \$150Mn
- The product synergies create great revenue and adaptability prospects for both the client and acquirer.

Brownie Points

- Estimating the range for the acquisition value using precedents.
- Analysing the potential future synergies with regard to product enhancement.



Guesstimate

Total Population = 35,00,00,000

Age group	18-30	30-50	50+
%	20%	25%	30%
Total	7,00,00,000	8,75,00,000	10,50,00,000

Total (in cr.)	95%	90%	70%
SAM	6,65,00,000	7,90,00,000	7,40,00,000
21,90,00,000			

Estimating the people using at least one social media

as % of the respective age group	90%	80%	65%
Total (in cr.)	6,00,00,000	6,30,00,000	4,80,00,000
SOM	17,10,00,000		

Assumptions

- Assuming the population of US to be 35 Crores
- Not targeting the population in the age group below 18 and assuming they form 25% of the total population of US
- By compatible devices we mean smartphones, PCs, laptops, tablets in a working condition for the social media to run



Scan the QR
Code to access
the
Guesstimate
Spreadsheet



Financial Exhibits

Exhibit 1: Fame Book's Previous Acquisitions					
Particulars	2018	2018	2019	2021	2022
Company	Fintagram	Yopipe	VROculip	ChatsApp	Vreels
Revenue	\$100 Mn	\$90 Mn	\$200 Mn	\$150 Mn	\$500 Mn
Valuation	\$1.2 Bn	\$1.3 Bn	\$2.5 Bn	\$1.7 Bn	\$8 Bn

Exhibit 2: Historical Deals of Competing Firms/Similar Firms					
Particulars	2017	2022	2022	2022	2023
Company	Meet & Great	Let's Meet	Off-time	Parkway	Game-off
Revenue	\$ 1 Mn	\$ 1.2 Mn	\$ 0.8 Mn	\$ 11 Mn	\$ 9 Mn
Valuation	\$ 13 Mn	\$ 15 Mn	\$ 12 Mn	\$ 140 Mn	\$ 120 Mn

Exhibit 3: About the companies	
Meet & Great	Chatting & planning celebrations
Let's Meet	Friend's chatting & planning application
Off-time	Creating off-site/fun act. with colleagues
Parkway	Offline date setting application
Game-off	Organise offline gaming meet ups

Interview Transcript

The US electric vehicle market is facing challenges in 2025. Tesla and BYD are considering merging their US operations. Evaluate whether this merger makes strategic and financial sense..

Thank you for this case. Before diving in, may I ask some preliminary questions about the merger's objectives and timeline?

Yes go ahead.

What are the goals that the fund is aiming to achieve through this investment? What are the key objectives Tesla and BYD hope to achieve? And what timeline are they considering for implementation?

Tesla wants to maintain premium positioning while expanding affordable offerings. BYD seeks to strengthen US presence despite 25% tariffs. Discussions began two months ago with a decision expected next quarter.

Could you provide information about the market context and both companies' positions?

Here's some data on the current EV market trends to help you understand the context. (Exhibits 1)

Looking at Exhibit 1, I see new EV sales growing at 16% in 2025 while used EVs grow 40%. Why such a strong growth in the second-hand EV segment compared to new vehicle sales? Also,could I get some information about Tesla and BYD's current operations?

Early EV adopters upgrading to newer models are flooding the market with used vehicles. The widening price gap between new and second-hand vehicles makes pre-owned EVs increasingly attractive to cost-conscious buyers and here's information about Tesla and BYD's operations in the US market (Exhibit 2).

According to Exhibit 2, what are the main positioning differences between Tesla and BYD?

Tesla focuses on premium vehicles with cutting-edge technology. BYD produces more affordable, practical models with excellent battery technology and manufacturing efficiency.

Okay, based on the information I will structure my approach to assess this merger in four parts: strategic fit, financial synergies, commercial due diligence, and regulatory considerations.

That sounds good. Please begin.

For strategic fit, Exhibit 2 shows these companies complement each other perfectly. Tesla's premium brand and BYD's affordability create a full product range. Their identical 10% margins despite different positioning suggest strong operational efficiency.

Good point. Tesla also has innovative manufacturing with their giga-factories. How might that be relevant?

Looking at Exhibit 2, Tesla's manufacturing utilization is 80% versus BYD's 65%. I see an opportunity to optimize BYD's underutilized facilities, shift production to avoid 25% tariffs, and create a North American export hub.

For financial analysis, I'll calculate manufacturing synergies first. Based on Exhibit 2 data, if we assume 80% of costs are manufacturing-related, Tesla's manufacturing costs are approximately $\$36\text{B} \times 80\% = \$28.8\text{B}$.

How did you calculate those figures?

Using Exhibit 2, Tesla's \$50B revenue minus \$5B profit gives \$45B costs. Assuming 80% of costs are manufacturing-related, that's \$36B. If we assume manufacturing represents 80% of that figure: $\$36\text{B} \times 80\% = \$28.8\text{B}$.

Good. What about other synergies? And here are the financial benchmarks and key metrics you'll need. (Exhibit 3)

Assuming 6% manufacturing efficiency improvement based on Exhibit 3's margin differences, we'd save \$2.1B annually. R&D synergies (20% efficiency on combined 6% R&D spend) add \$720M. Administrative consolidation adds \$900M. Total recurring synergies: \$3.7B annually.

Interview Transcript

Can you add more data points to this financial analysis using the exhibits?

From Exhibit 3, BYD's battery cost is \$40/kWh less than Tesla's. Applied across 500,000 Tesla vehicles with 75kWh packs, that's \$1.5B savings annually. Supply chain integration (5% on combined component costs) adds \$1.2B based on per-vehicle costs in Exhibit 3.

How would you evaluate whether the merger makes financial sense overall? And here are the global EV market share projections that might help with your assessment. (Exhibit 4)

Total annual synergies of \$6.4B against one-time integration costs of \$5B (assuming 1.5x annual synergies) yields a 5-year NPV of \$19.2B at 10% discount rate. The merger creates substantial financial value even with conservative assumptions. For commercial due diligence, Exhibit 2 shows their combined 57% market share provides pricing power. Exhibit 4 suggests EV adoption will accelerate to 39.7% by 2030, creating significant growth opportunities for a full-range provider.

How would this merger help with the second-hand EV market issues shown in Exhibit 1?

With \$500M in trade-in incentives averaging \$2,500 per vehicle, they could remove 200,000 units from the used market. That's 50% of the 400,000 units of increased supply projected in Exhibit 1, helping stabilize the 20% price decline.
Finally, I'd like to understand regulatory precedents for similar mergers in the automotive industry.

Here's data on historical automotive merger precedents that should help with your regulatory analysis. (Exhibit 5)

Regulatory concerns center on their combined 57% market share. Exhibit 5 shows similar mergers faced scrutiny, particularly GM-Ford's rejected parts venture with 70% share. National security concerns with BYD as a Chinese company add complexity.

What specific national security concerns might arise?

The Committee on Foreign Investment in the United States (CFIUS), which reviews foreign investments in US companies for national security implications, might scrutinize BYD's access to Tesla's autonomous driving technology. Tesla's government contracts raise additional concerns. Per Exhibit 3, technology transfer restrictions would need strong firewalls to protect Tesla's \$6.8B annual R&D investments.

Great. Based on your analysis, what's your final recommendation?

My recommendation is to proceed with the merger. The \$19.2B in NPV is compelling. Their complementary strengths address market challenges in Exhibit 1. Implement a proactive regulatory strategy with partial divestments and clear technology firewalls.

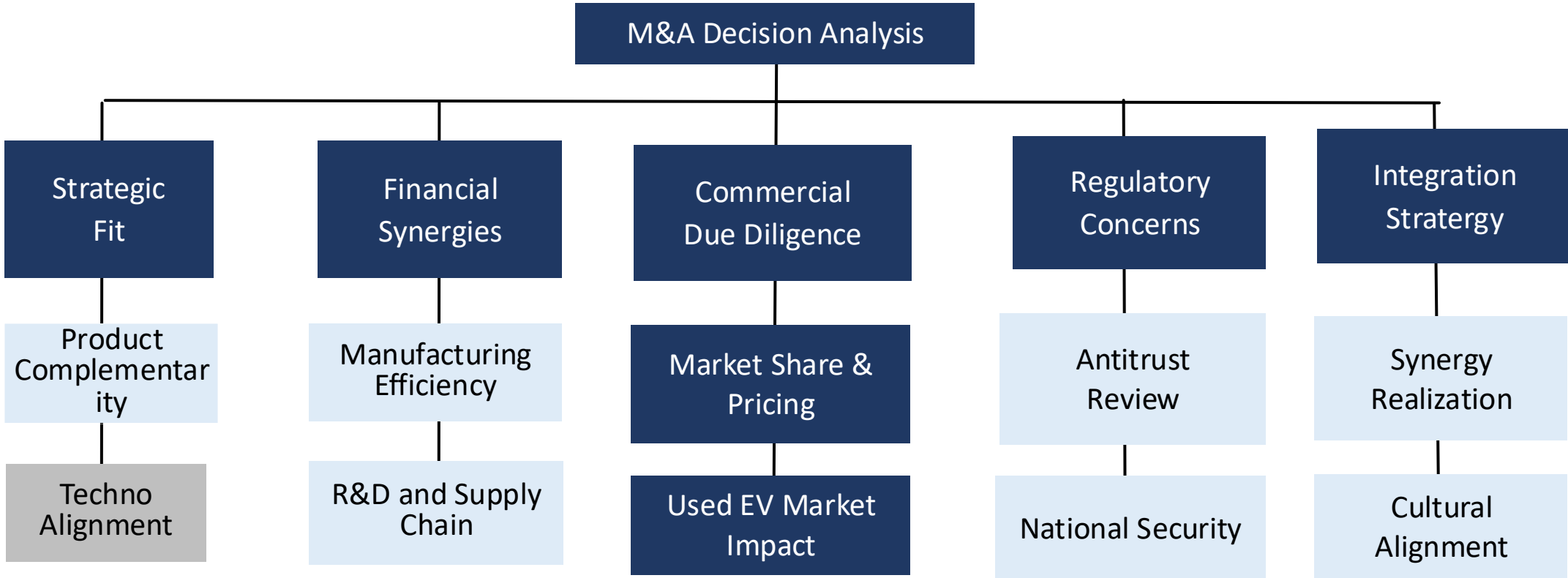
Good analysis. Thank you for your time today.

The US electric vehicle market is facing challenges in 2025. Tesla and BYD are considering merging their US operations. Evaluate whether this merger makes strategic and financial sense..

Case Facts

- Overview - Tesla and BYD are considering merging their US operations in 2025 amid challenging EV market conditions.
- Current Scenario - Tesla has premium positioning with 80% manufacturing utilization; BYD offers affordable EVs with superior battery tech but faces 25% tariffs.
- Way ahead - Looking to create synergies while addressing regulatory concerns and market challenges

Approach/Framework



Recommendations

- Client should proceed with merger due to strong financial case (\$19.2B NPV) and complementary market positions
- Implement proactive regulatory strategy with partial divestments in overlapping segments

Brownie Points

- Analysis of used EV market impact and stabilization strategy through trade-in incentives.
- Quantification of battery technology transfer value (\$40/kWh savings across product line)

Financial Exhibits

EXHIBIT 1: US EV Market Trends (2024-2025)

Metric	2024	2025(Projected)	YoY Change
New EV Sales Volume	1.3M	1.51M	0.16
Used EV Sales Volume	1.0M	1.4M	0.4
Average New EV Price	\$45,000	\$42000	-7%
Average New EV Price	\$35,000	\$28,000	-20%

EXHIBIT 2: Tesla and BYD US Operations (2025)

Particulars	Tesla	BYD	Combined
US Revenue	\$50B	\$10B	\$60B
Net Income	\$ 5B	\$ 1B	\$ 6B
Profit Margin	10%	10%	10%
US EV Market Share	49%	8%	57%
Manufacturing Capacity Utilization	80%	65%	-
Average Vehicle Price Point	\$47,000	\$32,000	-

EXHIBIT:3 Financial Benchmarks and Key Metrics (2024 Actuals)

Metric	Tesla	BYD	Industry Average
Global Revenue	\$97.7B	\$107B	-
Global Vehicle Deliveries	1.79M	4.27M	-
Gross Margin	18.20%	20.40%	15.10%
SG&A as % of Revenue	9.10%	11.30%	10.50%
R&D as % of Revenue	6.80%	5.20%	4.30%
Per-Vehicle Battery Cost	\$150/kWh	\$110/kWh	\$175/kWh
Component Cost Per Vehicle	\$38,000	\$25,000	\$33,000
Fast Charging Speed	200 miles/15 min	250 miles/5 min	150 miles/20 min

EXHIBIT 4: Global EV Market Share Projections

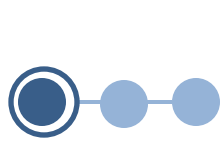
Region	2024	2025 (Projected)	2030 (Projected)
United States	10.30%	13.50%	39.70%
Western Europe	21%	24.20%	44%
China	27%	31%	52%
Global Average	18%	21%	43%

Financial Exhibits

EXHIBIT 5: Historical Automotive Merger Precedents				
Merger Case	Year	Pre-Merger Market Share	Regulatory Outcome	Key Learnings
Daimler-Chrysler	1998	11% combined	Approved	Market segments considered separate
GM-Ford Parts JV	2000	70% parts purchasing	Rejected	Excessive market power in supply chain
Fiat-Chrysler	2014	12% combined	Approved	Different geographic strengths
Stellantis (PSA-FCA)	2021	16% European, 11% US	Approved with conditions	Required regional market competition guarantees



UNCONVENTIONAL



Interview Transcript

Your client, Move Pro, a leading foreign company with a portable action camera, aims to establish a strong presence in India. They are currently in search of a brand ambassador. Assist them in identifying an ideal candidate for the role?

I would first like to understand more about the company and the product.

Move Pro is a US based company. It makes action cameras which are known for their compact design and high-quality video recording capabilities. They are ideal for capturing adventurous activities and sports, being durable, waterproof, and equipped with features like wide-angle lenses and advanced stabilization technology.

I would like to know what is their goal of entering India and why is there a need for a brand ambassador.

The primary goal is to earn profit. By having an ambassador the company aims to enhance brand awareness and boost sales.

Who is the target audience and what characteristics should this brand ambassador possess?

The target market includes individuals who are active, adventurous, and engaged in various outdoor and action-oriented activities. The company is looking for someone who not only resonates with the brand values but can also connect with the Indian audience. Additionally, they should have a strong cultural connection, be relatable to the target market, and possess popularity that can boost our brand awareness.

Are there any competitors in the market?
Yes, two Japanese companies have a major share, and there are a few small domestic companies.

Let's explore the consideration of having either an Indian or an international ambassador. Since there is potential for a more robust cultural connection, relatability, and increased popularity within our target audience, I think an Indian ambassador will be more suitable.

Makes sense, go ahead.

We can consider five categories of ambassadors: Actor, Athlete, Influencer, Fitness enthusiast, and Comedian. I think it would be fair to eliminate comedians. Comedians, despite their entertainment value, may not relate well to our product, which is focused on action and adventure. There might be an audience mismatch, and their comedic image might not align with the serious and adventurous tone we want to convey.

Alright. Here is a list of potential brand ambassador names for your analysis:

Actors	A (Veteran actor - known for action films and fitness)	B (veteran versatile actor)	C (New age actor known for fitness and action)
Sportsperson	D (Cricketer, having most Instagram followers)	E (Chess Grandmaster)	-
Influencer	F (Travel and fashion blogger, also recently doing films)	G (Travel and lifestyle blogger for last 10 years)	-
Fitness Enthusiast	H (Wrestler-turned-fitness icon)	I (Fitness, health and gym expert with 26 years of experience)	J (Budding fitness entrepreneur and youtuber.

To identify the best candidate, I would divide my analysis into two parts - qualitative and quantitative analysis. First, we can use qualitative factors like endorsement of competitor's products, PR & credibility, core values alignment, etc., to narrow down the suitable candidates. Then we'll move to quantitative factors like budget, number of followers, cost per post, etc.

Okay, you can proceed with your analysis.

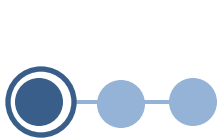
We can start the qualitative analysis with the first factor. Do we have any information about candidates who already endorse a competitor's product?

Yes, we do. Actor B promotes a competing product Action Star, and influencers F and fitness enthusiast H also have similar endorsements.

Then we could exclude candidates B, F, H from consideration, as their prior endorsements of competitors' products may pose a conflict of interest and compromise our brand loyalty.

That makes sense. Go ahead.

- Now we will analyze their PR and credibility.
- A: Being a veteran with a broad mass appeal across all age groups.
 - C: Has more popularity among Gen Z.
 - D: Associated with cricket, a widely loved sport in India
 - E: Being a grandmaster has a strong credibility
 - G: Has a decade-long meaningful connection with followers.



Interview Transcript

I: With 26 years of experience, possess noteworthy credibility
However, candidate J, as a budding YouTuber, lacks substantial credibility in comparison. So eliminating J due to relatively lower credibility.

Indeed, sounds like a reasonable decision.

Is there anyone associated with a PR backlash in recent times?

Yes actor C, was recently seen in a PR conflict.

Then it would be suitable to eliminate C considering it could risk its brand image.

Sure.

Analyzing the brand fit:

A: Resonates with our brand, embodying fitness and action-oriented roles.

D: Has an active lifestyles, so well-suited choice.

E: As a chess player may not resonate as strongly with our target audience.

G: Has a travel-oriented and enthusiastic persona and aligns seamlessly with our brand vision.

However, fitness influencer I deviates slightly from our product focus. Hence we can eliminate I and E.

Understood. Anything specific that influenced the decision to eliminate I?

Yes, I's focus on gym and health, while valuable, doesn't align as closely with the action and adventure-oriented tone we aim to convey.

Alright.

Now analyzing expertise, knowledge, and skills about the product: Actor A, sports person D, and influencer G are suitable.

Understandable. What's the next criteria for analysis?

Having shortlisted to A, D, G based on qualitative analysis, I would like to now delve into quantitative analysis to find the best possible fit. For this, I'd like to understand our collaboration strategy.

Through which platforms are we planning to collaborate - electronic media, social media, or print media?

For collaboration, we're focusing primarily on Instagram.

Great, I would now like to consider the quantitative factors. To begin, could you shed some light on the budget allocated for the brand ambassador collaboration? Are we looking at any specific range, or is there flexibility in the budget?

There's no specific constraint. The company can afford to hire any of the shortlisted brand ambassadors.

Excellent. Moving on, let's discuss the number of followers. Do we have any insights into the follower count for each candidate?

A and D each boast more than 50 million, whereas G has less than 15 million followers.

Got it. Considering the lower follower count for G, we'll eliminate G from further consideration. Now, let's delve into the cost per post and frequency of posts for A and D.

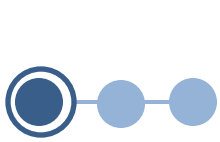
Sure. A charges 40 lakhs for 1 post and 2 stories, while D charges 50 lakhs for 2 posts

I would like to suggest going with candidate D because posts have a broader reach and greater impact than stories. Furthermore, posts have a longer-lasting presence compared to stories, which are limited in time to 24 hours only. Additionally, since the frequency of A's posts is higher and the cost is lower, it is more likely that other brands will approach him. Consequently, there is a risk that he may endorse multiple products simultaneously, making it challenging for people to remember him as our product ambassador.

Alright, we've covered the necessary aspects. What potential risk do you foresee in having a brand ambassador and suggest mitigation measures for the same?

Some potential risks include the ambassador overshadowing the product, brand reputation risk, possibility of negative PR or changes in public opinion. Having a clear contractual agreement, regular evaluation of the ambassador's performance and brand perception, consistent customer feedback and quick action is necessary for risk mitigation.

Noted. That concludes our discussion for this case.

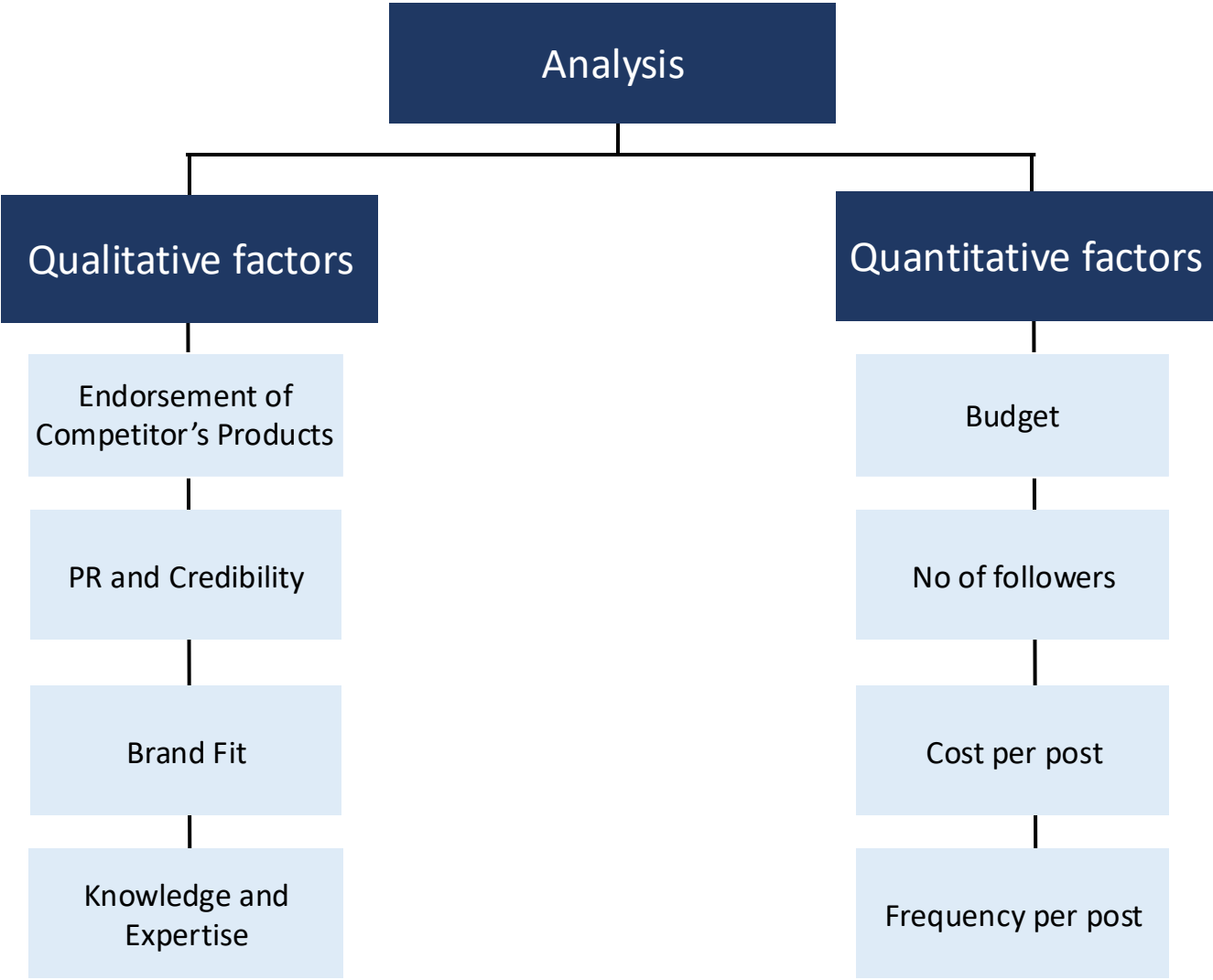


Your client is a leading foreign company with a portable action camera, aims to establish a strong presence in India and is currently seeking a brand ambassador.

Case Facts

- A foreign company with a portable action camera aims to establish a strong presence in India
- Through an ambassador, the company aims to increase brand awareness and sales
- The company seeks a brand ambassador who aligns with the values, connects with the Indian audience, and boosts brand awareness
- Target audience includes active and adventurous individuals

Approach/Framework



Recommendations

- Having candidate D for the brand ambassador role
- Consistent customer feedback
- Quick repose to any negative PR or customer feedback

Brownie Points

- Preferring Indian ambassadors due to higher cultural connect
- Bucketing the factors needed for analyzing the potential brand ambassador



Interview Transcript

Your client, RoboTech, a leading robotics firm, is facing a surge in employee attrition as critical engineers and developers cash out their stock options following a substantial increase in the company’s valuation. This talent drain is creating a shortage of skilled professionals and disrupting the product development cycle. Your task is to evaluate the underlying issues, quantify the impact, and devise strategies to mitigate the risks while ensuring long-term stability.

Before proceeding with recommendations, I’d like to understand RoboTech’s current talent retention challenges. What has been the rate of attrition over the past year, and how does it compare with industry benchmarks?

Over the past 12 months, our attrition rate has jumped from 8% to 22%, significantly higher than the industry average of 12-15%. The Key driver has been employees exercising their stock options and leaving after the company’s valuation surged by 300% following a successful funding round.

That’s quite a jump. Could you break down the attrition by job function and experience level? Are we seeing higher turnover among senior engineers, mid-level employees, or junior staff?

It’s mostly mid-to-senior-level engineers with about 5-10 years of experience. Around 65% of those leaving fall into this category, and they play critical roles in AI, automation, and mechanical design. Junior employees with 0-3 years of experience have a relatively lower attrition rate of 10%, while senior leadership (10+ years) is more stable but still seeing some departures.

That’s insightful. It sounds like the critical loss is happening among your mid-level and senior technical talent, which is crucial for maintaining continuity in complex projects. How has this talent drain impacted your product development cycle?

We’re experiencing significant delays. Typically, new product rollouts take about 12 months, but recently that timeline has stretched to 18 months—a 30-40% increase. The lack of continuity and knowledge transfer has resulted in inefficiencies and rework.

That’s substantial. The delays could hinder RoboTech’s competitive edge. What about the hiring pipeline? Are you able to replace the lost talent efficiently?

Unfortunately, no. While we receive a good volume of applications, it takes around 3-4 months to onboard a new engineer, & even longer—6 to 8 months—before reaching full productivity. Lack of institutional knowledge & project-specific expertise further slows down the ramp-up process.

It sounds like we need to address retention on both structural and financial fronts. One potential approach is to revise your stock option structure to encourage longer tenure rather than short-term exits. Have you considered introducing staggered vesting schedules or retention bonuses?

We’ve discussed staggered vesting, but we’re concerned it might negatively impact employee morale, especially those who prefer flexibility.

That’s a valid point. One way to balance flexibility with retention is to implement a hybrid model that combines longer vesting periods with performance-based retention bonuses. For example, employees could receive additional grants or cash bonuses tied to project milestones or tenure achievements. This way, high performers still feel valued without feeling locked in.

That could work. Would it make sense to include cash components as well, to provide more immediate financial benefits?

Absolutely. A combination of cash and equity incentives tends to appeal to different employee preferences. Additionally, offering project-completion bonuses could help retain talent through critical development phases while also boosting motivation.

That makes sense. We haven’t considered linking bonuses to project milestones before. Could we also enhance non-monetary incentives?

Definitely. While financial incentives are crucial, fostering a strong internal culture is equally important. Have you explored professional development opportunities, such as leadership programs or structured career pathways, to give mid-level engineers a sense of long-term growth?

We’ve implemented some training initiatives, but they’re fragmented and lack a clear structure. Mid-level engineers often feel stagnant and don’t see a clear path forward, which might be pushing them to leave.

In that case, creating a structured mentorship and career advancement program would help. Pairing junior and mid-level engineers with senior mentors can not only facilitate knowledge transfer but also increase engagement and career satisfaction. Additionally, internal mobility programs can give employees a sense of career progression without leaving the company.



Interview Transcript

Let’s quantify the financial impact of attrition. What’s your current annual revenue and engineering headcount?

Our revenue is \$500 million with 2,500 engineers.

The attrition rate jumped from 8% to 22%—an increase of 14%. That means about 550 engineers leave annually. At a replacement cost of \$100,000 per engineer, that’s a total loss of \$55 million per

That’s substantial. Can retention strategies realistically cut these costs?

Absolutely. If retention measures bring attrition down to 12%, it would save around \$25 million per year. Additionally, product development timelines are currently stretched from 12 to 18 months, mainly due to talent gaps. This delay can lead to a \$100 million annual loss per delayed project. Improving retention could recapture at least \$50 million per year in lost revenue.

What measures can we implement to address this?

To address the issue effectively, I recommend restructuring the stock option program to encourage long-term commitment, such as extending the vesting period to five years and incorporating milestone-based retention bonuses. Additionally, enhancing career growth opportunities through structured mentorship programs and leadership training will help mid-level engineers feel more valued and supported, reducing turnover. Improving onboarding efficiency through pre-training and fast-tracking recruitment with referral incentives can further minimize hiring time, reducing the current cycle from 3-4 months to 1.5-2 months. Implementing these strategies holistically will not only reduce attrition but also speed up project timelines and decrease associated financial losses.

Thank you for the insights. We can close the case now.

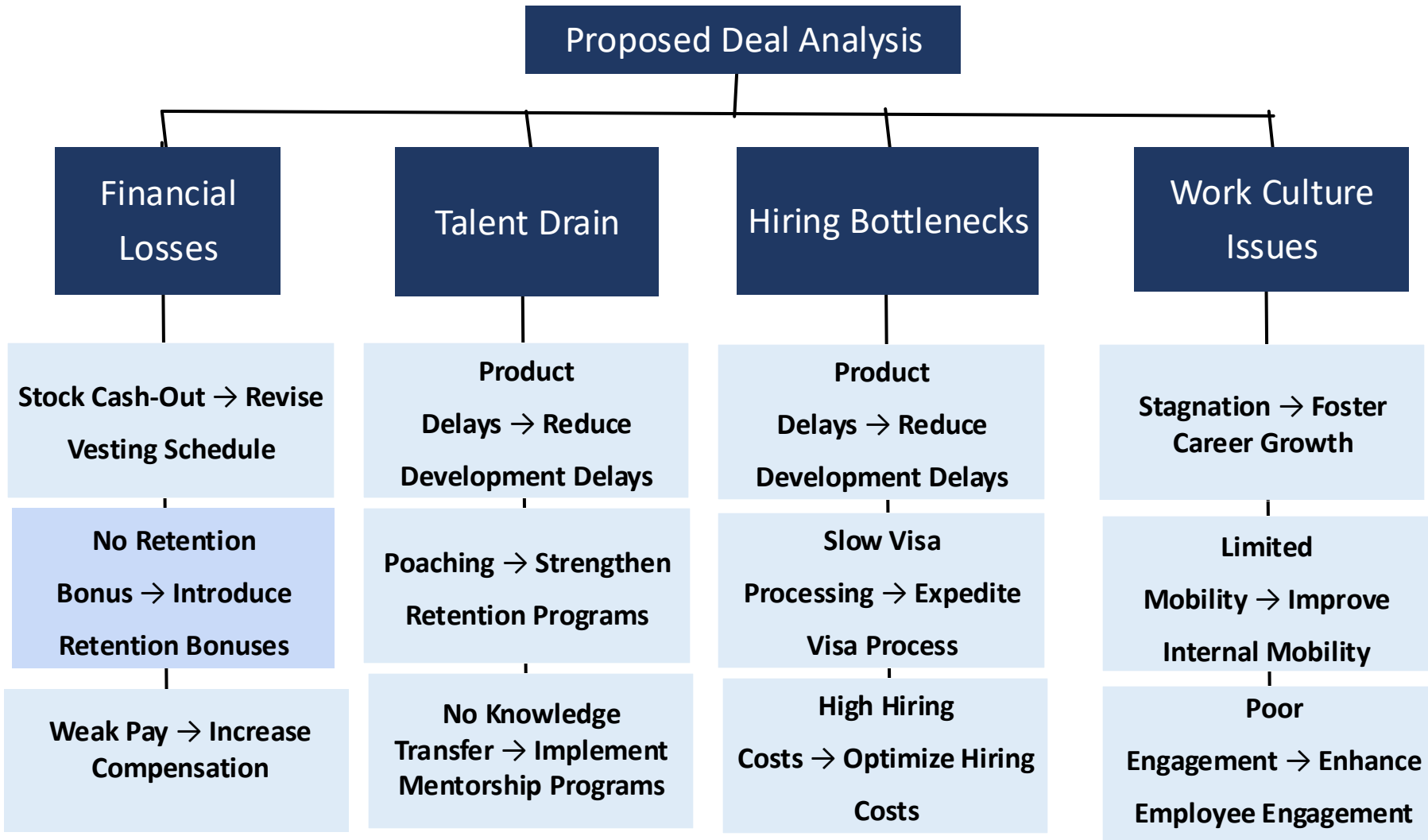


Your client, a leading robotics firm is losing key talent as engineers cash out stock options after a valuation surge, disrupting development. Assess the causes, impact, and recommend retention strategies for long-term stability.

Case Facts

- RoboTech, a leading robotics company, is facing high attrition among engineers. Annual revenue is \$500 million, with 2,500 engineers on staff.
- Attrition has risen from 8% to 22%, causing 550 engineers to leave annually, costing \$55 million.
- Development timelines have increased from 12 to 18 months, resulting in \$100 million in lost revenue.
- Onboarding new engineers takes 3-4 months, slower than industry standards.
- The company aims to reduce attrition to 12%, saving \$25 million annually.

Approach/Framework



Recommendations

- Extend vesting to 5 years and introduce milestone-based stock grants.
- Implement structured mentorship programs and leadership training to enhance employee satisfaction.
- Utilize pre-training programs and referral incentives to cut hiring time from 3-4 months to 1.5-2 months.
- Introduce financial incentives tied to project completions to reduce delay impact.

Brownie Points

- Segmenting attrition by experience level to identify retention weak spots.
- Factoring in employer branding impact to improve long-term hiring efficiency



Exhibits

EXHIBIT 1: Attrition & Revenue Loss Analysis			
Metric	Attrition Impact	Revenue Loss Impact	Total Financial Impact
Annual Revenue		\$500M	
Number of Engineers		2500	
Attrition Rate Change	14%		
Replacement Cost	\$100,000		
Number of Engineers leaving annually	550		
Total Attrition Cost	\$55M		\$55M
Normal Development Cycle		12 months	
Delayed Development Cycle		18 months	
Revenue as per New Product		\$100M annually	
Lost Revenue par Product		\$50M	
Total Lost Revenue		\$100M	\$100M
Total Combined Financial Loss	\$55M	\$100M	\$155M

Assumptions

- Assuming RoboTech has **2,500 engineers** in its workforce.
- Assuming **attrition increased from 8% to 22%**, leading to **550 exits annually**.
- Assuming **each replacement costs \$100K**, including hiring, training, and lost productivity.
- Assuming **product delays of 6 months** reduce annual revenue by **\$100M**.



Exhibits

EXHIBIT 2: Retention Strategies & Savings			
Strategy	Assumption	Engineers Retained	Savings
Attrition Rate Reduction (22% to 12%)	10% reduction	55	\$5.5M
Stock Vesting Revision (5 years)	5% reduction	27	\$2.7M
Career Development & Mentorship	4% reduction	22	\$2.2M
Faster Onboarding Process	Reduced Time	-	\$7M
Referral Program	2% reduction	11	\$1.1M
Total Savings			\$18.5M

EXHIBIT 3: Financial Impact After Retention Strategies	
Pre-Retention Loss (Attrition + Delays)	\$155M
Post-Retention Savings	\$18.5M
Final Impact	\$136.5M

EXHIBIT 4: Competitor Benchmarking				
Company	Attrition Rate	Stock Vesting Policy	Retention Strategies	Hiring Speed
Robotech	22%	4 years	No bonuses, slow growth	3-4 months
Intle	15%	3 years	Leadership, salary hikes	2-3 months
Broacom	18%	3 years	Project incentives, mobility	1.5-2 months
ADM	12%	4 years	Skill dev., salary hikes	2-2.5 months

Interview Transcript

Your client is a private data analytics company launching India’s first consumer behavior scoring system, PRS (Personal Reputation Score). Evaluate the viability of their business model.

I would like to begin with some clarifying questions. What is the objective that the company is trying to achieve with PRS?

The company wants to implement PRS-based dynamic pricing across multiple industries and is seeking to scale it as large as CIBIL.

Okay, I would now like to know more about the client’s business model.

I would like to hear your perspective on that. Where do you think this system will be applicable?

PRS could cater to two different segments:

- 1) B2B - where it would sell the aggregated customer ratings data to service providers like Zomato, Ola, Uber, Urban Company, etc.
- 2) B2C - where it would like to target the users being rated.

That is correct.

Also, where would the users be rated and on the basis of what parameters?

The service providers (cab drivers, delivery partners, etc) will rate the customers from their version of these apps on the basis of their timeliness, politeness, payment history, cancellations, and tipping habits.

Alright, so to check the viability of their business model, I would like to consider the following parameters:

- Strategic Feasibility (Adoption/Operational feasibility)
- Regulatory aspect
- Profitability and Growth potential

Sounds good.

The strategic feasibility will depend on the participation of the stakeholders which include:

- 1. Customers who are rated
- 2. Service provider companies
- 3. Government, which I will address under the regulatory aspect.

How would you evaluate the acceptance and participation of these stakeholders?

To analyze this, I’ll be first discussing the potential barriers our client could face from the stakeholders: Dynamic pricing will receive public backlash as users might not be happy with being charged higher because of bad ratings by service providers.

The service providers might also get scrutinised by their customers, adversely affecting their brand image, making them unwilling to share user ratings.

And what would you recommend to overcome these barriers?

To prevent the public backlash, the client should ensure transparency in the parameters and process used to calculate the ratings. They can be advised to clearly disclose the differential pricing parameters (x% discount on y rating) so that the users can be aware of the rationale behind the prices being charged from them.

On the other hand, the service providers can be incentivised to share their user data with our client by providing them tiered prices based on the amount and quality of data they contribute. Also, they can be given access to broader insights on consumer behaviour which would help them identify problematic customers and reflect risk and demand better.

Great, now I would like you to address the regulatory aspect.

The regulatory scrutiny can arise from three areas: dynamic pricing can cause discriminatory pricing based on protected characteristics (race, religion, gender etc). Aggregating user ratings can spark concerns of anti-competitive laws depending on our client's impact on market share and thus possible price manipulation. Lastly, laws relating to digital personal data protection act which concerns the collection, processing, and storage of their personal data.

What measures can the client undertake to address data privacy and protection?

Implementing Digital Personal Data Protection Act compliance requires getting clear permission from users before collecting only the information you truly need (like ratings) just for creating the combined score, making it easy for users to see, fix, or delete their data they deem useless for the purpose it was collected. The client must adopt robust security measures to prevent data breaches and proper legal agreements with the platforms sharing data, and validation from legal counsel beforehand.

Interview Transcript

What can the client do to not violate discriminatory and anti-competitive laws?

Algorithms used to rate users must use diverse datasets to ensure that no protected group is discriminated against. Regular audits must be done on the algorithm to ensure there are equitable pricing outcomes across different groups.

Clients must regularly assess the market share and influence derived from data aggregation. They must be transparent about how aggregated data is being used for pricing and other strategic decisions to prevent scrutiny of predatory pricing.

Alright, now you may discuss the profitability and growth potential

Sure, PRS can become large-scale only if it is feasible in terms of profit generation. For the B2C segment, the client can generate revenue by providing detailed reports to users on their ratings and how they can improve it.

Secondly, service providers who will use PRS for dynamic pricing will be charged on the basis of the number of users for which it aggregates the ratings.

In the long term, when a substantial number of users are included in PRS, the networking effect will make the product viable.

Makes sense. Could you provide some revenue projections for the initial years?

Sure, I would like to categorise revenue into three streams- B2B for which it aggregates user ratings for service providers, User reports to B2C and analytics reports to service providers about their users and their preferences so that they can gauge their customer's interests.

Sounds good. Go ahead.

Starting with B2B, monthly and annual plans can be rolled out. The three major industries of service providers can be classified as short term rentals, mobility services and e-commerce.

Fees charged to short-term rentals will be relatively higher owing to the importance of user rating on such platforms followed by mobility services and then e-commerce. Could I get an estimate of the fees charged to these industries and the number of service providers operating under it?

Fees charged can be taken as Rs.500000, Rs.500000 and Rs.300000 to short term rentals, mobility services and e-commerce respectively. Number of major providers operating are 20 for each category.

Thank you, moving ahead with the calculation of revenue under B2B, I will assume that 10 of the total service providers will subscribe for a monthly plan while 5 for the annual subscription Plan. To determine the total B2B revenue, we multiply the number of subscribers in each category by the respective fees and sum them up. For monthly subscribers, we annualize the revenue by multiplying by 12. This gives us a revenue amount of Rs. 29,90,00,000.

Good work, now tell me about the revenue from B2C.

Alright, this makes the projected revenue from the Annual subscription plan Rs 300000000 and One-time reports Rs 60000000, leading to the total revenue of Rs 360000000 from the B2C segment.

Seems fair

For the B2C segment, the client can provide One-time reports to the users on their ratings by charging Rs 200 while an annual subscription with monthly reports can be provided for Rs 1000. Further, assuming that at least 5,00,000 users will adopt (3,00,000 for annual subscription and 2,00,000 for one time reports).

Fair enough, now you can discuss the revenue from Analytics reports to service providers

Okay, so our client can provide 2 types of reports : Basic Analytics Report and Personalised reports for these companies charging Rs 50,000 and Rs 1,00,000 per report respectively.

Fair enough, now you can discuss the revenue from Analytics reports to service providers

The Basic Analytics Report (₹50,000) offers an industry-wide overview with general consumer behavior trends and benchmarks in a standardized format whereas the Personalized Report (₹1,00,000) provides customized insights into the specific customers, with tailored recommendations and predictions. Additionally, anonymity of the users will be strictly maintained throughout the process.

That’s a good idea.

I would like to assume that 20 companies will choose the Basic Analytics Report, and 10 will opt for the Personalized Reports. Does that sound reasonable?

Yes.

Interview Transcript

Great, what about the revenue in the upcoming years?

So, this would mean a revenue of Rs 10,00,000 will be generated from the Basic reports and that of Rs 10,00,000 from the personalised reports, making a total of Rs 20,00,000 in total. This would make the Total Projected Revenue in the 1st year Rs 739000000. Since the goal is to scale PRS to the level of CIBIL, we can use the average CAGR of CIBIL since its inception as an approximation for our client's company. Do we have access to that data?

We don't have the data for all the years, but we do know that from 2018 to 2023, the CAGR was 27%. We also have the valuation of CIBIL in 2016 at \$450 million, and it was launched in 2004. Is this information sufficient?

Yes, I will assume that the valuation in the first year of its launch was between 10-50 million, so let's take it as 30 million. Given that the valuation became 15 times its original value over 12 years, this translates to a 1.25 times growth when annualized, that means a CAGR of 25% from 2004-16. Based on this and the CAGR of 27% from 2018-23. Can we take the approximate CAGR as 25%. Makes sense.

Now, we can clearly observe that using a CAGR of 25% and our calculated revenue estimate of RS.73,90,00,000. Revenue projection at the end of first year will be 92,37,50,000, second year- 92,37,50,000(1.25) and so on.

Sounds good. Can you now suggest a PR strategy to achieve this growth potential?

Sure, to ensure PRS is adopted widely, a comprehensive PR strategy from before the launch to after the launch is needed. Before the launch, it is crucial to engage with stakeholders like service providers (Uber, Zomato, etc.) and regulators to ensure they're on board with data-sharing and compliance. To create anticipation, partner with these companies for joint ads and run influencer campaigns. Also, hosting discussions with experts will help the public understand PRS's benefits. Clear communication about how user data will be protected is key, so FAQs and educational content should be shared upfront. Is this adequate? Yes, this seems comprehensive.

Okay, for the launch period:
Hold a virtual event with company leaders and service partners to showcase the benefits of PRS,

accompanied by media coverage.
Use digital campaigns and tutorials to explain how users can improve their scores, focusing on transparency and privacy protection.

Good enough, list down strategy for after the launch.

After the launch, collect user feedback to refine the system and release impact reports showing PRS benefits.
Offer incentives for users to improve their scores and consider gamifying the process for engagement. Keep the system ethical by ensuring transparency and using third-party audits to avoid discriminatory pricing.
In the long term, the goal is to collaborate with a wide range of service providers to establish large-scale user ratings platforms fostering a network effect like CIBIL.

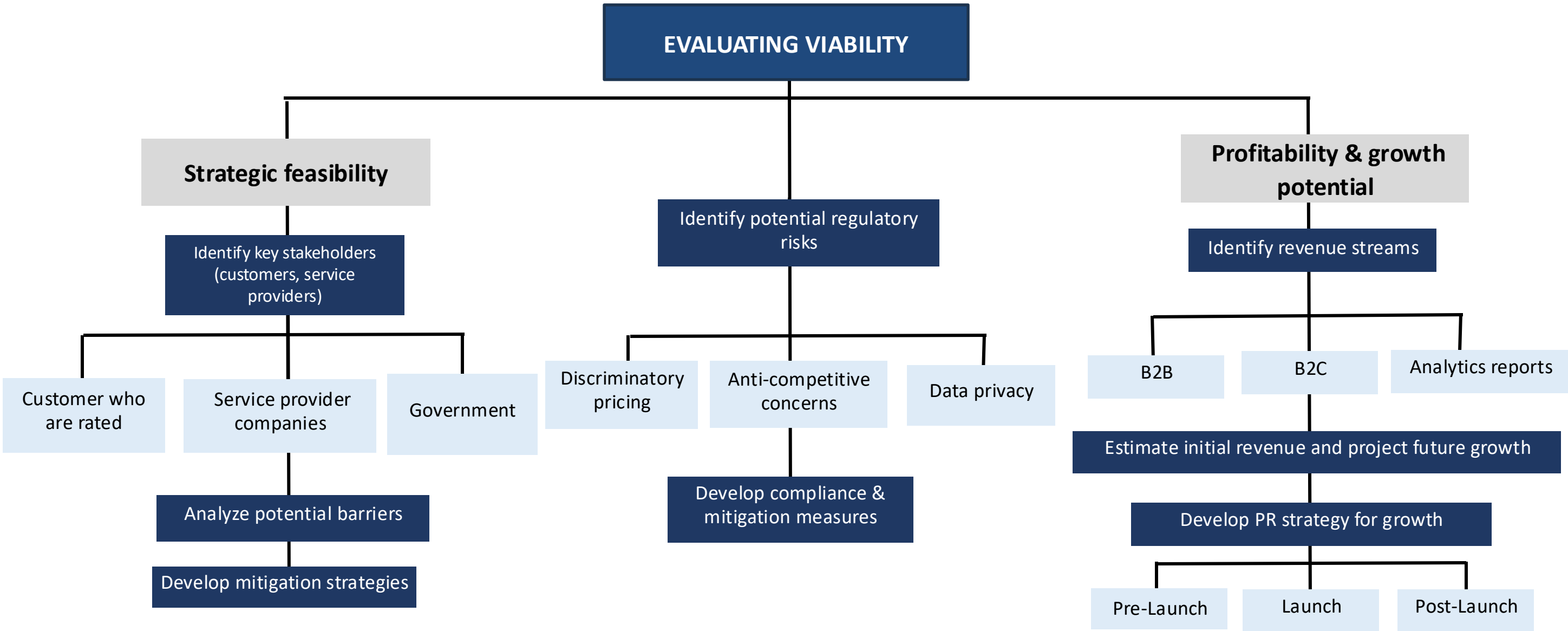
Great points, the case can be concluded now.

Your client has launched India's first consumer behavior scoring system. Evaluate the viability of their business model.

Case Facts

- An existing private data analytics company looking to create India's first consumer behaviour scoring system, similar to CIBIL, but for everyday app interactions.
- PRS will be obtained based on user ratings on the platforms of major service provider companies like Zomato, Ola, Uber, UrbanClap
- The service providers (cab drivers, delivery partners, etc) will rate the customer from their version of the app (Zomato, Ola, etc)
- Parameters to rate customers - their timeliness, politeness, payment history, cancellations, and tipping habits.

Approach/Framework



Recommendations

- Ensure transparency and take consent in the process of rating users.
- Providing data and analytics report to service providers.
- Develop mitigation strategies that might arise from stakeholders affected by PR.

Brownie Points

- Project future revenue growth by using average CAGR of CIBIL.

Exhibits

EXHIBIT 1						
B2B						
	Monthly subscription fees			Annual subscription fees		
	Short term rentals	Mobility Services	Ecommerce	Short term rentals	Mobility Services	Ecommerce
Fees	500000	500000	300000	5000000	5000000	3000000
Firms	20	20	20	5	5	5
Yearly Revenue	120000000	120000000	72000000	25000000	25000000	15000000
	377000000					

EXHIBIT 2			
B2C			
	Annual Subscription	One-time report	
Fees	1000	200	
Users	300000	200000	Let's assume at least 500000 users will adopt
Revenue	300000000	60000000	
	360000000		

Exhibits

EXHIBIT 3			
Data & Analytics Services to Corporates and Industry Players			
	Basic Analytics Report	Personalised reports for companies	
Fees	50000	100000	
Service providers	20	10	Let's assume 20 firms take this
Revenue	1000000	1000000	
	2000000		
Total revenue in 1st year	739000000		

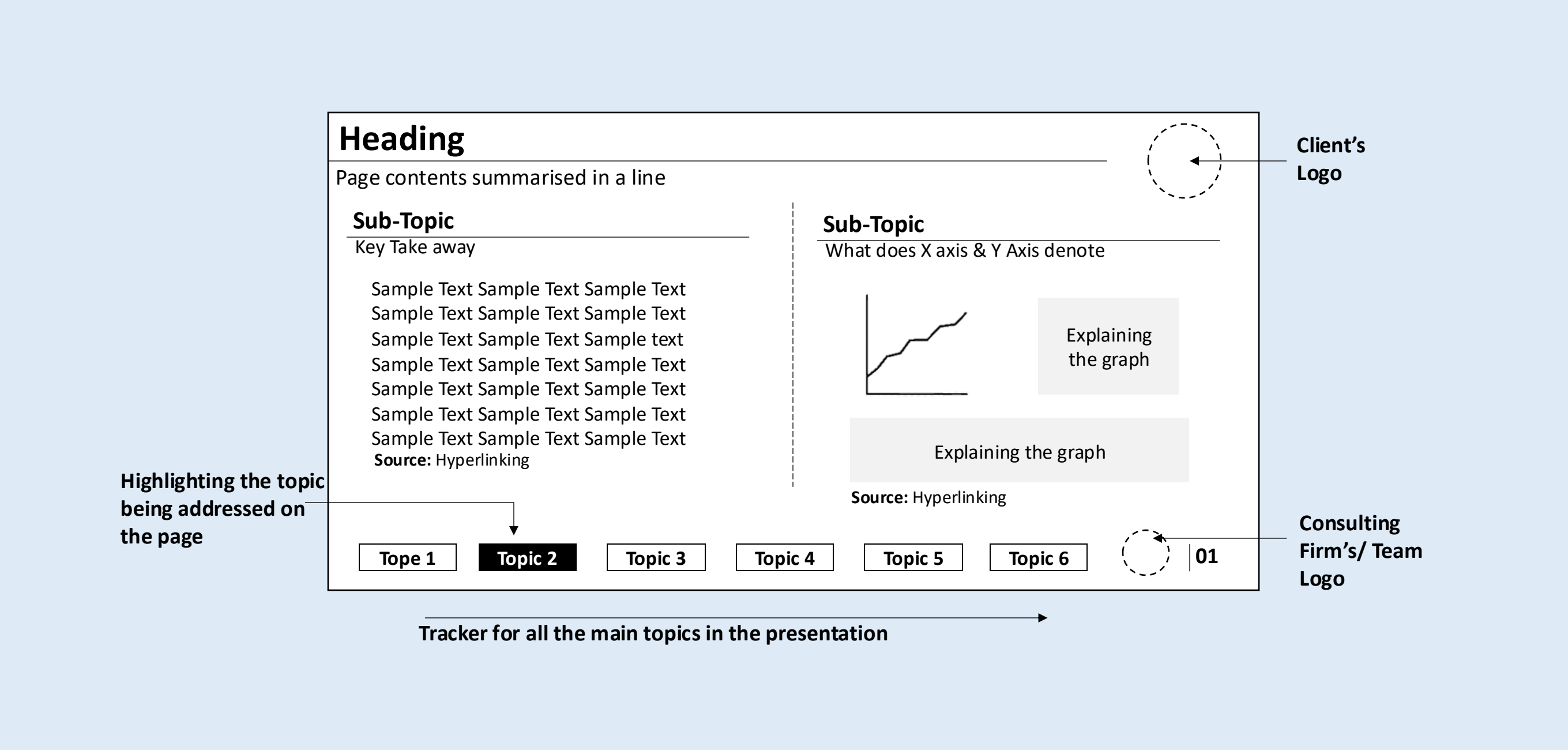
EXHIBIT 4					
CAGR					
Valuation of Cibil in 2016	450	M\$	2018–2023 CAGR: ~27% (Revenue growth from 2018 to 2023) 2019–2020 CAGR: ~29% (As per FY20 financial report)		
Cibil launched in 2004, let's assume between 10-50	30	M\$			
(30(1+a)^12)	450				
	15				
	1.25				
	0.25				
CAGR	25.88888889	Let's assume 25%			
End of Year	1	2	3	4	5
Revenue Projections in rupees	923750000	1154687500	1443359375	1804199219	2255249023

CASE COMPETITION GUIDE



Presentation Guide

Case competitions provide a near real experience of consulting projects, owing to the short deadlines, designs serve greater importance and have a great weightage in the solutions' overall appeal. Following is how a typical consulting deck's slide should look:-



Presentation Guide

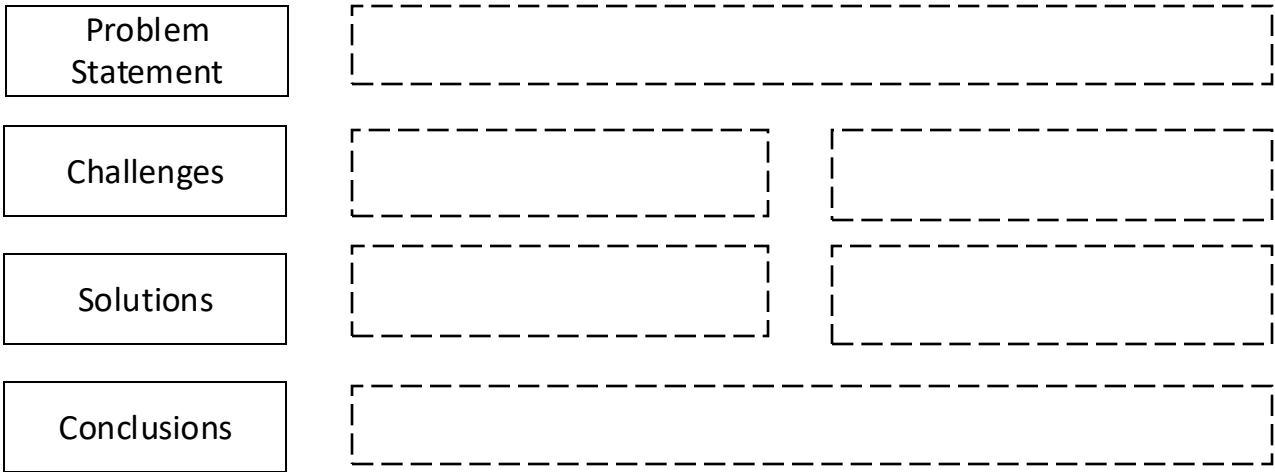
Colour's Matter!



- Avoid using primary colours and go with smoother colours, and use the variants from within the same palette.
- Try using the clients' brand's colour scheme.

Executive Summary

Page contents summarised in a line

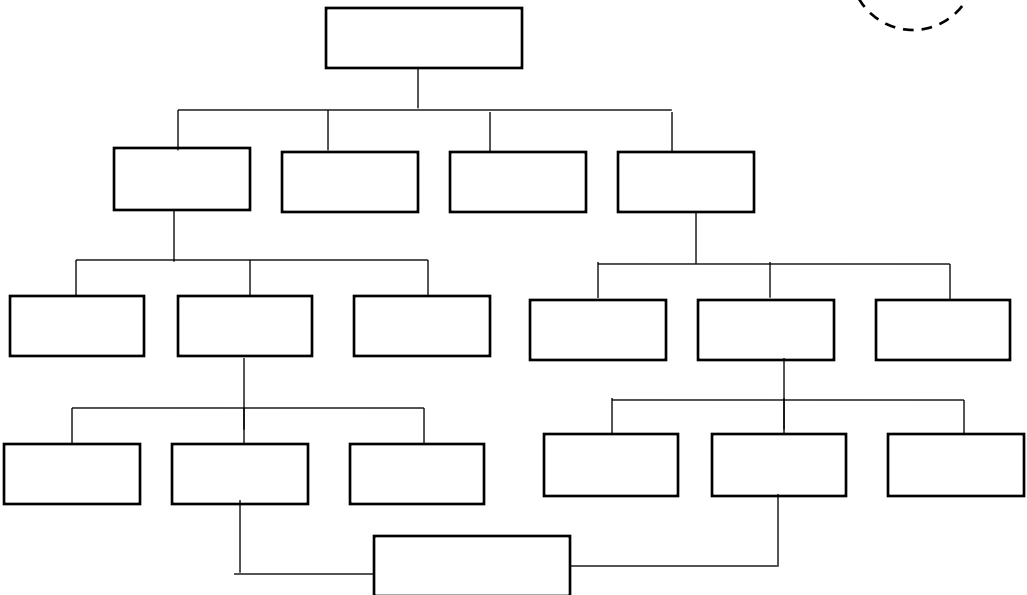
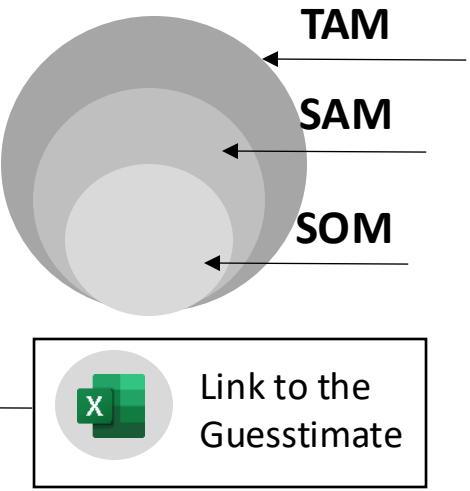


Executive Summary Topic 2 Topic 3 Topic 4 Topic 5 Topic 6 01

Add numbers of TAM, SAM & SOM in each of the circles

Link a well designed, self explanatory guesstimate's link

Market Size



Represent the Guesstimate through a flow chart, while making sure each step is clearly depicted

Topic 1 Topic 2 Topic 3 Topic 4 Topic 5 Topic 6 01

Presentation Guide

Denotes the selected entities. Generally, the first one being our target entity/client and others being competitors.

Competitor Analysis

Inference from the Hypothesis

Domain Scope	Competitive Metrics	Market Share	Strategic Intent	Competitive Strategy

Benchmarking

Topic 2

Topic 3

Topic 4

Topic 5

Topic 6

01

Competitive Metrics: these form the basis of the analysis and can include financials (revenue, profits margins), distribution network, marketing reach, etc.
Market Share: denotes the % of market commanded by the entity.
Strategic Intent: refers to the strategic objective of the entity with regards to its presence in a given market/geography.
Competitive Strategy: it implies those strategies which can be leveraged by the target entity to acquire market share.

Scenario Dimension: these are the concepts on the basis of which effectiveness of strategies is measured. A common example of Scenario Dimensions is **Risk and Reward**.

2x2 Matrix Analysis

Inference from the Hypothesis

Scenario Dimension #2

Scenario Dimension #1

Strategy 1 and its Implications

Strategy 2 and its Implications

Strategy 3 and its Implications

Strategy 4 and its Implications

2x2 Matrix

Topic 2

Topic 3

Topic 4

Topic 5

Topic 6

01

To perform the analysis different strategies can be assigned quadrants within the matrix relative to their Scenario Dimension quotient.

BUSINESS ANALYSIS FRAMEWORKS

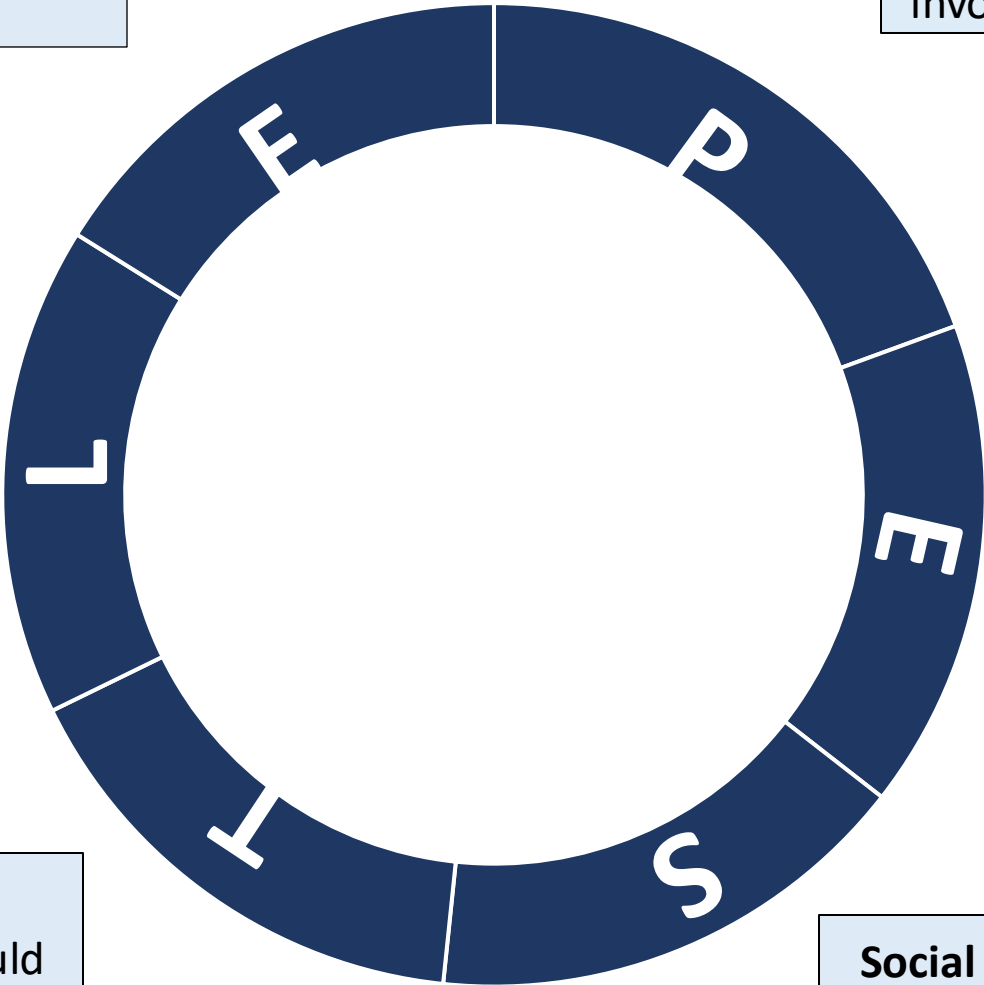


FRAMEWORKS

Environmental Factors
Environmental factors are those that are impacted by ecological factors and the environment around them. This component is becoming more crucial to how businesses should operate as CSR and sustainability become more and more important. Climate, recycling practices, carbon footprint, and sustainability is all factors.

Legal Environment
An organization must understand what is legal and allowed within the territories they operate in. They also must be aware of any change in legislation and the impact this may have on business operations. Factors include consumer law, healthy and safety, and international as well as trade regulation and restrictions.

Technological Factors
The rate of technological innovation and development that could have an impact on a market or sector is one of the technological aspects. Changes in digital or mobile technologies, automation, and research and development may all be factors. Distribution, manufacturing, and logistical innovations must also be taken into account.



Political Factors
They determine the potential impact of the government and government policies on a company or an industry. In addition to trade, economic, and taxation policies, this would also involve political stability and policy

Economic Factors
An economic component directly affects the economy's performance, which directly affects the organization's profitability. Interest rates, employment, and unemployment rates, the cost of raw materials, and exchange rates are all such factors.

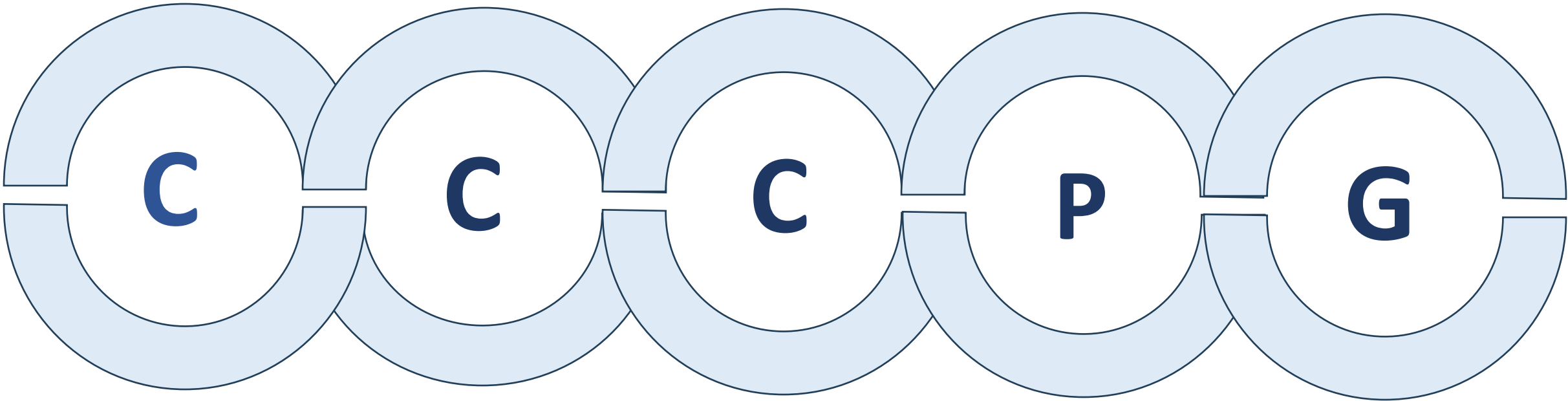
Social Factors
Here, recognizing new trends and the social environment are the main concerns. This aids a marketer in better comprehending the requirements and desires of customers in a social context. Changing family demographics, educational attainment, cultural fads, attitudinal shifts, and lifestyle changes are among the contributing factors.

FRAMEWORKS

Application of the PESTLE framework has been illustrated by taking an example of a millet-producing firm, specializing in products made out of millet.

P	Political Factors Union Budget 2023 aims at increasing the total production of millets. The UN has also declared the current year as the international year of millet. Additionally, 100% foreign direct investment is permitted in food production and processing.
E	Economic Factors The government is planning to set up an agricultural accelerator fund to encourage millet production. Simultaneously, inflationary pressure is affecting profitability of the businesses and the subsidy rates offered by the government.
S	Social Factors Understanding the needs of society in terms of healthier food options, especially after COVID-19. Moreover, recent studies justify that millet is a healthier alternative to regular flour and hence its consumption is preferred.
T	Technological Factors Innovation in machinery and production units used for millet production. Additionally, lowered production costs due to economies of scale and a shift towards machine oriented supply chain. Indian Institute of Millet Research in Hyderabad has played an important role in innovating solutions for efficient millet production.
L	Legal Factors Providing the workers with the minimum wage as per the latest rules. Increased legislation with regard to the contents of the packaging.
E	Environmental Factors Strict rules related to the packaging and transportation of grains have been implemented. Additionally, water harvesting norms and rules pertaining to the use of fertilizers and pesticides have been imposed in the agricultural sector.

FRAMEWORKS



CUSTOMER :	COMPETITION :	COMPANY :	PRODUCT :	GOVT. POLICY :
• Estimating the market size and industry growth. • Market research through demographics like – age, income distribution, spending pattern, etc. • Addressing who the target customers will be and what market segment within an industry will be catered. • Additionally, portions of STP Analysis and Porter’s 5 Forces can be applied at this stage.	• Analysing the market share of the players in the same market. • The market leader’s strategies and differentiation policies of the players. • Demand and Supply chains of the players to understand cost cutting strategies. • Barriers to entry and exit to analyse the nature of competition in the industry.	• Feasibility of entry into a market or exit from an industry needs to be analysed. • At this stage, the product share of a company also needs to be studied, in addition to the cost structure in order to ascertain financial feasibility of operations and to determine the need for modifications.	• Studying about the substitute and complimentary products and strengthening or developing differentiating strategies. • Making sure that the product is positioned in the right market to appropriate customers and accessible to the customers. • Considerations also need to be given to packaging, variants, and shelf life which serve as differentiating factors.	• Understanding the government policies and acting on plausible changes in them which can affect the continuance of operations. • This is of immense importance in case of market entry to ascertain operational feasibility. • The ambit of government policies is quite vast and involves everything from licensing and permit needs to taxation policy

FRAMEWORKS

Using CCCPG Framework to illustrate a market entry strategy for In N Out Burger to expand to India .

MARKET ENTRY



CUSTOMER :

- The QSR Market in India is valued at \$700 Million with a growth rate of 9%.
- The target customer base of QSRs is in the age group of 10-35 and the model caters to Lower Middle and Middle Class with a high propensity to spend on fast food.
- QSR has also seen ease of operations through food delivery apps which significantly increases the market size.
- The Serviceable Obtainable Market of this sector is very huge as customers preferences are likely to change over time.

COMPETITION :

- There are many market players which include both International, National and Local brands.
- Barriers to entry in the industry are moderate to low, and the company can opt for a franchising model like in the United States.
- There is also competition from fine dining chains and local food vendors.
- The brand is very popular among the newer generations and can gain market share from the hype of its establishment. Precedent of Tim Hortons, which capitalised on its popularity to gain market share.

COMPANY :

- The company reported a EBITDA of 20% which is very good as per industry standard.
- The company has seen increased growth in revenue and profitability over the past few years and has grown to become a household name in the west coast of the United States.
- The company has also gained immense goodwill among pop-culture followers

PRODUCT :

- The company is known for its best performing Cheeseburger, however, due to the Beef ban in India, the brand will have to rethink their star product.
- Most QSR chains capitalise on well-established supply chains which offers standardised products.
- The products will need to appeal the Indian palette different from the American palette.

GOVT. POLICY :

- The approximate registration and licensing process would require 6 - 8 months to be processed.
- There are no restrictions or government barriers to operate in this sector.

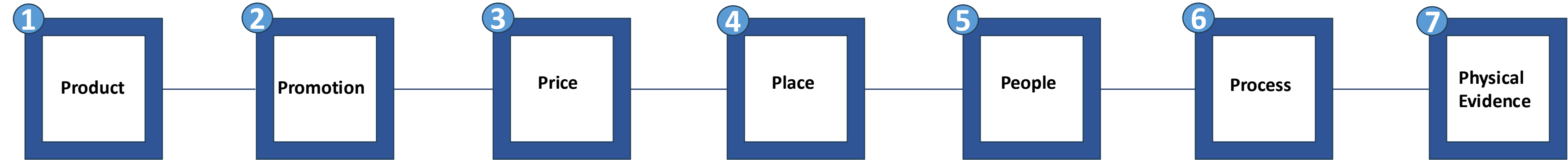
FRAMEWORKS

Product, refers to the goods or services that a business offers its customers. In other words, the product is the physical or intangible offering that a business sells to its customers. This P covers product design, quality, features, and packaging.

The price is the amount of money that customers pay for a product. It is important to set a price that is both competitive and profitable. Companies use different pricing strategies for different product offerings

The people are the employees, customers, and other stakeholders who interact with a business. It is important to create a positive and memorable experience for these people. For example, ensuring customer service representatives respond politely. etc

Physical Evidence refers to the tangible aspects of a product, including packaging, branding, and more. This aims to ensure that the product matches the customer's perception.



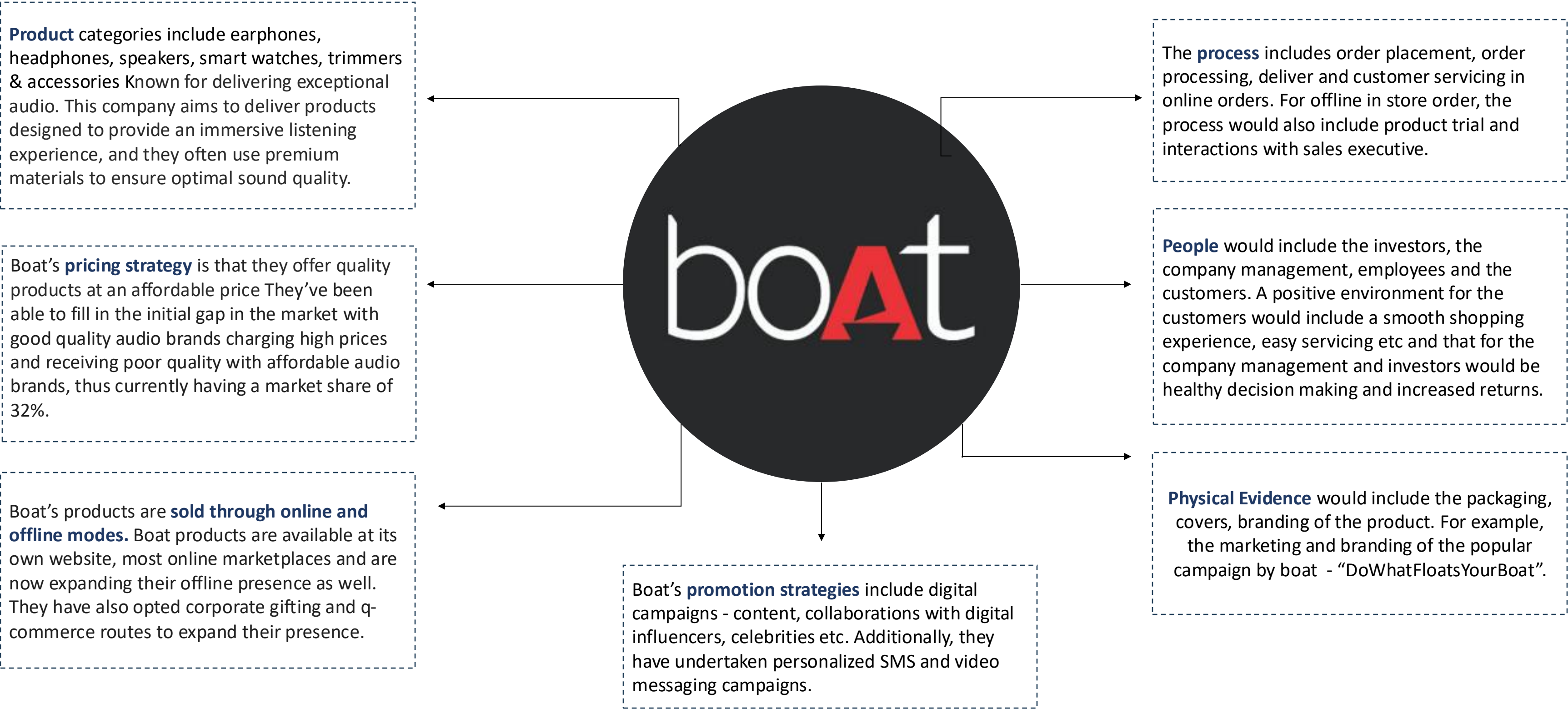
Pertains to the communication strategies employed to make potential customers aware of and attracted to the product. The various marketing channels used for promotions include advertising, public relations, sales promotion, and other channels through different media.

This refers to the distribution channels of the business. It can be a physical store, an online store, or a combination of both. The goal of this P is to make the products easily accessible to customers.

Process refers to the procedures and steps involved in delivering a product or service to the end-user. It is important to streamline the process and make it as efficient as possible.

FRAMEWORKS

Application of the 7P framework by analysing the business proposition of one of the leading wearables company **boat** :



FRAMEWORKS

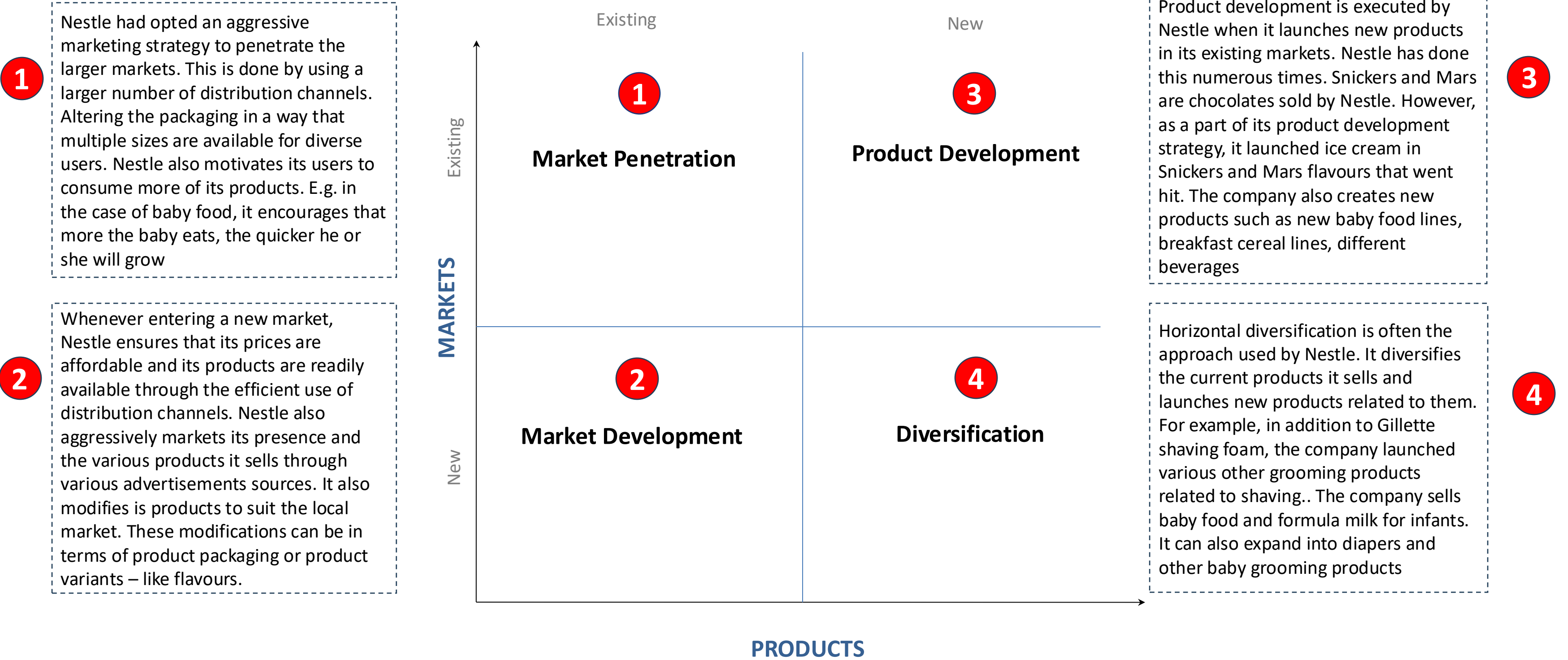
Ansoff Matrix or the Product/Market Expansion Grid is 2 X 2 framework used by company managements to assess, plan and evaluate growth initiatives. It helps stakeholders conceptualize the level of risk associated with different growth strategies.



FRAMEWORKS



Using the Ansoff Matrix to understand the Growth strategy taken by Nestle – A leading FMCG company.



FRAMEWORKS

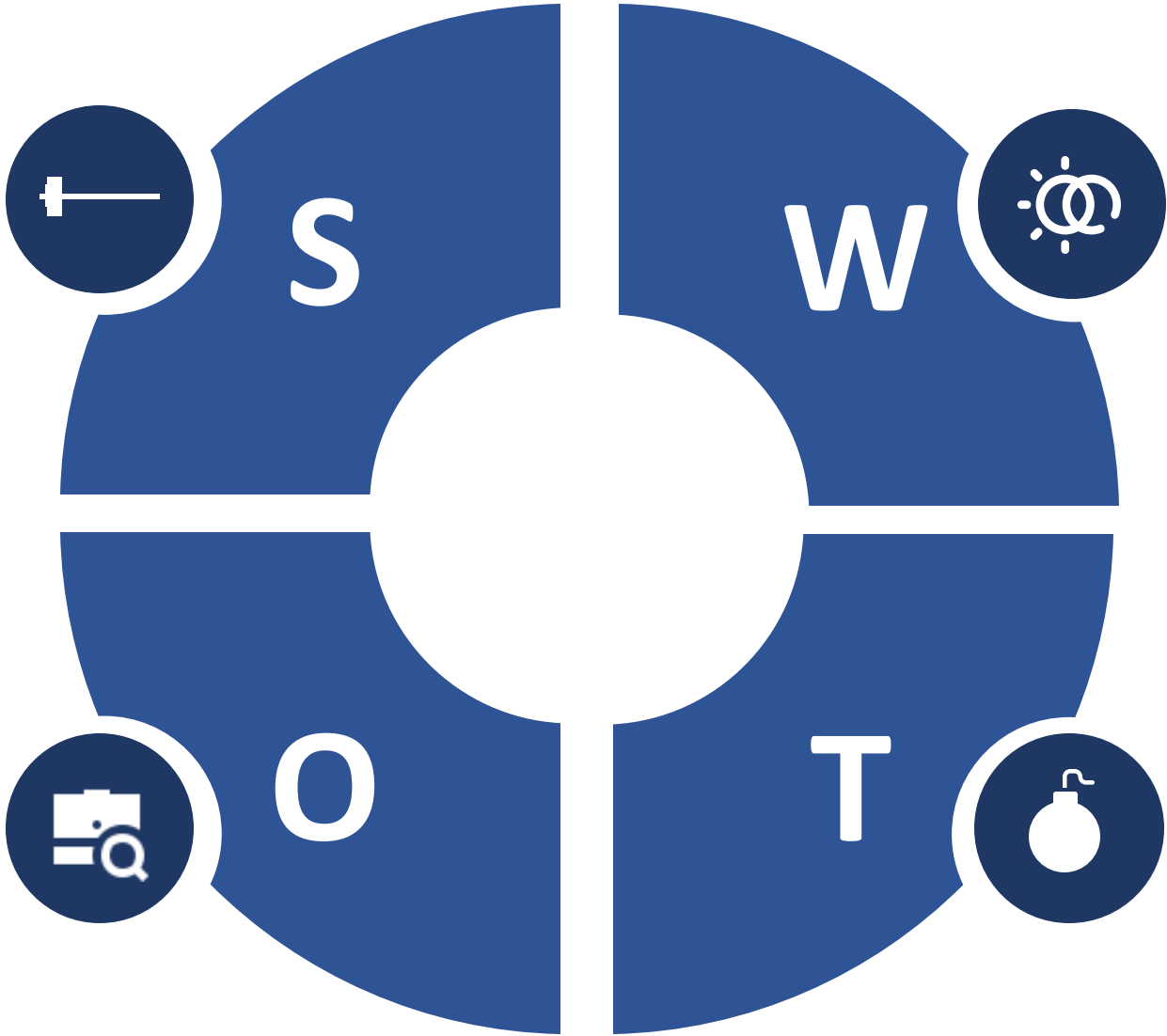
SWOT (strengths, weaknesses, opportunities, and threats) analysis is a method for identifying and analyzing internal strengths and weaknesses and external opportunities and threats that shape current and future operations and help develop strategic goals.

Strengths

Strengths describe what an organization excels at and what separates it from the competition: a strong brand, loyal customer base, a strong balance sheet, unique technology, and so on.

Opportunities

Opportunities refer to favorable external factors that could give an organization a competitive advantage. For example, if a country cuts tariffs, a car manufacturer can export its cars into a new market, increasing sales and market share.



Weakness

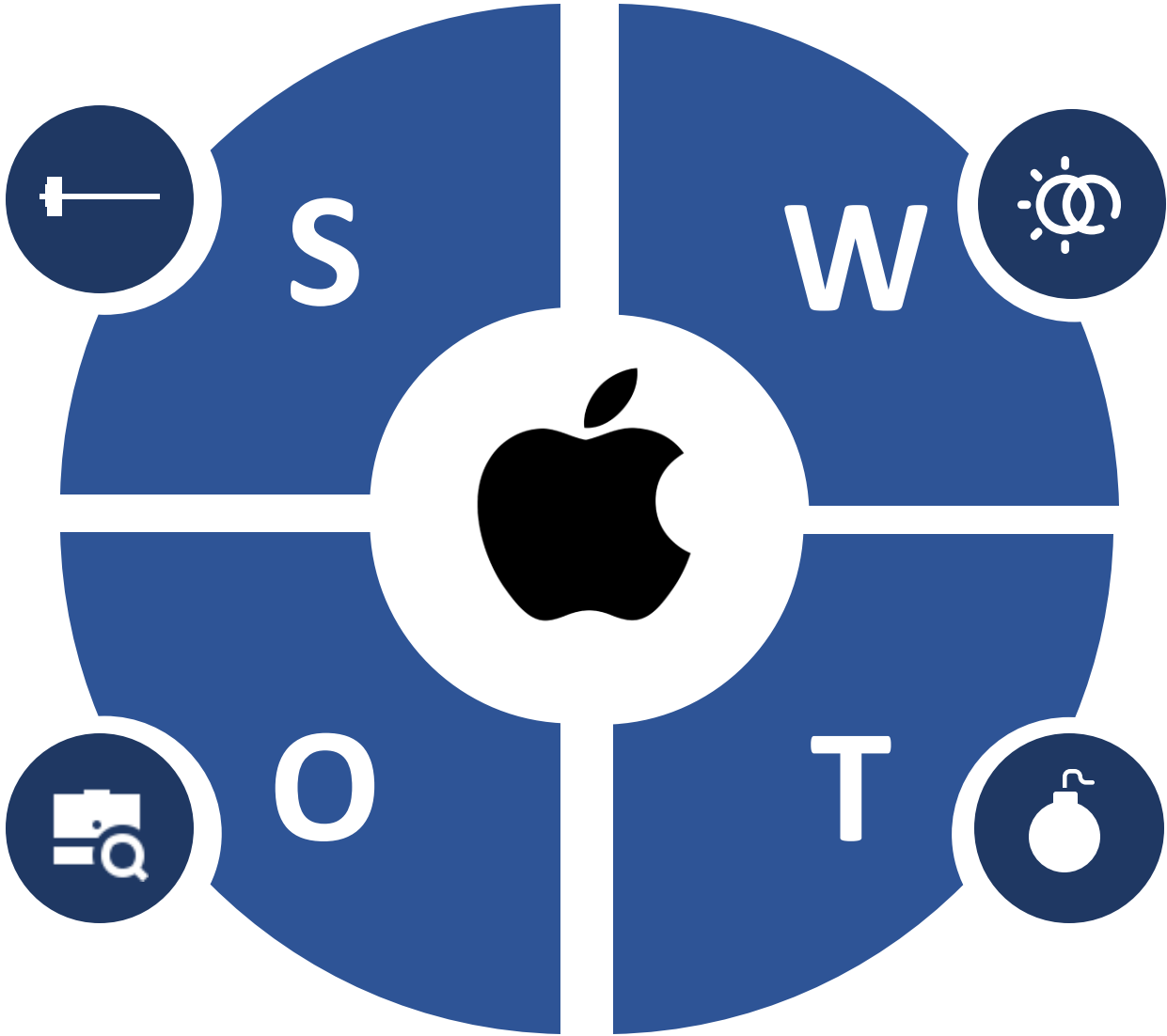
Weaknesses stop an organization from performing at its optimum level. They are areas where the business needs to improve to remain competitive: a weak brand, higher-than-average turnover, high levels of debt, an inadequate supply chain, or lack of capital.

Threats

Threats refer to factors that have the potential to harm an organization. For example, a drought is a threat to a wheat-producing company, as it may destroy or reduce the crop yield.

FRAMEWORKS

Apple Inc. is an American multinational technology company headquartered in Cupertino, California, United States. Apple is the largest technology company by revenue (totaling US\$365.8 billion in 2021) and, as of June 2022, is the world's biggest company by market capitalization



Strengths

- **Research & Development**
Apple puts dedication into its product designs. extensive research is performed to understand customer needs and market trends. Apple spends about 7% of its revenue in R&D.
- **Brand Of Choice**
It is a favorable brand, especially among creative professionals. It offers top-quality technology solutions for every corporation's needs

Weakness

- **Limited Advertisement & Promotions**
Apple's marketing relies heavily on its flagship retail stores, it does not spend on advertisement in comparison to other big brands.
- **Entering into Area of Non-Competency**
It is rapidly expanding into new services such as video content streaming, game streaming, payment services

Opportunity

- **Expanding into Chip Manufacturing**
Apple is going to start manufacturing its chips and semiconductors going forward, competing with Intel Broadcom etc.
- **Expansive Distribution Network**
It can generate higher revenue if it focuses on creating an expansive distribution network. Furthermore, the company can benefit from diligent marketing and promotions.

Threats

- **No Effective Countermeasure for Air Tags**
While Apple's AirTags are meant to help people find frequently misplaced items using Bluetooth, the technology is also being used with malicious intent.
- **Counterfeits**
It has become vulnerable to third-world countries illegally utilizing the brand image to sell counterfeit products.

FRAMEWORKS

A BCG matrix is a model used to analyze a business's products to aid with long-term strategic planning. The matrix helps companies identify new growth opportunities and decide how they should invest in the future. Most companies offer a wide variety of products, but some deliver greater returns than others.

STAR

These products category are well established due to their high growth rate as well as their high market share. They have a high potential for growth and profitability. Products in the stars quadrant are market-leading products.

CASH COW

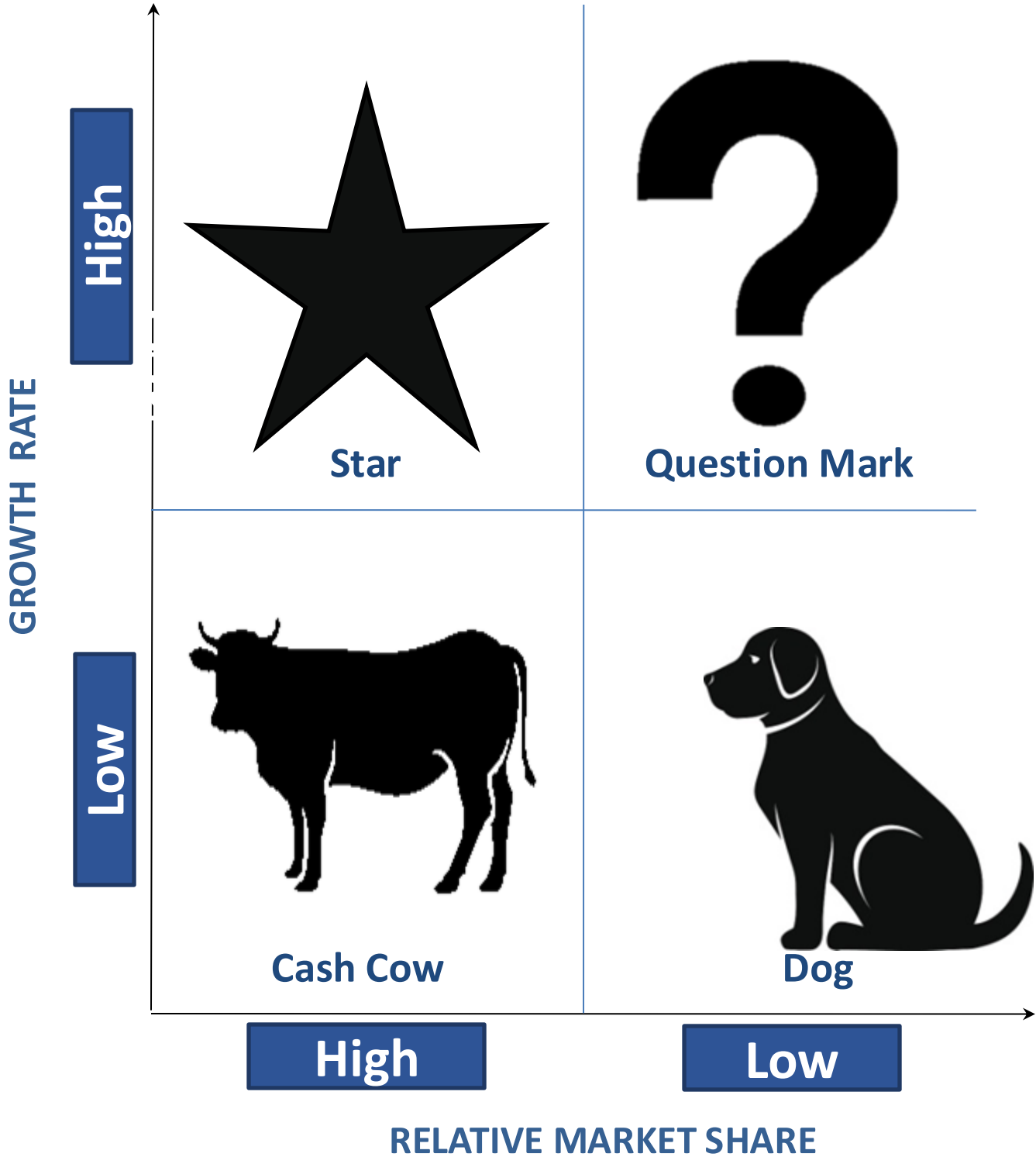
These are well-established products but have limited opportunities due to low growth potential. Cash flows generated by cash cows are high and are generally used to finance stars and question marks.

QUESTION MARK

This category’s products have high growth potential but low market share. Question marks are the most managerially intensive products and require extensive investment and resources to increase their market share

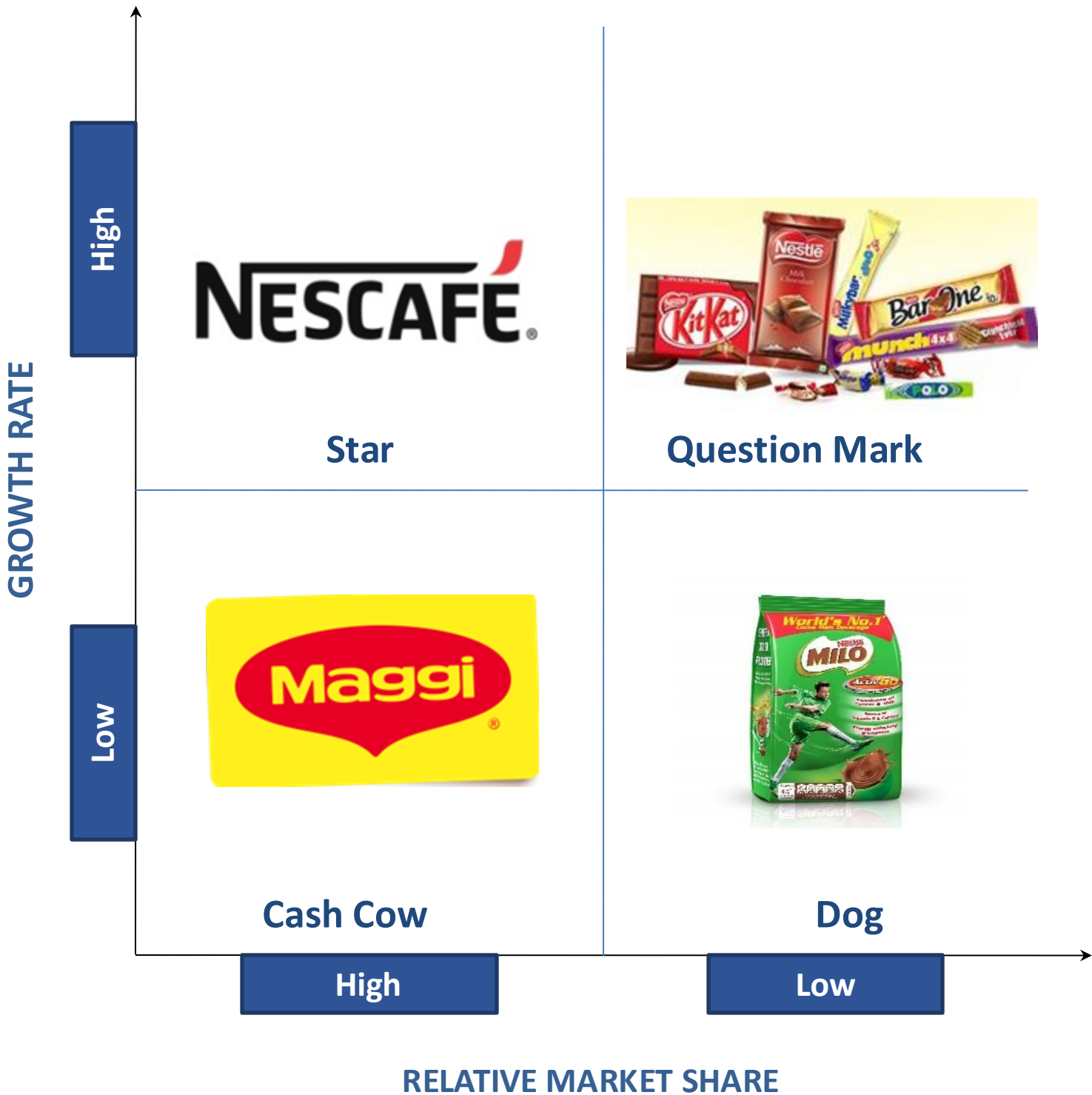
DOG

The products in this category have a very weak market presence due to their low market share and little to no growth. Firms typically phase out products in the dog’s quadrant unless the products are complementary to existing products or are used for a competitive purpose.



FRAMEWORKS

Nestlé S.A. is a Swiss multinational food and drink processing conglomerate corporation headquartered in Switzerland. It is the largest publicly held food company in the world, measured by revenue. Nestlé has 447 factories, operates in 189 countries, and employs around 339,000 people.



STAR

In Nestle’s case, Nestle’s Nescafe coffee fall into the star quadrant of Nestle’s BCG matrix. Nescafe today,have an almost equal 35 percent share each of the market for coffee in the country.

QUESTION MARK

Although the confectioneries and chocolates offered by Nestle are popular in India, they’ve failed to capture the market due to the presence of competitors like Cadbury. The market share of Nestle confectionery chocolates is around **15%**, and KitKat has only around **5.6%**.

CASH COW

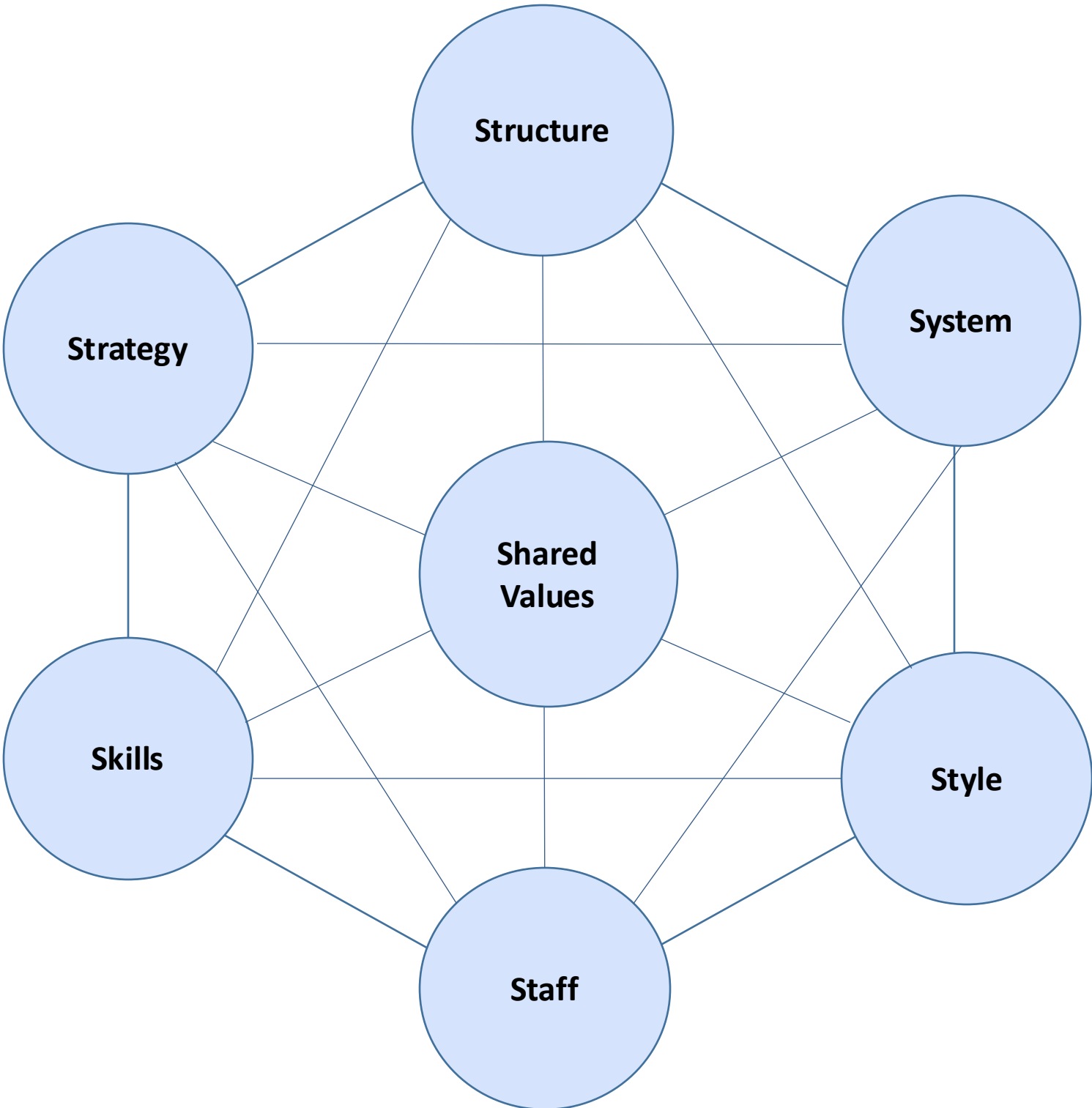
For Nestle, there is one product that is undoubtedly a cash cow and that is Nestle’s Maggi Noddles. With a market share of 80-85%, Maggi Noodles has a very strong position in the market and has high customer loyalty. The product requires very little investment to maintain its market share and fend off competition.

DOG

Nestle’s Milo was launched as a chocolate and malt powder for milk and water. However, the product did not have a significant impact on the business and is placed in the dog quadrant of Nestle’s BCG matrix.

FRAMEWORKS

The McKinsey 7S model is a management framework that identifies seven interconnected elements (Strategy, Structure, Systems, Shared Values, Skills, Style, and Staff) to analyze organizational effectiveness and alignment.



Structure
Refers to the organizational hierarchy and defines the authority and responsibility divide. It is the hierarchy system in a company

System
It is the protocol for the conduct, which refers to the business and operational procedures followed within organizations

Style
Style defines the culture of the organization and the conduct with which the business is managed.

Shared Values
Governs a company and coordinates all crucial components. They are the core values of a company, its mission, vision, and goals

Staff
The capability of the employees. Refers to the recruitment process, training, and development, and efforts are made to upskill them

Skills
The core competencies and proficiencies of a company ensure the smooth conduct of business and lead it to achieve its goals.

Strategy
It is the business plan adopted to get a competitive advantage. Governed by the company's vision and mission

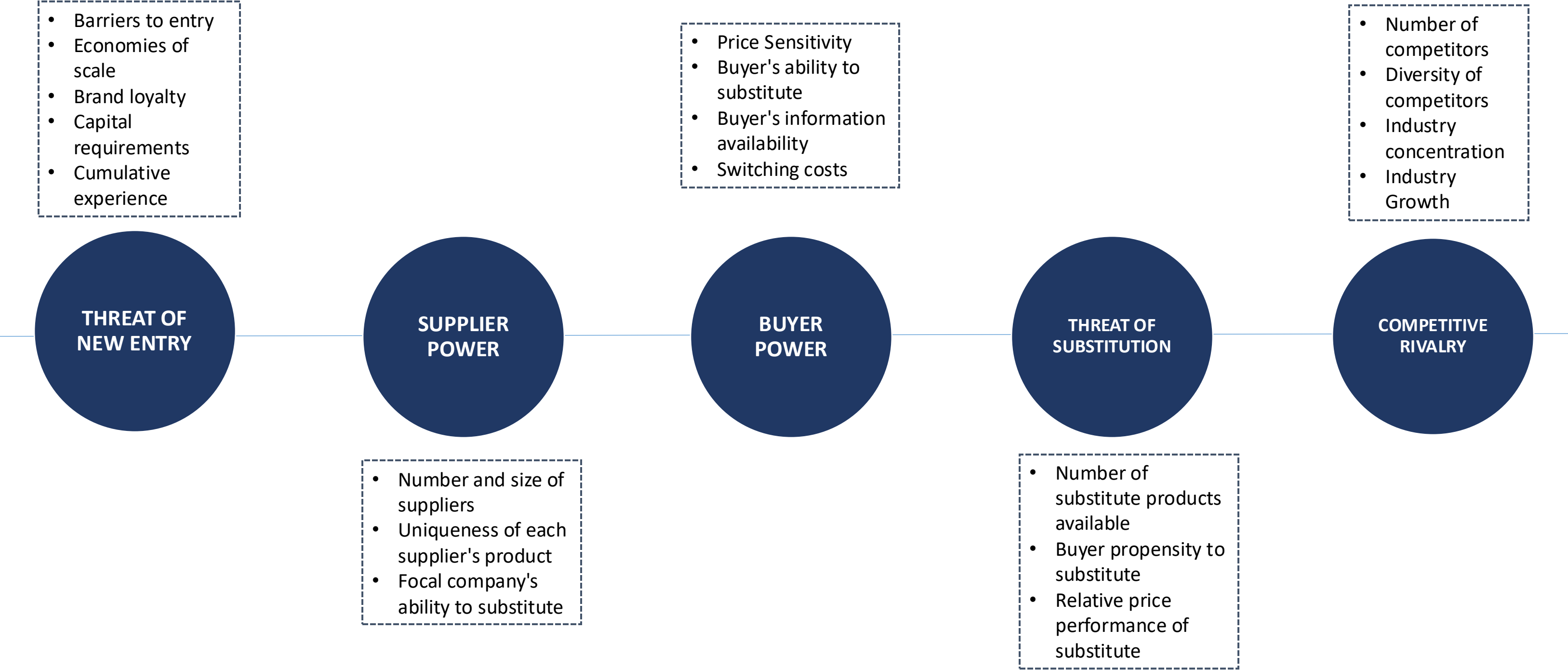
FRAMEWORKS

Application of the McKinsey 7s framework has been illustrated by taking an example of an Indian confectionary company having its operations across the globe. The brand is popular for its snacks and eateries and has become a household name.

Shared Values	Providing perfect taste and quality in best packaging. Maintaining transparency, trust, authenticity, Indian heritage and hospitality
Style	Fostering a family and not just a business. Ensuring fair treatment and respect of the associate. Recognizes joint efforts of the organization and its suppliers. Engages in community outreach by supporting local causes
Strategy	Product strategy: Authentic taste and high quality, product packages of various sizes, increase volume per customer, attractive packaging for impulse buying Pricing strategy: competitive pricing strategy, charging nominal premium price, keeping prices slightly lower than other branded competitors like Balaji, Lehar, Bikano Market strategy: Constant analysis of market trends
Structure	It has different manufacturing facilities specializing in different products. The company has appointed heads across product lines and regions. Such a structure has worked out well for the company as they have been rewarded for their operational efficiency.
Skills	Its core competency is providing Indian taste . The focus is on innovation- a wide range of traditional namkeens, western snacks, Indian Sweets, cookies, etc. The vision is to be the trendsetter and strengthen leadership in the industry
Staff	The focus is on creating a work environment in which employees are motivated to learn and grow. They are encouraged to attend training programs on effective teamwork and personal development regularly. Safety measures are taken. hiring professionals from the industry to play a bigger role in the company which had otherwise been a family-owned business
System	It has manufacturing units with retail. It introduced 100 % process automation in the manufacturing of traditional snacks. Process System: Local farms→ Sourcing of finest raw materials→ traditional recipes→ standards and quality testing-dispatched

FRAMEWORKS

Porter's Five Forces is a framework for analyzing a company's competitive environment. It was created by Harvard Business School professor Michael E. Porter in 1979 and has since become an important tool for managers.



FRAMEWORKS

For the application of Porters 5 framework, we are going to look at the airline industry. It encompasses a wide range of businesses, called airlines, which offer air transport services for paying customers or business partners.

Supplier Power

- The bargaining power of suppliers can be considered very high. When looking at the major inputs that airline companies need, we see that they are especially dependent on fuel and aircraft. These inputs however are much affected by the external environment over which the airline companies themselves have little control.

Threat of New Entry

- The threat of new entrants in the airline industry can be considered medium. It takes upfront investments to start an airline company. Moreover, new entrants need licenses, distribution channels, and other qualifications

Competitive Rivalry

- Airline space is highly competitive. There are nearly 15 airline operators in India, a combination of large and small regional players. These large players include SpiceJet, Air India, Indigo, and Go Air.

Buyer Power

- The threat of new entrants in the airline industry can be considered as a medium. It takes upfront investments to start an airline company. Moreover, new entrants need licenses, distribution channels & other qualifications. Customers nowadays are likely to fly with different carriers to and from their destination if that would lower the costs

Threat of Substitution

- It can be said that the general need of its customers is traveling. It may be clear that there are many alternatives for traveling besides going by airplane. the threat of substitutes in the airline industry can be considered at least medium to high.

FRAMEWORKS

MOST analysis is a useful strategic tool for analysing an organisation’s strategic plan. MOST analysis is used to analyse what the organisation has set out to achieve (the mission and objectives) and how it aims to achieve this (strategy and tactics).

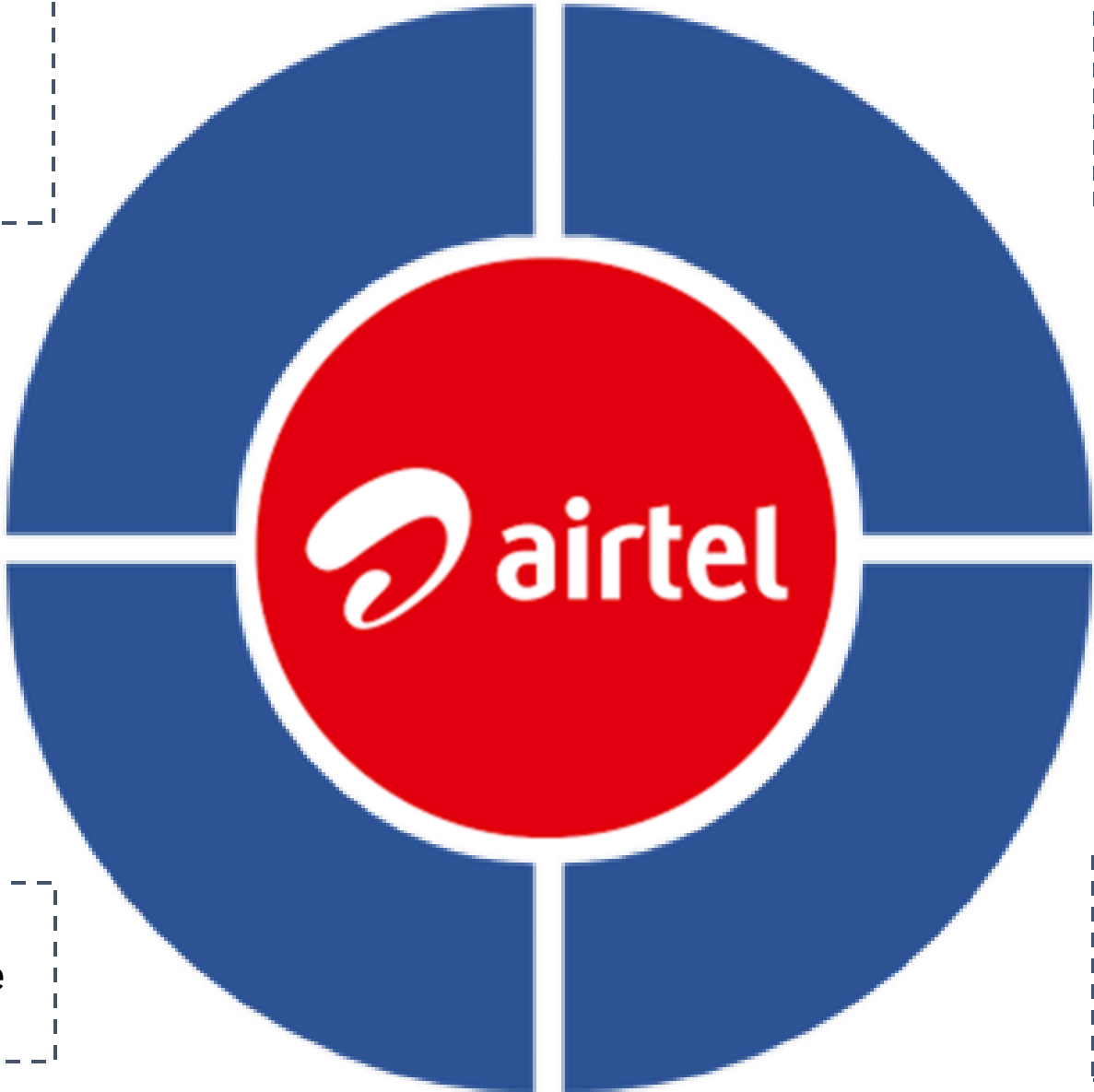


FRAMEWORKS

For the application of Most Strategy Framework, we are going to look at Airtel . An India based telecom MNC which operates in 18+ countries and provides 5G, 4G and LTE Advanced services

MISSION
Empowering individuals and businesses through our seamless, innovative, and reliable telecommunications services

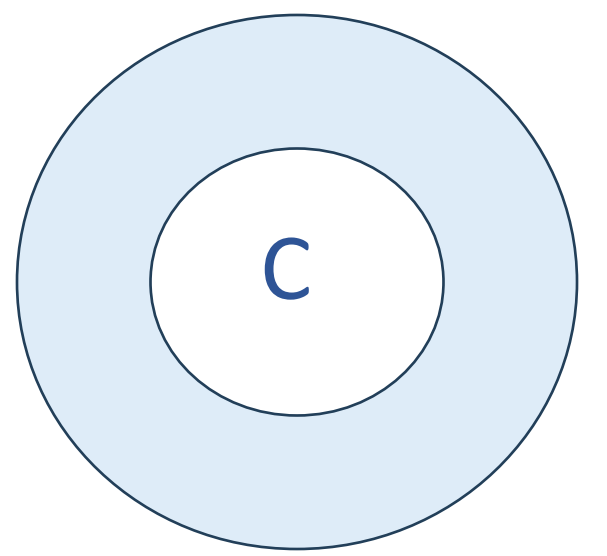
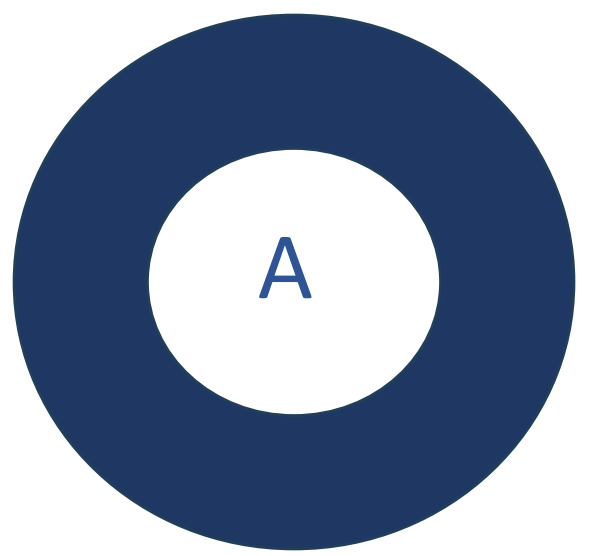
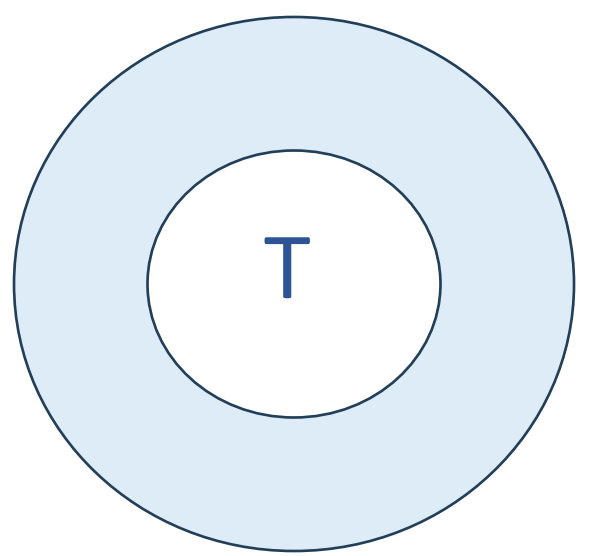
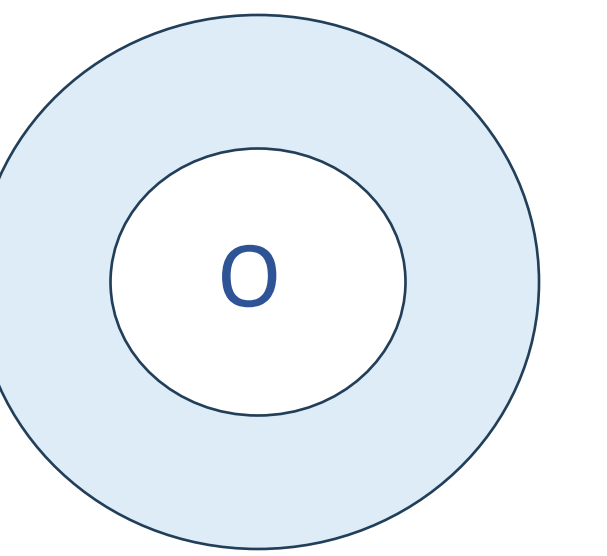
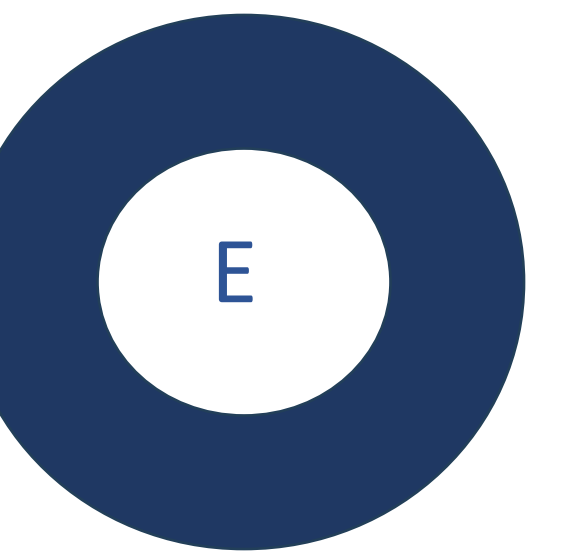
OBJECTIVE
Expand market presence by capturing a 15% share in emerging markets within the next two years. Chasing 0 unfulfilled queries.



STRATEGY
Increasing average revenue per user an capturing the top of the pyramid. Quality first, speed always.

TACTICS
Subscribers cleaner initiative. Dropping the Rs. 90 plan and switching to 150 Rs./Month. Opening stores in 700 high value districts.

FRAMEWORKS

					
CUSTOMER	ACTOR	TRANSFORMATION	WORLDVIEW	OWNER	ENVIRONMENT
• They are users and stakeholders of a system. They will undoubtedly benefit if a change is to occur within the system or process or if a problem is solved. • The first step in the CATWOE Analysis is to identify the customers and understand how the process or system influences them.	• All the stakeholders that are involved in carrying out the transformation. They're responsible for carrying out work and are involved with the implementation of changes. • By knowing their qualities, abilities and interests, you get a clear picture of their impact on the process or system.	• Transformation is the change that a system or process leads to. It's the process in which input (including raw materials and man-hours) is transformed by an organisation into output (such as a final product or solution to a problem). • The immediate next steps also have to be considered.	• This is about the 'bigger picture' and considers the different stakeholders and interested parties from the environment and their influence. • Stakeholders often have different approaches to the same issue, with conflicting interests. The goal of the analysis is to make their different viewpoints explicit.	• This usually refers to the owner, entrepreneur or investor of an organisation, who wants to make changes and who decides whether a project should start or stop. • It involves considering the role played by them. • As decision makers, they have the highest authorities.	• In contrast with World view, this is about the actual environmental elements that may influence the organisation and can limit or restrict the system. They are the factors outside the system's direct control. • Examples are ethical boundaries, regulations, financial constraints.

FRAMEWORKS

The Coca-Cola Company (NYSE: KO) is a total beverage company with products sold in more than 200 countries and territories

WORLD VIEW

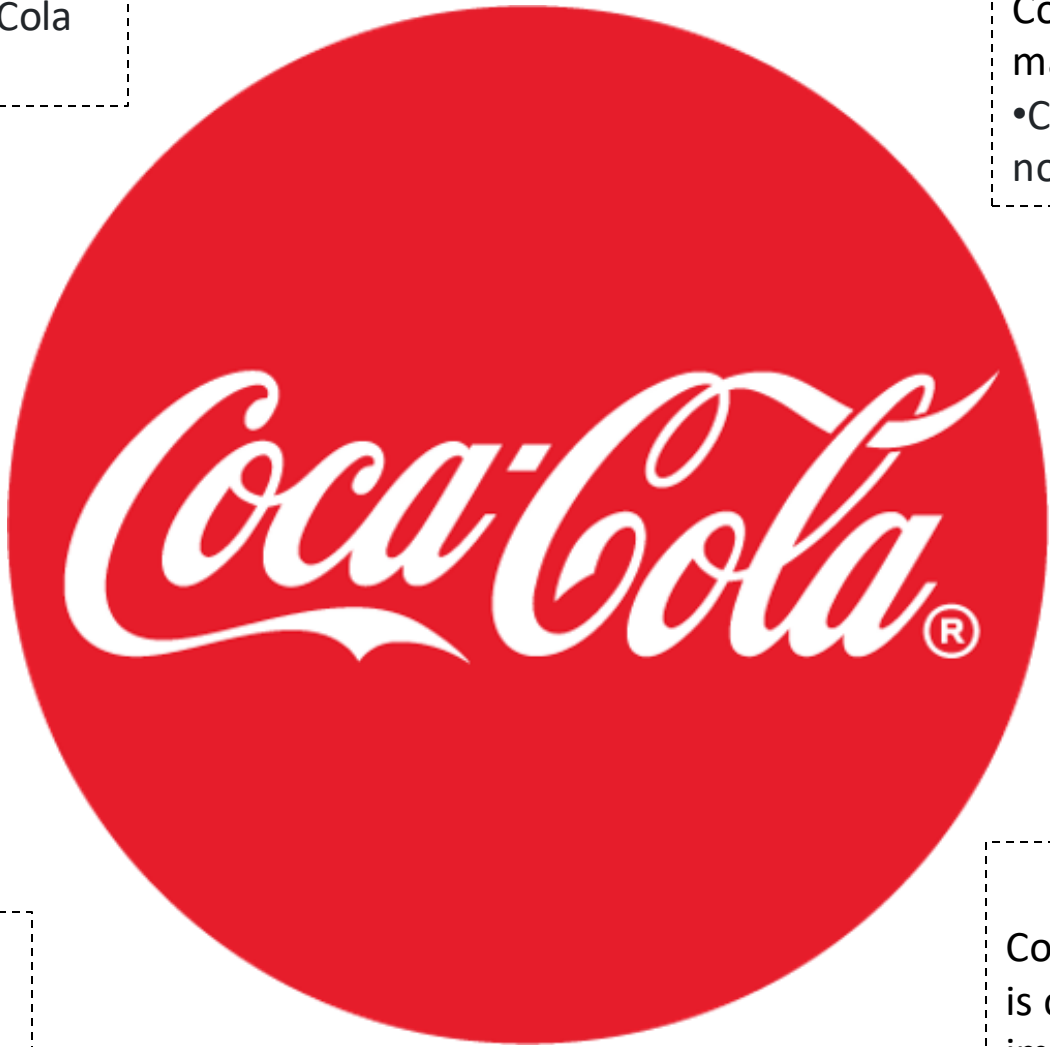
“Open Happiness” states Coca-Cola’s motto. Coca Cola’s World View is upbeat and holistic. It has to be that way if your target market is the entire planet. Coca Cola also holds a perspective of refreshment and unity.

TRANSFORMATION

- Coca Cola Processes raw materials (water, sugar, flavours) into various Coca-Cola beverages. It involves activities such as sourcing, manufacturing, bottling, distribution, marketing.
- Coca-Cola has changed the way people think about sugary drinks. It’s not just for kids; adults can enjoy it as well.

ACTORS

- Coca Cola has various actors like management, employees, bottlers, distributors, retailers, government agencies, NGOs.
- The actors are involved in Product development, marketing, production, distribution, sales, regulation, advocacy.
- One of the most important actors is the Marketing Manager. The reputation and brand image plays an important role in Coca Cola’s success



OWNERS

The owners of Coca Cola are many shareholders. Berkshire Hathaway, the super-profitable conglomerate controlled and owned (in part) by Warren Buffet, has a significant number of Coca-Cola shares and is one of the largest shareholders of Coca Cola.

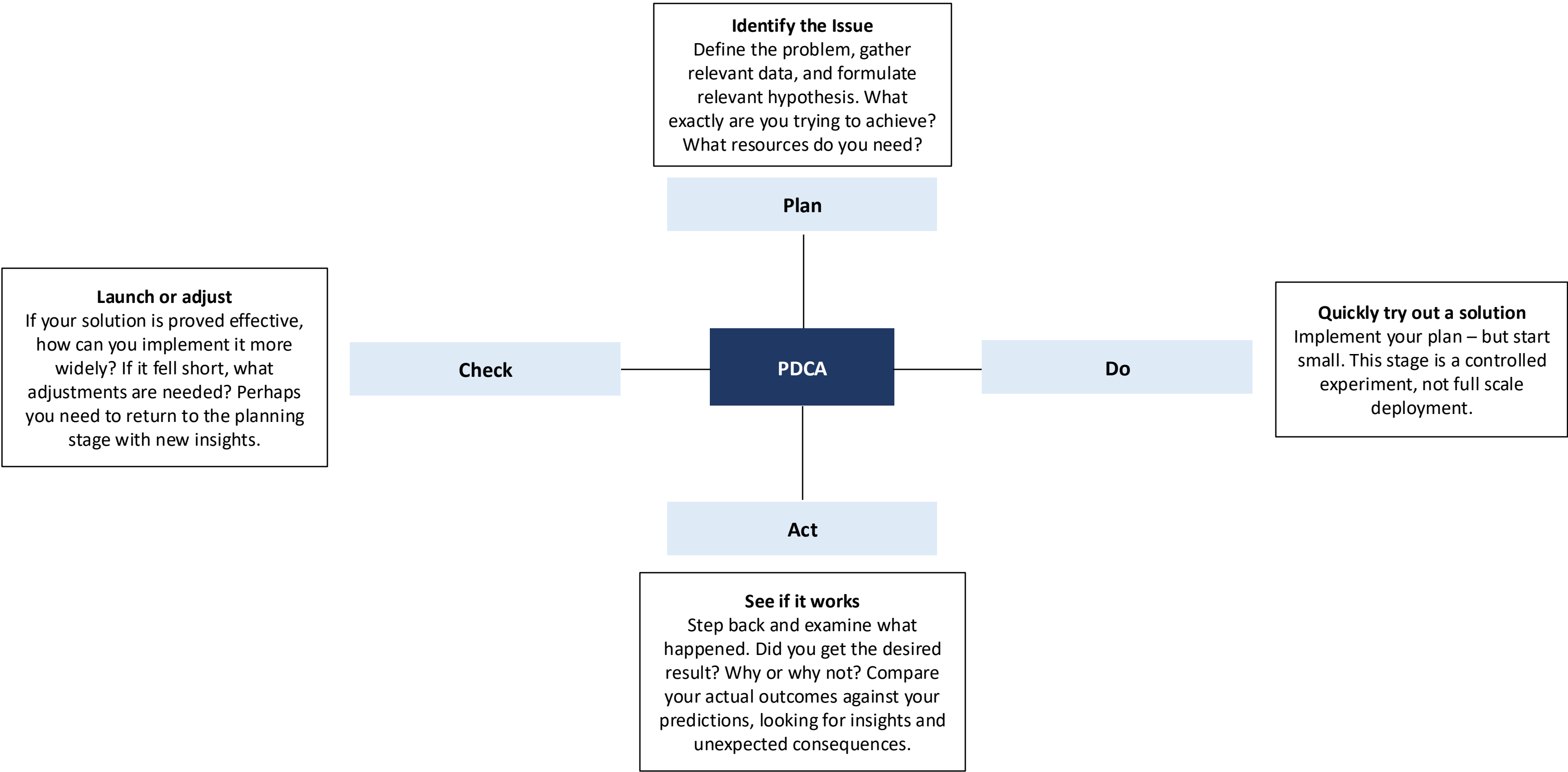
CUSTOMERS

- They have global consumers of all ages and demographics.
- Coca Cola aims to fulfil various needs including Refreshment, thirst quenching, enjoyment, association with happiness and lifestyle.

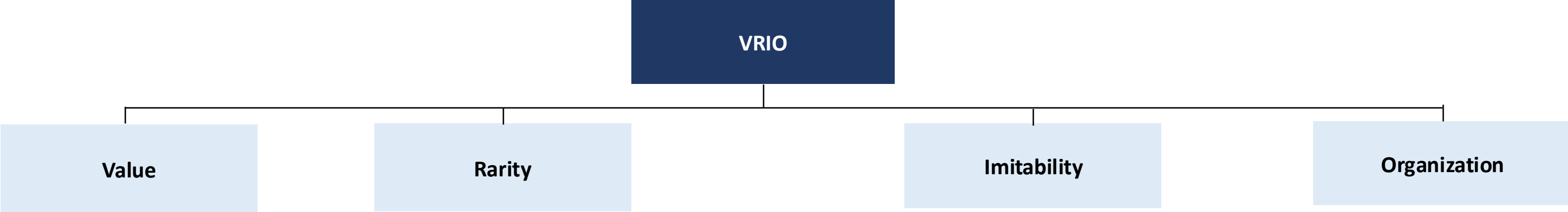
ENVIRONMENT

Coca-Cola bottles and cans are made from recycled materials (aluminium is commonly recycled). Coca Cola needs to consider the environmental impacts it has on water scarcity, health concerns and obesity. They can consider innovative packaging, healthier drinks like coke zero/ diet coke.

FRAMEWORKS



FRAMEWORKS

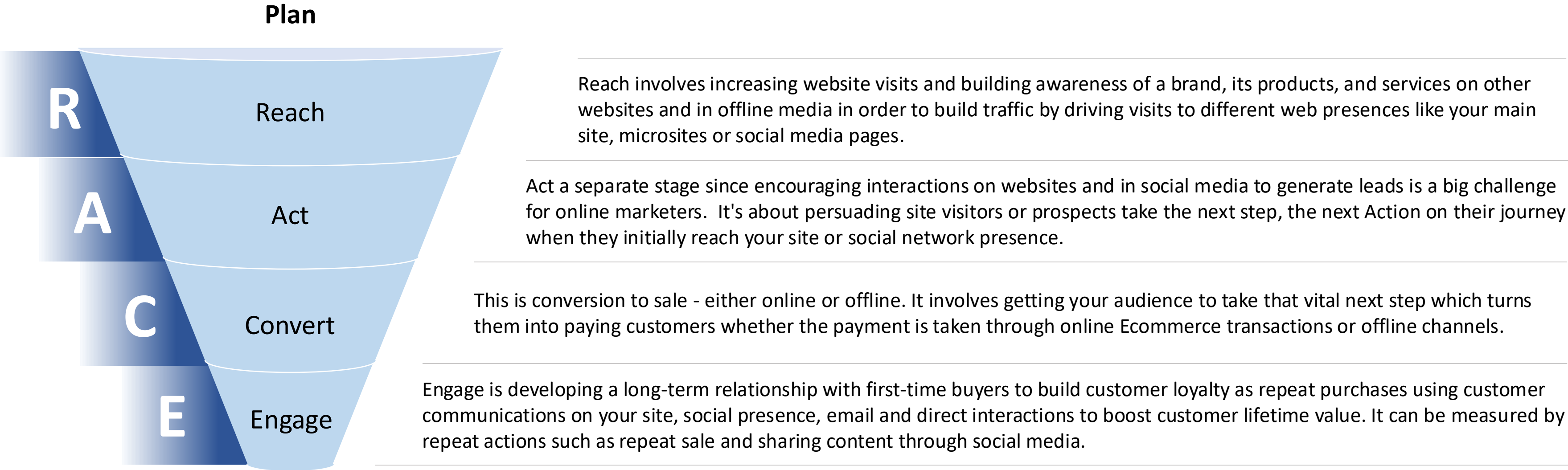


A VRIO diagram of Starbucks is used to show the causal factors that go into some final outcome

Resource or Capability	Value	Rarity	Imitability	Organization	Impact on Competitive Advantage
Strong Global Presence	✓	✓	✓	✓	Realized sustainable competitive advantage
Specialty Coffees	✓	✗	✗	✓	Realized competitive parity
Upscale and cozy atmosphere	✓	✓	✗	✓	Realized temporary competitive advantage

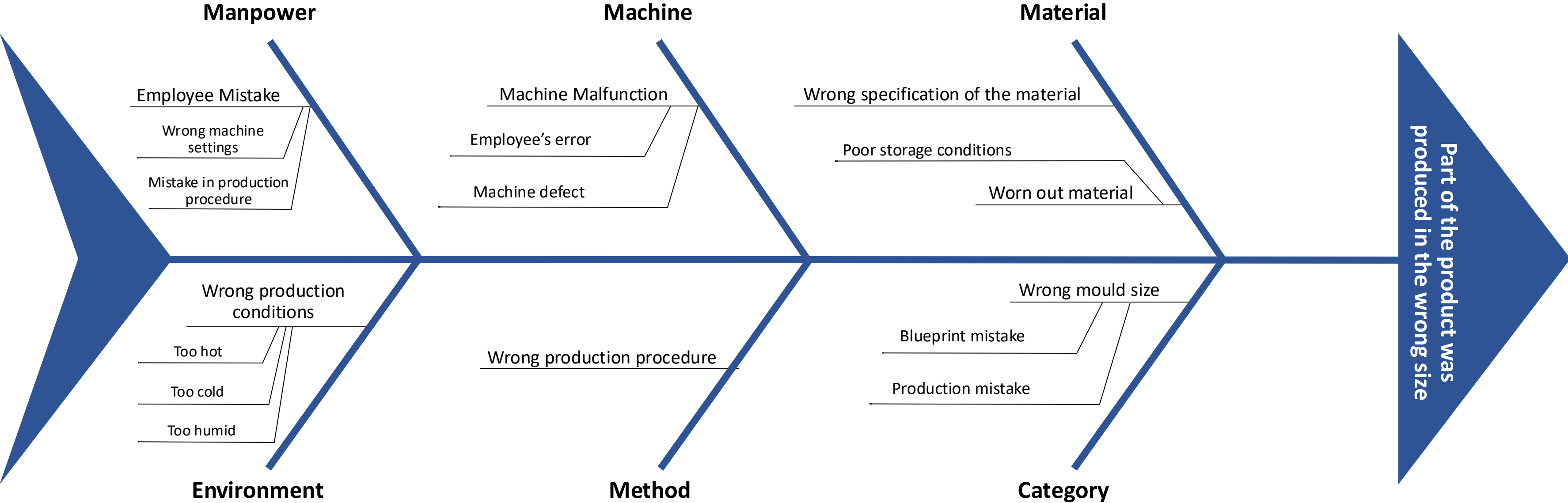
FRAMEWORKS

RACE is a digital marketing planning framework for implementing strategic digital marketing activities like content marketing or search engine optimization and integrating these with other offline media activities.



FRAMEWORKS

Let’s understand this framework by a simple example: In a manufacturing unit of an Automobile company, a set of parts manufactured was found to be of the wrong size.





FINANCIAL HANDBOOK

Revenue	This is the amount of money that a company receives on selling all the goods produced.
Profit	- This is the amount of money left after reducing the expenses from revenue. Break Even point refers to the 0 profit. - Gross Profit : Revenue–Cost of Goods Sold (COGS) - Operating Profit : Gross Profit–Operating Expenses - Net Profit : Operating Profit– (Interest + Taxes)
Assets, Liabilities and Equity	- Assets are the resources owned by a company that have economic value and Liabilities are the debts or obligations a company owes to others. - Subtracting Liabilities from assets, we will get Equity. The ownership of a company.
Cash Flow	- The net amount of cash moving in and out of a company. - Operating Cash Flow : Operating Income + Non-Cash Charges - Change in working Capital - Cash Charges - Investing Cash Flow : Proceeds from Sale of Assets–Capital Expenditures + Other Investment Income/Expenditures¹ - Financing Cash Flow : Proceeds from Issuing Debt or Equity–Repayments of Debt–Dividends Paid–Share Buybacks

Return on Investment	$ROI = \text{Net Profit} / \text{Investment Cost} \times 100$
Market Capitalization	$\text{Market Cap} = \text{Share Price} \times \text{Number of Shares Outstanding}$
EBITDA AND EBIT	- EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) : Revenue - COGS - Operating Expenses (excluding Depreciation & Amortization) - EBIT (Earnings Before Interest and Taxes) : Revenue - COGS - Operating Expenses (including Depreciation & Amortization)
Leverage	- Financial : Total Debt / Total Equity, used to assess how much debt is used to finance assets and increase potential return for the shareholders. Higher the financial leverage, higher is the risk. - Operating Leverage : EBIT / Contribution Margin, (Contribution Margin: Sales Revenue - Variable Costs), Higher operating leverage means company has more fixed costs and hence the importance of sales matters more.

Why do we need financials?

Financials of a firm include Income Statement, Balance Sheet and Cash Flow Statement.

Financials are the snapshot of a firm’s progress in the past, present and in future. For an astute reader, these statements can provide the information of how the firm has performed in the past, what is the current situation of the firm and how it may perform in the future.

Past Performance

Revenue Trends, Profit Margins and Debt Repayment History.

Current Performance

Cash Flow Statement, Working Capital Management, Liquidity Ratios

Future Performance

Financial Projections, Investment in R&D, Solvency Ratios, Order Backlogs, Market Share Analysis

Financial Ratios

Past Condition Ratios (Historical Performance)

1. Reason: These ratios evaluate how the company has performed historically, providing insights into past efficiency, profitability, and liquidity.

Profitability Ratios

- **Gross Profit Margin** = (Gross Profit / Revenue) × 100 (**Good: Above 40%, Bad: Below 20%**)
- **Operating Profit Margin** = (Operating Income / Revenue) × 100 (**Good: Above 10%, Bad: Below 5%**)
- **Net Profit Margin** = (Net Profit / Revenue) × 100 (**Good: Above 10%, Bad: Below 2%**)

Efficiency Ratios

- **Return on Assets (ROA)** = Net Income / Total Assets (**Good: Above 5%, Bad: Below 1%**)
- **Return on Equity (ROE)** = Net Income / Shareholder Equity (**Good: Above 15%, Bad: Below 5%**)

Liquidity Ratios

- **Current Ratio** = Current Assets / Current Liabilities (**Good: 1.5–2, Bad: Below 1 or above 2**)
- **Quick Ratio** = (Current Assets - Inventory) / Current Liabilities (**Good: Above 1, Bad: Below 1**)

Present Condition Ratios (Current Financial Health)

Reason: These ratios assess the company's current financial position, focusing on debt, liquidity, and market valuation.

Leverage Ratios

Debt-to-Equity Ratio = Total Debt / Total Equity (**Good: 1–2, Bad: Above 2**)

Debt Ratio = Total Debt / Total Assets (**Good: Below 0.5, Bad: Above 0.5**)

Coverage Ratios

Interest Coverage Ratio = EBIT / Interest Expense (**Good: Above 3, Bad: Below 1.5**)

Market Ratios

Price-to-Earnings (P/E) Ratio = Market Price per Share / Earnings per Share (**Good: 15–25, Bad: Below 10 or above 40**)

Future Condition Ratios (Forecasting & Projection)

Reason: These ratios focus on forecasting future performance, growth potential, and cash flow sustainability.

Growth Ratios

Earnings Growth Rate = (Earnings Current Year - Previous Year) / Previous Year (**Good: Above 10%, Bad: Below 0%**)

Revenue Growth Rate = (Revenue Current Year - Previous Year) / Previous Year (**Good: Above 10%, Bad: Below 0%**)

Investment Ratios

Price-to-Book (P/B) Ratio = Market Price per Share / Book Value per Share (**Good: 1–3, Bad: Below 1 or above 3**)

Cash Flow Ratios

Operating Cash Flow to Total Debt Ratio = Operating Cash Flow / Total Debt (**Good: Above 0.2, Bad: Below 0.1**)

Free Cash Flow to Equity = Free Cash Flow / Total Equity (**Good: Positive, Bad: Negative**)

Net Present Value (NPV)

Measures the present value of future cash flows minus the initial investment. A positive NPV indicates a profitable project.

$$NPV = \sum \frac{C_t}{(1+r)^t} - C_0$$

Where:

NPV = Net Present Value

C_t = Cash inflow (or outflow) at time **t**

r = Discount rate (or required rate of return)

t = Time period

C₀ = Initial investment (cash outflow at **t = 0**)

Internal Rate of Return (IRR)

The discount rate at which NPV becomes zero. A project is accepted if IRR > cost of capital

The **Internal Rate of Return (IRR)** is often interpreted as the **true annual return** a project generates because it is the rate at which the **present value of future cash inflows equals the initial investment** (i.e., NPV = 0). This means that if you invest in a project with an IRR of, say, **15%**, you are effectively earning **15% per year** on your investment, assuming the cash flows can be reinvested at the same IRR.

Payback Period

The time required to recover the initial investment. Shorter payback periods are preferred.

Real-Life Example: Setting Up a Solar Power Plant

SCENARIO

A company is considering investing in a **solar power plant** to reduce electricity costs and generate revenue by selling excess power. The plant requires an **initial investment of ₹50 crores**, and it is expected to generate **₹15 crores per year** in cash inflows for **6 years**. The company's **cost of capital is 10%**.

The company will evaluate the project using **NPV, IRR, and Payback Period**.

- 1. Net Present Value (NPV) Calculation-** NPV is the sum of the present values of future cash inflows minus the initial investment. Using the formula, the **NPV is ₹17.09 crores**. Since NPV is positive, the project is financially viable.
- 2. Internal Rate of Return (IRR) Calculation-** IRR is the discount rate at which the NPV becomes zero. By using Excel's IRR function, the **IRR is found to be 21.2%**. Since **IRR (21.2%) is greater than the cost of capital (10%)**, the project is acceptable.
- 3. Payback Period Calculation-** The payback period is the time required to recover the initial investment of ₹50 crores. **The company recovers its investment in 3 years and 4 months, which is relatively fast.**

Final Decision

- NPV is positive** → The project adds ₹17.09 crores in value.
- IRR > Cost of Capital** → The project earns 21.2%, much higher than 10%.
- Payback Period is 3.33 years** → The investment is recovered quickly.

Conclusion: The company should go ahead with the investment as it is financially beneficial.

Portfolio Analysis

Types of Portfolio Analysis

- 1. Financial Portfolio Analysis** – Evaluates stocks, bonds, mutual funds, and other financial assets to balance risk and return. **Markowitz Modern Portfolio Theory (MPT) Risk-Return Analysis.**
- 2. Business Portfolio Analysis** – Assesses a company's product lines, business units, or investments to determine their profitability and growth potential. **BCG Matrix (Boston Consulting Group Matrix), GE-McKinsey Matrix**
- 3. Project Portfolio Analysis** – Examines multiple projects within an organization to ensure resource allocation aligns with strategic goals. **Capital Budgeting**

Security Analysis: Evaluating Investment Opportunities

Security analysis is the process of evaluating financial assets to determine their value and potential for return. Investors use this analysis to decide whether to buy, sell, or hold a security.

There are two main types of security analysis:

- 1. Fundamental Analysis** – Focuses on a company's actual business performance and financial health.
- 2. Technical Analysis** – Focuses on price trends, charts, and market psychology.

Fundamental Analysis – Evaluating a Company's True Worth

Financial Statements (Quantitative Analysis)

- Income Statement** – Examines revenue, profits, and expenses. Earnings Per Share (EPS), Net Profit Margin
- Balance Sheet** – Analyzes assets, liabilities, and shareholder equity. Debt-to-Equity Ratio (D/E), Current Ratio
- Cash Flow Statement** – Evaluates liquidity and cash movements. Free Cash Flow (FCF), Operating Cash Flow (OCF)
- Qualitative Factors

Industry Trends – Evaluates the growth potential of the company's sector.

Competitive Advantage (Moat) – Identifies unique strengths such as brand power.

Management Quality – Assesses leadership experience and decision-making.

Example:

An investor analyzing Apple Inc. would review its revenue and profit growth, cash reserves, debt levels, brand loyalty, and P/E ratio compared to competitors.

Technical Analysis – Predicting Stock Movements from Market Data

Technical analysis ignores a company's financials and focuses only on past price movements and trading volumes to predict future trends.

Price Charts

Line Chart – Displays stock price over time.

Candlestick Chart – Represents open, close, high, and low prices.

Fundamental Analysis: Evaluating a Company's True Worth

Technical Indicators

Moving Averages (MA) – Smooths price data to identify trends.
Relative Strength Index (RSI) – Measures whether a stock is overbought (>70) or oversold (<30).
MACD (Moving Average Convergence Divergence) – Identifies momentum shifts.
Support & Resistance Levels – Determines price points where stocks tend to stop moving up or down.

Chart Patterns (Market Psychology)

Head and Shoulders – Signals trend reversal.
Double Top/Bottom – Indicates strong resistance or support.
Triangles & Flags – Show consolidation before a breakout.

Which One is Better?

Long-term investors use fundamental analysis to identify strong businesses.
Short-term traders use technical analysis to profit from price movements.
Many investors combine both approaches for better decision-making.

Sheet Link for the Financials

Unlocking Morocco's Hospitality:
[TAM-SAM-SOM](#)
[ROIC AND Payback Period](#)

Up in the sky:
[Revenue and Cost Sheet](#)

The User Scorecard:
[Revenue Projections](#)

The Pawfect Entry:
[Breakeven Period](#)

GUESSTIMATE HYGIENE SHEET



Indian Data

Nominal GDP of India	USD 3 Lakh crores	
Population of India	140 Crores	
Population divide based on Urban & rural	Urban	Rural
	30%	70%
Average family size	4	5

Population divided based on age group	Age	% as of Population	Age	% as of Population
	0-18	25%	0-15	20%
	18-24	15%	15-25	30%
	24-60	50%	25-50	30%
	60+	10%	50+	20%

Population divided as per working & non-working	Working	Non Working	
	60%	40%	
Income Divide	Lower	Middle	High
	50%	40%	10%
Income Use	Consumption	Saving	
	75%	25%	

Transportation Network	Road	Rail	
	60,00,000	70,000	
Trains	Daily trains	Stations	
	15,000	7000	
Airports	150		
	International	Domestic	Custom
	30	110	10
Number of Highways	600		

Important Splits

Gender Divide	Male	Female	
	60%	40%	
Literacy Rate	Overall	Male	Female
	75%	80%	70%
	India	Urban	Rural
Access to water	70%	100%	50%
Smartphone Penetration	55%	70%	30%
Internet Users	60%	70%	50%

State wise Data

State wise Population	Delhi	Mumbai	Chennai	Bangalore
	3 Crores	2 Crores	5-7 Crores	10-12 Crores
Area of States/Cities	Delhi	Mumbai	Rajasthan	Goa
	1500	600	~3,00,00	~4000
	Crores	Crores	(Largest)	(Smallest)
Types of Cities	Tier 1	Tier 2	Tier 3	
	8	100	40	

Market Trends

Product	Growth Rate	Average price
Cars	10%	10,00,000
Two Wheelers	5%	50,000
Air Conditioners	15%	30,000
Washing Machines	5%	20,000
Refrigerators	10%	25,000
Mobile Phone	8%	15,000
Televeision	15%	40,000
Laptop	5%	50,000

GLOSSARY



WORD	MEANING
Acquisition	A business transaction in which one firm buys all or part of another company's stock or assets. The acquisition commonly happens to gain control of and expand on the target company's strengths while also capturing energies.
Asset Management Company	An asset management company is a firm that invests a pooled fund of capital on behalf of its clients.
Aggregator	An aggregator renders the service of collecting, compiling and providing similar as well as a relevant informant on a particular website.
AOV	An ecommerce metric that measures the average total of every order placed with a merchant over a defined period of time.
Backward Integration	A form of vertical integration in which a company acquires or merges with other businesses that supply raw materials needed in the production of its finished product.
Beta	Beta is the measure of an asset's risk in relation to the market (for example, the S&P500) or to an alternative benchmark or factors.
Blue Ocean Strategy	Blue Ocean Strategy is referred to a market for a product where there is no competition or very less competition. This strategy revolves around searching for a business in which very few firms operate and where there is no pricing pressure.
Bulge Bracket Investment Bank	A multinational, brand-name banks that regularly handle billion-dollar transactions and employ thousands of people in financial centers around the world.
Buyout	An investment transaction by which the ownership equity of a company, or a majority share of the stock of the company is acquired.
CAC	Customer acquisition cost is the resources and costs incurred to acquire an additional or new customer.
CAGR	Compound Annual Growth Rate is the mean annual growth rate of an investment over a specified period of time longer than one year with the effect of compounding considered.

WORD	MEANING
Capex	Capital expenditures (Capex) are funds used by a company to acquire, upgrade, and maintain physical assets such as property, plants, buildings, technology, or equipment.
Ceiling Price	Also called price cap, it is the mandated maximum amount a seller is allowed to charge for a product or service.
Competitive Pricing	Pricing method of selecting strategic price points to best take advantage of a product or service based market relative to competition.
Conversion Rate	Conversion rate refers to the percentage of visitors to a website who end up buying something, filling a form, or some other desired action.
Cost Per Lead (CPL)	A digital marketing pricing model whereby the advertiser pays a pre-established price for each lead generated.
Cost Table	A database providing information about the impact on product costs of using different input resources, manufacturing processes, and design specifications
DCF	Discounted cash flow (DCF) refers to a valuation method that estimates the value of an investment using its expected future cash flows.
Delta	Delta expresses the amount of price change a derivative will see based on the price of the underlying security (e.g., stock).
Downsize	The permanent reduction of a company's labor force through the elimination of unproductive workers or divisions.
Due Diligence	The exercise of reasonable care in the course of business such as through investigation, audit, or review.
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization, or EBITDA, is a statistic used to assess a company's operating performance.

WORD	MEANING
EPS	Earnings per share is the monetary value of earnings per outstanding share of common stock for a company.
FDI	Foreign direct investment (FDI) is an ownership stake in a foreign company or project made by an investor, company, or government from another country.
Footfall	The number of consumers entering a store or shopping area measured against time, such as per hour, day, week, or month.
Greenfield	A green-field investment is a type of foreign direct investment (FDI) in which a parent company creates a subsidiary in a different country, building its operations from the ground up. In addition to the construction of new production facilities, these projects can also include the building of new distribution hubs, offices, and living quarters.
Inflation Adjusted Growth Rate	The inflation-adjusted return is the measure of return that takes into account the time period's inflation rate.
IRR	The internal rate of return (IRR) is the annual rate of growth that an investment is expected to generate.
M&A	Mergers and acquisitions (M&A) are transactions wherein two companies combine in some way. Although the terms mergers and acquisitions (M&A) are used interchangeably, they have distinct legal implications. A merger is the joining of two firms of equal size to establish a new single business entity. An acquisition, on the other hand, occurs when a larger corporation acquires a smaller company, absorbing the smaller company's business.
Market Penetration	Market penetration indicates the extent to which a product or service is consumed by customers in relation to the overall expected market for that product or service.
Market Penetration	Market penetration indicates the extent to which a product or service is consumed by customers in relation to the overall expected market for that product or service.
Market Positioning	Market Positioning refers to the ability to influence consumer perception regarding a brand or product relative to competitors.

WORD	MEANING
Market Value (of company)	In a financial market, market value is typically used to quantify how much an asset or company is worth. It is mutually determined by market participants and is interchangeably used for a company’s market capitalization.
NPV	Net Present Value (NPV) is the value discounted to date of all future cash flows (positive and negative) over the life of an investment.
Penetration Rate	Market penetration rate is the percentage of a company's target market that is currently using its product or service. It is calculated by: Market Penetration Rate = (No. of Customers / Target Market Size) x 100
Perpetual Growth Rate	The perpetual growth rate, in finance, is the constant rate at which a variable, such as earnings or dividends, is expected to grow indefinitely. It is a crucial factor in financial models, aiding in the evaluation of long-term sustainability and value.
Profit margin	It is a measure of a company's revenue (or profit) relative to sales. The profit margin, expressed as a percentage, tells you how much you've earned for every rupee of sales.
Project cycle	The project cycle refers to the stages and steps involved in the planning, implementation, monitoring, and evaluation of a project. It typically includes phases such as identification, preparation, appraisal, execution, monitoring, and completion. The project cycle provides a structured framework for managing and assessing projects from initiation to closure.
Recapitalization	Recapitalization is the process of restructuring a company's debt and equity structure in order to stabilize the company's capital structure.
Return on Capital Employed	ROCE indicates the amount of profit a company is generating per ₹1 of capital employed. It is calculated by: ROCE = Earnings before Interest and Tax / Capital Employed
Risk Adjusted Return	A risk-adjusted return is the return, or potential return, of an investment calculated by considering the level of risk that must be accepted in order to achieve it. Risk is measured relative to a substantially risk-free investment.
Risk Free Rate	The risk-free rate of return represents the interest on an investor's money that would be expected from an absolutely risk-free investment over a specified period of time.
ROAS	Return on ad spend refers to the amount of revenue generated for each Rupee spent on a campaign. It is calculated by: ROAS = (Revenue attributed to Ads / Cost of Ads) x 100

WORD	MEANING
SKUs	A Stock Keeping Unit (SKU) is a scannable barcode most commonly printed on product labels at retail stores. This tag allows suppliers to automatically track inventory movements.
SOP	A standard operating procedure (SOP) is a step-by-step, repeatable process for any routine task.
Synergy	Synergy is the concept that the combined value and performance of two companies will be greater than the sum of the separate individual parts. Synergy is a term that is most commonly used in the context of mergers and acquisitions (M&A).
Tier - Based Pricing	Tiered pricing, also known as price tiering, serves as a model for selling products within a specific price range. As a user fills up a tier, they progress to the next tier and are billed based on the number of purchases made in those respective tiers.
USP	A Unique Selling Proposition (USP) is a feature or perceived advantage of a product that differentiates it from other competing brands in the market.
Valuation	Valuation is the analytical process of determining the present(or projected) value(worth) of an asset or enterprise.
Value Based Pricing	Value-based pricing is customer-centric, wherein companies base their pricing on how much customers value their products(perceived value).
WACC	A firm’s Weighted Average Cost of Capital (WACC) represents its blended cost of capital across all sources, including common shares, preferred shares, and debt. The cost of each type of capital is weighted by its percentage of total capital and then are all added together.
YoY	Year-over-year growth compares a company's recent financial performance with its numbers for the same month, one year earlier.



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[Aaron Roberts](#)

Industry Analyst, Frost & Sullivan

“The Ramjas Consulting Society’s annual casebook is an exceptional resource that bridges academic learning with real-world business challenges. The case studies are carefully crafted to reflect the complexities of modern industries, offering a practical framework that fosters critical thinking and strategic problem-solving. Beyond theoretical concepts, the casebook effectively simulates real consulting environments, presenting complex scenarios that require synthesis of information, management of ambiguity, and formulation of actionable solutions.

A comprehensive and practical resource, this casebook is highly recommended for mastering consulting frameworks and real-world problem-solving.”



[Ananta Chhajer](#)

Content Creator, IIM Ahmedabad

“The Ramjas Consulting Society's latest publication on case preparation is an exceptionally well-structured and insightful resource, easily comparable to the materials provided by top-tier MBA programs. As someone with experience in consulting and having gone through rigorous business education, I find its framework explanations to be clear and directly applicable to the demands of case interviews. Overall, this publication demonstrates a solid understanding of what is essential for effective case interview preparation and promises to be a valuable tool for MBA students.”



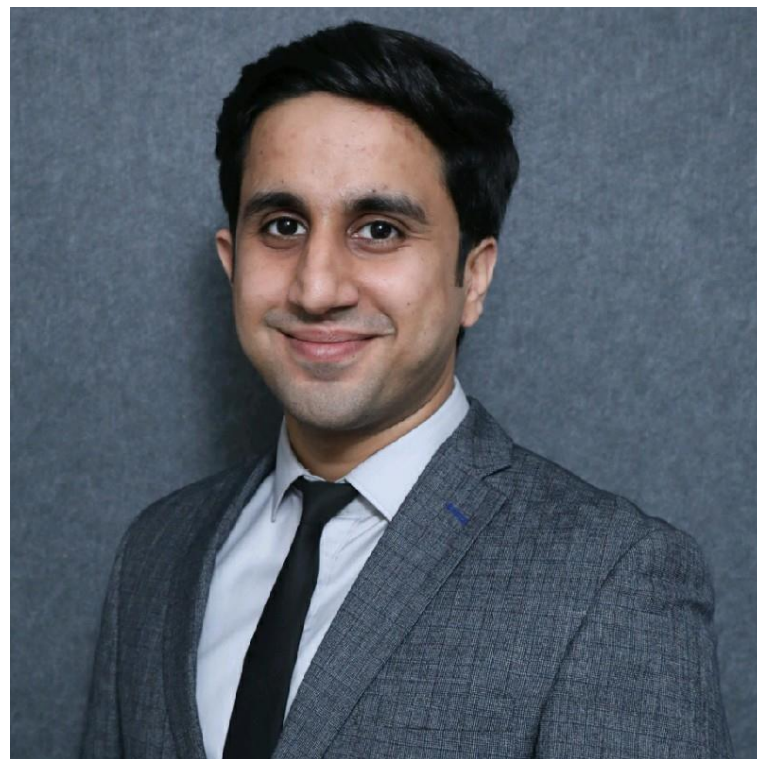
[Anindya Longvah](#)

TAS Officer | Titan | IIM C MBA (2021-23)

The Ramjas Consulting Society Casebook 2023 is one of the most thoughtfully crafted resources I’ve come across for consulting preparation at the undergraduate level. What sets this casebook apart is its depth, diversity, and commitment to real-world relevance. Each case challenges you to think critically, structure clearly, and articulate with precision—exactly the skills top-tier consulting firms look for.

The inclusion of frameworks, detailed mock interviews, financial analysis, guesstimates, and even Excel-based tools makes this a comprehensive guide, not just a practice workbook. Whether you're just starting out or refining your interview technique, this book equips you to approach any case with confidence and clarity.

Kudos to the team for creating a resource that bridges academic rigor with industry expectations. A must-have for every aspiring consultant.



[Anuj Kukreja](#)

Senior Consultant, Bain & Company

Among the many consulting prep resources out there, Ramjas Consulting Society's casebook stands out as one of the most comprehensive and thoughtfully crafted. The frameworks are razor-sharp, the practice cases mirror real-world scenarios, and the insights into interviewer expectations and industry nuances are spot-on. Their attention to detail — from QR codes linking to in-depth solutions to smart tips for scoring those extra 'brownie points' — reflects the team's tremendous effort and understanding of what truly helps candidates excel. A genuine game-changer for any aspiring consultant!



[Atul Singh](#)

Senior Associate, Strategy & PwC

"As a consultant with experience at PwC Strategy & Alvarez & Marsal, and a post-graduate from ISB, I've reviewed numerous prep resources over the years—but the Ramjas Consulting Society's Case and Guesstimate Books stand out. The clarity of structure, practical application, and range of industries covered make these books highly relevant for consulting aspirants. What's particularly impressive is how the team has woven in real-world business logic with a strong problem-solving approach. These resources don't just prepare candidates for interviews—they build foundational thinking. I'd highly recommend them to anyone serious about a career in consulting.



[Chirag Singla](#)

Junior Associate, McKinsey & Company

Effective case preparation demands structured problem-solving, analytical depth, and clear articulation. Ramjas Consulting Society's case book exemplifies these qualities. In its latest edition, the team has worked diligently to provide comprehensive coverage with 10+ industry deep dives, 25+ function-specific cases, and 6 thorough frameworks. This resource stands as a testament to the Society's commitment to excellence, offering necessary support to aspirants with a robust foundation for interview preparation. Kudos to the team for their commendable effort.



[Christus Divyan](#)

Senior Industry Analyst, Frost & Sullivan

“The Ramjas Consulting Society’s annual casebook is an excellent compilation of real world business challenges. Each case has been thoughtfully designed to simulate the complexities of modern day consulting problems, making it a valuable resource for aspiring consultants. It’s a great platform for students to hone structured thinking, strategic analysis, and problem solving skills in a practical, engaging way. The diversity of industries and problem statements ensures there's something to challenge every type of thinker. A must-read for anyone preparing for consulting interviews or looking to sharpen their business acumen.”



[Devesh Mundra](#)

Consultant, Boston Consulting Group
CA | FRM | CFP

“Case interviews end at frameworks—they start with clarity of thought, sharp communication, and business logic. This booklet does an excellent job of bridging theory with real-world application; it’s a curated guide with industry deep-dives, frameworks & cases to help you think on how to approach a real life business problem. If you’re aiming to enter into consulting, this resource will sharpen your problem-solving approach and help you stand out in a competitive field.”



[Keshav Mittal](#)

Manager, Alvarez & Marsal

"Structured thinking, clear communication, and intellectual curiosity lie at the heart of successful case cracking. The Ramjas Consulting Society’s case book reflects these values through its comprehensive approach—be it industry primers, function-wise cases, or meticulously designed frameworks that mirror real consulting scenarios. It’s a thoughtfully curated resource that equips aspirants with both breadth and depth in preparation. Kudos to the team for raising the bar yet again!"



[Riya Chakravarty](#)

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McKinsey & Company

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