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IIM AMRITSAR'S

CONSULTING PREPBOOK

**BY
STRATAGEM
THE STRATEGY & CONSULTING CLUB**

2024-2025

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We are proud to announce the inaugural edition of the Consulting Prepbook, a project of Stratagem-The Strategy & Consulting Club of Indian Institute of Management Amritsar. As we enter the competitive world of consulting, we must prepare ourselves with the necessary skills and approaches to excel in case interviews, which are an important component of the recruiting process in this sector.

Whats inside:

Structure of Case Interview Approach: Understanding the framework is the first step in mastering case interviews. This section breaks down the procedure into digestible phases, providing a clear path for handling any case interview with ease.

Frameworks: Frameworks are the foundation of case interviews. We go over a number of frameworks that will help you order your thinking and tackle difficulties. From traditional business frameworks to new problem-solving models, we've got everything you need to properly evaluate instances.

Cases: Practice is essential to success. We've prepared five extensive case studies that reflect real-world business circumstances. These examples will provide you with practical experience and improve your critical thinking skills under pressure.

Guesstimates: In consultant interviews, guesstimates are frequently used. Ten guesstimate activities are provided in this section to help you improve your arithmetic and analytical abilities and get ready to confidently make well-informed estimates.

Industry Analysis: A successful consulting profession requires a solid understanding of many sectors. An in-depth analysis of five major sectors are provided in this part, giving you the knowledge you need to speak with interviewers about opportunities and difficulties unique to your business.

We are excited to present this first edition of the Stratagem Consulting Prepbook and are confident that it will serve as an invaluable tool for your preparation. I wish you well and hope that this study guide will help you become successful as a consultant.

Abhijeet Patil (MBA-BA 2023-25)
Senior Coordinator, Stratagem, 2024-25

Acknowledgement

We gratefully thank all of the people who helped make this consulting prepbook a success. It was prepared collaboratively with active support from our faculty anchor Prof. Santosh Kumar Tiwari.

We would like to extend our sincere gratitude to Mohammed Faizan Ghouri, Mayank Saxena, Abhijeet Negi, Ritik Sharma (MBA 2022–24), Abhijeet Patil, Prashant Kumar, Ansh Awasthi, Rajat Verma, and Vibhu (MBA 2023–25) for taking the lead in releasing the first version of the Consulting Prepbook from IIM Amritsar. Their leadership and vision have been essential to making this initiative a reality.

Special thanks are extended to Rajat Verma (MBA 2023–25), Prashant Kumar (MBA 2023–25), and Mohammed Faizan Ghouri (MBA 2022–24) for their committed work in creating and gathering the interesting cases that are the foundation of this prepbook. For those who aspire to become consultants, your thorough effort has produced invaluable practice material.

Additionally, we are grateful to students Mayank Saxena (MBA 2022–24), Ansh Awasthi, and Vibhu (MBA 2023–25) for their thorough industry assessments. This prepbook has been enhanced by your thorough study and perceptive viewpoints, providing readers with a more comprehensive grasp of a variety of businesses.

We sincerely thank every one of the (MBA 2022–24) and (MBA 2023–25) batch students who provided creative guesstimate solutions. Your originality and critical thought have greatly enhanced this resource, strengthening its usefulness.

Lastly, we would like to thank Abhijeet Patil and Radhika (MBA 2023–25) for their excellent design and editing efforts on the entire prepbook.

This study guide is a reflection of the collaborative efforts and unwavering dedication of many individuals who share the same vision: providing the knowledge and skills necessary for the next generation of consultants to thrive. Our hope is that this resource will serve as a priceless tool for you as you prepare for and pursue a successful career in consulting.

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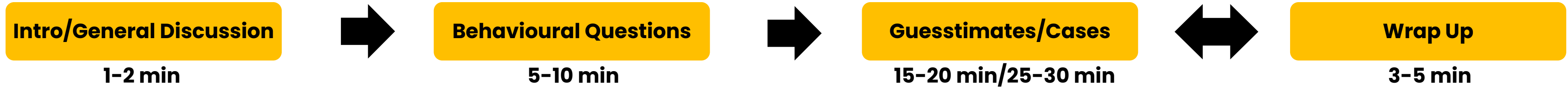
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CONSULTING GUIDE

What is a Consulting Interview?

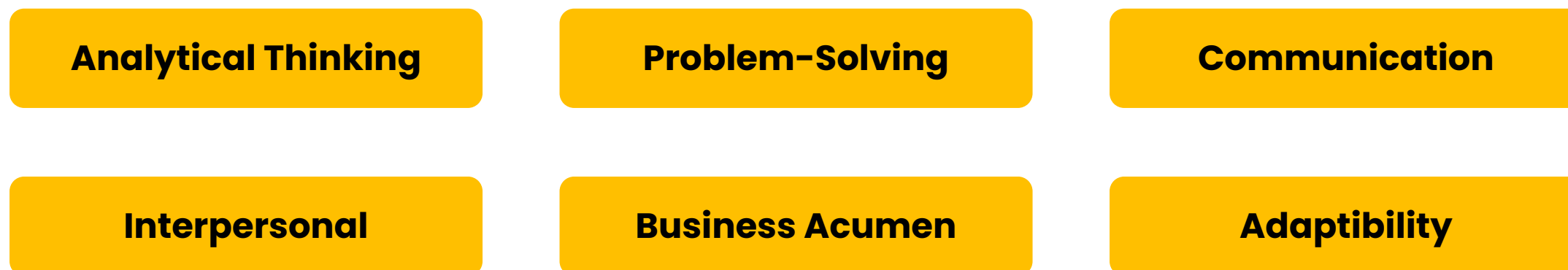
General Format of Consulting Interview:



Objectives of Interviewer in a Consulting Interview:

- **Behavioural Questions:** To determine the candidate's compatibility with the company's culture, values, and team dynamics, as well as their previous experience and soft skills.
- **Case/Guesstimate-based Questions:** To assess the candidate's ability to solve complicated business challenges, think logically, and communicate solutions.

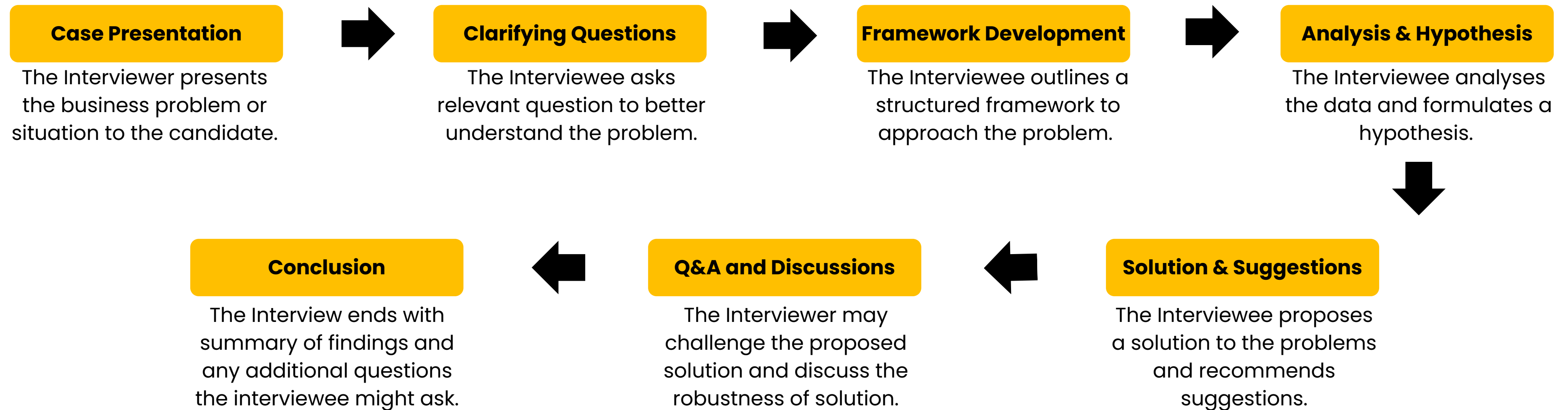
Key Skills assessed in Consulting Interview:



What is a Case Interview?

Case Interview is a simplified version of a real-life consulting project. The interviewee is expected to approach the problem given by the interviewer by asking him relevant questions using certain frameworks and suggesting a data-driven solution to the problem. Case Interview is the most common type of job interview for Management Consulting roles and in other industries which demand strong problem-solving skills. The purpose of the case interview is to evaluate candidates analytical abilities, problem solving skills and ability to think critically and perform under pressure.

Breakdown of Case Interview:



Do's of Case Interview

- 1) Understand the problem clearly:** Before you begin, make sure you completely grasp the case scenario. Asking clever questions demonstrates an analytical approach.
- 2) Do communicate your structure:** Verbalizing your approach step-by-step helps the Interviewer understand your thought process.
- 3) Be Analytical and Quantitative:** Base your solution on the facts supplied and make appropriate assumptions if required. Make sure to express the assumptions to the interviewer.
- 4) Stay Hypothesis-driven:** Construct a hypothesis utilizing your first knowledge and continue to test it. Be prepared to make modifications if additional evidence contradicts your initial theory.
- 5) Provide Clear Recommendations:** Propose actionable solutions by summarising your findings. Make sure to back your solution using data and logical reasoning.
- 6) Be Professional and Confident:** Be polite, and respectful while maintaining eye contact with the interviewer. Project confidence even if you are unsure of your ideas

Dont's of Case Interview

- 1) Don't jump to conclusions:** Rushing into problems without fully understanding them and not backing your solution with data can lead to mistakes.
- 2) Don't be disorganised:** Presenting a haphazard solution without structure can lead to confusion and wrong analysis.
- 3) Don't ignore the interviewer:** Don't work in silence, be vocal about your thought process and pay attention to hints given by the interviewer.
- 4) Don't get stuck on one approach:** If your initial hypothesis isn't working out, be ready to change the approach and integrate new data.
- 5) Don't overcomplicate & forget the big picture:** Don't get lost in details, keep the language simple and relate your analysis to a business problem.
- 6) Don't panic under pressure:** Remember to be confident, expressing panic on face results in negative impression. Take your time but stay calm & composed.



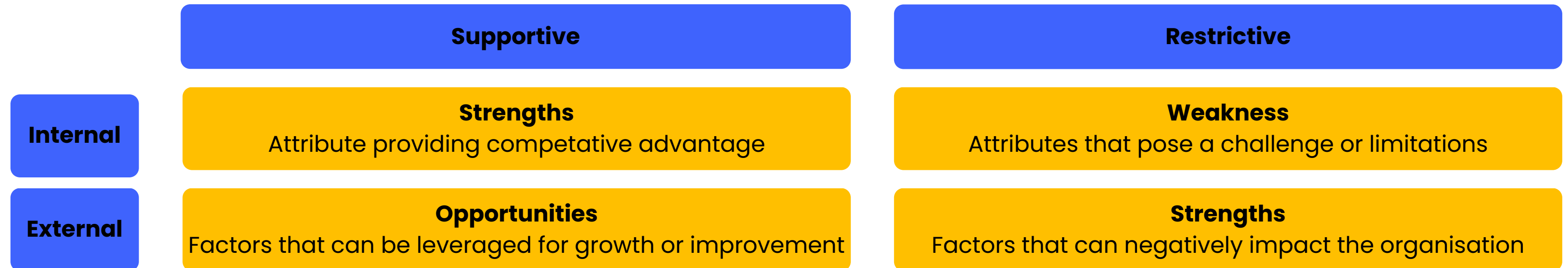
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COMMON FRAMEWORKS

SWOT Matrix & PESTEL Analysis

SWOT Matrix



PESTEL Analysis

Political

Factors related to government policies, regulations, and political stability.

Economic

Elements such as inflation, interest rates, economic growth, and exchange rates.

Social

Cultural norms, demographics, lifestyle changes, and consumer attitudes.

Environmental

Innovations, technological advancements, and R&D activities.

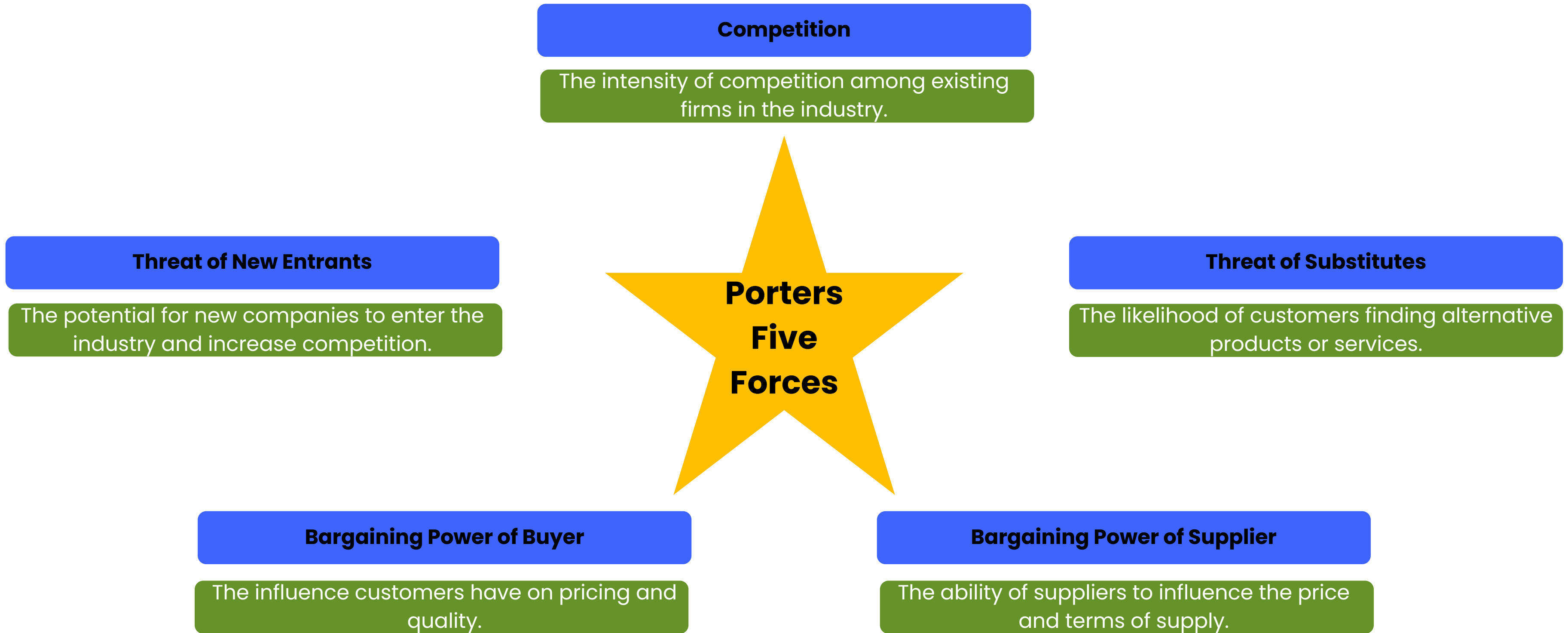
Technological

Environmental regulations, ecological concerns, and sustainability initiatives.

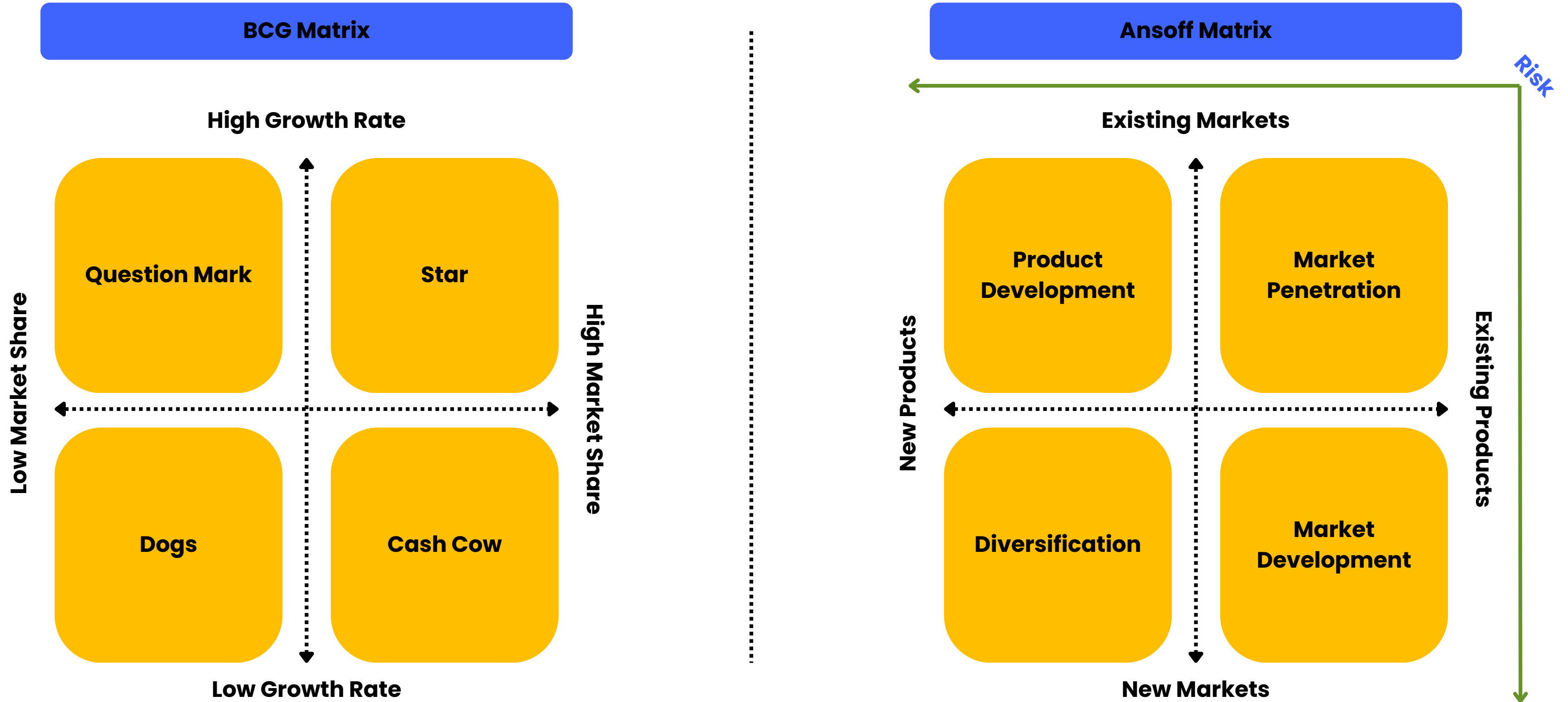
Legal

Laws, regulations, and legal issues affecting business operations.

Porters Five Forces



BCG Matrix and Ansoff Matrix



5 C's of Marketing

- **Company**- Internal assessment of the company's skills, resources, and competitive edge.
- **Consumers**- Analysis of target market categories, client demands, and habits.
- **Competition**- Analysis of significant rivals, including their strengths, shortcomings, and market positioning.
- **Collaborators**- Identifying external partners, suppliers, and partnerships that can help the firm.
- **Context**- Evaluation of external elements such as economic, social, technical, and regulatory settings.

4 A's of Marketing

- **Awareness**- The extent to which customers are knowledgeable of the product and its benefits.
- **Affordability**- The customer's ability and desire to pay for the item.
- **Accessibility**- Customers' ease of getting the product.
- **Acceptability**- The degree to which the product fits the customer's demands and expectations.

4 P's of Marketing

- **Product**- The items or services provided to suit client demands.
- **Place**- The distribution channels via which the product is made available to consumers.
- **Price**- The amount of money customers must pay to acquire the product.
- **Promotion**- The marketing activities used to communicate the product's benefits and persuade customers to purchase.

STP Model of Marketing Strategy

STP marketing focuses on commercial effectiveness, first identifying the most valuable groups for a company and then building a marketing mix and product positioning strategy for each consumer group.

- **Segmentation-** The process of dividing a market into discrete groups of consumers that have similar wants or characteristics.
- **Targeting-** It refers to the selection of specified segments on which to focus marketing efforts.
- **Positioning-** It entails creating a distinct image and identity for the product in the minds of the intended audience.

AMO Theory of Human Resources

According to the AMO theory, three separate work system components influence employee traits and contribute to organizational performance.

- **Ability-** It refers to the employee's abilities and competencies required to do their tasks effectively.
- **Motivation-** It is the desire and passion that employees feel for achieving corporate goals.
- **Opportunity-** The work environment and conditions that enable individuals to use their skills and motivation.

VRIO Framework of Strategy

The VRIO framework is an internal analytical tool that helps firms discover the advantages and resources that provide them a lasting competitive edge.

- **Value-** Assets or capacities that allow the company to seize opportunities or mitigate dangers.
- **Rarity-** Assets or competencies that are not generally available among rivals.
- **Imitability-** It refers to the difficulty with which rivals can replicate a resource or capacity.
- **Organisation-** The firm's capacity to efficiently arrange and use precious, uncommon, and unique resources.

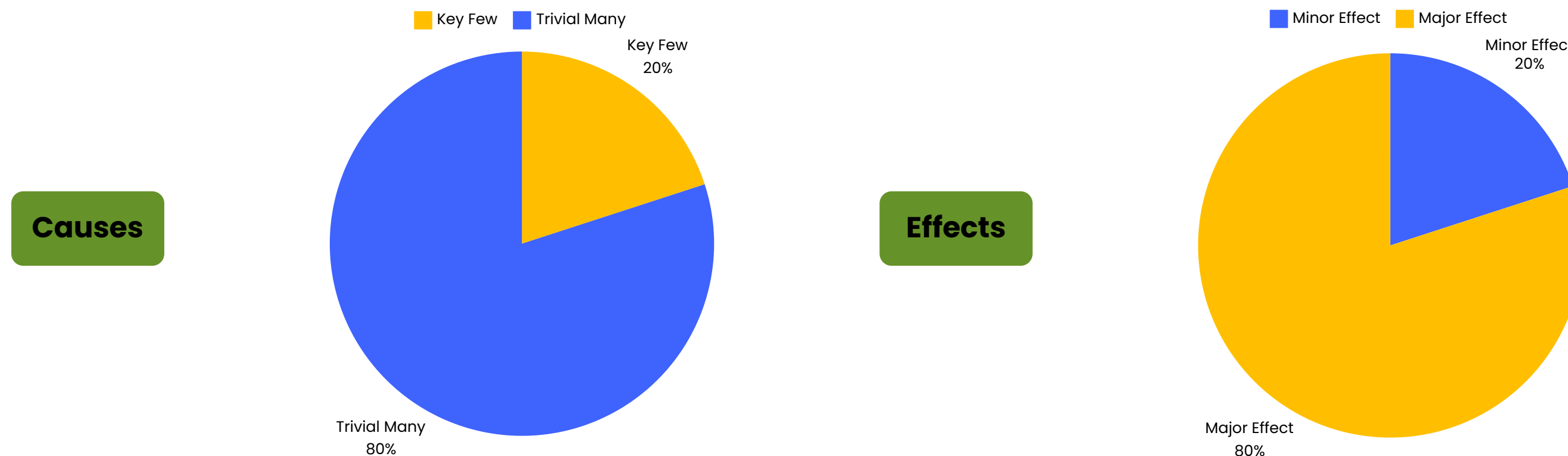
Mutually Exclusive, Collectively Exhaustive (MECE)

The MECE method is a problem-solving paradigm that ensures information is structured logically and completely.

- **Mutually Exclusive**- This concept states that every factor in a breakdown or category must be separate and not overlap with others. It promotes clarity by avoiding repetition and ambiguity in the analysis.
- **Collectively Exhaustive**- This approach guarantees that all choices or aspects are evaluated, with no gaps. The complete scope of the issue or circumstance is explored thoroughly.

80/20 Rule (Pareto Principle)

The 80/20 Rule, often known as the Pareto Principle, holds that about 80% of effects result from 20% of causes. This idea is commonly used in business, economics, and quality control, among other disciplines. For example, in business, it may be noticed that 80% of a company's income is generated by 20% of its clients, or that 80% of an issue may be resolved by addressing 20% of the reasons.





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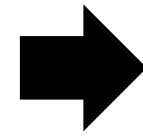


CASE INTERVIEW APPROACH & FRAMEWORKS

Growth Case Approach

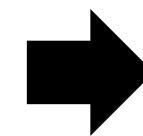
Clarifying Questions

- Understand your unique growth goals. Are they aiming to expand their revenue, market share, geographic reach, or client base?
- Understand what the company wants to achieve through growth.



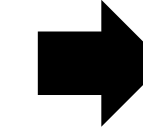
Understand Context

- Collect facts about the firm, industry, market circumstances, and competition.
- Determine internal abilities and shortcomings (such as product quality, brand reputation, and operational efficiency).



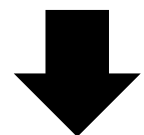
Market Segmentation

- Evaluate current market sectors to determine where the firm is presently operating and where additional possibilities exist.
- Determine new segments that may be focused for growth.



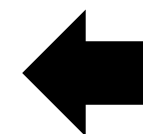
Growth Strategy

- Consider market penetration, market development, product development, and diversification strategies based on data gathered.



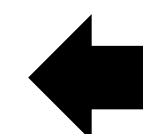
Q&A

- Back your solution using facts and data for any counter question.



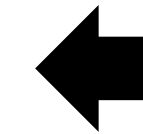
Propose a Solution

- Summarise findings and recommended tactics, underline rationale, and present a detailed implementation plan.



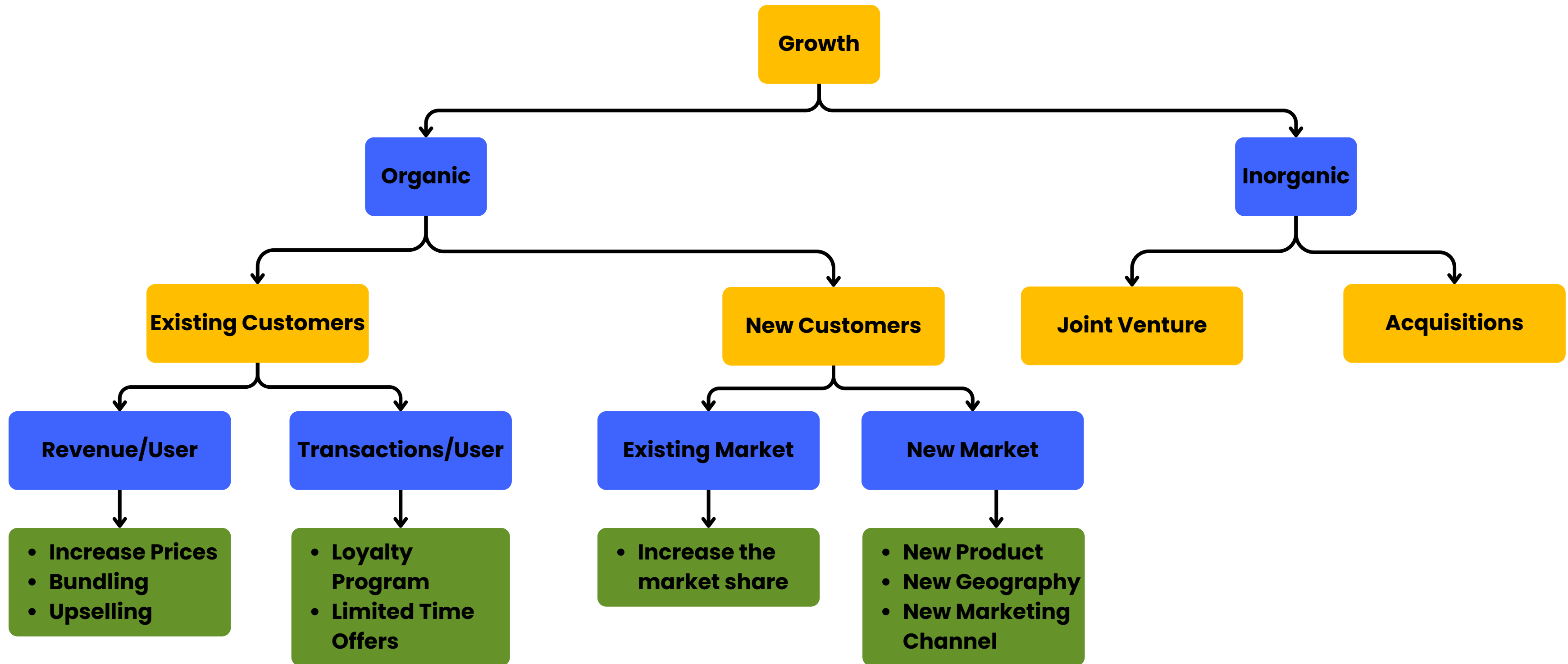
Action Plan

- Develop an action plan prioritizing initiatives, outline key actions and timelines.



Feasibility & Impact

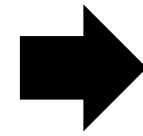
- Conduct a SWOT analysis for growth strategies.
- Consider the costs, expected returns, and potential risks.



Market Entry Case Approach

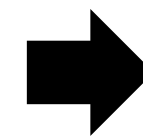
Clarifying Questions

- Try to grasp better the breadth and particular goals of the market entrance.
- Define success measures like as revenue targets, market share objectives, and customer acquisition rates.



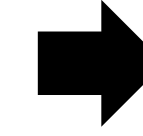
Understand Context

- Gather information on market demand, trends, and future estimates.
- Assess the competitive landscape, consumer demands, and regulatory environment.



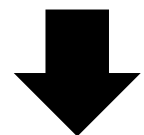
Evaluate Company's Fit

- Determine whether the organization have the required resources, knowledge, and competitive advantages to thrive in the new market.
- Look for synergies between the company's current activities and the new market.



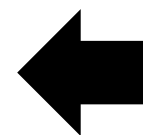
Assess Entry Options

- Options include exporting, licensing, joint ventures, collaborations, acquisitions, and establishing a new presence.
- Consider the benefits, drawbacks, risks, and expenses associated with each entry option.



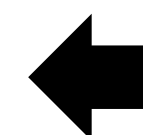
Q&A

- Back your solution using facts and data for any counter question.



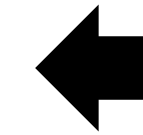
Propose a Solution

- Summarize significant results, lay out a clear action plan, and indicate relevant risks and mitigation strategies.



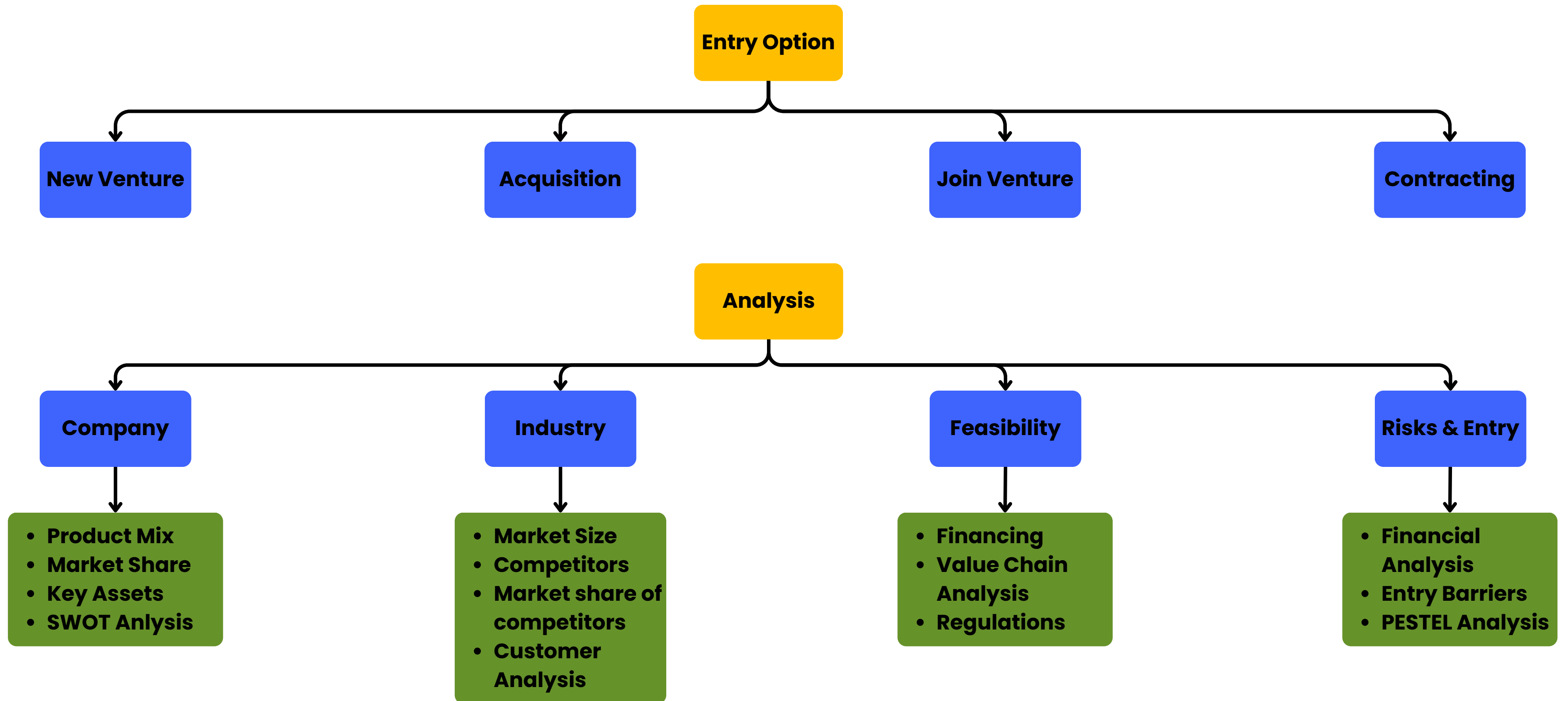
Risk Assessment

- Identify potential risks and propose mitigation strategies for the decided market entry option



Develop Strategy

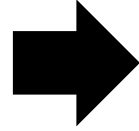
- Choose the best entry mechanism and create an implementation strategy.



Profitability Case Approach

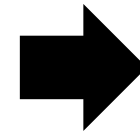
Clarifying Questions

- Understand the precise profitability issue and the extent of the analysis.
- Define success measures such as profit margin targets, revenue growth, and cost-cutting objectives.



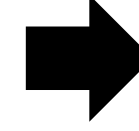
Understand Context

- Obtain background information about the firm, its goods or services, market circumstances, and competitive landscape.
- Identify recent developments or events that may have influenced profitability .



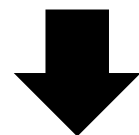
Profitability Equation

- Analyze income sources to discover changes or patterns.
- Examine both fixed and variable costs to determine where expenses have escalated or may be lowered.



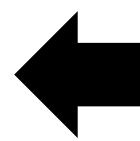
Revenue & Cost Analysis

- Examine changes in sales volume, pricing strategy, and product mix.
- Examine expenses to identify inefficiencies and potential for cost savings, and compare them to industry benchmarks.



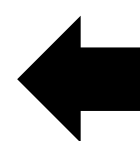
Recommendation

- Summarize the findings, make actionable suggestions with an implementation strategy.



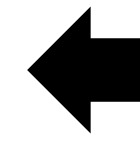
Assess Financial Impact

- Determine the impact of suggested solutions on revenue, expenses, and overall profitability.



Propose a Solution

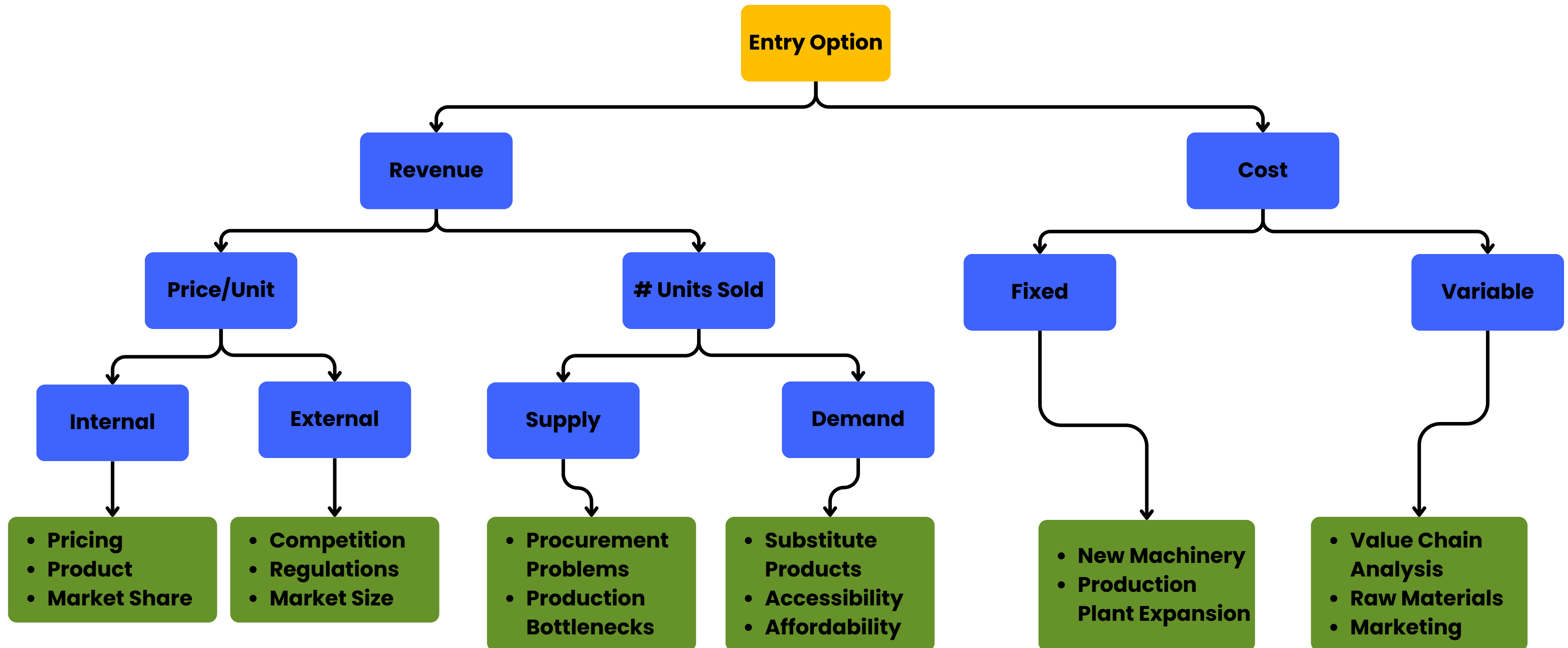
- Propose solutions for increasing income and reducing costs.



Key Drivers & Hypothesis

- Develop and prioritize hypotheses on the underlying causes of profitability challenges.

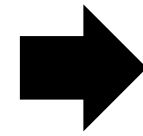
Profitability Case Framework



Pricing Case Approach

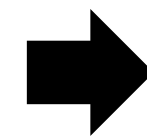
Clarifying Questions

- Ask clarifying questions to better grasp the pricing aim (for example, releasing a new product or modifying prices for an existing product).
- Define success measures such goal profit margins, market share, and sales volume.



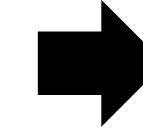
Understand Context

- Gather information about the product: Learn about its features, benefits, cost structure, and differences.
- Evaluate the market size, growth potential, client segmentation, and purchasing behavior.



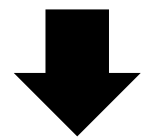
Cost Analysis

- Identify all applicable expenses. Fixed and variable costs for producing and distributing the goods.
- Determine the cost structure. Calculate the total cost per unit to ensure that the pricing includes both costs and targeted margins.



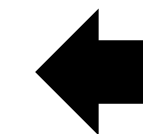
Cust. Value Perception

- Determine what customers value most about the product and their willingness to pay.
- Determine distinct client categories and their pricing sensitivity.



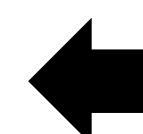
Competitive Landscape

- Evaluate significant rivals' pricing strategy and market positioning.



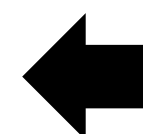
Pricing Objective

- Define your price targets and choose an acceptable pricing approach.



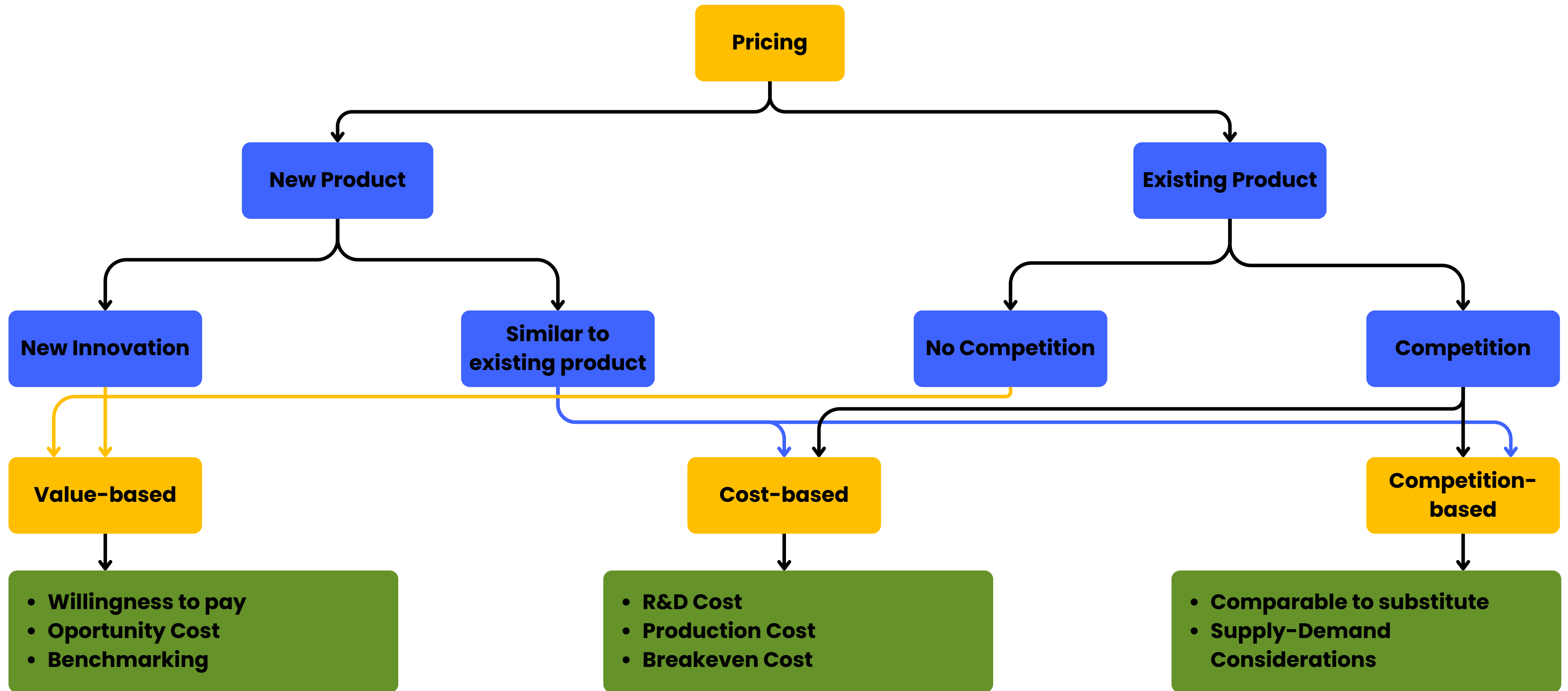
Assess Financial Impact

- Forecast revenue and profitability under various price possibilities, and perform a break-even analysis.

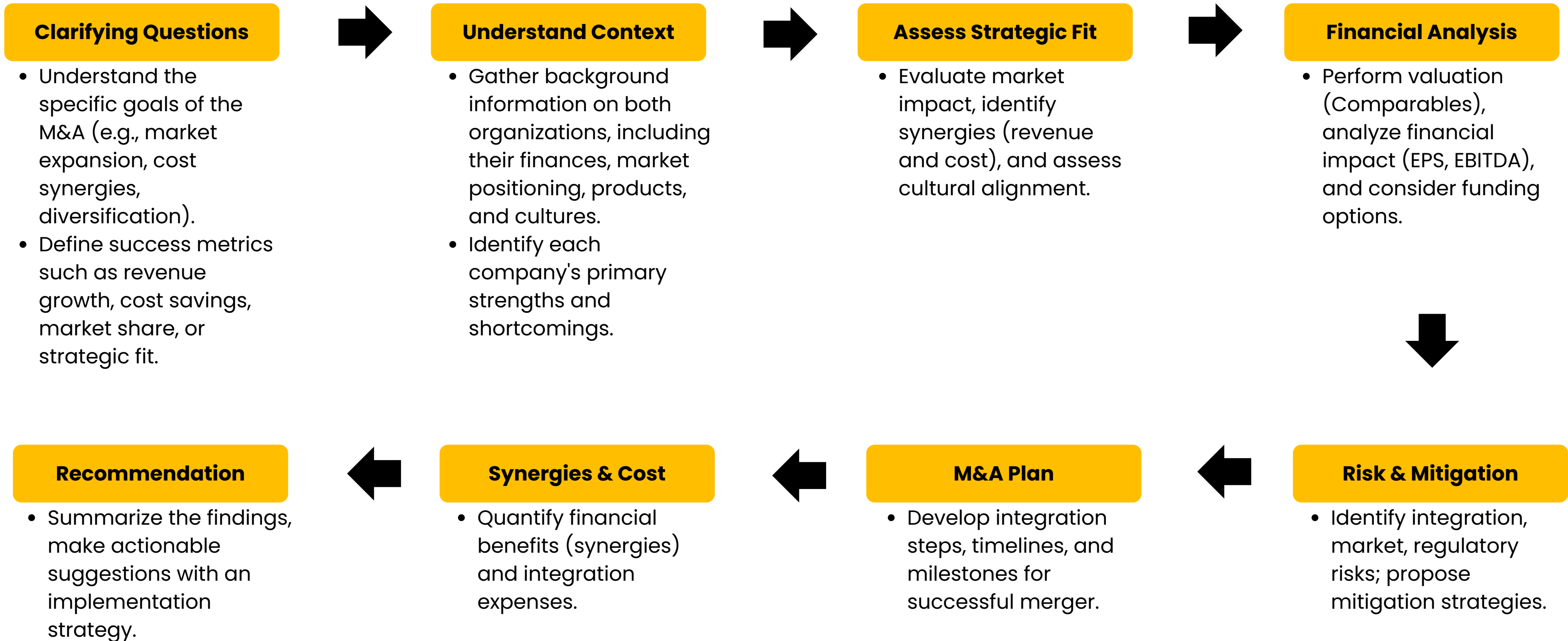


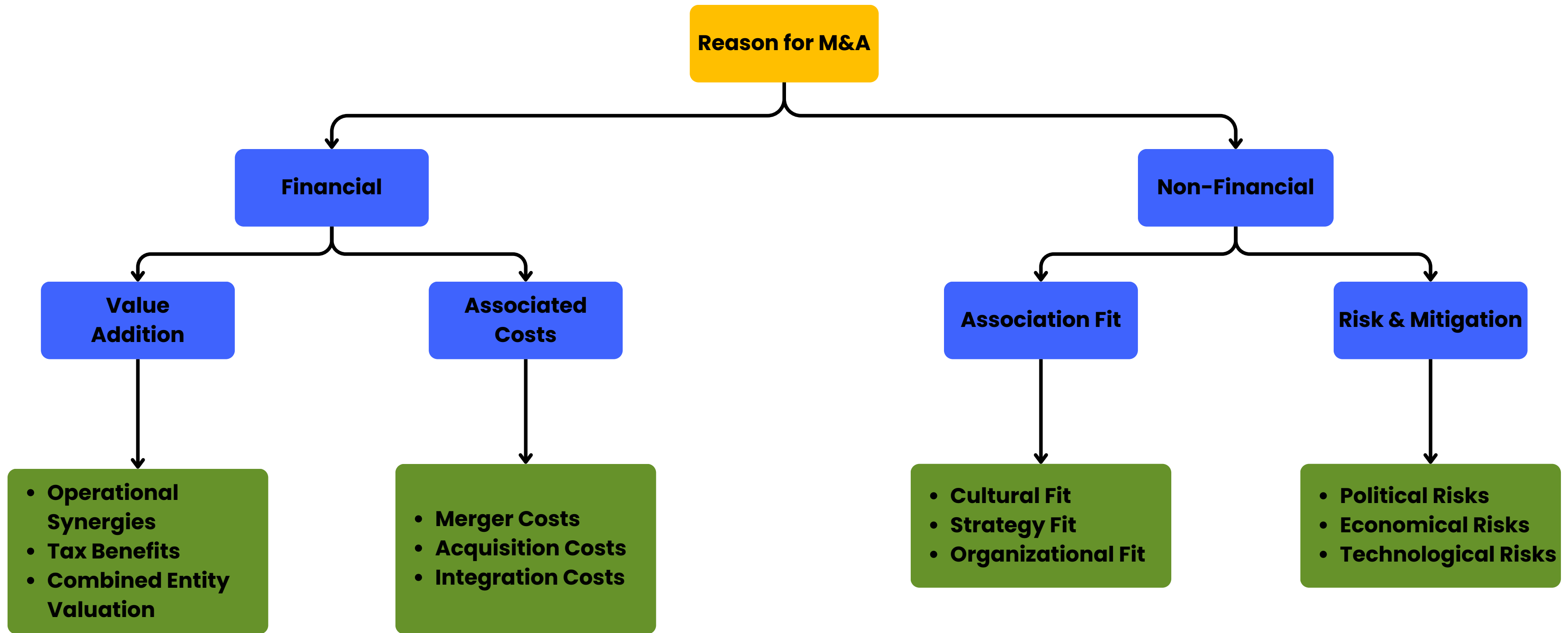
Recommendation

- Summarize the findings, make actionable suggestions with an implementation strategy.



Merger & Acquisition Case Approach







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CASE INTERVIEW TRANSCRIPTS

Interviewer: Your client is based in the USA and is in the beauty products business. They have a manufacturing unit in Canada and the UK, but they are also planning to open a manufacturing unit in Taiwan. So, what should the company do to increase its sales by 10%?

Interviewee: Can I understand more about their business? What are the major products they deal in?

Interviewer: We operate two brands, one focuses on the mass market while the other one offers premium products

Interviewee: Okay. And do we have a timeframe for achieving the given target?

Interviewer: Yeah, we plan to do so in around three years.

Interviewee: And what is our major objective behind opening a manufacturing unit in Taiwan? Was that for expansion or is there another objective behind it?

Interviewer: The manufacturing costs in Taiwan are much lower than those in Canada and the UK, and we are also planning to enter the Asian market in a few years.

Interviewee: Growth can be achieved in two ways. First is organic growth and second is inorganic growth. Under inorganic growth, we will consider the possibilities of a joint venture or an acquisition. And then under organic growth, we can consider the opportunities for increasing either the revenues from existing customers or increasing the customer base itself. So starting with the inorganic growth, is this feasible for the company and would you like me to look into it?

Interviewer: No, we do not want to go for a joint venture because we are already an established brand in the US. So there is no need to go into a joint venture with another company.

Interviewee: Okay. And is the same the case for an acquisition?

Interviewer: Yes. As we are already opening our manufacturing unit in Taiwan, so we have an ample amount of supply.

Interviewee: So I would like to look into the opportunities for organic growth. I would like to divide it into two, the first is increasing the revenue from the existing customers and the second would be acquiring new customers. So, under existing customers, we can either increase the revenue per customer or increase the transactions per customer. To increase the revenue per customer, we can look into

increasing the price of our products.

Is it a fair assumption to make that the customers of essential product lines are more price-sensitive while the premium customers are price-insensitive?

Interviewer: Yes, that is correct

Interviewee: So the elastic nature of demand for the essential products, I would say increasing the prices would not be a feasible option but the same can be done in the premium product category segment.

For the premium products, the company can look to increase the prices for the existing products or add some new features to the product to justify the price increase.

Interviewer: Ok, how else can you increase the revenue per customer?

Interviewee: Other possibilities for increasing the revenue per customer are techniques like bundling or up selling. The customers who already buy the essential products from us, we can offer them some of the premium products under a bundled package, which would introduce them to the premium product line and potentially make them customers of our premium products also. The absence of acquisition cost will offset the margin sacrificed.

While for upselling, the company can provide some level of discounts in both of the categories. If the consumer buys a higher quantity, they'll get certain percentages of discounts. This will prompt them to buy large quantities and increase our average order value.

Interviewer: Okay. Can you briefly discuss any possibilities for increasing the transactions per user?

Interviewee: The company can introduce loyalty programs based on the purchase frequency of different products. We can also look into limited-time offers which will create a sense of urgency and prompt the customers to buy more. There is also a possibility of creating an auto-replenishment service or gamification.

Interviewer: Ok, that sounds good. Lets move on to acquiring new customers.

Interviewee: So for increasing the number of users, this can be done in majorly two ways, either by entering a new market or increasing the market share in the existing market. Since we are already an established player, increasing the market share might not be feasible in this time period.

Interviewer: OK, fair enough.

Interviewee: So I would like to move ahead with entering into a new market. So we have three options here, which are entering into a new geography, second would be launching a new product and third would be to explore new channels of distribution.

And so coming back to entering into new geographies as mentioned earlier, we plan to enter the Asian market through the manufacturing facility, which is established in Taiwan.

I think that can be one of our long-term solutions for this goal as the Asian market can bring in a huge number of new customers for the company.

The same can be done through partnering with an existing player who has an understanding of culture and consumer preferences.

Interviewer: So in a nutshell, how will you summarize all these things, like what, what the company should do to increase its revenue by 10 per cent in three points?

Interviewee: Under short-term approaches, we discussed upsell, bundling, loyalty programs as well as increasing the price of products by adding new features. And under long-term strategies, we can enter into a new geography that is Asia.

Improvements :

- Could have enquired about the existing market share and the possibilities of increasing it.
- Could have enquired whether the 10% sales target was in terms of value or volume?
- Could have quantified the period in which strategies are to be executed since a definite time of 3 years was provided.

Interviewer: Your client is a prominent European company specialising in high-end kitchen appliances. They are considering entering the Indian market, which has shown significant growth potential for premium home appliances. They seek your advice on how to approach this market entry strategically.

Interviewee: Could you provide more details about the client's product line and their current market positioning in Europe?

Interviewer: Sure. The client offers a range of premium kitchen appliances, including smart refrigerators, advanced cooking ranges, and high-tech dishwashers. In Europe, they are known for their innovative features, durability, and sleek design, catering to affluent customers.

Interviewee: That's helpful. What are the primary objectives for entering the Indian market? Are they looking for rapid expansion, brand establishment, or capturing a specific market segment?

Interviewer: The main objective is to establish a strong brand presence and capture the affluent and upper-middle-class segments, aiming for significant market penetration within five years.

Interviewee: Understood. To begin with, market entry strategies can be broadly categorized into direct entry and partnership models. Is the client open to considering partnerships or joint ventures in India?

Interviewer: Yes, they are open to exploring partnerships, especially if it helps in understanding local consumer behavior and distribution networks.

Interviewee: Great. For the direct entry, they could consider setting up wholly-owned subsidiaries, establishing flagship stores in major cities, or using e-commerce platforms. For partnerships, collaborating with local retailers or forming strategic alliances with established brands could be beneficial. How do they plan to position themselves in terms of pricing compared to local competitors?

Interviewer: The client intends to maintain a premium pricing strategy to align with their brand image in Europe. However, they are willing to consider localized marketing strategies to attract the target segment.

Interviewee: Excellent. Given the premium positioning, it's crucial to understand the local consumer preferences and behaviors. Conducting thorough market research to identify key consumer insights and preferences for high-end kitchen appliances will be essential.

Additionally, evaluating the competitive landscape will help in identifying potential gaps and opportunities.

Interviewer: That makes sense. What are some specific marketing strategies you would suggest for building brand awareness and attracting the target customers?

Interviewee: For building brand awareness, leveraging digital marketing, influencer partnerships, and high-profile launch events can be effective. Collaborating with interior designers and real estate developers for integrated marketing campaigns can also help in reaching affluent customers. Offering after-sales services and warranties that ensure a premium customer experience will further strengthen brand loyalty.

Interviewer: How about distribution channels? What would be the best approach for reaching our target customers?

Interviewee: A multi-channel distribution strategy would work best. This could include exclusive brand stores in metropolitan areas, tie-ups with high-end retail chains, and a strong presence on leading e-commerce platforms. Additionally, creating experiential zones in major cities where customers can interact with and experience the products can drive engagement.

Interviewer: That's a comprehensive approach. How would you recommend handling the regulatory and operational challenges in India?

Interviewee: Navigating regulatory challenges will require engaging with local legal experts to ensure compliance with import regulations, tariffs, and local business laws. Establishing a local supply chain and manufacturing partnerships can mitigate operational challenges and reduce costs. It's also important to factor in cultural nuances and local business practices to ensure smooth operations.

Interviewer: What about the logistics and supply chain? Given the vast geographical diversity of India, how should the client approach logistics?

Interviewee: Efficient logistics and supply chain management will be crucial. I recommend setting up regional distribution centers to ensure timely delivery and reduce transportation costs. Partnering with local logistics firms who understand the intricacies of the market can also be beneficial. Additionally, leveraging technology for inventory management and real-time tracking can improve efficiency.

Interviewer: That sounds strategic. Could you elaborate on the technological aspects that could enhance the client's operations in India?

Interviewee: Certainly. The client can implement an integrated ERP system to streamline operations across supply chain, inventory, and sales. Using AI and machine learning for demand forecasting can optimize inventory levels and reduce wastage. For customer engagement, deploying CRM systems to manage relationships and gather insights can personalize marketing efforts and improve customer satisfaction.

Interviewer: What about the marketing channels? How should the client balance between online and offline marketing?

Interviewee: A balanced approach is key. For online marketing, utilizing social media platforms, targeted online ads, and collaborations with influencers can drive awareness among tech-savvy customers. Offline marketing should focus on high-visibility advertisements in affluent neighbourhoods, sponsorships of relevant events, and partnerships with home improvement stores. Hosting live cooking demonstrations and product showcases can also attract attention.

Interviewer: How can the client ensure brand differentiation in a market with established local and international competitors?

Interviewee: Brand differentiation can be achieved by highlighting unique product features, such as smart home integration, energy efficiency, and premium design.

Emphasizing European craftsmanship and innovation can appeal to the target segment. Additionally, providing exceptional customer service and after-sales support will reinforce the brand's premium positioning.

Interviewer: What are the potential risks the client should be aware of, and how can they mitigate them?

Interviewee: Some potential risks include regulatory changes, cultural misalignment, and intense competition. Mitigation strategies include staying updated with local regulations, hiring local experts to navigate cultural nuances, and continuously monitoring the competitive landscape. Building a flexible strategy that can adapt to market changes will also be essential.

Interviewer: How should the client approach market entry in terms of geographical focus within India?

Interviewee: Initially, focusing on metropolitan cities like Mumbai, Delhi, Bangalore, and Hyderabad would be strategic due to the higher concentration of affluent consumers. Once a strong presence is established in these cities, the client can expand to tier-1 and tier-2 cities where there is growing demand for premium products.

Interviewer: That's a well-rounded approach. Finally, could you summarize the key steps you would recommend for a successful market entry?

Interviewee: To summarize:

- Conduct detailed market research to understand consumer preferences and the competitive landscape.
- Evaluate direct entry and partnership models to determine the most suitable strategy.
- Implement targeted marketing campaigns to build brand awareness and attract affluent customers.
- Develop a robust multi-channel distribution strategy.
- Address regulatory and operational challenges by collaborating with local experts and establishing local partnerships.
- Invest in technology to enhance operations and customer engagement.
- Focus initially on metropolitan cities, followed by expansion to tier-1 and tier-2 cities.
- Ensure brand differentiation through unique product features, exceptional service, and strategic marketing.

Interviewer: Thank you for your comprehensive insights. This provides a solid foundation for the client to plan their market entry strategy in India.

Interviewer: Artisticano Manufacturing has been in business for over 20 years, producing heavy machinery used in various industries like construction, mining, and agriculture. Despite steady revenue growth, their profitability has been declining over the past few years. What factors could contribute to declining profitability?

Interviewee: Several factors could be causing the decline in profitability. These might include increasing production costs, inefficient operations, high fixed costs, pricing strategies, changes in market demand, competition, and possibly issues with product quality or innovation.

Interviewer: That's a comprehensive list. Let's focus first on production costs. What specific areas would you investigate within production costs?

Interviewee: I would look into the cost of raw materials, labor costs, energy costs, and overheads. Additionally, I would analyze the efficiency of the production process, the rate of defects or wastage, and the maintenance costs of machinery.

Interviewer: Suppose the cost of raw materials has increased significantly. How would you address this issue?

Interviewee: I would consider negotiating better terms with suppliers, finding alternative suppliers, or even exploring the possibility of using alternative materials that are less expensive but meet the quality standards. Additionally, I would look into bulk purchasing discounts and improving inventory management to reduce costs.

Interviewer: Good points. Now, let's talk about labor costs. What strategies could be employed to manage or reduce labor costs without compromising on quality?

Interviewee: One approach could be to invest in employee training to improve productivity. Implementing lean manufacturing techniques to reduce waste and inefficiencies can also help. Additionally, automating certain processes might reduce reliance on manual labor. Lastly, evaluating the compensation structure to ensure it is aligned with industry standards and performance can help control costs.

Interviewer: Excellent. Moving on to pricing strategies, how can Artisticano Manufacturing optimize its pricing to improve profitability?

Interviewee: They could analyze their pricing strategy to ensure it reflects the value provided to customers. Conducting market research to understand customer willingness to pay and competitor pricing can inform adjustments.

Implementing value-based pricing or differentiated pricing for different market segments can also help optimize profitability.

Interviewer: Let's consider market demand and competition. How can Artisticano Manufacturing differentiate itself to capture more market share and improve profitability?

Interviewee: They could focus on innovation, developing new or improved products that meet emerging market needs. Enhancing product quality and offering superior after-sales service can also differentiate them from competitors. Marketing and branding efforts to build a strong reputation and customer loyalty are crucial. Additionally, exploring new markets or expanding geographically can provide new revenue streams.

Interviewer: Good. What role can cost control in other areas, such as overheads and energy costs, play in improving profitability?

Interviewee: Controlling overhead costs by optimizing administrative expenses, reducing unnecessary expenditures, and improving overall efficiency can contribute to profitability. Energy costs can be managed by investing in energy-efficient machinery and processes, using renewable energy sources, and implementing energy-saving practices.

Interviewer: Let's discuss financial analysis. What financial metrics would you examine to assess and improve profitability?

Interviewee: Key financial metrics include gross margin, operating margin, net profit margin, return on assets (ROA), and return on equity (ROE). Analyzing these metrics over time can provide insights into the financial health of the company. Additionally, conducting a break-even analysis can help understand the level of sales needed to cover costs and achieve profitability.

Interviewer: Suppose Artisticano Manufacturing has identified that their machinery has frequent breakdowns leading to increased maintenance costs and production downtime. How would you address this issue?

Interviewee: I would recommend conducting a thorough analysis of the machinery to identify the root causes of the breakdowns. Implementing a preventive maintenance program can reduce the frequency of breakdowns. Investing in more reliable and efficient machinery, though capital intensive initially, can reduce long-term costs and improve productivity.

Interviewer: Excellent analysis. Suppose now that customer feedback indicates dissatisfaction with product quality. How would you tackle this issue to improve profitability?

Interviewee: I would start by analyzing the feedback to identify specific quality issues. Enhancing quality control processes, such as stricter inspections and testing during production, can help address these issues. Training employees on quality standards and investing in better raw materials or components might also be necessary. Additionally, engaging with customers to understand their needs and incorporating their feedback into product design can enhance overall satisfaction and loyalty.

Interviewer: That's a thorough approach. What about the company's sales strategy? How can Artisticano Manufacturing leverage its sales team to boost profitability?

Interviewee: The sales team should be trained to understand the value proposition of the products clearly. Implementing a consultative selling approach can help them identify and address customer pain points effectively. Offering bundled products or services, upselling, and cross-selling can increase average transaction value. Additionally, incentivizing the sales team with performance-based rewards can motivate them to achieve higher sales targets.

Interviewer: Good point. Let's consider cost management in distribution and logistics. How can these areas be optimized to improve profitability?

Interviewee: Optimizing the supply chain can significantly reduce costs. This can be achieved by consolidating shipments to reduce transportation costs, negotiating better rates with logistics providers, and improving warehouse management to reduce storage costs. Implementing just-in-time inventory systems can also minimize holding costs. Additionally, using technology to track and optimize delivery routes can enhance efficiency.

Interviewer: Excellent. How important is it for Artisticano Manufacturing to invest in technology and digital transformation for improving profitability?

Interviewee: Investing in technology can lead to significant improvements in efficiency and cost savings. Implementing advanced manufacturing technologies like automation and robotics can increase production speed and reduce errors. Utilizing data analytics can provide insights into production performance, enabling proactive improvements. Digital tools for customer relationship management (CRM) can enhance sales and marketing effectiveness. Overall, embracing digital transformation can streamline operations and support better decision-making.

Interviewer: Suppose Artisticano Manufacturing decides to expand into a new geographic market. What factors should they consider to ensure this move improves profitability?

Interviewee: They should conduct a thorough market analysis to understand demand, competition, and regulatory environment in the new market. Assessing the cost of entry, including setting up operations and marketing, is crucial. They should also consider local customer preferences and adapt products accordingly. Building a local supply chain and distribution network can ensure timely delivery and cost efficiency. Additionally, hiring local talent and establishing partnerships with local businesses can facilitate a smoother entry.

Interviewer: Very insightful. Finally, how would you summarize the steps Artisticano Manufacturing should take to improve its profitability?

Interviewee: Artisticano Manufacturing should focus on controlling production costs, optimizing labour and energy expenses, and refining their pricing strategy. They should invest in innovation and differentiation to capture more market share. Additionally, implementing cost control measures for overheads and conducting a detailed financial analysis to monitor key metrics are essential. Addressing machinery maintenance issues through preventive measures can further enhance productivity and profitability. Improving product quality and leveraging the sales team effectively can boost revenue. Optimizing distribution and logistics, investing in technology, and strategically expanding into new markets are also critical steps.

Interviewer: Thank you. That was a thorough and insightful discussion.

Interviewee: Thank you.

Pricing Case - Interview Script

Interviewer: Imagine a company named EcoClean, which manufactures eco-friendly cleaning products. EcoClean has a loyal customer base but faces increasing competition. Sales have stagnated, and the company is considering a change in its pricing strategy to boost growth. What factors should EcoClean consider before making any pricing changes?

Interviewee: EcoClean should consider several factors: understanding customer price sensitivity, analyzing competitor pricing, assessing cost structure, and evaluating the perceived value of their products. They should also consider market segmentation, potential impact on brand image, and overall pricing objectives. Evaluating the potential impact on their existing customer base and possible reactions from competitors is also essential.

Interviewer: How can EcoClean assess their customers' sensitivity to price changes?

Interviewee: EcoClean can assess customer price sensitivity through customer surveys, focus groups, and analyzing historical sales data. Price elasticity tests and monitoring competitor pricing and customer switching behavior are also helpful. Using conjoint analysis to evaluate how customers value different product attributes, including price, is beneficial.

Interviewer: Suppose EcoClean finds that their customers are highly price-sensitive. What pricing strategies could they consider?

Interviewee: If customers are highly price-sensitive, EcoClean could consider competitive pricing, offering discounts, promotions, or loyalty programs. Introducing a tiered pricing model with basic, standard, and premium options can cater to different customer segments. Focusing on cost reduction to enable lower prices without sacrificing quality can also be effective.

Interviewer: How should EcoClean analyze and respond to competitors' pricing strategies?

Interviewee: EcoClean should identify main competitors and analyze their pricing strategies. This includes monitoring competitor prices, promotions, and changes over time. Understanding the value proposition of competitors' products compared to EcoClean's offerings is crucial. Based on this analysis, EcoClean can adopt a similar pricing strategy, differentiate by offering added value, or compete on quality or service.

Interviewer: Why is it important for EcoClean to understand their cost structure before changing prices?

Pricing Case - Interview Script

Interviewee: Understanding the cost structure is essential because it determines the minimum price at which EcoClean can sell their products without incurring losses. It helps set price floors and ensures prices cover production, distribution, and marketing costs. Analyzing fixed and variable costs can identify areas for cost reduction, allowing for more competitive pricing. Additionally, understanding the cost structure enables EcoClean to evaluate the profitability of different pricing scenarios.

Interviewer: What steps can EcoClean take to evaluate the perceived value of their products?

Interviewee: EcoClean can evaluate perceived value through customer feedback and market research. Conducting surveys, interviews, and analyzing online reviews and social media mentions can provide insights. Benchmarking against competitors to see how EcoClean's products are valued relative to others in the market is useful. Using focus groups to test new pricing and value propositions can help gauge perceived value before making broader changes.

Interviewer: How can EcoClean use market segmentation to refine their pricing strategy?

Interviewee: EcoClean can use market segmentation to tailor pricing strategies to different customer groups. Identifying segments based on

demographics, purchasing behavior, and price sensitivity can help create targeted pricing models. Segmenting the market allows EcoClean to maximize revenue by capturing value from different customer groups. Personalized promotions and discounts can be designed to appeal to specific segments.

Interviewer: What impact could a change in pricing have on EcoClean's brand image and how should they manage it?

Interviewee: A change in pricing can significantly impact EcoClean's brand image. Lowering prices might attract price-sensitive customers but could lead to perceptions of lower quality. Raising prices might enhance the perception of premium quality but could alienate budget-conscious customers. EcoClean should communicate the reasons for the pricing changes clearly to maintain brand trust. Emphasizing the value and benefits of the products can help manage perceptions. Ensuring that any price changes align with the overall brand positioning and values is crucial.

Interviewer: What are some pricing objectives EcoClean might consider and how do they influence pricing decisions?

Interviewee: EcoClean might consider objectives such as increasing market share, maximizing short-term profits, or enhancing customer loyalty. Competitive pricing or penetration pricing strategies could

increase market share. Premium pricing or skimming strategies might maximize short-term profits. Value-based pricing or loyalty discounts could enhance customer loyalty. The chosen pricing objective influences how prices are set and adjusted, impacting the overall business strategy and performance.

Interviewer: How can EcoClean ensure that a new pricing strategy will not negatively impact their existing customer base?

Interviewee: To ensure a new pricing strategy does not negatively impact the existing customer base, EcoClean should communicate changes transparently. Providing clear explanations for the price adjustments and emphasizing the value proposition can help maintain trust. Gradually phasing in price changes and offering transitional discounts can ease the impact. Engaging with customers through surveys and feedback sessions to understand their concerns and preferences is important. Monitoring customer reactions and being ready to make adjustments based on feedback will help mitigate negative impacts.

Interviewer: How can EcoClean test the effectiveness of their new pricing strategy before fully implementing it?

Interviewee: EcoClean can test the new pricing strategy through pilot programs in select markets or with specific customer segments.

Conducting A/B testing by offering different prices to different groups and comparing results can provide insights. Using market simulations and conjoint analysis to predict customer behavior under various pricing scenarios is also beneficial. Monitoring key metrics such as sales volume, customer acquisition, and retention rates during the test phase will help evaluate effectiveness.

Interviewer: Suppose EcoClean decides to implement a new pricing strategy. What steps should they take post-implementation to ensure success?

Interviewee: Post-implementation, EcoClean should continuously monitor the performance of the new pricing strategy. Tracking key metrics such as sales, profit margins, customer acquisition, and retention rates is crucial. Gathering customer feedback to understand their perceptions and experiences with the new prices will provide valuable insights. Regularly reviewing competitor pricing and market conditions to stay competitive is important. Making data-driven adjustments based on performance and feedback will help refine the strategy. Ensuring all departments are aligned and supportive of the new pricing approach will facilitate smooth execution.

Interviewer: What are some potential risks associated with changing pricing strategies and how can EcoClean mitigate them?

Pricing Case - Interview Script

Interviewee: Potential risks include alienating existing customers, triggering a price war with competitors, and damaging brand perception. EcoClean can mitigate these risks by thoroughly researching and understanding customer preferences and market conditions before making changes. Communicating clearly with customers about the reasons and benefits of the new pricing strategy can help maintain trust. Implementing changes gradually and monitoring the market response closely will allow for timely adjustments. Having contingency plans in place for different scenarios will help manage unforeseen challenges.

Interviewer: How can EcoClean balance between competitive pricing and maintaining profitability?

Interviewee: Balancing competitive pricing and profitability involves a careful analysis of cost structure and value proposition. EcoClean should ensure that prices cover all costs and provide a reasonable profit margin. Identifying and implementing cost-saving measures can help maintain profitability while offering competitive prices. Focusing on differentiating factors such as product quality, unique features, or superior customer service can justify higher prices. Regularly reviewing and adjusting the pricing strategy based on market conditions and performance will help maintain the balance.

Interviewer: Thank you. That was a thorough and insightful discussion.

Interviewee: Thank you.

Interviewer: FusionTech, a leading software firm, is considering acquiring InnovateSoft, a smaller but innovative tech company. FusionTech has strong market presence and revenue growth but faces challenges in maintaining competitive edge due to slower innovation. InnovateSoft has cutting-edge technology but lacks resources to scale operations. What factors should FusionTech consider before proceeding with this acquisition?

Interviewee: Several factors: strategic fit, financial health, cultural alignment, potential synergies, and risks. Evaluating how InnovateSoft's technology aligns with FusionTech's strategy is crucial. Financial due diligence to assess InnovateSoft's financial health is necessary. Understanding cultural differences and integration challenges is important. Identifying potential synergies in cost savings, revenue enhancement, and operational efficiencies will help justify the acquisition. Lastly, assessing risks such as market reaction, regulatory hurdles, and execution challenges is essential.

Interviewer: Let's focus on the strategic fit. What specific areas would you investigate to ensure strategic alignment?

Interviewee: I would examine how InnovateSoft's products complement FusionTech's offerings, analyze market overlap and customer segments for cross-selling opportunities, and assess how InnovateSoft's

innovation pipeline can accelerate FusionTech's product development. Additionally, evaluating potential market expansion or enhanced technological capabilities would be key.

Interviewer: How would you address potential integration challenges?
Interviewee: By developing a clear integration plan outlining steps for merging operations, systems, and cultures. Establishing an integration team with members from both companies can facilitate collaboration. Implementing a transparent communication strategy is crucial. Addressing cultural differences through team-building activities can help align the companies. Setting measurable integration goals and monitoring progress will manage the transition effectively.

Interviewer: What financial aspects should FusionTech scrutinize in InnovateSoft?

Interviewee: Review InnovateSoft's financial statements, including income statements, balance sheets, and cash flow statements. Analyze key metrics like revenue growth, profitability, and debt levels. Examine customer contracts and revenue sources to assess stability and risks. Understand InnovateSoft's cost structure and identify areas for post-acquisition cost savings. Ensure valuation methods align with industry standards to determine a fair purchase price.

Interviewer: How can FusionTech leverage synergies to maximize the benefits?

Interviewee: By consolidating overlapping functions and reducing redundancies, achieving revenue synergies through cross-selling products, streamlining supply chain and procurement processes for cost savings, combining R&D efforts to accelerate innovation, and optimizing shared resources to improve operational efficiency.

Interviewer: How can FusionTech ensure smooth cultural integration?

Interviewee: Conduct a cultural assessment to understand core values and practices of both companies. Create a unified vision reflecting the strengths of both cultures. Engage employees in the integration process and seek their input. Offer training and support to managers and employees to navigate cultural differences.

Interviewer: What role does risk assessment play, and how can FusionTech mitigate potential risks?

Interviewee: Conduct thorough risk analysis covering market, operational, financial, and integration risks. Develop contingency plans to address identified risks. Regularly monitor and report on risk factors to ensure timely responses. Seek advice from legal, financial, and industry experts.

Interviewer: What steps should FusionTech take post-acquisition to ensure long-term success and profitability?

Interviewee: Focus on executing the integration plan effectively, ensuring identified synergies are realized, maintaining transparent communication, monitoring performance against integration goals, investing in employee training and development, and continuing to innovate and adapt to market changes.

Interviewer: What are the potential risks related to customer retention during and after the acquisition?

Interviewee: Communicate proactively with customers to reassure them of the acquisition's benefits, ensure service continuity and high-quality standards, address customer concerns promptly, involve key account managers, and integrate customer support teams to provide a seamless experience.

Interviewer: How should FusionTech approach the integration of IT systems and infrastructure?

Interviewee: Conduct a thorough assessment of both companies' IT systems, identify overlaps and gaps, create a detailed integration plan, ensure data integrity and security, consider system upgrades or standardization, and engage IT teams from both companies.

Interviewer: What strategies can FusionTech use to retain key InnovateSoft employees post-acquisition?

Interviewee: Offer competitive compensation packages and incentives, communicate the strategic vision and benefits of the acquisition, provide clear career development opportunities, and foster a collaborative and inclusive work environment.

Interviewer: What role does innovation play in the success of this acquisition, and how can FusionTech foster an innovative culture?

Interviewee: Prioritize integrating InnovateSoft's innovative processes and technologies, encourage cross-functional collaboration, provide resources and support for R&D initiatives, recognize and reward innovative ideas, and maintain a flexible and adaptive approach to business practices.

Interviewer: How can FusionTech ensure that the acquisition leads to increased market share and revenue growth?

Interviewee: Leverage combined strengths to capture new market opportunities, develop a unified sales and marketing strategy, identify and target new customer segments, expand into new geographic markets, and continuously monitor market trends to adapt strategies.

Interviewer: Thank you. That was a thorough and insightful discussion.

Interviewee: Thank you.



x



GUESSTIMATES

No. of Job Interviews taking place in Top-20 B-Schools in India

Assumptions

- The top 20 B-Schools can be divided into two categories based on batch size, and average no. of faculties and staff members.
- Both categories have the same patterns of final interviews for students.
- There are two types of interviews conducted in a B-School:
 - a. For Vacant teaching/support staff
 - b. For students to get placed in an organization post-MBA
- Summer internships are neglected as they are not part of the full-time employment opportunities.
- No. of Interviews per vacancy for faculties = 4, for staff = 5, and varied number of interviews for students.

Formulas

- Total Interviews for each category = (Number X No. of Interviews)
- Total Interviews = (No. of B-schools per category X Total interviews per category)

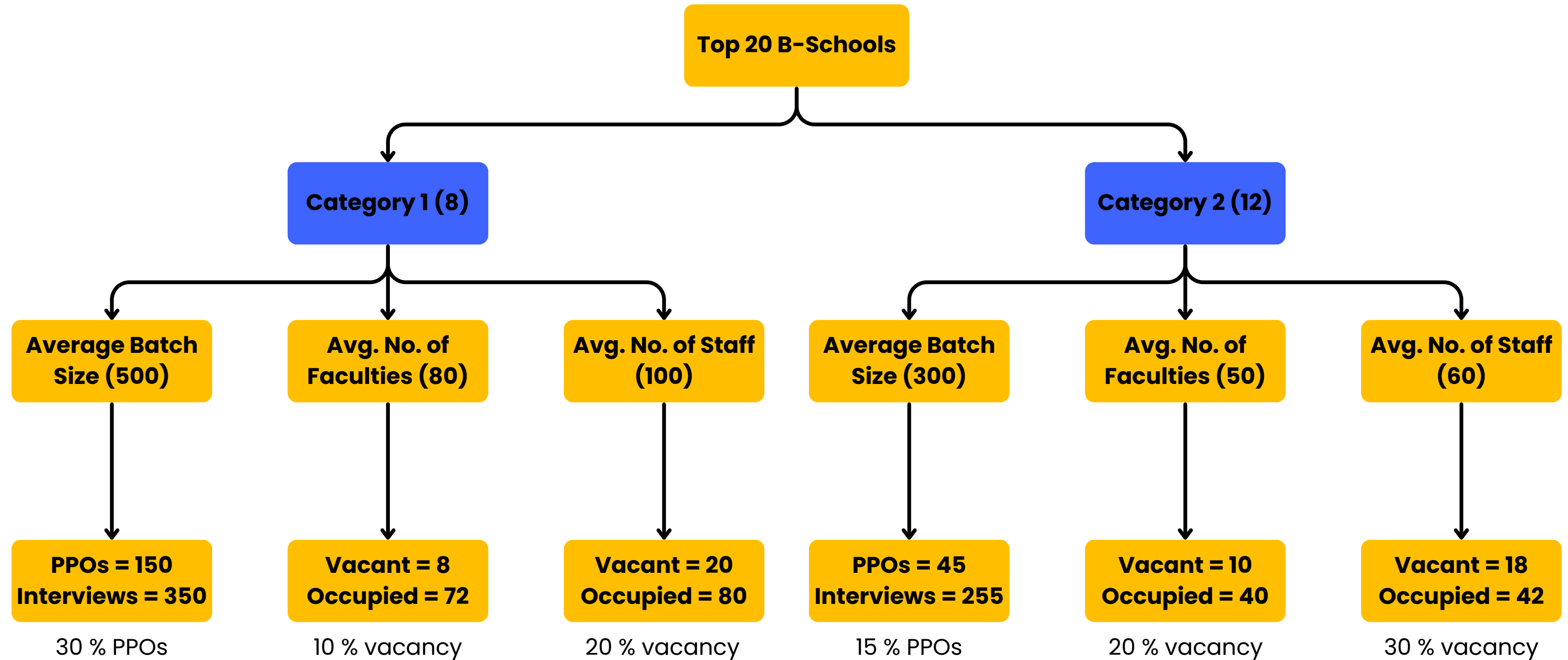
Approach/Framework

- Please refer to the next page

Solution

- No. of Job Interviews happening in the top 20 B-Schools of India in an academic year = 11,136 + 12,480 \approx 23,600

Framework/Approach



Guesstimates - 1

Framework/Approach

Category 1						
	Students				Faculty	Staff
% Appearing	20%	40%	30%	10%	100%	100%
Number	70	140	105	35	8	20
No. of Interviews	1	3	5	7	4	5
Total	70	420	525	245	32	100

**Total Interviews for Category 1 = 8 X (70+420+525+245+32+100)
= 11,136**

Category 2						
	Students				Faculty	Staff
% Appearing	20%	40%	30%	10%	100%	100%
Number	50	100	76	26	10	18
No. of Interviews	1	3	5	7	4	5
Total	50	300	380	180	40	90

**Total Interviews for Category 2 = 12 X (50+300+380+180+40+90)
= 12,480**

No. of daily UPI transactions done in Amritsar

Assumptions

- The Population of Amritsar is assumed to be 15 Lakhs, with 35% to 65% split between Urban and Rural respectively.
- Urban & Rural are split into three age groups of 0-15, 15-60, and 60+ with 25%, 60%, and 15% respectively.
- Potential access to UPI is calculated based on Bank Account usage and whether the user has access to a smartphone or not.
- Age groups of 15-60 years are considered heavy users and the 60+ age group are considered light users.
- An average of 0.4 Lakhs of tourists visit Amritsar daily with 80% of them being heavy UPI users (8 daily Txn).

Formulas

- Age-Wise Potential UPI User = Urban/Rural Population * % (potential access to UPI * potential using UPI * Daily UPI transactions)
- Total UPI Txn. = UPI by Residents + UPI by Tourists

Approach/Framework

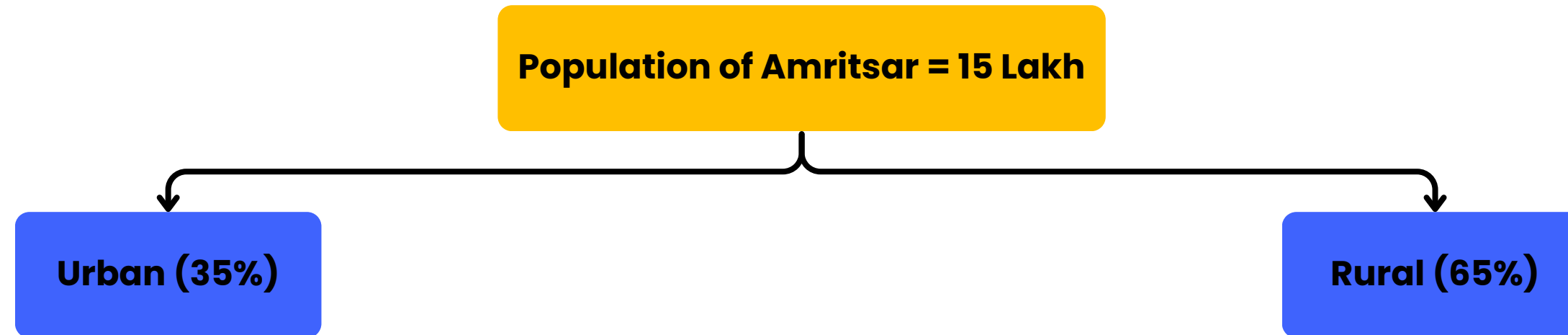
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Solution

- UPI Transactions by Residents = $4.6 + 0.1 + 3.2 + 0.02 = 7.92$ lakhs
- UPI Transactions by Tourists = $0.4 \text{ lakhs} * 80\% * 8 \text{ txn} = 2.6$ lakhs
- Total UPI Transactions = $7.92 + 2.6 = 10.52$ lakhs
- No. of daily UPI transactions done in Amritsar ≈ 10.5 lakhs

Guesstimates - 2

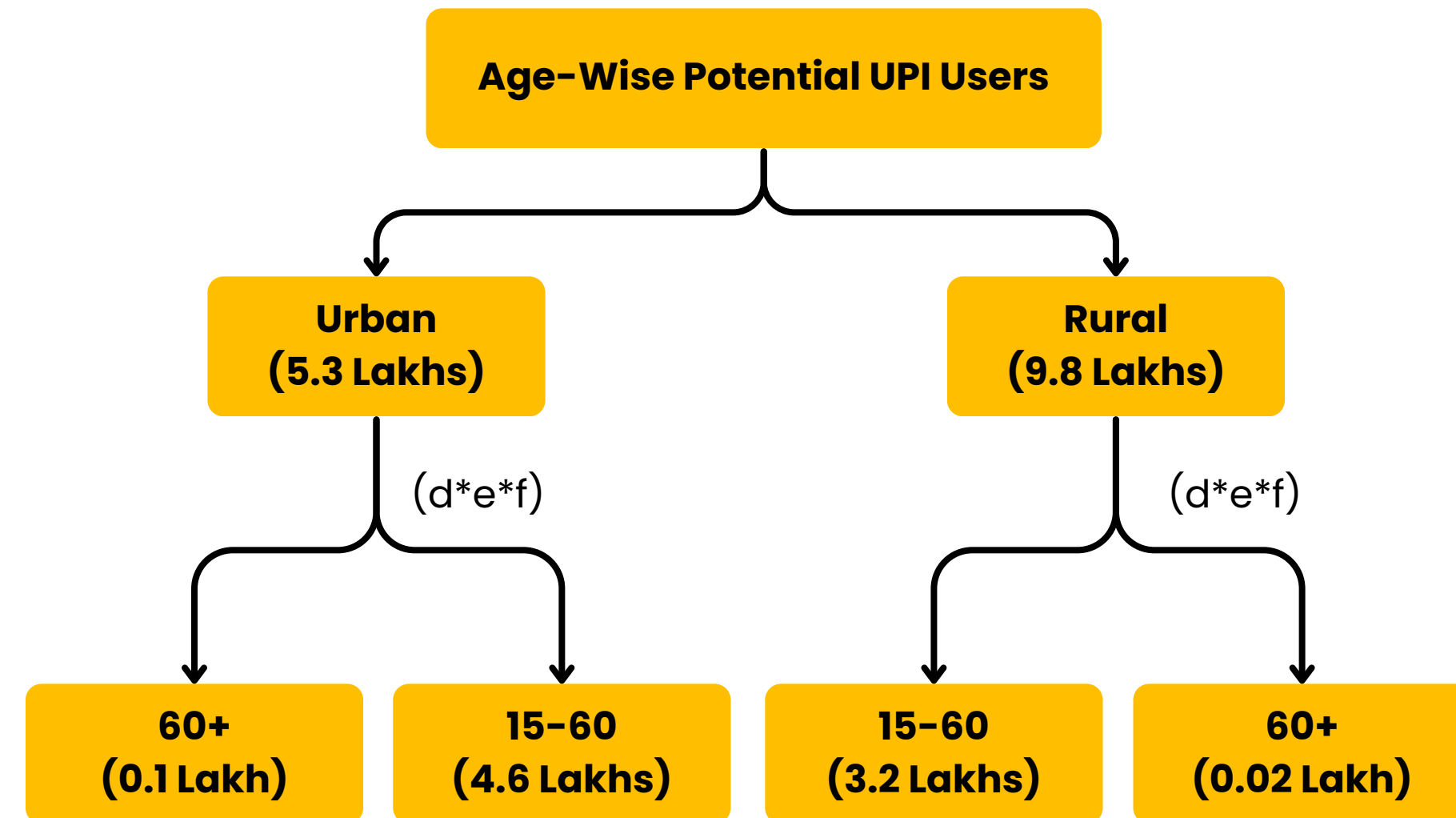
Framework/Approach



Population	Age Group	% Split (a)	% Bank Account (b)	% Smartphone users (c)	% Potential access to UPI (d=a*b*c)
Urban	0-15 years	25%	-	-	-
	15-60 years	60%	70%	60%	25%
	60+ years	15%	50%	40%	3%
Rural	0-15 years	25%	-	-	-
	15-60 years	60%	60%	50%	18%
	60+ years	15%	40%	30%	2%

Framework/Approach

Population	Age Group	% potential using UPI (e)	Daily Transactions (f)
Urban	15-60	70%	5
	60+	30%	2
Rural	15-60	60%	3
	60+	10%	1



- UPI Transactions by Residents = $4.6 + 0.1 + 3.2 + 0.02 = 7.92$ lakhs
- UPI Transactions by Tourists = $0.4 \text{ lakhs} * 80\% * 8 \text{ txn} = 2.6$ lakhs
- Total UPI Transactions = $7.92 + 2.6 = 10.52$ lakhs
- No. of daily UPI transactions done in Amritsar ≈ 10.5 lakhs

Estimate the Market (in terms of INR) for electric 2-wheelers in India in the next 5 years

Assumptions

- With a demand-side approach, India's population is 1400 million, with a 1% annual increase in population, the total population will reach 1480 million.
- Population is divided into 3 segments age groups, Segment-1 (0-18 years), Segment-2 (18-55 years), and Segment-3 (55+ years).
- Only People from Segment-2 and Segment-3 can own vehicles.
- Among Segment-2 and 3, the population can be filtered down to those who know how to drive and those who don't.
- Potential owners are further bifurcated based on income levels.
- Cost of one Electric wheeler is assumed to be INR 100,000.

Formulas

- Total Market Size = Total Electric Wheelers * Cost of each vehicle

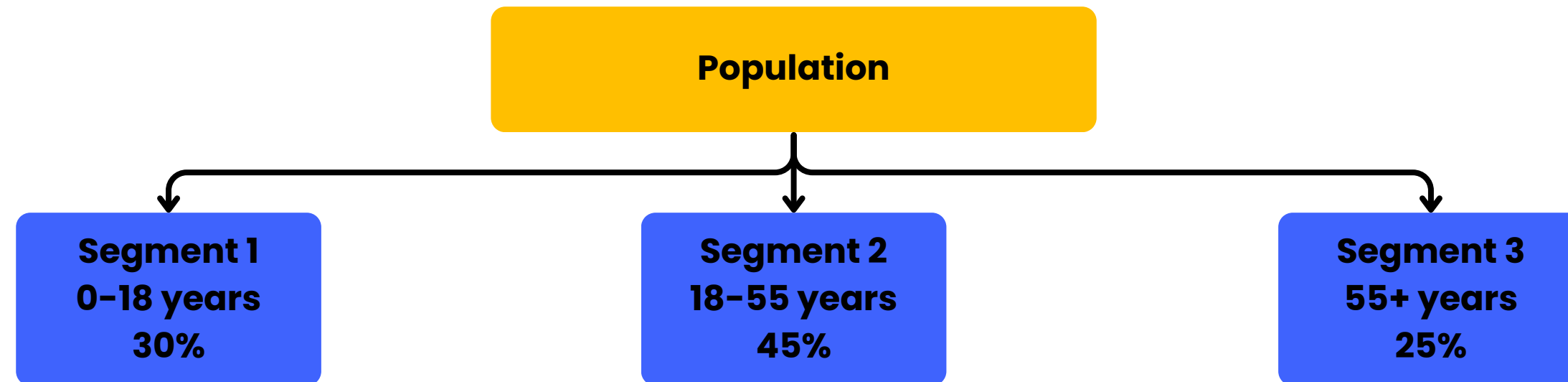
Approach/Framework

- Please refer to the next page

Solution

- Total Market Size of Electric 2-Wheelers = 61 million * 100,000 = INR 6.1 trillion

Framework/Approach



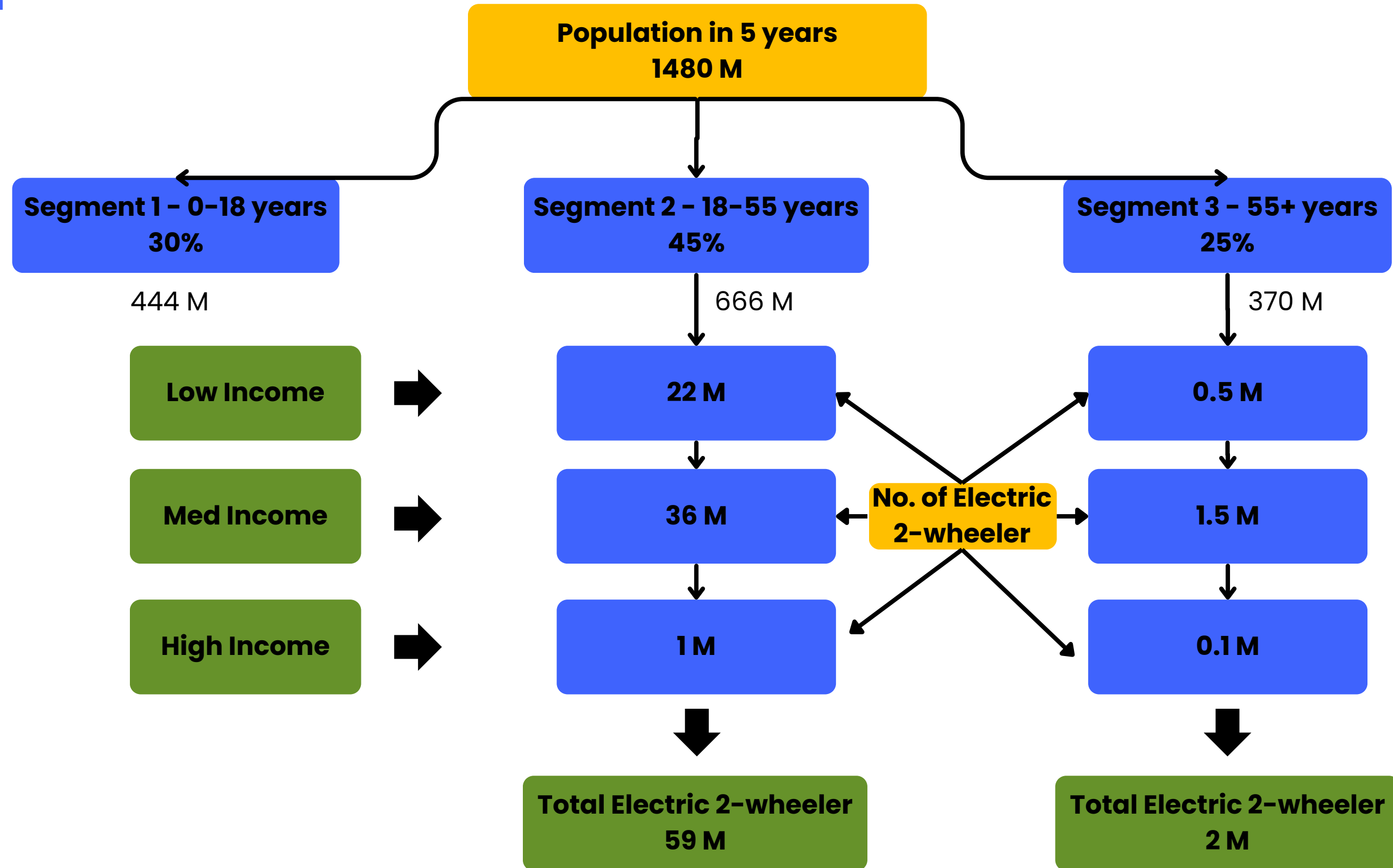
Age	% who knows driving (a)	% who own vehicle (b)	% potential owners (a*b)
Segment-1	60%	50%	30%
Segment-2	15%	20%	3%

Guesstimates - 3

Framework/Approach

Segments	Income	% pop. Based on Income (a)	% who owns 2-wheelers (b)	% who owns electric vehicle (c)	% choosing electric vehicles (a*b*c)
Segment-2	Low	30%	70%	50%	10.5%
	Med	50%	50%	70%	17.5%
	High	20%	10%	30%	0.6%
Segment-3	Low	20%	80%	30%	4.8%
	Med	50%	60%	50%	15%
	High	30%	10%	40%	1.2%

Framework/Approach



Estimate the number of tourists visiting the Golden Temple in a year

Assumptions

- The number of visitors varies on normal days and on festivals and weekends.
- Tourists have 5 options for mode of transportation: Train, Bus, Cars, Flights, and Other(Auto/Bikes).
- 80% of total passengers are tourists on normal days and 90% on festivals and weekends.
- Assuming 1% of the local population visits Golden Temple on normal days and 2% on festivals and weekends.
- The total number of normal days in a year is assumed to be 240 days and the total number of weekend and festival days is assumed to be 125 days.
- The population of Amritsar is assumed to be 15 lakhs and there is a percentage increase in incoming traffic on weekends and festival days.

Formulas

- Total visitors on normal/weekend and festival days = No. of days in a year * No. of visitors on that particular day

Approach/Framework

- Please refer to the next page

Solution

- Number of local visitors to Golden Temple = $1\% * 15 \text{ lakhs} = 15000$
- Total no. of people visiting Golden Temple on a normal day = $85360 + 15000 = 100360$
- Total no. of people visiting Golden Temple on a normal day in a year = $100360 * 240 = 2.40 \text{ Crore}$
- Number of local visitors to Golden Temple = $2\% * 15 \text{ lakhs} = 30000$
- Total no. of people visiting Golden Temple = $128520 + 30000 = 158520$
- Total no. of people visiting Golden Temple in a year = $158520 * 125 = 1.98 \text{ Crore}$
- **Total no. of Tourists visiting Golden Temple per year = $2.40 + 1.98 = 4.38 \text{ Cr}$**

Framework/Approach

Normal Days

Mode of Transport	Average no. of vehicles/Day	Average no. of passengers in each vehicle	Total Passengers
Train	120	500	60000
Bus	500	60	30000
Car	3000	4	12000
Flight	18	150	2700
Other(Auto/Bike)	1000	2	2000

Guesstimates - 4

Framework/Approach

Normal Days

Mode of Transport	Total Passengers	% of total tourists in total passengers	Total Tourists
Train	60000	80%	48000
Bus	30000	80%	24000
Car	12000	80%	9600
Flight	2700	80%	1600
Other(Auto/Bike)	2000	80%	2160
Total tourists			85360

Number of local visitors to Golden Temple = 1% * 15 lakhs = 15000

Total no. of people visiting Golden Temple on a normal day = 85360 + 15000 = 100360

Total no. of people visiting Golden Temple on a normal day in a year = 100360 * 240 = 2.40 Crore

Framework/Approach

Festival Days

Mode of Transport	% increase in incoming traffic	Average no. of vehicles/Day	Average no. of passengers in each vehicle	Total Passengers
Train	20%	144	550	79200
Bus	20%	600	70	42000
Car	30%	3900	4	15600
Flight	40%	20	160	3200
Other(Auto/Bike)	10%	1400	2	2800

Guesstimates - 4

Framework/Approach

Festival Days

Mode of Transport	Total Passengers	% of total tourists in total passengers	Total Tourists
Train	79200	90%	71280
Bus	42000	90%	37800
Car	15600	90%	14040
Flight	3200	90%	2880
Other(Auto/Bike)	2800	90%	2520
Total tourists			128520

Number of local visitors to Golden Temple = 2% * 15 lakhs = 30000
 Total no. of people visiting Golden Temple on festival days = 128520 + 30000 = 158520
 Total no. of people visiting Golden Temple on festival days in a year = 158520 * 125 = 1.98 Crore

Total no. of Tourists visiting Golden Temple per year = 2.40 + 1.98 = 4.38 Cr

Estimate the revenue from hotels and lodges in Goa in a year

Assumptions

- Assuming there are a total of 4000 hotels and lodges across different categories in Goa.
- Hotels and lodges are divided according to price range categories.
- The average occupancy on normal days is 60% and the total number of normal days in a year is assumed to be 250 days.
- The average occupancy on seasonal days is 80% and the total number of seasonal days in a year is assumed to be 115 days.

Formulas

- Total revenue collection/day = Avg. room rate/night * Total no. of hotels * Avg. no. of rooms * Avg. occupancy
- Total revenue in a year = Total revenue collection/day * No. of days in a year

Approach/Framework

- Please refer to the next page

Solution

- Total Revenue collected on a normal day = ₹27.81 Crores
- Total Revenue collected on a normal day in a year = $27.81 \text{ Cr} * 250 = ₹6954 \text{ Crores}$
- Total Revenue collected on a seasonal day = ₹44.96 Crores
- Total Revenue collected on a seasonal day in a year = $44.96 \text{ Cr} * 115 = ₹5170.4 \text{ Crores}$
- **Total Revenue from hotels & lodges in a year = $6954 + 5170.4 \approx ₹12124 \text{ Crore}$**

Framework/Approach

Division of Hotels & Lodges

Average room rate per night	% of Total	Total number of hotels	Average number of rooms
800	30%	1200	60
2000	20%	800	50
3000	20%	800	40
5000	15%	600	30
10000	10%	400	25
15000	5%	200	25

Framework/Approach

Normal days

Average room rate per night	Total number of hotels	Average number of rooms	Average Occupancy	Revenue/day (₹)
800	1200	60	60%	₹34560000
2000	800	50	60%	₹48000000
3000	800	40	60%	₹57600000
5000	600	30	60%	₹54000000
10000	400	25	60%	₹48000000
15000	200	25	60%	₹36000000

Total Revenue collected on a normal day = ₹27.81 Crores

Total Revenue collected on a normal day in a year = 27.81 Cr * 250 = ₹6954 Crores

Framework/Approach

Season Days

Average room rate per night	Total number of hotels	Average number of rooms	Average Occupancy	Revenue/day (₹)
1000	1200	60	80%	₹57600000
2500	800	50	80%	₹80000000
3500	800	40	80%	₹89600000
6000	600	30	80%	₹86400000
10000	400	25	80%	₹80000000
14000	200	25	80%	₹56000000

Total Revenue collected on a seasonal day = ₹44.96 Crores

Total Revenue collected on a seasonal day in a year = 44.96 Cr * 115 = ₹5170.4 Crores

Total Revenue from hotels & lodges in a year = 6954 + 5170.4 ≈ ₹12124 Crore

Estimate the OTT Industry size in terms of Viewership in India

Assumptions

- Assuming the entire population has potential access to the OTT platform, we can approach this through a demand-side approach.
- Population is split into Urban and Rural. Internet access to the Urban-Rural population is divided into 3 age groups, 0-15 years, 15-65 years, and 65+ years.
- One OTT subscription is shared among multiple people.
- Let's assume 2.5 OTT viewers per paid OTT subscription.

Formulas

- $\% \text{ Internet access} = \text{Population split} * \% \text{ Internet penetration}$
- $\text{Age-wise OTT subscriber} = \text{Population} * \% \text{ internet access} * \text{paid OTT Subscriber}$

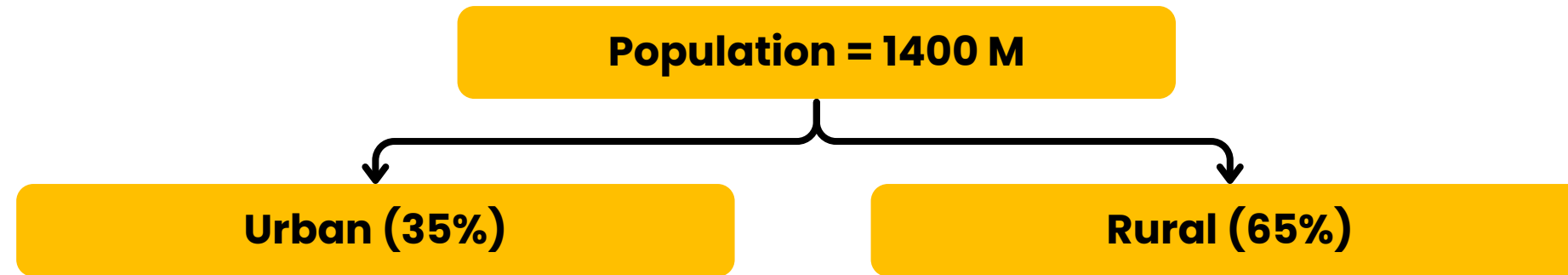
Approach/Framework

- Please refer to the next page

Solution

- $\text{Total OTT Subscribers} = \text{Rural} + \text{Urban} = 139 \text{ million}$
- $\text{Total OTT Viewers} = 139 \text{ million} * 2.5 = 347.5 \text{ million}$

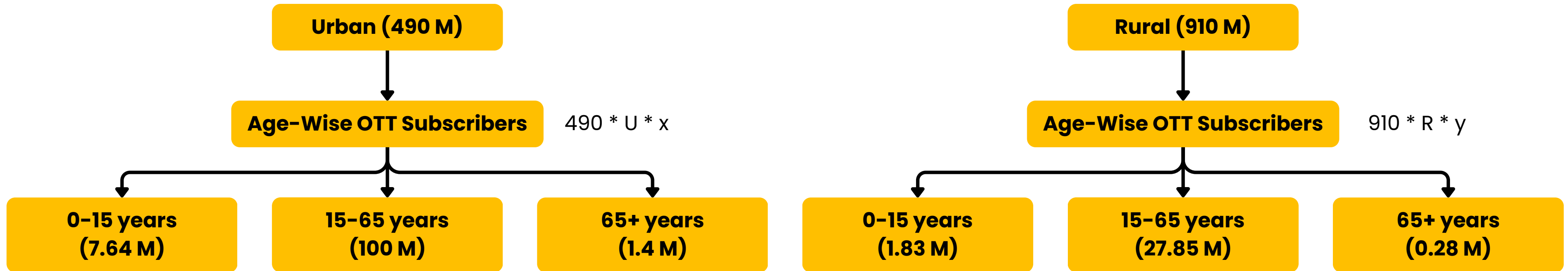
Framework/Approach



Age-Group	% Paid OTT Subscription	
	Urban (x)	Rural (y)
0-15 years	15%	5%
15-65 years	40%	15%
65+ years	20%	5%

% Internet Access based on Age-group Distribution					
Age-Group	Population Split (a)	Urban		Rural	
		% Internet Penetration (b)	% Internet Access U = (a*b)	% Internet Penetration (c)	% Internet Access R = (a*c)
0-15 years	26%	40%	10.4%	10%	2.6%
15-65 years	68%	75%	51%	30%	20.4%
65+ years	6%	25%	1.5%	10%	0.6%

Framework/Approach



Total OTT Subscribers = Rural + Urban = 139 million

Total OTT Viewers = 139 million * 2.5 = 347.5 million

Total number of Queries raised in a month by an MBA student in ChatGPT

Assumptions

- Top 50 MBA colleges, each with 600 students combined in both 1st and 2nd years are considered. There are 6 terms in 2 years of an MBA.
- MBA students are categorized into two categories: Those who use ChatGPT and those who don't.
- It is assumed that MBA students use ChatGPT for 5 major activities i.e. Projects/Assignments, Exams, Case Competitions, Club/Committee activities, and for Personal use.
- Students are divided into 3 types based on the amount of usage: High, Medium, and Low. All have varied no. of queries for different activities. For simplicity, queries per activity for each activity are assumed to be in the ratio of 5:4:3.

Formulas

- Queries by students based on usage per activity = ChatGPT usage for that activity * Frequency of activity * No. of students based on usage
- Avg. no. of queries in a month = Total no. of queries raised / Total no. of students

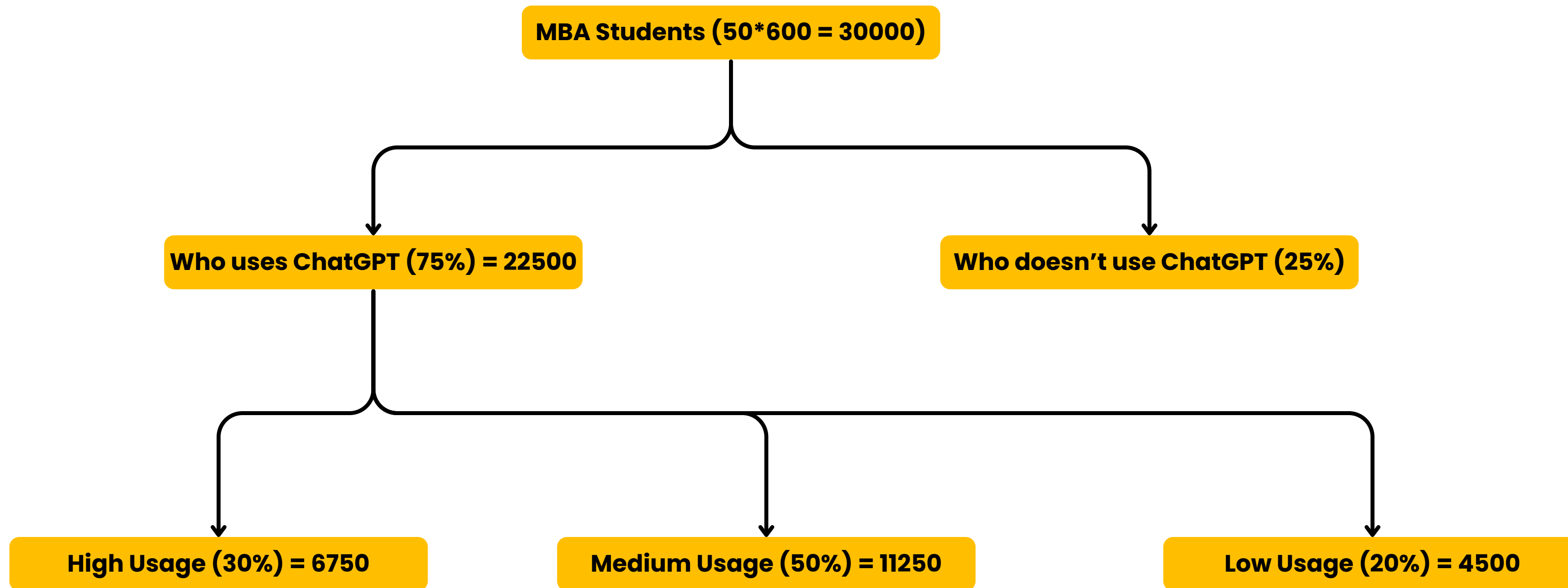
Approach/Framework

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Solution

- Total no. of queries raised by MBA students in a month = $3003750 + 4005000 + 1201500 = 8210250$
- The average Number of ChatGPT queries raised by an MBA student in a month = $8210250 / 30000 \approx 274$
- **Hence, the Total number of queries raised in a month by an MBA student in ChatGPT is 274.**

Framework/Approach



Guesstimates - 7

Framework/Approach

Major Activities (Frequency/month) (a)	High Usage (5x) per query (b)	Medium Usage (4x) per query (c)	Low Usage (3x) per query (d)
Projects/Assignments (3)	15	12	9
Exam/Quiz (6)	10	8	6
Case Competitions (5)	50	40	30
Club/Committee Activities (4)	10	8	6
Personal (10)	5	4	3

High : Medium : Low = 5:4:3

Framework/Approach

No. of queries of students based on usage per activity:

Major Activities	High (6750*a*b)	Medium (11250*a*c)	Low (4500*a*d)
Projects/Assignments	303750	405000	121500
Exam/Quiz	405000	540000	162000
Case Competitions	1687500	2250000	675000
Club/Committee Activities	270000	360000	108000
Personal	337500	450000	135000
Total	3003750	4005000	1201500

Total no. of queries raised by MBA students in a month =
 $3003750 + 4005000 + 1201500$
 $= 8210250$

Calculate the total number of Instagram reels posted in India per day

Assumptions

- Population of India = 140 Crore and Average life expectancy = 70 years. Also, the Population is to be evenly distributed for every age year.
- Population is divided into 3 age groups: 0-18 years, 18-50 years, and 50+ years.
- Users aged between 0-12 years aren't posting actively and thus aren't considered.
- 60% of the population are smartphone users and 60 % of them have Internet access and are Instagram users.
- Instagram users are divided into 3 categories: Influencers (2%), Addicts (18%), and Entertainment purposes (80%)
- No. of reels posted in a week by Influencers= 2, by Addicts = 1, by entertainment purpose users = 0.

Formulas

- Total Instagram reels = Population * Insta reels for each category
- Population for every one year of age = Population of India / Average Life Expectancy

Approach/Framework

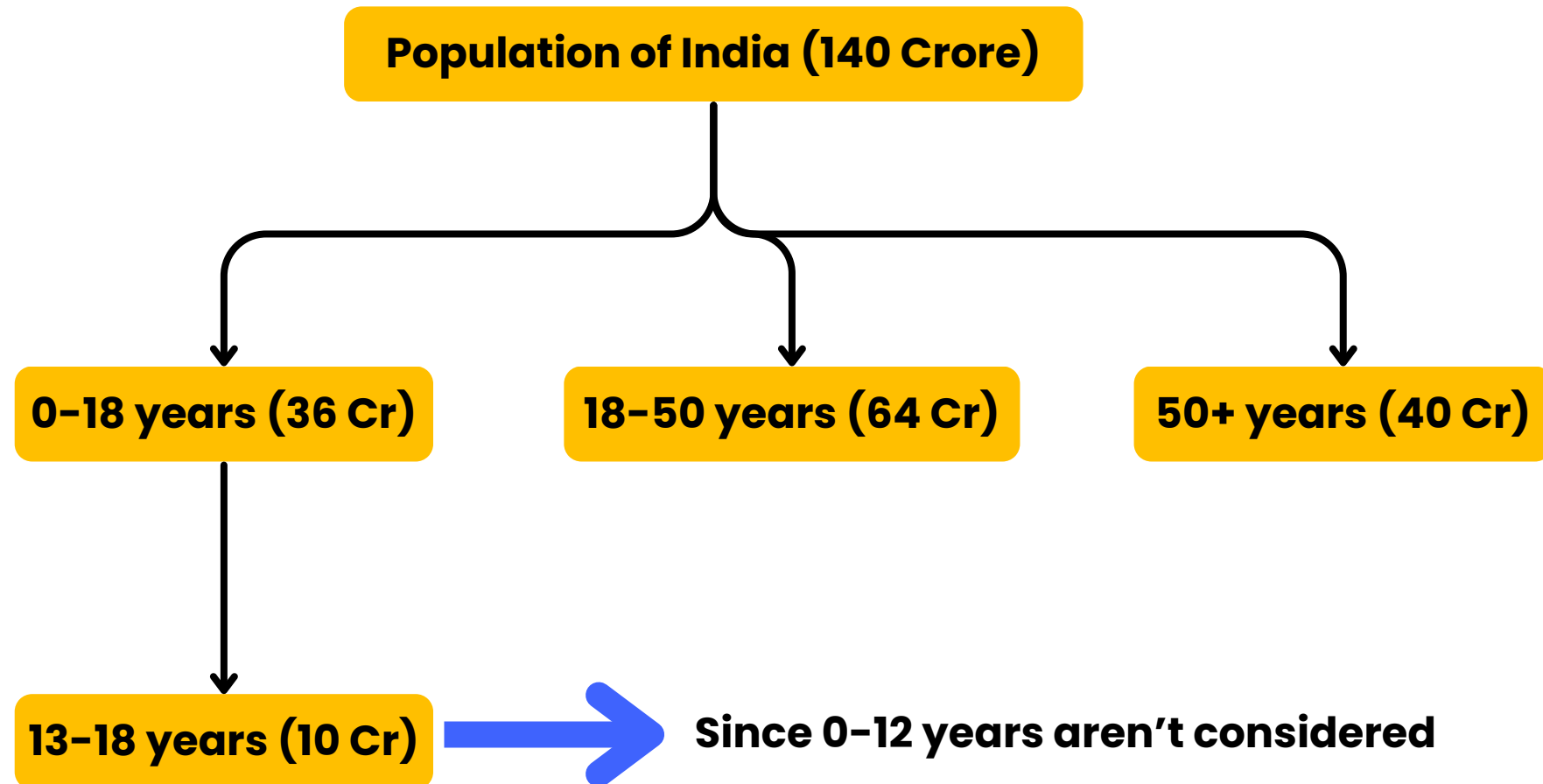
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Solution

- Total Insta reels in a week by every age group = $0.144 + 0.648 + 0.9216 + 4.1472 + 0.576 + 2.592 = 9.0288$ Crore
- Total Insta reels posted in a day = $9.0288/7 = 1.29$ Crore
- The total number of Instagram reels posted in India in a day is 12.9 million

Framework/Approach

Population for every one year of age = 140 Crore / 70 years
= 2 Crore/year



	Influencers	Addicts	Entertainment
% of users	2%	18%	80%
No. of Insta reels	2	1	0

	13-18 years	18-50 years	50+ years
(a) Total Population	10 Cr	64 Cr	40 Cr
(b) Smartphone users (60% * a)	6 Cr	38.4 Cr	24 Cr
Internet users (60% * b)	3.6 Cr	23.04 Cr	14.4 Cr

Guesstimates - 8

Framework/Approach

For 13-18 year Age-Group	Influencers (2%)	Addicts (18%)	Entertainment (80%)
Total Population	3.6 Crore		
(x) Population (13-18 years)	0.072 Cr	0.648 Cr	2.88 Cr
(y) No. of Insta reels	2	1	0
Total Insta reels/week (x*y)	0.144 Cr	0.648 Cr	0

For 18-50 year Age-Group	Influencers (2%)	Addicts (18%)	Entertainment (80%)
Total Population	23.04 Crore		
(x) Population (18-50 years)	0.4608 Cr	4.1472 Cr	18.432 Cr
(y) No. of Insta reels	2	1	0
Total Insta reels/week (x*y)	0.9216 Cr	4.1472 Cr	0

Framework/Approach

For 50+ year Age-Group	Influencers (2%)	Addicts (18%)	Entertainment (80%)
Total Population	14.4 Crore		
(x) Population (50+ years)	0.288 Cr	2.592 Cr	11.52 Cr
(y) No. of Insta reels	2	1	0
Total Insta reels/week (x*y)	0.576 Cr	2.592 Cr	0

Total Insta reels in a week by every age group = $0.144 + 0.648 + 0.9216 + 4.1472 + 0.576 + 2.592 = 9.0288$ Crore
Total Insta reels posted in a day = $9.0288/7 = 1.29$ Crore

The total number of Instagram reels posted in India in a day is 12.9 million

Guess the number of coconuts we can fit in a truck.

Assumptions

- The dimensions of the truck are approximately 6 meters of length, Width of 3 meters and height of 4 meters.
- We are considering the coconuts which will be used for consumption of coconut water.
- Approximately 20 percent of the space is wasted as space between the coconuts.
- Coconuts have 3 sizes: Big, Medium and Small, each having volume similar to 20 cm, 18 cm and 15 cm respectively.
- The Ratio of the coconuts on their size is 1:2:1 for small, medium and big coconuts.

Formulas

- Volume of Cuboid: $L*B*H$
- Volume of Sphere: $(4*\pi*r^3)/3$

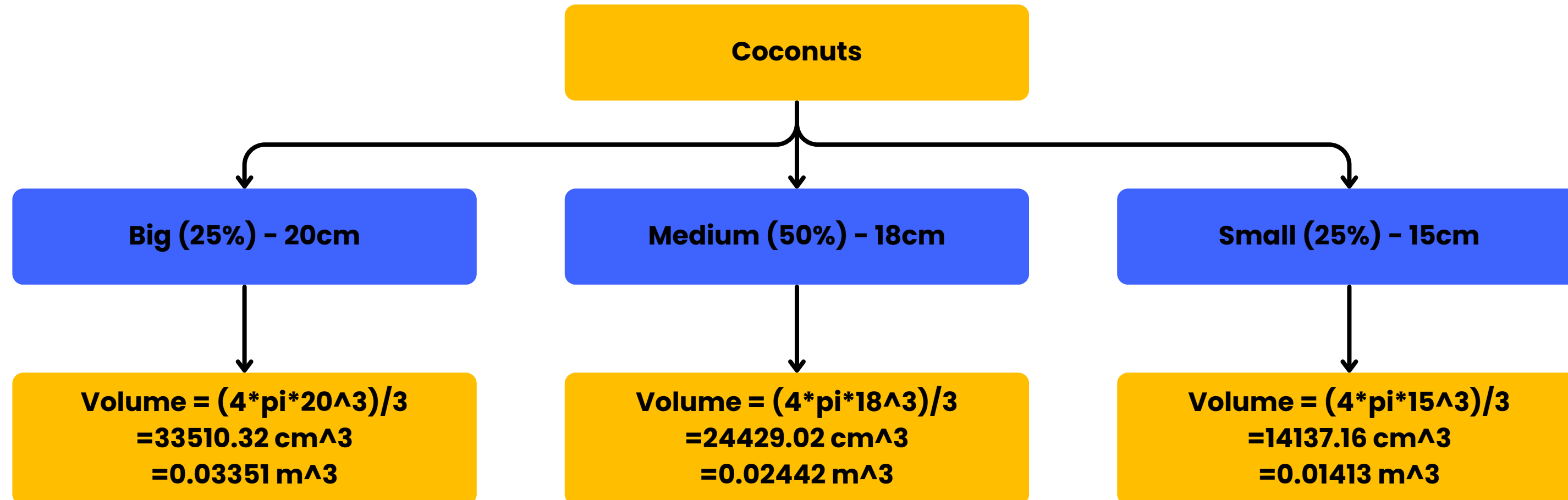
Approach/Framework

- Please refer to the next page

Solution

- Volume of the truck = $L * B * H = 6 * 3 * 4 = 72 \text{ m}^3$
- Volume of the truck that is actually occupied the coconuts = $72 * 0.8 = 57.6 \text{ m}^3$
- The coconuts are in the ratio of 1:2:1 we can group 1 big coconut, 2 medium coconuts and 1 small coconut together.
- Total Volume of the Group: $0.03351 + 2*0.02442 + 0.01413 = 0.09648 \text{ m}^3$
- Total no. of groups that can fit in the truck = $57.6 / 0.09648 = 597.01$ groups ~ 597 groups
- Every group has 4 coconuts then total no. of coconuts in the truck are $597 * 4 = 2388$ coconuts.

Framework/Approach



Volume of the truck = $L * B * H = 6 * 3 * 4 = 72 \text{ m}^3$

Volume of the truck that is actually occupied the coconuts = $72 * 0.8 = 57.6 \text{ m}^3$

The coconuts are in the ratio of 1:2:1 we can group 1 big coconut, 2 medium coconuts and 1 small coconut together.

Total Volume of the Group: $0.03351 + 2 * 0.02442 + 0.01413 = 0.09648 \text{ m}^3$

Total no. of groups that can fit in the truck = $57.6 / 0.09648 = 597.01 \text{ groups} \sim 597 \text{ groups}$

Every group has 4 coconuts then **total no. of coconuts in the truck are $597 * 4 = 2388 \text{ coconuts}$.**

Estimate the total weight of pet cats in India.

Assumptions

- Population of India is 144 crore.
- A family consists of 4 people.
- 10 percent of the families have cats as pets.
- 30 percent of cat owning families have more than 1 cat and have an average of 3 cats per family.
- Cats are of 3 types of breeds: Big, Medium and Small, each having weight of 2kgs, 4kgs and 6 kgs respectively.
- The Ratio of the cats on their breeds is 2:5:3 for small, medium and big cats.
- 20 percent of the cat population are still kittens so they weigh about half the weight of the adult cat on an average.

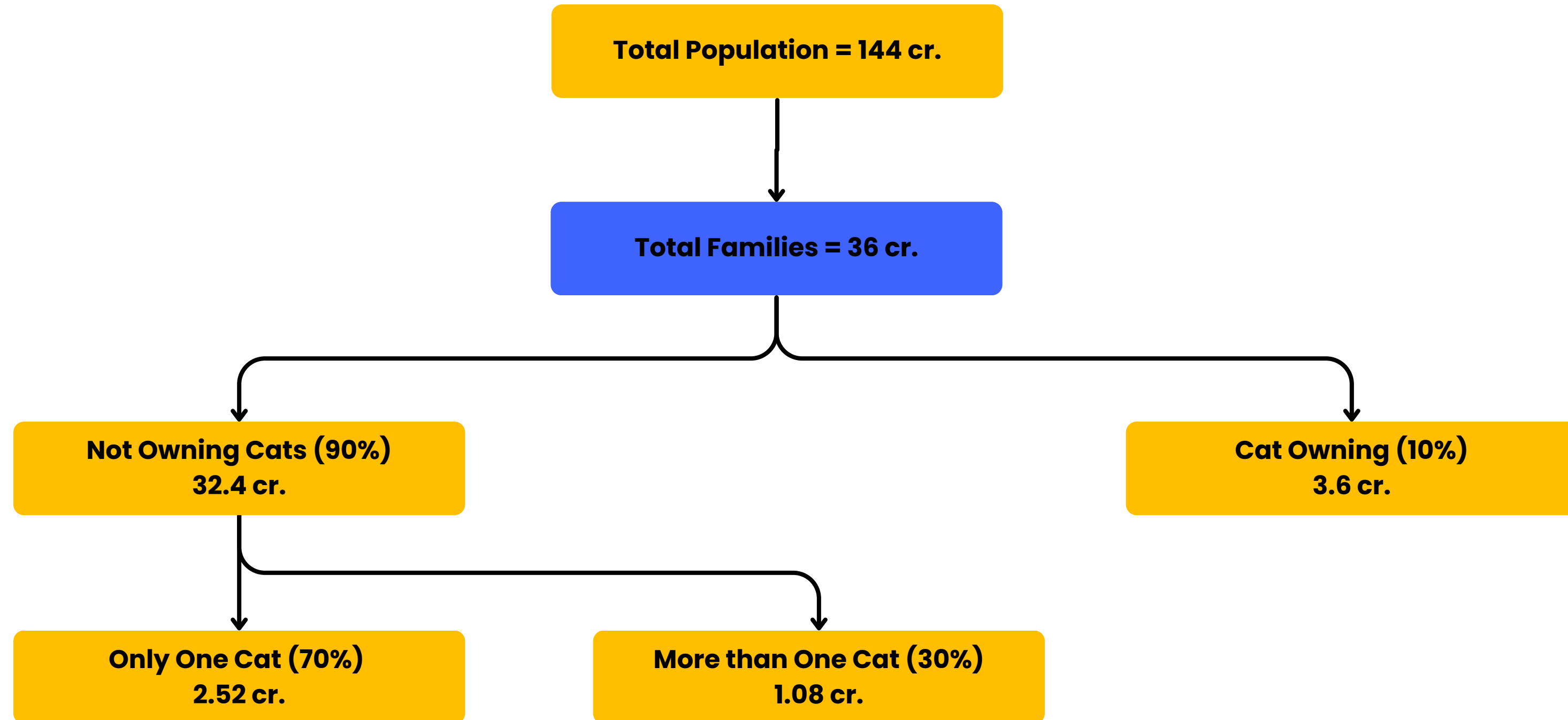
Approach/Framework

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Solution

- Total Weight = Sum of all (e) = 2168 L kgs. = 21.68 cr. Kgs.

Framework/Approach



Guesstimates - 10

Framework/Approach

Population	Age Group	Cat Size	% of Cats in age group (a)	% of Cats in size (b)	No. of families in this category $c = a*b*family$	Weight of Cat (d)	Total Weight of Category $e = d*c*Avg\ cats$
Only One Cat (Average 1 cat)	Kitten	Big	20%	20%	10.08 L	1	10.8 L
		Medium	20%	50%	25.2 L	2	50.4 L
		Small	20%	30%	15.12 L	3	45.36 L
	Adult	Big	80%	20%	40.32 L	2	80.64 L
		Medium	80%	50%	100.8 L	4	403.2 L
		Small	80%	30%	60.48 L	6	362.88 L
More than One Cat (Average 3 cats)	Kitten	Big	20%	20%	4.32 L	1	12.96 L
		Medium	20%	50%	10.8 L	2	64.8 L
		Small	20%	30%	6.48 L	3	58.32 L
	Adult	Big	80%	20%	17.28 L	2	103.68 L
		Medium	80%	50%	43.2 L	4	518.4 L
		Small	80%	30%	25.92 L	6	466.56 L



x



INDUSTRY ANALYSIS

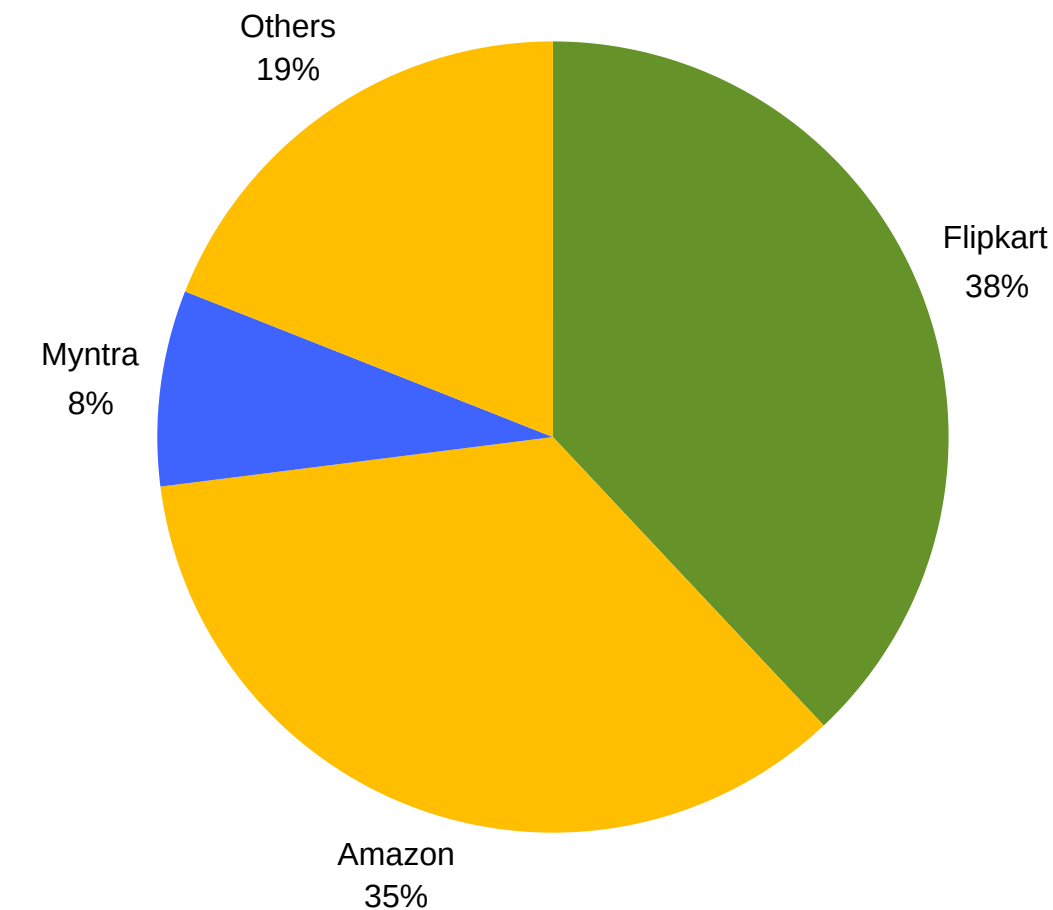


Industry Metrics

- Accounts for over 19% of retail sales worldwide
- In 2023, global retail e-commerce sales reached an estimated 5.8 trillion U.S. dollars. Projections indicate a 39 percent growth in this figure over the coming years, with expectations to surpass eight trillion dollars by 2027.
- the number of users is expected to amount to 3.6bn users by 2029 with a user penetration rate of 49.1% compared to 40.5% in 2024

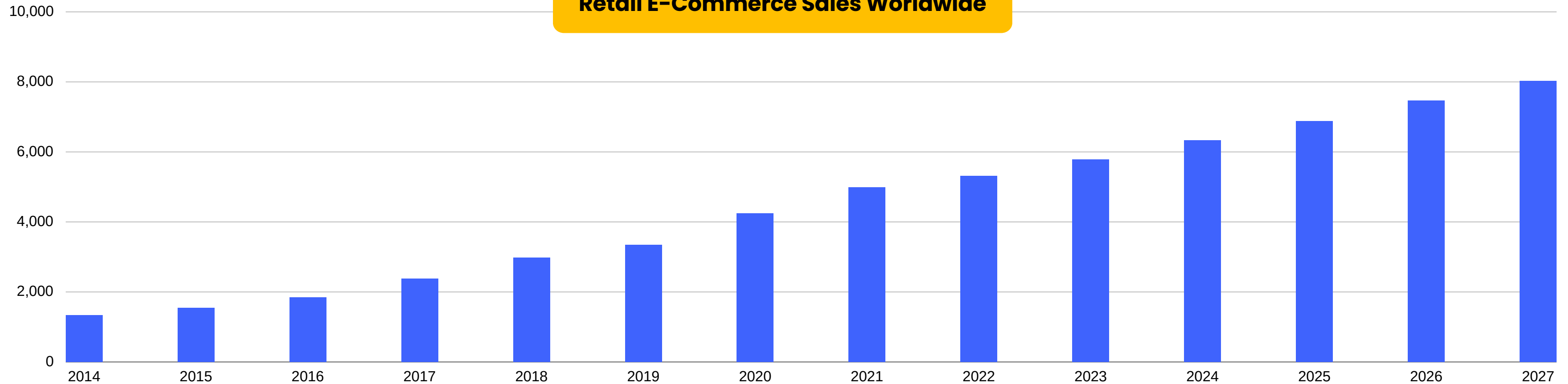
Revenue Drivers	Cost Drivers	Factors for Growth
Sales	Customer Acquisition	Growing urbanization
Commission	Marketing	Global Trade
Advertisement	Warehousing	Consumer Behaviour

Market Share of India (2022)



E-Commerce

Retail E-Commerce Sales Worldwide



Growth and Numbers

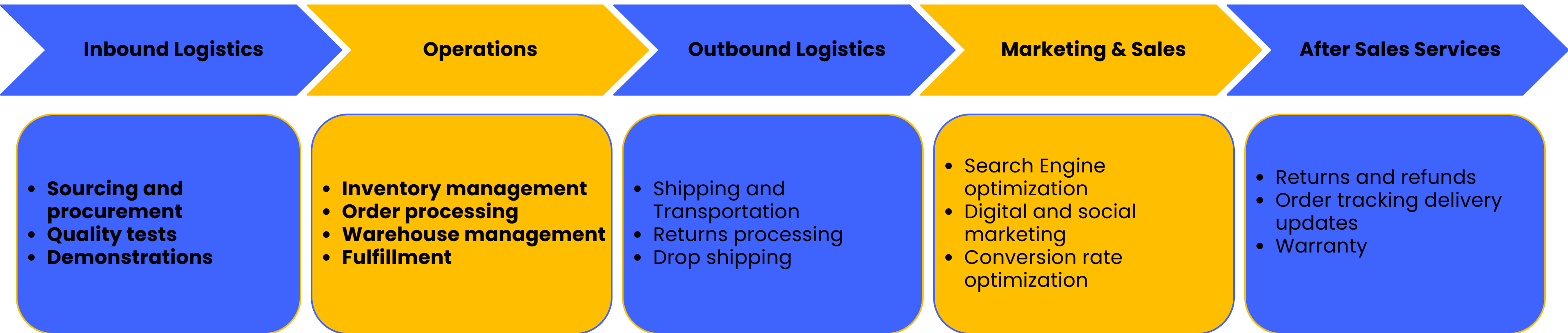
- **Asia is the biggest eCommerce market** worldwide. The total revenue of online retail in Asian countries amounted to nearly 1.7 trillion US dollars in 2023, approximately 800 million USD higher than the eCommerce revenue reached in the Americas. China alone added 935 billion of Revenue dollars to the Asian average.
- **Amazon is the biggest consumer internet and online service company** worldwide with a market cap of approximately 1.34 trillion U.S. dollars as of June 2023. Amazon was ranked first among selected online companies operating in the retail, real estate, mobility, travel, and hospitality sectors. The digital commerce platform Alibaba.com ranked second with a market cap of 214 billion U.S. dollars.
- **The Philippines and India were the fastest-growing e-commerce** markets based on online sales anticipating a growth rate surpassing 20 percent.
- Over the past few years, **the average order value for e-commerce purchases has increased globally from around 118 U.S. dollars in September 2022 to around 126 U.S. dollars in the same month of 2023**

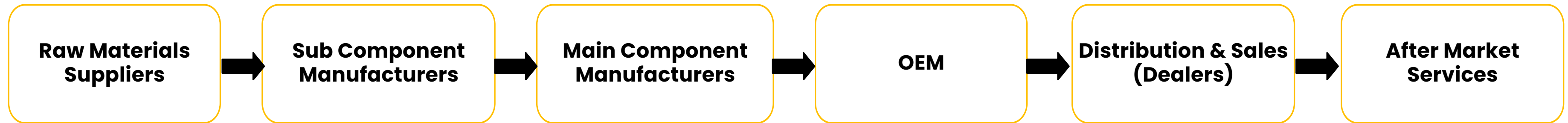
Emerging Trends

- **AI-produced** articles and pictures are becoming prevalent, thus the way how marketing in e-commerce worked prior to AI is changing.
- **Social media platforms** are becoming more and more important for the ecommerce industry every day with the rise in platforms like Instagram's checkout and facebook marketplace where you can shop online without leaving the platform the competition is becoming more intense.
- More and more consumers are looking for **personalization in the product recommendations** and thus metrics like targeted advertising and dependencies on algorithms are increasing.
- The application of **augmented and Virtual reality AR/VR are** becoming more relevant specially in the case of clothing apparel industry
Consumers are becoming more conscious of **Sustainable and Ethical Shopping** experience .

Disruptions

- **Same-day delivery** needs gave rise to multiple big platforms like Zepto, blinkit, etc. increasing the consumer's propensity to demand faster deliveries thus making traditional companies spend more on deliveries.
- **New social media features** that were widely adopted like shoppable posts, live streaming with product demonstrations, and in-app purchases blurred the lines between social interaction and online shopping.
- **Peer to Peer (P2P) Platforms** like eBay olx enabled individuals to sell pre-owned things and other goods directly to consumers reducing their dependency on traditional e-commerce platforms.
- **Emerging payment technologies**, for example, the UPI services in India made the process of buying and selling things online much easier opening the market to a completely new set of customers.
UGC or User-generated content became a standard for eCommerce legitimacy with the rise of social media platforms consumers trust content created by other consumers.

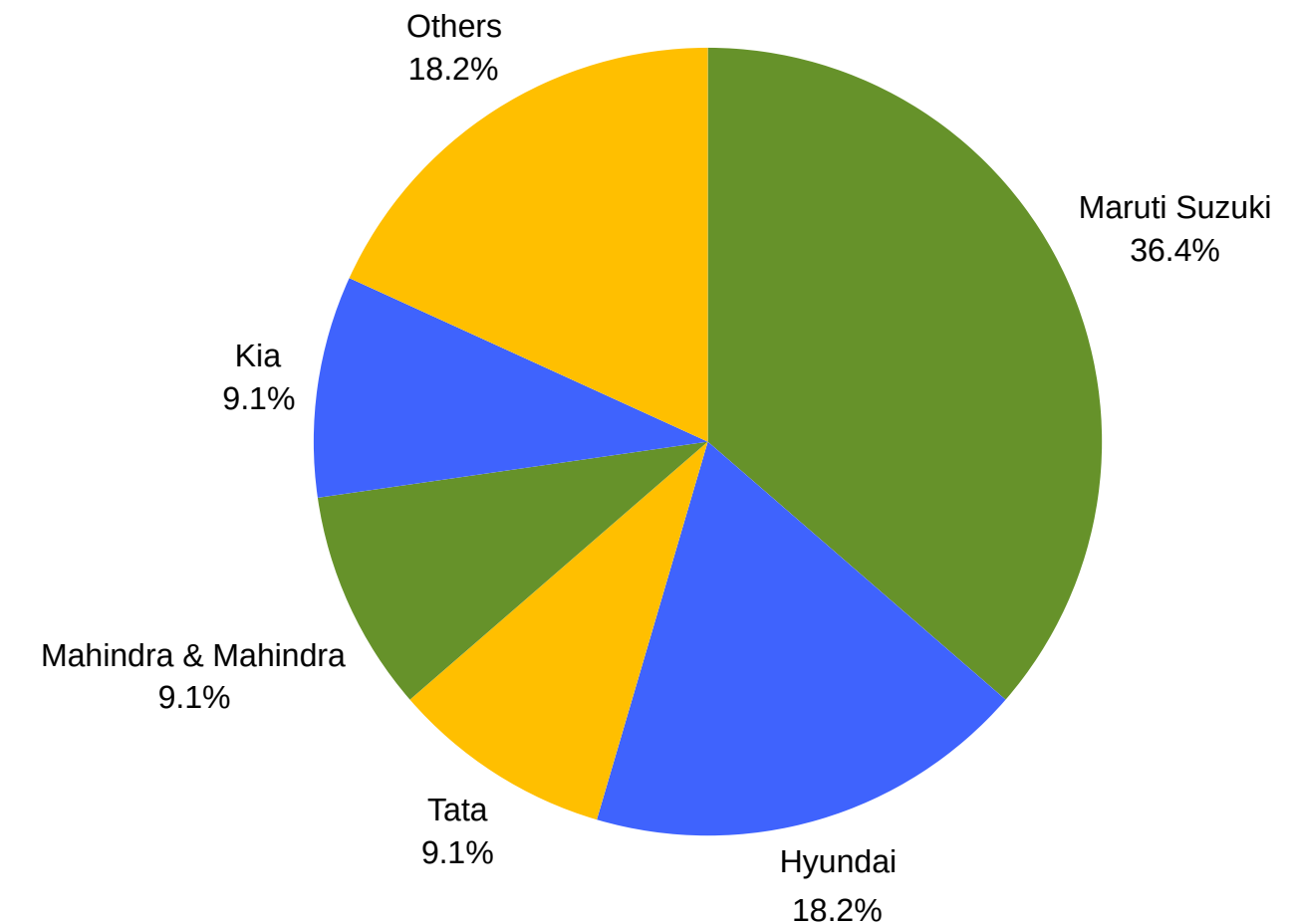




Market Share of India (2022)

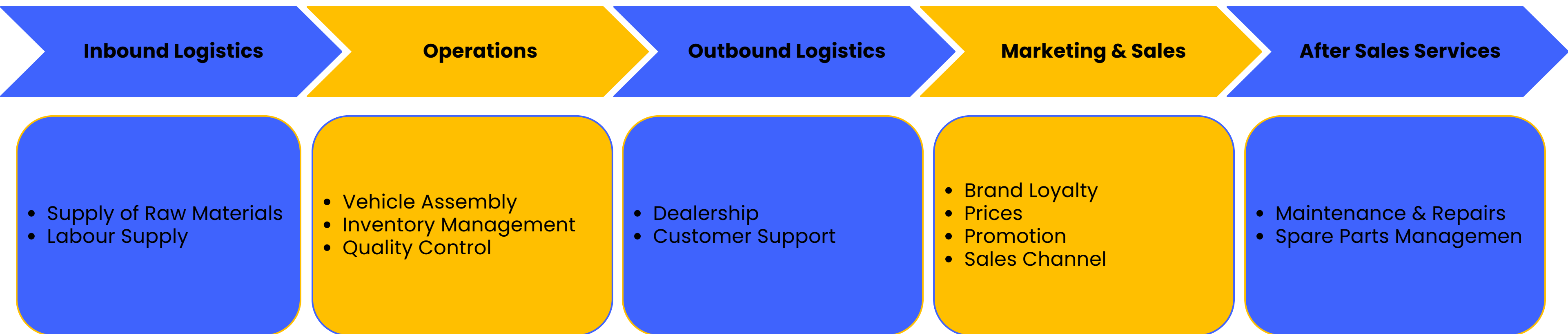
Revenue	Cost	Factors for Growth
Automobile	Raw Materials	Infrastructure, Disposable Income
After-Sales Services	Labour	Life of Vehicles
Financing	Advertising	Purchasing Power, Aspiration

Industry Metrics	
Operating Profit Margin	11% (MS)-17.42%(M&M)
Size	Expected size to reach \$300 billion by 2026
Competitive Landscape	Five Players with reasonably concentrated



Growth of vehicles	FY 20	FY 21	FY 22	FY 23
Two-Wheeler	-17.75%	-13.20%	-10.91%	17.74%
Passenger	-18.53%	-2.17%	13.28%	26.71%
Commercial	-28%	-20%	26.32%	33.33%
Three-Wheelers	-8.57%	-65.61%	18.18%	88.46%

- **Luxury Vehicles-**
 - In the January-June period this year, Mercedes-Benz posted its best-ever half-yearly sales in India.
 - In February 2023, German luxury car maker Audi India began local production of the Audi Q3 and Audi Q3 Sportback
- **Catering to Indian Needs-**
 - Most firms including Kia Motors and Volkswagen have adapted themselves to cater to the large Indian middle-class population by dropping their traditional structure and designs.
- **New Financing Options-**
 - Maruti Suzuki introduced Smart Finance for online finance options. Mahindra Finance launched 'Quiklyz' in November 2021 for efficient financial services.

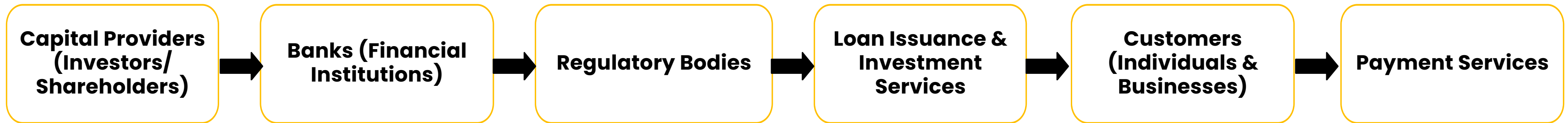


Value Chain Analysis

- Infrastructure–
 - Second-Largest Road Network
 - Highway Construction has gone to 37 kms per day.
- Human Resources
 - Cheap Labour is readily available
- Technological Development
 - Electric Mobility
 - IOT
 - Connected Cars
- Procurement
 - PLI scheme is expected to bring huge investment in raw materials.

Disruptions

- Electric Vehicles–
 - EV sales in India grew by 48 per cent year-on-year in CY2023
 - The EV market is estimated to reach Rs. 50,000 crore in India by 2025.
- Shared Mobility
 - Expected to reach \$91.07 billion by 2024, with a CAGR of 3.13%.
 - Dominant players: Ola, Uber, Bounce, Rapido, Zoomcar.
 - Shared mobility can lead to fewer personal vehicles, impacting car sales.



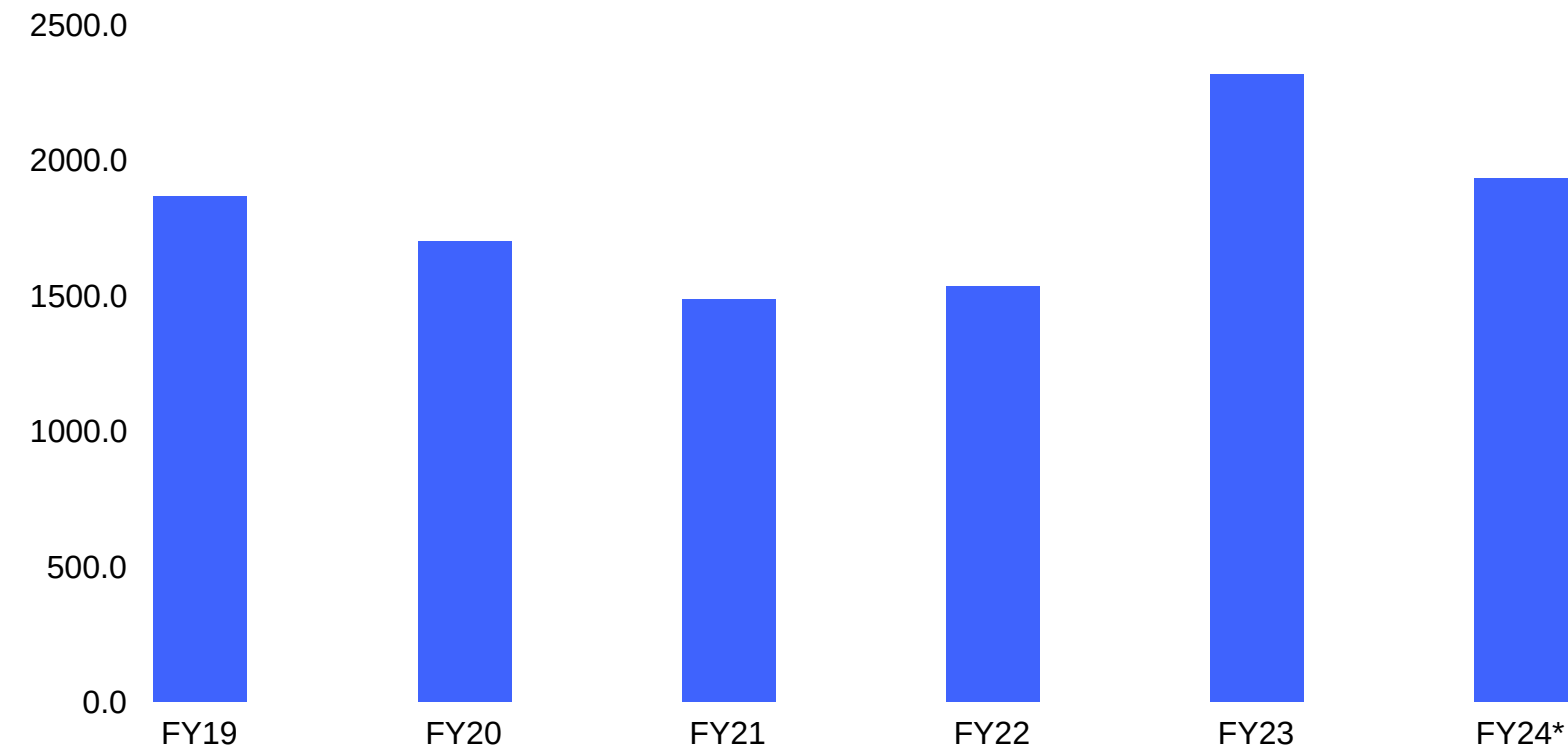
Revenue	Cost	Factors for Growth
Interest Income	Interest Expenses	Economic Growth
Fees & Commissions	Operational Cost	Development in Fintech
Investment Income	Advertising	Regulatory & Global Events

Industry Metrics	
CASA Ratio	Ranges between 40%-50% (Generally lower for the public sector banks in India)
Net Interest Margin	Ranges close to 4%
Industry Characteristic	Dominated by select few players (12 public sectors, 21 private sectors)

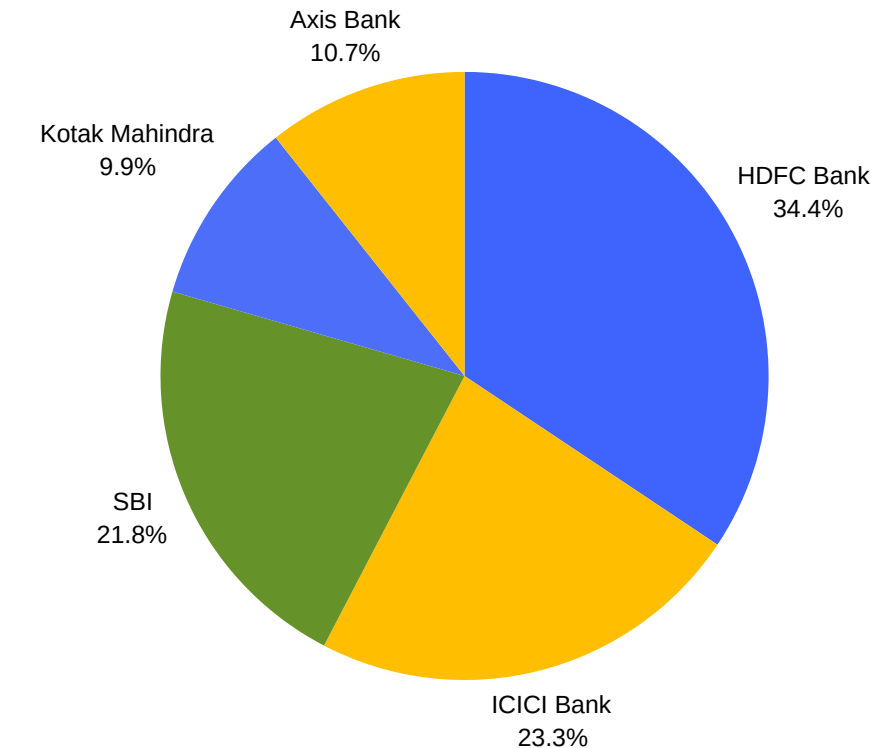
Growth & Numbers

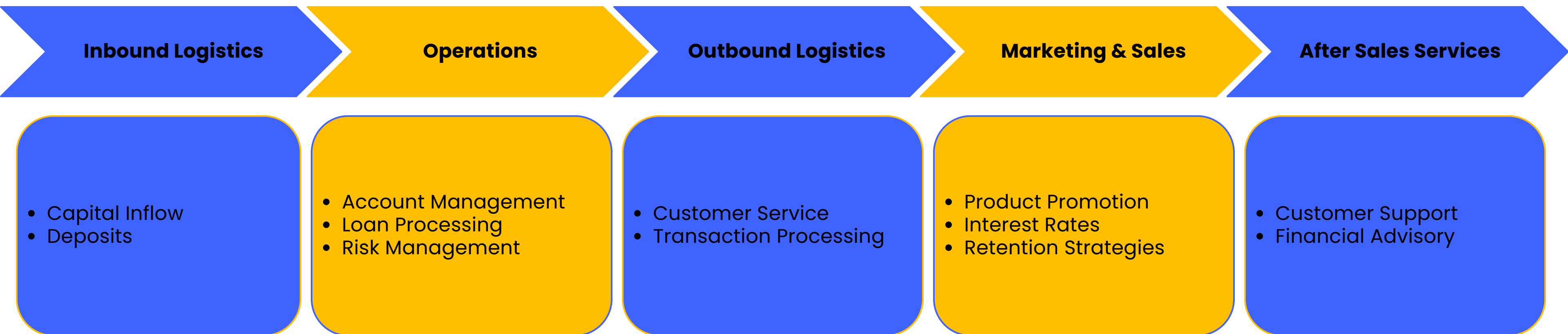
- Financial Inclusion-
 - Expansion of fintech has played an important role in enhancing financial inclusion.
 - National Strategy for Financial Inclusion(NSFI) 2019-24 sets targets and vision for achieving financial inclusion to enhance financial literacy.
- Privatisation of Public Sector Banks-
 - India currently has 12 PSBs, down from as many as 27 in 2017, after several mergers were carried out to strengthen some of the banks.
- Banking Penetration in Rural India-
 - The Indian government after watching the rising tele-density decided to propose India's post offices to be integrated into core banking system.
 - In September 2023 Hitachi Payments Services launched India's first-ever UPI-ATM with NPCI.

**Growth in Bank Credit
(US\$ Billion)**



**Top Indian Banks: Market Cap
(31 May 2024)**





Value Chain Analysis

- Infrastructure–
 - India is 3rd largest FinTech ecosystem globally.
 - Penetration of Internet & Mobile Phones
 - Increase in the number of Startups which require financing.
- Technological Development
 - Fintech
 - Online & Mobile Banking(UPI Transfer)
- Procurement
 - Investment in fintech partnerships
 - Outsourcing of non-core activities

Disruptions

- Cryptocurrency–
 - Surge in cryptocurrency transaction volumes
 - RBI's plan to launch the Central Bank Digital Currency, pilot was launched in 2022.
- Plateauing number of ATMs in India
 - Data from the RBI shows that since 2017, the number of ATMs in the country has been growing at a snail's pace.
- Rising Interest Rates
 - Since Covid-19 ended, the world has seen a meteoric rise in interest rates.

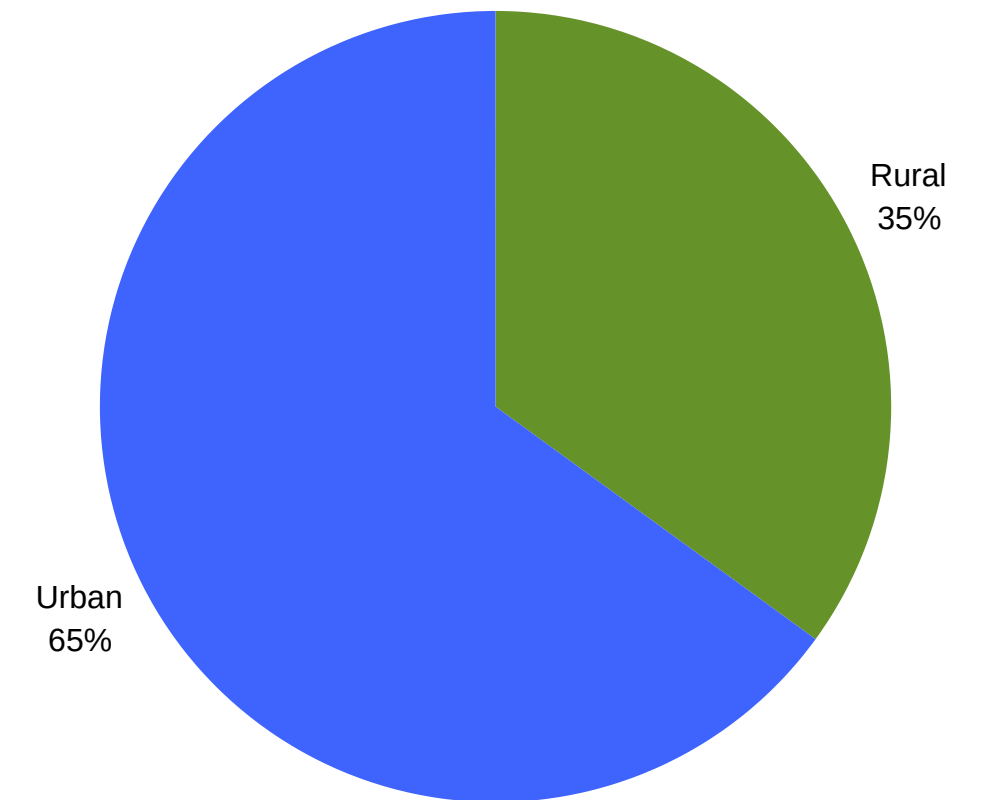


Revenue	Cost	Factors for Growth
Effective distribution and marketing	Raw Materials	Increasing income
Product Innovation	Manufacturing and distribution	Easier Access
Brand building	Marketing and Sales	Increasing awareness

Industry Metrics

- FMCG is the 4th largest sector in Indian Economy
- India's FMCG market was valued at 121.8 billion U.S. dollars in 2023
- Household and personal care alone accounts for 50 percent of the shares in the FMCG market.
- As of Jan 2024, Hindustan Unilever company led the FMCG companies with a market capitalization of over six trillion rupees in India. Nestle was second with a market cap of more than 2 trillion rupees.

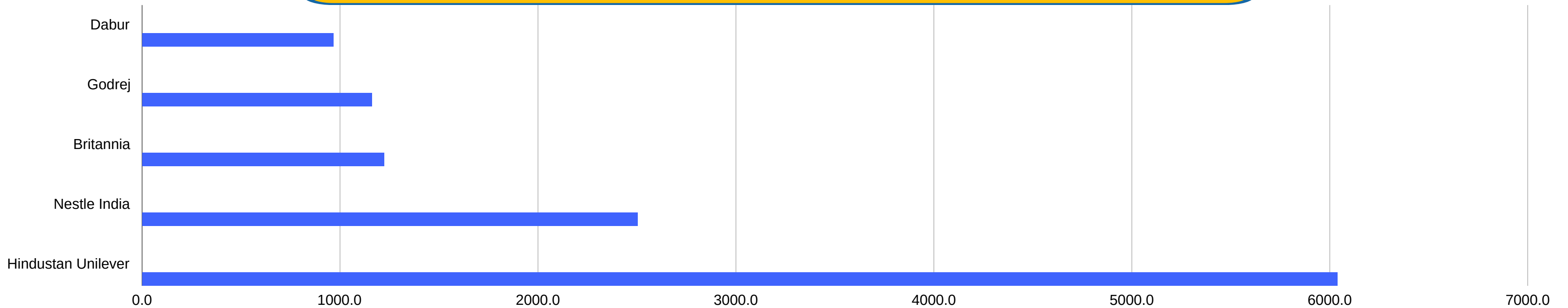
Market Share of India



Growth & Numbers

- In 2020, India’s FMCG market generated revenue of about 110 billion U.S. dollars, a significant increase from the previous year. The total revenue of the FMCG market is expected to grow at a CAGR of 27.9% from 2021-27, reaching nearly US\$ 615.87 billion.
- Online FMCG market size in the e-commerce sector was estimated to be over 10 billion U.S. dollars in 2023.
- Digital advertising grew to reach US\$ 9.92 billion by 2023, with the FMCG industry being the biggest contributor at 42% share of the total digital spend.
- The FMCG sector employs around 3 million people accounting for approximately 5% of the total factory employment in India.
- The food and beverage sector is one of the essential components of the FMCG market, which accounts for about 3% of its GDP. In 2022, food and beverages accounted for 30% of total household spending in the country.
- Union Budget 2023-24 has allocated US\$ 976 million for PLI schemes that aims to reduce import costs, improve the cost competitiveness of domestically produced goods, increase domestic capacity, and promote exports

Leading FMCG Companies in India by Market Cap (Jan 2024) in Billion Rs.



Emerging Trends

- **Hyper-Personalization:** FMCG companies are leveraging data analytics and AI to personalize customer experiences. This can involve marketing campaigns, customized product recommendations etc.
- **D2C Distribution:** FMCG brands are increasingly bypassing traditional retailers and selling directly to consumers through online platforms and brand-owned stores.
- With markets for typical goods becoming saturated the focus on local and regional products is increasing, consumers are becoming more interested in products with local ingredients and regional flavors.
- **Functional foods and beverages:** Consumers are seeking products that offer health benefits beyond basic nutrition. This includes functional foods and beverages fortified with vitamins, minerals, probiotics and other ingredients that promote wellbeing.
- FMCG brands are looking for ways to create engaging experiences for consumers beyond simply selling products through Experiential marketing.

Disruptions

- **Rise of E-Commerce:** The traditional brick-and-mortar dominance is waning as online grocery shopping surges.
- **Shifting consumer values:** Sustainability, ethical sourcing, and health consciousness are becoming top priorities for consumers. FMCG companies need to adapt to these changes
- **Private label brands** offered by retailers are gaining market share, putting pressure on established FMCG brands.
- **Technological transformation:** AI, Big data, and the Internet of things are transforming the FMCG landscape. From optimizing production lines to personalized marketing and smart packaging, technology is driving efficiency and innovation
- **The short shelf life trend:** Consumers are increasingly interested in fresh, local, and minimally processed foods. This trend disrupts traditional long-life FMCG products.
- **Social Media** platforms have become powerful marketing tools focus is shifting from traditional marketing tools to these mediums.

Inbound Logistics

- Sourcing and procurement
- Quality tests
- Supply chain management

Operations

- Production Planning & Scheduling
- Manufacturing
- Packaging and warehousing

Outbound Logistics

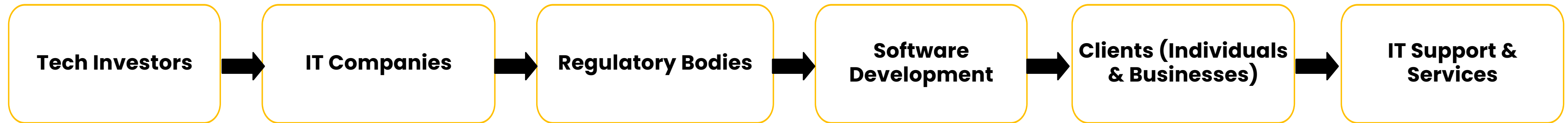
- Order fulfillment
- Distribution
- Delivery management
- Reverse logistics

Marketing & Sales

- Targeted campaigns
- In store promotions
- Digital marketing

After Sales Services

- Complaint handling
- Product recalls
- Warranty services
- Customer relationship management



Revenue	Cost	Factors for Growth
IT Infrastructure	Employee Remuneration	Economic Growth
Advertising	Research & Development	Adoption of Technology
SAAS	Advertising	Government Initiatives

Industry Metrics	
Attrition Rate	16%-17% of Indian IT Industry (Highest 22% in Q1 2022)
Churn Rate	No. of customers stop using a company's product
Industry Characteristic	Contributes close to 8% of India's GDP

Information Technology

Growth & Numbers

Emerging Trends:

- The pandemic shifted IT to hybrid work, enabling global remote opportunities
- IT outsourcing- Approximately 32.2% of companies outsource to trim their overall costs, while 20% seek access to innovation. Another 15.4% outsource to enhance the quality of their operations.

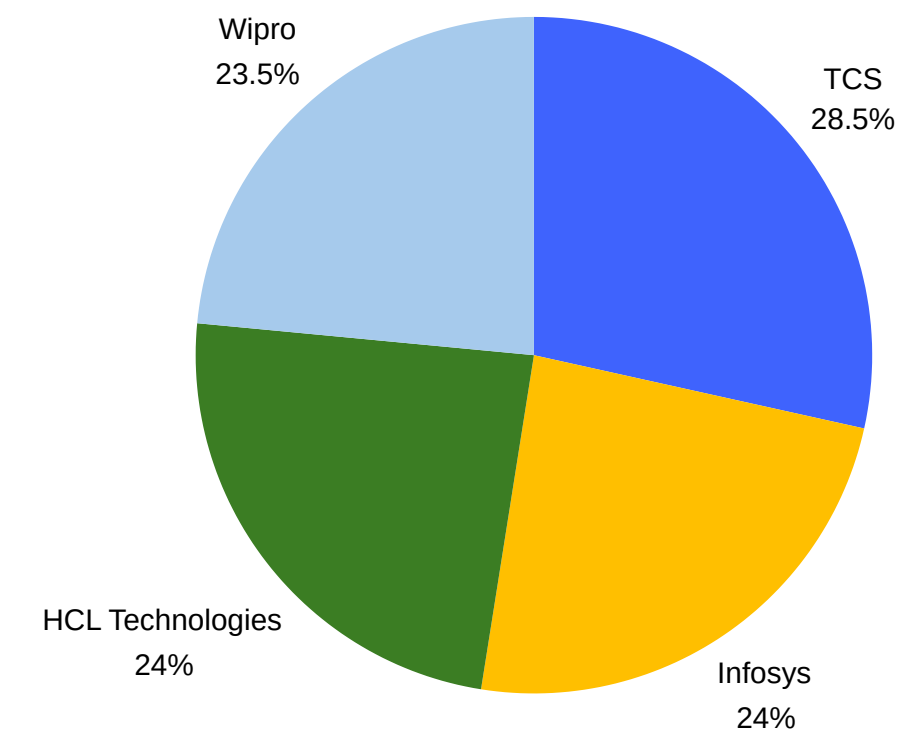
Government Schemes:

- In the Union Budget 2023-24 the allocation for IT & Telecom sector stood at \$11.8 billion
- The government has introduced the STP Scheme, which is a 100% export-oriented scheme for the development and export of computer software, including the export of professional services using communication links or physical media.

Indian IT & Business Service Industry (US\$ Billion)



Indian IT Companies by Market Cap (Rs. Crores)

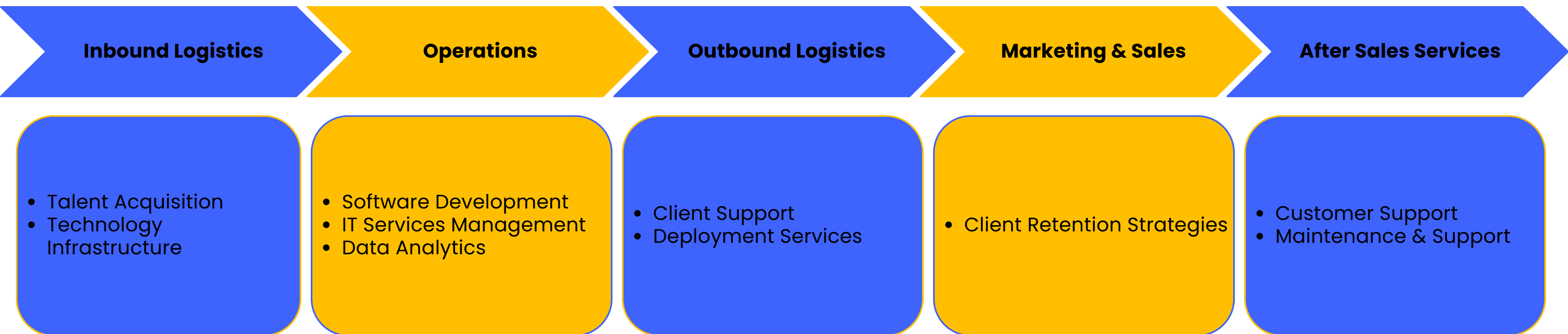


Value Chain Analysis

- Infrastructure–
 - India has over 138 operational colocation data centers with more than 7.5 million square feet of space .
 - India has the second-largest internet user base globally, with over 760 million internet users as of 2021 .
- Procurement
 - Indian IT outsourcing market expected to reach USD 167 billion by 2026 .Outsourcing of non-core activities.
 - IT companies average spend of 3-5% of their revenue on training and development .

Disruptions

- Artificial Intelligence–
 - It's not just about replacing human labour with machines
 - AI introduces new ways of thinking about how tasks are performed and how businesses can leverage data to drive strategic decisions.
 - Plateauing number of ATMs in India
- Rising Tech-Startup–
 - 1300+ new tech startups emerged in 2022.
 - Over 280,000 employees were reskilled and made digital skilled in FY 2022.



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