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Adapted from McKinsey's Beautify Case

Beautify Practice Case

Introduction

To get started, introduce the student to what a case interview is:

A case interview is a hypothetical business situation that is presented during an interview to see how a candidate thinks about a company-based problem, and how they would solve it. This case interview covers a hypothetical situation you might encounter in an analytical interview.

Setting (Read to the Student)

You work for Beautify in an Analytical capacity, whether as an Analyst, a Product Manager, or a Data Scientist.

Beautify is a global prestige cosmetics company, who sells its products mainly in the cosmetics area of high-end department stores but also has presence online and in specialty retailers like Sephora. They produce makeup and skin care products through several different brands.

Beautify sells products in-store, but also has a site at beautify.com where they sell products online.

Beautify hires Beauty Consultants (BC) that play a critical role in stores. They approach passive customers, demonstrate their knowledge of products, actively sell products, and are expected to maintain loyal customer bases of repeat buyers.

Beautify hires, trains, and pays the BCs. BCs receive commissions. Within Beautify, BCs have specialties in the different brands that Beautify sells.

Online Shopping

Situation 1

Consumers are shifting more to online shopping, and too many beauty consultants are left working in empty department stores. You notice this shift in your store and will bring the problem to your boss.

Question 1

What proof could you find?

If the student is confused, elaborate that as a worker in X Data Position, what proof could you put together, and what data can you think of that relates to customers shifting more and more online.

Remind the student this can be qualitative or quantitative examples.

- Data look at purchases or foot traffic in comparison to online sales or clicks/site traffic.
- Talk to Employees mentioning interviewing or talking to workers, especially those like the BCs who receive commission to get proof the workers are also seeing the same trend.

Question 2

Your boss is higher up in management but doesn't work in computer science themselves. How would you present this problem to your boss and convince them there is a problem to address?

Students should talk through how they would present this problem to their boss- It can be a walkthrough of steps to a mix of paraphrasing the talk they would have had.

Points to Hit:

- Being able to know they need to present a graph/chart/visual in a human-readable way.
- They should talk about the proof from staff interviews. This is best done in a general overview and then including quotes or a specific anecdote from the interviews.
- IMPORTANT: Students *must* talk about *why* their boss should care. Ex: they might show change in revenue over time in-store vs online to show that the in-person stores are losing profit while still having the same amount of staff to pay.

Moving BCs Online

Situation 2

Between your advocacy and the loss in sales, Beautify makes a big change to their marketing strategy. They are training their BCs to becoming virtual social media-beauty advisors. BCs are still responsible for engaging and growing their own base of repeat customers. BCs would sell products through their own pages on beautify.com, make appearances at major retail outlets, and be active on all social media platforms.

Question 1

What possible factors might you consider, in your Data Role, when shifting this group of employees toward a new set of responsibilities?

What analytical measures would you think about, but then also, what connections past collecting physical data can the student make?

- The effect on the staff as people or talking about managerial or beauty-specific concerns tells us a student can think about context and analyze causes.

This question is very open ended- if you can, make up details to fill in questions students ask, and give them more information about how/why those factors they mention *do* relate to the shifting of the BCs' roles.

Items to Review before Situation 3:

- How are we paying them? How might pay be changing for an online-based role?
- The BCs are still relying on additional commissions, and their new websites are a percent commission for online products purchased (think Amazon storefronts for just the BCs of Beautify). BCs can still earn in-store commissions, but they aren't paid to staff the store anymore.

Income Gap in BCs

Situation 3

After the change in BCs roles, one of your tasks is to monitor the data on their sales and run analytics daily. It comes to light that there is a large disparity between BCs' incomes- with some BCs making very high incomes while the rest of them making a low to moderate income. This imbalance is bad for business, especially if it isn't currently possible to explain why some people are more successful.

Question 1

How would you figure out why the large difference in BCs' incomes exists?

In this problem you must help lead the student to the answer- we want to give an example where they need to 'find' the problem.

Ask students where they might get the information they're looking for, how to connect it to the problem, and what it means! The student should have a better grasp of the problem

The super-relevant information:

- There is no consistent pattern between social media activity and the extremely high-income BCs.
- There is a <u>very big difference in website sales</u>. **Move to Question 2**. You can revisit Q1 if there is time

Question 2

What website differences, or website advertisements might make sales more popular on certain webpages?

What errors with Beautify's system or technology would you look for if the difference in BC income seemed like a system error?

Open-ended and up for discussion! Encourage the student to keep thinking aloud and offer your own insights if they clamp up.

Resources

- The Original Beautify Case: https://www.mckinsey.com/careers/interviewing/beautify
- The Best Prep with Video Guide: https://jobs.capitalone.co.uk/business-analyst-case-study-guide
- The Best Cases to do Timed/Formal Practice with: https://caseinterviewprep.deloitte.com
- Website listing additional practice: https://mconsultingprep.com/case-interview-examples