

# **LET'S SOLVE A CONSULTING CASE**



# **PROBLEM STATEMENT**

**Hey. Let's start with a case.**  
**Your client is Fringles, a**  
**famous Soya chip**  
**manufacturer in India.**  
**Fringles has been reporting**  
**declining profits for the last**  
**one year. They have**  
**approached you to diagnose**  
**the problem immediately.**

# INTERVIEW THREAD

**Interviewee:** Interesting. I'd like to understand the problem a little better. Can I know the quantum of the decline in profits? I'd also like to understand if profits have gone down across India.

**Interviewer:** Sure, profits have gone down by 20%. Good question. Profits have been affected only in Western India. The rest of India has reported good results.

**Interviewee:** Okay. I'd like to know the product categories we offer in Western India.

**Interviewer:** Sure. For the purpose of this case, assume there is one type of Classic Soya Chip sold in Western India by us.

**Interviewee:** Great. I'd like to know if our competitors in Western India have also seen a decline in profits.

**Interviewer:** No, they haven't. You can assume it is a client-specific issue.

**Interviewee:** Great. I can now begin. Profits are a function of revenues minus costs. So, I'd like to understand whether revenue has fallen or costs have increased, or a combination of both.

**Interviewer:** Focus on revenues.

**Interviewee:** Since we are focussing on only one type of product, this becomes our primary revenue source. Are there any other revenue streams I need to identify?

**Interviewer:** No. You may proceed.

**Interviewee:** Sure. Revenues from the Classic Soya Chip can be down due to the volume sold or due to the average price charged. I hypothesize that the volume sold has gone down, and the price has remained constant since the problem is only in one part of India.

**Interviewer:** You're right, let's look at volume sold.

**Interviewee:** Analysing the steps of the value chain (*candidate ignores market size since it is not an industry-wide problem*), do we know if there has been a fall in the production, distribution, or demand of our Classic Soya Chip?

**Interviewer:** There has been a fall in demand.

**Interviewee:** Sure. So, for some reason, customers have been preferring our competitors' products over ours. I would like to analyze the following buckets:

## **Interviewee:**

1. Need: Maybe there has been a reduction in the need for the type of chips we sell, probably due to substitutes. But since it is not an industry-wide problem, I do not think this is the cause
2. Awareness: This would entail both positive promotion and publicity we're undertaking that might have gone down or negative publicity that we've received. Our competitors might also be aggressively pushing their products.
3. Affordability: Maybe our competitors have reduced prices or offered more lucrative payment schemes.
4. Accessibility: Here, I would benchmark how many stores our competitors are present in and also look at how dispersed we are compared to them to ensure that we're accessible to all customers.
5. Experience: Here, I would analyze the entire experience, from buying our product to its taste and other features.

**Interviewer:** Brilliant. In fact, let's look at the need aspect.

**Interviewee:** That's interesting. There seems to be a need of the consumers that is being fulfilled by our competitors but not by us. I want to divide this need into 3 types:

1. Method of packaging – They might prefer certain types of packaging over others. Eg. Recyclable packaging.
2. Quality and health considerations – There might be a requirement for healthier chips. Eg. Cholesterol-free or baked chips.
3. Status and public perception – Certain brands might have a perception attached to them that we do not.

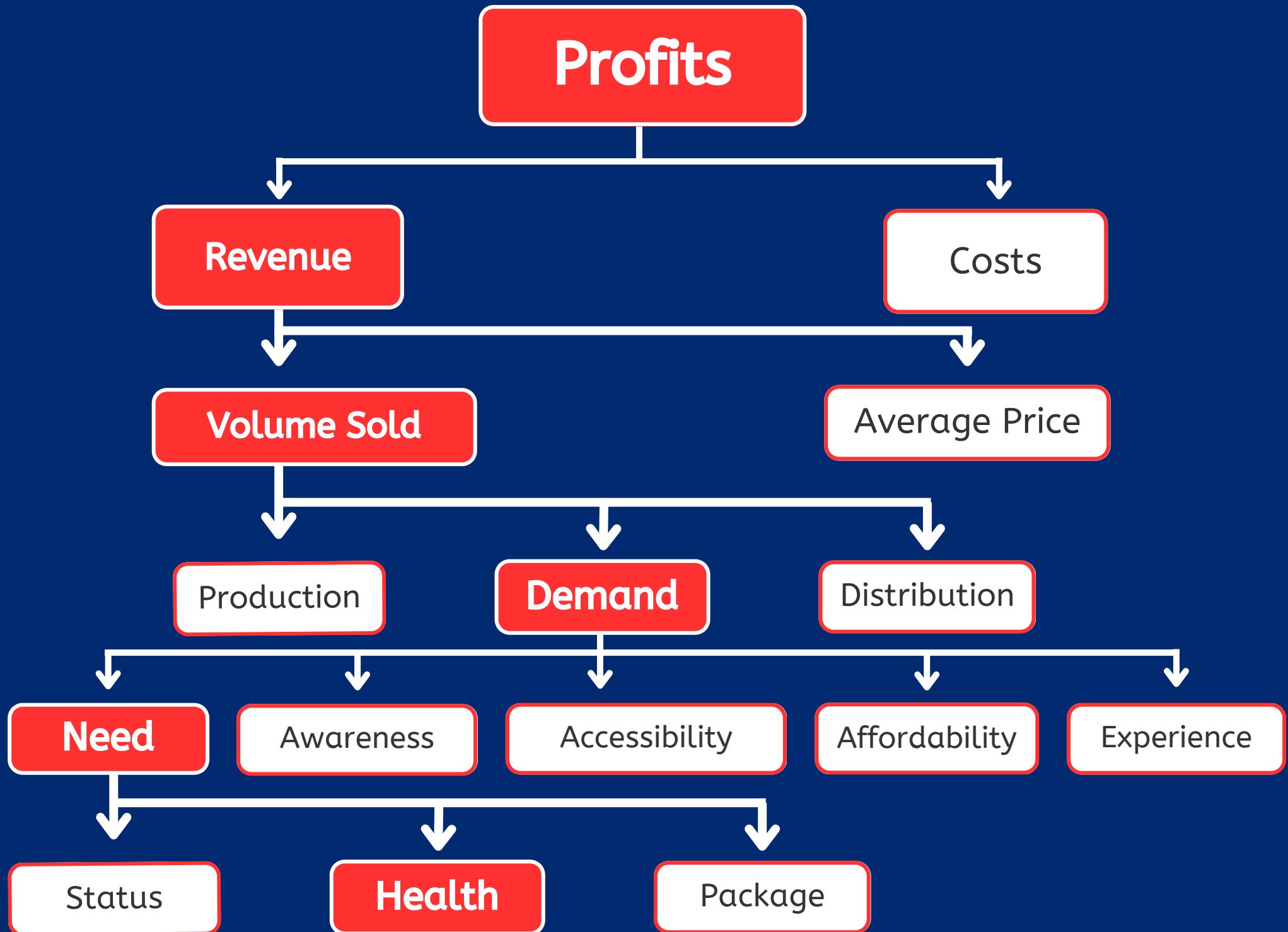
**Interviewer:** Great. You have identified it correctly. The last year has seen a huge wave of baked goods in Western India.

**Interviewer:** While all competitors have taken note of this, we haven't reacted to it yet and are still making fried chips. You may give us your recommendations now.

**Interviewee:** Thank you for the case!

**THAT'S A WRAP!**

# FRAMEWORK



# CONSULTING FELLOWSHIP

McKinsey  
& Company

Mentors from

Deloitte. BCG



Dalberg

accenture

- 1 **2.5 or 6 months, 10 mentors, and 30+ hours of live mentorship on Consulting careers, CV making (including 1:1 edits), Guesstimates & Case Interviews.**
- 2 **Rigorous interview practise through real-time guesstimates solving & buddy teams for mock cases.**
- 3 **Placement Assistance through employee referrals by our MBB & Dalberg mentors. Regular job updates from consulting firms. Industry Breakdown for cases.**
- 4 **Live case project (& certificate) with a real life client & business problem. CV templates & interview preparation resources along with 1:1 Mentorship.**

**SIGN UP**

(Registration Link is in  
the comments)