Pigment Prospects

The client specializes in producing pigments used in household paints and cosmetics. As a family-run business, they are looking to invest and are deciding between the house paint and makeup segments. Their main objective is to improve their business and secure its future. Evaluate segments where they can diversify.

CASE TYPE

Market Entry

COMPANY NAME

McKinsey & Co.





Pigment Prospects Coloring the world, one segment at a time!



Problem Statement The client specializes in producing pigments used in household paints and cosmetics. As a family-run business, they are looking to invest and are deciding between the house paint and makeup segments. Their main objective is to improve their business and secure its future. Evaluate segments where they can diversify.

Case Overview

CASE TYPE

Market sizing

COMPANY NAME

McKinsey

ROUND

Buddy Round

DIFFICULTY



CLARIFYING QUESTIONS ASKED

Could you tell me about the client's history, current products and manufacturing units?

Could you please provide me some insights into the structure of the value chain?

Case Approach



Developed evaluation criteria (financial feasibility, operational viability, competitive analysis), enabling assessment of potential ventures.



Identified barriers to entry as well as legal and operational risks.



STEP 3

Projected the potential revenue by considering factors such as population, gender etc.



STEP 4

Analyzed the ROI. Evaluated the financial viability of the venture by comparing the projected revenue with the initial investment.