

# Consulting in IIT Roorkee

**Management Consulting** has always been one of the most attractive fields to pursue as a career. Seeing the growing enthusiasm for **consulting and product management-related profiles** in the institute, different campus groups such as **Society of Business** are working towards conducting different activities that enrich students' interest in consulting throughout the semester

They have been instrumental in organizing **consulting weekends, case competitions** and other activities in the consulting domain with the vision to build a strong community of efficient **problem solvers** and strengthen the growing culture.



# Society of Business

Established as ShARE IITR in 2009, and re-branded as **Society of Business** in 2023, we strive to develop efficient problem solvers in the institute. We work towards promoting the pursuit, discussion and exploration of consulting, product management & analytics in the institute and are the primary contact for these activities on campus. Our group has been instrumental in the vision to build a strong community of efficient problem solvers and strengthen the growing culture of consulting, analytics and product management.



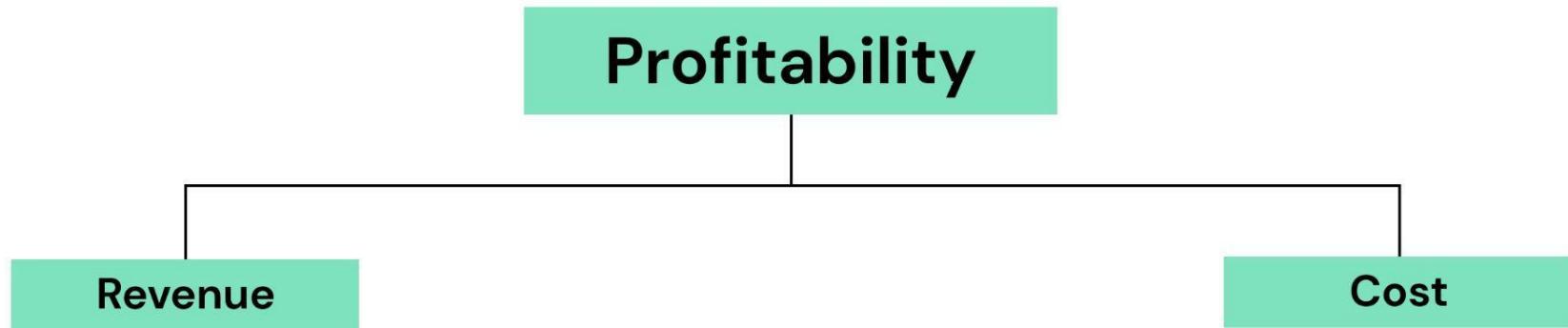


# Framework – Workshop

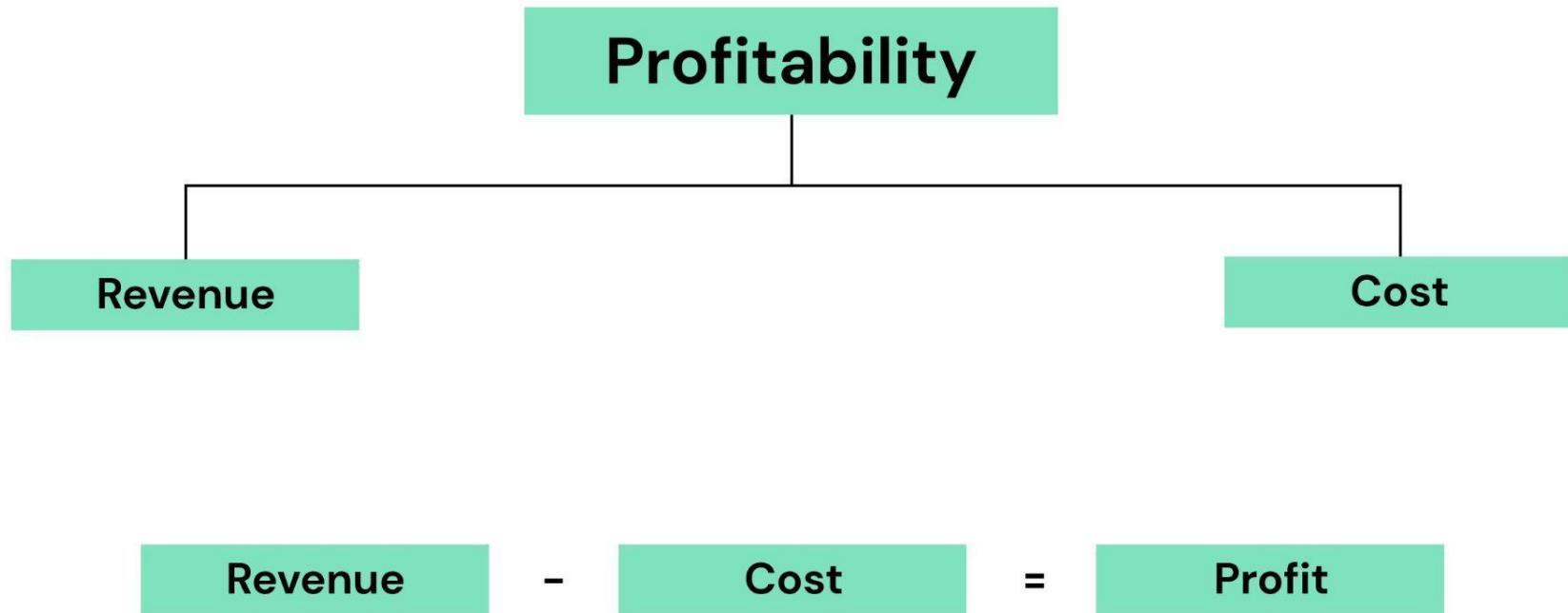
## Profitability

Also known as Income Statement

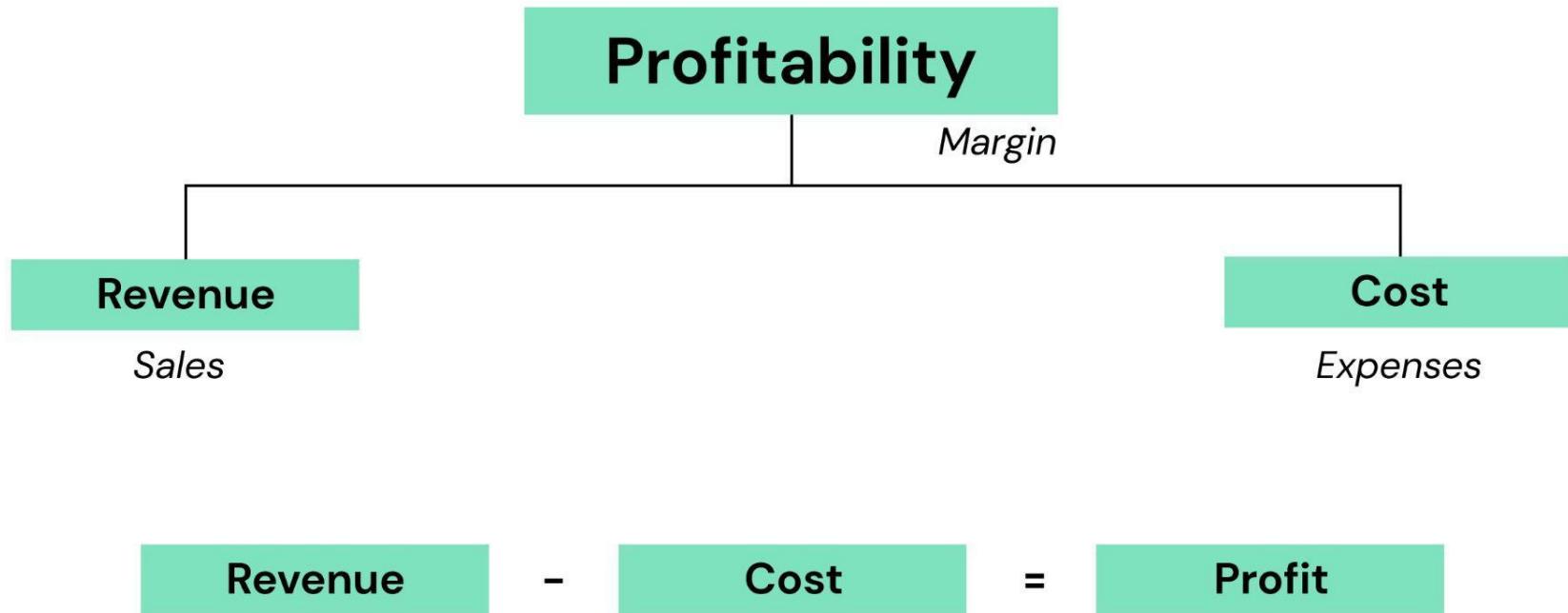
# Framework – Workshop



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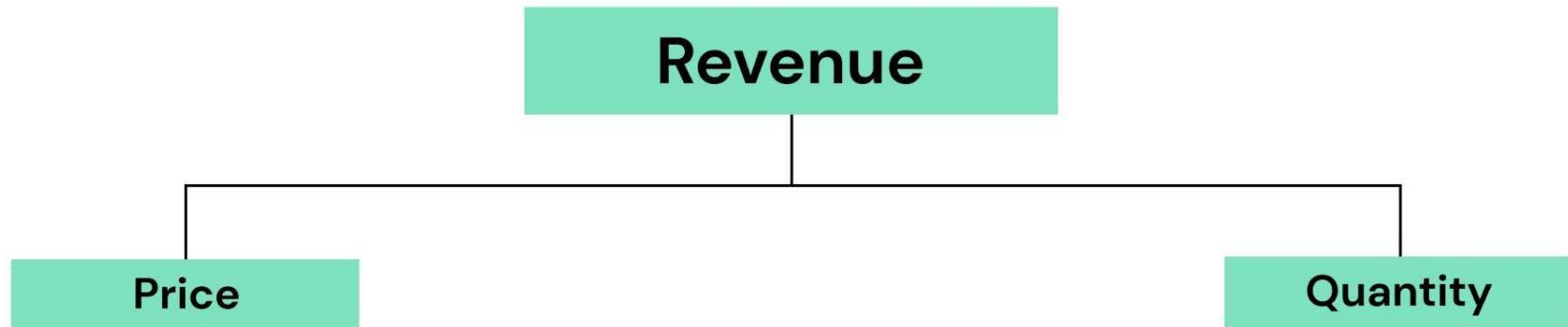


# Framework – Workshop



Further we will bifurcate Revenue and Cost

# Framework – Workshop



$$\text{Price} \times \text{Quantity} = \text{Revenue}$$

A General Formula would be

$$\sum ( \text{Price}(i) \times \text{Quantity}(i) ) = \text{Revenue}$$

*i is the category of product*



# Framework – Workshop

A General Formula would be

$$\sum( \text{Price}(i) \times \text{Quantity}(i) ) = \text{Revenue}$$

## Dynamics

Price \$10      Quantity 20 Unit      Revenue \$200

Price \$5      Quantity 40 Unit      Revenue \$200      Equilibrium

Price \$7      Quantity 25 Unit      Revenue \$175      Don't      Exceptional cases

Price \$7      Quantity 30 Unit      Revenue \$210      Do

Price \$13      Quantity 15 Unit      Revenue \$195      Don't

Price \$13      Quantity 18 Unit      Revenue \$234      Do      Premium segment

Price \$13      Quantity 26 Unit      Revenue \$338      Do      Exceptional cases



# Framework – Workshop

## Dynamics (case specific)

### Price

*Competition  
Marketing cost  
Demand Supply*

### Quantity

*Marketing Cost  
Replacement Product  
Bad Product  
Not useful anymore  
Distribution  
Target audience  
Lack of Inventory*

### Revenue

*Marketing Cost  
Demand and Supply*

*These are some of the area you should deep dive to understand why the profit, quantity or revenue is going down or not increasing anymore.*

# Framework – Workshop





# Framework – Workshop

## Direct Cost

*Higher the quantity, Higher the cost*

*Cost of Raw materials – Also **Called Cost of Goods Sold (COGS)***

*Marketing Cost – Its has a fixed as well as a variable component*

*Cost of Marketing is **Directly Proportional to Quantity***

## Indirect Cost

*Higher the quantity, Higher the cost*

*Manufacturing Plant – whether you produce 10 Units or 100 units*

*Overhead Expenses – Salaries (Irrespective of how much work is being done by the employee) Office space (Maintenance cost, Rent, Electricity)*

# Framework – Workshop

## Revenue

- Direct Cost

= Gross Margin

- Indirect Cost

= Operating Margin or EBIT (*Earning before Interests and Taxes*)

- Interests and Taxes

= Net Profit

*Here you analyze is it drop in Net profit, Gross Profit, etc*



# Framework – Workshop

*What are some of the reasons, Why **direct** cost could be increasing?*

*Maybe the cost of raw materials has increased*

*Cost of Supply (You don't have enough suppliers)*

*Transportation cost*

***and its not like these are the only reason, its basically case specific  
you have to be creative***

*What are some of the reasons, Why **indirect** cost could be increasing?*

*Indirect cost is fixed in nature, but if you are not utilizing it then its also  
consider as increasing because your per unit price becomes higher*

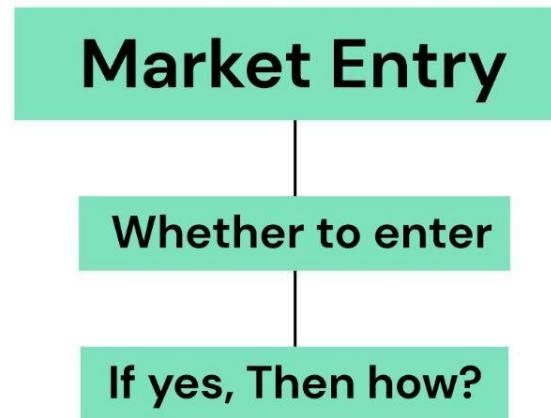
***so to reduce the fixed cost maximize the utilization***



# Framework – Workshop

**Market Entry**

# Framework – Workshop



# Framework – Workshop

## Whether to enter

- a) Market and industry
- b) Customer
- c) Product
- a) Company Capability

# Framework – Workshop

## Whether to enter

### a) Market and industry

Market Size

Growth trends

Competitors

Market share of competitor

### b) Customer

TAM

Target segment

Behavior

Growth Trends

### c) Product

USP

Substitute

Differentiate

Prize

### a) Company Capability

People

Technology

Other Assets

Relation with suppliers

Capital

# Framework – Workshop

## How

Built everything from Scratch

Acquisition

Partnerships and JV

# Framework – Workshop

**How**

Built everything from Scratch

Acquisition

Partnerships and JV

**Cost – Benefit  
Analysis**



# Framework – Workshop

**“The world is full of obvious things which nobody by any chance ever observes but Consultants are an exception”**

*Solving a Case is all about breaking it into smaller chunks*



# Framework – Workshop

**“The world is full of obvious things which nobody by any chance ever observes but Consultants are an exception”**

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# Profitability Case

## Analysing decline in profits of Anti-mosquito products

Your client is a pan-India FMGC company which sells anti-mosquito products. They ask you as a consultant to advise them on how to increase their revenues.

How would you approach this problem considering various factors like target audience, product mix, pricing, etc.

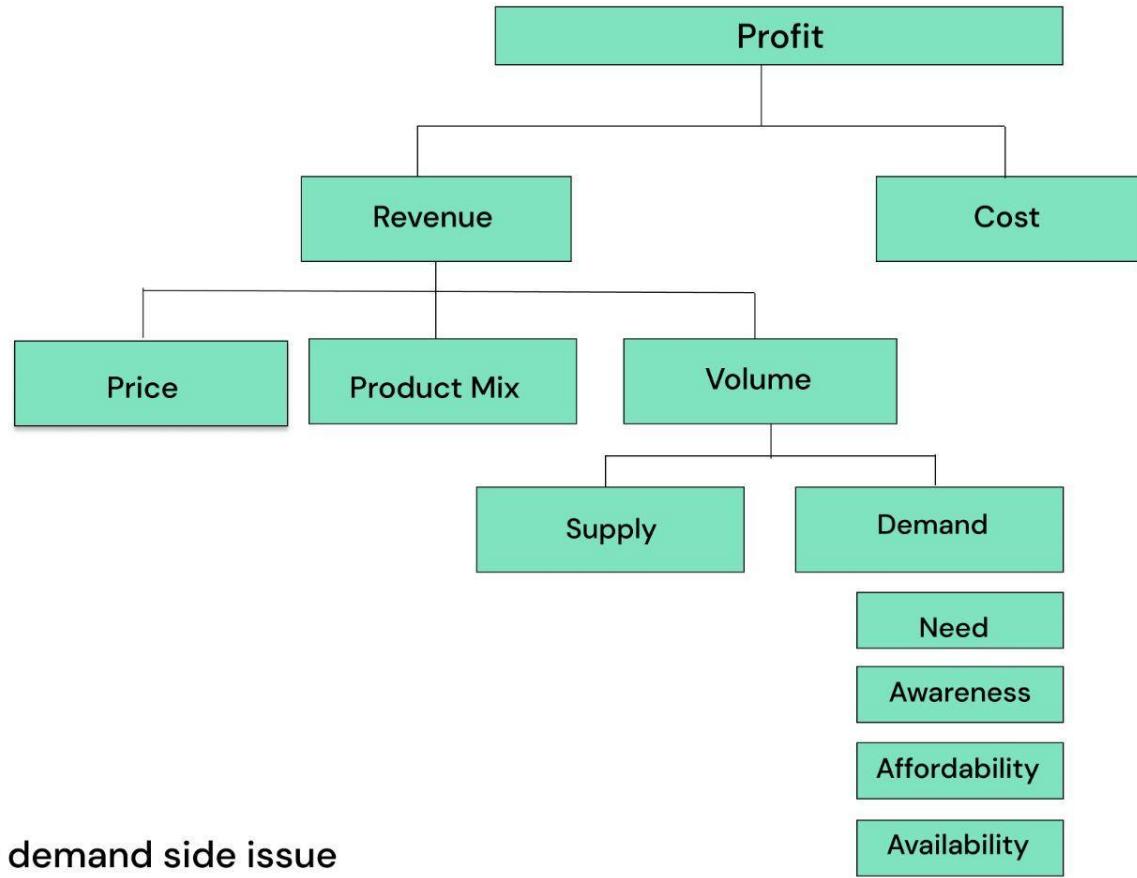


After reviewing the case, consider the key questions you need answers to in order to address the problem statement effectively

# Profitability Case – All OUT

## Interviewee Notes

1. Client wishes to achieve double digit CAGR in the next 3 years
2. 3 kinds of products- liquid vapor, spray, coil. Liquid vapor would be primary focus
3. The client had less than 5% growth, whereas category grew by 7-8% for the liquid vapor product
4. The price range of the product is Rs 54-72 per pack



## Key Takeaways:

Used the profitability framework- demand side issue

Asking the preliminary focus product question was essential. Whether there was a supply side issue or a demand side issue for driving volumes was a critical information to consider

Using the need, awareness, affordability, availability, and customer experience framework; identifying potential issues under each head and giving recommendations for the issues gave structure to the case

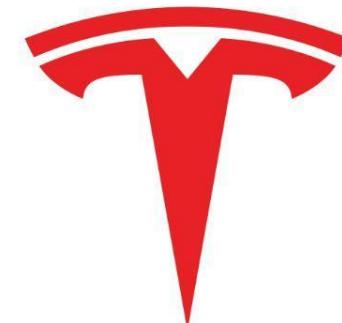
# Market Entry Case

## Launching TESLA in Indian Market

Tesla, known for its innovative electric vehicles (EVs) and clean energy products, is considering entering the Indian market. India, with its vast population and rapidly growing economy, presents a unique set of opportunities and challenges.

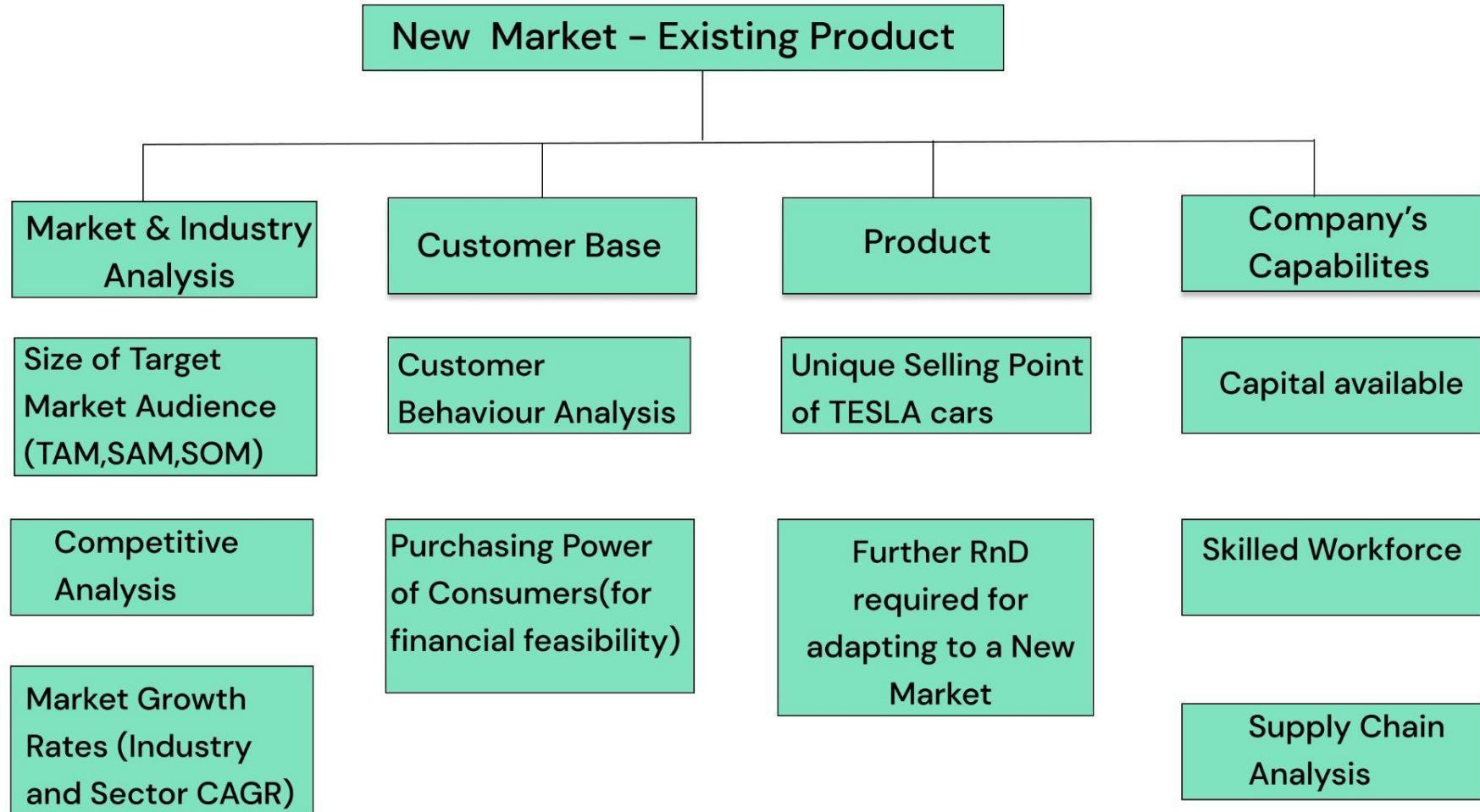
Your task is to evaluate Tesla's potential market entry into India, considering various factors that could influence its success or failure. This includes assessing market readiness, regulatory environment, consumer behavior, potential partnerships, and competitive landscape.

After reviewing the case, consider the key questions you need answers to in order to address the problem statement effectively



TESLA

# Market Entry Case – TESLA



# RECRUITMENT TALK



24TH JAN

4 :30 PM | APJAKB - 103