

CASE INTERVIEW FRAMEWORKS

The Four Ps

This is a useful framework for evaluating marketing cases. It can be applied to both products and services. The Four Ps consist of:

Price

The price a firm sets for its product/service can be a strategic advantage. For example, it can be predatory (set very low to undercut the competition), or it can be set slightly above market average to convey a "premium" image. Consider how pricing is being used in the context of the case presented to you.

Product

The product (or service) may provide strategic advantage if it is the only product/service that satisfies a particular intersection of customer needs. Or it may simply be an extension of already existing products, and therefore not much of a benefit. Try to tease out the value of the product in the marketplace based on the case details you have been given.

Position/Place

The physical location of a product/service can provide an advantage if it is superior to its competition, if it is easier or more convenient for people to consume, or if it makes the consumer more aware of the product/service over its competition. In the context of a business case, you may want to determine the placement of the product or service compared to its competition.

Promotion

With so much noise in today's consumer (and business to business) marketplace, it is difficult for any one product/service to stand out in a category. Promotional activity (including advertising, discounting to consumers and suppliers, celebrity appearances, etc.) can be used to create or maintain consumer awareness, open new markets, or target a specific competitor. You may want to suggest a promotional strategy in the context of the case you are presented relative to the promotional activity of other competing products/services.

The Four Cs

The Four Cs are especially useful for analyzing new product introductions and for industry analysis.

Customers

How is the market segmented?

What are the purchase criteria that customers use?

Competition

What is the market share of the clients?

What is its market position?

What is its strategy?

What is its cost position?

Does he/she have any market advantages?

Cost

What kind of economies of scale does the client have?

What is the client's experience curve?

Will increased production lower cost?

Capabilities

What resources can the client draw from?

How is the client organized?

What is the production system?

The Five Cs

This framework is mostly applied to financial cases and to companies (although it can be applied to individuals). You may employ it in other situations if you think it is appropriate.

Character

Evaluate the dedication, track record, and overall consumer perception of the company. Are there any legal actions pending against the company? If so, for what reason? Is the company progressive about its waste disposal, quality of life for its employees, and charitable contributions? What sort of impact would this have on the case you are evaluating?

Capacity

If you are dealing with a manufacturing entity, are its factories at, above, or below capacity, and for what reasons? Are there plans to add new plants, improve the technology in existing plants, or close underperforming plants? What about production overseas?

Capital

What is the company's cost of capital relative to its competitors? How healthy are its cash flows, revenues, and debt load relative to its competition?

Conditions

What is the current business climate the company (and its industry) faces? What is the short- and long-term growth potential in the industry? How is the market characterized? Is it emerging or mature? These questions can assist you in evaluating the facts of the case against the environment that the company/industry inhabits.

Competitive Advantage

This is the unique edge a company possesses over its competitors. It can be an unparalleled set of business processes, the ability to produce a product/service at a lower cost, charge a market premium, or any number of other assets that create an advantage over other market players. Whatever the case, these advantages are usually defensible and not easily copied.

In evaluating business cases using the Five Cs framework, you should look for those unique qualities that a company possesses and identify any that meet the criteria mentioned above. You may suggest that the company leverage its competitive advantage more aggressively or recommend alternatives if that company has no discernible advantage.

The BCG Matrix

The BCG Matrix, named after the Boston Consulting Group (BCG), is perhaps the most famous 2x2 matrix. The matrix measures a company's relative market share on the horizontal axis and its growth rate on the vertical axis.

