



Introduction to Case Frameworks

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Welcome to the Snider Consulting Group's guide on consulting case frameworks! We're happy you're here.

If you are new to case prep and have not yet read our [Introduction to Consulting Case Interviews](#) we would recommend reviewing that information first before returning to this article.

In this article we intend to explore what case frameworks are, how frameworks help solve business problems, and some of the business factors you should consider when answering common case questions.

Defining Frameworks

Now, let's get right down to business. **Frameworks in case interviews are concise, categorized lists outlining the information you would need to know to answer a business question.**

Frameworks are used to answer business situation or strategy questions where the candidate is presented with a business scenario based on real world challenges. For

example, "A leading shoe manufacturer is experiencing declining sales. How should they reverse this trend?" These cases test the candidate's ability to structure the problem, ask the right questions, and propose actionable solutions.

Frameworks are generally NOT used to answer specific quantitative questions that are also common throughout case interviews. For example, "A leading shoe manufacturer produces shoes at a cost of \$5 and sells them for \$10, what is the manufacturer's profit margin per shoe?"

But how should we go about building a framework? How should we decide what to include or leave out? Let's walk through a concrete example to find out.

Practical Example: TV Purchase Decision

Imagine the following scenario: **You have decided to buy a new TV but you don't know which one to get. What would you want to know about each TV you are considering before you can decide which specific one to purchase?** You can imagine you are browsing on Amazon or walking through BestBuy while making this decision.

Level 1: Simple Lists

Here are some of the things that come to mind. Let's look at this from one hypothetical person's perspective whom we'll call "Joe":

- How big is the TV? Joe wants it to be at least as large as his old TV.
- What is the screen resolution? Joe wants to be able to play 4K movies and games.
- How does the audio sound? Joe's last TV sounded muffled at times.
- Will the TV come with any smart features? Joe doesn't want to buy another Roku or Amazon Fire Stick if he doesn't have to.

Great, this gives us a decent start. This certainly isn't an exhaustive list of things we could consider, but when you're making a relatively small decision like a TV purchase, a short list of the most important factors might be all you need to consider.

Unfortunately, no one is paying consulting firms millions of dollars to make small decisions like this one. For important business decisions, your clients will want to know that you've considered everything important to the decision before making your final recommendations on how to proceed.

Level 2: Organized Lists

That's where frameworks come in. Frameworks help you organize your thoughts and ensure you've covered all the bases for your client. Let's try the TV example again, but this time in a simple framework.

Visual features

- Size?
- Resolution?
- Color quality?
- Maximum brightness?
- Curved display or standard?

Audio features

- Maximum decibel output?
- Number of speakers?
- Surround sound included?
- Bass performance?

Software / SmartTV features

- Roku built in?
- FireTV built in?
- Other proprietary software? What apps?
- Ports available to connect 3rd party smart devices?

This is starting to look much better. We've taken our original bulleted list, organized it into categories (aka "buckets"), and added some additional bullet points under each category.

But how did we end up with these specific bullet points? Why didn't we add TV weight, or the number of screws it contains, or whether or not it has a built-in camera? This is because we should only include categories (aka buckets) and bullet points (aka ideas) that would actually influence our decision on whether or not to buy any particular TV. Because

Joe (our client) doesn't care about the TV weight, the number of screws holding it together, or whether or not it has a camera built in, we shouldn't include those factors. These factors wouldn't help Joe make his decision.

Put another way, notice that each bullet point ends in a question mark because each bullet point represents information we NEED TO KNOW in order to decide which TV to purchase. If you think of a bullet point or category that wouldn't potentially influence your or your client's final decision, don't include it in your framework. On the other hand, if you can think of more buckets or ideas that WOULD impact your final decision, make sure to include those!

Level 3: Exhaustive Organized Lists

Take a moment and see if you can think of any additional buckets or bullets that you would include in your complete framework.

Here is an expanded framework with everything we can think of that could impact Joe's decision on which TV to buy:

ORIGINAL BUCKETS

Visual features

- Size?
- Resolution?
- Color quality?
- Maximum brightness?
- Curved display or standard?

Audio features

- Maximum decibel output?
- Number of speakers?
- Surround sound included?
- Bass performance?

Software / SmartTV features

- Roku built in?

- FireTV built in?
- Other proprietary software? What apps?
- Ports available to connect 3rd party smart devices?

ADDED BUCKETS

Pricing **How could we have forgotten pricing?!?**

- Affordable?
- Similar to competing products?
- Monthly payment plan available?
- Discounts available?

Interface / remote control

- Roku remote?
- Phone app controls?
- Standard remote?

Purchasing channel options

- In a store nearby?
- Online shipping?
- Amazon Prime shipping?

Home fit / compatibility

- Where will it fit in my house?
- How will it stand / be mounted?

Awesome! Now we have a list of everything Joe needs to consider when deciding which TV to purchase.

Keep in mind, these factors could change if Joe's situation or the market changes. For example, if Joe wins a billion dollar lottery it's safe to say he will no longer care if there are any discounts on the TV, so we could take that off the list. Alternatively, imagine Joe becomes visually impaired and can no longer see my TV clearly. We might add a new bucket called "Accessibility Options" with things like "voice activated controls?" on the list to account for Joe's individual needs. The same is true of businesses. Frameworks are not a one-size-fits-all. You will need to tailor your frameworks to the needs of each individual business.

When building frameworks, always keep this key question at the forefront of your thinking: **what does your client need to consider in order to make the right decision or accomplish their goal?**

Common Framework Question Types

With that said, framework questions often fall into one of several common categories that you are sure to encounter in your case prep journey. While most people have had experience thinking through what factors you might want to consider when purchasing a product in their daily lives, the common problems a business faces can be much less familiar. **Therefore, familiarizing yourself with these common problems and the general factors you should consider when solving them can give you the foundational knowledge you need to build an applicable and customized framework.**

Let's look at three examples of common business problems and generate frameworks to solve them, just like we did with the TV example. You should not attempt to memorize these frameworks as a whole, rather you should become familiar with their individual parts and the intuition behind why each part was used to answer this question so you can apply it to answer similar questions in the future.

Here are the three common types of framework questions we will walk through today:

- **Market Entry:** "A leading American bicycle manufacturer wants to enter the German market. What factors should they consider and would you recommend this?"
- **Product Launch:** "A tech company is considering launching a new smartwatch. How should they approach this?"
- **Profitability Decline:** "A major retail chain has seen a consistent decline in its profitability over the past two years. What could be the potential reasons, and how can they address this?"

There are several more common case types covered in SCG: *Common Case Questions and Frameworks*.

Before we look through these common framework types, it is useful to understand two acronyms that provide guiding principles for writing good case frameworks. Let's review them briefly below:

- **MECE (Mutually Exclusive, Collectively Exhaustive):**
 - Mutually Exclusive: This means that categories or segments don't overlap with each other; each element should fall into one and only one category.
 - Collectively Exhaustive: This means that the categories or segments, when combined, account for all possible options or scenarios without missing any.
 - MECE is a fundamental principle in consulting, used for structuring problems and ensuring that solutions cover all possibilities without overlap.
- **Big MAC (MECE, Applicable, Customized):**
 - As already explained, MECE stands for "Mutually Exclusive, Collectively Exhaustive".
 - Applicable: This emphasizes that any framework or solution you bring to a case should be relevant to the specific problem at hand.
 - Customized: Even though there are standard frameworks in consulting, every client and problem is unique. Hence, solutions should be tailored to the specific circumstances of the case, rather than applying a one-size-fits-all approach.

Now, let's jump right into the first common case question category, market entry.

Market Entry

Market entry questions involve a client who wishes to expand into a different geographic market or customer segment that they are less familiar with serving. Your job is to determine what the company should consider before engaging in this pursuit and deciding whether or not it makes sense for them to do so at all.

Here are three examples of market entry questions:

- "A prominent Japanese online fashion retailer is contemplating expansion into the Brazilian market. What elements should they take into account, and would you recommend this expansion?"
- "A renowned Italian coffee brand is keen on launching its specialty coffee range in the Australian market. Which aspects should they evaluate, and would entering this market be a prudent decision?"
- "A top-tier Indian software-as-a-service (SaaS) company specializing in HR solutions is considering branching out to the Canadian business sector. What factors should they consider, and would you recommend such an expansion?"

Now, let's return to the bicycle question we're going to answer:

Market Entry: "A leading American bicycle manufacturer wants to enter the German market. What factors should they consider and would you recommend this?"

Here is our complete framework. Please note that this framework is more detailed than you would need in a real case interview, but this is useful to illustrate the full thought process behind a framework. More on that later.

- Market Analysis:
 - Market Size:
 - How many bicycles are sold in Germany annually?
 - Understanding the market size helps gauge the potential scale and opportunity in the German market.
 - What's the annual revenue from bicycle sales in Germany?
 - This provides insight into the monetary value of the market and potential revenue streams.
 - What's the growth rate of the German bicycle market?
 - A growing market may present more opportunities for new entrants.
 - Competition:
 - Who are the major bicycle brands in Germany and what is their market share?
 - Knowing the competition helps identify market leaders and potential competitive threats.
 - What types of bicycles are German competitors primarily offering?
 - This informs product strategy and potential differentiation.
 - How strong and reputable are competitor brands in the German market?
 - Understanding competitors' brand strengths can help inform positioning and marketing strategies.
 - Regulatory Environment:
 - Are there import duties or tariffs specific to bicycles entering Germany?
 - Tariffs can impact cost structures and pricing strategies.
 - What are the local German regulations concerning bicycle safety and standards?
 - Ensuring compliance is crucial to avoid legal complications and potential recalls.
 - Are there specific environmental or sustainability regulations for bicycles?

- To adhere to local standards and cater to eco-conscious consumers.
 - Market Trends:
 - Is there a notable shift towards e-bikes in Germany?
 - Adapting to or capitalizing on trends can provide competitive advantages.
 - What are the prevalent trends in German commuting, leisure, or sport cycling?
 - Helps in product alignment and targeting specific consumer segments.
 - Are certain bicycle types (e.g., mountain vs. road bikes) more popular? Can guide inventory and product development decisions.
- Customer Analysis:
 - Demographics:
 - What are the age, income, and other key demographics of German bicycle purchasers?
 - Understanding the target audience ensures more effective marketing and product design.
 - How prevalent is cycling culture in Germany (e.g., family, sport, leisure)?
 - Insight into the cultural significance can impact marketing narratives and product emphasis.
 - Psychographics:
 - Why do German consumers typically purchase bicycles (e.g., fitness, transport)?
 - Understanding motivations can inform sales pitches and advertising campaigns.
 - How loyal are German customers to their preferred bicycle brands?
 - This informs potential challenges in shifting brand loyalties.
 - Purchase Behavior:
 - Where do German consumers primarily buy their bicycles (online, stores)?
 - Informs distribution channel strategy.
 - How price-sensitive are German bicycle purchasers?
 - Guides pricing strategy and value proposition.
- Company Capabilities:
 - Product Line:
 - How well-suited are our bicycles for the German market?
 - Ensures product-market fit and potential need for adjustments.

- Do we need to modify our bicycles or introduce new models for Germany?
 - Adapting products can help meet specific market needs and preferences.
 - Manufacturing and Supply Chain:
 - Can our current manufacturing handle the German market demand?
 - Assesses scalability and potential investment needs.
 - What's our cost structure for supplying bicycles to Germany?
 - Vital for profitability calculations and pricing strategies.
 - Brand and Marketing:
 - How is our brand perceived in Germany, if at all?
 - Provides a starting point for marketing and branding efforts.
 - Are we equipped to market effectively to German consumers?
 - Assesses readiness and potential areas for investment in marketing.
- Entry Strategy:
 - Modes of Entry:
 - Should we directly export to Germany, form a joint venture, or set up local operations?
 - Different entry modes come with varying costs, risks, and benefits.
 - Distribution Channels:
 - Should we partner with local German distributors or establish our own channels?
 - This impacts control over sales, margins, and customer experience.
 - Marketing and Branding:
 - How should we adapt our marketing strategies for the German audience?
 - Localization often leads to more effective market penetration.
 - Are there local endorsements or collaborations that would benefit our entry?
 - Strategic partnerships can enhance brand credibility and reach.
- Profitability:
 - Cost Structure:
 - What would be our cost breakdown for selling bicycles in Germany?
 - Crucial for understanding profit margins and financial viability.
 - How much would import duties, tariffs, and shipping to Germany cost us?

- Directly impacts product pricing and profitability.
 - Revenue Projections:
 - What pricing strategy should we adopt for the German market?
 - Affects competitiveness and profit margins.
 - Based on our capabilities and the market, how many bicycles can we expect to sell?
 - Key for revenue forecasting and setting realistic targets.
 - Break-even Analysis:
 - How many bicycles do we need to sell in Germany to cover our costs?
 - Provides a milestone for initial business success.
- Risks and Mitigations:
 - Market Risks:
 - How could consumer demand in Germany fluctuate over time?
 - Anticipating volatility helps in resource planning.
 - Are there broader economic factors in Germany that could impact bicycle sales?
 - Contextual understanding aids in long-term planning and risk management.
 - Operational Risks:
 - What potential supply chain issues could arise in serving the German market?
 - Anticipating challenges ensures smoother operations.
 - Are there any quality or recall risks specific to selling in Germany?
 - To manage brand reputation and avoid potential legal challenges.
 - Mitigation Strategies:
 - How could we diversify our supply chain for Germany?
 - Reduces dependency risks.
 - Are there local partnerships that could help navigate challenges in the German market?
 - Strategic alliances can help in risk-sharing and leveraging local expertise.

Notice that we added a rationale for each piece of information we're seeking. In a real case interview, you could benefit from providing your rationale for one or two factors but certainly do not need to take the time to provide your rationale for every single one. Nonetheless, there should be a rationale behind each bullet you include even if you don't articulate it to the interviewer.

Additionally, keep in mind that this case framework includes significantly more detail than you would be expected to in a standard case interview. Since you have limited time in a case interview, aim to provide 2 to 5 primary buckets with around three bullet points under each one. You do not need to include sub-bullet points in most situations, but there are always exceptions.

Finally, remember that while you should not memorize this framework, it is good practice to become familiar with the buckets used to create it and form an understanding why they were used here so that you may use similar buckets in the future.

Now let's move on to the second common type of case question: product launch.

Product Launch

Product launch questions address the scenario where a client is looking to introduce a new product or service to the market. Your task is to discern the considerations the company should undertake before launching the product and to recommend whether the launch should proceed.

Here are three illustrative product launch questions:

- "A popular cosmetics brand is contemplating introducing a line of vegan beauty products. What elements should they evaluate, and would you advise going ahead with the launch?"
- "A global automobile company is eyeing the release of a self-driving car. Which factors should they weigh, and is this the right time to launch?"
- "An emerging health-tech firm plans to debut a telemedicine platform for remote consultations. What considerations should they prioritize, and would you endorse the launch?"

Returning to our earlier smartwatch example:

Product Launch: "A tech company is considering launching a new smartwatch. How should they approach this?"

Here is a detailed framework for approaching this question. This time, we've included an example of information you might uncover in your research and an explanation of how that new information could impact your recommendations to your client on how to approach the new product launch.

- Market Analysis
 - What's the current and projected market size for smartwatches?
 - Example: "In 2022, the global market size for smartwatches was \$20 billion and is projected to grow at 10% annually for the next 5 years."
 - Decision Influence: This growth trajectory suggests a continuing demand, making it a viable market to enter, but the strategy needs to account for rapid market evolutions.
 - Who are our target customers, and what are their needs and preferences?
 - Example: "Our primary target audience is health-conscious millennials. They prefer features like heart-rate monitoring, sleep tracking, and workout recommendations."
 - Decision Influence: The product design and marketing strategy should prominently feature health and fitness functionalities to appeal to this demographic.
 - Who are the key competitors and what's their market share?
 - Example: "Apple Watch holds 45% of the market share, followed by Samsung at 25% and Fitbit at 15%."
 - Decision Influence: With dominant players in the market, the product needs a unique selling point and robust marketing to gain a competitive edge.
 - What regulations pertain to wearable tech?
 - Example: "In the EU, smartwatches must adhere to GDPR for data collection and privacy."
 - Decision Influence: Compliance ensures the product won't face legal setbacks, especially in international markets. It might also entail additional development costs.
- Product Development
 - Is our smartwatch technically feasible with current technology?
 - Example: "Our envisioned feature of real-time blood sugar monitoring requires more advanced sensors which are currently in prototype stage."
 - Decision Influence: This might delay the launch timeline and should be weighed against the market advantage it could offer.
 - What design and user experience considerations are vital?
 - Example: "A lightweight design, customizable watch faces, and intuitive navigation are essential based on focus group feedback."
 - Decision Influence: Product design and interface need to prioritize these elements to enhance user satisfaction and adoption.
 - What features will differentiate our product from others?

- Example: "Our smartwatch will have a built-in AI assistant that can provide real-time workout feedback and coaching."
 - Decision Influence: Such differentiators should be highlighted in marketing campaigns and might justify a higher price point.
- Financial Considerations
 - How should we price the smartwatch?
 - Example: "Considering the features and target demographic, a price range of \$250-\$300 might be competitive."
 - Decision Influence: The chosen price range should balance profitability and market appeal, ensuring we remain competitive while maintaining margins.
 - What are the projected revenues?
 - Example: "If we capture just 2% of the market in our first year, we're looking at revenues of around \$400 million."
 - Decision Influence: Such projections can guide budgeting decisions and inform stakeholders of potential returns.
 - What will the cost structure look like?
 - Example: "Manufacturing costs per unit will be \$120, with marketing, distribution, and support adding another \$50 per unit."
 - Decision Influence: This provides clarity on profitability and areas where cost efficiencies can be achieved.
 - Do we have the necessary funding for the launch?
 - Example: "Currently, we have \$50 million in funding, which will cover the initial production run and marketing campaign. Additional funding rounds might be necessary."
 - Decision Influence: If more funding is required, strategies like seeking additional investors or scaling back the initial launch might be considered.
- Go-to-Market Strategy
 - Which sales and distribution channels are optimal?
 - Example: "Direct online sales from our website, partnerships with fitness chains, and placements in electronics retail outlets will be our primary channels."
 - Decision Influence: This will guide inventory management, partnership negotiations, and promotional strategies for each channel.
 - How will we promote the smartwatch?
 - Example: "A combination of social media campaigns, influencer partnerships, and in-store demos will be employed."

- Decision Influence: Marketing budget allocation should prioritize these channels, and the effectiveness of each should be continuously evaluated.
 - How will we support customers post-purchase?
 - Example: "24/7 chat support, a comprehensive online FAQ, and a 1-year warranty will be offered."
 - Decision Influence: This will impact customer satisfaction and loyalty, potentially influencing repeat purchases and brand reputation.
- Post-Launch Considerations
 - How will we collect and act on customer feedback?
 - Example: "We'll use in-app surveys, online reviews, and focus group sessions to gather feedback and make necessary product updates."
 - Decision Influence: This feedback loop will guide product iterations, ensuring market relevance and addressing any emerging pain points.
 - What are potential expansion opportunities post-launch?
 - Example: "Based on market reception, we can explore specialized editions, like a kid's version or a version tailored for senior citizens."
 - Decision Influence: Expansion plans can increase market share and diversify the consumer base, but they must be approached with careful market research.
 - What risks might we face and how will we mitigate them?
 - Example: "Potential risks include tech malfunctions, competitor imitation, and regulatory changes. We will address these with rigorous quality testing, continuous innovation, and staying updated on regulatory requirements."
 - Decision Influence: Risk management strategies should be incorporated into the overall plan, with contingency measures in place to address unforeseen challenges.

Note that, similar to the market entry example, we've incorporated additional details for each factor we've listed. During an actual case interview, focus on the primary buckets and major points, ensuring your framework is structured and MECE. While it's beneficial to know the rationale behind each point, during the actual interview, prioritize clarity and conciseness.

In essence, product launch cases require a blend of understanding the market landscape, gauging customer sentiment, and ensuring the product's technical and functional readiness. It's crucial to not only assess the viability of the product but also the potential challenges that may arise post-launch.

In the next section, we will delve into addressing "Profitability Decline" cases and explore how to identify and rectify a downturn in a company's earnings

Profitability Decline

Profitability decline questions are centered around scenarios where a company sees a decrease in its profitability over a certain period. Your responsibility as a consultant would be to identify the root causes of this decline and propose actionable solutions to mitigate or reverse it.

Before delving into the framework, it's paramount to understand a fundamental business concept: All profitability issues boil down to the simple equation of revenues minus costs. Revenues can be further dissected into the product of sales volume and price. A further dimension to consider within revenues is the product mix – different products or services might have varying profit margins and contribute differently to the bottom line. Here's a framework to systematically approach a Profitability Decline question. We will also include examples of possible drivers of revenue decline in each category, not just for this case but for various profit decline cases. We recommend mentioning examples of fixed and variable costs applicable to your client in an actual case interview.

- Revenues:
 - Sales Volume:
 - Drop in the number of units sold.
 - Example: A clothing retailer might see reduced footfall in its brick-and-mortar stores due to increased online shopping trends.
 - Changes in customer preferences or behaviors.
 - Example: A soda company may experience decreased sales as health-conscious consumers shift towards healthier drink alternatives.
 - External factors like regulatory changes, economic downturns, or new market entrants.
 - Example: A tobacco company could see sales decline after regulatory authorities enforce stricter advertising bans.
 - Price:
 - Inability to maintain or increase prices.

- Example: A tech firm might need to reduce software subscription prices due to aggressive pricing by a new market entrant.
 - Price discounting or promotional activities.
 - Example: An electronics retailer offering steep discounts during holiday sales, thus reducing the average selling price.
 - Product Mix:
 - Shift in the proportion of low-margin products sold.
 - Example: A cosmetic store noticing a higher sale of lower-margin generic products versus premium branded products.
 - Launch or discontinuation of certain products affecting the overall sales composition.
 - Example: A car manufacturer introducing a new budget model might experience an uptick in sales but a decline in average profit per unit sold.
- Costs:
 - Fixed Costs:
 - Increases in rent, salaries, or overheads.
 - Example: A restaurant having to move to a more expensive location, leading to increased rent costs.
 - One-off costs or unforeseen expenses.
 - Example: A tech company incurring significant legal costs due to patent infringement lawsuits.
 - Variable Costs:
 - Rise in raw material costs or supply chain disruptions.
 - Example: A chocolate manufacturer grappling with increased cocoa prices due to poor harvests.
 - Increase in production costs due to inefficiencies or outdated equipment.
 - Example: A toy factory witnessing higher defect rates due to obsolete machinery.
 - Product Costs:
 - Changes in the cost structure of specific products.
 - Example: A smartphone producer having to source more expensive components due to supply shortages.
 - Introduction of new products with different cost structures.
 - Example: A bakery introducing gluten-free products that have higher ingredient costs compared to traditional items.

Using this framework, you can holistically evaluate all potential factors contributing to a profitability decline.

Once you have completed your framework, you can often demonstrate additional business acumen by pointing out the area of your framework that you believe is most likely to be the cause of the profit decline and should, therefore, be investigated first. However, this step is not always required.

Conclusion

In the dynamic landscape of consulting, mastering case frameworks stands paramount to effective problem-solving both in case interview and real world projects. Frameworks serve not just as a guide to structure your thought process, but also as a tool to ensure that you are addressing every facet of the issue at hand.

Throughout this guide, we've introduced you to the essence of what frameworks are and the simple question you must ask yourself to determine what to include in your framework: "what does your client need to consider in order to make the right decision or accomplish their goal?"

Using our real-world TV example, we delineated how your frameworks can evolve from simple lists of ideas to exhaustive organized lists of factors customized to your client's unique situation.

Since not all business problems are as intuitive as our TV purchasing example, acquainting yourself with common business problems and the factors we must often consider to solve them you are not only better equipped to handle a variety of case scenarios but also poised to showcase your adaptability and attention to detail. Remember, the ultimate goal isn't to memorize frameworks, but to understand their underlying components and rationale.

As you move forward in your consulting journey, bear in mind the importance of adaptability. A framework that worked for one client might need alterations for another. Engage actively with each new challenge, use your foundational knowledge, and tailor it to the specifics at hand. With time and practice, creating impactful and effective frameworks will become second nature.

Thank you for taking the time to read this guide. We at the Snider Consulting Group are confident that you are now better prepared to face case interviews and real-world

consulting challenges head-on. Stay curious, remain diligent, and always keep refining your approach. Success in the world of consulting awaits!

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