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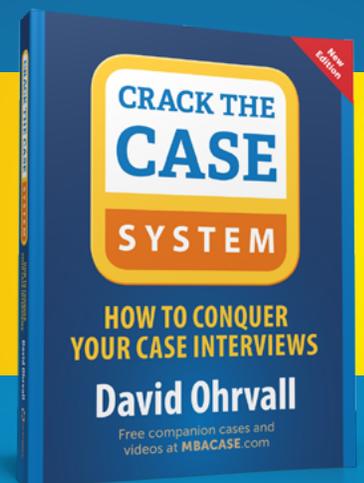
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CASE **406**

*EU Oil
Consumption*

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EU Oil Consumption

Brussels, Belgium

How green is the EU when it comes to oil consumption?

406
SIZING
★★★

**BRUSSELS CITY
FACTS**

- ▶ De facto capital city of the European Union
- ▶ French-speaking
- ▶ “Capital of the comic strip” with city walls covered in comic motif
- ▶ Known for its chocolate, waffles, beer and frites



TRAIN Profile

Type	Region	Analysis	Industry	Number
	<p>BRUSSELS, BELGIUM Population: 1.8M Currency: Euro, EUR, €</p>	<p>Observe, Range</p>	<p>Oil & Gas</p>	

Solo Practice with Video Assist

1. Find your videos
2. Set up
3. Listen to question
4. Recap
5. Create your plan
6. Present your plan
7. Stop and study
8. Reinforce



15 minutes

Partner Practice

1. Set up
2. Present the case question
3. Recap
4. Create your plan
5. Present your plan
6. Stop and study
7. Reinforce

Interview Guide

Initial Question

The EU is running a study on consumption habits and wants to know how much oil is consumed daily by the European Union. Several multinational companies may use this data for expansion plans, so they want to make sure it is accurate. They need an answer quickly as there's a Brussels conference in two days.

Case Twist

Check out the Crack the Case System videos on mbacase.com or scan the Video 3 QR code on the Post Case Review page to hear an additional challenge.

Click or scan QR to see video.

Feedback

Physical Skills

	Weak	Strong
Body Language	① ② ③	① ② ③
Verbal	① ② ③	① ② ③
Listening	① ② ③	① ② ③

Thinking Skills

Hypothesis Generation	① ② ③	① ② ③
Initial Plan & Output	① ② ③	① ② ③
Data Analysis	① ② ③	① ② ③

Total Score _____ / 18

Intro Facts (Tell the Candidate if Asked)

Any specific country data? Japan consumes 5.5 million barrels (bbls) per day and Spain uses 1.5 million bbls/day.

Countries in the EU (according to your data, it may have changed):

Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom).

Key Insights (Do Not Tell the Candidate)

Extrapolation: This case requires the candidate to think through how data about Japan and Spain could be useful in the consumption analysis.

Growth Potential: Strong candidates will return to the scenario of the meeting and want to think through which specific countries would be attractive for expansion. You won't have data for these questions but look for this kind of thinking.

Mid-case Data (Tell Only at Appropriate Time)

Give idea: If the candidate is stuck consider giving tips about comparing consumption and size across countries.

Case Flow and Milestones

1 Prep and Review

Read all the notes in the Interview Guide. Understand when to ask certain questions and when to give data and clues.

2 Present Main Question

Take on a personality (friendly, firm, or foe). Ask one or two background questions. Present the question. Candidate will take notes and ask for time to think or begin talking. Discourage silence as market sizing cases are meant to be interactive.

3 Answer & Ask

This is an ambiguous problem. Try to help the candidate by offering ideas if he is stuck. Continue to ask why he is thinking a certain way.

4 Guide Discussion

Give any missing data if needed, as well as the Mid-Case Data tips. Review the answer on page 4 of the case pack and offer suggestions if the candidate needs help.

5 Get Recommendation

Be firm and expect a final number. To see if the candidate is thinking about broader business issues, ask what he would do with this information.

GIVE CLUE



EU Oil Consumption

Brussels, Belgium



My Initial Plan and Output Use the space below to write your thoughts.

My Numbers

State your assumptions

What are some simple estimates for getting started?

Pick your main metrics and approach

Estimate quickly and with round numbers

How might you refine these numbers?

Assess your approach and answer

Keep exceptions and next steps in mind.

Post Case Review	My Score	
Potential Solution & Output	Weak	Strong
<p>State your assumptions</p> <ul style="list-style-type: none"> Approximately 20 countries in the European Union. With the given usage of Japan and Spain, assuming the average usage of a EU country is less than Spain. 	①	② ③
<p>Pick your main metrics and approach</p> <ul style="list-style-type: none"> Number of countries that are similar in size. Economic sophistication and demand for similar rates of oil. 	①	② ③
<p>Estimate quickly and with round numbers</p> <ul style="list-style-type: none"> 3 EU countries with greater economic and military sophistication than Spain. $3 \times \approx 3 \text{ million} = 9 \text{ million}$. 3 EU countries on par with Spain = $3 \times 1.5 = 4.5 \text{ million}$. 14 small, poor EU countries averaging 25% Spain. 25% of 1.5 million = 375,000. $375k \times 14 \text{ countries} = 5.25 \text{ million}$ Total consumption = $9 + 4.5 + 5.25 = 19 \text{ million}$ 	①	② ③
<p>Assess your approach and answer</p> <ul style="list-style-type: none"> European Union consumes 19 million barrels of oil per day. Alternative approach: extrapolate from worldwide population ratios or overall production. 	①	② ③
<p>Keep exceptions and next steps in mind</p> <ul style="list-style-type: none"> Critical steps: determining exactly how many countries are in the EU and verifying Spain's economic strength comparatively. 	①	② ③

Total:



Different Approaches to Consider

- Draw a visual, like a map, to help think about population, density and sophistication of each country.
- Try a quick solution, like assuming every country consumes the same amount. Then refine the solution with variations that are logical.
- Consider what kinds of businesses would care about oil consumption for the EU and by country.

Tips and Takeaways

- Calculate your "close to" estimates by thinking High Quality products shrank by half, and Low Quality products almost doubled.
- Avoid lots of zeroes by picking a scale, like M for millions.
- Use 40% of 10M, 4M, as an anchor to quickly help you calculate the other revenue (\$2.5M, 3.5M, etc.).

Click or scan QR to see video.