



Tea Post

Brand Development Case Study

Author and Agency:

7th Sense Concepts
Films and Advertising

www.7thsense.in

Rajkot Office:

301- B, Silver Coin,
Opp. Crystal Mall,
Kalawad Road,
Rajkot, Gujarat, India 360005
Ph: 0281- 2561182

Ahmedabad Office:

614, Dev Prime, b/h Divya Bhaskar,
SG highway, Ahmedabad - 380 051.
Gujarat, India.

INDEX

Section 1: Introduction

1.1 Growth of the Tea House in India

1.2 Corporate Profile

Section 2: Case Study on Tea Post

2.1 Marketing Mix

2.2 SWOT Analysis

2.3 BUSINESS STRATEGIES SUGGESTIONS TO INCREASE MARKET SHARE

INTRODUCTION

Logo

Parent Company	Tea Post
Category	Tea House
Sector	Food Products
Tagline/ Slogan	A place to talk
USP	Most recognizable and affordable brand in Gujarat
Segment	Youngsters looking to have tea along with snacks at a more hygienic place
Target Group	Youth, Families, Executives
Positioning	Gujarat's favorite Tea house

1.1 Growth of the Tea house in India

Tea being the most popular drink in India, the tea market in India has been growing since old age. Tea has always been an integral part of an individual's daily consumption basket. Due to changing cultures, consumers are becoming more hygiene aware, which is helping tea house to grow. The export promotion schemes and other subsidies by the GOI, and increasing trend of eating out coupled with the rising share of young population has driven the market.

Well-established tea house chains, such as Tea Post, enhanced their pan-India presence in the latter part of the review period. Starting with only 1 café at Rajkot in 2012, Tea Post now has 100+ cafes around Gujarat, Maharashtra and Rajasthan and it aim to continue expanding in the next few years. Meanwhile, several relatively new players and machine tea are trying to establish a footing in tea house retailing.

Generally, the average bill amount for a cup of tea at a thelawala is between rupees 12 and 15. This rises to minimum of rupees 20 in a tea house like Tea Post . With customers paying significant amount for their tea, they are also expecting a lot from an outlet. Factors such as menu, ambience, service and brand name are playing an important role while choosing a Tea house.

Indian Tea House Chains market is quickly emerging which is evident from the fact that Tea Post alone maintains more than 100+ Café's across pan-India.

1.2 COPORATE PROFILE

Tea Post was founded in 2013 by Tea Station Pvt. Ltd. The concept that 7th Sense gave was simply to create a cozy environment that was well suited to have great cup of tea of your choice from a variety of over 25 teas over the daily dose of Gupshup with friends and family. After only 3 years of fine-tuned branding, product development, serving good quality food, hygienic environment and loads of hard work and promotions, Tea Post is what you see today. They source their tea leaves from their own tea gardens which naturally is an add-on to the flavor. As of 2015, Tea Post has 80+ franchisees in Gujarat, Maharashtra and Rajasthan. Overall, they serve over 25,000 customers every week.

As suggested by 7th Sense at every outlet of Tea Post, they serve teas alongside a stimulating atmosphere with lots of conversational pieces on the walls and excellent quality of snacks. Tea Post is defined as a main stream casual tea house with an integrated free Wi-Fi for their loved costumer. Tea Post provides friendly, attentive service in a relaxed environment by staff and owners that truly enjoy their job.

VISION

Tea Post envisions becoming a synonym to place where most hygienic tea is served.

MISSION

Tea Post was started with a purpose to serve tea and snacks in a hygienic atmosphere. Their mission is to exceed our customer's expectation with respect to a Tea House. The ambience where they serve tea along with the snacks should please their customer and the employees will always be trained for an exception customer service.

2.1 MARKETING MIX

Tea Post has a well-equipped unit catering to the specific requirement of the consumers. The process is carried out under the control of experienced personnel to meet highest quality standards. The most modern technology available is used to maintain consistency to the demanding specifications of the discerning tea lovers.

Essentially a youth oriented brand with majority of its customers falling in the 15-30 year age bracket. Each café, depending upon its size attracts over 25,000 customers a week.

USP of the Brand:

Affordable Price and Hygiene

PRODUCT:

Tea Post constitutes a wide range of products like variety of Tea, hot and cold both, Coffee, Sandwiches, Samosa, Noodles, Cookies, Cream Rolls, etc.

Their merchandising includes funky crockery, bags, etc.

Serving Size:

The serving size of a product is a measure, not only of quantity, but also of value for money.

PLACE/ LOCATIONS:

The strategy Tea Post has adapted is to place a cafe in every possible location where some business can be generated. This is a prime factor in determining the success of a retail chain. Tea Post looks to cater their target market with strategically located outlets. Their outlets are generally located in High Street/ Family Entertainment Centers, near Colleges etc.

PROMOTION:

7th Sense has involved Tea Post in all kind of BTL (below the line) promotions such distribution of flyers, usage of sponsorships, public relations and point of sale.

2.2 SWOT ANALYSIS:

STRENGTHS

- Excellent brand name and brand visibility
- Huge young crowd as target group
- Excellent ambience and service
- Over 100+ outlets and 25000 visitors per week
- It produces/grows the tea it serves hence reducing the cost.

WEAKNESSES

- Crowd management
- Improper sitting arrangement.
- Lacks strength to maintain brand loyalty.
- Follow the competitor strategy

THREATS

- Entry of new but local players
- Dependent on Govt commodity rates
- Large unorganized market.

OPPORTUNITIES

- Introduce new versions of tea
- Tap the bigger towns/cities
- Merchandising.
- Tie ups with other companies for promotion

2.3 BUSINESS STRATEGIES SUGGESTIONS TO INCREASE MARKET SHARE

INNOVATION STRATEGIES

- Hygiene was one of the factors that served as a hindrance to tea lovers in Gujarat, thus, we decided to maintain it with international standards.
Every cup of tea is made in the traditional style without using any premix or machine.
Our second step is changing the menu every 4 month to prevent food fatigue.
Tea Post introduced the seasonal snacks that felt good to eat with Tea, specially the basic Indian snacks like samosa, bhakhri, thepla etc.
- The next possible step that the tea house should take is to increase its awareness among its target audience with different mediums like promoting social causes.
With the guidance of 7th sense Tea Post organizes Gujarati short stories reading session called "Vachikam".
Tea Post endorses local and international music artists by keeping musical programs.
- New varieties of product should be introduced on an experimental basis.
- The tea at Tea Post is priced at minimum rate for Rs. 10 for the starters and it increases with the menu.
- Also to increase the reach of the consumers we work to develop more and more outlets.

OPENING THEIR OUTLETS IN THE REACH OF THE CUSTOMERES

- Customers can easily access the Tea Post near their homes and do not have to go a far off place in order to get a hygienic cup of tea.

CUSTOMER RETENTION POLICY

Tea Post's customer should retain their customer who visits on everyday basis or weekly basis.

- We plan in organizing different competitions like photography at Tea Post, where Tea Post can giveaway its own merchandise as gifts.
- Discount vouchers and offer vouchers are launched throughout the year.
- All the out lets has a free access to WIFI.
- Tea Post has also became the official Snack partner f or many famous events and for such event Tea Post was one of the official Pass/Ticket vendor.

MARKETING STRATEGIES

- Meeting place for 15 –30 years old
- Affordable
- Well lit and respectable yet informal
- Societal concept of marketing

PROMOTION STRATEGY

- Low cost BTL promotion

COMPETITIVE INTELLIGENCE STRATEGY

- Discover unexplored market segment
- Hygienic eating place
- Opening 100% veg outlet
- Free Wi-fi – service
- Affordable price tag image

STRATEGY GAPS:

- Limited target audience-focused segment is the YOUTH.
- Lack of price affordability due to varied purchasing power.
- Home delivery service is unavailable-people staying at far off places cant avail the service.
- Entering into new products bringing more competition

SUGGESTIONS:

- Extending the tea types
- Enriching the menu
- Going to parties