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## A study on business performance and marketing strategies of major tea beverage brands in Raipur city, Chhattisgarh

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### Abstract

The research was conducted to study the various marketing strategies applied by the tea beverages brand to attract their customers towards tea in Raipur city. The sample included 100 consumer and 25 employees of various tea beverage outlets. The marketing strategies and consumer preferences were identified by a structure questionnaire and evaluated through various percentage and Garrett ranking tool. The study reveals that brand positioning, social media presence, customer feedback and reviews, ambiance and interior design were the most influencing strategy for brands. The brand positioning was observed in I (first) ranked with mean score found (79.00), followed by social media presence and customer feedback and reviews were observed in II (second) ranked with mean score found (63.25), III (third) ranked observed in ambiance and interior design with mean score found (56.50). It is very important to have a unique tagline for each brand in order to create their wide customer base and attract them. Tagline helps in building a separate brand image and makes it easy for the consumers to remember their favourite brand. Result also shows that break-even point is highest for Nukkad that is 1.20. It means the cost to profit ratio is greater for it as compared to other tea beverage brands. The minimum break-even is for Chai Govindam that is 1.03. It suggests that profit is higher in comparison to the cost of the outlet. Ashwini Amrutulya has a breakeven of 1.16 and Chai sutta bar has 1.11.

**Keywords:** Marketing strategies, business performance, tea beverage industry, brand creation and development

### 1. Introduction

The concept of tea in our country has been prevalent since ancient times. Ever since tea was accidentally discovered by Emperor Shen Nong in China in 2737 B.C., it has become one of the cheapest and most widely consumed beverages. During the fiscal year 2021, nearly 1.1 billion kg of tea were consumed in India. The demand of this hot beverage has continuously expanded throughout time. The state of Assam is the largest tea-growing region in the world. The vast bulk of the tea produced in Tamil Nadu, one of the nation's southernmost states, was grown in the Western Ghats' Nilgiris region's hills. The other tea-growing locations in the south were Wayanad and Munnar. Expert market research.com predicts that the Indian tea business would expand at a CAGR of roughly 4.2% from 2021 to 2026 and reach a volume of roughly 1.40 million tonnes at that time.

Although China was the key player in global production in 2021 but in terms of export Kenya stands at first with an export quantity of 558.93 million kg of tea followed by China with a total export of 369.36 million kg. India stands at fourth position. Major exporters are Sri Lanka, Vietnam and other countries. Total export quantity which has been exported in 2021 was 1928.89 million kg. From 2017 to 2021, both global production as well as the consumption has been increased significantly. Global production has been increased from 5718 million kg to 6455 million kg. Similarly, consumption has been increased from 5487 million kg to 6173 million kg. There's mostly a positive gap between the supply and the demand. In 2021, a positive gap of 282 million kg has been recorded. India is one of the key players in global production but it has also imported a huge chunk of tea and there is a significant increase in import from 2015 to 2021. During 2020-21 pandemic, nearly 28 million kg of tea has been imported. In 2021-22, about 26 million kg of tea has been imported from other countries.

### 2. Materials and Methods

Raipur city was purposively chosen out of the 33 districts of Chhattisgarh because it is where

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the majority of the brands are based. Tea beverage brands such as Ashwini Amruttulya, Nukkad tea cafe, Chai Sutta Bar and Chai Govindam were selected in Raipur city for the study. A total of 25 consumers from each brand, or at least 100 consumers, have been chosen. Convenience sampling has been employed to determine the sample size of both consumers as well as the employees. Raipur city was the site of the study. Both primary and secondary data was used as the study's foundation. Personal interviews was used together the primary data, and an organized interview plan was used. The interview schedule included information on the marketing strategies, demographic characteristics, perception, attitude, belief, and intention of the sample respondents about different tea brands. Books, research papers, various websites, journals and government documents were examples of secondary sources of data. To arrive at reliable findings, the data was coded, examined, and displayed as tables and different charts by using appropriate tools and techniques to fulfill the objectives of the study. Graphs and percentages were used to analyze the various levels of strategies used in selling tea by famous tea outlets in Raipur. Frequency and percentage were used in descriptive analysis for making simple comparison for calculating percentage; the frequency of particular cell was

multiplied by 100 and divided by total number of respondents in that particular category to which cell they belong. Garrett's ranking technique is a tool which is commonly used for the variable that makes use of mean scores expressed in ranks. It offers the change of orders of constraints and benefits into numerical ratings. The scores of individual respondents were added together for each factor and divided by the total number of respondents for whom scores was added. These mean scores for all the strategies were arranged and then accordingly ranked. Through garrett ranking method, the selected tea brand such as Chai Sutta Bar, Ashwini Amruttulya, Chai Govindam and Nukkad Tea Café were analysed and their marketing strategies has given a mean score. This will help in identifying the most influential strategy among all.

### 3. Results and Discussion

There were so many marketing strategies adopted by the tea outlets in order to promote their product and to increase the market sale of tea. The main strategies they adopted were brand positioning, loyalty programs, social media presence, influencer marketing, etc.

**Table 1:** Common marketing strategies used by major tea beverage brands

S. No.	Marketing Strategies	Chai Sutta Bar	Ashwini Amruttulya	Nukkad Tea Cafe	Chai Govindam
		<b>Percentage Share (%)</b>			
1.	Brand Positioning	25	30	15	20
2.	Social Media Presence	20	10	12	10
3.	Influencer Marketing	5	5	6	2
4.	Local Partnerships	5	10	8	8
5.	Loyalty Programs	5	2	2	6
6.	Events and Special Promotions	10	8	12	10
7.	Online Ordering and Delivery	5	2	5	15
8.	Community Engagement	5	5	12	10
9.	Ambiance and Interior Design	10	8	20	4
10.	Customer Feedback & Reviews	10	20	8	15

The table concluded that brand positioning with the highest share of 25 per cent was the mostly used strategy by Chai Sutta Bar for promoting their products followed by social media presence with 20 per cent and customer feedback and reviews, events and special promotions with 10 per cent. It is clear from the table that Chai sutta bar uses a combination of strategies to highlight their brand.

The data showed that brand positioning, with a 30% market share, was Ashwini Amruttulya's primary method of product promotion, followed by customer feedback and reviews (20%), social media and local partnerships (10%), and customer reviews. The table makes it evident that Ashwini Amruttulya employs a variety of techniques to promote their brand. The data showed that ambience and interior design, with a 20% market share, was The key means of product

promotion used by Nukkad Tea Cafe is consumer brand positioning (15%), followed by social media presence, involvement in the community, events, and special promotions (12%). Loyalty schemes, which were favoured by Nukkad but were only 2% effective, were the worst. The table makes it clear that Nukkad Tea Cafe places a greater emphasis on ambience and involvement in the community.

The table concluded that brand positioning with the highest share of 20 per cent was the mostly used strategy by Chai Govindam for promoting their products followed by online ordering and delivery and customer feedback and reviews with 15 per cent and social media presence, events and special promotions with 10 per cent. It is clear from the table that Chai Govindam uses a combination of strategies to highlight their brand.

**Table 2:** Mean score and rankings of various marketing strategies by Garrett ranking technique

S. No.	Marketing Strategies	Mean Score	Ranking
1.	Brand positioning	79	I
2.	Social media presence	63.25	II
3.	Customer feedback & reviews	63.25	II
4.	Ambience & interior design	56.5	III
5.	Events & special promotion	54	IV
6.	Community engagement	47.75	V
7.	Online ordering & delivery	42.25	VI
8.	Local partnership	38	VII
9.	Influencer marketing	30.25	VIII
10.	Loyalty program	28.75	IX

The study reveals that brand positioning, social media presence, customer feedback and reviews, ambiance and interior design were the most influencing strategy for brands. The brand positioning was observed in I (first) ranked with mean score found (79.00), followed by social media presence and customer feedback and reviews were observed in II (second) ranked with mean score found (63.25), III (third) ranked observed in ambiance and interior design with mean

score found (56.50) and event and special promotions were observed in IV (fourth) ranked with observed mean score (54.00), respectively. Thus, it can be concluded that the important marketing strategies which were mostly preferred by the business persons of tea brands that brand positioning, social media presence, customer feedback and reviews, ambiance and interior design, event and special promotions.

**Table 3:** Brand creation campaigns and events used by the selected tea beverage brands

Chai Sutta Bar		Nukkad Tea Cafe		Chai Govindam		Ashiwini Amruttulya
Major Campaigns and Events	Effectivity (%)	Major Campaigns and Events	Effectivity (%)	Major Campaigns and Events	Effectivity (%)	No major events and campaigns has been found
Family Partea Campaign	18	Digital Detox	12	Free Giveaway	25	
Sign up & 10% off	35	Donation of Knowledge	5	<i>Mehfil-e-Chai</i>	45	
TEAreffic Campaign	40	Pay by Heart	55	<i>Chaikhor</i> Competition	30	
-	-	The Charity Tea	18	-	-	

The above table indicates that many campaigns were launched by these tea beverage outlets. For Chai sutta bar, the most effective campaign was teareffic campaign with 40 per cent

effectivity. Pay by heart (55%) was the most effective strategy for Nukkad and mehfil-e-chai for Chai Govindam with 45 per cent effectivity.

**Table 4:** Most influential brand creation factors preferred by the consumers

S. No.	Factors	Chai Sutta Bar	Ashwini Amruttulya	Nukkad Tea Cafe	Chai Govindam
1.	Name & Logo of Brand	12	10	15	12
2.	Taglines of Brand	10	6	5	10
3.	Unique Selling Proposition	5	25	8	10
4.	Marketing Campaigns	8	4	10	8
5.	Social Media Presence	5	4	8	6
6.	Quality of Product	20	20	5	12
7.	Service and Staff	5	3	16	7
8.	Price of Product	20	20	3	15
9.	Innovativeness of Brand	10	7	15	15
10.	Well Balanced Communication	5	1	15	5

The above table indicates that the most influential brand creation factor for Chai sutta bar was quality and price of product followed by name and brand of logo. For Ashwini Amruttulya, unique selling proposition was preferred the most followed by quality and price of product. The least preferred factor was well balanced communication. Similarly, for

Nukkad tea café, the most influential brand creation factor was service and staff followed by name and brand of logo, innovativeness of brand and well balanced communication. For Chai Govindam, the most preferred factor by the consumer was price of product followed by innovativeness of brand, name and logo of brand and quality of the product.

**Table 5:** Analysis of instagram profiles of selected tea beverage brands in Raipur

Brand Name	Chai Sutta Bar	Ashwini Amruttulya	Nukkad Tea Café	Chai Govindam
Total Posts	574	18	820	284
Total Followers	1900	176	4500	1300
Engagement (%)	0.03	19.82	0.05	0.10
Average User Activity (%)	0.47	132.15	0.75	1.44

The table highlights that although the highest post is by Nukkad but the engagement is highest for Ashwini Amruttulya. Maximum follower is of Nukkad that is 4500 in

Raipur city. Average user activity is maximum for Ashwini Amruttulya followed by Chai Govindam.

**Table 6:** Monthly Net Profit Statement of Chai Sutta Bar

S. No.	Particulars	Amount (Rs.)
1.	Total initial investment	17,00,000
2.	Total revenue per month	4,00,000
3.	Applicable GST @ 5%	20,000
4.	Net revenue	3,80,000
<b>Monthly expenses on revenue</b>		
<b>Fixed expenses</b>		
4.	Shop rent	30,000
5.	Staff salary	40,000
6.	Electricity bill	5,000
7.	Water bill	500
8.	LPG cylinders	5,000
9.	Packaging	1,000
10.	Miscellaneous cost	5,000
<b>Variable expenses</b>		
11.	Input cost (Raw material) @30% of net revenue	1,14,000
12.	Total expenses	2,00,500
13.	Net profit per month	1,79,500

The result shows that Chai sutta bar earns a total revenue of Rs. 4, 00,000 per month with a total expense of Rs. 2, 00,500. The outlet earns a net profit of Rs. 1, 79,500 per month with input cost at 30 per cent of revenue.

**Table 7:** Monthly Net Profit Statement of Ashwini Amrutulya

S. No.	Particulars	Amount (Rs.)
1.	Total initial investment	10,45,000
2.	Total revenue per month	1,20,000
3.	Applicable GST @ 5%	6,000
4.	Net revenue	1,14,000
<b>Monthly expenses on revenue</b>		
<b>Fixed expenses</b>		
4.	Shop rent	7,000
5.	Staff salary	15,000
6.	Electricity bill	1500
7.	LPG cylinders	7,000
8.	Packaging	1,200
9.	Miscellaneous cost	3,000
<b>Variable expenses</b>		
10.	Input cost (Raw material) @40% of net revenue	45,600
11.	Total expenses	80,300
12.	Net profit per month	68,900

The result shows that Ashwini Amrutulya earns a total revenue of Rs. 1, 20,000 per month with a total expense of Rs. 80,300. The outlet earns a net profit of Rs. 68,900 per month

with input cost at 40 per cent of revenue.

**Table 8:** Monthly Net Profit Statement of Nukkad Tea Café

S. No.	Particulars	Amount (Rs.)
1.	Total initial investment	5,05,000
2.	Total revenue per month	3,00,000
3.	Applicable GST @ 5%	15,000
4.	Net revenue	2,85,000
<b>Monthly expenses on revenue</b>		
<b>Fixed expenses</b>		
4.	Shop rent	25,000
5.	Staff salary	30,000
6.	Electricity bill	4,500
7.	Water bill	1,000
8.	LPG cylinders	11,200
9.	Packaging	3,000
10.	Miscellaneous cost	5,000
<b>Variable expenses</b>		
11.	Input cost (Raw material) @30% of net revenue	85,500
12.	Total expenses	1,65,200
13.	Net profit per month	1,19,800

The table shows that Nukkad earns a total revenue of Rs. 3, 00,000 per month with a total expense of Rs. 1, 65,200. The outlet earns a net profit of Rs.119, 800 per month with input cost at 30 per cent of revenue.

**Table 9:** Monthly Net Profit Statement of Chai Govindam

S. No.	Particulars	Amount (Rs.)
1.	Total initial investment	5,65,000
2.	Total revenue per month	3,50,000
3.	Applicable GST @ 5%	17,500
4.	Net revenue	3,32,500
<b>Monthly expenses on revenue</b>		
<b>Fixed expenses</b>		
4.	Shop rent	10,000
5.	Staff salary	25,000
6.	Electricity bill	3,000
7.	Water bill	400
8.	LPG cylinders	5,600
9.	Packaging	4,000
10.	Miscellaneous cost	5,000
<b>Variable expenses</b>		
11.	Input cost (Raw material) @35% of net revenue	1,16,375
12.	Total expenses	1,69,375
13.	Net profit per month	1,63,125



The result shows that Chai Govindam earns a total revenue of Rs. 3, 50,000 per month with a total expense of Rs. 1, 69,375. The outlet earns a net profit of Rs. 1, 63,125 per month with input cost at 35 per cent of revenue.

**Table 10:** Bestselling products with their price of selected tea beverage brands

Brand Name	Best Selling Product	Quantity Sold per Day	Price per Unit (Rs.)
Chai Sutta Bar	Ginger Tea	100	40
Ashwini Amrutulya	Special Tea	200	10
Chai Govindam	Kadak Tea	180	10
Nukkad Tea Café	Ginger Tea	75	20

**Table 11:** Variable Cost Ratio (VC Ratio) of selected tea beverage brands

Brand Name	VC Ratio	VC Ratio (%)
Chai Sutta Bar	0.63	63
Ashwini Amrutulya	0.66	66
Nukkad Tea Cafe	0.62	62
Chai Govindam	0.71	71

The table reveals that the maximum VC ratio is for Chai Govindam at 0.71 and minimum for Nukkad at 0.62. A relatively high ratio indicates that Chai govindam is more likely to make a profit on relatively low sales. Profit is higher in comparison to the cost of the outlet.

#### 4. Conclusion

The overall research reveals that brand positioning, social media presence, customer feedback and reviews, ambiance and interior design were the most influencing strategy for brands. The brand positioning was observed in I (first) ranked with mean score found (79.00), followed by social media presence and customer feedback and reviews were observed in II (second) ranked with mean score found (63.25), III (third) ranked observed in ambiance and interior design with mean score found (56.50). Major core values provided by Chai Sutta Bar are great ambiance, pocket-friendly, eco-friendly, easy menu design, no smoking zone and employment of orphan people. For Ashwini Amrutulya, it is taste and quality, unique formula with healthy and hygienic tea. Nukkad uses core values such as social inclusion, calming ambiance, community engagement. Similarly, for Chai Govindam, their core values are integrity, savouring hygiene, value for money. The most common type of tea sold by every brand are ginger tea, ginger cardamom tea, rose tea, saffron tea, jaggery tea, kulhad tea, black tea, and lemon tea. Furthermore, results suggest that it is very important to have a unique campaigns and events for each brand in order to create their wide customer base and attract them. Also, tagline helps in building a separate brand image and makes it easy for the consumers to remember their favourite brand.

Marketing strategies should be in the favour of both consumer and the brands. Combinations of various strategies affect the consumers other than single use of one strategy. It is very essential to understand and research about the consumer behavior before releasing any new strategy for the brand promotion.

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