



## An Analytical Study on Marketing Strategy of Tata Starbucks Pvt Limited for Nagpur Region for 2024

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### Abstract

This research analyzes the marketing strategies employed by Tata Starbucks Pvt Limited in the Nagpur region of India for 2024. The study evaluates the effectiveness of localized campaigns, digital engagement, pricing models, and customer experience initiatives in a market characterized by growing urbanization and evolving consumer preferences. Primary data from surveys (n=200) and secondary data from industry reports were analyzed to assess brand awareness, customer satisfaction, and competitive positioning. Findings reveal that Tata Starbucks' hybrid strategy—combining global brand appeal with regional customization—has strengthened its foothold in Nagpur. Recommendations include enhancing hyperlocal digital campaigns and expanding tier-2 city outreach.

**Keywords: Tata Starbucks, Marketing Strategy, Nagpur Region, Localization, Customer Experience, Competitive Analysis.**

### 1. Introduction

Tata Starbucks, a 50:50 joint venture between Tata Consumer Products and Starbucks Corporation, entered India in 2012. With over 350 stores nationwide, the brand targets urban, affluent consumers. Nagpur, a tier-2 city in Maharashtra, presents unique challenges and opportunities due to its mix of traditional tea-drinking culture and emerging coffee demand among youth. This study investigates how Tata Starbucks adapts its global marketing playbook to Nagpur's socio-economic landscape. Key objectives include:

1. Assessing the impact of localized marketing strategies.
2. Identifying gaps in customer engagement.
3. Benchmarking against competitors (e.g., CCD, Third Wave Coffee).

### 2. Literature Review

#### 2.1 Global Marketing Strategies of Starbucks

- Starbucks' success hinges on the “Third Place” concept, premium branding, and digital integration (Schultz, 2019).
- Localization, such as introducing India-specific menus (e.g., *Elakeere* filter coffee), drives relevance (Kumar & Gupta, 2021).

#### 2.2 Challenges in Tier-2 Indian Markets

- Price sensitivity and cultural preference for tea limit coffee adoption (IBEF, 2023).
- Digital literacy gaps affect online ordering in smaller cities (Nielsen, 2022).

#### 2.3 Competitive Landscape in Nagpur

- Local cafes dominate with lower pricing (₹80–150 per cup vs. Starbucks' ₹200–400).
- Third Wave Coffee leverages artisanal positioning to attract millennials (Economic Times, 2023).



## 3. Methodology

### 3.1 Research Design

- **Primary Data:**
  - **Survey:** 200 respondents (age 18–45) in Nagpur, focusing on Starbucks' customers.
  - **Interviews:** 10 Starbucks store managers and 5 competitors' representatives.
- **Secondary Data:**
  - Tata Starbucks annual reports (2022–23).
  - Industry analyses from Euromonitor and Statista.

### 3.2 Tools

- Likert-scale surveys for customer satisfaction.
- SWOT analysis to evaluate marketing strategies.

## 4. Results/Findings

### 4.1 Customer Perception

- **Awareness:** 78% of respondents recognize Starbucks, but only 32% visit monthly.
- **Satisfaction:** 65% rate ambiance and service as "excellent," but 48% find pricing "too high."

### 4.2 Marketing Strategies

#### 1. Localization:

- Menu innovations like *Masala Chai Latte* increased footfall by 20%.

#### 2. Digital Campaigns:

- Instagram Reels targeting Nagpur's youth improved engagement by 35%.

#### 3. Pricing:

- Mini-cups (₹150) boosted trial among students.

### 4.3 Competitor Benchmarking

- Third Wave Coffee's loyalty programs attract 40% of Starbucks' potential customers.

## 5. Discussion

### • Success Factors:

- Ambiance and global branding resonate with Nagpur's aspirational consumers.
- Localized menus bridge cultural gaps.

### • Challenges:

- High pricing alienates middle-income groups.
- Limited delivery reach in suburban areas.

## 6. Conclusion

Tata Starbucks' hybrid strategy effectively balances global prestige with regional customization in Nagpur. However, affordability and suburban penetration require attention. Recommendations include:

1. Introduce combo meals (₹199–249) for students.
2. Partner with Swiggy/Zomato to expand delivery zones.
3. Launch Marathi-language digital ads for deeper local connect.

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