

# TATA MOTORS: THE TATA ACE

## CASE STUDY

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**TATA MOTORS**  
Connecting Aspirations

# INTRODUCTION



**TATA ACE**

Manufacturer: Tata Motors

Headquarter: Mumbai, Maharashtra

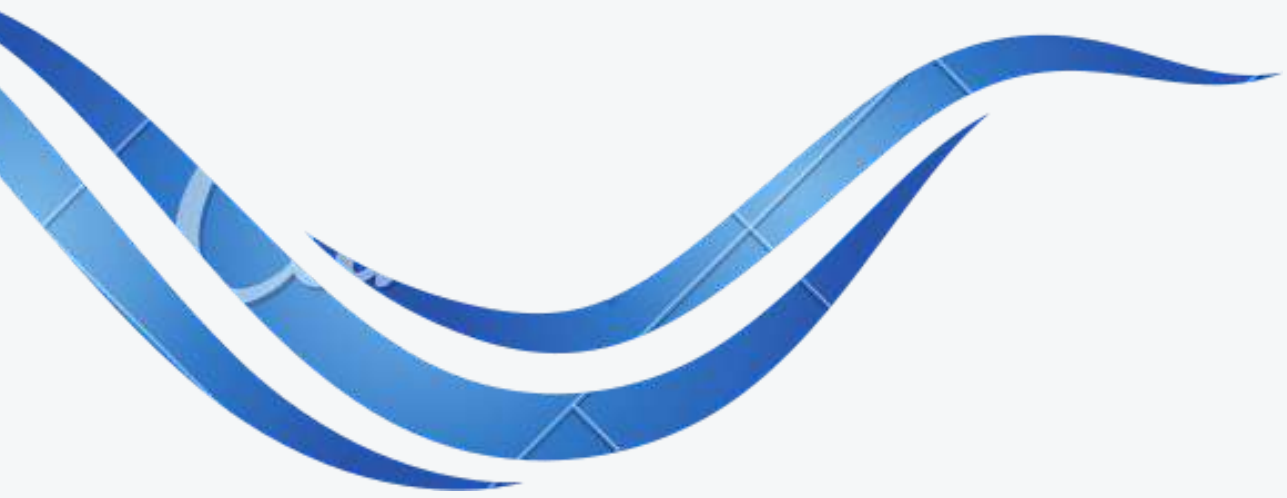
Assembly: Pune, Maharashtra & Pantnagar,  
Uttarakhand

Production: From 2005- Present

Class: Mini Truck

Also Called: Tata Magic, Chota Hathi

People behind Ace: Ratan Tata, Ravi Kant, Girish Wagh



# HISTORY

Tata Motors Limited is an Indian multinational automotive manufacturing company. The company produces passenger cars, trucks, vans, coaches, buses, luxury cars, sports cars, construction equipment.



## ESTABLISHMENT

Tata Motors established in 1945 as TELCO by Jamshedji Tata



## LAUNCHED FIRST VEHICLE

TELCO launched 4 ton capacity vehicle named as 407 truck



## FACED BIG LOSS

Faced loss of Rs.5 Billion in commercial vehicle segment in 2001



## LAUNCHED TATA ACE

Launched "Tata Ace" by replacing Three wheelers and Pickup trucks in 2005

# MARKET RESEARCH



- Interviewed more than 4000 truck and 3 wheeler drivers
- Vehicle that offers the market research price, market research fuel, market research efficiency and accuracy of a three wheeler with safety
- Customers wanted a product that would travel across country

# PRODUCT DESIGN

01

## ENGINE SELECTION

HP Indica based 2 cylinder engine used for cost reduction

02

## SAFETY & COMFORT

Flat faced model used for commercial vehicle look & better space utilisation

03

## LOADING CAPACITY

Higher strength steel used for the durability

# MARKETING STRATEGY

## Marketing Mix: 4P's of Marketing



### PRODUCT

- Quality: High standard
- Design: Sleek and Sporty
- Services: Augmented service network



### PRICE

- Priced in comparison to 3 wheelers
- Cost reduced by using suitable engine



### PLACE

- Location: Cities, small towns & villages
- Rural-Urban belt of India



### PROMOTION

- Creative advertising: "Small is big" as the catchline

# COMPETITORS

PARTICULARS	TATA MOTORS- SFC 407	SWARAJ MAZDA- COSMO	M&M- MAXX	EICHER MOTORS- 10.XX
VARIANTS AVAILABLE	DIESEL	DIESEL	DIESEL	DIESEL
MARKET SHARE	51%	5%	33%	5%
FUEL TANK CAPACITY	60	90	57	60
MAX SPEED	160	170	100	120
PRICE	5.40	5.10	3.80	5.50
GROUND CLEARANCE	194	206	180	230

# DISTRIBUTION STRATEGY & CHANNEL



- Beginning with 5 states in the western and southern parts of India
- Maharashtra, Tamilnadu, Karnataka, Andhra Pradesh, Kerala
- Sales and services outlet every 40 to 50 km and covered more rural areas

# PRODUCT LAUNCH



- Launched in May 2005
- Major 3 wheeler users in south & west
- Priced at ₹2,25,000
- 25% of country covered in initial launch

# PRODUCT RESPONSE



- Exceeded Tata Motor's expectations
- Sold its annual production target of 30,000 vehicles in less than a year
- Market share increased by 13.6%
- Contributed 15% company's volume in first year
- 54% first time buyers, 33% previously owned 3 wheelers, 30% owned LCV

# NEXT STEPS BY TATA ACE

- Launched Ace Magic in June 2007
- Developed multiple engine variants i.e. Gasoline & CNG
- Developed accessories related to Ace i.e. Dumper attachment, water tanker, elevated platform etc.
- Launched an electric variant of Ace with 154km range



# CONCLUSION

- Tata Motors is one of the best cars manufacturing company in India
- People feel that Tata Cars are people's car as it is satisfactory on all parameters
- Tata Motors have knowledgeable sales persons, the employees of TATA Motors spend enough time before and during sales



**THANK YOU**