TI CYCLES – TARGETING URBAN ADULTS



Brand: Mehta Solutions **Product Code:** case637

Weight: 0.00kg

Price: Rs500

Short Description

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case study

Description

The growing preference for two-wheelers has affected the purchase of bicycles in India. Since the late 1990s, the urban market has stagnated while the purchases in the rural market have been decreasing. It was in this scenario that Chennai-based TI Cycles launched a range of bicycles in early 2005, targeted at urban adults in their early thirties. The caselet examines the various steps taken by the company in designing, promoting, distributing, and selling its new bicycle. It also discusses Hero Cycle's strategies to get a share of the rural and urban markets.

Issues:

- » Product innovations in the bicycle industry
- » Value added services to attract customers
- » Strategies for rural bicycle market Introduction

Bicycle sales in India began gradually shrinking since the late 1990s and appeared to be heading for difficult days. In 2004, only 9.6 million bicycles were sold as against 12

million in 2001. The bicycle industry attributed this decrease in bicycle purchase to the saturation in the urban market – which has remained at 3.5 million units per year since 2001, the decrease in the purchase of bicycles in the rural market, and increase in the number of new motorcycle brands introduced in the market since 2000 (more than 17 motorcycles and scooters hit the Indian roads during 2000-2004)...

Questions for Discussion:

Examine the reasons that made bicycle marketers look for latent markets like the adult segment. Also briefly mention the stumbling blocks for TI Cycles in marketing to the adult segment.

Comment on the measures being taken by TI Cycles and Hero to woo the thirty-plus urban audience and discuss the other strategies that TI cycles can adopt to increase the market share of BSA City.

Details

- 1. Case study solved answers
- 2. pdf/word
- 3. Fully Solved with answers