**The New-Style Tea in China: The Marketing Strategy of HEYTEA**

* Discuss the trends in the Chinese tea market including the new-style tea.

Tea market revenues in China in 2019 amounted to approximately USD 86 million. Retail sales value of tea beverages in China in 2024 is expected to reach CNY 93.6 billion from CNY 78.7 billion in 2019. Growing disposable incomes as well as an enhanced awareness of the health benefits of tea are likely to continue increasing Chinese tea retail sales and consumption. New-style tea in the Chinese tea market is a way of combining elements of the Chinese tea tradition (ex. Tea leaves) with a modern and preppy image that resonates with younger audiences. The new-style tea is among the new innovative tea products recently launched in the market that have become increasingly popular among young consumers, which include colorful bubble tea, Hong Kong milk tea, and Western-style blends, tea espressos, and fusions

* Why is the new-style tea popular among Gen Z consumers in China?

This new-style tea is popular among Gen Z consumers in China because this generation is growing more prominent demographically, they are more willing to spend, and they are more technologically savvy than the older generations. Young Chinese consumers are novelty-seekers, hence they constantly search for and try new products, even if these products break with the past and tradition.

* Discuss the “product” in HEYTEA’s marketing mix strategy.

HEYTEA produces four types of new-style tea, including original cheese tea, fresh fruit tea, light cheese tea, and season limited tea. It’s still tea, but it’s really not. As well as tea drinks, it sells desserts, coffee, and more recently even plant-based hamburgers, to expand its market. They also sell over 100 peripheral products that cover the three major categories of beauty, clothing, and lifestyle. They name their teas having very unique and creative names instead of naming them with the ingredients it contains. This leads to name retention. Packaging is also something that differentiates them,

* Discuss the “placement” in HEYTEA’s marketing mix strategy.

Their products are sold in the HeyteaGo/ First tear, small size, design

* Discuss the “promotion” in HEYTEA’s marketing mix strategy.

Positioning via social media. Global target market. WeChat

* Discuss the “price” in HEYTEA’s marketing mix strategy.

Products are sold at a premium which goes along with their strategy by being a lot of image and reputation. WeChat

* Why is seeing people queuing an effective promotional strategy in China?
* What are the recommendations for HEYTEA’s future growth?

**Price**

**Product**

**Place**

**McDonald's in India**

* How does McDonald’s adapt its restaurants in India?

position itself as Indian, represent family values and culture and position itself as comfortable and easy while retaining its global values. McDonald’s gracefully Indianised its global menu and Indians couldn’t get enough of its burgers, which is a quintessential American fast food.

Then they tried to win consumer trust by different marketing activities

Offering low prices to beat street food (value for money)

Food tech platform- home delivery, McDelivery and McCafe

* Discuss the importance of socio-cultural factors for being successful in foreign markets.

In foreign markets, socio-cultural factors are extremely important to be successful. Socio-cultural factors have a direct impact on consumer behavior and as we know, understanding consumers wants, needs, and how they fulfill these is essential for your business to succeed. Socio-cultural factors affect the way you market yourself to locals, what you sell them, how you do it and why you would do it.