

Business Case Study of TATA TITAN

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Source: Think School

Tata Titan Background

- The story of from 7.11 Rs to 2721 Rs stock price, nearly 36218% increase.
- 1970, Mr. Desai observed watch market in India and understand the potentials.
- There was the monopoly of Hindustan Machine Tools in watch market.

Ground Research Findings

- Though not available, Indians knew about the foreign watch brands.
- Fascination for watches in Indians, black market grew.
- Two-thirds of the demand was met by HMT company.
- They can't keep up with the demand.
- Long wait time.

Titan Watch



Starting of New Company

- Approached Tamil Nadu Industrial Development Corporation to set a private company.
- Tata Industries + Tamil Nadu → TiTan
- Choosing strategic location for the exchange of information to improve the operations, market research.

Quartz Watches Better Than Mechanical Watches

- Less moving parts, cheap and easy to manufacture.
- Less error, light and slimmer to carry.
- Battery replacement.
- Identified Quartz watches were the inevitable future.

Quartz Watches vs Mechanical Watches



Game Changing Strategies

- Choose the right technology.
- Post manufacturing process.
- Retailer marketing by partnering with businessman from all over India.
- Training of inexperienced workers, pro-active market research.
- Understood the concept of competing with gifting segment (jewellery, saree).
- Customer friendly service centers.

Game Changing Strategies

- Method marketing (promoting watch design, brand identity, price at newspaper).
- Advance payment for supply.
- First year 1987-88, 3.44 lakh sales, 19 crore profit.

Titan Advertisement



Titan SWOT Analysis

STRENGTHS

Strong brand recognition, diverse product portfolio (watches, jewelry, eyewear), extensive retail network, and consistent innovation.

THREATS

Intense competition from both domestic and international brands, changing consumer preferences, economic fluctuations affecting discretionary spending, and regulatory challenges.

WEAKNESSES

High dependence on the Indian market, potential supply chain disruptions, and high operational costs.

OPPORTUNITIES

Expansion into international markets, growth in the e-commerce segment, introduction of new product lines, and leveraging technology for enhanced customer experiences.

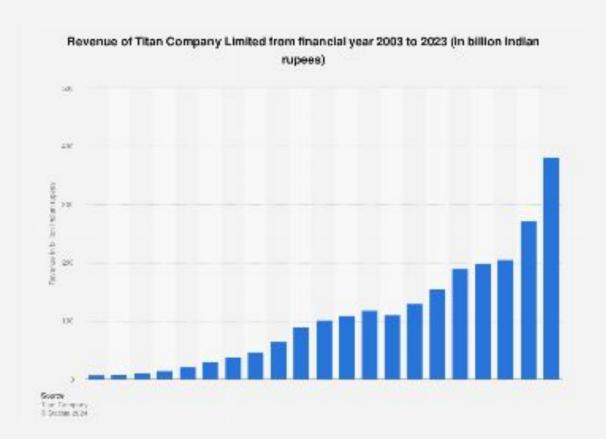


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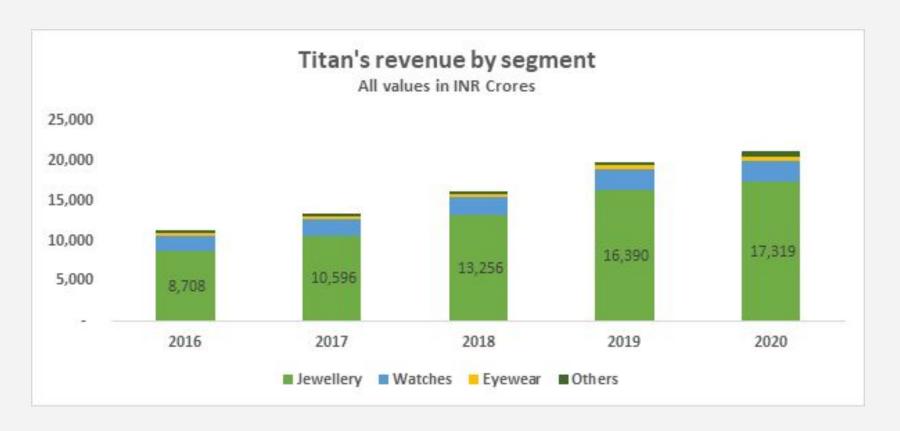
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Titan Growth And Revenue



Titan Growth And Revenue



Business Lessons

- When you are living in underdeveloped nations, though with lot of disadvantages as an entrepreneur, massive advantage of time.
- Observe the developed world right now, incorporate it in developing nation in future.
- Obstacle in business, should be treated a competition elimination by a winner.