

**Hong Kong Community College**  
**LCH1057 Academic English (Business) II**  
**Semester Two 2022/23**  
**Individual Assignment: Case Study Analysis (20% Individual)**

This assessment task is designed to assess your ability in applying various skills to write a business case study analysis. In this task, you need to analyse a case related to business context and make appropriate recommendation.

**Expected Learning Outcome:**

Use appropriate lexico-grammatical resources to communicate effectively on issues related to business.

**Your Task:**

You are Chris Wong. Your supervisor, Jennie Yeh, has asked you to write a business case study analysis based on the Data File on pp. 3-8.

Word count: 500-550 words, including Parts 1-3, headings, in-text citation(s), and a reference list, all in one MS Word file. (*\*Marks will be deducted if the word count of the Turnitin report is less than 500 or more than 550.*)

Include the following **THREE parts** in your case study analysis. To facilitate your lecturer's marking, **headings** are **required** in this task.

**Part 1: An introduction of the business case**

- The background of the company
- The major success of the company in Hong Kong

**Part 2: A detailed analysis of the strategies that contribute to the company's success in Hong Kong (3 paragraphs in total, about 90 words each; about 270 words in total).**

You are advised to directly copy the wordings about the main factors for each strategy from the data file and then use your own words to further explain them.

- State the TWO main factors about the company's Strategy I and explain them in detail.
- State the TWO main factors about the company's Strategy II and explain them in detail.
- State the TWO main factors about the company's Strategy III and explain them in detail.

**Part 3: Formulation of a recommendation (1 to 2 paragraphs, about 180 words in total)**

- Propose an expansion strategy for the company to achieve brand stretching in other Asian cities (e.g. Hanoi, Beijing, Shanghai, Tokyo, Seoul, Bangkok) and promote its cultures in different places.

**Format:**

Write in paragraphs. Your assignment should be word-processed/ typewritten throughout and in double-line spacing.

**Reference Source(s):**

In your case study analysis, you should include **at least ONE** reference source (other than the information given in the Data File, pp. 3-8) for Part 2 or/and Part 3. Note that the use of an **EXTERNAL** reference source is part of the assessment and that **only reliable English sources** are accepted.

**You should document the reference source(s) properly (with both in-text citation(s) and a reference list) in APA style.**

**Submission Guidelines:**

Deadline	Submission
<b>Week 7, 2nd Lesson Day, 23:59:59</b>	Submission of the <b><u>SOFT COPY*</u></b> of your case study analysis (Parts 1-3 and a reference list) via Moodle's Turnitin submission link

***\*Important Notes:***

1. Do **NOT** upload your file **at the last minute** to avoid the heavy traffic of Moodle and Turnitin.
  - a. Make sure you leave enough time to do necessary revision.
  - b. Technical difficulties are generally **NOT** considered a sound reason for late submission.
2. **Mark deduction penalties (-20%)** will be imposed if a student submits the soft copy late. Submission late for more than 7 calendar days will not be accepted, and a **ZERO mark** will be given.

**Grading Aspects:**

Criteria	Details
<b>Content (50%)</b>	<ul style="list-style-type: none"><li>- Introduction</li><li>- Analysis and supporting details</li><li>- Recommendation</li><li>- Appropriateness of reference source(s)</li></ul>
<b>Organisation of Ideas (5%)</b>	<ul style="list-style-type: none"><li>- Grouping and sequencing of ideas</li><li>- Transitions</li></ul>
<b>Documentation of Secondary Source(s) (5%)</b>	<ul style="list-style-type: none"><li>- In-text citation(s)</li><li>- Reference list</li></ul>
<b>Language, Writing Style and Mechanics (40%)</b>	<ul style="list-style-type: none"><li>- Grammar</li><li>- Spelling</li><li>- Punctuation</li><li>- Word choice</li><li>- Sentence skills</li><li>- Verb tenses</li><li>- Point of view</li></ul>



**Lecturers are NOT supposed to teach and explain anything in the Data File (pp. 3-8).**

## **Data File**

### Business Case Scenario



The announcement from the Southeast Daily on the ‘forthcoming IPO and listing of BP Tea’ on 18 Jan 2023 marked a new milestone for a leading teahouse chain in Hong Kong and shows how an innovative business entrepreneur can combine the ‘freshly brewed’ tea drinking experience with lifestyle setting to create a household brand and successful business venture.

BP Tea was founded by Mr. Benjamin Pang in 2007, with a keen desire to innovate the Chinese tea drinking experience, making beverage products fresher and better tasting around the world. The business philosophy of BP Tea on customer experience is focused on ‘simplicity, wellness and modernity’, which aims to provide the community with a relaxing hub between home and office.

The brand is ranked No.1 by sales in premium teahouse / tea industry in Hong Kong, capturing 34% market shares in 2022. Despite BP Tea brand’s short history, it has now over 130 stores and generated HK\$327 million in 2022, with a 68% sales annual growth rate from 2018 to 2022. BP Tea’s core menu is made up of over 28 different types of tea drinks (e.g. fresh fruit teas, milk teas, and Chinese teas) and 25 freshly baked products, and the average sales per order was HK\$70 in 2022 (average spending for tea drinks and baked goods were HK\$40 and HK\$30 respectively in May 2022, according to hkfoodie.com).

Although initial losses were made for brand building and market expansion in the early years, store-level operating margin of its mature stores is already industry leading and becoming positive in the most recent year 2022. The founder Mr. Pang commented, “We have been through a period of rapid growth and expansion in the past few years due to our innovative formula for integrating drinking and lifestyle for the mass customer population in Hong Kong, and now we are ready for the new challenge to raise additional capital with our IPO forthcoming to get funding for our new phase of Asian expansion.”

As a result, Mr. Pang has just hired a management consultancy firm to do a strategic study for identifying the key winning strategies for BP Tea’s success in Hong Kong, and how it can devise a new strategy to replicate such winning formula in the other Asian countries, which share similar tea drinking heritage as in Hong Kong, but differ in local cultures, flavours and lifestyles, to ensure the current success can continue with this new business expansion.

## Appendix 1 – Customer Ratings Sorted by Different Brands in 2022



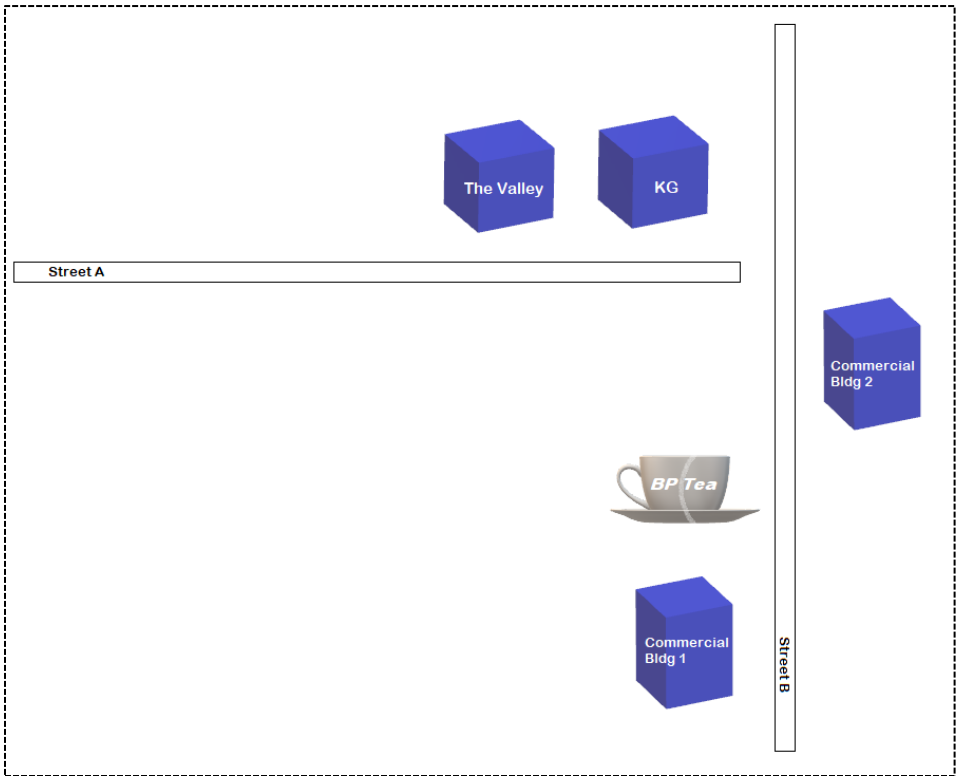
Source: Asia Pacific Equity Research, Golden Sachs

## Appendix 2 – Quotation from Mr. P. Ang, Lead Interior Designer, BP Tea

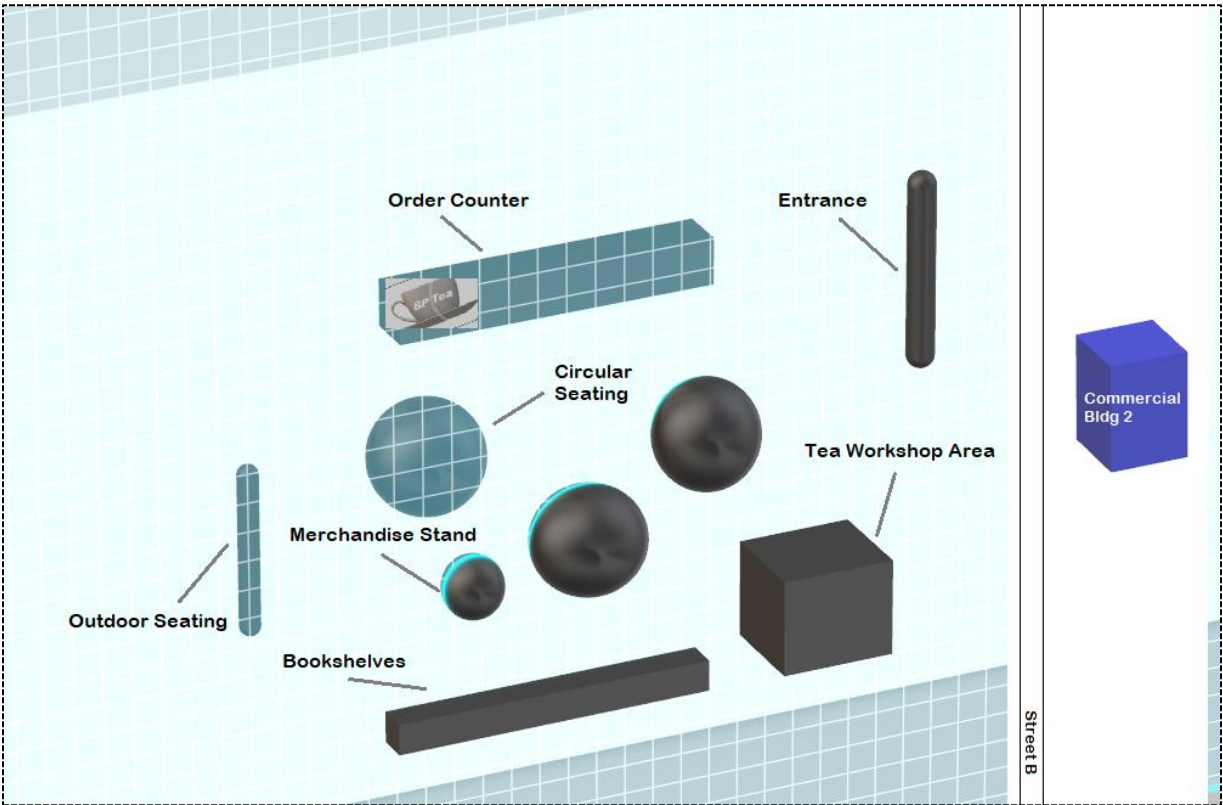
"We pride ourselves in our stores offering customers a true sense of ambience. We aim at establishing our long-standing friendship with our customers, so when they first walk into our tea house, they can immediately sense *BP Tea's* congeniality. Based on our survey conducted last month, our customers really enjoy sipping our freshly made tea blends while they sit in a circular seating with their friends and family. For other customers who prefer a quieter time, they are free to use our mini library, which houses a myriad of books on Chinese tea. We also offer free bi-weekly workshops on how to make the finest tea for different age groups. That is why our stores are designed in such a way that there is a seamless combination of style and function, fusing tea-drinking and eating as well as leisurely learning together."

(January 5, 2023, *Tea House blog*)

Appendix 3 – Map in Causeway Bay



Appendix 4 – BP Tea Causeway Bay Store’s Layout



## Appendix 5 – Interview Excerpt with BP Tea Customers

**Interviewer:** How long have you been a customer of BP Tea?

**Customer A:** I have been a happy patron since 2007. I still remember going to its very first tea house branch after work and trying their signature BP oolong smoothie!

**Customer B:** I was introduced to BP by an influencer's post last month, and I became interested in their diverse Chinese tea blends.

**Interviewer:** What do you like most about BP Tea?

**Customer B:** I really like to get my favorite teas and pastries; I can just walk a few minutes from where I work for them. Most importantly, I think the pricing of the different drinks set by the marketing team is very reasonable compared to other tea houses like KOL Tea and Momo Tea in this area. I don't have to break the bank when I order a lunch set.

**Customer C:** When I need to take a break from work, I usually head over to BP to order Chinese tea to relax me. The staff of BP are chatty too.

**Interviewer:** How long do you usually stay at BP?

**Customer A:** Because the atmosphere is so relaxing and it gives us a sense of ambience, I spend around two hours on average whenever I'm here.

[...]

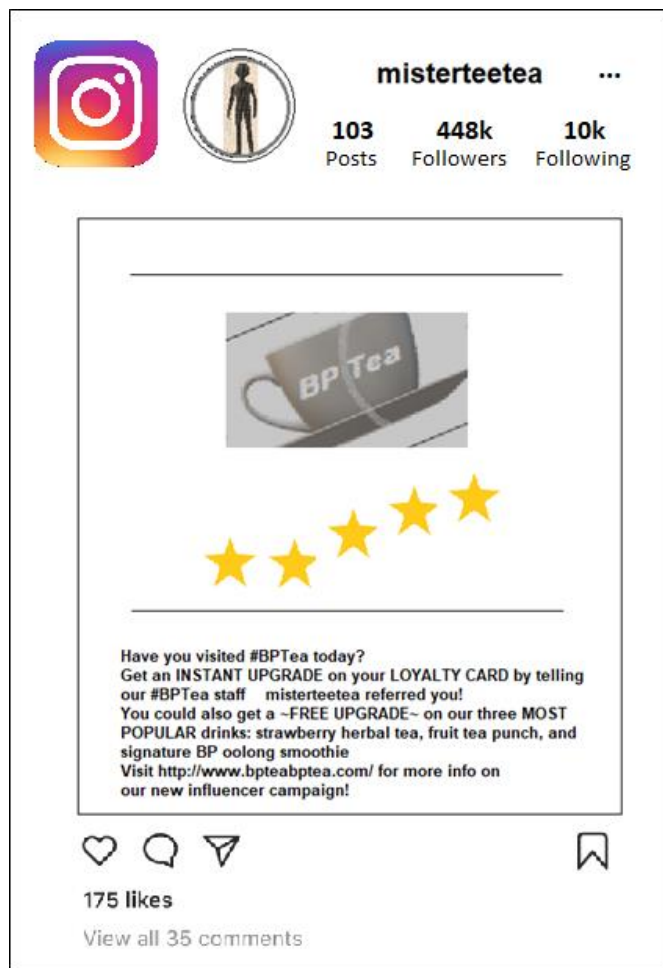
(February 1, 2023, *E Video*)

## Appendix 6 – Announcement from Ms. A. Pang, Marketing Head, BP Tea

**"We are thrilled to be working with misterteetea in our latest influencer campaign! *misterteetea* is a Chinese tea connoisseur, and we are very happy he has agreed to introduce our tea blends to his fans. He will be curating a NEW BP collection of custom-made Chinese tea."**

(January 2023, *BP Tea Official Website*)

## Appendix 7 – misterteetea’s Instagram Account



## Appendix 8 – Interview Transcript with Dr. Lalisa Man, Research & Development Director, BP Tea

“Our founder Mr. Benjamin Pang believes that in order to continue to grow the business, strong product innovation will become increasingly critical in retaining customers. It is very important for BP Tea to not only continually upgrade classic products, but also constantly launch new products that meet customers' diverse tastes and preferences. Our team consists of 10 employees with relevant work experience in the food and beverage industry as of end-2022. The initial focus for the past 6 years has been to source and develop matching selected fine tea leaves with a variety of fresh fruit with the addition of healthy options, to make the BP Tea drinks suitable for a broad demographic across Hong Kong. We have also adopted a systematic approach to ensure its continuous development and innovations for BP Tea. Through long-term experimenting with different combinations of various premium tea leaves, seasonal fruits, mild cheese toppings and other high-quality ingredients, we have ensured that BP Tea has been devoted to creating trendy and freshly made tea drinks.”

(February 10, 2023, *E Video*)

## Appendix 9 – Interview Transcript with Mr. Suga Lin, Senior Research Officer, BP Tea

“We have been doing a lot of research/ site visits/ surveys to source top-quality ingredients for all our products; BP Tea only uses premium tea leaves (including award-winning ones) and fresh milk (rather than tea powders and creamers) to make tea drinks. The seasonal fruits are carefully sourced from the reputable suppliers – *AM Produce* and *FS Fruity* – to ensure freshness and taste. We seek to source its major ingredients directly from the regions of origin to ensure consistent quality. China, Thailand, Japan, Australia, etc. are always on the list. On top of that, we work closely with a selected group of reliable suppliers who provide stable supply chain resources to cater for the unique specifications.”

(January 11, 2023, *E Video*)

## Appendix 10 – A Memo from Your Supervisor, Ms. Jennie Yeh, CC Management Consultancy

To: Chris Wong  
From: Jennie Yeh  
Date: Feb 20, 2023  
Subject: Expansion Strategy of BP Tea

Message:

There will be a department meeting starting at 9:30am next Monday in Boardroom 201. The purpose of the meeting is to review and suggest an expansion strategy for our new client ‘BP Tea’. Now you are required to prepare the business analysis and propose a comprehensive growth strategy for the company. The format below may be useful to you. You should finish the whole thing with 500-550 words and use headings (counted in the total number of words) to make your analysis more structured.

1. Introduce the business case of our client
  - The background of BP Tea
  - The major success of BP Tea in Hong Kong
2. Analyse the factors about BP Tea’s winning strategies that contribute to its success in Hong Kong
  - State the TWO main factors about BP Tea’s interior design and explain them in detail.
  - State the TWO main factors about BP Tea’s marketing and explain them in detail.
  - State the TWO main factors about BP Tea’s research and development and explain them in detail.
3. Propose ONE expansion strategy for BP Tea to achieve brand stretching in other Asian cities (e.g. Hanoi, Beijing, Shanghai, Tokyo, Seoul, Bangkok) and promote tea cultures in different places outside Hong Kong.