**Introduction of the business case**

BP Tea is a leading tea house chain 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 company’s business philosophy of ‘simplicity, wellness and modernity’ aims to provide the community with a relaxing hub between home and office. As of 2022, BP Tea has 130 stores and generated HK$327 million in sales, with a 68% sales annual growth rate from 2018 to 2022. Its core menu consists of over 28 different types of tea drinks and 25 freshly baked products. Despite its short history, the brand is ranked No.1 by sales in premium teahouse / tea industry in Hong Kong, capturing 34% market shares in 2022.

**Analysis of the strategies that contributes to company’s success in Hong Kong**

* **Interior Design**

The first factor is BP Tea’s interior design which focuses on creating a true sense of ambience and congeniality for the customers. BP Tea 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. Customers can enjoy sipping freshly made tea blends while they sit in a circular seating with their friends and family, while others can take some time to enjoy the mini library with a myriad of books on Chinese tea. Moreover, BP Tea offers free bi-weekly workshops on how to make the finest tea for different age groups (E Video, 2023).

* **Marketing**

BP Tea has placed an emphasis on marketing to build awareness of the brand. This has been done through influencer campaigns, introducing their tea blends to a new target market and curating a NEW BP collection of custom-made Chinese tea (BP Tea Official Website, 2023). Additionally, the pricing of different drinks is reasonable compared to other tea houses, making it accessible to a wider demographic (E Video, 2023).

* **Research and Development**

BP Tea sources and develops matching selected fine tea leaves with a variety of fresh fruit and healthy options to make the BP Tea drinks suitable for a broad demographic across Hong Kong (Man, 2023). A systematic approach is taken to product development and innovation, experimenting with different combinations of premium tea leaves, seasonal fruits, mild cheese toppings and other high-quality ingredients (Lin, 2023).

**Formulation of a recommendation**

For BP Tea to achieve brand stretching in other Asian cities and promote its cultures, a tailored marketing strategy should be adopted. By targeting local influencers, sponsoring local events, and incorporating local cultures and flavors, BP Tea will be able to establish an emotional connection with the local population. BP Tea should also consider the preferences of the local customers and adjust its product offerings accordingly. This can be done through regularly conducting surveys and focus groups to gain insights into the tastes and preferences of local customers. By doing so, BP Tea will be able to establish a presence and gain brand recognition in different markets.

**Reference**

E Video. (2023). Interview excerpt with BP Tea customers. Retrieved from https://www.evideo.com/bp-tea-customers/

BP Tea Official Website. (2023). Announcement from Ms. A. Pang, Marketing Head, BP Tea. Retrieved from https://www.bptea.com/announcement-from-ms-a-pang/

Man, L. (2023). Interview transcript with Dr. Lalisa Man, Research & Development Director, BP Tea. Retrieved from https://www.bptea.com/interview-dr-lalisa-man/

Lin, S. (2023). Interview transcript with Mr. Suga Lin, Senior Research Officer, BP Tea. Retrieved from https://www.bptea.com/interview-mr-suga-lin/