

BRAND WAGON

Wagh Bakri: Everyone's cup of tea?

Wagh Bakri is vying for increased market share by entering new markets and opening more tea lounges

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THE HISTORY OF Wagh Bakri is unlike any other. Narandas Desai, who after leaving two tea estates in Durban (South Africa) after political unrest in the early 1900s, established Gujarat Tea Depot in Ahmedabad in 1919. However, it was only in the 1980s when Wagh Bakri Tea Group — then led by the second generation — tried to replace the erstwhile loose tea business with packaged tea.

But it wasn't an easy ride; government regulations and the external environment posed their own sets of challenges. Wagh Bakri Tea Group's executive director Parag Desai recalls, "Twenty years later, the third generation once again took up the cause of the packaged tea business and we have been growing since then."

Today, while the ethos remains the same, the face of the brand is quite different. The company has opened 15 tea lounges keeping in mind the growing popularity of tea cafes in India. "The objective of tea lounges is to provide a

common meeting ground to tea lovers and to further popularise tea as a preferred beverage," says Desai. The lounges are present in Delhi, Ahmedabad, Mumbai and Goa, and will soon be launched in other metro cities.

Brewing the tea

Currently, the top slots and almost 50% of the packaged tea market might be controlled by Tata Global Beverages and Hindustan Unilever, but consumers are trying out many regional and smaller brands as well. As per Euromonitor International, the tea market stood at ₹12,970 crore in 2017 in India and will grow at a CAGR of 3.6% between 2017-2022.

Wagh Bakri is a strong player in West India, in states like Gujarat, Maharashtra, MP and Rajasthan. In the North, it is growing fast in Delhi, Himachal Pradesh, Uttarakhand, Punjab and Haryana, and has recently launched in Jammu & Kashmir. In the South, its products are available in Goa, Karnataka, Andhra Pradesh, Telangana and Tamil Nadu. "We will be expanding soon in the East as well. Currently, we have 8-9% market share in