



The Tata Nano: The People's Car

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Background of Tata Motor

- Debuted in 2008 at the New Dehli Auto show
- Sticker Price: \$2,500
- 10 cars for every 1000 people in India (2007)
- Middle class income in India start at \$6,000/yr
- Low price, adequate comfort, fuel-efficiency and safety

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Nano Features

- **1,322 lbs (aluminum engine)**
- **33hp with 47 mpg and top speed of 65 mph**
- **Less harmful emissions than scooter**
- **Sheet metal body with crumple zones (safety)**
- **5.4 cubic foot trunk**
- **3.9 gallon tank**

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Tata Motors

- Founded 1945
- 1998 launched the India (\$6,000)
- \$15 billion in revenue (2008) with 24,000 employees
- 4 million+ Tata cars on Indian roads since 1954
- Own: Daewoo, Jaguar, Land Rover

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What inspire to build Nano?

“Design with a Family in Mind”



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Conceive of a safe, affordable and all weather form of transport for a family - Income


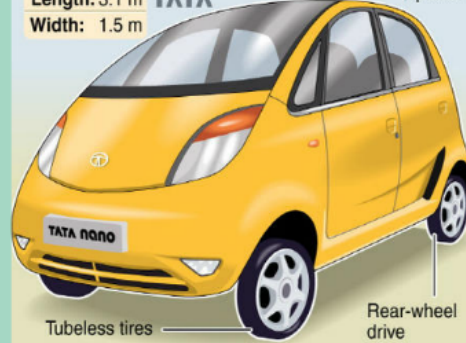
Saving v.s Safety

- “Gandhian engineering”
- No radio, airbags, 1 mirror and 1 windshield wiper, no power brakes
- Set price at \$2,500 and worked backwards
- Smaller engine
- Redesigned suspension and steering column




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The world's cheapest car

Maker says the no-frills vehicle would revolutionise travel for millions of Indians

Tata Nano	Price: US\$2,000 (basic model)	Cost saving: Single windshield wiper; no air conditioning, radio, power steering
Height: 1.6 m Length: 3.1 m Width: 1.5 m		Rear-mounted engine: 2-cylinder petrol, 623 cc
		Top speed: 105 kph
Tubeless tires		Capacity: 5 people
		Maker: Tata Motors
		Safety: All sheet-metal body, seat belts
		Rear-wheel drive

Small cars compared

 Tata Nano	 Mini Cooper	Plus one of a kind...  Peel P50
▶ On sale in India from April 2009	▶ Two versions first introduced in 2002 ▶ Price starts at US\$19,200	• Manufactured in the early 60s • Only 100 ever produced

AFP 170709 Source: TataNano, MiniCooper, TopGear

What caused delay in Nano's launch?

**Land dispute between Farmers and
Tata**

The key factor of Indian's economic environment

2/3 are dependent on agriculture

Risks of doing business in India?

Macro Political Risks:

- **Slow legal system**
- **Untrustworthy government**

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New trend in auto industry?

ReShape auto industry? **No**



Leadership and Innovation?

"First mover Advantage"

"Not just a product for an identified market need today but also as a platform for tomorrow" - BusinessWeek

Knowing what customers wants and need

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