



Tata Motors has differentiated itself in the competitive hatchback segment by introducing the Tiago NRG, which is styled like an SUV to meet the customers' aspirations.

THE CONTEXT



A large number of car buyers in India choose hatchbacks because they are practical for city driving, offer decent cargo space and have a good resale value. An equally large number aspires to own a sports utility vehicle (SUV) as it makes them feel younger, stronger and safer.

However, because of their size, high ground clearance and other features, SUVs are heavier, costlier and less easy to manoeuvre in dense city traffic. To get around this and also improve its market share in the competitive hatchback segment, Tata Motors has launched a new variant of its popular hatchback. The Tiago NRG is styled like an SUV and pitched as an Urban Toughroader while retaining the advantages of a hatchback.

THE INNOVATION



Tata Motors has transformed the Tiago and made it look tougher, bigger and smarter by adding exterior armour, providing extra ground clearance and by tweaking its colour, materials and finishes. The new exterior armour gives it a bold visual appeal besides making the driver feel safe. Innovations such as Hyper Wheels and moulded finishes have offset the cost of additions, making the Tiago NRG an affordable soft-roader. The Hyper Wheels are comparable in looks to alloy wheels but cost much less without compromising on functionality. The moulded finishes on the bumpers have lowered the cost without reducing the appeal. The full-black interior with its gun-metal finish and orange accents gives the car a serious but sporty look.

These well-integrated additions have helped Tata Motors derive maximum value at minimum cost.

KEY CHALLENGES



TO MAKE THE CAR LOOK STRONGER AND SPORTIER WITHOUT SEEMING LIKE A MINIATURISED SUV

Tata Motors achieved this with some clever addition of parts, innovations like Hyper Wheels and moulded finishes, and the use of smart colours.

TO KEEP THE PARTS COUNT LOW, ENSURE SIMPLE ASSEMBLY, MINIMISE DMC ADDITIONS AND EXECUTE THE PROJECT WITHIN SIX MONTHS

The company managed this by anticipating trouble spots through customer-focus team interactions, and understanding the cost drivers.



THE IMPACT

The Tiago NRG has been a resounding hit with sales peaking to

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in October 2018, pushing up the Tiago's overall sales, market share and brand image. It has also improved the company's returns as it offers an additional margin of Rs 8,500 over the standard Tiago of equivalent specifications. Going forward, the Tiago NRG has the makings of a new product category for Tata Motors.