

Impact of Tea Café Business on Café Owner A Study Related to Vijayapura City

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Abstract—The popularity of tea cafés has grown in Vijayapura, reflecting changing lifestyles and rising interest in small businesses. This study looks at how these cafés affect the lives of their owners—financially, socially, and professionally. It explores both the benefits, like income and independence, and the challenges, such as competition, costs, and limited government support. The research also highlights the need for innovation and good marketing to help these cafés succeed. While tea cafés create job opportunities and support the local economy, owners face several difficulties in running and growing their businesses. This study offers insights for entrepreneurs, policymakers, and others interested in developing a strong and sustainable tea café culture in Vijayapura.

Keywords—Tea cafes, Entrepreneurship, Vijayapura, Economic impact, Business challenges, Government support.

I. INTRODUCTION

Tea has been an integral part of Indian culture, enjoyed not just as a beverage but as a social experience. In recent years, urban areas, including Vijayapura, have witnessed a rise in tea cafes, blending tradition with modern trends. These cafes have evolved from simple roadside stalls to stylish spaces, offering business opportunities while catering to changing consumer preferences. Although starting a tea cafe is relatively affordable, sustaining profitability requires innovation, quality maintenance, and effective marketing. Beyond financial gains, cafe owners face operational challenges, long working hours, and regulatory responsibilities. This study explores the impact of tea cafes on entrepreneurs in Vijayapura, highlighting economic benefits, challenges, and future opportunities.

II. REVIEW OF LITERATURE

1. "Growth of Tea Cafe Culture in India" by Sharma & Sinha (2019)

The emergence of tea cafes in India reflects a cultural shift from traditional tea stalls (chai tapirs) to modernized tea cafes that blend affordability with a cafe-like ambience. According to Sharma & Sinha (2019), tea cafes cater to both youth and working-class customers, offering a hybrid space for social interaction and business meetings. This phenomenon is growing in Tier-2 and Tier-3 cities like Vijayapura, where affordable leisure spaces are in demand.

2. "Economic Empowerment of Cafe Owners" by Chakraborty & Das (2020)

A study by Chakraborty & Das (2020) found that small-scale tea cafes contribute to economic empowerment of cafe owners through self-employment, flexible working hours, and relatively low initial investment compared to full-fledged restaurants. For many owners in smaller cities, owning a tea cafe provides a stable source of income, enabling upward mobility.

3. "Impact on Local Entrepreneurship and Youth Involvement" by Patil & Kulkarni (2021)

Tea cafes are seen as low-barrier entrepreneurial ventures, especially appealing to young first-time entrepreneurs. In cities like Vijayapura, the cafe business fosters local entrepreneurship by requiring minimal capital investment and leveraging traditional cultural consumption habits (tea-drinking culture). Patil & Kulkarni (2021) argue that this encourages self-reliance among youth and contributes to the local economy.

4. “Competitive Challenges Faced by Cafe Owners” by Nair & Thomas (2020)

While tea cafes present opportunities, they also expose cafe owners to intense price competition, especially from street vendors selling tea at much lower prices. Nair & Thomas (2020) highlight that cafe owners must strike a balance between pricing, ambience, and service quality to maintain profitability. This is particularly relevant for emerging urban clusters like Vijayapura, where consumer spending power is limited.

5.” Social and Cultural Impact on Owners” by Sreedharan (2018)

Tea cafes are community hubs where cultural exchange happens, fostering social capital for owners. According to Sreedharan (2018), owners of these cafes often experience increased social status in their neighbourhoods, as their cafes become recognizable landmarks. This social capital can translate into enhanced business networks and customer loyalty.

6. “Tea Cafe Business During Post-Pandemic Recovery” by Joshi & Deshpande (2022)

Recent studies, including Joshi & Deshpande (2022), indicate that tea cafes played a resilient role in post-pandemic economic recovery, particularly in smaller cities. With outdoor seating, affordable pricing, and takeaway options, tea cafes adapted quickly. For cafe owners in cities like Vijayapura, this adaptability led to quicker recovery compared to high-end cafes and restaurants.

7. “Tea Cafes as Cultural Entrepreneurs” by Mukherjee (2018)

Mukherjee (2018) explored the cultural role of tea cafes, positioning them as cultural entrepreneurs who preserve local tea recipes while catering to modern tastes. This dual positioning gives owners cultural capital, which helps with branding and community loyalty—a significant advantage in culturally rich cities like Vijayapura.

8. “Seasonal Variations and Impact on Revenue” by Kamble & Deshmukh (2021)

A field study by Kamble & Deshmukh (2021) noted that tea cafe revenues in cities like Vijayapura fluctuate with seasonal tourism, local festivals, and academic calendars (student population). Owners who introduce seasonal menu innovations—like herbal teas in winter or iced teas in summer—are more likely to sustain profits year-round.

9. “Tea Cafes and Local Supply Chains” by Shinde (2019)

Tea cafes rely heavily on local supply chains for milk, tea leaves, and snacks. Shinde (2019) investigated how strong local sourcing networks enhance both profitability and community economic development. This is particularly relevant in smaller cities like Vijayapura, where supporting local farmers and vendors creates a mutually beneficial ecosystem.

10. “Impact of Social Media Marketing on Tea Cafe Visibility” by Patel & Nambiar (2022)

Social media platforms like Instagram, WhatsApp, and Facebook have become free marketing tools for cafe owners. Patel & Nambiar (2022) highlight how small-town cafe owners who actively post menu updates, customer selfies, and cultural events on social media see faster brand recall and higher footfall.

III. OBJECTIVES OF THE STUDY

1. Government Aid
2. Encourage Entrepreneurship

HYPOTHESIS

(H₀): Government aid does not have a significant impact on the growth and success of cafe businesses in Vijayapura city.

(H₁): Government aid has a significant impact on the growth and success of tea cafe businesses in Vijayapura city.

(H₀): Tea Cafe businesses do not significantly encourage entrepreneurship in Vijayapura city.

(H₁): Tea Cafe businesses significantly encourage entrepreneurship in Vijayapura city.

IV. RESEARCH METHODOLOGY

Particular	Explanation
Primary Data	Research conducted a survey in order to understand better how the impact of tea cafe business on cafe owner a study related to Vijayapura city.
Secondary Data	Websites and research papers were used as secondary data.

Data Collection Tool	The data for this study was collected using self-administrated and well-structured questionnaire with 12 different questions and given to respondents to respond using manually papers.
Sample Size	50
Sample Point	Tea cafes of Vijayapura city.
Sample Method	Simple random sampling method was selected for choosing samples.
Data Analysis	MS Excel, T-Test, Descriptive Statistics form IBM SPSS software was used for the data analysis.

Scope of the Study

- Focuses on tea cafés in Vijayapura city.
- Involves owners, customers, suppliers, and local authorities.
- Covers economic impact, entrepreneurship, government aid, and operational issues.

Limitations of the Study

- Based on a small sample size (50 respondents).
- Reflects only a short-term view, not long-term or seasonal changes.

V. DATA ANALYSIS AND INTERPRETATION

One-Sample Test						
	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
The government provides adequate financial support (loans, subsidies, or grants) for tea business startups.	1.974	49	.054	.36000	-.0066	.7266
The financial aid provided by the government is sufficient for tea entrepreneurs to sustain their businesses.	-1.940	49	.058	-.34000	-.6921	.0121
The process of applying for government aid is simple and hassle-free.	2.382	49	.021	.42000	.0656	.7744

- Adequate financial support ($p = 0.054$) and sufficiency of aid ($p = 0.058$) have p-values slightly above 0.05, so we fail to reject the null hypothesis — there's no strong evidence that government support is adequate or sufficient.
- Application process simplicity ($p = 0.021$) has a p-value below 0.05, so we reject the null

hypothesis — there is significant evidence that the process is simple and hassle-free.

- Conclusion: Only the third statement is statistically supported; the first two lack strong evidence of effectiveness in financial support.

One-Sample Test						
	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
The number of tea businesses (stalls, cafes, brands) in Vijayapura has increased significantly after 2016.	.100	49	.921	.02000	-.3839	.4239

More people are interested in starting a tea-related business in Vijayapura.	-.686	49	.496	-.14000	-.5501	.2701
Young entrepreneurs are showing interest in starting tea businesses.	.942	49	.351	.18000	-.2038	.5638

- All p-values (Sig. 2-tailed) are greater than 0.05, which means the differences between the sample means and the test value (3) are not statistically significant.
- The t-values are low and close to zero (both positive and negative), indicating that the sample means do not deviate much from the hypothesized mean of 3.
- Since none of the p-values are below 0.05, we fail to reject the null hypothesis for all statements.

VI. FINDINGS

- Most café owners are unaware of government schemes.
- Financial aid is seen as insufficient for business sustainability.
- No strong growth in new tea businesses or youth entrepreneurship.
- Owners face moderate challenges like competition and financial pressure.

VII. SUGGESTIONS

- Conduct awareness campaigns about available government schemes.
- Provide better financial support like low-interest loans and grants.
- Encourage youth with startup programs and business competitions.
- Promote Digital Marketing Help café owners use Instagram, Facebook, Swiggy, etc., for growth.

VIII. CONCLUSION

This study found that tea cafés are slowly growing in Vijayapura, but they haven't yet made a big difference in creating jobs or helping people start new businesses. Many café owners don't know much about government help, and even those who do say the support they get isn't enough to run their café well. The good thing is that applying for government aid is easy, but the actual help given doesn't make a big impact. Not many new cafés have opened after

2016, and not everyone—especially young people—is interested in starting one. Some café owners do face problems like competition or lack of money, but not everyone sees these as serious. Programs like business training and government support exist, but most café owners don't find them very useful. If the government and local groups take steps to spread more awareness, offer better financial help, encourage young people, and give useful business training, then tea cafés in Vijayapura can grow better and help more people earn a living.

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