

The German tea market in 2008

Preliminary remark

The facts and figures were determined by the German Tea Association, Hamburg, from its own surveys. Further numerical information has been taken from data of the Federal Statistics Office and the International Tea Committee (Annual Bulletin of Statistics), London. The figures indicated refer, unless otherwise indicated, to tea in the strict sense of the word (*Camellia sinensis*). That includes black tea and green tea.

Tea consumption enjoys great popularity in Germany – record tea imports

This trend drink is appropriate to all life situations, and is one of the most popular beverages in Germany

Hamburg, June 2009. The German tea trade and the German Tea Association can look back on a good year in 2008. Imports are up 2,367 metric tons (t), that is nearly 4.9%, on 2007, setting a new record for tea import at 51,000 t. The international reputation of the German tea trade is also illustrated by the pleasing rise in re-exports. 26,989 t of tea processed in Germany was exported as tea specialities to 96 nations around the world. That is also up 2,956 t on 2007, a further increase over the previous year. The German re-export quota for tea was 53.16%. A total of 17,750 t of tea was consumed in Germany, that is over 25.5 litres per capita. That was a slight increase in 2008 compared with 2007.

Tea is a trend – it is a lifestyle drink, with tremendous appeal in Germany, and attracts more and more young enthusiasts. Tea is not only a drink for all age groups, but also for all life situations. That is also evident in the tea portal launched by the German Tea Association last year, www.tea-up-your-life.de.

India and Sri Lanka are Germany's most important black tea suppliers

The People's Republic of China supplied 21.43% (10,878 t) of Germany's tea imports, followed by Indonesia (15.86%) and India (13%). Whereas green tea dominates in imports from China (more than 75% of total imports), the classic black tea suppliers India and Sri Lanka maintained their leading positions in this market. India, with its popular tea specialities from the well known provinces of Assam, Darjeeling, Dooars and Nilgiri, had a 13% market share of Germany's imports, with about 6,599 t. Sri Lanka had a 12.23% share with 6,210.3 t.

German tea experts set worldwide trends in tea

Germany has set up another record in tea exports, with some 26,989 t of tea processed in Germany and exported as tea specialities to 96 nations. That is 2,956 t more than in 2007. All in all, the German tea export quota was 53.16%. The expertise of German tea specialists has long been held in very high regard throughout the world – a success which has been achieved by their excellent work in identification of new product variants and consumer preferences. Some 70% of all tea traded in the whole of Europe goes through the tea city of Hamburg. Hamburg has for many years been the major hub of the European tea trade, and the base for many service providers associated with tea.

A lifestyle drink for every occasion – tea is popular with consumers

Tea is not only the most widely consumed drink in the world after water, but is also on the advance as a lifestyle product. “There is no drink that is as varied and versatile as tea – it can be enjoyed in all life situations. With breakfast, with a 4-course meal, at the office, with friends in a tea lounge, or after a work-out in the gym”, says Jochen Spethmann, Chairman of the German Tea Association, explaining the growing popularity of this drink. “The wellness and lifestyle aspect of tea, which is increasingly accepted by young people in particular, has become a key characteristic in the German market.” The reasons for the growing demand among younger target groups include the variety of flavour, with more and more tea creations and blends, and the growing prominence of tea at hotels and restaurants.

Kenya indisputably the top exporter of black tea

The world’s most important tea growing countries last year included the People’s Republic of China with 1,160,000 t – closely followed by India, which managed to keep second place with 980,818 t. Kenya advanced to third place among the growers, with 345,817 t. Fourth place for tea growing was taken by Sri Lanka with 317,695 t.

Top exporter was Kenya again, with exports of 325,533 t, up about 8.6% on 2007. Sri Lanka took second place as in the previous years, with 298,785 t, and the People’s Republic of China third place with 296,935 t. The Chinese and Indians are traditionally among the strongest tea drinking nations in the world, so most of their production was consumed in their domestic markets.

Black tea remains the favourite of German tea drinkers

Tea is unparalleled with its wide range of varieties and diversity of flavours – the German tea market offers an almost infinite range of different tea blends and variations from the different tea growing areas throughout the world. As in previous years, black tea was the favourite with German consumers – in 2008 it accounted for 77% of German consumption. Green tea accounted for 23%, as in 2007. Loose tea, including both green tea and black tea, maintains a market share of about 60%. Tea bags as convenience products maintained a market share of 40%. Teas from organic growing were up a little, with a total market share of 4.1%.

All in all, 17,750 t of tea were consumed in Germany, that is about 25.5 litres per capita. So tea not only makes a significant contribution to liquid intake, but also has a positive impact on well-being. The big tea drinking area in Germany is traditionally East Frisia, with annual consumption of about 290 litres per capita, that is nearly twelve times the national average and right at the top of the world tea drinking league. The most popular drink in East Frisia is the genuine East Frisian black tea blend.

Slight increase for tea trade and restaurants

The tea specialist trade improved its position slightly again in 2008. 19.76% of tea was purchased in tea speciality outlets, that is about 0.5% up on 2007. Consumers attach a great deal of importance to expert advice, and a large selection of tea specialities. Consumption in restaurants and hotels also increased – with nearly 1% more tea consumption than in 2007. The rising popularity in the restaurant sector is due among other things to special programmes such as “Tea Time” run by a number of hotels, and to the increasingly popular “Tea Lounges”, which offer their customers a special selection of teas. The retail trade remained the most important consumer outlet, accounting for 57.6% of sales. Mail order sales were up to 4.23%.

Positive outlook for tea

The German tea trade is optimistic for 2009. “Tea is one of the most popular drinks in the German market and enjoys great popularity with German consumers. Tea is becoming increasingly established in practically all areas of life. Enjoying a good cup of tea is becoming more and more natural and popular.” “Despite an overall decline in the ‘hot and house drinks’ category (i.e. milk, coffee, tea and other infusions),” says Jochen Spethmann, “we expect tea sales to remain stable at a high level in 2009 again, or even to increase slightly. We view the future with optimism. The German Tea Association has created an Internet portal for today’s tea consumers in Germany, that is www.tea-up-your-life.de, to provide information both on classic tea consumption and on new trends.”