

The German tea market in 2014

Preliminary remark

The facts and figures were compiled by the German Tea Association, on the basis of its own surveys. Further information included in the statistics was obtained from the Federal Statistical Office and the International Tea Committee (Annual Bulletin of Statistics), London. Unless otherwise indicated, the figures indicated refer to tea in the strict sense (*Camellia sinensis*). That includes black tea and green tea.

Tea consumption at a high level in Germany

Domestic sales stable, exports rising significantly

Hamburg, May 2015. Average tea consumption in Germany remained stable at 27.5 litres per capita in 2014. That corresponds to total consumption of 19,176 tonnes of tea, breaking down into 71% black tea and 29% green tea. German imports of tea were up 5.6% to 58,290 tonnes in 2014. The figures for export from Germany were likewise substantially higher, with a total of 27,045 tonnes, nearly 3.5% up year-on-year. Global production of tea exceeded the 5 million tonne mark for the first time in 2014. Following water, tea is the most consumed beverage in the world, and thanks to innovative variations it is gaining new consumer groups in Germany, as elsewhere.

Tea trend continues in Germany

Tea is a trend drink. Nearly 18.7 cups of tea were consumed in Germany in 2014. That is an average per capita consumption of 27.5 litres and a total amount of 19,176 tonnes. Black tea remains the most popular variety, accounting for 71% of consumption. But green tea has considerably increased its market share, to 29% (vs. 24.5% in 2013). The preferences of tea drinkers in terms of preparation remained virtually unchanged in 2014, with 60% choosing loose tea and 40% opting for tea bags or capsules, the convenience solution. Tea bags are available in a wide range of variants, from double-chamber tea bags to pyramid tea bags, and premium tea bags for selected leaf teas, with sizes graded for use in a cup, beaker or pot. The proportion of organic teas remained practically unchanged in 2014 at 1,130 tonnes.

Tea has gained a new position with consumers today. Alongside the traditional tea drinkers, who remain true to their consumption habits, there are also young consumers coming along, keen to try out something new. They enjoy the diversity and creative variations offered by tea. “Tea stands for the new lifestyle feeling of lightness linked with knowledgeable enjoyment, reflected in this country in the diversity of new culinary concepts, tea tastings and tea seminars. And people want to celebrate this lifestyle at home, too,” says Jochen Spethmann, Chairman of the German Tea Association.

Food retail stores and speciality tea shops are the main distribution channels

The food retail trade remains the principal distribution channel for tea in Germany, with a market share of 50.9% (versus 52.7% in 2013). But consumers are also very keen to get one-on-one advice in speciality tea shops. The market share of speciality tea shops remains stable at 17.4% (versus 17.6% in 2013).

The share of catering and bulk consumers was 4.5% in 2014 (vs. 5.2% in 2013). Direct shipment remained stable at 3.8% (vs. 2.7% in 2013). “Other distribution channels” such as Turkish retail stores in Germany, were up slightly with a total of 17.8% (vs. 16.4% in 2013). There was also a slight rise in the sales volume of the tea extract industry, accounting for 5.6% in 2014 (vs. 4.4% in 2013).

Substantial rise in exports

Imports of tea to Germany grew to a record level of 58,290 tonnes in 2014, up 5.6%. After further processing by blending and aromatisation, 27,045 tonnes of this quantity (46.4%) were exported again.

Germany’s most important tea trading centre is Hamburg, which is home not only to major tea trading companies, but also to a large number of relevant service providers, such as logistic companies, laboratories and also the German Tea Association. Another big centre for tea is Bremen with its seaport Bremerhaven.

The know-how of the German tea experts in processing premium tea is held in high regard, especially in Europe. Nearly 69% of the total export quantity went to other EU countries. The main purchaser is France, with 20%, followed by Poland and the Netherlands. Germany also exported teas to 79 countries outside the EU. The US are still in first place there, with 11.5%, despite a slight decline. Other important markets are Russia and Canada.

Global tea production at record level

Global tea production was up again in 2014, exceeding the 5 million tonne mark for the first time. A total of 5,026,362 tonnes of tea were produced worldwide, up 4.3% year-on-year. A total of 3.2 million tonnes were consumed in the growing countries themselves, so that just slightly more than a third (36%) of global tea production went into export.

China remains by far the world's biggest tea grower with 1,980,000 tonnes, that is nearly 40% of the world's tea production. Traditionally China produces a very large proportion of green teas. More than 8 out of 10 cups of green tea consumed worldwide come from China. India is the world's second biggest tea grower, with 1,184,800 tonnes – almost exclusively black teas (98.6%). Other big producers are Kenya (445,105 tonnes), Sri Lanka (338,032 tonnes) and Indonesia (132,000 tonnes). The biggest exporter of tea is Kenya, with 422,848 tonnes in 2014.

Tea from all parts of the world in German cups

Nearly a quarter of the tea consumed in Germany comes from China. China is the most important supplier, accounting for 24.6% of German tea imports (14,341 tonnes), followed by India with 18.1% (10,522 tonnes). Other major suppliers of tea to the German market are Sri Lanka (8,356 tonnes) and Indonesia (4,313 tonnes) and the African growing countries (5,633 tonnes). Tea was imported to Germany and consumed here from a total of 40 different countries of origin.

Among the black teas from India, specifically the strong teas from the Assam region are indispensable for “genuine East Frisian blend”, as they are the main component in this classic tea product. The East Frisians attach great importance to their “teatime” tradition, which goes back nearly 400 years and gives them world's top ranking in the global tea drinking league with a total per capita consumption of 300 litres per annum.

Winning with quality

“Tea gives enjoyment and variety,” says Jochen Spethmann. “And it also gives the benefits of wellness and health, making tea the ideal beverage for consumption throughout the day. We expect good results again in 2015, both for tea consumption in Germany and for the demand for German tea creations abroad.” The high quality of the products, innovative variants and tasty blends keep on providing new inputs to the market, so the industry looks to the future with optimism.