

The German tea market in 2013

Preliminary remark

The facts and figures were determined by the German Tea Association, Hamburg, from its own surveys. In addition, it has used information provided by the Federal Statistical 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.

Growth in the German tea market spurred by diversity and quality Tradition and creativity driving the domestic market

Hamburg, May 2014. Drinking tea is becoming more and more popular. At 19,396 tons, tea consumption in Germany was up 2.3% on the previous year in 2013. This is equivalent to annual per-capita consumption of 27.5 litres, with black tea accounting for 75.5% and green tea for 24.5%. Whereas leaf tea contributed 60%, 40% of consumers preferred the convenience of tea bags. With national consumption rising, imports and exports remained stable at the previous year's level. Just under 5 million tons of tea were produced worldwide in 2013, equivalent to growth of around 3%.

Tea treat very popular in Germany

Tea consumption has been rising steadily in Germany for years. In 2013, 19,396 tons of tea were consumed, an increase of 2.3% (2012: 18,960 tons), with a per-capita consumption coming to 27.5 litres. The ratio of black to green tea is 75.5% to 24.5% with green tea achieving a slightly wider share of the market.

The high quality of the tea on offer and the wide range of different products being retailed are very much to consumers' taste. A further boon is the simple way in which tea is prepared - all that is needed is fresh boiling water and good tea. "More and more people are appreciating the benefits of tea: the pleasure and taste which it offers together with an invigorating yet simultaneously relaxing effect," says Jochen Spethmann, chairman of the German Tea Association in Hamburg.

From exotic to East Frisian

As a beverage rich in diversity, tea is an ideal companion throughout the entire day - for every mood and every situation. “Whereas the classics such as English Breakfast and Earl Grey are firmly established, young consumers in particular are keen to try different flavours and to experience the atmosphere that they conjure up. “Chai and Matcha are very popular with this target group and are seen as being trendy,” says Spethmann.

Black tea remains the most widely consumed type of tea in Germany thanks to the special role which it plays in East Frisia (north eastern region of Germany), where it has been a traditional beverage for over 400 years. There, the classic Genuine East Frisian Blend, which primarily consists of Assam tea, is enjoyed at all hours of the day. Accordingly, East Frisia boasts an annual per-capita consumption of 300 litres. The cultural heritage in the form of the East Frisian “tea time” makes this region the world’s leading “tea-drinking nation”.

Food retail and speciality shops still the main distribution channels

The distribution channels for tea in Germany are virtually unchanged over the previous year. Food retailers and discounters generated 52.7% of sales (53.9% in 2012), while speciality tea shops achieved a share of 17.6% (18.5% in 2012). Accordingly, food retailers and speciality shops constitute a good two thirds of the market.

At 5.2%, the share contributed by the restaurants and bulk consumers widened slightly over 2012 (5%). Looking ahead over the next few years, growth is particularly expected in this market segment. The “other forms of distribution” category, which includes Turkish retail stores for example, held 16.4% of the market in 2013 (14.4% in 2012). At 4.4%, industrial sales for the production of tea extracts were stable (4.3% in 2012) as was mail-order business (3.7% in 2013; 3.9% in 2012).

All told, 1,205 tons of organic tea were consumed in 2013 with an almost even balance between black tea (45%) and green tea (55%).

Exports backed by skilled expertise

At 55,201 tons, tea imports remained at a high stable level (56,431 tons in 2012). Germany again confirmed its status as an important hub for international tea trade. 26,143 tons of tea imports (47.4%) were re-exported after refining, while the balance of 29,058 tons (52.6%) remained in Germany. Of this, 19,396 tons were consumed in 2013, while the rest went into inventories.

There is strong demand around the world for German expertise in the processing of high-quality teas. Germany is a sought-after trading partner for its European neighbours in particular. Just under 65% of total exports went to the EU countries. The main customer was France with 21%. Every fourth tea drunk in France was an import from Germany. Although Austria imports less tea from Germany than France, almost every second cup of tea drunk in Austria was imported from Germany.

Last year, the largest German export market outside the EU was again the United States (15%). However, the Eastern European countries are also interesting customers for the German tea export trade.

The main ports of entry for tea are Hamburg and Bremen with its sea port Bremerhaven, where numerous tea trading companies as well as tea related service providers such as logistics companies and laboratories etc. are based.

More tea than ever

Global tea production continued to rise in 2013. Thus, a total of 4,819,087 tons of tea were produced worldwide, an increase of just under 3%. At almost 3 million tons, producing countries' local consumption remained steady at the previous year's level in 2013. The share of exports widened to 38.7% (37% in 2012).

Despite slight losses of 3.4% in 2013, China is again the world's largest tea producer with an output of 1,850,000 tons. With an increase of just under 8% to 1,200,040 tons of tea, India ranks second, followed by Kenya (432,453 tons), Sri Lanka (340,299 tons) and Indonesia (134,000 tons).

No change in global exports – Pole position for Kenya

The major part of the world's tea production is consumed in the producing countries themselves. The only exceptions are Kenya and Sri Lanka, which export most of their production.

With 413,035 tons in 2013, Kenya is and remains the record tea exporter, achieving a good 19% increase in exports over 2012. India's contribution to tea exports widened by a respectable 16% to 209,000 tons. Other than this, there were virtually no changes in exports. Last year, China exported 332,416 tons of tea, Sri Lanka 317,710 tons and Indonesia 70,000 tons.

Tea drinking in Germany

With a share of 18% (9,948 tons), India is the most important supplier of black tea in Germany. However, most of the tea drunk in Germany comes from China, a total of 11,472 tons, of which green tea accounts for just under 73% (8,332 tons). Other leading suppliers are Sri Lanka, Indonesia and African countries, particularly Kenya.

Individual and high-quality delight for the whole world

Tea offers a wide variety of different flavours and is easy to prepare, providing the perfect culinary delight for everyone. Whether you want to enjoy its relaxing effects or simply need a quick “cuppa” - always “made to measure” for everyone. “Consumers are seeking individual treats. And this is what tea offers. It is a high-quality yet inexpensive beverage,” says Spethmann. “Outstanding refining, strict quality controls and reliable tea suppliers - these are the hallmarks of the German tea industry attracting tea drinkers all around the world.”