

DEUTSCHER
TEE & KRÄUTERTEE
VERBAND



TEA REPORT 2020

Tea unites. Whenever, wherever.



Tea unites

This is the first joint Tea Report of the German Tea & Herbal Infusions Association following the merger in early 2020 of the German Tea Association and the German Herbal Infusions Association. In many respects, the fusion of the two federations which had already worked closely together under one roof in the past makes sense in many respects and creates synergies.

Since the beginning of 2020 the German Tea & Herbal Infusions Association represents the entire German tea industry in the tea metropolis of Hamburg and one of the hubs of international tea trade, bringing together what has long belonged together in consumer perception: “real” tea (*Camellia sinensis*), and herbal and fruit infusions. The German tea industry stands for an almost unlimited variety and exemplary product quality for both international and national consumers.

Enjoy the first joint report from the German Tea & Herbal Infusions Association, which gives you an insight into the German tea market and let yourself be inspired by tea in all its diversity.

45 member
companies



24 associate
members

INFO-BOX

Unless otherwise stated, the term “tea” in the following includes both „*Camellia sinensis*” (i.a. black and green tea) and herbal and fruit infusions.



Tea unites

A declaration of love: Tea has two qualities that consumers associate with it. On the one hand it is a valuable food product, on the other hand tea stands for an enjoyable attitude to life.

Whenever – tea connects moods and taste, families, friends, acquaintances and business partners.

Wherever – different places, occasions and seasons provide opportunities to enjoy tea hot or cold. Tea makes you happy: anytime, anywhere.

The positive, beneficial properties ascribed to tea give it its particular value. Yet truly important are the positive associations that consumers link with tea: Conscious enjoyment. Mindfulness. Naturalness. Time for oneself. Moments of relaxation, invigorating “kicks” in-between, comforting warmth or sensuous bliss. Wonderful sensory impressions that are part of a pleasure-oriented lifestyle. Tea fulfils wishes, and more and more young people are discovering tea as their new favourite beverage.

In Germany, around 129 million cups of tea are sipped each day.

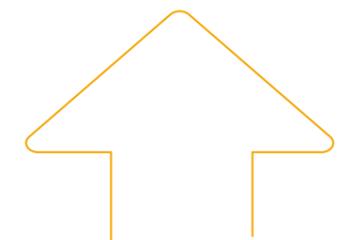
Pandemic shows effect

The tea industry is also affected by the pandemic.

Although not any typical category for hoarding, demand at grocery and drugstore markets increased noticeably. The member companies were able to supply the trade adequately and promptly thanks to predictive warehousing.

In contrast, demand from the catering sector was abruptly halted by the lockdowns and is recovering only slowly within the course of easing measures. Hotels, restaurants and bars which were otherwise glad to welcome foreign and domestic guests and business travellers continue to be severely affected by the situation. A return to usual demand will take some time.

As a consequence of the pandemic, market observations point to a reduced supply due to a severely scarce harvest. In addition, lockdowns in the countries of origin make shipping and logistics more difficult and hamper the collection of herbs in forests and on meadows. This tense delivery situation – such as crop shortfalls in the countries of origin – as well as increased costs for logistics and expenses for quality assurance will probably lead to a rise in prices for raw materials if the previous high quality requirements are to be maintained as usual.



During the pandemic more people have worked from home than ever before.

The trend towards a healthy and conscious diet has given positive impulses especially to black and green tea during this time.



Tea grows in value & volume

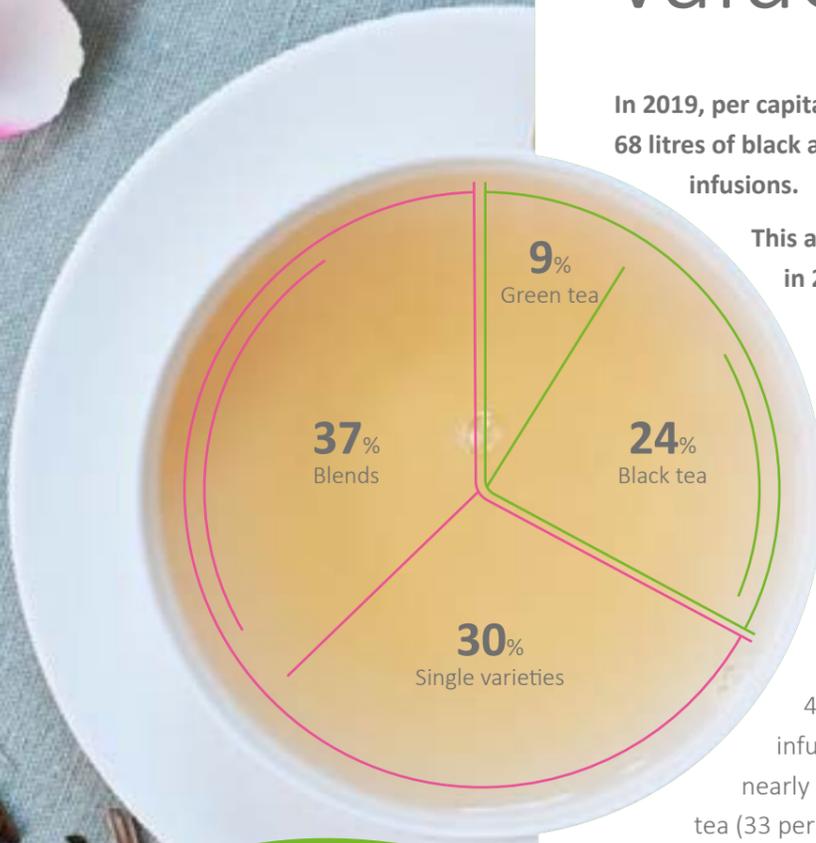
In 2019, per capita consumption in Germany rose to 68 litres of black and green tea and herbal and fruit infusions.

This amounts to a total of 47 billion cups in 2019.

Herbal and fruit infusions remain at a high level with a per capita consumption of roughly 40 litres and lead the tea consumption. Black and green teas reported a plus of 1.6 litres last year. Here the average per capita consumption is now 28 litres.

The quantity is divided into almost 40,000 tonnes of herbal and fruit infusions (67 per cent) compared to nearly 19,200 tonnes of black and green tea (33 per cent).

The ratio of black to green tea remains unchanged at 73 to 27 per cent. Whereas single varieties among the herbal and fruit infusions are declining slightly, blends are increasing by 2 percentage points to almost 55 per cent.



68 litres

Per capita consumption of tea in Germany is almost 68 litres, of which 28 litres of black and green tea and 40 litres of herbal and fruit infusions.

World champion East Frisia

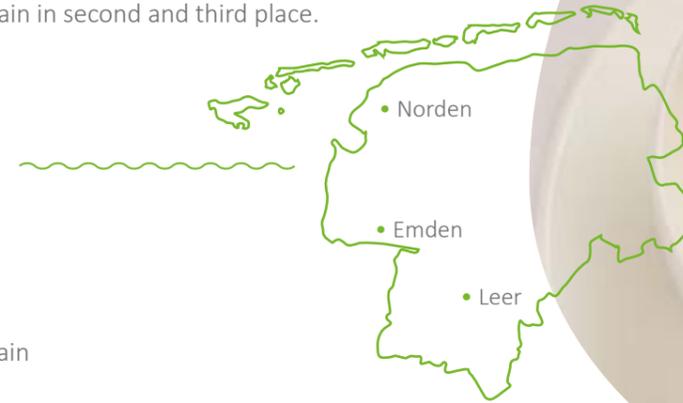
Herbal and fruit infusions are part of the tea tradition in German-speaking countries. Nowhere in Europe are they as popular as in Germany, Austria and Switzerland.

The East Frisians remain as before world champion in tea drinking with 300 litres of black and green tea per capita consumption in 2019. Followed in Europe by Ireland and Great Britain in second and third place.

300
East Frisia

222
Ireland

177
Great Britain



5.7 billion litres of black and green tea and herbal and fruit infusions were sipped in Germany in 2019. This is almost twice the volume of the Outer Alster Lake in Hamburg.



Leaf or bag

For herbal and fruit infusions, the tea bag is ahead with 90 per cent.



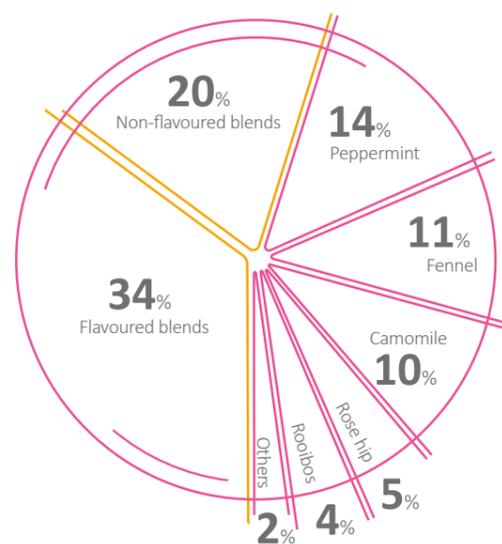
The loose leaf, however, remains the clear favourite for black and green tea with 60 per cent.



Diversity is a tea trend

The trend towards high-quality teas for all life situations and pleasure has continued in 2019. Consumers are increasingly buying selected and more complex blends that ideally supplement the desire for a healthy, enjoyable and diversified diet.

The increasing product diversity emphasises the trend towards extraordinary blends. Trade and gastronomy are very keen to experiment, which gives the overall market a lot of positive impulses.



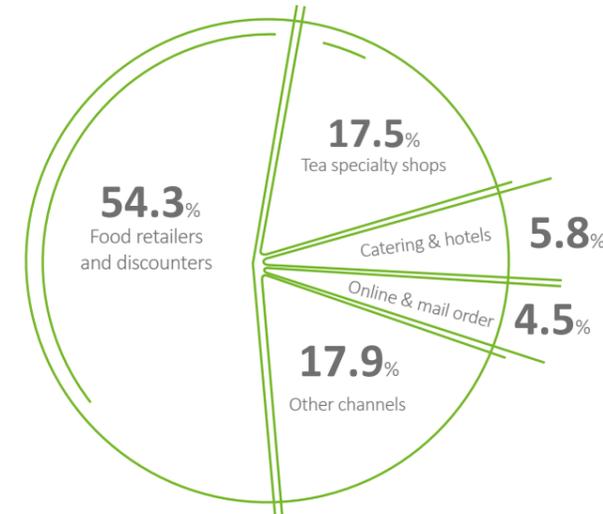
Among the single varieties of herbal and fruit infusions, peppermint, fennel and camomile remain the favourites. Sales of roobos recovered slightly following a decline of the drought in South Africa.

Tea grows in all segments

Tea is on the road to success in 2019: consumption is increasing across all segments and channels. While herbal and fruit infusions are predominantly bought at food retailers and discounters, fans of black and green tea often seek personal advice at tea specialty shops.

Black and green teas are also mainly being bought at food retailers and discounters, where sales are growing by 1.9 per cent. The market shares of the various distribution channels are divided as follows across a total consumption of 19,194 tonnes of black and green tea in 2019*:

*In addition, a significant amount of black and green tea is attributed to the processing industry, e.g. tea drinks, cosmetics, etc..



Strong exports

Importing, refining, exporting: Almost half of the black and green teas processed in Germany travels further abroad. 22,342 tonnes (45 per cent) of imported black and green tea were re-exported in 2019, which corresponds to a growth of just under 1 per cent compared to the previous year.



70% Black tea
30% Green tea

Germany exports black and green tea to 108 countries worldwide. The ratio is 70 to 30 per cent.



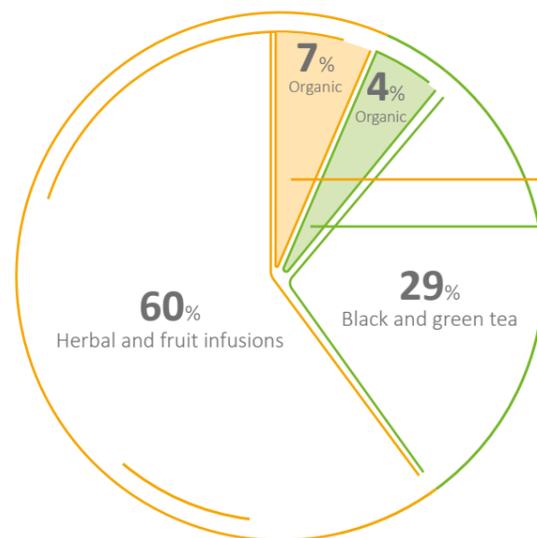
Creation

Whether mild herbal, sweet fruit infusions or spicy blends: Over 400 different parts of around 300 different plant species are the basis for the variety of herbal and fruit infusions.

Seeds and roots, flowers and fruits or barks and leaves have always been used to compose popular as well as ever new blends that differ in taste nuances, colours and intensity. The German tea industry is constantly reaching new target groups with new creations.

Organic grows

Organic is the growth segment for tea and benefits from increasing nutritional and health awareness.



A sense of taste

The German tea industry is renowned for its refinements. The basis of this is the expertise and creativity of experienced tea tasters. As an all natural product, tea differs from crop to crop. It is the art of the tea tasters to consistently compose popular flavours.

Modern machines produce up to

400

tea bags per minute today.



The sales of organic herbal and organic fruit infusions increased to 7 per cent of total tea sales and account for almost 11 per cent of the herbal and fruit infusions sold (39,501 t).

Organic black and green tea reached 4 per cent of total tea sales and amount to 12 per cent of the black and green teas sold (19,194 t).

Herbal infusions with caffeine kick

In South America, mate is one of the most favourite drinks. In Germany it fills a niche - as its caffeine content along with guarana and kola nut, bridges the gap between green and black tea and herbal and fruit infusions.

There are over **30** mate tea varieties in Argentina: mild or strong, pure or blended, hot or cold.

While tea is booming overall, mate after its growth in 2018 fell back to the level of previous years.

Mate imports originate almost exclusively from Brazil, Argentina and Paraguay.



Import to Germany

46,643 tonnes of black and green tea from 72 countries were imported into Germany in 2019, which is close to the level of the previous year. India and China alone supply more than half of the tea we drink in Germany.



● Green tea
● Black tea



A colourful range

Whether totally classic with camomile flowers and peppermint leaves, fancier with rose petals, ginger, cinnamon, rose hip, fennel or mate – herbal and fruit infusions stand for a wide-range of taste sensations.

Ingredients from all five continents invite to set off on a journey around the world on the tea shelf. The tea tasters' tireless joy of experimentation in purchasing and production ensures continuously new taste experiences for tea-lovers at home.

Black and green tea are the classic caffeine infusion. But with mate or guarana, herbal and fruit infusion blends also give a refreshing boost.

Own consumption and export

In 1910, only 15 per cent of black and green tea was consumed in the tea-growing countries. Today, the tide has turned, own consumption in 2019 was almost 70 per cent – and the trend is rising.

Of the 6,150,000 tonnes of tea produced, 4,254,247 tonnes remain in the countries of origin, compared to 4,078,028 tonnes in the year before. Kenya exports over 90 per cent of its tea production.



After water, tea is the most favourite beverage in the world.



Kenya is overall the undisputed world champion in tea export. Kenya predominantly produces black tea (over 90 per cent).



China is the world's biggest tea producer, but only ranks second in terms of exports, as most of the tea remains in the country.



Sri Lanka's exports takes third place.



India keeps 82 per cent for its own consumption.



In **Indonesia**, 67 per cent, two thirds of tea production are consumed domestically.

- Export
- Own consumption

Field, forest and meadows

The raw materials for herbal and fruit infusions come from all over the world. Almost 20 per cent come from countries in the European Union, i. a. from Germany.

For example, significant quantities of herbs such as camomile and peppermint are grown in Bavaria, Saxony, Saxony-Anhalt and Thuringia. In total, however, only a third of the plants are classically cultivated in fields, the majority of raw materials for herbal and fruit infusions comes from wild collections.

Around **1/3** of the plants for herbal and fruit infusions is traditionally cultivated in fields.

The Big Five

World production of black and green tea exceeds 6 million tonnes (6,149,699 tonnes) for the first time. The five biggest tea producers are once again, in descending order, the Big Five: China, India, Kenya, Sri Lanka and Indonesia.

Solely India and China account for 68.1 per cent of the world tea production, compared to 67 per cent in the previous year. India is the largest black tea producing country in the world; China for green tea.

India and China account for over two thirds of world tea production.

In tonnes



In 2019 over **6** million tonnes of black and green tea were produced, which is roughly the weight of 30,000 blue whales. The blue whale is the heaviest animal on Earth.



German Tea & Herbal Infusions Association

Deutscher Tee & Kräutertee Verband e. V.

Sonninstrasse 28 | 20097 Hamburg | Germany

TEL. +49 40-23 60 16-34

MAIL info@teeverband.de

FAX +49 40-23 60 16-11

WEB www.teeverband.de

 #teeziehtimmer

In the event of publication of our information, pictorial material and graphic artwork – purely for editorial purposes –, we request citation of the source “www.teeverband.de” and a specimen copy. Our entire pictorial and informational material is available solely for editorial purpose. In addition – i.e. for any use other than purely editorial – all rights, in particular the right to reproduction and dissemination, are expressly reserved. All contents, particularly illustrations, photos, graphic artwork and texts, may not be reproduced, copied or disseminated in any way without prior written permission.

Sources: Deutscher Tee und Kräutertee Verband e. V., Hamburg: pp. 6, 8, 9, 12; Deutscher Tee und Kräutertee Verband e. V., Hamburg, ITC, London: p. 7; German Federal Statistical Office, Wiesbaden and Deutscher Tee & Kräutertee Verband e. V., Hamburg: pp. 7, 10, 12, 13, 15; ITC, London: p. 17.