REPORT OVERVIEW

The South African Tea Landscape Report (106 pages) provides a dynamic synthesis of industry research, examining the local and global Tea industry from a uniquely holistic perspective, with detailed insights into the entire value chain – from manufacturing to retail and consumption. The report includes research across the Tea industry: Black Tea, Rooibos, Honeybush, Herbal and Iced Tea.

SOME KEY QUESTIONS THE REPORT WILL HELP YOU TO ANSWER:

For the Global Tea Industry (Black, Rooibos, Herbal, Iced) Section:
- What are the current market dynamics of the global Tea industry?
- What are the global Tea industry trends, drivers, and restraints?

For the South African Tea Industry (Black, Rooibos, Herbal, Iced) Section:
- What are the current market dynamics of the SA Tea industry?
- Who are the key manufacturing players in the SA Tea industry?

For the South African Retail and Pricing Analysis Section:
- Who are the key retail players in the SA Tea industry (Black, Rooibos, Herbal, Iced)?
- What are the prices of popular Tea brands (Black, Rooibos, Herbal, Iced) across South African retail outlets?

In terms of South African Consumer Insights and Trends (Black, Rooibos, Iced):
- What are the statistical volume trends for Tea purchasing (2011-2015)?
- What are the statistics regarding the most popular purchased Tea brands in 2015?
106 page report filled with detailed charts, graphs, tables and insights
Global Tea Industry Trends:

- Tea was one of the top four trends noted for “health nuts” in the *TakePart* (digital news and lifestyle magazine) list.

- In 2016, blending will be a trend with creative mergers of tea and other herbs, spices and fruits; more tea-infused jams and desserts; and even more attention on cocktails.

- Blends such as coffee leaf infused tea and a variety of flavoured teas will hit the shelves in 2016.

- 2015 saw a compound annual growth rate of 7.7% since 2009.

- This is due to the preference for healthier beverages, which is driving consumers away from soda and boosting the demand for tea and other categories like bottled water.

- Consumers, particularly Millennials, are becoming more engaged with products, as they find delight in the discovery of new and differentiated flavors, ethnic or new cultural offerings and craft selections.

- Once reserved for the coffee crowd, single-serve pods have been making a major impression on the tea market.

Source: World Tea News; Market Realist; Tea USA

Image Credit: Pop sugar
The tea industry in South Africa faces the challenge of five major factors: drought, the increased price of tea, unemployment, pests and regarding Black tea, the health trend.

1. Drought
- Due to the widespread drought in South Africa, during July and August 2015 farmers were struggling to produce enough product to satisfy demand.
- Rooibos production in South Africa is on average 14,000 tons, of which about half is exported. It is predicted that 2016’s production will be insufficient because of the low rainfall during the 2015 planting season.
- This does not only impact the South African market, but will cause a global price increase, since South Africa is the largest manufacturer and exporter of Rooibos.

2. Increased Pricing
- As a result, the shortage of Rooibos can cause a price increase of up to 90% during 2016.
- Due to a 4 year production cycle, it is possible that price increases could be minimal if the 2016 rainfall normalises.
- Price inelasticity of Black tea could result in a 10% increase in the retail price which would cause a decline in demand.

3. Unemployment
- South Africa’s high unemployment rate of 26.7% in 2016, is an increase of 2.2% from 2015.
- Though the agricultural industry grew by 16,000, the high rate of unemployment could cause a decline in demand for luxury tea products, which have recently become very popular.
SAMPLE FROM REPORT:
SA TEA MANUFACTURERS:
TATA GLOBAL BEVERAGES (TGB)

**TATA Global Beverages**

- TGB is a global business that purchased a majority share of Joekels Brands, a South African tea company, in 2006.

- A 3% rise in revenues was experienced by TGB from 2014 to 2015 - Rs. 7,993 crores, that roughly converts to R183m.

- The increase in global health awareness has caused Green tea to experience a global annual growth rate of 10%, and herbal and fruit teas at a rate of 4%.

- TGB expresses their purpose as a “focus on creating magical beverage moments for consumers and an eternity of sustainable goodness for [...] communities”

- TGB also states that “[h]ealth and wellness trends combined with changing consumer habits contributed to fruit/herbal tea market development.”

- Market insights states that Africa is showing opportunity for the development and growth of fruit and herbal teas.

- TGB specifically supports South African plantations in Clanwilliam and also started the Tetley Farmers First Hand initiative where consumers can communicate with the actual people who grow the tea.

**TGB SA Brands:**

- Laager
- Tetley
- Tea for Me
- Tea Time
- Southall’s
- Teeco
- Phendula Tips tea

*Source: TATA*
*Image Credits: TATA*
An increase in alternative products containing Rooibos tea has emerged.

- Fair Cape Dairies introduced a low fat drinking yoghurt containing Rooibos tea called Rooiboost. Fair Cape is attempting to tap into the health market as Rooiboost is endorsed by the Cancer Association of South Africa (CANSA). It claims that Rooibos significantly increases the body’s cancer-fighting anti-oxidant, glutathione.

South Africa is the second largest player in the tea market.

- Rooibos has had the highest growth of all tea categories in the past few years.

The health trend has produced success for Red Espresso, a naturally caffeine-free espresso made from rooibos tea.

- Red Espresso has won five awards for innovation.

- Red Espresso is making history as the first tea to earn coffee’s highest honour at the Specialty Coffee Association of America (SCAA) by winning the Best New Product – Specialty Beverage Award 2008/9.

Honeybush and Rooibos as a unique, niche product.

- Both Honeybush and Rooibos are indigenous to South Africa, and as a result is marketed as a unique product. Honeybush tea is fast becoming a mainstream product and a strong competitor for Rooibos tea.

Source: Foodstuff SA; S-ge; Live Eco

Image Credit: Ladybugs in Wonderland
SAMPLE FROM REPORT:
ICED TEA VOLUME TRENDS: 2011-2015

How many times did you personally drink Ice Tea in the past 4 weeks? (2011-2015)

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<th>2 times</th>
<th>3+ times</th>
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<td>1,684,000</td>
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<td>1,599,000</td>
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<td>1,798,000</td>
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<td>2015</td>
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<td>1,766,000</td>
<td>2,200,000</td>
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Between 2011 and 2015, the volume trends among consumers who had personally drunk Iced tea had remained relatively stable.

In 2015, 39% (2.5 million) of Iced tea consumers had personally drunk 1 serving yesterday, 27% (1.8 million) had drunk 2 times and 34% (2.2 million) had consumed 3+ times.

Source: AMPS 2011A-2015A (Adult population 16+ years)
Based on weighted numbers
### 1. Executive Summary (7 pages):

1.1 Global Industry Snapshot  
1.2 South African Industry Snapshot  
1.3 Industry Drivers and Restraints  
1.4 South African Consumer and Product Trends  
1.5 Dashboard: South African Tea, Rooibos, Iced Tea

### 2. Global Tea Industry Overview (11 pages):

2.1 Global Industry Overview  
2.2 Global Tea Production  
2.3 Industry Trends 2015  
2.4 Global Consumption  
2.5 Global Trade  
2.6 Global Pricing  
2.7 Key Global Tea Markets: Germany, Japan, UK, Netherlands, USA

3.1 South African Tea Industry Overview: Black, Rooibos
3.2 South African Tea Industry Overview: Honeybush, Green, Instant Tea, RTD Iced Tea
3.3 South African Tea Production: Black, Green and Instant Tea
3.4 South African Tea Production: Rooibos
3.5 South African Tea Production: Honeybush
3.6 South African Tea Production: RTD Iced Tea
3.7 South African Tea Consumption: Rooibos and Black Tea
3.8 South African Tea Consumption: RTD Iced Tea
3.9 Market Structure and Dynamics: Black Tea
3.10 Market Structure and Dynamics: Rooibos Tea
3.11 Market Structure and Dynamics: RTD Iced Tea
3.12 Key Industry Drivers
3.13 South African Tea Industry Challenges

South African Tea Manufacturing Overview

3.14 South African Tea Manufacturers: AVI
3.15 South African Tea Manufacturers: AVI-Freshpak
3.16 South African Tea Manufacturers: AVI-Five Roses
3.17 South African Tea Manufacturers: AVI-Trinco
3.18 South African Tea Manufacturers: Tata Global Beverages (TGB)
3.20 South African Tea Manufacturers: Unilever-Lipton
3.21 South African Tea Manufacturers: Unilever-Glen and Joko
3.22 South African Tea Manufacturers: Rooibos and Others (Vital, Eleven O’Clock, T&Me, TopQualitea, Rooibos Ltd)

South African Ice Tea Manufacturing Overview

3.23 South African Ice Tea Manufacturers: Freshpak, Five Roses and Lipton
3.24 South African Ice Tea Manufacturers: Bos, Elgin Dew and Clover
3.25 South African Ice Tea Manufacturers: Ceres, Oros and Cedar
3.26 South African Ice Tea Manufacturers: Fuze and Nestea
3.27 South African Ice Tea Manufacturers: Thirsty Now Beverages
4. South African Retail Analysis (26 pages):

South African Retail Analysis (in alphabetical order)

| 4.1 | Dulcé Café                     | 4.10 | Vida e Caffe’                |
| 4.2 | Europa (Famous Brands)         | 4.11 | Vovo Telo (Famous Brands)    |
| 4.3 | Fego Caffé (Famous Brands)     | 4.12 | Wiesenhof Coffee Holdings    |
| 4.4 | Masterson’s Coffee and Tea     | 4.13 | Wild Bean Café               |
| 4.5 | McDonald’s McCafé              | 4.14 | Wimpy (Famous Brands)        |
| 4.6 | Mugg & Bean (Famous Brands)    | 4.15 | Woolworths Café              |
| 4.7 | Peacock                       | 4.16 | Independent Online Tea Outlets|
| 4.8 | The Bubble Tea Company         |      |                               |
| 4.9 | The Seattle Coffee Company     |      |                               |

South African Tea Pricing Analysis (conducted w/c 16 May 2016)

| 4.17 | Black Tea Brands: Five Roses, Glen, House Brands, Joko, Lipton, Teaspoon Tips, Tetley, Trinco - Comparative Pricing at Checkers, Pick n Pay, Shoprite, SPAR, Makro and Woolworths |
| 4.18 | Rooibos Tea Brands: Five Roses, Freshpak, Glen, House Brands, Laager, Lipton, Vital - Comparative Pricing at Checkers, Pick n Pay, Shoprite, SPAR, Makro and Woolworths |
| 4.19 | Iced Tea Brands: BOS, Fuze, Clover Manhattan, Lipton, Nestea, Oros Iced Tea - Comparative Pricing at Checkers, Pick n Pay, Shoprite, SPAR, Makro and Woolworths |
5. South African Tea Consumer Trends (14 pages):

5.1 South African Consumer Trends: Black Tea
5.2 South African Consumer Trends: Rooibos and Honeybush Tea
5.3 South African Consumer Trends: Ice Tea
5.4 South African Consumer Trends: Green and Herbal Tea
5.5 AMPS Survey Methodology and Sample Design
5.6 AMPS Survey Questions Asked
5.7 Tea (Not Rooibos), Rooibos, Ice Tea Consumption Trends: 2011-2015
5.8 Tea (Not Rooibos) Volume Trends (Yesterday): 2011-2015
5.9 Rooibos Tea Volume Trends (Yesterday): 2011-2015
5.10 Ice Tea Volume Trends (Yesterday): 2011-2015
5.11 Most Popular Tea (Not Rooibos) Brands: 2015
5.12 Most Popular Rooibos Brands: 2015
5.13 Most Popular Ice Tea Brands: 2015
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