Euromonitor International

Changing Consumer Needs and Opportunities for Tea in Asia Pacific

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INTRODUCTION

Scope
Key findings

TEA IN ASIA PACIFIC

Tea records the second largest growth in Asia Pacific between 2017 and 2022
Black tea remains dominant in Asia Pacific, but innovations observed in other types of tea
Tea has tended to trail the overall inflation rate
Commodity prices and labour costs remain challenges for tea players
Case study: The crisis in Darjeeling threatens one of the world's premier teas
Rising disposable incomes offer opportunities for premiumisation in tea
Tea brands use retail e-commerce to promote their premium products
Wellbeing and its evolving meaning for Asia Pacific consumers provides opportunities for tea
Inflation further pushes demand towards calming and sleep-promoting functionalities in tea
Stress relief teas are part of a wider "anxiety economy"
Relaxation and sleep aids are top health claims in tea in Asia Pacific
Health functionalities such as mood, detox and beauty are also addressed by fruit/herbal tea
Immunity-boosting tea continues to remain relevant post-pandemic
Cold brew tea set to gain prominence as tea players expand offering for young consumers
Targeting young consumers is key to sustaining growth in tea

RTD TEA IN ASIA PACIFIC

RTD tea remains popular in Asia Pacific, due to consumers' taste preferences
Tea prices at retail have risen but by less than the average grocery basket
Cold brew and sparkling RTD tea set to gain momentum in Asia Pacific
Saicho's sparkling tea appeals to mindful drinking while catering to indulgence
Healthy ingredients in RTD tea still hold strong appeal to health-conscious consumers
Fruit flavours in RTD tea continue to shape product variants in Asia Pacific
RTD milk tea dominated by Japanese and Chinese brands in Asia Pacific
Minimal price change observed across top RTD milk tea brands in e-commerce

CONCLUSION

How to win in tea and ready-to drink tea in Asia Pacific
Key findings

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For more information on this report, further enquiries can be directed via this link www.euromonitor.com/changing-consumer-needs-and-opportunities-

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