

TEA – INDIAN CONSUMER – 2018

Functional benefits beyond energy will boost the sale of tea in India, while new flavours will open up iced tea's potential among younger consumers.



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Report Content

EXECUTIVE SUMMARY

- What you need to know – Summary
- Focus on new functional benefits for tea to drive growth in India
- Promote green tea among urban Indian men
 - Graph 1: Consumption of green tea, by gender, May 2018
- Look at ways to add value to standard tea to increase intake among Indian consumers
- What it means

KEY TRENDS

- What you need to know

Key drivers

- Global retail market overview: tea and infusions, 2018
- Retail sales for tea in India get a boost as consumers move away from loose tea
 - Graph 2: Growth in market segmentation by volume (%), tea and Infusions, 2014-17
- Market segmentation by volume for tea in India
- Offer more occasions for Indians to drink tea to increase per capita consumption
 - Graph 3: Retail market volume consumption per capita, tea and infusions, 2017
- Play up health benefits of green tea in India to drive volume growth
- Educate consumers on the functional benefits of green tea other than slimming
 - Graph 4: Top markets for launches with slimming claims, tea, Dec 2015-Nov 2018

Global trends and how they are playing out in India

- Use tea as the base for mood-enhancing foods
- Provide Indians with easy solutions to help them lead healthier lives
- Position tea as an aid to overall health management
 - Graph 5: Select personal health concerns, February 2018

CONSUMER INSIGHTS

- What you need to know
- 93% of urban Indians say they have consumed tea on at least one occasion

Increasing tea consumption occasions

- Encourage Indians to wash down their snacks with tea, hot or cold

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- Partner with brands from other categories to sell accompaniments with hot tea
- Communicate new usage occasions to drive tea consumption in lower tier cities
- Position tea premixes as a must-have while travelling
- Highlight the time-saving aspects of premixes
 - Graph 6: Consumption of premix tea by perception of time taken to make tea, May 2018
- Ads showcase the speed and convenience of premix teas

Functional benefits of tea

- Green tea needs to catch up with black tea in terms of positive associations
 - Graph 7: Attributes associated with tea, black vs green, May 2018
- Use men as brand ambassadors to promote green tea consumption in India
 - Graph 8: Green tea consumption, by age and gender, May 2018
- Be more specific about health claims for green and black tea
 - Graph 9: Association of health with tea by age group, May 2018
- Black tea can take inspiration from green tea for health-related claims
 - Graph 10: Health-related claims, green vs black tea, Dec 2015–Nov 2018
- There is growing potential for mood-based teas, highlighting their emotional wellbeing antecedents
- Focus on "positive" mood-related benefits of herbs and spices in tea
 - Graph 11: Launches with select mood-based descriptors, tea, Dec 2015–Nov 2018
- Indians associate tea with multiple, and often contradictory, benefits

Driving the consumption of iced tea

- Only 16% of urban Indians say they have consumed cold/iced tea on at least one occasion
- Position cold/iced tea as an alternative to energy drinks for young Indian men
 - Graph 12: Consumption of cold/iced tea on at least one occasion, by age group, May 2018
- Green tea can benefit from a "mild energy" positioning in cold ready-to-drink formats
- Play up affordability of tea as an energy drink
 - Graph 13: Affordability associations linked to black and green tea, by hot and cold tea drinkers, May 2018
- Use functional herbs to expand cold tea's positioning beyond energy
 - Graph 14: Repertoire of types of tea consumed, May 2018
- Use cold RTD teas as the basis for flavour innovations to target young male drinkers
 - Graph 15: Taste associations linked to tea, by cold and hot tea drinkers, May 2018

MARKET APPLICATION

- Opportunity: Key areas of focus

Opportunities

- Take tea into new realms of functional benefits to manage health conditions
- Specific health-related claims emerge in tea in India

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– Graph 16: Select emerging health-related claims, tea, India, Dec 2015–Nov 2018

- Tea launches in India speak to new functional benefits
- Provide solutions for stressed out urban Indians
- Teas promoting relaxing and calming properties
- Holy basil could be promoted as relaxing
- Indian brand launches stress-relief tea for parents
- Ayurvedic health for stressed consumers

Who's innovating

- Unique flavours crop up in the tea space in India to drive engagement
- India's first cold brew tea from TE-A-ME
- Powdered iced tea can be an alternative to sugary drinks

Global innovators

- Uplifting and energising tea innovations
- Other innovative flavour profiles appearing in tea
- Energy-boosting ingredients provide additional stimulation
- RTD teas can compete with 'energy' drinks
- Guarana provides additional stimulation

APPENDIX

- Consumer survey methodology

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