

Report Price: £3695 | \$4995 | €4400

e above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

This report looks at the following areas:

- Brewed tea sales remain stubbornly flat
- Kombucha is hot until it's not
- Sugar concerns weigh down RTD tea

Brands can complement tea's natural health halo by developing products with strong functional benefits and that address new consumption occasions.

66

"The \$8.7 billion tea market continues to grow at a slow rate driven by smaller RTD brands and trendy kombucha. Though tea faces stiff competition from other beverages, and RTDs are under scrutiny due to their sugar content, tea is well suited to address the needs of today's consumers." - Caleb Bryant, Senior Beverage Analyst

Buy thi	Buy this report now	
Visit	store.mintel.com	
EMEA	+44 (0) 20 7606 4533	
Brazil	0800 095 9094	
Americo	Americas +1 (312) 943 5250	
China	+86 (21) 6032 7300	
APAC	+61 (0) 2 8284 8100	

Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

OVERVIEW

- What you need to know
- Definition

EXECUTIVE SUMMARY

- Key takeaways
- The issues
- Brewed tea sales remain stubbornly flat Figure 1: Total US retail sales and forecast of tea, by segment, at current prices, 2014–24
- Kombucha is hot until it's not
 Figure 2: Reasons for drinking not drinking kombucha, May 2019
- Sugar concerns weigh down RTD tea Figure 3: RTD tea attitudes, by age and income, May 2019
- The opportunities
- Health and functionality are the future for RTD tea Figure 4: Interest in tea benefits, May 2019
- Tea drinkers are on the lookout for innovative drinks Figure 5: Tea product interest, by generation, May 2019
- Tea expands in the foodservice industry
 Figure 6: Change in incidence of tea drinks on menus, Q1 2016

 Q1 2019

THE MARKET - WHAT YOU NEED TO KNOW

- Incremental growth of tea market
- Tea can emulate fast-growing beverages
- Tea satisfies modern anxieties

MARKET SIZE AND FORECAST

Moderate projected growth for tea
 Figure 7: Total US sales and fan chart forecast of tea, at
 current prices, 2014-24

 Figure 8: Total US sales and fan chart forecast of tea, at
 current prices, 2014-24

MARKET BREAKDOWN

RTD tea lifts the market

Figure 9: Total US retail sales and forecast of tea, by segment, at current prices, 2014-24 Figure 10: Total US retail sales and forecast of tea, by segment, at current prices, 2014-24

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Visit	store.mintel.com
emea	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100



Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

MARKET PERSPECTIVE

- Coffee dwarfs tea
- **Bubbling sales of sparkling water** Figure 11: Total US retail sales and forecast of packaged still and sparkling water, by segment, at current prices, 2013–23
- Consumers want a boost from energy drinks Figure 12: Total US retail sales and forecast of energy drinks and shots, by segment, at current prices, 2013-23

MARKET FACTORS

• Americans are sick, stressed, and tired

Figure 13: Product formats used when experiencing cold, flue, or allergy symptoms, December 2018 Figure 14: Health concerns experienced in the past year, November 2018 Figure 15: Reasons for drinking energy drinks more often, February 2019

KEY PLAYERS – WHAT YOU NEED TO KNOW

- Diversification brings tea into new occasions
- Uncertain future for kombucha
- Lack of excitement for both single cup and black tea
- Tea fits the needs of today's health-conscious consumers

COMPANY AND BRAND SALES OF TEA

- Unilever's brands drag down brewed tea market
 Figure 16: Multi-outlet sales of bagged, loose leaf, and single
 cup tea, by leading companies and brands, rolling 52 weeks
 2018 and 2019
- Smaller brands driving much of the RTD market
 Figure 17: Multi-outlet sales of RTD tea, by leading companies and brands, rolling 52 weeks 2018 and 2019

WHAT'S WORKING?

Restaurant operators add more teas to their menus
 Figure 18: Change in incidence of tea drinks on menus, Q1
 2016 – Q1 2019

Figure 19: beverages consumed away from home in the past three months, Change in consumption incidence, April 2017 – April 2019

- Compete with CSDs by adding bubbles
- Herbal tea brands focus on gut health

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Visit	store.mintel.com
emea	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100



Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

WHAT'S STRUGGLING?

Kombucha is trendy but will it reach its ceiling?

Figure 20: Product perception, kombucha vs RTD tea, "good value," Top 2 box score

Figure 21: top 5 kombuchas with the highest purchase intent score, launched between January 2018 and June 2019

Single cup tea sales stumble

Figure 22: MULO sales of tea bags/loose leaf and single cup tea, 2014 - 2018

Figure 23: brewed tea launches by format, by share of launches, 2015–19

Don't bet on black

Figure 24: Flavors of tea (in bags or packages) purchased, 2013–18

Figure 25: Black tea (in bags or packages) purchased, by age, 2013-18

Figure 26: Brewed black tea vs brewed tea excluding black, perception

WHAT'S NEXT?

- Make RTD tea a "tonic"
- Connect tea with hydration
- Tea is the first natural energy drink
- Tea meets booze

Figure 27: tea as an ingredient in cocktails Figure 28: tea as an ingredient in mocktails

THE CONSUMER – WHAT YOU NEED TO KNOW

- Kombucha drinkers love its probiotics
- Tea provides the benefits consumers want
- Flavor and product development opportunities remain strong
- RTD tea is tasty but not necessarily healthy

TEA CONSUMPTION

Younger affluent consumers are key tea drinkers
 Figure 29: Tea consumption, May 2019
 Figure 30: Tea consumption, by gender and age, May 2019
 Figure 31: Repertoire analysis, tea drinks purchased, by
 gender and age, May 2019
 Figure 32: Tea consumption, by age and income, May 2019

REASONS FOR DRINKING KOMBUCHA

It's a gut feeling

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Visit	store.mintel.com
emea	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100



Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 33: Reasons for drinking kombucha, May 2019 Figure 34: Self-statement agreement, "describes me very well," by tea type drinkers, May 2019

Kombucha's probiotics appeal to women
 Figure 35: Reasons for drinking kombucha, May 2019

REASONS FOR NOT DRINKING KOMBUCHA

Kom-what-cha?

Figure 36: Reasons for drinking not drinking kombucha, May 2019

Figure 37: Reasons for drinking not drinking kombucha, by select demographics, May 2019

INTEREST IN TEA BENEFITS

- Tea is the original relaxation drink Figure 38: Interest in tea benefits, May 2019
- Functional tea claims resonate with women
 Figure 39: Interest in tea benefits, by gender, May 2019
 Figure 40: Interest in tea benefits, by gender and age, May 2019
- Make kombucha a super-functional drink
 Figure 41: Interest in tea benefits, by tea type consumption, May 2019
- **Premium RTD tea drinkers will pay more for a healthier tea** Figure 42: Interest in tea benefits, by RTD tea attitudes, May 2019

TEA PRODUCT INTEREST

- Strong opportunity for further product development Figure 43: Tea product interest, May 2019 Figure 44: Tea product interest, by generation, May 2019 Figure 45: Tea product interest, by age and income, May 2019
- Kombucha consumers are exploratory tea drinkers
 Figure 46: Tea product interest, by tea type consumed, May 2019
- Sweetened RTD tea drinkers prefer what they know Figure 47: Tea product interest, by RTD tea attitudes, May 2019

RTD TEA ATTITUDES

• Better than soda, but still sugary Figure 48: RTD tea attitudes, May 2019

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Visit	store.mintel.com
emea	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100



Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

 Build on the success of kombucha and engage young affluent consumers

Figure 49: RTD tea attitudes, by age and income, May 2019

TEA PERCEPTION BY FORMAT

 RTD tea excels on taste but lacks health, quality associations
 Figure 50: Tea perception by format, among format drinkers, May 2019
 Figure 51: Tea perception by format, among format drinkers, May 2019

IMPORTANT PURCHASE FACTORS

- **Opportunity for increased flavor development** Figure 52: Important tea purchase factors, May 2019
- Create products for health-conscious RTD tea drinkers
 Figure 53: Important tea purchase factors, by RTD tea attitudes, May 2019

APPENDIX – DATA SOURCES AND ABBREVIATIONS

- Data sources
- Sales data
- Fan chart forecast
- Consumer survey data
- Purchase Intelligence
- Mintel Menu Insights
- Abbreviations and terms
- Abbreviations

APPENDIX – THE MARKET

Figure 54: Total US retail sales and forecast of tea, at inflation-adjusted prices, 2014-24 Figure 55: Total US retail sales of tea, by segment, at current prices, 2017 and 2019 Figure 56: Total US retail sales and forecast of bagged, loose leaf, single cup tea, at inflation-adjusted prices, 2014-24 Figure 57: Total US retail sales and forecast of RTD tea, at inflation-adjusted prices, 2014-24 Figure 58: Total US retail sales and forecast of instant tea mixes, at inflation-adjusted prices, 2014-24 Figure 59: Total US retail sales of tea and RTD tea, by

channel, at current prices, 2014-19

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Visit	store.mintel.com
emea	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100



Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

APPENDIX – KEY PLAYERS

Figure 60: Multi-outlet sales of tea and RTD tea, by leading companies, rolling 52 weeks 2018 and 2019 Figure 61: Multi-outlet sales of instant tea mixes, by leading companies and brands, rolling 52 weeks 2018 and 2019

APPENDIX – CONSUMERS

Figure 62: Tea perception by format, May 2019



What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

store.mintel.com
+44 (0) 20 7606 4533
0800 095 9094
+1 (312) 943 5250
+86 (21) 6032 7300
+61 (0) 2 8284 8100



About Mintel

Mintel is the **expert in what consumers want and why.** As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster

Our purpose is to help businesses and people grow. To find out how we do that, visit **mintel.com.**