9 tips for finding buyers on the European tea market

The tea markets of Europe vary per country, which makes research, exploring and knowledge-gathering the best ways of finding buyers. Research online, visit trade fairs and visit shops in your target markets. Study the differences in each country and per buyer, and use the following tips to help you put your business at a competitive advantage.

1. Explore your target market

Did you know that the tea markets in Europe vary per country? The differences relate to a number of factors, such as consumption patterns, levels of trading, preferences for specific tea varieties, buyer profiles and buyer requirements. You will need to understand these differences if you want to be successful in Europe.

Explore Europe. Analyse the demand per country and identify the channels through which your specific tea variety enters the European market and where it is sold.

Find out how to categorise your product: CTC (Crush-Tear-Curl) or orthodox (specialty) tea, green tea, mainstream/bulk tea-bag tea. Note, that the common mainstream tea brands are mainly interested in tea-bag grades. Then find out who the main buyers are and what their requirements are.

Tips:

- Analyse market information using our <u>tea trade statistics study</u>.
- Research per country using our factsheets about <u>tea in the Netherlands</u> for example, <u>tea in the United Kingdom</u> and <u>tea in the Czech Republic</u>.
- Visit shops in your target market and make an overview of tea brands and tea packers.
- Compile your own <u>trade statistics using ITC Trade Map</u> and <u>EU Export</u> Helpdesk: My Export.

2. Visit the websites of tea federations and associations

Sector associations and tea federations are a great source of information on buyers. These are generally national organisations which represent businesses in their own countries. Go to their websites and look for their member lists. These often include website addresses and contact details for buyers.

National and international sector associations also publish market information which can be useful for your research. The <u>International Tea Committee (ITC)</u>, for example, provides statistical information to the international tea industry on production and consumption worldwide.

Here are a few examples of (inter)national sector associations:

- <u>International Tea Committee</u>: list of members
- United Kingdom Tea and Infusions Association: list of members
- German Tea Association: list of members

- <u>Dutch Coffee and Tea Association</u>: list of members (also coffee companies)
- Irish Tea Trade Association

3. Study online directories

There are other organisations that publish online lists of companies involved in the European tea industry. Here are a few useful sources to help you find European tea buyers:

- Ukers' Industry Guide: Tea & Coffee Global Directory & Buyers' Guide
- <u>International Tea Committee: Tea Trade Directory</u>
- Ethical Tea Partnership membership list
- Vicony Tea Directory (VTD): Directory for niche tea
- <u>LinkedIn Group: Tea Importers & Exporters</u>

4. Participate in trade fairs

Participating in trade fairs is a good way of meeting potential buyers and gathering market information. It is also a good way of increasing exposure for your company and products, as well as getting to know the competition.

It is a good idea to attend trade fairs as a visitor first. It's better to find out whether or not the trade fair is interesting for your company before you pay to exhibit.

This would be a good approach:

- Study online trade fair catalogues to identify potential buyers (e.g. tea importers).
- Visit their exhibition stands.
- Introduce your company and establish initial contact with potential business partners.

Examples of international trade fairs:

- <u>COTECA</u> international trade fair for coffee, tea and cocoa in Hamburg, Germany, held every two years.
- <u>Tea & Coffee World Cup</u> international coffee and tea trade fair, held annually in different cities worldwide.
- Anuga the world's leading food fair for the retail trade and the food service and catering market. It can be a useful trade fair for discovering new trends and learning about the European consumer market for tea. It is held every two years in Cologne, Germany.
- <u>SIAL</u> one the world's largest food exhibitions, encompassing a number of food ingredients and final products, including tea packers. SIAL is held every two years in Paris, France.
- <u>BioFach</u> the most important international exhibition for organic food and fair trade products, held every February in Nuremberg, Germany. It is a crucial trade fair for companies that sell organic tea.

Tip:

 Study online trade fair catalogues as a good way of identifying potential buyers. See for example the <u>Biofach exhibitors list</u>.

5. Contact trade promotion organisations and your Tea Board

Many European countries have governmental organisations that promote imports from developing countries. They help SMEs in selected partner countries and sectors aiming to export products to Europe.

Check which trade promotion organisation targets your country and product. These organisations also run training programmes and matchmaking services which you can apply for. The main organisations:

- For the Netherlands, contact the <u>CBI the Dutch Centre for the Promotion of</u> Imports from developing countries.
- For Germany, contact the German Import Promotion Desk (IPD).
- For Switzerland, contact the Swiss Import Promotion Programme (SIPPO).
- For Belgium, contact the <u>Belgian Development Agency (BTC)</u>.
- For Finland, contact the <u>Finnish import promotion organization</u> (<u>Finnpartnership</u>).

You can also consider contacting the embassies (or trade attaché) of your own country in Europe, or local European Chambers of Commerce. The Tea Board in your own country is also a very important source of information.

6. Make use of buyer missions, matchmaking programmes and trade missions

Participating in buyer missions, matchmaking programmes and trade missions is a good way of getting to know a new market and developing contacts with potential importers. Many countries have trade promotion organisations that organise commercial visits to promote their export sector. Joining visits like these is an effective way of expanding your network.

Ask if your tea is one of the areas the foreign mission or matchmaking event is going to focus on (such as CTC (Crush-Tear-Curl) or orthodox (specialty) tea, green tea, mainstream/bulk tea-bag tea). If not, look for a different programme to participate in. If chosen wisely, these programmes are a good investment for your company.

Tip:

 Find trade promotion organisations in Europe (see above) or search for export promotion programmes initiated by governmental organisations in your own country.

7. Use online trading sites

Online market places are limited in the tea sector. However, there are online market places and databases such as <u>Foods for Trade</u>, <u>The Food World</u>, <u>Organic-Bio</u> and <u>Tradekey</u> which you can use to search for tea buyers per country.

European buyers of tea actually prefer direct contact with suppliers. This gives them more scope for assessing what you have to offer them. Saying this, online trading sites give you access to some less traditional market segments, and are places

where you can promote your own specific products such as high-quality Oolong tea or Matcha tea. This is a good option if you do not have a large budget to spend on marketing.

You can register and publish your company details and products (often free of charge). It is important, though, to analyse the response you receive through these sites critically. Some contacts can be truly valuable to your business, whilst others may be much less interesting or even unreliable.

Tips:

- Visit Foods for Trade: a leading B2B marketplace for the food industry. It
 offers a company profile service and member accounts for business partners
 and promotes companies through trade leads. Subscribers can also create
 customised advertising packages.
- Go to <u>The Food World</u>. It is a useful database of companies active in specific food categories.
- A good online database is <u>Organic-Bio</u>: compiles lists of main companies worldwide dealing with organic (and often Fairtrade Certified) products. You can filter your search at product level, filtering by 'Tea' companies.
 Producers/exporters and buyers can be found in this database.
- Search for tea buyers per country at <u>Tradekey</u>.

8. Send direct emails to new prospects

When you have found potential buyers, it is a good idea to write emails to each one individually. Email is a good tool for initiating contact. Research the company's individual requirements and business activities. Re-write each email to show you are interested in them as a prospect, and be sure to include the following items:

- Who you are
- Why you are contacting them
- What you are selling
- What your product specifications are
- How you manage quality, specifically with regard to MRLs and what proof you have of compliance with European Union legislation
- What quantities you offer
- How you will deliver
- Where and when you can deliver
- Why they should buy from you
- Don't forget to include your Unique Selling Points (USPs).

Tip:

- Follow up any emails with a phone call. Don't just hope they will respond on their own.

9. Understand your potential buyers

It is important that you understand your potential buyers. Who exactly will you be doing business with? Which segments does your potential buyer operate in? What are their requirements?

Visit your potential buyers' websites. Obtain as much information as you can, and find out if they operate in mainstream markets or niche segments (such as speciality, organic and fair trade).

Use industry news and trade press to help you understand the market and your potential buyers' decision-making processes. Here is a list of interesting magazines and news portals focussing on tea:

- Tea and Coffee Trade Journal
- World Tea News
- STIR
- Fresh Cup Magazine (which also publishes the Tea Almanac)
- The Daily Tea
- Organic & Wellness News: this online magazine publishes information on the organic market, as well as news items on broader themes such as sustainability (e.g. fair trade), health and product innovations.

Once you understand your buyer and how best to approach them, you will be well on your way to establishing long-term business relationships.

Tips:

- Use trade press like <u>World Tea News</u>, and <u>Fresh Cup Magazine</u> to find out who the competition is. It is also a good advertising tool.
- Check our tips for doing business with European tea buyers.
- Read trade publications to keep yourself up-to-date on market news.