



Tea is Picking Up Steam

No pun intended. However, that steam now comes in many liquid as well as solid applications. But more on that later.

Tea started its amazing journey some 5,000 years ago in the mountainous regions of Yunnan - China. It was used for medicinal purposes, and coveted for its countless health benefits long before modern medicine delivered us more concrete evidence of its powerful phytochemicals and nutrients. Loaded with antioxidants, particular EGCG (Epigallocatechin gallate) — Yes, quite a mouthful — tea has shown to be useful in the prevention of many diseases.

You might have heard all of this already. After all, the Canadian loose-leaf tea revolution started around 15 years ago when the first premium tea boutiques began to surface. Since then, Canadians have learned to appreciate the varieties and health benefits found in the products sold in these specialty boutiques. Many of these stores boast well over 100 flavours and treasures, gathered from every remote corner of the globe.

Restaurateurs have finally caught on to this, and it is much easier to find the quality loose-leaf teas one has become accustomed to through the various retailers and many coffee shops. This is for good reason. Major coffee shop operators are recognizing the change towards premium loose-leaf tea and they are working hard not to miss the boat. So, just when it appears to be as good as it gets in terms of finding quality and variety, two more changes have appeared on the horizon.

Current research from Agri Foods Canada predicts a rise of 40 per cent in Canadian tea consumption by 2020.

Those are big numbers by any standards. However, more interesting yet is

the fact that this prediction applies to premium tea only. Knowledge is power and an educated consumer is the most powerful driving force. No longer will mediocre tea dust, falsely sold as Orange Pekoe grade suffice. Grocery store shelves will see an increase in loose-leaf consumption. Tea aisles have grown significantly over the last few years and quality will triumph.

The most interesting part about this development is that these consumers are not currently purchasing tea in the grocery stores. This fast-growing segment of educated tea buyers will shop for their groceries and then purchase their tea in a specialty tea boutique because there is no comparable product available in most grocery stores. This leads to incremental sales without cannibalization of the category. Better even; loose-leaf delivers great margins and can still be sold for less than what a specialty boutique would charge.

The demographic of tea drinkers is amongst the widest in any industry. Younger generations are drawn to tea shops and with that, are exposed to a quality rarely found in grocery stores. That of course is a good development. Most would agree that "Once you have had good tea you can't go back".

It is however not only the younger generation that have discovered the countless health benefits and superior flavours of loose-leaf tea. Research has shown that consumers associate loose-leaf tea with a higher level of purity, health benefits and a better overall lifestyle.

Some mainstream retailers as well as independent grocers have cashed in by launching super premium teas in their stores this summer. This might not seem like anything special, however until recently, the finest teas were limited to specialty shops. This new approach might just change the way we purchase tea and with it bring better quality to mainstream retailers. This is a significant change, in a world where shelf space is more valuable than the average German sports car. Companies like Tea Squared are introducing 16 new and exciting flavours and the quality puts some of the specialty tea stores to shame. At last we are able to purchase top-quality loose-leaf in a convenient location. Steps like these show us that "granny's cup of tea" is no longer the norm, and we have finally traded the soggy old bag for premium, all natural, non-gmo, gluten free, kosher and organic gems.

And why not indeed? Premium loose-leaf is still one of the cheapest beverages on the planet. Not only that, it also yields about three times as many cups than a package of upscale tea bags for about the same price.

The second part of this "revolution" is one that excites me tremendously as a former chef and restaurant owner.

As already mentioned, tea started its journey not only as a medicinal product, but also as sustenance, currency and



eventually as a culinary treat for the wealthy. It took thousands of years for tea to become the staple beverage it is today.

The leaves of the tea plant (Camellia Sinensis) were boiled with ginger and spices, used as flavouring for food and pickled or eaten as salads. In Tibet, tea is still boiled with Yak butter for sustenance. I am happy to report that this tradition has resurfaced with a vengeance. Chefs and mixologists all over the world have re-invented the use for this amazing and incredibly versatile ingredient.

Many of such teas also make amazing iced teas and lattes and lend themselves to cocktails.

Michael Tremblay, the only certified Sake sommelier I know, currently has his second home at "Ki" on Bay street in Toronto. Michael highlights "Sleepyhead", a herbal blend of camomile, lemongrass, rose hip and orange blossoms. He makes a strong and sweet infusion, using simple syrup. Naturally, his match of choice is a clean and crisp Sake from Kyoto. He loves the silky texture of these sakes as a perfect companion to the refreshing tea. Garnished with a stalk of lemongrass; this is a perfect addition to the summer backyard party.

Nishan Nepulongoda — an award-winning mixologist at Blowfish restaurant uses Lapsang Souchong. This tea is smoked over pine amber and is reminiscent of the soothing scent of a campfire. Nish makes a base by infusing the tea with ginger and maple syrup. He teams it up with Bombay Sapphire Gin, sweet Vermouth and lime juice. He completes his aperitif with rosemary and maple bitters.

Once again in history, tea has managed to delight, nourish, sooth, excite and stimulate our body and senses. It continues to bring pleasure to us in ways few other foods and drinks are able to.

I hope you, too, feel stimulated after you read this article, to think "outside the pot" and make tea part of your culinary journey.

Frank Weber is the owner of Toronto-based importer and wholesaler "Tea Squared". Frank had been a pioneer in the Canadian tea industry and is currently working with chefs and mixologists all over the country on a compilation of tea-infused recipes. If you would like to contribute to the knowledge base, please contact info@teasquared.ca

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Christian Sauve, director, innovation & new business opportunities for Trans Herb Inc., confirms that tea of all kinds “Are doing extremely well at retail level, and companies such as ours offer premium, herbal, seasonal and just about any other type of tea you can imagine.” “But if there was a single consumer demand to highlight, I think it would be the fact that people expect benefits from whatever tea they choose, with most of these benefits associated with health.”

Trista Awtrey brand manager for Yogi Tea, agrees, but she says an interesting phenomenon is occurring within the herbal tea sector: “A lot of people initially purchase our teas for health reasons, and then they wind up becoming repeat customers purely because of the taste of our products.”

For its merchandising possibilities, Sara Yuristy much prefers tea over coffee. “We market it in our health aisles as well as beverage aisles, and there are so many types of product with clearly-defined functions that it’s an easy category to draw attention to,” she says.

As summer leads into fall, the consumption rate of hot beverages is expected to rise, providing an even greater windfall for retailers. However, rarely has a segment been so well positioned to increase sales in the long-term: the convergence of single-serve technology, young consumers, and new players to the market offering new flavour combinations virtually ensures that the category will achieve new heights of success in the near future. ●

Given coffee’s staggering sales and consumption figures combined with the might of single-serve, where does this leave tea?

As Roberge indicates, single-serve is rapidly infiltrating the tea category, and tea itself continues to enjoy a renaissance as a “cool” beverage amongst younger imbibers: “The tea story is all about specialty, and consumers have more varieties on their shelves than ever: as many as eight types and close to five brands, which is terrific news for retailers.”

Roberge bases her remarks on the Nielsen study commissioned by her association and published last September. The 2013 Tea Time Survey explored how tea trends developed in Canada over the past year and involved 7843 participants, 4,205 of whom drink tea at least once a week.

The survey found that one in three tea drinkers consume eight or more cups a week; it also found that tea has a larger share of throat than coffee among tea drinkers, although among total respondents coffee has a larger share. “Additionally, the survey found that type of tea, then flavour, then format were the main considerations of consumers making tea purchases,” says Roberge. “This was followed by price, and then brand.”

As for barriers preventing consumers from buying tea, caffeine content was cited as a reason along with inconvenience, which prompts Roberge to remark, “Now that pods have addressed the latter issue, we need to make more of an effort to educate consumers about the relatively low caffeine content of tea compared to coffee.”

The Retail Merchandising Complexity Index



A new tool for retailers to drive sales and profits.

Here’s a retail truism: as operational complexity grows, so do costs. It’s time to quantify how complexity can compound costs, stifle sales and drain profits. And it’s time to do something about it. I have a solution.

Managing a single store is no cakewalk. But managing the complexities of a multi-store operation adds up to more than the sum of the parts. We might say it’s complexity squared. A growing list of tasks and stores, the impact of geographic dispersion, conflicting priorities and the ever-present human factor mean retailers’ chal-

lenges grow exponentially, not linearly.

This is no more so than in the area of retail merchandising, where the complexity in managing endless changes in marketing initiatives, pricing, signage and more can hamper a manager’s ability to deliver ever higher sale-store sales.

Complexity Creep

Simplifying this exponential explosion of complexity — call it “complexity creep” — is the goal. But where to start? In the belief that “What gets measured gets managed,” an ideal starting point is to mea-

sure merchandising complexity using an equation that combines the factors involved in producing the complexity and the challenges that complexity produces.

In its most general form, complexity (C) equals N squared, where N represents the number of merchandising elements being managed in a retail situation, or $C = N^2$.

In the context of visual merchandising and advertising, this equation becomes:
 $RMCI = N^2 \times S$



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