



A TEA FOR WHAT AILS YOU

Can a cup of tea boost energy, stave off colds, curb insomnia and keep people slim? Yes, say a growing group of functional tea buyers

By Rosalind Stefanac

THE GREAT JAPANESE SCHOLAR OKAKURA Kakuzō, author of the tea lovers' classic *The Book of Tea*, wrote, "Tea began as a medicine and grew into a beverage." Today, his words are even more relevant. Canadians are turning to tea for health rather than just as a hot drink.

"There is a lot of research on the health value of tea itself, especially green tea. We know peppermint is good for digestion and ginger is good for nausea. "We also know herbs like passion flower help for sleep," says Desiree Nielsen, a registered dietitian in Vancouver.

As consumers strive to live healthy, Nielsen expects to see more functional teas for specific concerns like digestion, sleep

issues and energy boosters hit the mainstream market. "It started in vitamin water and it will cross over into functional teas," says Nielsen. "In the last five to 10 years we've had this concept of super foods and I think consumers are looking for greater benefits from all their foods, including teas."

A walk down the aisles of an ethnic grocery store in

Canada might be a sign of things to come. There, teas targeting weight loss, stress relief and more fill up long tea aisles.

At Korean grocer Galleria Supermarket in Toronto, tea favourites include ginseng, ginger and yuja (citron), which is high in vitamin C. In winter, when customers seek to prevent colds, the grocer dedicates an entire aisle to snuffle-stopping products. "Consumers now have more choices in organic functional teas to safely protect their body and prevent side effects," says Jerry Park, Galleria's category manager.

According to a 2013 Nielsen survey commissioned by the Tea Association of Canada, 40% of tea-drinkers associate herbal teas with health benefits, up from 28% in 2009. The most common include curbing anxiety (30%), help with sleep (25%) and weight loss (18%). At Toronto's Carrot Common, holistic dispensary manager Jane Greenlay says customers are looking for teas to target all of the above issues in addition to others, such as liver and bowel ailments and help for healthy lactation.

"As alternative medicine becomes more popular so do medicinal teas," says Greenlay, noting that the range of products in this category has been increasing year to year. With about 15% of the store dedicated to herbal tea products, she says teetotalers are primarily females between 25 and 45.

However, even teens are now showing an interest in functional teas. "We've seen a shift in younger consumers of medicinal teas especially with all the different formats and different devices for tea

[brewing] available,” says Tebbie Chuchla, senior brand manager for Hain Celestial, which sells a “wellness” line of teas that includes the popular Sleepytime brand. Recent additions to the line include a blend with echinacea to boost the immune and a Sleepytime tea with licorice root and elm bark to soothe sore throats.

Companies such as Trans-Herbe in Montreal, who have traditionally sought pharmacies to carry their functional teas, are now targeting grocers too. This year, its FDA-approved Four O’Clock medicinal teas are rolling out to grocery stores. “I think our products have done so well in pharmacies because there is someone there who can answer questions about ingredients,” says Roche Cyr, Trans Herbs’ director of marketing. “The more educated a retailer is, the better it is for the customer.”

Sobeys is putting that advice to practice at its new Sobeys Extra in Burlington, Ont. The store employs a wellbeing counselor, Courtenay Legacy, who addresses customer questions around health and holistic products. “Unless we can educate customers on what these specialty products do, it’s hard to see them move off the shelves because of their often higher price point,” she says. Legacy, a registered holistic nutritionist, says her store carries some eight brands of medicinal teas. “I’ve done workshops in the store on boosting the immune system and increasing energy and I suggest these teas as part of that.”

At Sobeys, the positioning of the “wellbeing” section at the front of the store, with vivid signage, has proven helpful for shoppers seeking

medicinal teas. “Plus all the employees know to direct customers who have questions to me,” Legacy says.

Grocers don’t necessarily need a dedicated wellness section for their teas. But as the functional tea trend gains steam, they may wish to broaden assortment in the regular tea aisle, says Jim Kavanagh, director of marketing natural and organic at Tree of Life, distributor of Traditional Medicinal and Uncle Lee’s Body Balance



◀ **TEA GONE COLD**

Functional teas don’t only come hot. Brooklyn, N.Y.-based **RUNA HAS A NEW TAKE ON COLD ENERGY DRINKS** made from guayusa, an Amazonian tea leaf that the company says has as much caffeine as a cup of coffee but twice the antioxidants of green tea.

herbal teas.

A common mistake, says Kavanagh, is cutting back on stock in warmer weather. “When you drive by Tim Hortons in the summertime,

people are still lined up buying their hot beverages,” says Kavanagh. “You’re taking these teas for a purpose and the time of year shouldn’t matter.”

COFFEE, TEA AND STEAM

How hot beverage sales are doing in Canada

More Canadians want a no-fuss, no-muss morning perk. No wonder **COFFEE PODS** are still flying off of shelves.

	52 Weeks Ending December 14, 2013				52 Weeks Ending December 15, 2012			
	Dollar Sales Percent Change vs Year Ago		Unit Volume Percent Change vs Year Ago		Dollar Sales		Unit Volume	
	Dollar Sales	Unit Volume	Dollar Sales	Unit Volume	Dollar Sales	Unit Volume	Dollar Sales	Unit Volume
HOT BEVERAGES	\$1,487,588,072	6%	208,253,322	4%	\$1,404,645,674	201,194,912	\$1,404,645,674	201,194,912
COFFEE - ROAST & GROUND	\$1,019,081,043	9%	109,181,818	7%	\$936,541,157	101,600,837	\$936,541,157	101,600,837
UNFLAVOURED	\$847,514,056	7%	88,590,776	6%	\$789,025,936	83,728,653	\$789,025,936	83,728,653
FLAVOURED	\$171,566,987	16%	20,591,041	15%	\$147,515,221	17,872,184	\$147,515,221	17,872,184
ON DEMAND	\$419,500,610	40%	39,249,383	38%	\$300,021,074	28,436,013	\$300,021,074	28,436,013
CANS	\$363,860,113	-15%	42,506,351	-13%	\$427,434,746	49,121,593	\$427,434,746	49,121,593
BAGS	\$214,342,445	5%	24,355,686	7%	\$203,629,665	22,661,086	\$203,629,665	22,661,086
ENVELOPES	\$18,140,477	550%	1,796,967	577%	\$2,790,167	265,602	\$2,790,167	265,602
OTHER CONTAINER TYPES	\$2,227,313	43%	178,894	25%	\$1,554,106	142,987	\$1,554,106	142,987
PACKETS	\$1,009,775	-9%	1,094,467	12%	\$1,110,091	973,209	\$1,110,091	973,209
FOIL POUCHES	\$310	-76%	70	-80%	\$1,308	347	\$1,308	347
REGULAR / ALL PURPOSE GRIND	\$473,536,310	18%	53,144,047	11%	\$400,833,125	47,938,305	\$400,833,125	47,938,305
OTHER COFFEE GRIND GROUPS	\$329,037,186	11%	36,317,789	12%	\$296,139,717	32,331,476	\$296,139,717	32,331,476
FINE GRIND	\$110,817,591	-17%	10,493,213	-16%	\$133,823,960	12,425,994	\$133,823,960	12,425,994
WHOLE BEAN	\$94,230,290	2%	7,700,313	5%	\$92,644,500	7,299,586	\$92,644,500	7,299,586
EXTRA FINE GRIND	\$11,459,666	-13%	1,526,455	-5%	\$13,099,855	1,605,475	\$13,099,855	1,605,475
CAFFEINATED	\$965,344,239	9%	102,781,744	8%	\$887,109,786	95,542,778	\$887,109,786	95,542,778
DECAFFEINATED	\$53,736,804	9%	6,400,074	6%	\$49,431,371	6,058,059	\$49,431,371	6,058,059
TEA	\$221,500,134	3%	49,953,899	0%	\$215,803,559	49,969,648	\$215,803,559	49,969,648
SPECIALTY TEA	\$136,085,394	6%	33,294,840	2%	\$128,420,343	32,492,808	\$128,420,343	32,492,808
REGULAR TEA	\$82,234,166	-2%	16,163,600	-5%	\$84,286,300	17,026,926	\$84,286,300	17,026,926
LOOSE TEA	\$3,180,574	3%	495,459	10%	\$3,096,916	449,914	\$3,096,916	449,914

SPECIALTY TEAS, including those that promise better health, are driving the tea category forward. Go to page TK for more

SOURCE: NIELSEN, NATIONAL ALL CHANNELS, ALL SALES (EXCEPT NEWFOUNDLAND); GROCERY BANNER, MASS MERCHANDISERS, DRUG, GENERAL MERCHANDISERS, WAREHOUSE CLUBS