

Analysis on Present Situation and Prospect of Tea Export in China

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Abstract: The discovery and utilization of tea trees is an important performance of Chinese ancient civilization. In more than three thousand years of tea history, China has become the world's famous tea culture capital. With the development of economic globalization, the export of Chinese tea has come to an important stage of development. This paper studies the present situation of Chinese tea export trade and analyzes the export competitiveness of Chinese tea.

Keywords: Present Situation; Tea Export; Prospect

1. Introduction

1.1. Present situation of Chinese tea export

China's tea trade and export has a very long history. China's tea varieties, tea technology and tea culture in the world has a high visibility and recognition. But in spite of this, China's tea export trade has not flourished. In contrast, China's tea exports have shown signs of slow growth in recent years.

Historically, China's tea exports have long been in an oligopoly position. But in recent years there have been some new tea exporting countries, they use the new international environment and market opportunities and gradually formed their own development advantages, they also become a strong rival China tea export trade. Therefore, it is urgent to study China's tea export situation and analyze the problems in China's tea export trade.

1.2. Tea export trade in the world

Tea is one of the world's three drinks, which has a very long history and a large consumer groups. With the continuous development of world economy and trade and the continuous efforts of major tea exporting countries, the import and export trade of tea and related products has become an important part of world economic and trade. Therefore, the import and export trade of tea industry is of great significance to the development of the global economy.

World tea trade has two notable characteristics. First, tea consumption structure constantly emerging new changes. Second, tea pricing disorder. There are about more than 30 tea producing countries around the world. Tea production scale expands unceasingly, but the output also increases gradually. According to relevant data show that tea production even exceeded tea consumption, which results in the oversupply of tea market phenomenon.

1.3. Problems facing China's tea export trade

Although China has a long tea culture, but with the development of the times, China's tea exports are also facing great problems. At present, China's tea export problems include: irrational varieties structure, fragile export market structure, lack of brand effect, imperfect quality assurance, etc.. The influence of traditional economy, the limitation of national economic development policy and the deficiency of innovation ability lead to the problems of tea export in China.

1) Variety structure is not reasonable

Green tea is the main part of China's tea exports, it has made an outstanding contribution to the increase of China's tea exports. Four years from 2009 to 2013 is the rapid development of green tea exports for the past four years. 2013 green tea exports increased by 17 thousand and 500 tons in 2009. However, compared with the rapid growth of green tea, black tea and specialty tea showed a downward trend. Black tea exports in 2009 was 9 thousand and 400 tons, while in 2013 dropped to a total of 3 thousand and 300 tons. Specialty tea fell from 4 thousand and 600 tons in 2009 to the year of 2013 tons of 2 thousand and 500 tons. This shows that China's tea export structure there are serious problems. Green tea exports increased year by year, which showed a good momentum of development. The development of Black Tea and special tea is more difficult. This unhealthy development model actually restricts the development of China's tea exports. We must promptly adjust the tea varieties structure.

2) Export market structure is fragile

China's tea exports in addition to product structure problems, but also the existence of market structure problems. China's tea export market has not changed for many years, mainly including Morocco, Japan, Russia, EU countries, the United States, including some developed

countries. Maintaining stable and extensive market structure in international trade is an important factor to maintain the competitiveness of export trade. But China's tea export trade market structure is more concentrated and fragile. China's tea export trade depends on these export countries are facing great risks. If these countries do any trade blockade on our country, then China's tea export trade will be immediately damaged.

3) *Tea brand effect is insufficient*

China has a very long tea culture, but also has many highly respected varieties. But these teas do not have a brand effect in the international market. Products such as tea, if people can not judge the quality of their circumstances tend to choose well-known brands. Create a Chinese ancient concept makes many merchants does not pay great attention to the brand. But the well-known brand is the key to enhance the competitiveness of Chinese tea in the international market. To build China's own tea brand is the key to enhance China's tea export value added.

4) *Quality health standard system to be improved*

Trademark and publicity is important, but the quality of the product is also an important part. In the international market competition to create products with recognition is a fundamental problem. International market, food product quality standards are relatively high. Foreign product quality testing is also quite strict. Once the quality inspection quarantine problems will cause a devastating blow to the brand effect. Therefore, it is of great significance and value to improve the national quality standards and improve the quality requirements.

2. China Tea Export Prospects and Competitiveness Analysis

2.1. Competitive index comparison of the world's major tea exporting countries

1) *International tea market share index comparison*

According to the analysis, we can draw the following conclusions: Sri Lanka, Kenya, China and India are the four most important countries in the world's tea exports, but also a strong competitive country. China, Kenya and Sri Lanka three countries tea exports stable development and rise. In contrast, India is showing a downward trend, and gradually lost the strength of the core competition in the field of tea exports.

2) *Trade competitiveness index*

Trade competition index refers to the proportion of products in the global market of similar products. Its calculation is the difference between export and import volume divided by total import and export. The TC index can eliminate the interference of other factors such as inflation to get a relatively reasonable and exact value (the value of the song is between -1 and 1). The closer the TC

index to 1 means the stronger the competition, and the closer it is to -1 means the weaker the competitiveness.

2.2. Factors affecting Chinese tea export competitiveness

1) *Macro factor analysis*

The first is the market factors. First of all, many countries in the world have tea demand, but only trade with more than and 30 countries. So our country in the international tea market share is low. Secondly, the current international market for the greatest demand for black tea, and green tea has gradually been favored. But China's tea exports to green tea has been maintained for many years. Again, in the world tea export market constantly influx of new high-quality tea. More importantly, a large number of high-quality green tea into the market. Vietnam and other countries on green tea wantonly planting is a great impact on China's tea exports.

Second is the policy factor. This mainly includes two aspects: first, China's domestic policy related to tea export support; two is the international tariff system reform. Since joining the world trade organization, China has actively pursued economic cooperation with other countries in the world, and at the same time promoted trade, and finally realized the most favored nation treatment with more than and 100 countries. This makes China's export tariffs lower, which in fact promote the export of Chinese tea.

2) *Micro factor analysis*

There are two important factors in the micro level analysis: firstly, quality and safety factors. At present, tea quality safety inspection includes the following content: pesticide residue, tea quality, Chen left, toxic heavy metal toxic and harmful microorganisms, dust pollution, non tea and other foreign bodies. China has a long history of the use of pesticides and fertilizers, so the soil and air have long been polluted, which will inevitably affect the quality of tea. And our tea production is small-scale. Therefore, China's tea production is lack of effective supervision, and technology and equipment are very backward.

The other one factor is the brand. There are serious information asymmetry in market trade, especially in international trade. This information asymmetry makes it difficult for consumers to confirm the quality of consumer goods. In this case, consumers in the purchase of products will be more concerned about the brand. China's tea export trade has never created a trusted international brand. Chinese tea in the international market is characterized by low added value, which mainly due to although Chinese tea did not build well-known brands.

3. Countermeasures of promoting Chinese tea export competitiveness

3.1. Government level related countermeasures

1) Policy support and assurance

Lack of government policy support is an important reason for unbalanced development of China's tea industry. The government should give financial support, especially in the tea industry policy, tea planting and processing land use, tea product publicity and other aspects to give priority to support. So the government should use finance and policies to guide the tea industry.

2) Clear tea quality standards

In China's current tea production, sanitation and quality standards are very vague and lagging. This largely limits the export of Chinese tea. Many tea consuming countries have attacked China's tea exports by using non-tariff barriers, which has frustrated China's tea export trade. The government must also be equipped with a sound inspection and supervision execution system.

3) Promote the improvement of international trade legislation

At present, China has a series of legislation in international trade, which also applies to some international trade laws and regulations. But in view of the new international trade environment, China's legislative work can not relax. Only by constantly perfecting the law can we adapt to the new trade environment and occupy a favorable position in the fierce international market competition.

3.2. Relevant countermeasures in Enterprises*1) Actively explore the international market*

Today China's tea export market is relatively narrow. Compared with the vast international tea consumption countries, China must actively expand the tea export market. China merchants to develop the international market is not alone can be completed, it is necessary to strengthen the cooperation between enterprises, and jointly build Chinese tea service platform. This not only helps to enhance the visibility of Chinese tea, but also help the circulation of information. This move is of great significance to the development of the international market.

2) Multi directional lifting tea quality

The competitiveness of Chinese tea in the international market is determined by quality. The quality directly determines the stability of the market. At the same time, the quality problem is also the enterprise can directly control aspects. Export tea product testing can not rely solely on national quality inspection. The establishment

of a sound quality inspection and supervision system is of great significance to the rapid development of enterprises.

3) Improve the influence of tea culture

Tea is different from ordinary food products, it has a unique oriental cultural connotation. The consumption of this cultural connotation has become a new wave in today's market consumption. The spread of tea culture objectively contributes to the formation of Chinese tea brand effect. Create a brand of Chinese tea and maintain a good brand image, which is of great value for the accurate positioning of Chinese tea market in the international market.

3.3. Industry Association role

Trade associations play an important role in the process of industry development, such as communicating enterprises and government, and promoting the exchange and exchange of information. For the export trade of Chinese tea, it is necessary to improve the functions of tea association in information exchange, technical exchange, market research, resource allocation and product inspection.

4. Conclusions

At present, China's tea exports are still in the growth phase, while the status in the international market is also growing, but China's tea exports there are some important problems. China's international competitiveness of tea is higher, but compared with Sri Lanka, Kenya, etc. there is still a small gap, and this gap is also caused by various reasons. Overall, China's tea export trade prospects for development is relatively broad. As long as the government, enterprises and industry associations to enhance the three aspects of cooperation in the tea export market. It can be predicted that China's tea export trade will certainly be considerable development.

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