#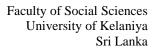 Factors influencing tea consumption behavior in Sri Lanka (with special reference to Ratmalana divisional secretariat in Colombo district)

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Abstract

Tea is one of the most popular beverages consumed worldwide (Chacko, Thambi, Kuttan, & Nishigaki, 2010). According to the statistics provided by economic and social statistics, Sri Lanka continues to retain in the position of being the third largest exporter and the fourth largest producer of tea (Central Bank of Sri Lanka, 2015).The present study was conducted to identify the factors affecting tea consumption among local customers in urban areas. The consumption behavior of tea was studied in Ratmalana divisional secretariat area in Colombo district using primary data. Data were collected using a structured questionnaire from 150 randomly selected customers at different supermarkets and cafes. Multiple linear regression analysis was employed to study the factors influencing the quantity of tea demanded (quantity of tea purchased) per month by the sample respondents. The study was focused on nine factors (age, family size, family income, number of years of education, number of cups consumed per day, price, monthly tea expenditure, advertisements and health awareness) with respect to the quantity of tea purchased per month. The results revealed that 88.7% of the respondents were tea consumers and only about 11.3% of respondents were non tea consumers. The consumers purchased on an average about 756.39g of tea powder every month. Hence, they're willing to pay Rs. 99.67 on average for 100g of tea. Age, family size, monthly tea expenditure and health awareness were the most significant factors. Influence of advertisements was the least influential factor. 49.6% of respondents were 19-30 years old and this was the age category that mostly consumed tea. Watawala and Lipton were most preferred brands among the consumers. The findings of empirical research suggested that people are more health conscious and are less likely to be influenced by advertisements but rather be influenced by family members. There is a need for integrated advertisement and sales promo especially for those brands that have low demand.

Keywords: tea consumption behavior, tea consumption

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