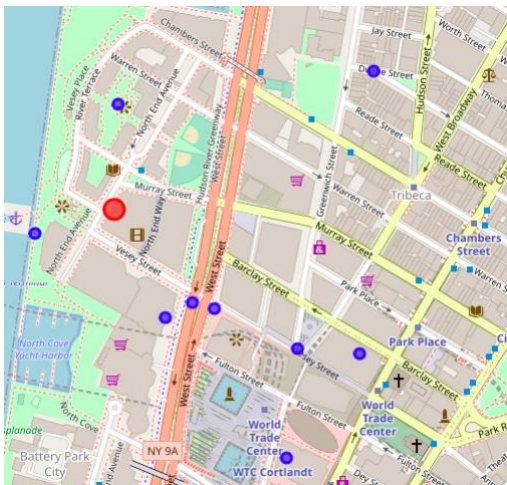


Industry Overview

Bubble tea is a traditional Taiwanese tea-based drink, containing tea, flavors of milk, and various toppings. The global market of bubble tea was worth \$5,379 million in 2016, while the market value was up to \$1.89 billion in 2018. Using tea as the base component, people can add different flavored tapioca balls based on their personal preferences. Tea is usually black tea, green tea, oolong tea, and white tea. The top three popular additives are popping boba, fruit jelly, and pudding. Bubble tea is also well-known for low-fat and low-calorie content.

We expect that the bubble tea industry keeps the momentum because of its low price, various taste. And the majority of market share comes from the Asian market. North America and Asia-Pacific generated more than 83% market share (North America owned 57%). The US occupied more than 97% of the North American market. Due to the high nutritional value, diversity of flavor, and low price, bubble tea is a strong substitute for coffee and carbonated drinks. In light of global markets, the bubble tea industry will boom in the next five years. However, based on a survey by Technomic, a food-services industry consulting firm estimates that there are only 1,000 bubble tea shops in the US. The bubble tea market is relatively small. On the other hand, Starbucks has nearly 14,300 shops in the US. We can witness how large the potential market for bubble tea in the US. The introduction of new flavors gives a great favor to market expansion and profit growth.



Business competition

As you can see, there are several bubble tea shops in Manhattan. The potential market is huge. Bubble tea is quite new for many New Yorkers. The score for bubble tea is around 8, which is good. I believe that the bubble tea shop is profitable and I strongly recommend my client to open his bubble tea shop in Manhattan.