

Title:

Loose Tea in the American Marketplace - Opportunities for Affiliates

Word Count:

840

Summary:

There is growing resurgence of demand for loose tea in the United States driven by a greater awareness of the health benefits and quality of the loose tea experience. As demand increases, new opportunities arise for the entrepreneur who wishes to market and sell loose tea.

Keywords:

Loose tea, affiliate programs, tea bags, affiliate commissions, marketing support, high quality loose tea, customer service, loose tea health benefits

Article Body:

The American tea market

Traditionally, the marketplace for tea drinkers in the United States has been limited.

Although loose tea was extremely popular in colonial times, the consumption of loose tea gradually changed and recently the American market for tea has been generally confined to iced tea and tea in bags.

Loose tea was introduced to America at the same time of introduction to Europe. As early as 1650 Dutch traders were active in the tea trade and Peter Stuyvesant, as an early governor of the New York colony, brought the first tea to New York. Loose tea was so popular in colonial New York that at one time the small colony consumed more loose tea than all of England. This popularity was equally evident in the other colonies.

Gradually however, the American tea market changed. America made two unique contributions to the tea world in the form of iced tea and the tea bag and both were invented in the early 1900's. Presently, 80% of the tea consumed in the United States is iced tea and of the remaining 20% of tea consumption, most is consumed in the form of bagged tea.

There is growing resurgence of demand for loose tea in the United States however, driven by a greater awareness of the health benefits and quality of the

loose tea experience. As demand increases, new opportunities arise for the entrepreneur who wishes to market and sell loose tea.

How do loose tea and tea bags compare?

Most experts compare loose tea and tea in bags in four ways:

1. Most of the tea that goes into bags is not high quality. Tea bags usually contain broken grades so infusion takes place quickly
2. Whole leaf loose teas come in a larger number of varieties than bagged tea and some higher quality teas are only found in loose offerings
3. Bags are semi-nonbiodegradable additions to biodegradable tea leaves with implications for the environment
4. Generally speaking, tea bags offer greater convenience although e-commerce now offers tea drinkers the convenience of on line ordering and home delivery

Is loose tea more costly than tea bags?

Many advocates of bagged tea believe that loose tea costs more than tea in bags. Actually, most good tea is not very expensive and can be very cost effective. When you buy tea in bags, most of what you pay for is the process of putting the teas in the bags, and the brand name advertising. Fancy tea is generally sold loose, and the price per cup is often lower than for commercial bagged tea.

Some truly fine teas retail in the United States retail for less than US\$20 per pound, which means less than 10 cents per cup. When one considers that most loose teas support multiple infusions the prices drop dramatically. High quality loose leaf tea is typically not available in supermarkets; but a good mail order web site will accept and process orders rapidly and offer the convenience of home delivery.

E-commerce and affiliate programs

Opportunities for sale of loose tea are particularly attractive when combined with effective e-commerce through affiliate programs.

The affiliate arrangement is a way for a company to sell its products by signing up individuals or companies ("affiliates") who market the company's products for

a commission.

Affiliate programs afford a small entrepreneur the ability to leverage the website of the tea manufacturer through their own affiliate site. Through this technique the affiliate can minimize their investment and maximize their return. An affiliate relationship is established by agreement between the affiliate and the manufacturer whereby each party benefits.

There is more to an affiliate relationship than a simple agreement however. The affiliate must be provided with marketing support, account feedback and prompt payment of earned commissions. Most good affiliate programs share a number of characteristics:

- Real-time reporting statistics
- Real-time email alerts upon each sale
- Payment on a consistent monthly basis for initial and repeat orders
- High price-point products that are easy to sell and allow for substantial affiliate commissions
- A comprehensive package of rich content articles and banner advertising that the affiliate can reprint and use for marketing

Of special note for marketing support is the availability of banner ads that are high quality and effective. These are particularly useful affiliate marketing tools.

The customer service issue:

Tea drinkers are very loyal but demand high quality products and premium customer service. As a result, customer service in the form of rapid and correct order processing and fulfillment, notification of orders and shipments, proper pricing and an emphasis on customer satisfaction is a necessary part of the affiliate relationship.

If customer service is inadequate then this will severely impact affiliate business and the affiliate reputation. Conversely, if customer satisfaction is high, a steady stream of repeat orders will be ensured and the affiliate will share in the additional revenue.

Choose a loose tea supplier that has a rich affiliate program, a reputation for

consistent high quality products, an e-commerce site that is powerful and allows easy ordering and a company with a reputation for excellent customer service.