

exporteers

Why be a distributor for Blooming Tea

in the German market?

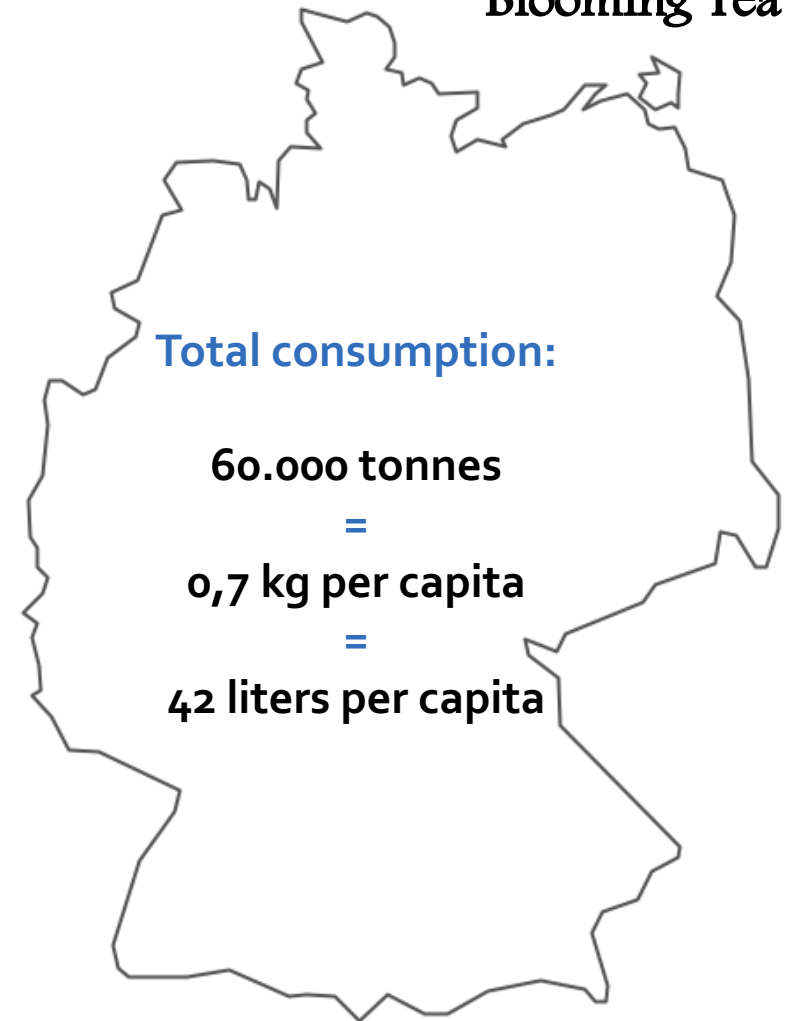
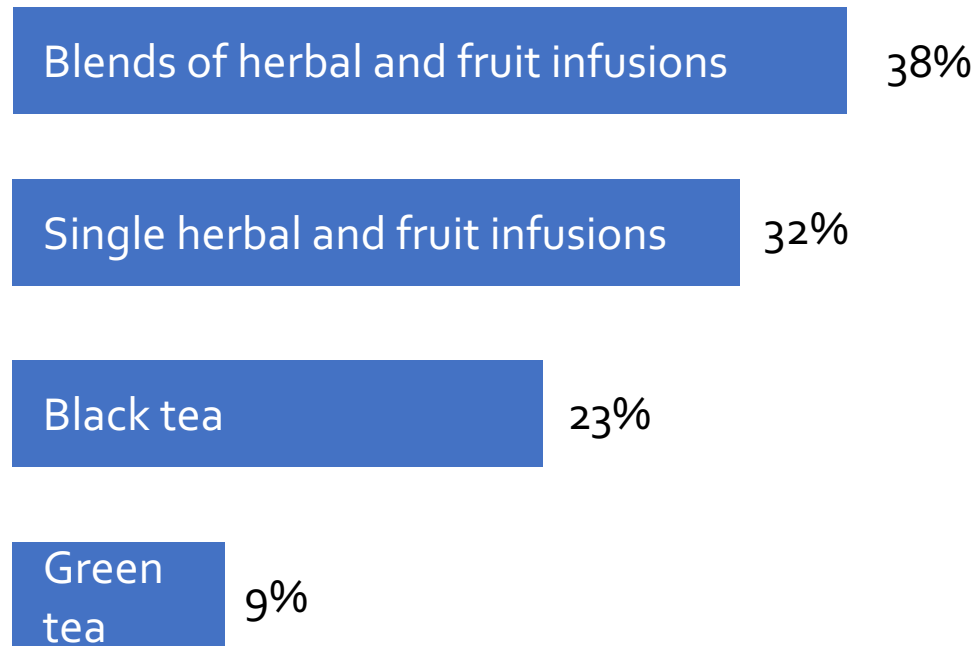


Blooming Tea: the natural tea



- Blooming Tea is already an established brand in the UK, but we want to enter the German market
- The tea distinguishes itself from mainstream brand because:
 - The tastes are not mainstream and bold
 - The ingredients are all natural (although not organic)
 - The packaging is modern and stylish
- The brand story focuses on going back to nature and drink tea as it was supposed to be

We are interested in the German market as tea consumption is high



Meßmer and Teekanne dominate the market and also get the most of your shelf space



Supermarket	Meßmer earl grey	Teekanne earl grey
Edeka	€ 1,95	€ 1,99
Rewe	€ 1,89	€ 1,99
Aldi	not offered	not offered
Kaufland	€ 1,99	€ 1,99
Netto	€ 1,75	not offered
DM	€ 1,75	€ 1,85
Rossmann	not offered	€ 1,79



We see room for Blooming Tea in the sub-premium segment



- The middle of the market is fully occupied by German players, selling under € 2
- Discounters have their own private label brands
- The top end is occupied by organic brands, selling for around € 3 and higher.
- For 'medical teas' the market is taken by Bad Heilbrunner
- There is no offering in the segment between € 2 and € 3

Yogi, Cupper, Pukka and other organic brands

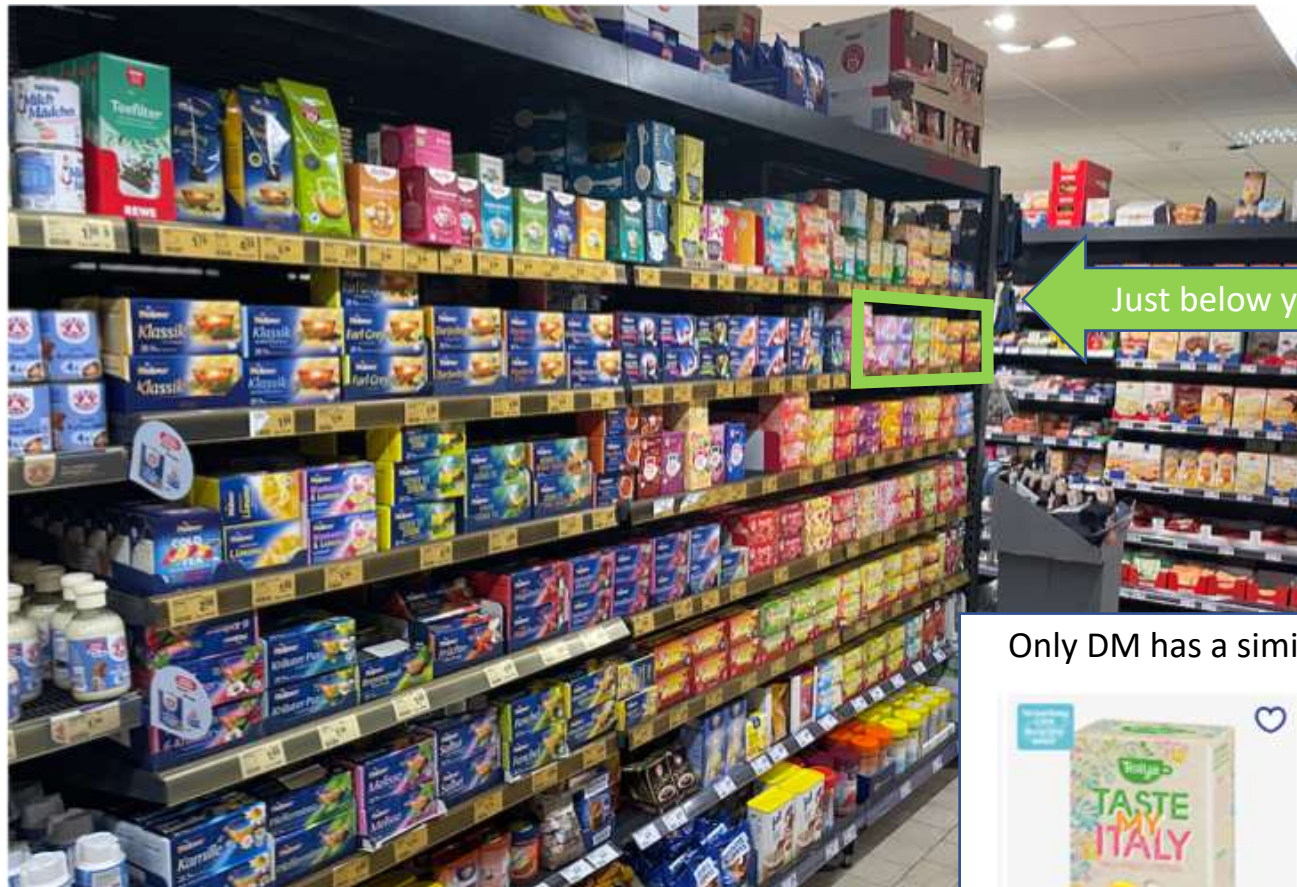
Blooming Tea

Meßmer and Teekanne

Bad Heilbrunner

Private label brands like Westcliff or Goldmännchen

Blooming Tea could here replace part of the more exotic Meißner flavours



Just below your organic teas

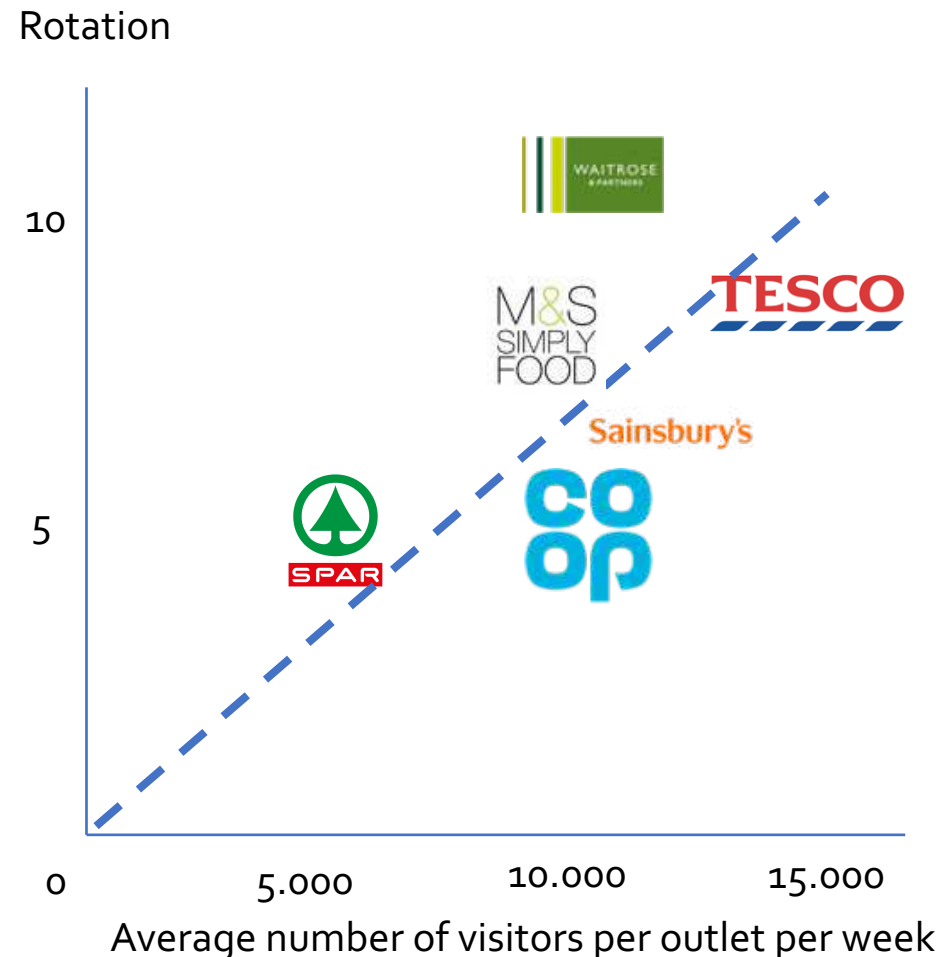
Only DM has a similar offering, with its 'Taste my' range



Blooming Tea has good rotation, as proven in the UK



- In the UK, we are present in six major supermarkets
- Rotation per SKU in smaller supermarkets is 5 per week, in larger supermarkets up to 11 per week
- Rotation per website visitor in online specialised tea and luxury stores is even higher
- Through our web shop, we already sell online to German customers

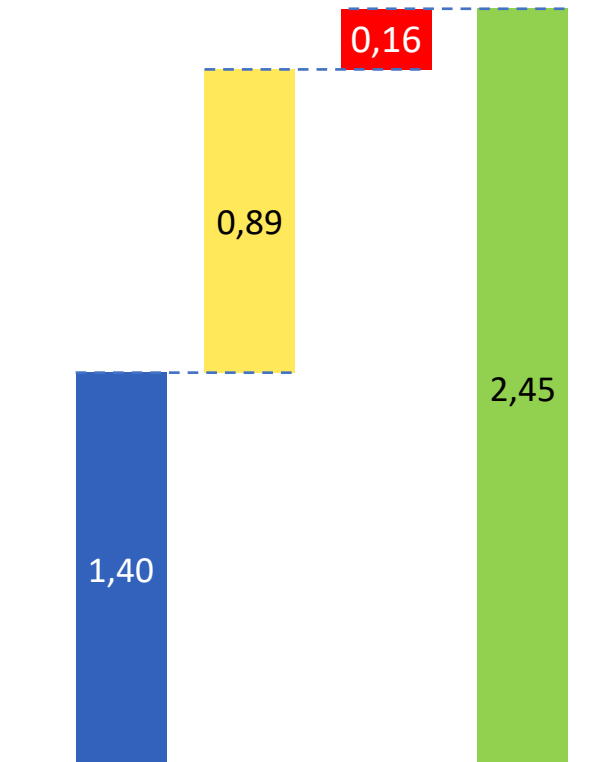


We provide a fair retailer margin



Calculations for Germany:

- With a consumer price of € 2,45, € 2,29 remains after deducting 7% VAT
- We deliver our tea in your central warehouse in Germany for € 1,40 per box
- This leaves € 0,89 as your distribution/retail margin per box, which is 38% of the ex-VAT sales price



Packaging design and distribution



- Our boxes are upright so you can present more SKU in the same space
- We prefer to deliver per 20ft container, which is 18.000 boxes, to your central warehouse
- Any faulty or damaged goods can be reported and destroyed after our approval. We will settle this with the next shipment



We want to invest co-invest in marketing communications with you



Means	Estimated costs	% for Blooming Tea	% for partner
Packaging translations & adjustments	€ 7.000	100%	0%
Social media setup & management for 2 years	€ 20.000	100%	0%
Magazine advertisements	€ 140.000	50%	50%
In-store promotions – samples	€ 60.000	90%	10%
In-store promotion – staff	€ 80.000	50%	50%
Sponsoring & events (budget for individual stores)	€ 50.000	50%	50%

Our product range can bring you over € 300.000 gross margin



- 500 supermarkets
- on average 3 SKU
- modest rotation of 5 / week
- times € 0,89 margin per box
- times 50 weeks per year

= € 333.750

Which is most likely more than the margin you are getting now from 3 additional SKU of Meßmer tea, that occupy even more shelf space

We suggest to do a trial in 10 outlets, for which we will provide free stock



- In order to get German rotation data, we suggest to do a trial with 1000 boxes spread over 10 of your supermarkets in Berlin
- This is the city where we have the highest number of German online shoppers for Blooming tea
- The set will consist of three flavours/SKU. We will use our UK packaging with German stickering
- We can provide the boxes for free, so that you have no financial risk and we don't need a formal purchasing order
- We expect that these boxes will be sold within two months, with a rotation up to 5 per supermarket per week.

Do you need support with identifying and convincing distributors or retailers?

- Exporteers has local teams in over 30 countries around the world
- They help you with finding and approaching the right distributors, retailers or web shops
- We dive into your product or service, collect feedback from the market and help you improve your distributor pitch



See for more info

exporteers.com