

Retail Innovation Shout-Out: Teabox Modernizes High End Tea

by Amanda Rouse

The high-end tea market is blossoming world-wide. A recent New York Times [article](#) states that “tea drinking growth rates are overtaking coffee” and “the addressable global tea market is estimated at \$90 billion.” Starbucks recognized this trend and acquired Atlanta, GA based [Teavana](#) specialty tea retailer in 4th quarter of 2012. Another example is Paris, France based [Kusmi Tea](#), which markets Russian-style tea blends globally to high end consumers.

Venture capital firm, Accel Partners, is banking on this gourmet tea trend and has backed the online specialty tea retailer, [Teabox](#), based in India. Teabox aims to become the country’s first billion-dollar tea brand by innovating and employing high-tech practices in an industry where many growers maintain antiquated accounting and sourcing methods.

Teabox is targeting a global market and has shipped orders to at least 65 countries. For optimal product freshness, they utilize local sourcing centers in India and fulfillment centers in Russia, the U.S. and Australia. Teabox has been utilizing modern innovations such as “product discovery” – bringing in tasters to provide the best flavor descriptions for the web-shop. In addition, data analytics and algorithms are used to predict consumer behavior, capture market intelligence, and offer individualized product recommendations.

Teabox has an opportunity to revolutionize global Indian tea sales and capitalize on the consumer trends of gourmet tea blends and sustainable sourcing. The future remains to be seen, but I’m sure that innovation will continue to play a strategic role.

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