

Research on the Factors Influencing the Sales of Fenghuang Dancong Tea

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Abstract: As a representative of China's high-quality oolong tea, Phoenix Dancong tea has important cultural, economic and agricultural value. This article investigates and analyzes the individual factors affecting the sales volume of Fenghuang Dancong tea. It introduces the history, characteristics, and market background of Fenghuang Dancong tea, as well as the significance of this study. By examining historical sales data, the study analyzes the trends in sales volume and infers the causes behind these changes. Furthermore, it explores additional potential factors influencing the tea's sales. The findings suggest that agricultural yield, product promotion and marketing, packaging quality and design, consumer experience, and competition from other products in the market all play significant roles in influencing Fenghuang Dancong tea's sales. Through research, this article proposes that Phoenix Dancong Tea can enhance brand awareness, strengthen consumer resonance, expand market influence, and ultimately drive continued growth in sales and cultural identity by integrating traditional packaging culture, continuously improving economic levels, and live e-commerce.

1 INTRODUCTION


Chinese tea boasts a long history, with its development positively impacting social progress across different historical periods. The Chaozhou Fenghuang Dancong Tea Cultural System holds remarkable economic and social functions. Economically, local residents in Fenghuang Town rely on cultivating and selling Dancong tea for their livelihood, making it the primary local industry. Socially, as an agricultural cultural heritage, Fenghuang Dancong tea has integrated with tourism and processing industries, thereby expanding agricultural functions, reducing unemployment, and driving local economic and social development (Yang, 2023).

Since 2020, as China entered the phase of building a moderately prosperous society, the rising living standards have led to an increased demand for quality of life. As a traditional beverage, tea consumption has also grown, along with market demand. With the advancement of globalization and widespread internet access, public awareness of tea culture has deepened. Platforms such as short videos, online games promoting Chinese tea culture, and virtual

tourism have enhanced tea culture dissemination and stimulated interest and purchasing intentions among consumers.

The internet has become a vital medium for information dissemination, driving both tea culture promotion and the expansion of the tea market. The tea industry not only has advantages in trade but also complements other sectors. It contributes to national economic development and tourism, with the tea tourism market exceeding 100 billion RMB in 2023. Internationally, tea culture serves as a key bridge, attracting more countries and enterprises to engage in tea-related economic activities.

The rise of digital marketing has supported various industries, including tea. In 1994, China's tea production was approximately 180,000 tons. From 1994 to 1999, tea exports grew by 11%, reaching 286,000 tons by 2005, an increase of 26%. By 2020, China's tea exports fluctuated between 320,000 and 350,000 tons. However, in recent years, average export volumes have declined, dropping from 367,500 tons in 2023 to approximately 340,000 tons in 2024—a 7.56% year-on-year decrease. Overall, over two decades, China's total tea export revenue reached around \$20 billion USD.

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Given tea's significant role in international trade and economic development, its market sales have drawn increasing attention from entrepreneurs. Therefore, boosting tea sales has become a key concern for many businesses. Achieving steady growth in tea sales requires an in-depth understanding of influencing factors such as the tea's growing environment—including temperature, humidity, wind, soil, and rainfall—as well as marketing channels like live broadcast e-commerce, cultural promotion, and international trade events.

As a relatively niche tea category, Fenghuang Dancong tea still holds strong market potential. This study aims to identify and analyze the factors influencing its sales to enhance its competitiveness and promote the development of the tea industry.

2 MARKET BACKGROUND AND DEVELOPMENT TRENDS

2.1 Introduction to Fenghuang Dancong Tea

Fenghuang Dancong tea is a type of oolong tea produced in Chao'an District, Chaozhou City, Guangdong Province. One of its key characteristics is its wide range of aromas—up to 18 types—including Huangzhi aroma, Tongtian aroma, Pomelo flower aroma and more, earning it the nickname “perfume of teas.” The existing mother tree is over 300 years old, and the history of this tea can be traced back to the Song Dynasty, more than 900 years ago.

According to legend, during the late Nansong Dynasty, Emperor Zhao Bing fled to the Chaoshan area. Thirsty and exhausted, he was offered fresh tea leaves picked from Fenghuang Mountain by his servant. After chewing the leaves, he felt revitalized and named the tea “Song Tea.” Another tale tells of a phoenix bird delivering tea leaves to the emperor, leading to the nickname “Bird Beak Tea” (Yang, 2024).

In ancient times, people cultivated tea without trimming the branches or leaves, allowing the tea plants to grow freely. As a result, the branches and leaves of different tea trees intertwined, and the plants were scattered like stars across the land. Later, during the Qing Dynasty, in order to improve the quality of tea, people began selecting and cultivating individual tea trees. They adopted the method of single-plant picking, processing, and selling, separating tea trees of varying quality for individual cultivation. At that time, over ten thousand ancient tea trees of differing

quality were managed using this single-plant method. This approach of cultivating individual plants is what later came to be known as “Dancong” (meaning “single cluster”). Passed down through generations, this tea came to be known as Fenghuang Dancong tea.

2.2 Market Background

Fenghuang Dancong tea is a major industry in the Chaozhou region. Though not as well-known as West Lake Longjing or Dahongpao, it has gradually expanded its market since the Qing Dynasty. During the Guangxu era, it spread to Southeast Asia via traveling merchants, and later to Europe, Africa, and the Americas (Zhang, 2022). In the mid-20th century, the Fenghuang Dancong tea industry experienced a revival and began to expand its market presence once again. Although it did not become a household name, it has received numerous domestic and international awards in recent years. From 1995 to 2020, it earned no fewer than 25 honors. Fenghuang Dancong tea has also made progress in terms of cultural heritage. In Dongxing Village, Fenghuang Town, Chao'an District, Chaozhou City, Guangdong Province, several Fenghuang Dancong Tea Museums have been established. These museums provide visitors with information about Fenghuang Dancong tea and have been carefully designed to include various themed areas, such as a tea culture exhibition hall, a specimen museum of the “Song Tea No.1” at the Fenghuang Dancong Tea Research Institute, and a tea ware exhibition hall, forming a comprehensive cultural hub dedicated to Dancong tea.

The Chaozhou Fenghuang Dancong Tea Museum serves as an influential platform for the preservation and promotion of Dancong tea culture, helping more people learn about Fenghuang Dancong tea. In doing so, it not only spreads the tea culture but also instills a sense of cultural pride among local residents. In recent years, the culture of the Chaoshan region has spread widely across the country. Traditional cultural elements such as the Yingge dance, Chaoshan cuisine, and Chao embroidery have significantly boosted the region's tourism industry. With the continuous growth of local tourism and a steady increase in the annual number of visitors, the popularity of Fenghuang Dancong tea has also risen. As a result of these factors—including awards, cultural promotion, and tourism—Fenghuang Dancong tea has gradually expanded its market reach. (Xu, 2022)

2.3 Growth Conditions

Agricultural output is the most fundamental and primary factor affecting tea sales. The growth of

Fenghuang Dancong tea is mainly influenced by the following aspects: geographical conditions, soil conditions, climate conditions, and cultivation management.

Altitude: Typically grown at elevations between 600–1500 meters, where misty climates and abundant rainfall enhance amino acid and aromatic compound accumulation, improving flavor and reducing bitterness. Higher altitudes also mean fewer pests.

Soil conditions: The cultivation of this tea requires very specific soil conditions. Fenghuang Dancong tea thrives in deep layers of yellow and red soils with a pH value between 4.5 and 6.5. These soils are rich in various organic substances, which promote the tea plant's metabolism and enhance the aroma of the tea leaves.

Climate: Produced primarily in Fenghuang Mountain, Chaozhou, which has an average annual

temperature of 20°C and annual rainfall of 1600–1800 mm—perfect for year-round tea cultivation.

3 ANALYSIS OF FACTORS INFLUENCING SALES OF FENGHUANG DANCONG TEA

The output of tea is the foundation of market supply. According to the survey (Weng & Ke, 2024), from 2019 to 2023, the tea planting area and the total output in Chaozhou City are shown in Figure 1. The blue line represents the planting area, and the yellow line represents the total output.

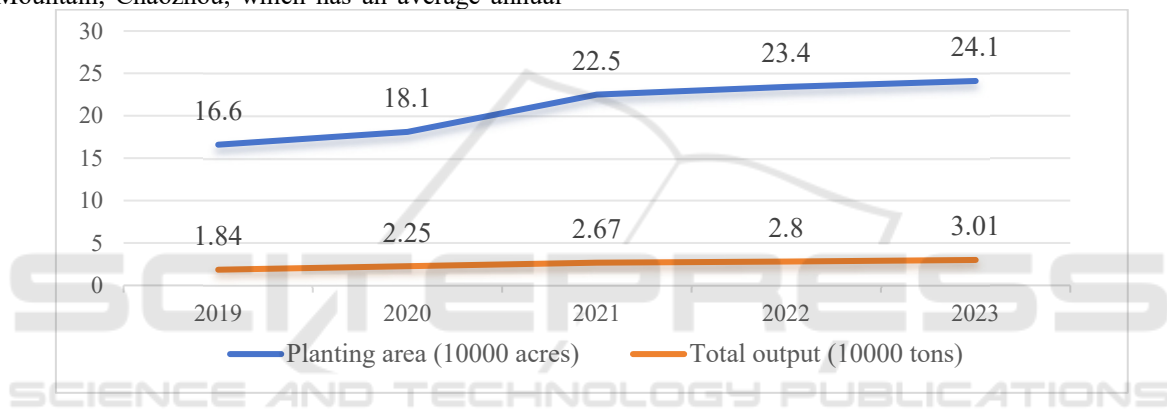


Figure 1: The changing trends of tea planting area and total output in chaozhou city from 2019 to 2023 (Photo/Picture credit: Original).

As can be seen from Figure 1, both the planting area and the total output of Fenghuang Dancong tea showed an upward trend within these five years. However, the agricultural production efficiency did not exhibit a completely positive growth trend.

Set the planting area and the total output as the independent variable and the dependent variable respectively, and draw the chart as shown in Figure 2.

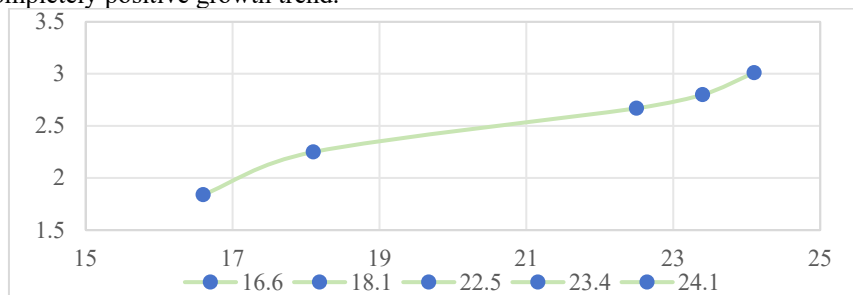


Figure 2: The relationship between the planting area and the total output of fenghuang dancong tea (Photo/Picture credit: Original).

As can be seen from Figure 2, with the increase of the planting area, the total output generally shows an

upward trend. At first, the output grew rapidly, but then the growth rate slowed down, showing a certain

non-linear relationship. After the planting area was further expanded, the growth rate of the total output rose again, indicating that the impact of the planting scale on the output may have phased changes. This may reflect some challenges faced in the planting process, such as labor shortages, climate change and other factors. These issues may affect the production efficiency and quality of tea, and thus affect the market supply.

In recent years, with the rapid economic development, there are more and more tea brands. However, the popularity of Fenghuang Dancong tea is far less than that of some popular teas, such as West Lake Longjing and Dahongpao, and it does not have an advantage in the current domestic tea market. The insufficient publicity ability of Fenghuang Dancong tea is also the main reason for this problem, and the publicity ability also has a certain relationship with the quality of tea packaging design (Chen & Shen, 2023).

Product packaging is one of the factors affecting tea sales. With the simultaneous development of the modern and fashionable economy, more people's focus when purchasing products has expanded from only the product quality to the appearance of the products. More people are willing to buy products with a more exquisite appearance, in line with their personal aesthetics, and following the trend of the times. The packaging of products has become the focus of many people.

However, the survey found that the sales volume of many products with beautifully packaged appearances still cannot be increased, and even the increase in costs leads to the inability to operate. In response to this problem, research shows that traditional culture can not only enhance the sense of imagery of packaging design, but also deepen the ideological core and emotional expression of packaging design, meet consumers' spiritual needs for products, and is conducive to shaping the brand image of products with an inner core (Lü & Zeng, 2024). Therefore, merely exquisite and gorgeous packaging cannot effectively impress consumers in the long term.

Products combined with traditional culture are endowed with other profound meanings by culture. Making full use of the combination of modern aesthetics and ancient cultural art makes the packaging images more unique. Coupled with images full of a sense of storytelling, the packaging is not only a display of painting creation, but also a narration of cultural stories, reflecting the cultural connotation and spiritual significance of the commodities (Zhang, 2019), which can better attract

consumers' attention, increase market demand and thus improve sales.

Take the Gannan Tea-picking Opera as an example. The Gannan Tea-picking Opera was originally a form of folk art born out of the culture of tea planting. Over time, it has combined songs, dances and operas, and presented many stories of Gannan to the audience in the form of popular art dance performances. This has made many teas with packaging combined with the Gannan Tea-picking Opera receive more attention and love, and the sales volume of tea has thus increased.

Incorporating the visual elements of the Gannan Tea-picking Opera into the tea packaging design can effectively help local brands achieve differentiation and create a unique brand identity. This differentiation lies not only in the visual uniqueness, but also in the deep cultural values and stories it conveys. In a highly competitive market, the shaping of such a cultural brand helps local brands stand out and attract consumers who seek unique cultural experiences and emotional resonance (Li & Wu, 2025).

Category competition is one of the factors influencing consumers' purchasing decisions. Fenghuang Dancong tea is not particularly famous or popular among tea categories. According to the data, the most popular tea in the world is black tea, with an annual global production of 3.52 million tons. The average annual output value of Chinese black tea is 50 billion yuan. Green tea is the best-selling tea in China, and its most representative varieties are West Lake Longjing, Dongting Biluochun, and Huangshan Maofeng. As a tea with a long history, green tea also has a considerable output and economic contribution, with an internal sales volume of about 198 billion yuan, accounting for 59.1% of the total sales volume. However, oolong tea, to which Fenghuang Dancong tea belongs, has an internal sales volume of 31.1 billion yuan in China, accounting for only 9.3% of the total sales volume. As shown in Table 1:

Table 1: Approximate Internal Sales Volume of the Top Five Teas in China in 2023 and Their Approximate Proportions in the Past Five Years

Type	Domestic sales revenue (in billions of yuan)	Proportion
green tea	1978	60%
red tea	561	16%
black tea	358.6	12%
oolong	311	9%
white tea	107.5	3%

The market of substitute products can also affect the sales volume of Fenghuang Dancong tea. Coffee

is a strong competitor to tea. The proportion of the global population drinking coffee and tea is approximately 1:2. Although the consumption volume of tea is higher than that of coffee, second only to water, influenced by social fashion and culture, contemporary young people also choose to drink coffee.

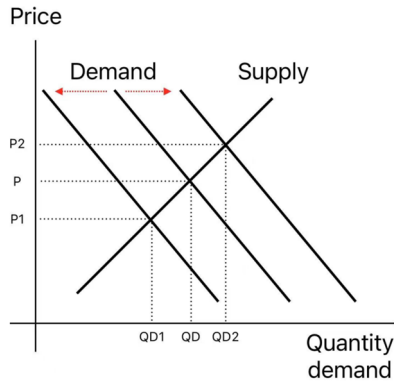


Figure 3: Microeconomic demand and supply diagram (Photo/Picture credit: Original).

As can be seen from Figure 3, when the price of a substitute for a commodity changes, it will also cause changes in the quantity demanded and supplied of this commodity, thus affecting the transaction volume. When the price of the substitute decreases, people's demand for the substitute may be greater than that for the original commodity. People are more willing to buy the substitute, resulting in a decrease in the demand for the original commodity, and the demand curve shifts to the left. Under the condition of unchanged supply, if the quantity demanded increases from QD to QD1, the price will also increase from P to P1. Otherwise, the opposite will occur, which will lead to a decrease in the sales volume of the original commodity.

Combining Table 1 and Figure 3, it can be known that the sales volume of oolong tea accounts for less than 10% of the total, and it has top three competitors, namely green tea, black tea, and dark tea. When these substitute tea categories of Fenghuang Dancong tea are popular, it is very likely to lead to a decline in the demand for oolong tea, thus restricting the sales volume of oolong tea. The number of people who drink both tea and coffee is not large. As a substitute for tea in general, coffee has an absolute impact on the demand for Fenghuang Dancong tea. Currently, Fenghuang Dancong tea is still a niche category of oolong tea. Under these restrictive conditions, there are great challenges in increasing the sales volume of Fenghuang Dancong tea.

4 SUGGESTIONS

In the marketing strategy of Fenghuang Dancong tea, packaging design that incorporates traditional cultural elements is an effective approach to boost sales.

Firstly, integrate the historical tales of Fenghuang Dancong tea. Narrate the legend of the phoenix presenting the tea, and design the packaging in combination with the image of the phoenix. This can showcase the cultural charm of the legendary Chinese creature and emphasize the characteristics of the name of Fenghuang Dancong tea.

Secondly, combine the traditional cultures of the Chaoshan region, such as elements of Yingge Dance, Chaoshan Opera, Chaoshan Embroidery, and Chaoshan Woodcarving. Leverage the development of the Internet to enable wider dissemination of these traditional cultures. This will enhance the cultural connotations of the product and elevate consumers' sense of cultural identity. The incorporation of local traditional culture can evoke a strong resonance among consumers, making them more inclined to purchase and promote the product.

In this way, the packaging design that combines cultural stories can not only highlight the uniqueness of the brand but also expand the market reach and increase sales.

With the continuous improvement of the national economic standard, tea, as a normal good, has experienced a steady increase in demand. A normal good is defined as a product for which demand increases as consumers' income rises. The rise in economic levels implies that individuals have greater disposable income, enabling them to allocate more financial resources toward discretionary consumption. As a result, purchasing power is enhanced, which is positively correlated with overall market sales volume.

According to official statistics, China's GDP reached 134.9 trillion yuan in 2024, with per capita GDP approaching 90,000 yuan, reflecting a notable increase compared to previous years. Correspondingly, the total sales volume of tea products also exhibited sustained growth. In the post-pandemic period, both China's GDP and the production efficiency of Fenghuang Dancong tea have improved significantly. These developments have contributed to the continuous rise in the sales of Fenghuang Dancong tea.

Live - streaming e - commerce has become a major trend in product sales (Ge, Fang & Qiu, 2022). Fenghuang Dancong tea enterprises should enter the Internet and participate in live - streaming e -

commerce. According to data surveys, the online sales volume of most commodities is far more than twice that of offline sales. The marketing methods of live - streaming e - commerce and online sales have a very obvious effect on stimulating people's consumption (Yu, 2025).

5 CONCLUSION

The agricultural production efficiency of Fenghuang Dancong tea is directly related to the total output. Innovative publicity and the integration of traditional culture, as well as the popularity of the Chaoshan - region culture in packaging, have an impact on the number of consumers and the amount of consumption. The market for substitute products such as coffee and other varieties of tea also affects the demand for Fenghuang Dancong tea and, consequently, the number of consumers. The economic level of the people and the increase in people's purchasing power can both influence the sales volume of Fenghuang Dancong tea.

Currently, there is still a problem of a small number of enterprises operating Fenghuang Dancong tea, and large - scale sales stores for Fenghuang Dancong tea have not been realized. There is great room for progress in the development of the tertiary industry. The Internet has become a social medium for people, and most people spend most of their time online. With the development of scientific and technological levels and the assistance of artificial intelligence, the efficiency of more and more enterprises will be improved, and the development of Fenghuang Dancong tea can continue to progress.

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