

## China's coffee market to reach \$32 Bn by 2025

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Coffee is gaining steam in the huge Chinese consumption market. Chain outlets and niche caf s have sprung up across the country.

Daxue Consulting, a market research firm, reported that China's coffee market is expected to consume 10 cups of coffee per capita this year, while China's total coffee market value will reach 219 billion yuan (about \$32 billion) by 2025, with an estimated compound annual growth of 22 per cent.

Such buoyant figures certainly boost confidence in the coffee industry. During the third China International Consumer Products Expo (CICPE), visitors can know about the latest coffee bean roasting technologies and manufacturing techniques for capsule coffee and instant freeze-dried coffee, while tasting the original Italian espresso at the national pavilion of Italy, this year's guest country of honour.

As the aromatic substances and grease of the coffee in the bean barrels remain intact via the inert gas pressurisation technology adopted by illycaff , an Italian coffee brand, staff at the brand's booth are able to share the authentic flavour with on-site coffee fans, according to Cui Yujun, manager of illycaff  Shanghai Co., Ltd.

According to the Xinhua news agency, the foreign coffee brand has made expanding its market share in China one of its core goals over recent years. Its sales in China in the first half of 2022 increased by 16 per cent from the same period of the previous year.

The Italian company also looks forward to learning from counterparts in China, with the aim of rolling out more customised products for younger consumers.

Meanwhile, illycaffè has pledged to achieve carbon neutrality by 2033. The company's eco-friendly targets tally with the green, smart and fashionable consumption concepts advocated at the expo.

More and more coffee brands in the country and abroad have teamed up to settle in the island province of Hainan thanks to the expo. C.P. Group from Thailand took over a coffee factory in Hainan in 2020, aiming to revive the local Sun River Coffee, which has a brand history of more than 70 years.

After upgrading and renovation, a modern industrial park that integrates coffee processing and tourism was built, with various coffee products using local beans launched.

"With Robusta coffee beans planted in Hainan as the core, we encourage the farmers to grow coffee beans, expand their production, improve the quality as well as inherit the local charcoal burning techniques," said Zhao Jinlong, general manager of Chia Tai (Hainan) Xinglong Coffee Industry Development Co., Ltd.

"We will also take advantage of the favourable policies of the Hainan free trade port to buy beans from all over the world for further processing in Hainan, and then sell them outside the island," Zhao added.