

**DETERMINANTS OF TEA EXPORTERS' INTENTION
TO IMPORT OTHER ORIGIN ORTHODOX TEA**

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ABSTRACT

Importation commonly refers to the bringing of goods into a customer's territory. At present Sri Lanka does not allow to import orthodox tea to the country. But still there is an intention to import other origin orthodox black tea to the country since it can be raised number of benefits to the overall tea industry. The attempt of this study was to find the determinants of the intention to import other origin Orthodox tea to the Sri Lanka and find the awareness tea exporters' on repercussions if implementation of liberalization of other origin orthodox tea.

The sample for the research study was selected using simple random sampling technique. The sample size was 90 tea export companies. Data were collected by using structured questionnaire and interviewing with exporters. Intention to import Other Origin Orthodox tea was measured using nine factors as cost of the production, market share, international competition, time period of the company started, experience of the manager, profit margin gained, number of value added products, quality of the Ceylon tea and scale of the company and the data were analyzed by using the probit regression model.

According to the results of this study, there are four factors which significantly affect intention to import other origin Orthodox tea. Those are cost of the production, market share, international competition, time period of the company started. Market Share, international competition and time period of the company started are signified at 5 % significance level and cost of production is signified under 10 % level. Cost of the production, international competition and the time period of the company started variables have a positive relationship with intention to import Other Origin Orthodox teas. Market share of the company has a negative relationship with the intention to import Other Origin Orthodox tea. Finally this study has concluded that most of the companies have the intention to import other origin teas under liberalization of Other Origin Orthodox tea importation.

Key words: Importation, Orthodox tea, Intention