

Determinants of Tea Exporters' Intention to Import Other Origin Orthodox Tea

M.A.D.T. Dilina¹, K.P.M. Kahandage¹, H.M.S.K. Herath¹, S. Yasarathne²
¹Department of Export Agriculture, Uva Wellassa University, Badulla, Sri Lanka
²Asia Siyaka Commodities PLC, Colombo 10, Sri Lanka

Currently, Sri Lanka allows importing all Cut, Tear, Curl (CTC) tea, green tea, organic tea and specialty tea but restricts Orthodox tea. Under such condition, exporters have a positive intention on importing Orthodox teas too. Therefore, this study attempted to find the determinants of intention to import other origin Orthodox tea to Sri Lanka and to assess awareness of tea exporters' on repercussions if importation of tea is liberalized. A sample with 90 tea export companies was randomly selected and data were collected using structured questionnaires and interviews. Regression analyses were undertaken to find determinants. According to descriptive analysis, large scale companies have the highest intention to import tea than small and medium companies. Moreover, it revealed that the companies having an intention to import Orthodox tea to the country are experiencing higher cost of production than no intention companies. As per the results, cost of production, market share, international competition and time period of company started significantly affected on the intention to import other origin Orthodox tea to the country.

Keywords: Importation, Orthodox tea, Intention